

# COUNCIL MEETING AGENDA

<b>Date</b>	<b>Wednesday, 11 December 2019</b>
<b>Venue</b>	Rous County Council Administration Office, Level 4, 218-232 Molesworth Street, Lismore
<b>Lunch</b>	12.30pm
<b>Meeting</b>	1.00pm

## AGENDA

### 1. Opening of the meeting

### 2. Acknowledgement of Country

*Council would like to show its respect and acknowledge the Traditional Custodians of the Land, of Elders past and present on which this meeting takes place.*

### 3. Public Access

- Water carriers' representative (refer Item 8. i.) *Expansion of water fill station network report*

### 4. Apologies and Leave of Absence

### 5. Confirmation of minutes of previous meetings

- i). Ordinary Council meeting 22 October 2019 ..... 1-5
- ii). Extraordinary Council meeting 20 November 2019..... 6-7

### 6. Disclosure of Interest

### 7. General Manager reports - Nil

### 8. Group Manager Planning reports

- i). Expansion of water fill station network ..... 8-13

### 9. Group Manager Corporate and Commercial reports

- i). Retail water customer account assistance ..... 14-15
- ii). Annual Financial Reports and Audit Report for the year ending 30 June 2019 . 16-17

**10. Group Manager People and Performance reports**

- i). Council issued delegation: General Manager ..... 18-21

**11. Policies**

- i). Policies for revocation..... 22-31

**12. Information reports (cover report)**

32

- i). Investments – November 2019 ..... 33-39
- ii). Water production and usage – October and November 2019 ..... 40-47
- iii). Audit, Risk and Improvement Committee: meeting update ..... 48-74
- iv). Annual ‘Model Code of Conduct Complaints Statistics’ report..... 75-78
- v). Reports/actions pending ..... 79-80

**13. Confidential (move into Closed Council)**

81

- i). Nightcap Water Treatment Plant – supply of bulk carbon dioxide ..... 82-84
- ii). Perradenya Release 6 – marketing strategy ..... 85-127

**14. Matters of urgency**

**15. Questions on Notice**

**16. Close of business**



Phillip Rudd  
General Manager

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# Rous County Council

## MINUTES OF ORDINARY COUNCIL MEETING

### 22 October 2019

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#### 1. OPENING OF THE MEETING

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Meeting commenced at 1.05pm

In attendance:

##### Councillors

Keith Williams (Chair), Sharon Cadwallader, Basil Cameron, Darlene Cook and Simon Richardson.

##### Staff

Phillip Rudd (General Manager), Guy Bezrouchko (Group Manager Corporate and Commercial), Andrew Logan (Planning Manager), Helen McNeil (Group Manager People and Performance), Philip Courtney (Group Manager Operations), Natalie Woodhead-Tiernan (Finance Manager), Ben Wilson (Risk and Compliance Coordinator), Amy Cahill (Governance Officer), and Noeline Smith (minute taker).

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#### 2. ACKNOWLEDGEMENT OF COUNTRY

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*Council showed its respect and acknowledged the Traditional Custodians of the Land, of all Elders, on which this meeting took place.*

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#### 3. PUBLIC ACCESS

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Adam Bradfield, on behalf of Thomas Noble and Russell and Audit Office of NSW, presented the Annual Financial Reports and Audit Report for year ending 30 June 2019.

**RESOLVED [71/19]** (Cameron/Cook) that the public access presentation be held after item 7. ii) of the agenda.

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#### 4. APOLOGIES AND LEAVE OF ABSENCE

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**RESOLVED [72/19]** (Cadwallader/Cook) that a Leave of Absence be granted to Cr Vanessa Ekins for this meeting.

**RESOLVED [73/19]** (Cameron/Richardson) apologies be received and accepted on behalf of Crs Sandra Humphrys and Robert Mustow.

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#### 5. CONFIRMATION OF MINUTES

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i). **Ordinary Council meeting minutes 21 August 2019** (182)

**RESOLVED [74/19]** (Cadwallader/Cameron) that the minutes of the meeting held 21 August 2019 be confirmed as presented.

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## 6. DISCLOSURE OF INTEREST

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Nil.

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## 7. GENERAL MANAGER REPORTS

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*Chair, Cr Williams vacated the chair.*

### i). Election of chairperson and deputy chairperson (320/12)

**RESOLVED [75/19]** (Cook/Cadwallader) that Council proceed with the election of a chairperson and deputy chairperson consistent with the election requirements for chairpersons of county councils in the *Local Government Act 1993* and the *Local Government (General) Regulation 2005* and that:

1. If there is more than one nomination, council resolve the method of election be open voting.
2. The result of the election (including the names of those elected) be declared at the meeting and that those elected hold office for one year.

- Election of chair

The General Manager advised the meeting that one nomination for chair was received: Cr Keith Williams.

The General Manager declared Cr Williams elected as Chair for the ensuing 12 months.

- Election of deputy chair

The General Manager advised the meeting that two nominations for deputy chair were received: Cr Ekins and Cr Cadwallader.

Following a show of hands, Cr Cadwallader was elected as Deputy Chair for the ensuing 12 months.

*Chair, Cr Keith Williams, resumed the chair.*

### ii). Council meeting schedule 2020 (320/12)

**RESOLVED [76/19]** (Cadwallader/Cameron) that Council determine its meeting schedule for 2020 with meetings to be held at 1.00pm at Rous County Council Administration office on: 19 February; 15 April; 17 June; 19 August; 21 October; 16 December.

### Public access

*Adam Bradfield, on behalf of Thomas Noble & Russell and Audit Office of NSW, presented on the Annual Financial reports and Auditor's report for year ending 30 June 2019.*

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## 8. GROUP MANAGER CORPORATE AND COMMERCIAL REPORTS

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### i). Annual Financial Reports and Audit Report for the year ending 30 June 2019 (2196/11)

**RESOLVED [77/19]** (Cook/Cadwallader) that Council:

1. In accordance with section 413 (2c) of the *Local Government Act 1993* and clause 215 of the *Local Government (General) Regulation 2005*, adopt the 2018/19 Audited Financial Reports and “Statement by Councillors and Management” for both the General Purpose Financial Reports and the Special Purpose Financial Reports, with the Chairperson and Deputy Chairperson delegated to sign on behalf of Council.
2. Present the 2018/19 Audited Financial Reports to the public at Council’s 18 December 2019 meeting.
3. Forward a copy of the 2018/19 Audited Financial Reports to the Office of Local Government.
4. Advertise the presentation of the draft 2018/19 Financial Reports to the public from Monday, 28 October 2019 and invite both inspection and submissions.
5. That Council acknowledge and thank the Finance team for their work in finalising the Annual Financial Statements for June 2019.

*Council thanked Adam Bradfield for his time and presentation.*

### ii). Quarterly Budget Review Statement for quarter ending 30 September 2019 (2333/13)

**RESOLVED [78/19]** (Cameron/Richardson) that Council note the results presented in the Quarterly Budget Review Statement as at 30 September 2019 and authorise the variations to the amounts from those previously estimated.

### iii). Retail water customer account assistance (2283/13)

**RESOLVED [79/19]** (Richardson/Cadwallader) that Council in accordance with section 356 (1) of the *Local Government Act 1993* and its ‘Retail Water Customer Account Assistance’ policy, approve financial assistance as listed in Table 1 of the report.

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## 9. PLANNING MANAGER REPORTS

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### i). Award of Contract – replacement of raw water pumps and associated electrical works (251.12/15)

**RESOLVED [80/19]** (Cadwallader/Cameron) that Council:

1. Receive and note the report.
2. Approve the transfer of \$100,000 of identified savings from deferred spending on the Lismore 900mm Trunk Main Corrosion Repairs budget and \$93,048 of remaining funds within the Rocky Creek Dam Aerator Renewal budget, to the budget for the replacement of four vertical turbine pumps and associated electrical works at Nightcap WTP.

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3. Approve the award of Contract No. 10021851 for the replacement of four vertical turbine pumps and associated electrical works at the Nightcap Water Treatment Plant to EMT Pty Ltd for \$997,734.97 excl. GST, subject to a Variation being issued on Award of Contract for the deletion or modification of a number of contract items, as detailed in this report, for a saving of \$175,002.22, and a revised Contract Price of \$822,732.75 excl. GST.

**ii). Award of Contract – Lismore 900mm trunk main corrosion repairs** (9.14/9)

**RESOLVED [81/19]** (Richardson/Cadwallader) that Council:

1. Council receive and note the report.
2. Approve the award of Contract No. 10023651 for the Lismore 900mm Trunk Main Corrosion Repairs to Advanced Concrete Engineering Ltd for a lump sum price of \$436,540.91 excl. GST.

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## **10. POLICIES**

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**i). Policies for revocation and adoption** (172/17)

**RESOLVED [82/19]** (Cadwallader/Cameron) that Council:

1. Revoke the following policies attached to this report and any policy revived as a result of the revocation:
  - i). Removal of Noxious Weeds (Trees) policy (FNCW) dated 4 March 2009;
  - ii). Reward for Information policy (RRCC) dated 13 June 2014;
  - iii). Fraud Control policy (ROUS) dated 21 February 2007.
2. Adopt the proposed policy titled 'Fraud and Corruption Control' as attached to the report.

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## **11. INFORMATION REPORTS**

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**i). Information reports** (1181)

**RESOLVED [83/19]** (Cameron/Cadwallader) that Council receive and note the following information reports:

1. Investments – September 2019
2. Water production and usage – August 2019 and September 2019
3. Fluoride plant dosing performance report – Q3, 2019
4. Audit, Risk and Improvement Committee: meeting update
5. Reports/actions pending
6. Disclosure of Interest 2018/19

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**12. MATTERS OF URGENCY**

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**RESOLVED [84/19]** (Cook/Cadwallader) that the following is considered a matter of urgency.

**RESOLVED [85/19]** (Cook/Cameron) that Council provide a submission to the proposed guidelines for Audit, Risk and Improvement Committees.

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**13. QUESTIONS ON NOTICE**

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Nil.

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**14. CLOSE OF BUSINESS**

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There being no further business the meeting closed at 2.34pm.

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# Rous County Council

## MINUTES OF EXTRAORDINARY COUNCIL MEETING

### 20 November 2019

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#### 1. OPENING OF THE MEETING

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Meeting commenced at 1.03pm

In attendance:

##### Councillors

Keith Williams (Chair), Sharon Cadwallader (Deputy Chair), Basil Cameron, Darlene Cook, Vanessa Ekins, Sandra Humphrys and Robert Mustow.

##### Staff

Phillip Rudd (General Manager), Guy Bezrouchko (Group Manager Corporate and Commercial), Helen McNeil (Group Manager People and Performance), Tom Lloyd (Group Manager Operations), Michael McKenzie (Future Water Strategy Project Manager), Samantha Watkins (Procurement and Properties Coordinator) and Noeline Smith (minute taker).

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#### 2. ACKNOWLEDGEMENT OF COUNTRY

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*Council showed its respect and acknowledged the Traditional Custodians of the Land, of all Elders, on which this meeting took place.*

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#### 3. PUBLIC ACCESS

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Nil.

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#### 4. APOLOGIES AND LEAVE OF ABSENCE

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**RESOLVED [86/19]** (Mustow/Cadwallader) that an apology be received and accepted on behalf of Cr Simon Richardson; and Leave of Absence be granted to Cr Vanessa Ekins from 12 December 2019 to 6 January 2020.

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#### 5. DISCLOSURE OF INTEREST

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Nil.

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#### 6. GENERAL MANAGER REPORT

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##### i). Drought management – Level 1 water restrictions

**RESOLVED [87/19]** (Cadwallader/Mustow) that Council:

1. Impose Level 1 water restrictions once Rocky Creek Dam falls to 70% of capacity, given the current water storage levels and the mid-term weather forecast.
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2. Authorise the allocation of \$30,000 to cover the likely costs of imposing water restrictions for the 2019/20 financial year.
  3. Authorise the General Manager to implement the use of target reduction percentages in demand until Level 3 is reached, when reassessment will occur.

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**7. CLOSE OF BUSINESS**

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There being no further business the meeting closed at 1.20pm.

## Expansion of water fill station network

(496)

**Business activity priority** Results and sustainable performance

**Goal 7** Sustainable performance

### RECOMMENDATION that Council:

1. Approve the installation of public access water fill stations at South Lismore and Bangalow for an estimated cost of \$90,000 excl. GST.
2. Approve the installation of two additional bulk water filling stations at North Lismore and Eureka / Bangalow for an estimated cost of \$60,000 excl. GST.

### Background

As a result of the prolonged drought conditions, the demand for water from customers not connected to town water supply is very high and will continue to increase until the region receives widespread and significant rainfall. These customers order water deliveries through commercial water cart operators (water carters) who purchase the water from the Rous County Council operated water fill station network.

The usage through the network over the last three months is shown below.

Month	Number of Visits	Litres	% of Total consumption from Rous bulk water supply network
September 2019	2340	25,392,030	2.38%
October 2019	3199	37,133,810	3.19%
November 2019	5176	53,372,040	4.11%

The usage by station for November 2019 is shown below.

Location	Number of visits	Litres	% of Total for all Stations
South Lismore (Krauss Avenue)	906	8,869,840	16.6%
Tyagarah (Grays Lane)	740	7,279,340	13.6%
Alstonville (Kays Lane)	724	7,445,380	13.9%
Bangalow (Rankin Drive)	713	8,497,600	15.9%
Clunes (Mackie Road)	490	5,512,860	10.3%
Wardell (Bath Street)	450	5,149,800	9.6%
Knockrow (Ross Lane)	432	4,540,080	8.5%
Nimbin (Cecil Street)	285	2,983,330	5.6%
Ballina (Southern Cross Drive)	280	1,381,240	2.6%
Coraki (Sheehan Road)	107	1,202,010	2.3%
Woodburn (Evans Head Road)	49	510,560	1.0%
<b>TOTAL</b>	<b>5176</b>	<b>53,372,040</b>	<b>100.00%</b>

Council staff have received advice from customers and water carters that wait times for water deliveries are generally between two and six weeks. Customers have also reported price increases due to the high demand. Further, the water carters have reported long queues of up to 2 hours at the water fill stations causing delays and reducing the number of deliveries per day.

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During recent months, Council staff have also received multiple enquiries each day from customers looking for public access points to the water supply to fill up smaller containers and 1000L Intermediate Bulk Containers (IBCs). Many of these customers are looking to collect their own water as they are unable to source an available water carter in a timely manner due to the high demand.

These customers are advised that the only available public access point in the Northern Rivers region is managed by Richmond Valley Council at their Nammoona Waste Facility in Casino, open during business hours. The location of this station is impractical for some customers on the coast and in northern parts of the region.

- **Water fill station network**

The existing water fill station network comprises 11 stations spread over the Lismore, Ballina, Byron and Richmond Valley Local Government Areas. Their locations are shown in Attachment 1. The existing water fill stations are designated for only commercial operators to access.

There are currently 21 registered water carter businesses with Council, with the necessary health inspections and food business registrations to cart potable water. There are 35 other businesses permitted to only cart water for non-potable uses such as roadworks, drilling, tree watering and livestock watering.

Council can issue an unlimited number of permits to commercial operators to access the water fill stations. In response to feedback from the community, Council staff are typically processing new water carter applications within 1 business day, instead of the nominated 2 weeks. During November 2019, staff approved 8 new potable and 11 new non-potable water carter permits. Further, Rous have listed all registered potable water carters on the Rous website to give customers additional options and improve transparency and accountability.

- **Proposed public access water fill stations**

To increase the available options for public water access, Council staff recommend the installation of two new water fill stations dedicated for this purpose. The proposed stations are from Abberfield Industries Pty Ltd and are widely used by Councils across Australia.

The two new stations would be located in South Lismore (industrial area) and Bangalow (industrial area). The locations have been selected based on:

- Analysis of usage at nearby existing water fill stations,
- Customer feedback and enquiries related to wait times at nearby existing water fill stations,
- Avoiding residential areas,
- Water network analysis to avoid nearby customer pressure drops from fill station demand,
- An area near the station which is large enough to accommodate several vehicles with trailers without obstructing traffic, and
- Consultation with Constituent Councils and water carters.

It is noted that the new Bangalow station, located in the Byron Shire, will not receive fluoridated water.

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The proposed stations would be operated by credit card and water would be charged at \$5.75 per kilolitre (kL) as per Council's 2019/20 fees and charges. The proposed South Lismore station will be installed on the Lismore City Council water reticulation network, so bulk water charges would be reimbursed to Lismore City Council monthly. The proposed Bangalow station will be installed on the Rous County Council bulk water supply.

The stations will be limited to 3,500 litres per transaction to reduce queuing and ensure the service is aimed at private customers. Commercial bulk water carters can continue to use the existing water fill station network, which should benefit from the reduced demand from smaller users.

Ongoing costs to Council will include monthly support fees for payment services of \$150 and transaction fees of 2% of the transaction value plus \$0.30. Typical transaction fees will be between \$0.40 to \$0.70. This is consistent with the fee structure of the existing water fill stations.

When demand for public access to water decreases, the stations can be converted to allow use by water carters in the short term or if the stations are no longer required, they can be decommissioned and stored in Council's depot to preserve their condition until required again in future dry periods.

The estimated cost to procure and install two public access water fill stations is \$90,000 ex GST.

The public access point at the Richmond Valley Council operated Nammoona Waste Facility in Casino averages in excess of 100,000 L/day with peaks up to 180,000 L/day.

The expected usage through each of the public access stations is in excess of 100,000 L/day while the region remains in drought. Assuming 50% of the water charges are consumed in bulk water purchase and operating costs, the payback period for the stations is approximately 6 months.

It is expected that the new stations can be installed and operational by 23 December 2019.

- **Proposed expansion of bulk water fill station network**

In addition to the two proposed public access water fill stations, Council staff are investigating the installation of additional bulk water fill stations. A survey of water carters has indicated that current lead times for water deliveries to customers is a minimum of 2 weeks with some booked out for up to 6 weeks. Water carters reported queue times at high demand water fill stations can be up to 2 hours. This delays water delivery turnaround times and compounds the long delays for water deliveries experienced by customers.

Council staff consulted with water carters on the areas of highest demand and preferred locations for additional bulk fill stations. Analysis of bulk water fill station usage shows high demand through South Lismore, Bangalow, Wollongbar and Tyagarah.

To help reduce queues and turnaround times for water carters it is proposed to install two additional bulk water fill stations close to the areas of high demand. This will lead to increased deliveries and reduced customer wait times for water. The proposed bulk water fill stations will be located at North Lismore and a location around Eureka/Bangalow as shown in Attachment 1.

The proposed bulk water fill stations would be AVDATA stations, identical to the stations used in the existing network. These operate on a permit basis and would be for water carters only.

The estimated cost to procure and install two bulk water fill stations is \$60,000 excluding GST.

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The expected additional usage through the proposed bulk water fill stations is 50-150 kL/day per station.

Due to the AVDATA stations being a custom designed system and the locations needing to be suitable for large vehicle movements, the time for installation is 6-8 weeks.

These two new stations would remain installed as permanent fixtures.

- **Impact on town water supply**

The installation of the additional public access water fill stations and bulk water fill stations referred to in this report, will increase demand on the regional water supply network. The additional demand from the proposed four stations is estimated to be 300-500kL/day, which is an increase of approximately 1% on the average daily demand on the bulk water supply network. This is not expected to have a significant impact on the draw down rate of water sources.

### **Governance**

#### **Finance**

Due to the ongoing dry conditions, the bulk water fill station revenue is in excess of the budget. It is proposed to allocate \$150,000 from this funding source to a project budget to install the four water fill stations identified in this report.

#### **Environment**

The proposed fill stations will be installed as Development permitted without consent, under the State Environmental Planning Policy Infrastructure 2007 Division 24 Water Supply Systems.

Council is required, under Part 5 of the Environmental Protection and Assessment Act 1979, to prepare a Review of Environmental Factors (REF) identifying the environmental impact of the activity and proposed mitigations. This REF is being prepared by Council staff. The proposed stations are considered to have a low impact on the environment.

#### **Consultation**

Council staff have consulted widely with external stakeholders including relevant staff in the Constituent Councils, water carters and private customers who have made enquiries. Constituent Council staff have been and continue to be involved in the selection of preferred locations for water fill stations.

Feedback has been sought from existing water carters on their preferred locations for additional stations and also in identifying areas of highest demand. Water carters have advised public access water fill stations will reduce the demand on existing bulk water fill stations and give private customers options to obtain water while they wait for bulk deliveries.

Overwhelmingly, all external stakeholders are in support of the installation of additional water fill stations.

Council staff including IT, Governance, and Finance have been consulted regarding the proposed installation of additional water fill stations. Issues relating to security, billing and operation of the station have been raised and addressed in consultation with the station manufacturers and payment service provider.

Council staff will consult with neighbouring properties to the proposed water fill station locations prior to installation.

Council staff are in support of the implementation of additional water fill stations to address the current high demand for water in the region.

## **Conclusion**

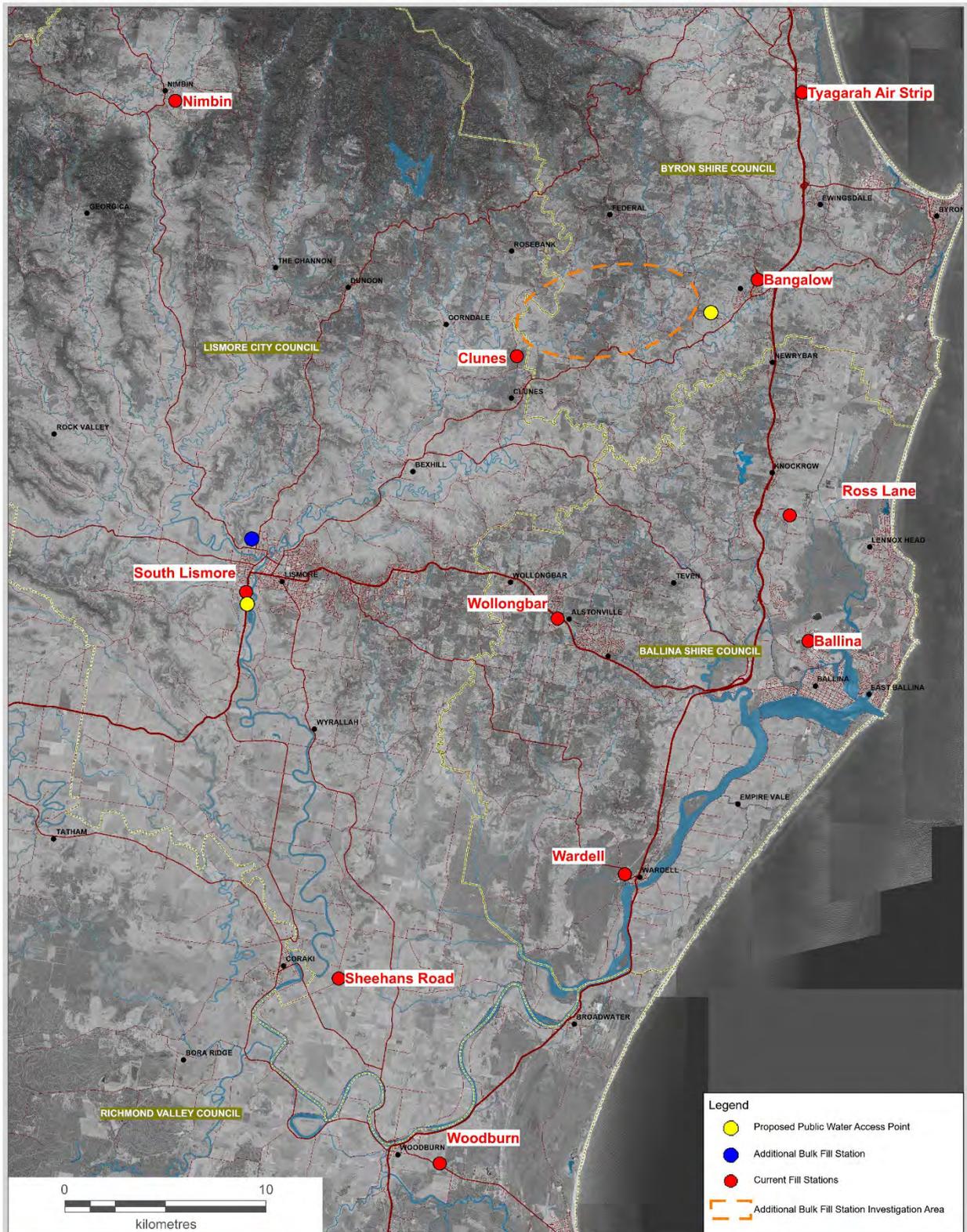
The current high demand for water from properties not connected to town water supply is driven by the prolonged dry conditions being experienced in the region. With the Bureau of Meteorology forecasting above average temperatures and below average rainfall for Summer, the demand on Council's bulk water fill stations will only increase in the near term.

The proposed installation of two public access water fill stations will provide reliable and relatively quick access to larger quantities of potable water for property owners with no other options. It is recommended that Council approve the installation of the proposed public access water fill stations at South Lismore and Bangalow for an estimated cost of \$90,000 excluding GST.

The two additional bulk water fill stations will provide more options for water carters to obtain potable water and will lead to reduced queue times at stations and an increased number of customers receiving deliveries each day. This will reduce the current lead time for bulk water deliveries. It is recommended that Council approve the installation of two additional bulk water filling stations at North Lismore and eureka \ Bangalow, for an estimated cost of \$60,000 excluding GST.

Andrew Logan  
Planning Manager

Attachment 1: Locations of Existing and Proposed Water Fill Stations.



**Rous County Council Water Fill Stations**

**THE INFORMATION ON THIS MAP MAY NOT BE ACCURATE.**  
 Disclaimer: The material contained on this map is made available on the understanding that Rous County Council is not hereby engaged in rendering professional advice. While all reasonable care has been taken to ensure the information contained on this map is up to date and accurate, no warranty is given that the information contained on this map is free from error or omission. Any reliance placed on such information shall be at the sole risk of the user. Please verify the accuracy of the information prior to using it.



Printed Date: 04/12/2019  
 Prepared By: Nathan Spooner  
 Projection: MGA Zone 56

**ROUS COUNTY COUNCIL  
 ADMINISTRATION CENTRE**  
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 LISMORE NSW 2480  
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## Retail water customer account assistance

(2283/13)

**Business activity priority** Strategy and planning

**Goal 2** Align strategic direction to core functions and sustainability

### Recommendation

That Council in accordance with section 356 (1) of the *Local Government Act 1993* and its 'Retail Water Customer Account Assistance' policy, approve financial assistance as listed in Table 1 of this report.

### Background

Applications for financial assistance in accordance with section 356 (1) under Council's 'Retail Water Customer Account Assistance' policy are tabled below:

**Table 1**

Account	Property owners	Date application received	Nature of leak	Original water charges due	S356 financial assistance to be approved	Adjusted water charges due after approval
11799-10000-0	KJ Flick	3-Oct-19	Broken garden pipe underground caused by tree root	\$3,433.56	\$1,658.41	\$1,775.15
11704-11000-3	MJ Clapp & K De Coster	11-Nov-19	Burst pipe between meter and house in hidden, unobvious location	\$1,712.94	\$367.94	\$1,345.00
<b>Total</b>				<b>\$5,146.50</b>	<b>\$2,026.35</b>	<b>\$3,120.15</b>

### Governance

#### Finance

The 2019/20 financial year budget allocation for applications made in accordance with the 'Retail Water Customer Account Assistance' policy is \$25,000.

2019/20 financial year budget	\$25,000.00	<u>No. of applications:</u>
S356 assistance approved financial year to date	\$7,031.80	4
S582 assistance approved financial year to date	\$1,891.26	1
S582 assistance approved since last Council meeting	\$0.00	0
Proposed S356 assistance approval this Council meeting	\$2,026.35	2
Proposed S582 assistance approval this Council meeting	\$0.00	0
<b>Budget remaining 2019/20 financial year</b>	<b>\$ 14,050.59</b>	

#### Legal

Section 377(q) of the *Local Government Act 1993* provides that a decision under section 356 to contribute money or otherwise grant financial assistance may not be delegated and that the decision must be made by resolution of Council.

## **Conclusion**

The total value of section 356 financial assistance equates to \$2,026.35 by application of Council's 'Retail Water Customer Account Assistance' policy. It is proposed that Council grant the recommended financial assistance.

Guy Bezrouchko  
Group Manager Corporate and Commercial

## Annual Financial Reports and Auditor's report for the year ending 30 June 2019

(2196/11)

<b>Business activity priority</b>	Results and sustainable performance
<b>Goal 7</b>	Sustainable performance

### Recommendation

That Council acknowledge that the audited 2018/19 Financial Reports were presented to the public and no submissions were received.

### Background

At its October 2019 meeting, Council resolved to:

1. In accordance with section 413 (2c) of the Local Government Act 1993 and clause 215 of the Local Government (General) Regulation 2005, adopt the 2018/19 Audited Financial Reports and "Statement by Councillors and Management" for both the General Purpose Financial Reports and the Special Purpose Financial Reports, with the Chairperson and Deputy Chairperson delegated to sign on behalf of Council.
2. Present the 2018/19 Audited Financial Reports to the public at Council's 18 December 2019 meeting.
3. Forward a copy of the 2018/19 Audited Financial Reports to the Office of Local Government.
4. Advertise the presentation of the draft 2018/19 Financial Reports to the public from Monday, 28 October 2019 and invite both inspection and submissions.
5. That Council acknowledge and thank the Finance team for their work in finalising the Annual Financial Statements for June 2019.

### SUMMARY OF FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2019

	2018/19 \$'000	2017/18 \$'000
<b>Income statement</b>		
Total income from continuing operations	30,345	31,930
Total expenses from continuing operations	27,708	24,702
<b>Net operating result for the year</b>	<b>2,637</b>	<b>7,228</b>
Net operating result before grants and contributions provided for capital purposes	(3,034)	1,636
<b>Balance sheet</b>		
Total current assets	35,078	39,059
Total current liabilities	8,389	6,572
Total non-current assets	493,811	480,334
Total non-current liabilities	21,587	24,205
<b>Total equity</b>	<b>498,913</b>	<b>488,616</b>
<b>Other financial information</b>		
Unrestricted current ratio	5.42 : 1	6.30 : 1
Operating performance ratio	(4.43%)	11.57%
Building and infrastructure renewals ratio	1.27 : 1	0.20 : 1
Debt service ratio	1.80 : 1	2.81 : 1

**Consultation**

Public advertisements were placed in the Northern Star on Tuesday, 12 November 2019 outlining that public submissions were due by 19 November 2019. No submissions were received.

**Conclusion**

The audited 2018/19 Financial Reports were presented to the public and no public submissions were received.

Guy Bezrouchko  
Group Manager Corporate and Commercial

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## Council issued delegation: General Manager

(1045/17(2))

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<b>Business activity priority</b>	Strategy and planning
<b>Goal 2</b>	Align strategic direction to core functions and sustainability

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### Recommendation

That Council approve the instrument of delegation for the position of General Manager, attached to this report.

### Background

Council has delegated several of its functions to the General Manager. A review of the current delegation (issued in 2018) has been completed in consultation with Council in light of recent legislative changes to the *Local Government Act 1993*. In particular, increasing the tender threshold from \$150,000 to \$250,000.

The aim of the instrument of delegation is to delegate to the General Manager certain functions of Council. Section 377 of the *Local Government Act 1993* (extracted at Attachment 3) also outlines a number of functions that are not delegable by Council. The amended delegation proposes to maintain the wording and objectives of the current delegation, except:

- to increase the dollar value of tenders able to be accepted by the General Manager from \$150,000 to \$250,000 (incl. GST); and
- to clarify that any expenditure is only as authorised by Council, i.e. expenditure that has an approved budget allocation or has been otherwise authorised by Council resolution.

### Governance

#### Finance

There is no financial impact as a result of making the proposed delegation. Council retains its oversight and decision-making in relation to the acceptance of higher value tenders.

#### Legal

The instrument of delegation has been drafted in accordance with the *Local Government Act 1993* and the *Biosecurity Act 2015*. Under section 378 of the *Local Government Act 1993* and section 375 of the *Biosecurity Act 2015*, the General Manager has the power to delegate and sub-delegate, as appropriate. Therefore Council need only delegate to the General Manager position.

### Consultation

The review of the delegation was undertaken in consultation with Council at a workshop on 20 November 2019.

### Conclusion

A review of the Council issued delegation to the General Manager has been completed and minor amendments to the wording of the instrument of delegation are proposed to reflect recent legislative amendments.

Helen McNeil

Group Manager People and Performance

Attachments:

1. Proposed delegation for the General Manager by Council for approval
2. Current delegation for the General Manager by Council for revocation
3. Extract of section 377 of the *Local Government Act 1993*

## Attachment 1

Proposed delegation for the General Manager by Council for approval

## Rous County Council

## Delegation

Rous County Council ('Council') at its meeting of [11 December 2019](#), hereby:

1. Pursuant to section 377 of the *Local Government Act 1993* and section 375 of the *Biosecurity Act 2015*, revoke the delegation conferred on the position of General Manager by resolution of Council at its meeting of 19 September 2018 (resolution 80/18) and any delegations revived as a result of this revocation.
2. Pursuant to section 377 of the *Local Government Act 1993*, delegate to the position of General Manager the functions conferred or imposed on Council by or under the *Local Government Act 1993*, that are capable of being delegated to that position, subject to the following conditions:
  - (i) Acceptance of tenders valued at \$250,000 (including GST) or more are to be determined by resolution of Council; and
  - (ii) any expenditure incurred or approved by the General Manager must have an approved budget allocation or have been otherwise authorised by Council resolution.
3. Pursuant to section 375 of the *Biosecurity Act 2015*, delegate to the position of General Manager the functions conferred or imposed on Council as a local control authority by or under the *Biosecurity Act 2015*.
4. Delegate to the position of General Manager the functions conferred or imposed on Council by or under any other Act or law, that are capable of being delegated to that position.

Deleted: 1

**Definitions**

**function** includes a reference to a power, authority and duty.

**Note:**

Section 377 of the *Local Government Act 1993* makes provision for a range of Council functions that are not delegable.

This delegation includes the power to sub-delegation functions under section 375 of the *Biosecurity Act 2015*.

CHAIRPERSON

**Current delegation for the General Manager by Council for revocation****Rous County Council****Delegation**

Rous County Council ('Council') at its meeting of 19 September 2018, hereby:

1. Pursuant to section 377 of the *Local Government Act 1993* and section 375 of the *Biosecurity Act 2015*, revoke the delegation conferred on the position of General Manager by resolution of Council at its meeting of 16 August 2017 (resolution 62/17 and 63/17) and any delegations revived as a result of this revocation.
2. Pursuant to section 377 of the *Local Government Act 1993*, delegate to the position of General Manager the functions conferred or imposed on Council by or under the *Local Government Act 1993*, that are capable of being delegated to that position, subject to the following condition:
  - (i) Acceptance of tenders valued at \$150,000 (including GST) or more are to be determined by resolution of Council.
3. Pursuant to section 375 of the *Biosecurity Act 2015*, delegate to the position of General Manager the functions conferred or imposed on Council as a local control authority by or under the *Biosecurity Act 2015*.
4. Delegate to the position of General Manager the functions conferred or imposed on Council by or under any other Act or law, that are capable of being delegated to that position.

**Definitions**

**function** includes a reference to a power, authority and duty.

**Note:**

Section 377 of the *Local Government Act 1993* makes provision for a range of Council functions that are not delegable.

This delegation includes the power to sub-delegation functions under section 375 of the *Biosecurity Act 2015*.

Dated and approved by resolution of Council on 19 September 2018.

RESOLVED [80/18] (Richardson/Cadwallader) that Council approve the instrument of delegation for the position of General Manager, attached to the report.

CHAIRPERSON

**Extract of section 377 of the Local Government Act 1993**

Local Government Act 1993 No 30 [NSW]

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- (s) the making of an application, or the giving of a notice, to the Governor or Minister,
  - (t) this power of delegation,
  - (u) any function under this or any other Act that is expressly required to be exercised by resolution of the council.
- (1A) Despite subsection (1), a council may delegate its functions relating to the granting of financial assistance if:
- (a) the financial assistance is part of a specified program, and
  - (b) the program is included in the council's draft operational plan for the year in which the financial assistance is proposed to be given, and
  - (c) the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and
  - (d) the program applies uniformly to all persons within the council's area or to a significant proportion of all the persons within the council's area.
- (2) A council may, by resolution, sub-delegate to the general manager or any other person or body (not including another employee of the council) any function delegated to the council by the Departmental Chief Executive except as provided by the instrument of delegation to the council.
- (3) A council may delegate functions to a joint organisation only with the approval, by resolution, of the board of the joint organisation.

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## Policies for revocation

(172/17)

**Business activity priority**

Information and knowledge

**Goal 3**

Create value through applying knowledge

### Recommendation

That Council revoke the following policies attached to this report and any policy revived as a result of the revocation:

1. Bulk Water Supply policy (Rous);
2. Richmond Hill 1(c) (ZONE) Contribution policy (Rous)
3. Water Cycle Management Policy (Rous)
4. Easement Creation policy (Rous)
5. Floodgate and Drainage Management Guidelines (RRCC)
6. Public Access to Council Information (3 counties)

### Background

As part of the routine review of Council policy, opportunities for efficiencies and removal of redundant or unnecessary policy documents are being identified.

The following policies have been identified for revocation:

#### 1. Bulk Water Supply policy (Rous) – Adopted 16 June 1999

##### **Background**

This policy has not been updated since it was adopted.

The purpose of the policy relates to charging for bulk water supply to the constituent councils for the preceding 12 month period, that is from 1998-1999.

Since the endorsement of that policy, the *Water Management Act 2000* has commenced, and Rous County Council has entered into Service Level Agreements with its constituent councils for the provision of bulk water supply and associated charges.

**Rationale for revocation:** The Group Manager Operations and Group Manager Corporate and Commercial have confirmed that the policy is no longer required as the relevant content is now reflected by legislation and has been incorporated into the Service Level Agreements.

#### 2. Richmond Hill 1(C) (ZONE) Contribution policy (Rous) – Adopted 16 February 2005

##### **Background**

The purpose of the policy was to provide direction regarding developer contributions prior to a wholistic developer contribution plan being implemented.

**Rationale for revocation:** The Group Manager Corporate and Commercial has confirmed that this policy is no longer required as developer contributions are now assessed in accordance with Council's section 64 Developer Contributions Plan.

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### 3. Water Cycle Management policy (Rous) – Adopted 16 October 2000

**Background**

This policy was originally adopted in October 2000 and was updated in October 2005.

The original purpose of the policy was to explore water reuse as a future water strategy. The 2005 amendment authorised the establishment of a section 355 committee to investigate water reclamation and reuse jointly with other councils. Council records do not show that a section 355 committee was subsequently established or is in operation currently. In addition, it should be noted that under best practice requirements for water utilities and integrated water cycle management, section 355 committees are not required.

**Rationale for revocation:** Should council require a committee for this purpose, the *Local Government Act 1993* provides the requirements for the establishment of a committee and a standalone policy is not required for this purpose.

### 4. Easement Creation policy (Rous) – Adopted 21 December 2001

**Background**

This policy was originally adopted on 7 August 1991, reviewed in November 2005 and again in December 2011.

The purpose of the policy was to document Council's preference of all infrastructure to be protected by an easement and recommended the development of a Standard Operating Procedure to support the policy.

**Rationale for revocation:** Given that the creation of easements is a legislative function, there is no need for a standalone policy. In addition, the *Local Government Act 1993* was amended in 2002 to include provisions which give Councils powers to access infrastructure, in circumstances where there is no easement.

### 5. Floodgate and Drainage Management Guidelines (RRCC) – Adopted 15 June 2006

**Background**

This policy was adopted in 2006 and has not been updated since that time.

The purpose of the policy was a risk mitigation policy relating to the safe use and maintenance of floodgates.

**Rationale for revocation:** This business activity is now overseen by Council's Operations Group. The documents referred to in this policy have been superseded and accordingly the policy has no business or risk mitigation utility.

### 6. Public Access to Council Information (3 counties) – Adopted 27 June 2012

**Background**

This policy was adopted in June 2012 and has not been updated since that time.

The purpose of the policy was to outline the types of information available to members of the public in accordance with the *Government Information (Public Access) Act 2009*.

**Rationale for revocation:** Council's obligation for information regarding public access information is the development of an Agency Information Guide, in accordance with Part 3 Division 2 of the *Government Information (Public Access) Act 2009*. The Agency Information Guide is reviewed and updated at least annually and is available on Council's website. Other information available on the website outlining how members of the public can access Council information includes:

- General information for the public regarding our obligations under the *Government Information (Public Access) Act 2009*,
- Links to the Government Information (Public Access) form,
- Council's general public information, reporting and disclosure obligation, and
- The Customer Service Charter which refers back to Council's website and the Government Information (Public Access) Act 2009.

## **Consultation**

Policy owners were consulted with, as key stakeholders noted above in this report. The Governance Officer reviewed the recommendations received by policy owners and confirmed that the revocations are appropriate and will not adversely impact Council's compliance obligations. The Leadership Team has endorsed the proposed revocation of these policies.

## **Conclusion**

The policies identified in this report are no longer required and it is recommended that they be revoked.

Helen McNeil  
Group Manager People and Performance

## Attachments

1. Bulk Water Supply policy (Rous)
2. Richmond Hill 1(c) (ZONE) Contribution policy (Rous)
3. Water Cycle Management policy (Rous)
4. Easement Creation policy (Rous)
5. Floodgate and Drainage Management Guidelines (RRCC)
6. Public Access to Council Information (3 counties)

<b>ROUS WATER POLICY 11.2</b>	Bulk Water Supply		
<b>AREA</b>	Operational Services		
<b>OVERVIEW</b>	Provision of water in bulk to constituent Councils of Ballina, Byron, Lismore City and Richmond Valley.		
<b>AUTHORISED COUNCIL</b>	ROUS	RRCC	FNCW
	16/06/1999		
<b>REVIEW DATE</b>	Term of Council		
<b>FILE</b>	172	843	1294

**POLICY**

That a bulk water supply be provided to the constituent Councils of Ballina, Byron, Lismore and Richmond Valley; and that charges be applied to metered consumptions for the immediately preceding 12-month period.

**PROCEDURES****LEGISLATION****RELATED DOCUMENTS****CONTACT OFFICER**

Secretarial use only	Policy History	Version 1.0
Rous Policy No: 11.2	RRCC	FNCW
Authorised Council: 16/06/1999	Authorised Council: N/A	Authorised Council: N/A

<b>Rous Water</b>			
<b>POLICY 2.10</b>	Contribution – Richmond Hill 1 (C) (Zone)		
<b>AREA</b>	Fees and Charges		
<b>OVERVIEW</b>	Charge a contribution for new connections to the reticulation main at Richmond Hill to assist in recovering the costs of construction of the original main		
<b>AUTHORISED COUNCIL</b>	ROUS	RRCC	FNCW
	16/02/2005		
<b>REVIEW DATE</b>	Term of Council		
<b>FILE</b>	172	843	1294

**POLICY**

1. That all lots within the 1 (c) Zone at Richmond Hill be charged an indexed based capital contribution towards the original main constructed.
2. The remote lots within the 1 (c) zone be charged a capital contribution in accordance with the current rural connection policy in addition to the base Richmond Hill capital contribution.

**PROCEDURES****LEGISLATION****RELATED DOCUMENTS****CONTACT OFFICER**

Finance Manager

Secretarial use only	Policy History	Version 2.0 16/2/2005
Rous Policy No: 2.1	RRCC Policy No:	FNCW Policy No:
Authorised Council: 16/06/1999; 16/02/2005	Authorised Council:	Authorised Council:

## Attachment 3

<b>ROUS WATER POLICY 11.6</b>	Water Cycle Management		
<b>AREA</b>	Water supply		
<b>OVERVIEW</b>	Endorse wastewater reclamation and re-use as an effective alternative water source		
<b>AUTHORISED COUNCIL</b>	ROUS	RRCC	FNCW
	19/10/2005	N/A	N/A
<b>REVIEW DATE</b>	Term of Council		
<b>FILE</b>	172	843	1294

### POLICY

1. Council recognises wastewater reclamation and reuse as an effective alternative water source.
2. Provisions of Section 355 of the Local Government Act provide scope for Rous Water to establish joint ventures with other Council and other persons.
3. General Manager be authorised to explore opportunities under Section 355 which involve the management and/or operation of wastewater treatment systems capable of providing a net benefit over the life of such systems either under a Council-to-Council agreement or on a commercially negotiated service provider basis.

### PROCEDURES

### LEGISLATION

### RELATED DOCUMENTS

### CONTACT OFFICER

Technical Services Manager

Secretarial use only	V2.0 19/10/2005	
Rous Policy No: 11.6	RRCC	FNCW
Authorised Council: 16/08/2000; 19/10/2005	Authorised Council: N/A	Authorised Council: N/A

**Attachment 4**

<b>ROUS WATER POLICY</b>	Easement Creation		
<b>AREA</b>	Water supply		
<b>OVERVIEW</b>	Formally create easements affecting Council's works		
<b>AUTHORISED COUNCIL</b>	ROUS	RRCC	FNCW
	16/11/2005; 21/12/2011	N/A	N/A
<b>REVIEW DATE</b>	December 2014		
<b>FILE</b>	172	843	1294

**POLICY**

Where Council's water mains pass through private or public property, an easement will be created over the pipeline route to enable Council to provide adequate physical protection to the main and allow Council free and clear access to the main for maintenance and augmentation purposes.

**LEGISLATION**

Land Acquisition (*Just Terms Compensation*) Act 1991.

**RELATED DOCUMENTS**

SOP to be developed.

**CONTACT OFFICER**

Distribution Systems Asset Manager

Secretarial use only	V.3.0 10/12/2011	
Rous Water Policy 7.1	RRCC	FNCW
Authorised Council: 07/08/1991; 16/11/2005; 21/12/2011	Authorised Council: N/A	Authorised Council: N/A

<b>POLICY</b>	Floodgate and Drainage Management Guidelines			<b>6.2</b>
<b>AREA</b>	Risk Assessment.			
<b>OVERVIEW</b>	To ensure that maintenance is carried out using the best management practices available, floodgate and drain management guidelines have been documented for the use by Council's outdoor staff in their regular maintenance programs.			
<b>AUTHORISED BY COUNCIL</b>	ROUS	RRCC	FNCW	
		15/06/2006		
<b>REVIEW DATE</b>	Term of Council.			
<b>FILE</b>	172	843	1294	

## BACKGROUND

## POLICY

See documentation attached. (Floodgate and Drainage Management Guidelines)  
<http://severn/Corporate/Documents/Policies/Floodgate%20and%20Drain%20Management%20Guidelines.pdf>

## PROCEDURES

## LEGISLATION

## RELATED DOCUMENTS

## CONTACT OFFICER

Secretarial use only	Policy History	Version 1.0: 15/06/2006
Rous Policy No:	RRCC Policy No:	FNCW Policy No:
Authorised Council:	Authorised Council:	Authorised Council:

<b>ROUS WATER POLICY</b>	Public Access to Council Information		
<b>OVERVIEW</b>	Public access to Council information by way of the <i>Government Information (Public Access) Information Act 2009</i> .		
<b>AUTHORISED COUNCIL</b>	ROUS	RRCC	FNCW
	16/05/2012	13/06/2012	27/06/2012
<b>REVIEW DATE</b>	2 years		
<b>FILE</b>	172	843	1294

## BACKGROUND

The *Government Information (Public Access) Information Act 2009* ('the Act') makes provision for the public to gain access to government and therefore Council information. The objects of the Act are to maintain and advance a system of responsible and representative democratic government that is open, accountable, fair and effective, by:

- authorising and encouraging the proactive public release of certain information by agencies, and
- giving members of the public an enforceable right to access certain information, and
- restricting access to certain information only when there is an overriding public interest against disclosure.

## POLICY

Council recognises its obligations under the Act to disclose certain information to the public and has in place staff delegations to facilitate the timely and effective processing of information requests. Requests will be considered and assessed on a case by case basis with regard to the four methods by which government information may be released:

### - Open access information:

A range of 'open access information' is made available free of charge on Council's website ([www.rouswater.nsw.gov.au](http://www.rouswater.nsw.gov.au); [www.fncw.nsw.gov.au](http://www.fncw.nsw.gov.au); [www.rrcc.nsw.gov.au](http://www.rrcc.nsw.gov.au)). For example, Policies, Annual Reports, Integrated Planning and Reporting Framework documents, a disclosure log of information of general interest to the public that has been released under formal access applications, and a register of contracts with a value of more than \$150,000 that Council has entered into with private sector entities.

In the event that information that is 'open access information' is not published on Council's website it will be available for public inspection during ordinary office hours at the Rous Water, Administration Centre. For example, the returns disclosing the interests of councillors and designated persons under section 449 of the *Local Government Act 1993*.

### - Proactive release of information:

This relates to other information that Council determines to release from time to time. Such information may be available either free of charge or at the lowest possible cost, depending on the type of information.

Secretarial use only		V2.0 16-5-2012
Rous Policy	RRCC Policy	FNCW Policy
Authorised Council: 10/09/2008; 16/05/2012	Authorised Council: 15/10/2008	Authorised Council: 03/11/2008

**- Informal release of information:**

An informal release of information is where a member of the public contacts Council and asks for information. Council can release information in response to an informal request subject to any reasonable conditions that it thinks fit to impose.

**- Formal access application for release of information:**

If information cannot be accessed through any of the above ways, a formal access application may be necessary. An access application should be a last resort, and only necessary if: a large volume of information is being sought; if providing access would involve an extensive search; or, if the information being sought involves personal or business information about third parties who must be consulted before the information can be released. Applications must be in writing, and accompanied by the fee specified in Council's Revenue Policy. Processing charges per hour may also be levied, depending on the type and amount of information sought.

While inspection of information is free of charge an administration charge may apply if copies of information are required (fees specified in Council's Revenue Policy).

## PROCEDURES

Website enquiries.

## LEGISLATION

*Government Information (Public Access) Act 2009.*

## RELATED DOCUMENTS

Revenue Policy.

Agency Information Guide.

Office of Information Commissioner Guideline issued under section 12(3) and 14(3) of the *Government Information (Public Access) Act 2009*: 'Guidelines for local councils on the disclosure of information contained in the returns disclosing the interests of councillors and designated persons developed under the *Government Information (Public Access) Act 2009 (NSW)*'.

## CONTACT OFFICER

Manager Governance.

Secretarial use only		V2.0 16-5-2012
Rous Policy	RRCC Policy	FNCW Policy
Authorised Council: 10/09/2008; 16/05/2012	Authorised Council: 15/10/2008	Authorised Council: 03/11/2008

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## Information reports

(1181)

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<b>Business activity priority</b>	Process management, improvement and innovation
<b>Goal 6</b>	Continuous improvement through process management and innovative thinking

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### Recommendation

That the following information reports be received and noted:

- i). Investments – November 2019
- ii). Water production and usage – October 2019 and November 2019
- iii). Audit, Risk and Improvement Committee: meeting update
- iv). Annual 'Model Code of Conduct Complaints Statistics' report
- v). Reports / actions pending

### Background

Copies of the following reports are attached for information:

- i). Investments – November 2019
- ii). Water production and usage – October 2019 and November 2019
- iii). Audit, Risk and Improvement Committee: meeting update
- iv). Annual 'Model Code of Conduct Complaints Statistics' report
- v). Reports/actions pending

### Governance

#### Finance

Not applicable.

#### Legal

Not applicable.

### Consultation

Consultation has been undertaken with the General Manager, Group Managers and staff.

### Conclusion

Copies of the reports listed are attached for information.

Phillip Rudd  
General Manager

## Investments - November 2019

(59/12)

**Business activity priority** Results and sustainable performance

**Goal 7** Sustainable performance

### Recommendation

That Council receive and note the investments for November 2019.

### Background

Clause 212 of the *Local Government (General) Regulation 2005* and Council's 'Investment' policy require that a report detailing Council's investments be provided. This report has been prepared for 30 November 2019.

### Governance

#### Finance

##### The RBA cash rate decreased

At the RBA's November meeting, it was decided to maintain the cash rate at 0.75%. The 90-day average bank bill swap rate (BBSW) has increased to 0.91%. The low rate will continue to put pressure on interest yields in the foreseeable future.

##### Total funds invested for November 2019 was \$36,052,404

This is an increase of \$1,158,339 compared to the September 2019 figure. This is primarily due to a section 64 development contributions and quarterly constituent council contributions.

##### Return for November was 2.23%

The weighted average return on funds invested for the month of November was 2.23%. This represents a decrease of 29 basis point compared to the September result (2.52%) and is 132 basis points above Council's benchmark (the average 90-day BBSW rate of 0.91%) (Refer: Graph D2).

##### Interest earned for November was \$67,795

Interest earned compared to the original budget is \$111,454 in excess of pro-rata budget (Refer: Attachment A).

##### Summary of indebtedness as at 30 November 2019

Information	Loan #1	Loan #2	Loan #3	Loan #4	Loan #5	Loan #6	Loan #7	Total
Institution	CBA	CBA	CBA	Dexia	NAB	NAB	CBA	
Principal Borrowed	\$ 2,000,000	\$ 3,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 550,000	\$ 45,550,000
Date Obtained	9-Jun-04	31-May-05	31-May-06	21-Feb-07	31-May-07	25-Sep-07	13-May-05	
Term (Years)	20	20	20	20	20	20	15	
Interest Rate	6.82%	6.25%	6.37%	6.40%	6.74%	6.85%	6.39%	
Date Due	10-Jun-24	31-May-25	31-May-26	21-Feb-27	31-May-27	25-Sep-27	13-May-20	
Annual Commitment	\$ 184,785	\$ 264,921	\$ 891,595	\$ 893,507	\$ 917,390	\$ 925,933	\$ 57,571	\$ 4,135,701
Principal Repaid LTD	\$ 1,228,039	\$ 1,783,159	\$ 5,315,750	\$ 4,743,674	\$ 4,386,815	\$ 4,363,926	\$ 522,103	\$ 22,343,466
Interest Incurred LTD	\$ 1,543,738	\$ 2,058,191	\$ 6,720,784	\$ 6,427,051	\$ 6,621,860	\$ 6,747,266	\$ 312,672	\$ 30,431,562
Principal Outstanding	\$ 771,961	\$ 1,216,841	\$ 4,684,250	\$ 5,256,326	\$ 5,613,185	\$ 5,636,075	\$ 27,897	\$ 23,206,535
Interest Outstanding	\$ 151,964	\$ 240,223	\$ 1,111,119	\$ 1,446,109	\$ 1,746,630	\$ 1,783,276	\$ 889	\$ 6,480,209

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Cheque account balance as at 30 November 2019 was \$124,323

Ethical holdings represent 73.50% of the total portfolio

Current holdings in Ethical Financial Institutions equals \$26,500,000. The assessment of Ethical Financial Institutions is undertaken using [www.marketforces.org.au](http://www.marketforces.org.au) which is an affiliate project of the Friends of the Earth Australia (Refer: Graph D4).

## **Legal**

All investments are in accordance with section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2005* and Council's 'Investment' policy.

## **Consultation**

Nil.

## **Conclusion**

A report on investments is required to be submitted to Council. As at 30 November 2019, investments total \$36,052,404 and the average rate of return is estimated at 2.23%.

Guy Bezrouchko  
Group Manager Corporate and Commercial

Attachments:

- A. Investment analysis
- B. Investment by type
- C. Investment by Institution
- D. Total funds invested - comparisons

## Rous County Council – Investment Analysis Report – 30 November 2019

## Attachment A

Funds Invested With	S & P Local Long Term Rating	Product Name	Ethical ADIs	Lodgement Date	Maturity Date	% of Portfolio	30 Nov 19 Balance	Rate of Return	Monthly Interest	Year-to-Date Interest
CBA Business Online Saver	AA-	CBA-BOS	No	At call		5.69	2,052,403.96	1.20	1,353.27	8,819.19
Bank of Queensland	BBB+	TD	Yes	6/2/2018	4/2/2020	1.39	500,000.00	2.85	1,171.23	5,973.29
ING Bank Aust Ltd	A	TD	No	8/2/2018	11/2/2020	2.77	1,000,000.00	2.90	2,383.56	12,156.16
Bendigo & Adelaide Bank Ltd (Rural Bank Div)	BBB+	TD	Yes	13/2/2018	18/2/2020	1.39	500,000.00	2.85	1,171.23	5,973.29
Auswide Bank Ltd	BBB+	TD	Yes	27/3/2018	24/3/2020	1.39	500,000.00	2.77	1,138.36	5,805.62
Bank of Queensland	BBB+	TD	Yes	17/7/2018	14/7/2020	1.39	500,000.00	3.00	1,232.88	6,287.67
Bank of Queensland	BBB+	TD	Yes	24/7/2018	21/7/2020	1.39	500,000.00	3.00	1,232.88	6,287.67
AMP Bank	BBB+	TD	No	21/8/2018	25/8/2020	1.39	500,000.00	2.95	1,212.33	6,182.88
Bendigo & Adelaide Bank Ltd (Rural Bank Div)	BBB+	TD	Yes	6/11/2018	3/11/2020	2.77	1,000,000.00	2.85	2,342.47	11,946.58
BankVic (Police Financial Services Ltd T/as)	BBB+	TD	Yes	11/12/2018	10/12/2019	1.39	500,000.00	2.95	1,212.33	6,182.88
BankVic (Police Financial Services Ltd T/as)	BBB+	TD	Yes	4/1/2019	17/12/2019	1.39	500,000.00	2.80	1,150.68	5,868.49
Australian Military Bank	UNRATED	TD	Yes	4/1/2019	7/1/2020	1.39	500,000.00	2.76	1,134.25	5,784.66
National Australia Bank Limited	AA-	TD	No	8/1/2019	3/12/2019	1.39	500,000.00	2.70	1,109.59	5,658.90
Queensland Country CU (formerly ECU Aust)	UNRATED	TD	Yes	15/1/2019	14/1/2020	1.39	500,000.00	2.80	1,150.68	5,868.49
The Capricornian Ltd	UNRATED	TD	Yes	22/1/2019	21/1/2020	1.39	500,000.00	2.85	1,171.23	5,973.29
Goldfields Money Ltd	UNRATED	TD	Yes	5/2/2019	28/1/2020	1.39	500,000.00	2.85	1,171.23	5,973.29
Summerland Credit Union	UNRATED	TD	Yes	5/2/2019	4/2/2020	1.39	500,000.00	2.80	1,150.68	5,868.49
QBank	BBB-	TD	Yes	12/2/2019	11/2/2020	1.39	500,000.00	2.85	1,171.23	5,973.29
BankVic (Police Financial Services Ltd T/as)	BBB+	TD	Yes	4/3/2019	25/2/2020	1.39	500,000.00	2.70	1,109.59	5,658.90
Gateway Bank Ltd	UNRATED	TD	Yes	5/3/2019	3/3/2020	1.39	500,000.00	2.70	1,109.59	5,658.90
MyState Bank Limited	BBB+	TD	Yes	1/4/2019	17/3/2020	1.39	500,000.00	2.70	1,109.59	5,658.90
The Mutual Bank (Maitland Mutual)	UNRATED	TD	Yes	2/4/2019	31/3/2020	1.39	500,000.00	2.75	1,130.14	5,763.70
Railways Credit Union Ltd (T/As Move)	UNRATED	TD	Yes	9/4/2019	10/3/2020	1.39	500,000.00	2.60	1,068.49	5,449.32
Auswide Bank Ltd	BBB+	TD	Yes	9/4/2019	7/4/2020	1.39	500,000.00	2.60	1,068.49	5,449.32
Defence Bank	BBB	TD	Yes	23/4/2019	21/4/2020	1.39	500,000.00	2.60	1,068.49	5,449.32
Bank of Sydney Ltd	UNRATED	TD	Yes	3/5/2019	5/5/2020	1.39	500,000.00	2.55	1,047.95	5,344.52
Auswide Bank Ltd	BBB+	TD	Yes	7/5/2019	28/4/2020	1.39	500,000.00	2.40	986.30	5,030.14
Queensland Country CU (formerly ECU Aust)	UNRATED	TD	Yes	21/5/2019	19/5/2020	1.39	500,000.00	2.40	986.30	5,030.14
AMP Bank	BBB+	TD	No	4/6/2019	10/12/2019	1.39	500,000.00	2.45	1,006.85	5,134.93
Bendigo & Adelaide Bank Ltd (Rural Bank Div)	BBB+	TD	Yes	18/6/2019	17/12/2019	1.39	500,000.00	2.10	863.01	4,401.37
ME Bank	BBB	TD	Yes	27/8/2019	16/6/2020	2.77	1,000,000.00	1.60	1,315.07	4,208.22
MyState Bank Limited	BBB+	TD	Yes	10/9/2019	2/6/2020	1.39	500,000.00	1.60	657.53	1,797.26
Macquarie Bank Ltd	A	TD	No	13/9/2019	14/4/2020	2.77	1,000,000.00	1.75	1,438.36	3,787.67
Macquarie Bank Ltd	A	TD	No	18/9/2019	21/4/2020	1.39	500,000.00	1.75	719.18	1,773.97
Judo Bank	UNRATED	TD	Yes	17/9/2019	15/9/2020	1.39	500,000.00	2.10	863.01	2,157.53
Judo Bank	UNRATED	TD	Yes	24/9/2019	8/9/2020	1.39	500,000.00	2.20	904.11	2,049.32

Funds Invested With	S & P Local Long Term Rating	Product Name	Ethical ADIs	Lodgement Date	Maturity Date	% of Portfolio	30 Nov 19 Balance	Rate of Return	Monthly Interest	Year-to-Date Interest
AMP Bank	BBB+	TD	No	24/9/2019	22/9/2020	2.77	1,000,000.00	1.70	1,397.26	3,167.12
AMP Bank	BBB+	TD	No	1/10/2019	6/10/2020	2.77	1,000,000.00	1.70	1,397.26	2,841.10
MyState Bank Limited	BBB+	TD	Yes	8/10/2019	18/2/2020	1.39	500,000.00	1.70	698.63	1,257.53
Warwick Credit Union	UNRATED	TD	Yes	15/10/2019	20/10/2020	1.39	500,000.00	1.70	698.63	1,094.52
AMP Bank	BBB+	TD	No	15/10/2019	13/10/2020	1.39	500,000.00	1.60	657.53	1,030.14
Bank of Sydney Ltd	UNRATED	TD	Yes	22/10/2019	21/1/2020	1.39	500,000.00	1.80	739.73	986.30
MyState Bank Limited	BBB+	TD	Yes	29/10/2019	28/1/2020	1.39	500,000.00	1.70	698.63	768.49
The Mutual Bank (Maitland Mutual)	UNRATED	TD	Yes	29/10/2019	27/10/2020	1.39	500,000.00	1.70	698.63	768.49
Warwick Credit Union	UNRATED	TD	Yes	1/11/2019	27/10/2020	1.39	500,000.00	1.80	739.73	739.73
Australian Military Bank	UNRATED	TD	Yes	1/11/2019	20/10/2020	1.39	500,000.00	1.60	657.53	657.53
AMP Bank	BBB+	TD	No	5/11/2019	3/11/2020	1.39	500,000.00	1.65	587.67	587.67
AMP Bank	BBB+	TD	No	8/11/2019	12/5/2020	1.39	500,000.00	1.80	567.12	567.12
MyState Bank Limited	BBB+	TD	Yes	12/11/2019	10/3/2020	1.39	500,000.00	1.70	442.47	442.47
Southern Cross Credit Union	UNRATED	TD	Yes	19/11/2019	26/5/2020	1.39	500,000.00	1.65	271.23	271.23
Goldfields Money Ltd	UNRATED	TD	Yes	21/11/2019	17/11/2020	1.39	500,000.00	1.75	239.73	239.73
MyState Bank Limited	BBB+	TD	Yes	26/11/2019	23/6/2020	1.39	500,000.00	1.55	106.16	106.16
Coastline Credit Union Ltd	UNRATED	TD	Yes	26/11/2019	24/11/2020	1.39	500,000.00	1.75	119.86	119.86
Newcastle Permanent Bldg Soc	BBB	TD	Yes	29/1/2019	19/1/2021	1.39	500,000.00	2.95	1,212.33	6,182.88
Newcastle Permanent Bldg Soc	BBB	TD	Yes	19/2/2019	16/2/2021	1.39	500,000.00	2.95	1,212.33	6,182.88
Newcastle Permanent Bldg Soc	BBB	TD	Yes	8/3/2019	2/3/2021	2.77	1,000,000.00	2.85	2,342.47	11,946.58
Auswide Bank Ltd	BBB+	TD	Yes	3/5/2019	4/5/2021	2.77	1,000,000.00	2.55	2,095.89	10,689.04
Firstmac Ltd	UNRATED	TD	Yes	3/5/2019	11/5/2021	1.39	500,000.00	2.75	1,130.14	5,763.70
Auswide Bank Ltd	BBB+	TD	Yes	8/10/2019	12/10/2021	1.39	500,000.00	1.65	678.08	1,220.55
Auswide Bank Ltd	BBB+	TD	Yes	22/10/2019	19/10/2021	1.39	500,000.00	1.65	678.08	904.11
Auswide Bank Ltd	BBB+	TD	Yes	29/10/2019	26/10/2021	1.39	500,000.00	1.65	678.08	745.89
MATURED TDs									4,937.67	111,327.12
						<b>100.00</b>	<b>36,052,403.96</b>	<b>2.23%</b>	<b>67,795.05</b>	<b>372,995.49</b>

**Total Investment Holdings**

<b>100.00</b>	<b>36,052,403.96</b>	<b>67,795.05</b>	<b>372,995.49</b>
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Total YTD Interest	<b>372,995.49</b>
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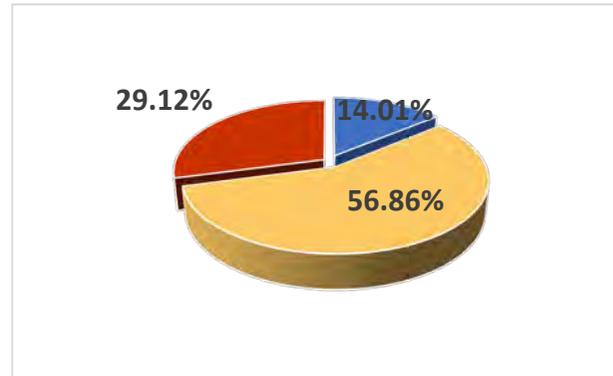
Deposits with Australian Deposit-taking institutions (ADI) are Government.

Budget Interest @ 30 Nov 19	<b>261,541.67</b>
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Guaranteed for balances totalling up to \$250,000 per customer, per institution.

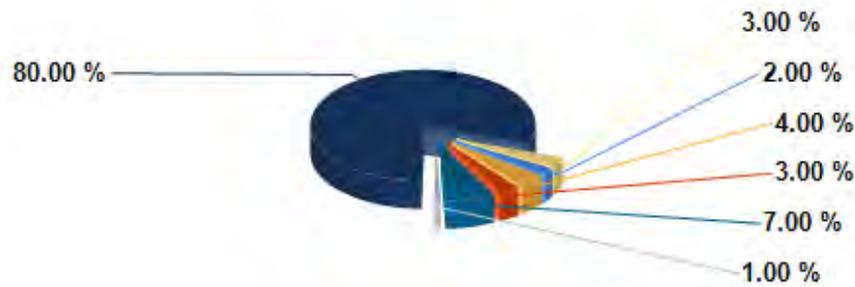
Budget variance	<b>111,453.82</b>
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Investment by Type



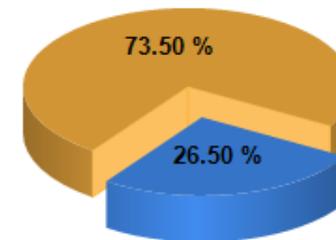
■ All A category term deposits   
 ■ BBB+, BBB, BBB- category term deposits   
 ■ Unrated Term Deposits

Investment by Fund

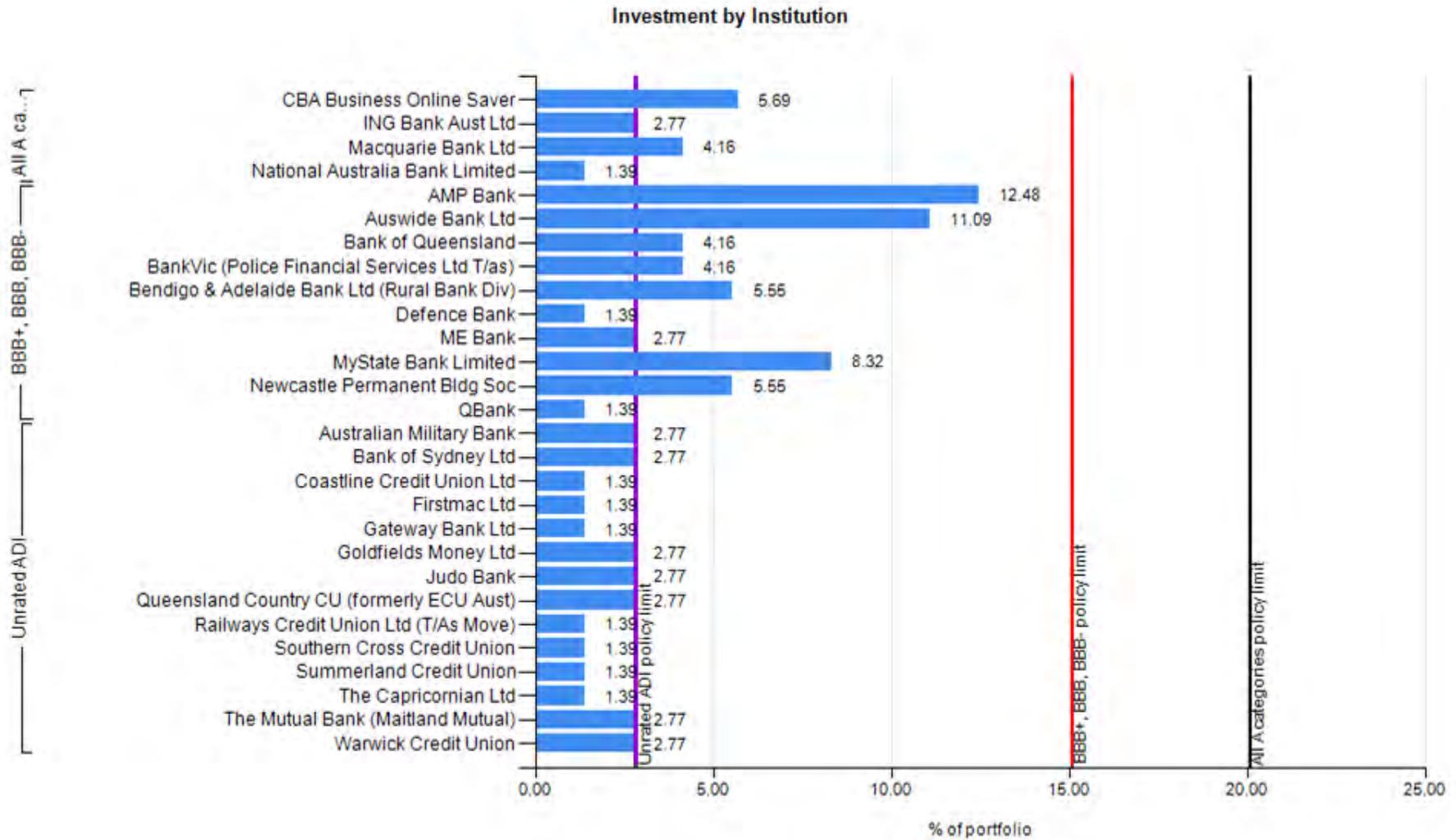


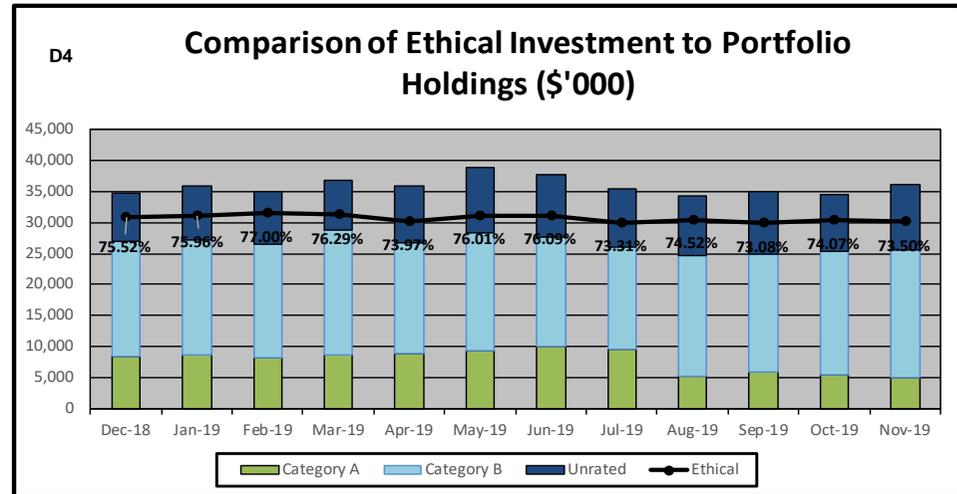
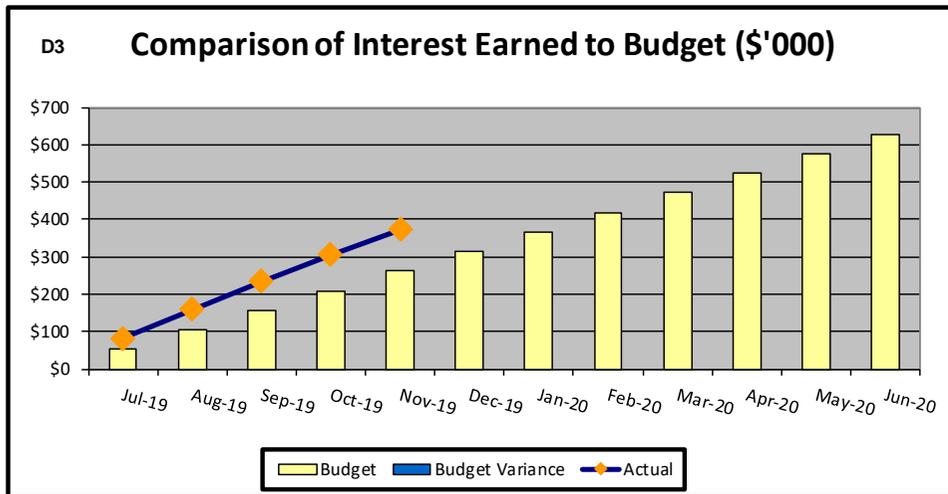
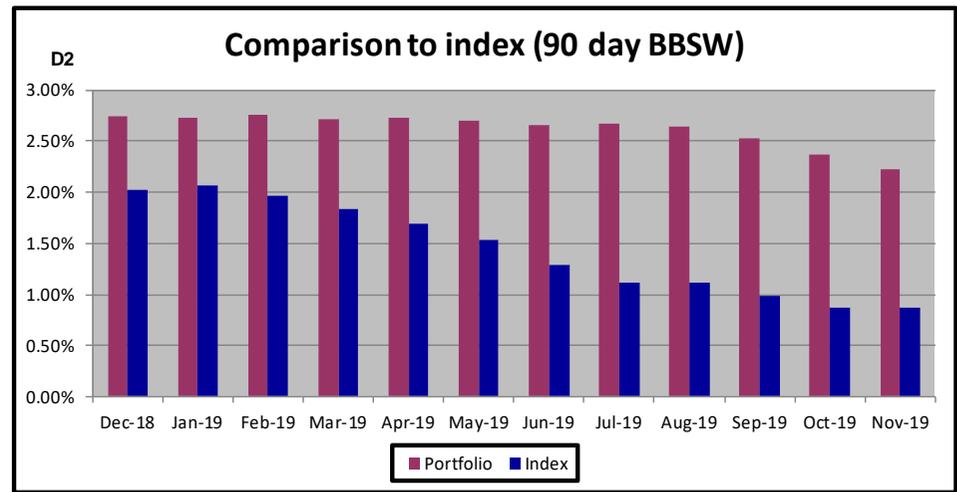
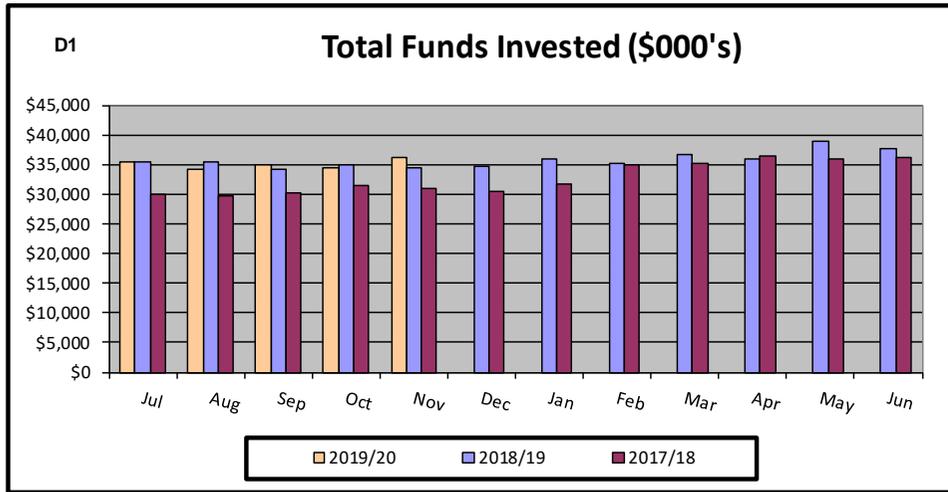
■ Fleet    ■ Property    ■ Retail    ■ RWL    ■ Water    ■ Weeds  
■ Flood

Ethical Investments as a % of Portfolio



■ Investment in fossil fuels    ■ No investment in fossil fuels





## Water production and usage - October 2019 and November 2019

(5/12)

**Business activity priority**

Strategy and planning

**Goal 2**

Align strategic direction to core functions and sustainability

### Background

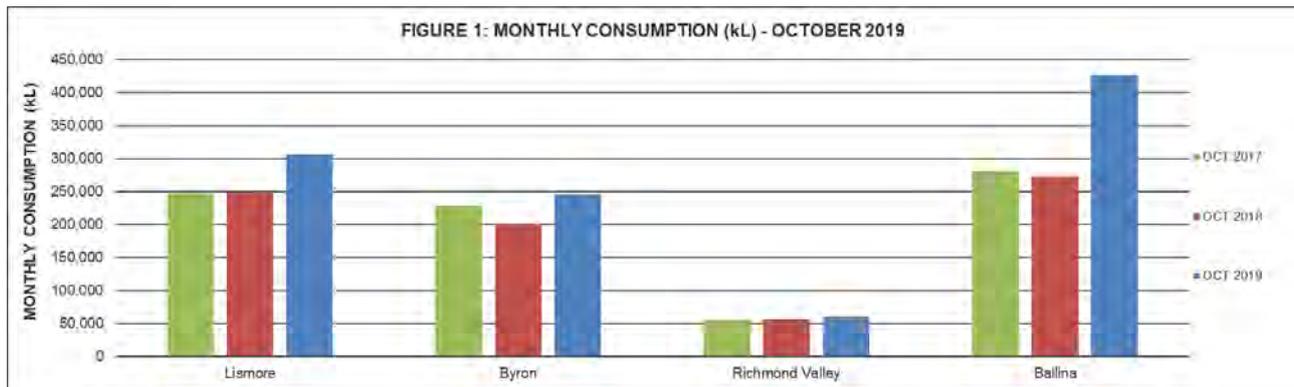
- Summary for October 2019**

The table below is the October 2019 bulk water sales to the constituent councils in kilolitres compared to September 2019 and the corresponding October for 2017 and 2018.

Council	Council area	Oct 2017	Oct 2018	Sept 2019	Oct 2019	Change on previous year %	% of Total
Lismore City Council	Dunoon/The Channon	11,906	10,808	13,213	14,362		
	Clunes	4,343	3,345	4,743	6,120		
	Pineapple Road	467	362	550	768		
	Holland Street	34,036	33,144	46,103	48,463		
	Ross Street	71,834	70,317	76,215	87,559		
	Tullera	1,418	1,285	1,556	1,850		
	No. 4 Reservoir	29,975	38,324	45,548	54,605		
	No. 9 Reservoir	88,743	86,632	81,833	86,530		
	Tanelawn	4,670	4,507	6,043	5,705		
	North Woodburn	626	633	778	809		
	<b>TOTAL</b>		<b>248,018</b>	<b>249,357</b>	<b>276,582</b>	<b>306,771</b>	<b>↑ 23.02%</b>
Byron Shire Council	Bangalow	15,469	12,179	17,266	17,570		
	Byron Bay	55,959	49,847	50,400	57,103		
	Coopers Shoot	93,968	78,276	80,836	88,220		
	Wategos Beach	4,603	3,455	4,577	4,530		
	Brunswick Heads	15,672	14,342	19,087	20,422		
	Ocean Shores	42,810	42,950	51,045	57,830		
	<b>TOTAL</b>		<b>228,481</b>	<b>201,049</b>	<b>223,211</b>	<b>245,675</b>	<b>↑ 22.20%</b>
Richmond Valley Council	Coraki	9,577	10,260	10,115	11,838		
	Woodburn	4,795	4,348	5,735	5,570		
	Broadwater	14,218	17,353	14,271	14,184		
	Evans Head	26,684	24,994	29,007	28,493		
	<b>TOTAL</b>		<b>55,274</b>	<b>56,955</b>	<b>59,128</b>	<b>60,085</b>	<b>↑ 5.50%</b>
Ballina Shire Council	Ballina 375mm main	93,952	89,683	93,664	81,350		
	Lennox Head 200mm main	1,640	2,632	2,333	2,561		
	Basalt Crt 450mm main	125,059	118,679	167,639	207,501		
	Ballina Heights	5,727	6,643	43,489	50,684		
	<b>Sub-Total</b>	<b>226,378</b>	<b>217,637</b>	<b>307,125</b>	<b>342,096</b>		
	Wollongbar 375mm main	55,660	55,418	74,819	84,835		
	Lumley Park Bore	0	0	0	0		
	Converys Lane Bore	0	0	0	0		
	<b>Sub-Total</b>	<b>55,660</b>	<b>55,418</b>	<b>74,819</b>	<b>84,835</b>		
	<b>TOTAL</b>		<b>282,038</b>	<b>273,055</b>	<b>381,944</b>	<b>426,931</b>	<b>↑ 56.35%</b>
<b>TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS</b>		<b>813,811</b>	<b>780,416</b>	<b>940,865</b>	<b>1,039,462</b>	<b>↑ 33.19%</b>	<b>100.00</b>

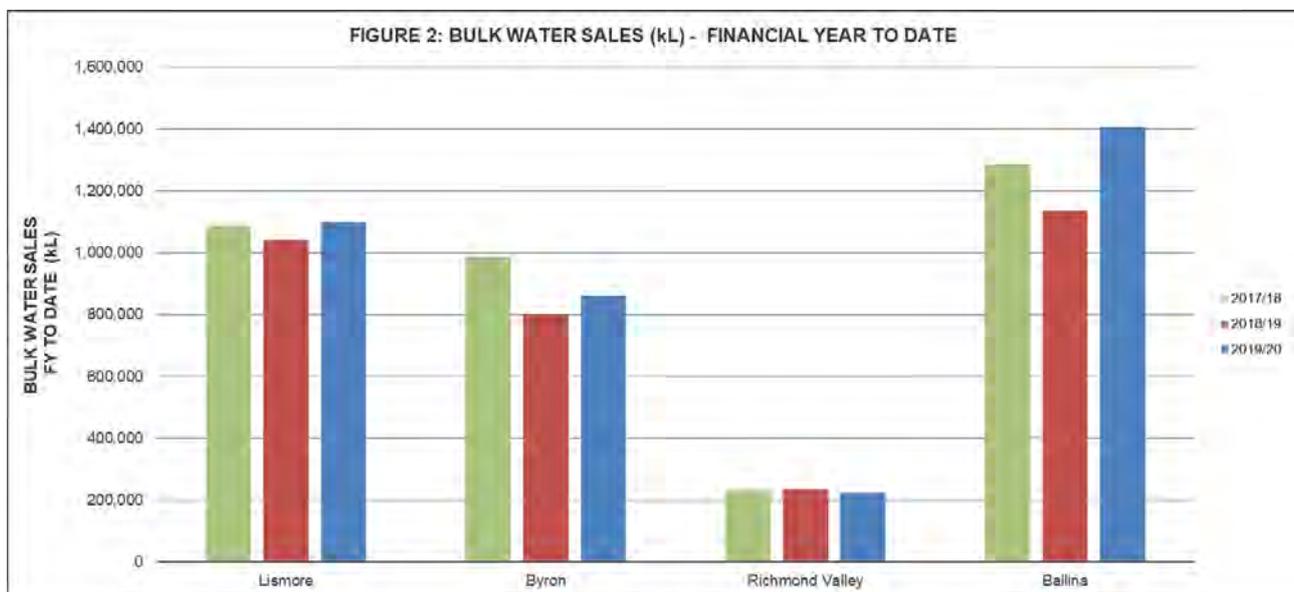
## Monthly consumption by constituents

Figure 1 is the monthly consumption for each council area compared to the previous two years.



## Sales to constituents – financial year to date

Figure 2 is the bulk water sales in kilolitres to the constituent councils for the financial year to date compared to previous financial years.



## Source contribution

The table below is the source contributions in kilolitres for the month compared to the corresponding month of the previous two years.

Daily source usage for October 2019 averaged 36.358ML. This is an increase from the September 2019 daily average of 34.707ML. Rocky Creek Dam as at 31 October was at 81.72% of full capacity.

Source	October 2017	October 2018	September 2019	October 2019	Change on previous year %	% of Total
Rocky Creek Dam	811,489	851,368	469,558	821,751		72.91
Wilson River	0	0	438,009	159,102		14.12
Emigrant Creek Dam	90,954	12,313	133,647	146,245		12.98
Alstonville Plateau Bores	0	0	0	0		
Coastal Sands Bores	0	0	0	0		
<b>MONTHLY TOTAL</b>	<b>902,443</b>	<b>863,681</b>	<b>1,041,214</b>	<b>1,127,098</b>	<b>↑ 30.50</b>	<b>100.00</b>
<b>CALENDAR YEAR TO DATE TOTAL</b>	<b>8,371,280</b>	<b>7,497,020</b>	<b>8,746,019</b>	<b>9,873,117</b>	<b>↑ 31.69</b>	

## New connections

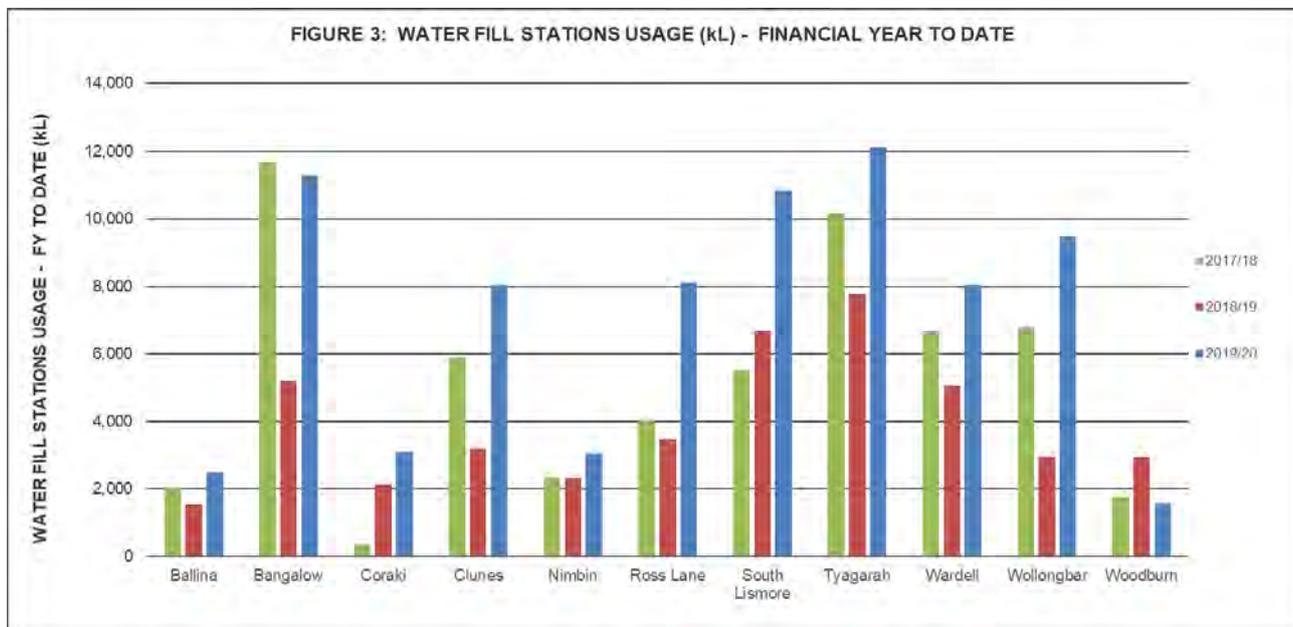
The table below is a summary of the new water connections for each council for the month. The kL/connection/day provides a comparison of the monthly consumption per connection per day.

Supply authority	New connections for month	Calendar year to date total	Total connections	kL/Connection/Day
Lismore City Council	2	43	14,011	0.71
Byron Shire Council	21	120	10,089	0.79
Richmond Valley Council	6	22	2,708	0.72
Ballina Shire Council	21	261	15,345	0.90
Rous County Council	4	13	2,120	0.91
<b>TOTAL</b>	<b>54</b>	<b>459</b>	<b>44,273</b>	

## Water fill stations

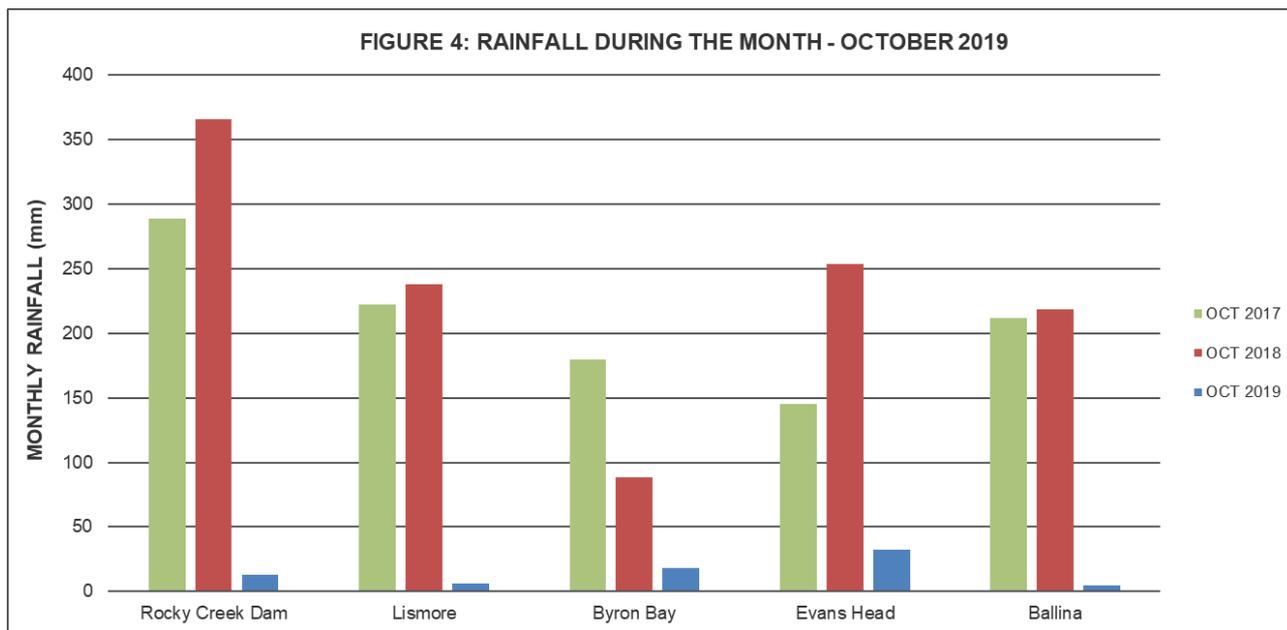
Figure 3 is the usage from the water fill stations for the financial year to date in kilolitres for each water fill station compared to previous financial years.

Total water usage for the water fill station network for October 2019 was 37,134kL, an increase from 25,392kL in September 2019.



## Rainfall by area

Figure 4 is the monthly rainfall for Rocky Creek Dam and council areas compared to the previous two years.



Note: The Rocky Creek Dam rainfall reading is from the rain gauge at Nightcap Water Treatment Plant. Other rainfall data is from the Bureau of Meteorology.

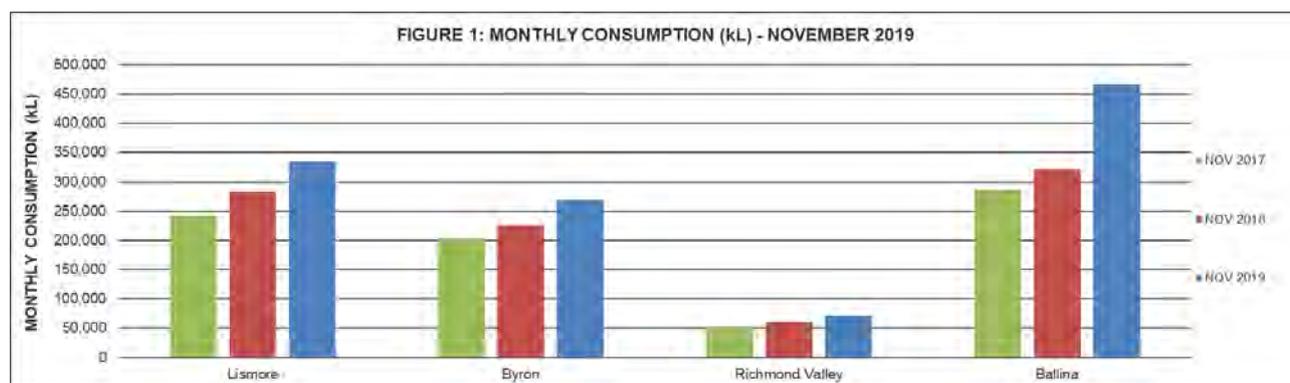
## • Summary for November 2019

The table below is the November 2019 bulk water sales to the constituent councils in kilolitres compared to October 2019 and the corresponding November for 2017 and 2018.

Council	Council area	Nov 2017	Nov 2018	Oct 2019	Nov 2019	Change on previous year %	% of Total	
Lismore City Council	Dunoon/The Channon	10,728	12,420	14,362	20,861			
	Clunes	4,473	4,393	6,120	7,901			
	Pineapple Road	472	444	768	1,011			
	Holland Street	34,180	41,399	48,463	52,507			
	Ross Street	69,880	78,896	87,559	91,858			
	Tullera	1,160	1,541	1,850	2,602			
	No. 4 Reservoir	31,127	53,635	54,605	60,944			
	No. 9 Reservoir	85,481	85,533	86,530	90,448			
	Tanelawn	4,264	5,160	5,705	6,019			
	North Woodburn	609	710	809	1,090			
	<b>TOTAL</b>	<b>242,374</b>	<b>284,131</b>	<b>306,771</b>	<b>335,241</b>	<b>↑ 17.99</b>	<b>29.33</b>	
Byron Shire Council	Bangalow	15,535	14,876	17,570	21,218			
	Byron Bay	32,537	54,334	57,103	60,580			
	Coopers Shoot	93,351	89,372	88,220	97,873			
	Wategos Beach	4,562	3,821	4,530	4,913			
	Brunswick Heads	15,677	17,811	20,422	21,623			
	Ocean Shores	42,399	46,146	57,830	62,879			
		<b>TOTAL</b>	<b>204,061</b>	<b>226,360</b>	<b>245,675</b>	<b>269,086</b>	<b>↑ 18.88</b>	<b>23.54</b>
Richmond Valley Council	Coraki	9,436	10,726	11,838	12,978			
	Woodburn	4,484	4,848	5,570	7,579			
	Broadwater	13,688	18,123	14,184	17,514			
	Evans Head	25,467	28,003	28,493	32,987			
		<b>TOTAL</b>	<b>53,075</b>	<b>61,700</b>	<b>60,085</b>	<b>71,058</b>	<b>↑ 15.17</b>	<b>6.22</b>
Ballina Shire Council	Ballina 375mm main	90,611	85,438	81,350	78,988			
	Lennox Head 200mm main	1,634	2,740	2,561	7,283			
	Basalt Crt 450mm main	132,966	159,285	207,501	274,922			
	Ballina Heights	5,786	9,555	50,684	9,802			
		<b>Sub-Total</b>	<b>230,997</b>	<b>257,018</b>	<b>342,096</b>	<b>370,995</b>		
	Wollongbar 375mm main	54,972	64,547	84,835	96,676			
	Lumley Park Bore	0	0	0	0			
	Converys Lane Bore	0	0	0	0			
		<b>Sub-Total</b>	<b>54,972</b>	<b>64,547</b>	<b>84,835</b>	<b>96,676</b>		
		<b>TOTAL</b>	<b>285,969</b>	<b>321,565</b>	<b>426,931</b>	<b>467,671</b>	<b>↑ 45.44</b>	<b>40.91</b>
<b>TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS</b>		<b>785,479</b>	<b>893,756</b>	<b>1,039,462</b>	<b>1,143,056</b>	<b>↑ 27.89</b>	<b>100.00</b>	

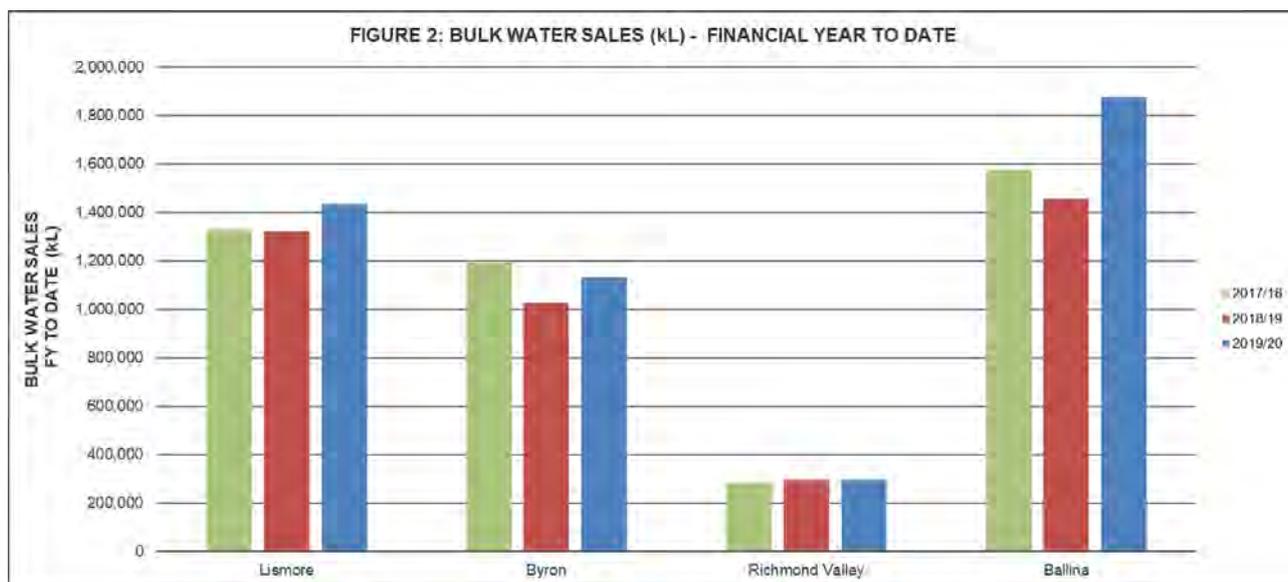
## Monthly consumption by constituents

Figure 1 is the monthly consumption for each council area compared to the previous two years.



## Sales to constituents – financial year to date

Figure 2 is the bulk water sales in kilolitres to the constituent councils for the financial year to date compared to previous financial years.



## Source contribution

The table below are the source contributions in kilolitres for the month compared to the corresponding month of the previous two years.

Daily source usage for November 2019 averaged 41.583ML. This is an increase from the October 2019 daily average of 36.358ML. Rocky Creek Dam as at 30 November 2019 was at 71.99% of full capacity.

Source	Nov 2017	Nov 2018	Oct 2019	Nov 2019	Change on previous year %	% of Total
Rocky Creek Dam	880,787	946,254	821,751	1,146,269		91.89
Wilson River	0	7,461	159,102	1,214		0.10
Emigrant Creek Dam	0	47,622	146,245	100,017		8.02
Alstonville Plateau Bores	0	0	0	0		
Coastal Sands Bores	0	0	0	0		
<b>MONTHLY TOTAL</b>	<b>880,787</b>	<b>1,001,337</b>	<b>1,127,098</b>	<b>1,247,500</b>	<b>↑ 24.58</b>	<b>100.00</b>
<b>CALENDAR YEAR TO DATE TOTAL</b>	<b>9,252,067</b>	<b>8,498,357</b>	<b>9,873,117</b>	<b>11,120,617</b>	<b>↑ 30.86</b>	

## New connections

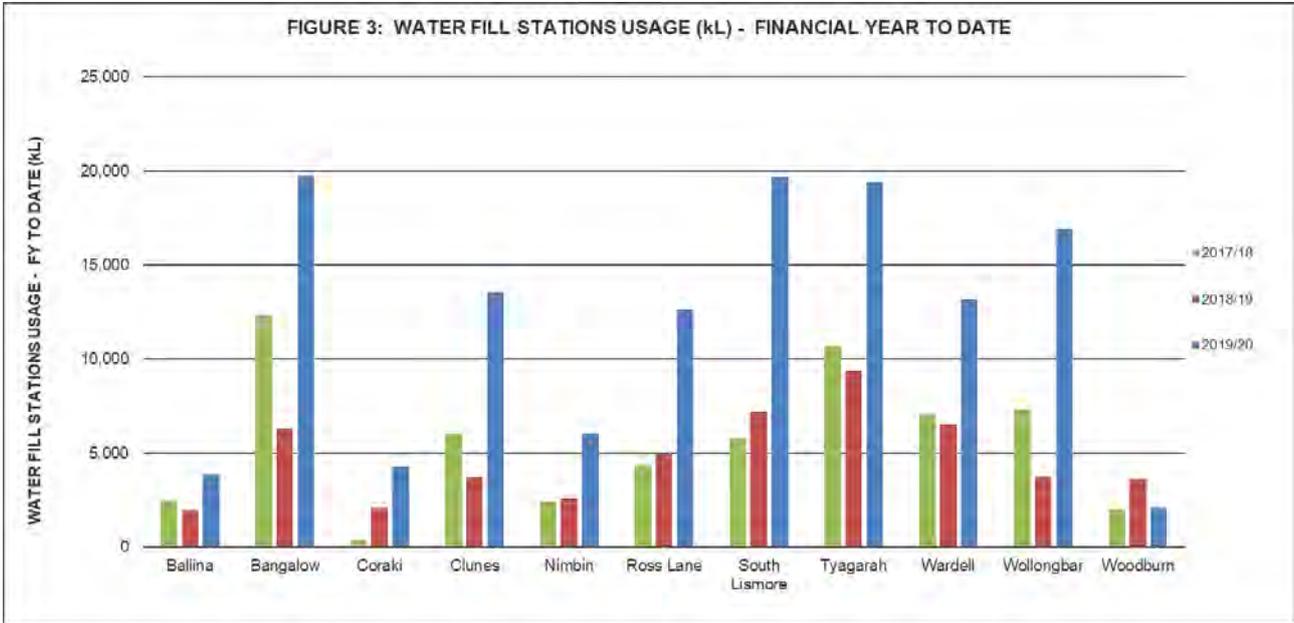
The table below is a summary of the new water connections for each council for the month. The kL/connection/day provides a comparison of the monthly consumption per connection per day.

Supply authority	New connections for month	Calendar year to date total	Total connections	kL/Connection/Day
Lismore City Council	7	50	14,018	0.80
Byron Shire Council	4	124	10,093	0.89
Richmond Valley Council	N/A	22	2,708	0.87
Ballina Shire Council	11	272	15,356	1.02
Rous County Council	1	14	2,121	0.94
<b>TOTAL</b>	<b>23</b>	<b>482</b>	<b>44,296</b>	

**Water fill stations**

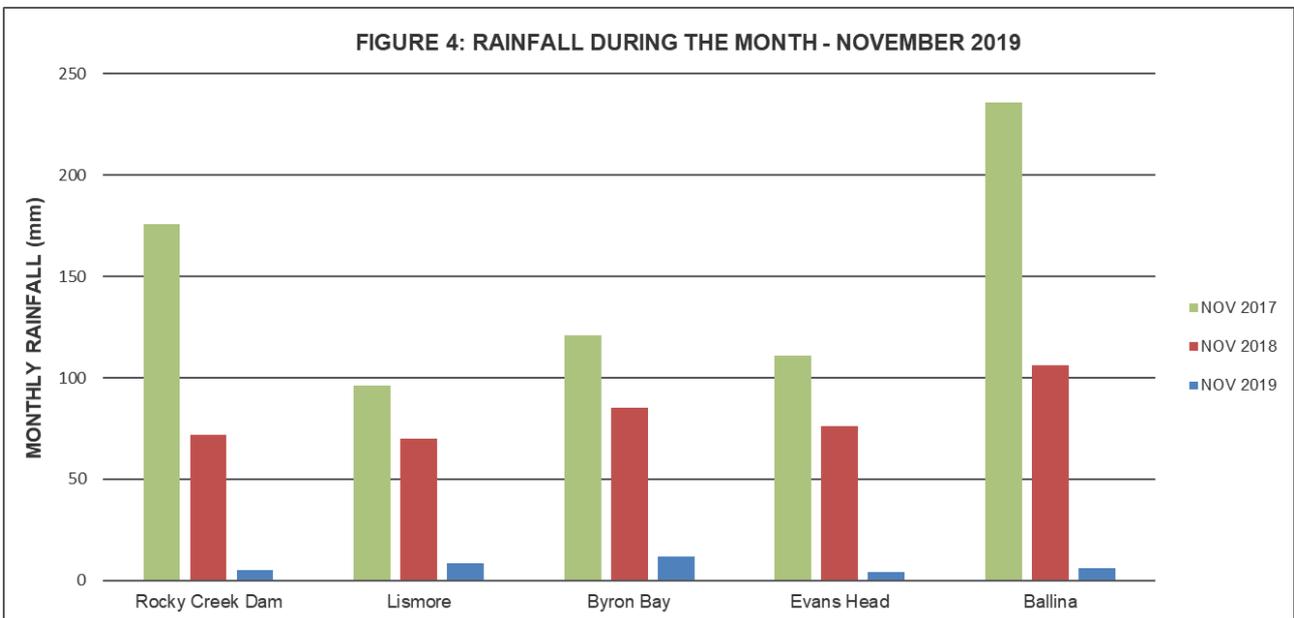
Figure 3 is the usage from the water fill stations for the financial year to date in kilolitres for each water fill station compared to previous financial years.

Total water usage for the water fill station network for November 2019 was 53,372kL which is an increase from 37,134kL in October 2019.



**Rainfall by area**

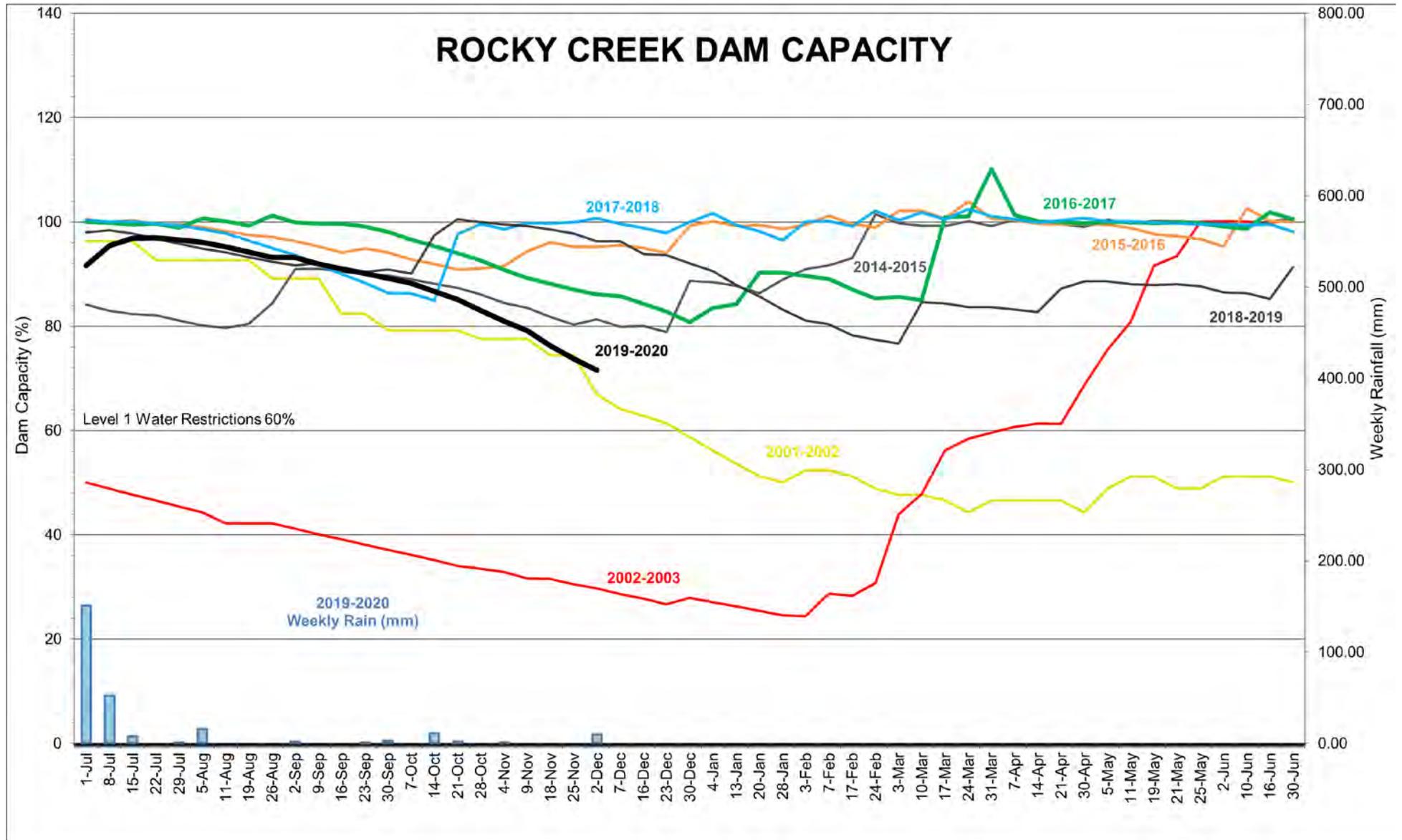
Figure 4 is the monthly rainfall for Rocky Creek Dam and council areas compared to the previous two years.



Note: The Rocky Creek Dam rainfall reading is from the rain gauge at Nightcap Water Treatment Plant. Other rainfall data is from the Bureau of Meteorology.

Andrew Logan  
 Planning Manager

Attachment: Rocky Creek Dam Capacity.



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## Audit, Risk and Improvement Committee – meeting update

(847)

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<b>Business activity priority</b>	Strategy and planning
<b>Goal 2</b>	Align strategic direction to core functions and sustainability

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### Recommendation

That Council receive and note the attached minutes from the Audit, Risk and Improvement Committee meeting of 25 November 2019.

### Background

The Audit, Risk and Improvement Committee met on 25 November 2019. A copy of the meeting minutes is attached (Attachment 1).

### Key messages

#### 1. Management Letter

The Audit Office of New South Wales Management Letter on the final phase of the audit for the year ending 30 June 2019 was initially tabled at the Committee's 14 October 2019 meeting.

Detailed management responses have been prepared for the 11 issues raised in the management letter. The Committee requested that management provide the Committee with a status update on matters arising from the Final Management Letter for the year ended 30 June 2019 at the 23 March 2020 Committee meeting.

#### 2. Overview of the Office of Local Government discussion paper – risk management and internal audit

The Audit, Risk and Improvement Committee requested a report on the NSW Office of Local Government discussion paper 'A new risk management and internal audit framework for local councils in NSW' released in September 2019. Council subsequently resolved at its 22 October 2019 meeting as follows, 'that Council provide a submission to the proposed guidelines for Audit, Risk and Improvement Committees' ([85/19]).

A report was provided to the Audit, Risk and Improvement Committee's November meeting (Attachment 2). The Committee endorsed the recommendation in the report and as a result it is proposed that management will proceed to prepare a submission to the consultation process.

#### 3. Fraud Control

The Audit, Risk and Improvement Committee requested an update on the progress of the self-assessment conducted by staff against the NSW Audit Office issued Fraud Control Checklist. The Checklist is contained within the Audit Office of New South Wales' Fraud Control Improvement Kit, which was released in 2015 to assist organisations to implement and manage effective fraud and corruption control processes.

It identifies ten (10) key attributes for effective fraud control within an organisation and presents measures by which an organisation can measure the suitability of their current controls. This information guided the development of the Fraud and Corruption Control Policy which was adopted by Council at its 22 October 2019 meeting.

The Checklist assessment is in progress and once finalised the results will inform the next steps in identifying further measures to mitigate fraud and corruption risks. In the meantime, a Fraud Risk Assessment will be undertaken which will be used in the development of a Fraud and Corruption Control Plan. It should be noted that these activities also align with some of the focus areas identified in the Audit Office of New South Wales Management Letter discussed at point 1 at the beginning of this report.

### **Consultation**

This report was prepared in consultation with the Audit, Risk and Improvement Committee Chairperson.

### **Conclusion**

This report provides a summary of the key messages from Council's Audit, Risk and Improvement Committee meeting of 25 November 2019. A copy of the minutes from the meeting are attached for information.

Phillip Rudd  
General Manager

### Attachments

1. Minutes from Audit, Risk and Improvement Committee meeting of 25 November 2019
2. Copy of the report to the Audit, Risk and Improvement Committee meeting of 25 November 2019 (item 8(i) of the Agenda) – *Overview: Office of Local Government discussions paper – a new risk management and internal audit framework for local councils in NSW*

# Rous County Council

## Audit, Risk and Improvement Committee Minutes

Monday, 25 November 2019

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The Chair opened the meeting at 10.02am

In attendance:

Voting Committee:

- Brian Wilkinson (Independent member - Chair)
- David Yarnall (Independent member)
- Cr Darlene Cook (Council member)

Rous County Council:

- Phillip Rudd (General Manager)
- Helen McNeil (Group Manager People and Performance)
- Guy Bezrouchko (Group Manager Corporate and Commercial)
- Andrew Logan (Planning Manager)
- Ben Wilson (Risk and Compliance Coordinator)
- Phil Courtney (Weed Biosecurity and Bush Regeneration Manager)

Also in attendance:

Gearoid Fitzgerald (Audit Office NSW) by teleconference at 10.55am

Adam Bradfield (Thomas, Noble and Russell) by teleconference at 10.55am

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### 1. APOLOGIES

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Apology received from Cr Basil Cameron.

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### 2. ACKNOWLEDGEMENT OF COUNTRY

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*Council showed its respect and acknowledged the Traditional Custodians of the Land, of all Elders, on which this meeting took place.*

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### 3. MINUTES OF PREVIOUS MEETING

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Minutes of the meeting held 14 October 2019 were noted as presented.

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### 4. DISCLOSURE OF INTEREST

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Nil.

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**5. PRESENTATION**

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Phil Courtney (Weed Biosecurity and Bush Regeneration Manager) presented on weed biosecurity surveillance program.

**RECOMMENDATION [36/19]** (Wilkinson/Yarnall) that the Audit, Risk and Improvement Committee receive and note the information presented and thank Phil Courtney for his presentation and that the Committee requested a further update in 2020.

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**6. STANDARD REPORTS**

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**i). Compliance**

- **Policy register review**
- **Office of Local Government Calendar of Reporting**

**RECOMMENDATION [37/19]** (Yarnall/Wilkinson) that the Audit, Risk and Improvement Committee receive and note the information presented in the report.

(CARRIED)

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**ii). Risk management**

- **Work Health and Safety**
- **Enterprise risk management**

**RECOMMENDATION [38/19]** (Cook/Wilkinson) that the Audit, Risk and Improvement Committee receive and note the information presented in the report regarding:

1. Various Work Health and Safety matters including the separate report at agenda Item 6. iii). of the business paper on the WHS internal audit completed in March/April 2019.
2. Activity against progress and completion of risk register actions rated 'high' or above.

(CARRIED)

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**iii). Governance**

- **Internal audit actions – progress reporting**

**RECOMMENDATION [39/19]** (Cook/Yarnall) that the Audit, Risk and Improvement Committee receive and note the information presented in the report regarding progress against actions arising from internal audits.

(CARRIED)

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**iv). Implementation of Integrated Planning and Reporting framework**

- **2019/20 Delivery program / Operational plan**

**RECOMMENDATION [40/19]** (Wilkinson/Yarnall) that the Audit, Risk and Improvement Committee receive and note the information presented in the report regarding performance in delivery of the 2019/20 Delivery program/Operational plan as reported to Council's 21 August 2019 meeting.

CARRIED

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## 7. GROUP MANAGER CORPORATE AND COMMERCIAL REPORTS

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### i). ICT Business Plan 2019/21: progress report for 1 July 2019 – 30 September 2019

**RECOMMENDATION [41/19]** (Wilkinson/Yarnall) that the Audit, Risk and Improvement Committee:

1. Receive and note the information presented in the progress report;
  2. Receive two further progress reports at the 23 March 2020 and 19 October 2020 meetings.
- 

### ii). Financial management

- **Annual Financial Statement for year ending 30 June 2019**
- **Management letter (internal audit)**
- **Quarterly Budget Review Statement for quarter ending 30 September 2019**
- **Monthly Investment report – September 2019**

**RECOMMENDATION 1 [42/19]** (Wilkinson/Yarnall) that the Audit, Risk and Improvement Committee receive and note the information presented in the Financial management report – November 2019 regarding:

1. Annual Financial Statements for year ending 30 June 2019 issued to the Office of Local Government.
2. Management letter issued by the Audit Office of NSW for the year ending 30 June 2019.
3. The quarterly budget review report furnished to Council's October meeting applicable for the quarter ending 30 September 2019.
4. The investment report furnished to Council's October 2019 meeting applicable for the month of 30 September 2019.

**RECOMMENDATION 2 [43/19]** (Yarnall/Cook) that management provide the Committee with a status update on matters arising from the Final Management Letter for the year ended 30 June 2019 by the 23 March 2020 ARIC meeting.

CARRIED

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## 8. GROUP MANAGER PEOPLE AND PERFORMANCE

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### i). Overview of Office of Local Government discussion paper – a new risk management and internal framework for local councils in NSW

**RECOMMENDATION [44/19]** (Wilkinson/Cook) that the Audit, Risk and Improvement Committee:

1. Note the release of the Office of Local Government's discussion paper 'A new risk management and internal audit framework for local councils in NSW' (September 2019) and the intention of management to lodge a submission in response to the invitation for feedback, highlighting the following key points:
    - (a) Scalability and flexibility – not reflective of the structure and needs of NSW local government
    - (b) Cost and value – does not deliver on the outcome of minimising administrative and resource impacts for NSW local councils
-

- (c) Membership – not reflective of the value and benefit of councillor participation and as a key connector between the Audit, Risk and Improvement Committee and the governing body
  - (d) Mandatory consultation with local councils on the draft regulation and section 23A Guideline
  - (e) That the discussion paper be referred to the NSW Commissioner for Productivity for review and an opinion on whether the proposed framework delivers against the NSW Government's commitment and mandate to reduce red tape, make it easier to do business and reduce cost of living pressures, noting that the cost of administration and implementation of the new framework will ultimately be met by ratepayers.
2. Note the resolution of Rous County Council from its 22 October 2019 meeting that a submission to the consultation process be lodged with the Office of Local Government in relation to the discussion paper.
  3. Recommend that Rous County Council write to LGNSW seeking their support and advocacy in making representations to the NSW State Government regarding the proposed framework for risk management and internal audit based on the key points outlined at (1) above.

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## 9. INFORMATION REPORTS

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### i). Reports/actions pending

**RECOMMENDATION [45/19]** (Cook/Wilkinson) that the Committee receive and note the report and that management provide an update on the progress of the Fraud Control Checklist in 2020.

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## 10. CONFIRMATION OF MINUTES

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### i). Audit, Risk and Improvement Committee meeting minutes 25 November 2019

**RECOMMENDATION [46/19]** (Yarnall/Cook) that the minutes of the Audit, Risk and Improvement Committee meeting held 25 November 2019 be confirmed.

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## 11. NEXT MEETING

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Monday, 23 March 2020.

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## 12. CLOSE OF BUSINESS

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There being no further business the meeting closed at 12.12pm

## Overview: Office of Local Government discussion paper – a new risk management and internal framework for local councils in NSW

(847.7/18)

**Business activity priority**

Information and knowledge

**Goal 3**

Create value through applying knowledge

### Report purpose

*Provide an overview of and seek the Committee's feedback on key points recommended for inclusion in a management submission to the consultation process for the Office of Local Government's discussion paper 'A new risk management and internal audit framework for local councils in NSW' (September 2019).*

### Recommendation

That the Audit, Risk and Improvement Committee:

1. Note the release of the Office of Local Government's discussion paper 'A new risk management and internal audit framework for local councils in NSW' (September 2019) and the intention of management to lodge a submission in response to the invitation for feedback, highlighting the following key points:

- (a) Scalability and flexibility – not reflective of the structure and needs of NSW local government
- (b) Cost and value – does not deliver on the outcome of minimising administrative and resource impacts for NSW local councils
- (c) Membership – not reflective of the value and benefit of councillor participation and as a key connector between the Audit, Risk and Improvement Committee and the governing body
- (d) Mandatory consultation with local councils on the draft regulation and section 23A Guideline
- (e) That the discussion paper be referred to the NSW Commissioner for Productivity for review and an opinion on whether the proposed framework delivers against the NSW Government's commitment and mandate to reduce red tape, make it easier to do business and reduce cost of living pressures, noting that the cost of administration and implementation of the new framework will ultimately be met by ratepayers.

2. Note the resolution of Rous County Council from its 22 October 2019 meeting that a submission to the consultation process be lodged with the Office of Local Government in relation to the discussion paper.

3. Recommend that Rous County Council write to LGNSW seeking their support and advocacy in making representations to the NSW State Government regarding the proposed framework for risk management and internal audit based on the key points outlined at (1) above.

### Key documents

- *A new risk management and internal audit framework for local councils in NSW – snapshot guide – September 2019*
- *A new risk management and internal audit framework for local councils in NSW – discussion paper – September 2019*

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## Background

Amendments made to the *Local Government Act 1993* ('Act') in 2016 resulted in Audit Risk and Improvement Committees being mandatory across local government. The new provisions have a delayed commencement which means that councils have until March 2021 to have a Committee in place. Prior to these changes, the Act did not contain provisions in relation to internal audit. Instead, internal audit was governed through the Office of Local Government 'Internal Audit Guidelines – September 2010' issued under section 23A of the *Local Government Act 1993*.

The Office of Local Government released a discussion paper in September 2019. The discussion paper foreshadows a regulatory framework consisting of subordinate legislation and a section 23A Guideline. This approach is designed to support the purpose and intent of the new general internal audit provisions within the Act and is similar to the State Government's treatment of other changes to the Act such as the Model Code of Conduct (and Procedures) and the Model Code of Meeting Practice.

While the discussion paper provides that the governance framework for internal audit will include new regulations and a section 23A guideline, the detail proposed to be contained within each is not sufficiently clear.

General commentary is provided (page 22) which outlines that the new regulations will prescribe the requirements for appointing an Audit Risk and Improvement Committee and establishing a risk management framework and internal audit function. This will include a Model Internal Audit Charter and Model Terms of Reference for Audit, Risk and Improvement Committees. However, the further statement that '*This discussion paper describes the key requirements that will ultimately be prescribed by the Local Government Regulation*' which indicates a greater level of prescription through the new Regulation than initially thought.

Understanding the requirements that will be governed by a new Regulation versus a section 23A Guideline is important because the compliance requirements are different. A Regulation is classified as subordinate legislation therefore the compliance requirement is consistent with any legislative obligation. By comparison, the *Local Government Act 1993* provides that a Council must take any relevant guidelines issued under section 23A into consideration before exercising any of its functions.

The specific mechanism will ultimately dictate the level of flexibility available to develop and implement a tailored approach reflective of Council's specific business requirements and constraints.

## Informing the Framework

The approach outlined in the discussion paper is modelled on accepted risk management theory, principles and methods including relevant Australian and International Standards (AS/ISO31000:2018 – *Risk Management*) and the International Professional Practices Framework. In addition, the Institute of Internal Auditors, NSW Treasury, the Department of Finance, Services and Innovation, the NSW Audit Office and the Executive of the Local Government Internal Auditors Network have provided feedback on the proposed framework.

## Submission to the consultation process

The Office of Local Government has invited feedback on the proposed framework. Submissions are due by 31 December 2019. The focus areas for feedback are as follows:

- Will the proposed internal audit framework achieve the outcomes sought?
- What challenges do you see for your council when implementing the proposed framework?
- Does the proposed framework include all important elements of an effective internal audit and risk framework?
- Is there anything you do not like about the proposed framework?
- Can you suggest any improvements to the proposed framework?

## Overview of key points for submission

Based on the information provided in the proposed framework as well as the absence of data it is difficult to definitively comment on these questions. Nevertheless, there are some key points that are recommended for inclusion in a submission to the consultation process:

### 1. Scalable and flexible

#### Key point:

**1.1 Proposed framework does not achieve the NSW Government's desired outcome for an approach that reflects the unique structure and needs of NSW local government and minimises the administrative and resource impacts for councils**

**1.2 Governance structure and compliance requirement should differentiate based on council categorisation**

The discussion paper states that 'an overriding concern has been to ensure that the proposed framework reflects the unique structure and needs of NSW local government and that it also minimises the administrative and resource impacts for councils' (page 20). Despite inclusions such as options for shared internal audit arrangements, phased implementation, and a scaled fee structure, the proposed framework does not adequately cater for the extent of the diversity of local councils.

The proposed framework should be based on different categories of council recognising, as a minimum, location and type (general purpose v special purpose). The model and applicable compliance requirements need to be scalable. At present, minimal options are available in terms of governance structure and all reporting compliance requirements will be equal across the sector (regardless of council size, type, location).

There are existing methodologies, such as those used by the Local Government Remuneration Tribunal, to differentiate local council types for the purpose of determining remuneration. While it is noted that the Tribunal intends to review its current categorisation models in 2020, a model exists that recognises the diversity of local government.



#### **Snapshot – Local Government Remuneration Tribunal local council categories**

##### General purpose councils:

- metropolitan (principal CBD, Major CBD, large, medium, small)
- non-metropolitan (regional city, regional strategic area, regional rural, rural)

##### County councils:

- water
- other.

The proposed framework makes provision for shared service arrangement options and with that in mind specifically mentions smaller councils and county councils. Noting that the county council model is designed to deliver only a specific subset of the operations of a general-purpose council, a shared service arrangement for internal audit is problematic. There is very limited alignment of function. For example, Rous is responsible for bulk water, weed biosecurity and flood mitigation; whereas constituent councils are responsible for a broader range of services including roads and footpaths, rubbish collection services, libraries, community centres, sewer, and recreation facilities. It is also unclear from the proposed framework what fee payment structure for the Chair and members would apply noting that the remit of the Committee would cover both a general purpose and county council.

A potential alternative may be for county councils with similar functions to enter into a shared service arrangement. The practicality and cost effectiveness of this approach would need to be assessed having regard to the geographic distance between NSW county councils.

## 2. Cost and value

### Key point:

**2.1 Fee payment arrangement estimated ↑550% on 2019/20 financial year**

**2.2 Impact assessment (benefit, value and investment) of different governance models and compliance requirements needed to inform a decision on choice of structure and uncertainty of alignment with new external audit arrangements**

The full cost and value of the proposed framework is difficult to quantify at this point, based on the information available. It is equally difficult to determine if the proposed framework (in conjunction with the changes to external audit arrangements) represent best value for money as a solution to managing targeted risk types in local government.

Since 2016/17 when the NSW Audit Office was tasked with responsibility for audit across local government, it has had to rapidly acquire an understanding of the uniqueness of the sector. During that time it has become evident that the remit of the NSW Audit Office is over-reaching into what otherwise would be considered a function of an Audit, Risk and Improvement Committee and operational internal audit generally.

The alignment of purpose, function and accountability between the NSW Audit Office (and contracted external audit), the Audit, Risk and Improvement Committee and a local council's governing body have been blurred making it difficult to identify the precise scope of operation of each. Roles and responsibilities must be clearly defined. The proposed framework does not address this issue.

### Snapshot - annual fee position (based on current 5 meetings per year)

	Chair fee per year (excl. GST)	Member fee per year (excl. GST)	Member	TOTAL
<b>Proposed</b>	\$12,552	\$6,275	\$6,275	\$25,102
<b>Current</b>	\$2,400	\$1,455	N/A (Councillor member)	\$3,855
<b>% change</b>	↑423%	↑331%	↑6,275%	↑550%

### Context

#### Proposed framework – fee payments

Council size	Chair annual fee (excl. GST)	Member fee (excl. GST)
Small (indicator expenditure <\$50M)	\$12,552	\$1,255 per meeting day incl. prep. time (\$6,275 per year based on 5 meetings)

Current Audit Risk and Improvement Committee – as per 2013 Council resolution

The current fee payment structure is based on NSW State Government sitting fee rates as indexed by CPI ([19/13]). Travel and out-of-pocket expenses are reimbursable. Councillor members of the Committee do not receive a sitting fee but are eligible for travel and out-of-pocket expenses.

Year	Chair fee per meeting day incl. prep. time (excl. GST)	Member fee per meeting day incl. prep. time* (excl. GST)	Councillor member
2019/20	\$480	\$291	N/A
2018/19	\$473	\$288	N/A
2017/18	\$464	\$282	N/A

\* This fee is not paid to the Chair.

County Council member and Chair payments – determination pursuant to section 241 of the Local Government Act 1993

Council's 'Chairperson and member fees' policy provides that that fees payable to the chairperson and members be at 100% of the maximum determined by the Local Government Remuneration Tribunal.

	Chairperson annual fee*		Member annual fee	
	Min.	Max.	Min.	Max.
County council (water)	\$3,920	\$16,660	\$1,820	\$10,140

\* This fee is paid in addition to the fee paid to the Chairperson as a Member (s.249(2)).

• **Prequalification scheme - administration and maintenance cost**

The discussion paper is silent regarding whether local council's will be required by the NSW Government to make a financial contribution toward the administration of the *Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members* from which all Audit, Risk and Improvement Committee members will need to be sourced.

• **Business processes, servicing requirements and governance**

**Prescriptive**

The proposed framework is unnecessarily prescriptive. For example, in relation to Council's response to internal audit report recommendations 'the general manager will have a maximum of 10 working days to approve and provide the council's response to the Committee'. The framework prescribes the minimum content of internal audit reports as well as the requirements for circulating the reports (page 75). This level of detail is operational and should not be mandated through the framework, rather determined by the Committee in consultation with management.

**Ongoing monitoring and periodic self-assessments**

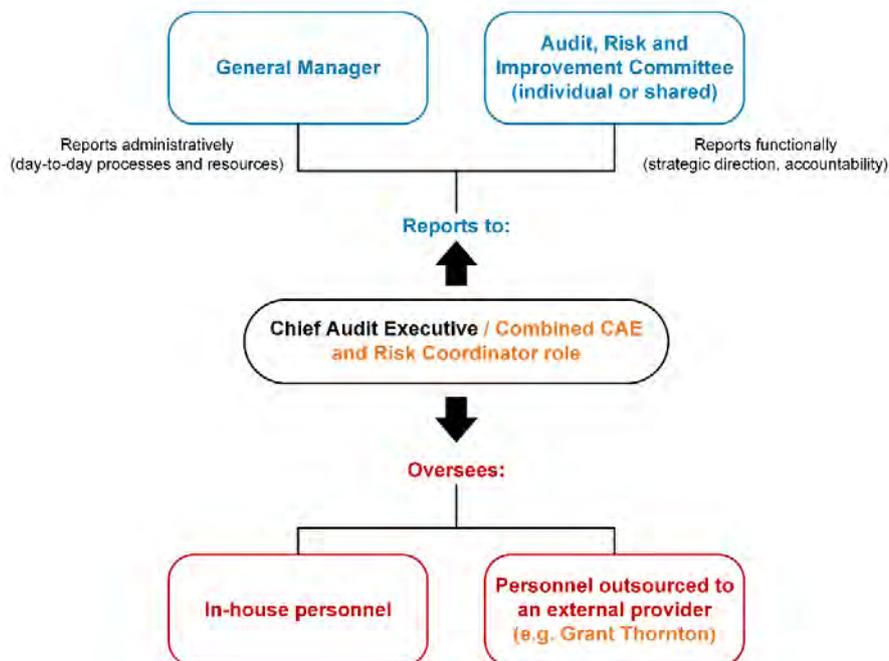
The proposed framework provides for a performance review (annual) and strategic external review (every four years). The requirements for each process are set out in the discussion paper (pp 80-83) and include the completion of an annual attestation certificate by the General Manager (to be countersigned by the Chair of the Audit, Risk and Improvement Committee) to be published in Council's annual report and furnished to the Office of Local Government. This is an example of a unnecessary duplication of reporting; if the certificate is required to be published in Council's annual report there should be no requirement to separately report the same information to the Office of Local Government.

### ***Restructuring of existing positions within the organisation structure or creation of new positions***

The Risk and Compliance Coordinator is the servicing officer for Council's Audit, Risk and Improvement Committee. This position resulted from Council's 2018 organisation restructure where management recognised that additional resources in the area of risk and compliance were needed. The additional resourcing was intended to accelerate outcomes and enhance capacity in order to improve organisational performance.

The proposed framework requires the employment of a 'Chief Audit Executive' staff member, which can either be a standalone position or combined with an existing risk management role. To identify a recommended approach and model the cost of the same, will require consideration of the proposed operating model having regard to existing positions with the organisation structure such as the Group Manager, People and Performance, Risk and Compliance Coordinator and Governance Officer.

#### **Snapshot – Proposed framework – relationships between key elements of internal audit**



### ***Governance of relationship between 'Chief Audit Executive' (stand alone or combined), General Manager, Committee Chair and governing body***

The discussion paper states that the 'Chief Audit Executive' is employed by and accountable to the General Manager however the role must have functional independence to be able to effectively assess and report on the way council operates. This means that the 'Chief Audit Executive', employed by the General Manager, is required to assess and report on the effectiveness of the General Manager in discharging their role. It is important to acknowledge the practical difficulties with this approach particularly where a Council determines to combine the role of 'Chief Audit Executive' with a mid-level non-executive risk management role (i.e. in terms of a power and authority imbalance).

The proposed framework provides for some safeguards whereby the General Manager is required to consult with the Chair of the Audit, Risk and Improvement Committee before appointing or dismissing the 'Chief Audit Executive' or making any change to their employment conditions. In addition, where the Chair of the Audit, Risk and Improvement Committee has concerns about the treatment of or any action taken in relation to the 'Chief Audit Executive' which may impact the performance of their role, they are required to report the matter to the governing body.

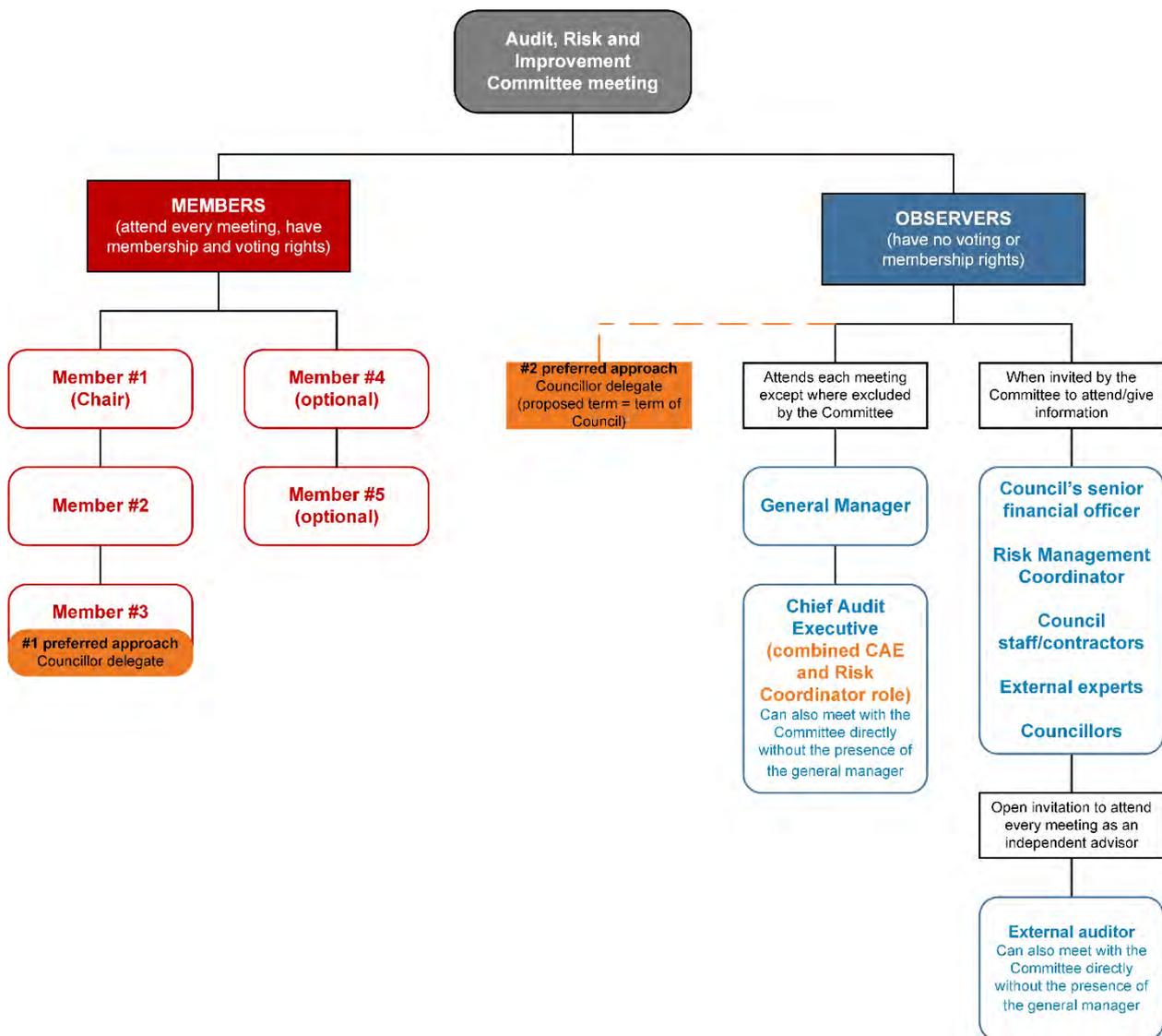
A review of existing business and human resources processes is not currently planned however would be required to assess the extent and cost of change required to support and comply with the requirements of the proposed framework.

### 3. Membership

#### Key point:

**3.1 Value add of councillor participation in enhancing communications between the Audit, Risk and Improvement Committee and governing body, and informing decision making to deliver improved risk management outcomes**

#### Snapshot – Proposed framework – Audit, Risk and Improvement Committee



Council's current Audit, Risk and Improvement Committee consists of one Councillor member and two independent members. Since the Committee was first established in 2013 this operating model has resulted in the Councillor member being a conduit between the Committee and the governing body. The Councillor member provides a summary of activity and outcomes to the governing body through the lens of an elected official which is different to the communications provided by the General Manager and management. Likewise, they are able to offer context and contributions to the Committee based on current matters relevant to or topical for the governing body.

While the General Manager has a key function in ensuring that the governing body is informed of Committee activities, Councillor involvement and perspective in leading those communications has added significant value to both the governing body and the Committee. The value is the perspective and cut through of messaging that can be achieved at a peer to peer level of elected official to elected official, as opposed to management representatives to elected officials.

As a minimum the proposed structure of the Audit, Risk and Improvement Committee should include a delegate from the governing body on the same basis as the General Manager and 'Chief Audit Executive' (see the diagram above for preferred options #1 or #2 shaded in orange).

#### 4. Effective and transparent consultation - draft Regulation and section 23A Guideline

##### **Key point:**

**4.1 Closed loop consultation process and open access information to ensure transparency and accountability in decision making on the proposed framework**

**4.2 Mandatory consultation with stakeholders on the draft Regulation and section 23A Guideline**

The discussion paper does not specify what elements of the framework will be legislated through the Regulation and what will be contained in the section 23A guidelines (must have regard for). For example, will conformance with industry guidance such as AS/ISO standards be mandated through the new Regulation or simply be recommended through the section 23A Guideline. As such it is important that local councils and representative bodies have the opportunity to review and provide feedback on any draft Regulation and section 23A Guideline. In addition, to enhance transparency and accountability through open access information, feedback provided by respondents to the consultative process should be made available and the position of the Office of Local Government in relation to the feedback made known. This level of feedback closeout has been absent from recent consultative processes, for example, in relation to the Model Code of Meeting Practice.

##### **Comment**

There have been a range of initiatives undertaken at a Federal and State Government level to enhance productivity through red tape reduction, including in local government. For example, '*Productivity Commission, Local Government, Shifting the Dial: 5 year Productivity Review, Supporting Paper No. 16*' and '*Regulatory Policy Framework Review Panel, Independent Review of the NSW Regulatory Policy Framework – Final Report – August 2017*'. It is unclear to what extent these types of existing bodies of work have informed the proposed framework. Equally, it is unclear whether the feedback and perspective of non-finance and non-audit practitioners was sought, to ensure a balance of input.

It is proposed that Council's response to the consultation process include a recommendation that the discussion paper and proposed framework be referred to the NSW Commissioner for Productivity for review and an opinion. The Commissioner's opinion should inform the review of the proposed framework including whether it delivers against the NSW Government's commitment and mandate to reduce red tape, make it easier to do business and reduce cost of living pressures noting that the cost of administration and implementation of the new framework will ultimately be met by ratepayers.

As at the time of writing staff are awaiting a response from LGNSW regarding their intention, as the peak industry body representing local councils and special purpose councils, to lodge a submission to the consultation process.

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### Council resolution – 22 October 2019 meeting

It should be noted that at its meeting of 22 October 2019 Rous County Council resolved as follows:

**RESOLVED [85/19]** (Cook/Cameron) that Council provide a submission to the proposed guidelines for Audit, Risk and Improvement Committees.

### Consultation

This report has been prepared in consultation with the General Manager and Leadership Team.

### Conclusion

The NSW Government released a discussion paper in September 2019 in relation to a proposed regulatory framework governing risk management internal audit. Submissions have been invited and are due by 31 December 2019. It is proposed that the key points outlined in this report form the basis of a management submission to the consultation process.

The proposed framework represents a blanket sector wide approach lacking the necessary scalability and flexibility to be effective and applicable within the local government context. The extent of difference across the local government sector is evident when comparing city/regional/rural in terms of geographical location, operational footprint, function, asset/infrastructure and revenue base as well as the demographic and socioeconomic characteristics of each community (sometimes the size of a local government area means that this differs within the local government area). That difference is less evident across State Government and therefore proposed framework in its current form would better suit the structure and operating model of that second level of government.

Helen McNeil  
Group Manager People and Performance

### Attachments:

1. Media release dated 14 May 2018, Dominic Perrottet, Treasurer, Minister for Industrial Relations, [NSW Productivity Commissioner appointed to drive economic reform](#)
2. A new risk management and internal audit framework for local councils in NSW – snapshot guide – September 2019 '[Snapshot Guide](#)'

*Please note a copy of the following discussion paper will be available on request – link to the document is provided:*

- A new risk management and internal audit framework for local councils in NSW – discussion paper – September 2019 [A New Risk Management and Internal Audit Framework for Local Councils in NSW](#)



**Dominic Perrottet**  
Treasurer  
Minister for Industrial Relations

## MEDIA RELEASE

Monday, 14 May 2018

### **NSW PRODUCTIVITY COMMISSIONER APPOINTED TO DRIVE ECONOMIC REFORM**

With a mandate to bust red tape and make NSW the easiest place to do business, Peter Achterstraat AM has been appointed as the State's inaugural Productivity Commissioner.

Mr Achterstraat, who has had a distinguished public service career at both the federal and state levels, will be responsible for driving microeconomic reform and targeting regulatory roadblocks.

"This appointment is fantastic news for NSW and will help drive our agenda of making it quicker and easier for citizens to deal with government," NSW Treasurer Dominic Perrottet said.

"I am very glad Peter is taking on this role and he will bring enormous experience and energy to the Commission."

"NSW is already powering the national economy but ongoing productivity reforms are absolutely critical to securing the State's long-term economic success."

Mr Achterstraat and the Commission will initially focus on four core themes:

- Making it easier to do business
- Lowering the cost of living
- Making housing more affordable
- Making NSW the easiest state to move to

Mr Achterstraat will be responsible for helping to shape the NSW Government's productivity agenda and overseeing its regulatory framework. This will include implementation of the Government's response to the review of regulation undertaken by former NSW Premier Nick Greiner.

"The Treasurer has set down a challenging agenda for the Commission to tackle and I look forward to getting started," Mr Achterstraat said

"I especially want to hear from the community and business on what barriers and problems they want fixed."

Mr Achterstraat was the NSW Auditor-General from 2006 to 2013 and served in other roles including as the Chief Commissioner of State Revenue and Deputy Commissioner of Taxation at the Australian Tax Office.

He is the president of the Australian Institute of Company Directors (NSW Division) and the Chair of the Sydney Financial Forum. He has also served as an adjunct professor at the University of Sydney's Graduate School of Government and held the positions of infrastructure adviser for Advisian and the Administrator of the National Health Funding Pool.

“Mr Achterstraat is a great addition to Treasury. His intellect and drive will be pivotal in our search for fresh ways of boosting productivity across NSW,” said Treasury Secretary Michael Pratt AM.

“We look forward to working to ensure NSW remains the number one performing State in Australia.”

The NSW Business Chamber has estimated businesses spend more than \$10 billion a year complying with regulations across Government.

An online portal has been set up for citizens and businesses to identify regulatory problem areas and provide fresh ideas to ease the burden. It can be found at [www.productivity.nsw.gov.au](http://www.productivity.nsw.gov.au).

**MEDIA:**

**Richard Fowler | Treasurer | 0429 515 249**

# A NEW RISK MANAGEMENT AND INTERNAL AUDIT FRAMEWORK

for local councils in NSW

## Snapshot Guide

September 2019



## **A NEW RISK MANAGEMENT AND INTERNAL AUDIT FRAMEWORK FOR LOCAL COUNCILS IN NSW – SNAPSHOT GUIDE**

2019

### **ACCESS TO SERVICES**

The Office of Local Government is located at:

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# A NEW RISK MANAGEMENT AND INTERNAL AUDIT FRAMEWORK FOR LOCAL GOVERNMENT IN NSW - Snapshot Guide

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## Purpose

This summary guide provides a 'snapshot' of the mandatory internal audit and risk management framework that is being proposed for NSW councils.

For a full understanding of the proposed framework, please refer to the discussion paper, *A new risk management and internal audit framework for local councils in NSW*, which can be found at [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au).

## Introduction

In 2016, the NSW Government made it a requirement under the *Local Government Act 1993* ('Local Government Act') that each council have an Audit, Risk and Improvement Committee. This requirement is likely to take effect from March 2021. Councils are also required to proactively manage any risks they face under the new guiding principles of the Act.

The Government is consulting on the proposed regulatory framework that will support the operation of these committees, and the establishment of a risk management framework and internal audit function in each council.

There will be nine core requirements that councils will be required to comply with when establishing their Audit, Risk and Improvement Committees, risk management framework and internal audit function.

These requirements are based on international standards and the experience of Australian and NSW Government public sector agencies who have already implemented risk management and internal audit.

There are also components of the proposed framework that are designed to reflect the unique needs and structure of NSW councils.

The framework will apply to councils, county councils and joint organisations.

### Have Your Say

The NSW Government would like to know what you think of the framework being proposed.

Submissions may be made in writing by **31 December 2019** to the following addresses.

**Post:** Locked Bag 3015 NOWRA NSW 2541  
**Email:** [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au)

Key questions you may wish to consider when providing your feedback include:

- will the proposed framework achieve the outcomes sought?
- what challenges do you see for your council when implementing the proposed framework?
- does the proposed framework include all important elements of an effective internal audit and risk framework?
- is there anything you don't like about the proposed framework?
- can you suggest any improvements to the proposed framework?

## Proposed regulatory framework

The NSW Government's objective is to ensure that:

- each council in NSW has an independent Audit, Risk and Improvement Committee that adds value to the council
- each council in NSW has a robust risk management framework in place that accurately identifies and mitigates the risks facing the council and its operations
- each council in NSW has an effective internal audit function that provides independent assurance that the council is functioning effectively and the internal controls the council has put into place to manage risk are working, and
- councils comply with minimum standards for these mechanisms that are based on internationally accepted standards and good practice.

The proposed statutory framework will consist of the following three elements:

### 1. Current provisions in the Local Government Act

#### Section 428A

Section 428A (when proclaimed) will require each council to establish an Audit, Risk and Improvement Committee to continuously review and provide independent advice to the general manager and the governing body of council about:

- whether the council is complying with all necessary legislation
- the adequacy and effectiveness of the council's risk management framework, fraud and corruption prevention activities, financial management processes, and the council's financial position and performance
- the council's governance arrangements

- the achievement of the goals set out in the council's community strategic plan, delivery program, operational plan and other strategies
- how the council delivers local services and how to improve the council's performance of its functions more generally
- the collection of performance measurement data by the council, and
- any other matters prescribed by the *Local Government (General) Regulation 2005* (i.e. internal audit).

#### Section 428B

Section 428B (when proclaimed) will also allow a council to establish a joint Audit, Risk and Improvement Committee with another council/s including through joint or regional organisations of councils.

#### Guiding principles and roles and responsibilities

Amendments made to the Local Government Act in 2016 prescribed new guiding principles for councils and updated the prescribed roles and responsibilities of the governing body (section 223) and general manager (section 335). These amendments will operate to support the work of Audit, Risk and Improvement Committees and provide for the future establishment of a risk management and internal audit function in each council.

These guiding principles and roles and responsibilities have already commenced.

### 2. New regulations

The operation of sections 428A and 428B will be supported by new regulations in the *Local Government (General) Regulation 2005*.

These will prescribe the requirements that councils are to comply with when appointing their Audit, Risk and Improvement Committee and establishing their risk management framework and internal audit function.

The regulations will also provide for a model internal audit charter and model terms of reference for Audit, Risk and Improvement

Committees which all councils must adopt and comply with.

### 3. New Guidelines

New guidelines will be issued setting out the core requirements that each council's Audit, Risk and Improvement Committee, risk management framework and internal audit function must comply with.

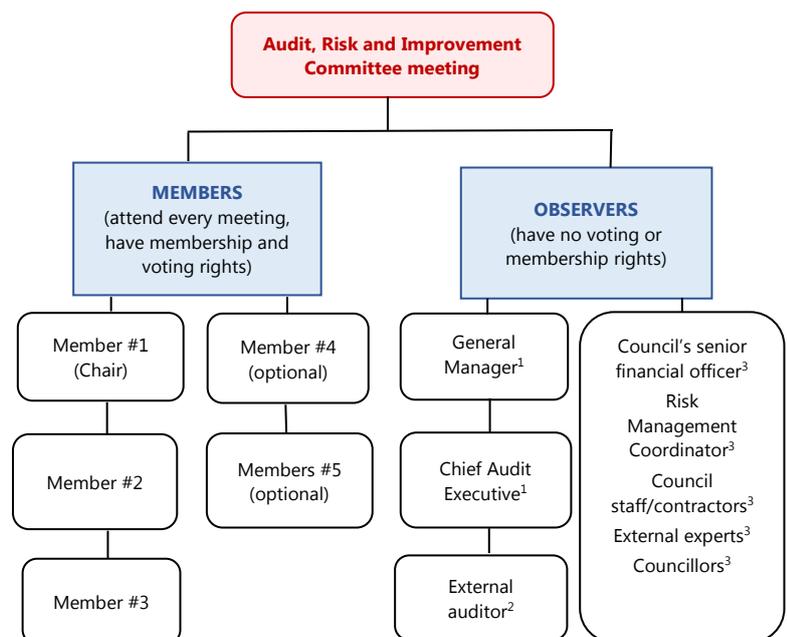
These core requirements are detailed below.

## **Core requirement 1:** **Appoint an independent Audit, Risk and Improvement Committee**

- Each council is to have an independent Audit, Risk and Improvement Committee that reviews all the matters prescribed in section 428A of the Local Government Act
- The Audit, Risk and Improvement Committee is to operate according to terms of reference, based on a model terms of reference, and approved by the governing body of the council after endorsement by the Committee
- The Audit, Risk and Improvement Committee is to comprise of three to five independent members who are prequalified via the NSW Government's *Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members*
- Audit, Risk and Improvement Committee members and the Chair are to serve a three to five-year term. A member's term cannot exceed eight years and the Chair's term cannot exceed five years
- The Audit, Risk and Improvement Committee is to meet quarterly, with the ability to hold extra meetings if required. A council's general manager and Chief Audit

Executive (see below) should attend except where excluded by the Committee

- Audit, Risk and Improvement Committee members are to comply with the council's code of conduct and the conduct requirements of the NSW Government's *Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members*
- Disputes between the general manager and/or the Chief Audit Executive are to be resolved by the Audit, Risk and Improvement Committee. Disputes with the Committee are to be resolved by the governing body of the council
- The Audit, Risk and Improvement Committee is to provide an annual assurance report to the governing body of the council and be assessed by an external party at least once each council term as part of council's quality assurance and improvement program
- The general manager is to nominate a council employee/s to provide secretariat support to the Audit, Risk and Improvement Committee. Minutes are to be recorded for all committee meetings



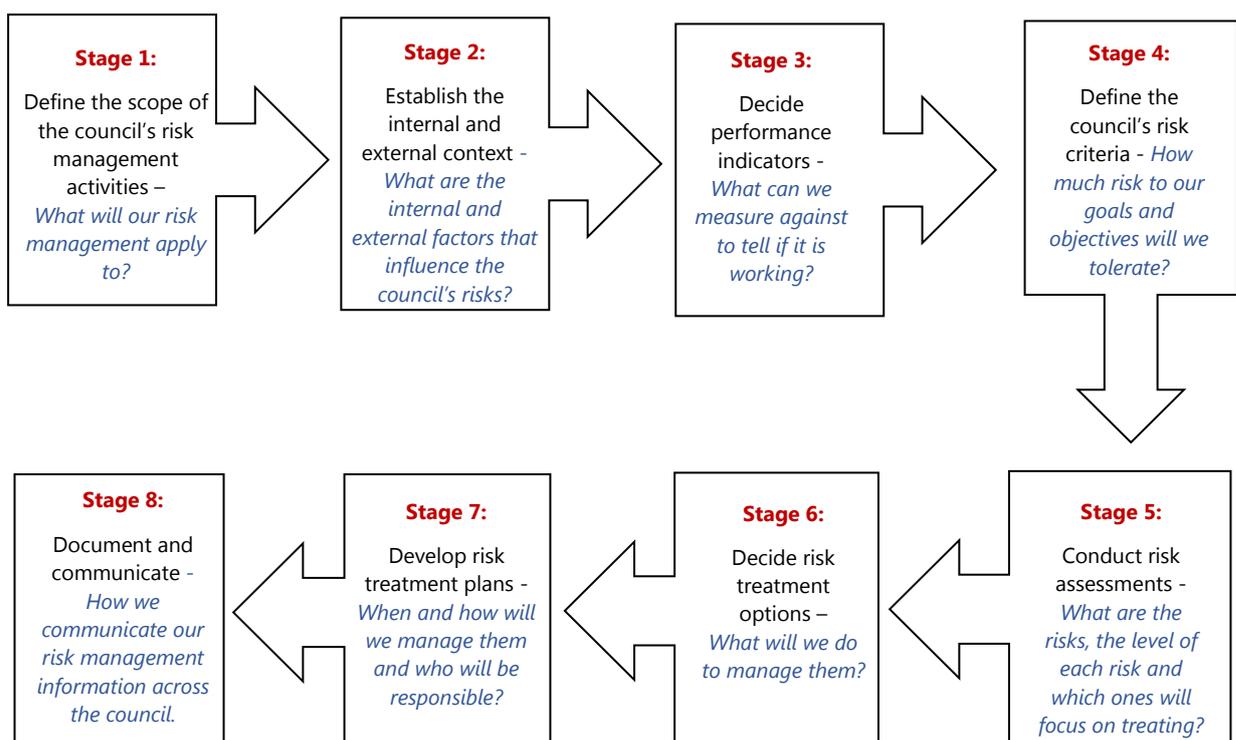
<sup>1</sup> Attends each meeting except where excluded by the Committee  
<sup>2</sup> Open invitation to attend every meeting as an independent advisor  
<sup>3</sup> When invited by the Committee to attend/give information

## **Core requirement 2:**

### **Establish a risk management framework consistent with the current Australian risk management standards**

- Each council is to establish a risk management framework that is consistent with current Australian standards for risk management
- The governing body of the council is to ensure that council is sufficiently resourced to implement an appropriate and effective risk management framework
- Each council's risk management framework is to include the implementation of a risk management policy, risk management plan and risk management process (see below). This includes deciding the council's risk criteria and how risk that falls outside tolerance levels will be treated
- Each council is to fully integrate its risk management framework within all of council's decision-making, operational and integrated planning and reporting processes
- Each council is to formally assign responsibilities for risk management to the general manager, senior managers and other council staff and ensure accountability
- Each council is to ensure its risk management framework is regularly monitored and reviewed
- The Audit, Risk and Improvement Committee and the council's internal audit function are to provide independent assurance of risk management activities
- The general manager is to publish in the council's annual report an attestation certificate indicating whether the council has complied with the risk management requirements

#### **Stages of a council's risk management process**

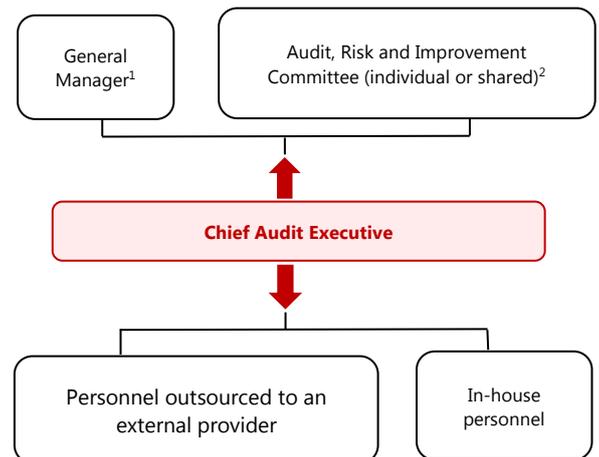


### **Core requirement 3:**

## **Establish an internal audit function mandated by an Internal Audit Charter**

- Each council is to establish an internal audit function
- The governing body is to ensure that the council's internal audit function is sufficiently resourced to carry out its work
- The governing body of the council is to assign administrative responsibility for internal audit to the general manager and include this in their employment contract and performance reviews
- The Chief Audit Executive is to develop an Internal Audit Charter, based on a model charter, which will guide how internal audit is conducted by the council. The Charter is to be approved by the governing body of the council after endorsement by the Audit, Risk and Improvement Committee

- The general manager is to ensure that, if required, the council has adequate internal audit personnel to support the Chief Audit Executive. Councils will be able to appoint in-house internal audit personnel or completely or partially outsource their internal audit function to an external provider



<sup>1</sup> reports administratively (day-to-day processes and resources)  
<sup>2</sup> reports functionally (strategic direction, accountability)

### **Core requirement 4:**

## **Appoint internal audit personnel and establish reporting lines**

- The general manager is to appoint a Chief Audit Executive to oversee the council's internal audit activities in consultation with the Audit, Risk and Improvement Committee
- The Chief Audit Executive is to report functionally to the Audit, Risk and Improvement Committee and administratively to the general manager and attend all committee meetings

### **Core requirement 5:**

## **Develop an agreed internal audit work program**

- The Chief Audit Executive is to develop a four-year strategic plan to guide the council's longer term internal audits in consultation with the governing body, general manager and senior managers. The strategic plan is to be approved by the Audit, Risk and Improvement Committee
- The Chief Audit Executive is to develop an annual risk-based internal audit work plan, based on the strategic plan, to guide the council's internal audits each year. The work plan is to be developed in consultation with the governing body, general manager and senior managers and approved by the Audit, Risk and Improvement Committee

- The Chief Audit Executive is to ensure performance against the annual and strategic plans can be assessed

## **Core requirement 6:**

### **How to perform and report internal audits**

- The Chief Audit Executive is to ensure that council's internal audits are performed in accordance with the IPPF and current Australian risk management standards (where applicable), and approved by the Audit, Risk and Improvement Committee
- The Chief Audit Executive is to develop policies and procedures to guide the operation of the internal audit function, including the performance of internal audits
- The Chief Audit Executive is to report internal audit findings and recommendations to the Audit, Risk and Improvement Committee. Each finding is to have a recommended remedial action and a response from the relevant senior manager/s
- All internal audit documentation is to remain the property of, and can be accessed by, the audited council, including where internal audit services are performed by an external provider. It can also be accessed by the Audit Risk and Improvement Committee, external auditor and governing body of the council (by resolution)

## **Core requirement 7:**

### **Undertake ongoing monitoring and reporting**

- The Audit, Risk and Improvement Committee is to be advised at each quarterly meeting of the internal audits

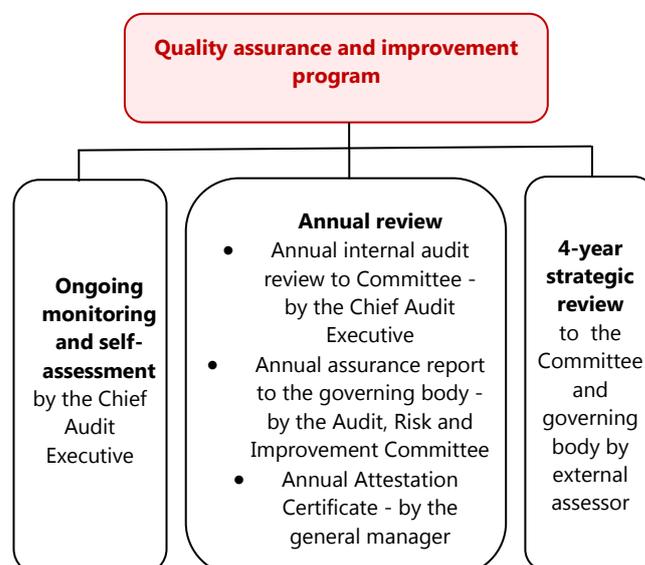
undertaken and progress made implementing corrective actions

- The governing body of the council is to be advised after each quarterly meeting of the Audit, Risk and Improvement Committee of the internal audits undertaken and the progress made implementing corrective actions
- The Audit, Risk and Improvement Committee can raise any concerns with the governing body of the council at any time through the Chair

## **Core requirement 8:**

### **Establish a quality assurance and improvement program**

- The Chief Audit Executive is to establish a quality assurance and improvement program which includes ongoing monitoring and periodic self-assessments, an annual review and strategic external review at least once each council term
- The general manager is to publish in the council's annual report an annual attestation certificate indicating whether the council has complied with the core requirements for the Audit, Risk and Improvement Committee and the internal audit function



## **Core requirement 9:**

### **Councils can establish shared internal audit arrangements**

- A council can share all or part of its internal audit function with another council/s by either establishing an independent shared arrangement with another council/s of its choosing, or utilising an internal audit function established by a joint or regional organisation of councils that is shared by member councils
- The core requirements that apply to stand-alone internal audit functions will also apply to shared internal audit functions, with specified exceptions that reflect the unique structure of shared arrangements
- The general manager of each council in any shared arrangement must sign a 'Shared Internal Audit Arrangement' that describes the agreed arrangements

### **Implementation timeline**

The transitional arrangements built into the Local Government Act mean that the requirement to have an Audit, Risk and Improvement Committee will not come into force until six months after the next ordinary elections in September 2020 at the earliest. Councils will therefore have until March 2021 to establish their committees.

It is proposed that councils will then have a further 18 months, until December 2022, to establish their internal audit function and risk management framework (guided by the Audit, Risk and Improvement Committee).

As these functions are bedded down and greater time and resources become available to the Audit, Risk and Improvement Committee and the council, the role of the committee is to broaden to comply with the

remaining requirements of sections 428A of the Local Government Act.

Full compliance with section 428A of the Local Government Act will be expected by 2026.

Councils with established Audit, Risk and Improvement Committees and mature risk management and internal audit functions will be encouraged to comply sooner.

#### **→ By March 2021**

Audit, Risk and Improvement Committee established and appointed (core requirement 1 or 9 for shared arrangements)

#### **→ By December 2022**

Risk management framework developed, including appointment of a Risk Management Coordinator (core requirement 2)

Internal audit function established, including employment of a Chief Audit Executive and personnel (core requirements 3-4 or 9 for shared arrangements)

#### **→ By 2024**

Risk management framework fully implemented throughout council and operating in compliance with regulatory requirements (core requirement 2)

Internal audit function fully implemented by the council and operating in compliance with regulatory requirements (core requirements 5-8)

#### **→ By 2026**

Audit, Risk and Improvement Committee's role expanded to include compliance, fraud control, financial management, governance, integrated planning and reporting, service reviews, performance measurement data and performance improvement in compliance with section 428A of the Local Government Act.



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## Annual 'Model Code of Conduct Complaints Statistics' report

(856)

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**Business activity priority**

Leadership

**Goal 1**Values based leadership and culture

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**Recommendation**

That Council note the results in the attached 'Model Code of Conduct Complaints Statistics' report and the requirement to provide the report to the Office of Local Government.

**Background**

In accordance with the Code of Conduct Procedures, Council is required to provide Code of Conduct complaints statistics to the Office of Local Government annually. The report must also be furnished to Council.

**Governance**

The report is required to be provided to the Office of Local Government within three months of the end of September (being 31 December 2019).

**Consultation**

This report has been prepared in consultation with staff responsible for the handling of Code of Conduct complaints.

**Conclusion**

In accordance with Council's reporting requirements, the 'Model Code of Conduct Complaints Statistics' report has been prepared and is submitted to Council for information.

Phillip Rudd  
General Manager

Attachment:

1. Model Code of Conduct Complaints Statistics report for reporting period 1 September 2018 – 31 August 2019 – Rous County Council.

## Model Code of Conduct Complaints Statistics Rous County Council

### Number of Complaints

1	a	The total number of complaints <b>received</b> in the period about councillors and the General Manager (GM) under the code of conduct	0
	b	The total number of complaints <b>finalised</b> in the period about councillors and the GM under the code of conduct	0

### Overview of Complaints and Cost

2	a	The number of complaints <b>finalised at the outset</b> by alternative means by the GM or Mayor	0
	b	The number of complaints <b>referred to the Office of Local Government</b> under a special complaints management arrangement	0
	c	The number of code of conduct complaints <b>referred to a conduct reviewer</b>	0
	d	The number of code of conduct complaints <b>finalised at preliminary assessment</b> by conduct reviewer	0
	e	The number of code of conduct complaints <b>referred back to GM or Mayor</b> for resolution after preliminary assessment by conduct reviewer	0
	f	The number of finalised code of conduct complaints <b>investigated by a conduct reviewer</b>	0
	g	The number of finalised code of conduct complaints <b>investigated by a conduct review committee</b>	0
	h	The number of finalised complaints investigated where there was found to be <b>no breach</b>	0
	i	The number of finalised complaints investigated where there was found to be <b>a breach</b>	0
	j	The number of complaints referred by the GM or Mayor <b>to another agency</b> or body such as the ICAC, the NSW Ombudsman, the Office or the Police	0
	k	The number of complaints being investigated that are <b>not yet finalised</b>	0
	l	The <b>total cost</b> of dealing with code of conduct complaints within the period made about councillors and the GM including staff costs	0

## Preliminary Assessment Statistics

3 The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:

a To take no action

b To resolve the complaint by alternative and appropriate strategies

c To refer the matter back to the GM or the Mayor, for resolution by alternative and appropriate strategies

d To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police

e To investigate the matter

f To recommend that the complaints coordinator convene a conduct review committee to investigate the matter

## Investigation Statistics

4 The number of investigated complaints resulting in a determination that there was **no breach**, in which the following recommendations were made:

a That the council revise its policies or procedures

b That a person or persons undertake training or other education

5 The number of investigated complaints resulting in a determination that there **was a breach** in which the following recommendations were made:

a That the council revise any of its policies or procedures

b That the subject person undertake any training or other education relevant to the conduct giving rise to the breach

c That the subject person be counselled for their conduct

d That the subject person apologise to any person or organisation affected by the breach

e That findings of inappropriate conduct be made public

f In the case of a breach by the GM, that action be taken under the GM's contract for the breach

g In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993

h In the case of a breach by a councillor, that the matter be referred to the Office for further action

6 Matter referred or resolved after commencement of an investigation under clause 8.20 of the Procedures and clause 7.20 of the new Procedures

### Categories of misconduct

7 The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:

a General conduct (Part 3)

b Conflict of interest (FMCC Part 4) and Non-pecuniary conflict of interest (NMCC Part 5)

c Personal benefit (FMCC Part 5 / NMCC Part 6)

d Relationship between council officials (FMCC Part 6 / NMCC Part 7)

e Access to information and resources (FMCC Part 7 / NMCC Part 8)

### Outcome of determinations

8 The number of investigated complaints resulting in a determination that there was a breach in which the council failed to adopt the conduct reviewers recommendation

9 The number of investigated complaints resulting in a determination that there was a breach in which the council's decision was overturned following a review by the Office

## Reports/actions pending

(1181/12)

**Business activity priority** Process management, improvement and innovation

**Goal 6** Continuous improvement through process management and innovative thinking

### Background

Following is a list of pending resolutions with individual comments provided on current position and expected completion date.

Council meeting	Resolution	Status
20/02/19	<p><b>Confidential report: Development Servicing Plan for Bulk Water Supply 2016 – request for deferred payment arrangement</b></p> <p>RESOLVED [13/19] (Mustow/Cadwallader) that Council:</p> <ol style="list-style-type: none"> <li>1. Receive and note this report;</li> <li>2. Approve the request for deferred payment arrangements as set out in the report;</li> <li>3. Receive a subsequent report on policy options for deferred payment arrangements having regard to the Development Servicing Plan for Bulk Water Supply and the policy positions of the constituent councils; and</li> <li>4. Reject any further consideration of similar requests until point 3. is complete and a policy position is determined.</li> </ol>	Scheduled for review before the expiry of the current Development Servicing Plan in 2021.
20/02/19	<p><b>Drinking water quality: annual report card</b></p> <p>RESOLVED [6/19] (Ekins/Cameron) that Council receive an annual public report card on overall drinking water quality results, including fluoride, commencing for the 2018/19 reporting year.</p>	The water quality annual report card is linked to the implementation of the water management database project. Due to several issues outside of Council's control the 'go live' date for the Water Management Database has been delayed to February 2020. The 2018/19 report card will be made available on Councils' website by end of February 2020.
21/08/19	<p><b>Delivery program progress update: 1 January to 30 June 2019</b></p> <p>RESOLVED [55/19] (Cameron/Ekins) that Council:</p> <ol style="list-style-type: none"> <li>1. Receive and note the report and attachment.</li> </ol>	

	<ol style="list-style-type: none"> <li>2. Acknowledge that sound and effective governance requires that staff and councillors are able to participate fully in work tasks and decision making and that equitable access measures for all are essential for this and that consequently all Delivery Plan Actions be reviewed to determine that equitable access measures reflect this principle.</li> <li>3. In relation to Action 2.4.3.1, that customers, staff and councillors with a disability be invited to discuss their perspectives in the development of access awareness training.</li> <li>4. In relation to Action 2.4.3.2, customers, staff and councillors with a disability be invited to participate in the access training provided to staff.</li> <li>5. In relation to Actions 2.4.3.7/8, a review is initiated to determine the effectiveness of access measures and standards based on the feedback of staff, customers and councillors who use foyers 2 and 4.</li> </ol>	<p>GM emailed Councillors (27/09/19) regarding Disability Awareness training, seeking feedback by 31/10/2019. The trialled training package has been rolled out to staff for completion. The release of the training coincided with the 'International Day of People with a Disability', which was on 3 December 2019.</p>
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Phillip Rudd  
General Manager

## Confidential matters

### Recommendation

That Council move into Closed Council to consider the following matters and the meeting be closed to members of the public and press based on the grounds detailed below:

<b>1. Report</b>	<b>Perradenya Estate Release 6 – marketing strategy</b>
<b>Grounds for closure</b>	Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
<b>Public interest</b>	Public discussion would not be in the public interest due to disclosure of commercial information.
<b>2. Report</b>	<b>Nightcap Water Treatment Plant – supply of bulk carbon dioxide</b>
<b>Grounds for closure</b>	Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
<b>Public interest</b>	Public discussion would not be in the public interest due to disclosure of commercial information.

#### *Section 10A, Local Government Act, 1993:*

A Council may close to the public only so much of its meeting as comprises the receipt or discussion of any of the following:

#### *Section 10A(2):*

- (a). personnel matters concerning particular individuals (other than councillors),
- (b). the personal hardship of any resident or ratepayer,
- (c). information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business,
- (d). commercial information of a confidential nature that would, if disclosed:
  - (i). prejudice the commercial position of the person who supplied it, or
  - (ii). confer a commercial advantage on a competitor of the Council, or
  - (iii). reveal a trade secret,
- (e). information that would, if disclosed, prejudice the maintenance of law,
- (f). matters affecting the security of the council, councillors, council staff or council property,
- (g). advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
- (h). information concerning the nature and location of a place or an item of Aboriginal significance on community land.

#### *Section 10A(4):*

Council may allow members of the public to make representations to or at a meeting before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.