

# ***Blayney Shire Council***



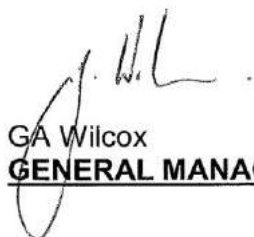
3 February 2014

Dear Councillor,

Your attendance is requested at an Ordinary Council Meeting of the Blayney Shire Council to be held in the Chambers, Blayney Shire Community Centre on Monday, 10 February 2014 at 6.00 pm for consideration of the following business -

- (1) Acknowledgement of Country
- (2) Recording of Meeting Statement
- (3) Apologies for non-attendance
- (4) Confirmation of Minutes - Ordinary Council Meeting held on 09.12.13
- (5) Matters arising from Minutes
- (6) Disclosures of Interest
- (7) Public Forum
  - (a) Mrs Hempel – Footpath Accidents and Maintainance
- (8) Mayoral Minute
- (9) Notices of Motion
- (10) Reports of Staff
  - (a) General Manager
  - (b) Corporate Services
  - (c) Infrastructure Services
  - (d) Environmental Services
- (11) Delegates Reports
- (12) Committee Reports
- (13) Questions from Councillors
- (14) Closed Meeting

Yours faithfully

  
GA Wilcox  
**GENERAL MANAGER**

## **Meeting Calendar**

### **February**

Time	Date	Meeting	Location
6.00 pm	10 February 2014	Ordinary Council Meeting	Community Centre
10.30 am	12 February 2014	Central Tablelands Water	Grenfell
5.00 pm	13 February 2014	Cemetery Forum Committee	Community Centre
6.30 pm	13 February 2014	Access Advisory Committee	Community Centre
4.00 pm	18 February 2014	Local Emergency Management Committee	Community Centre
5.30 pm	20 February 2014	Sports Council	Community Centre
10.00 am	21 February 2014	Traffic Committee Meeting	Community Centre

### **March**

Time	Date	Meeting	Location
6.00 pm	10 March 2014	Ordinary Council Meeting	Community Centre
6.00 pm	13 March 2014	Towns and Villages Committee	Community Centre

### **April**

Time	Date	Meeting	Location
10.30 am	9 April 2014	Central Tablelands Water	Blayney
5.00 pm	10 April 2014	Economic Development Committee	Community Centre
6.00 pm	14 April 2014	Ordinary Council Meeting	Community Centre
10.00 am	18 April 2014	Traffic Committee Meeting	Community Centre

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**HELD ON MONDAY 10 FEBRUARY 2014**

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**NOTICES OF MOTION**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



01

**GARLAND ROAD BRIDGE OPENING**

(Cr David Kingham)

**RECOMMENDED:**

1. That Council arrange an official opening of the Garland Road Bridge to recognise the improvements undertaken to the road;
2. That Council invite members of the Ridley and Bloomfield families to assist in the bridge opening; and
3. That the local, state and federal parliament members be invited to the opening.

**REASON**

That the bridge forms an integral link between rural producers and tourists and the construction of the concrete bridge will ensure safer access and long term transport sustainability.

The invitation to the Ridley and Bloomfield families recognises the long term association with the area and changes to rural and transport activities.

**Attachments**

Nil

02

**KING GEORGE OVAL SEATING UPGRADE**

(Cr David Kingham)

**RECOMMENDED:**

1. That Council investigate the replacement of the existing stadium bench type seating at King George Oval with moulder type seating systems.

**REASON**

The Sports Council has requested that upgrades to the existing timber bench type seating at King George Oval be with seats of suitable weather resilient materials rather than the “modwood” weather resilient bench type seats originally proposed.

Individual members of the Sports Council raised the idea at a meeting following submission of the initial NSW Government Community Building Partnership Program grant application, that has been successful.

**Attachments**

Nil



**GENERAL MANAGER'S REPORTS**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



**03) COUNCILLOR PROFESSIONAL DEVELOPMENT PROGRAM**  
(General Manager)

**RECOMMENDED:**

1. That Council note this report.

**REPORT**

Local Government NSW has a professional training program designed to enhance the skills of elected members and senior staff. It is an opportunity to learn, clarify issues, share experiences, and network.

Blayney Community Centre has been selected as a venue to host the Climate Risk: From Risk to Resilience Workshop in March 2014. This will be the only workshop to be held in Central NSW. It is a great opportunity not only for Councillors to attend but also to promote the Blayney area.

The workshop is designed to help Councils look at Climate Risk proactively to reduce risk and encourage resilience.

Many regions have recently responded to floods of new magnitudes due to urban expansion and intensification in settlements, while other regions are experiencing water concerns under extended drought conditions, or investigating potential worst case scenarios from fire hazards and seeking to learn from the Victorian bushfires.

This program will give councillors an opportunity to:

- Learn from case studies of responses to these recent natural hazards.
- Hear from experts and peers on potential liabilities for Local Government.
- Collaborate to minimise risks and liabilities relating to council land, assets, services, staff and communities.

**BUDGET IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

- DP 6.1.1 Councillors to exhibit leadership on Council and participate in committees and community organisations.
- DP 6.3.1 Provide a framework for the efficient and effective administration of Council.
- DP 6.3.4 Develop strategies that respond to the impact of climate change on the community.
- DP 6.4.1 Provide support for emergency management in Blayney Shire in accordance with SERM Act.

**Attachments**

- 1 Climate Risk Flyer 1 Page

**04) DELEGATES TO THE CENTROC HEALTH WORKFORCE GROUP**  
(General Manager)

**RECOMMENDED:**

1. That Council nominate \_\_\_\_\_ as its representative/s on the Centroc Health Workforce Group.

**REPORT**

Central NSW Councils (Centroc) represents over 220,000 people covering an area of more than 64,000sq kms comprising the Local Government Areas of Bathurst, Blayney, Boorowa, Cabonne, Cowra, Forbes, Lachlan, Lithgow, Oberon, Orange, Parkes, Upper Lachlan, Weddin, Young and Central Tablelands Water.

Centroc's vision is to be recognised as vital to the sustainable future of NSW and Australia.

Its mission is to be recognised as the lead organisation advocating on agreed regional positions and priorities for Central NSW whilst providing a forum for facilitating regional cooperation and sharing of knowledge, expertise and resources.

Centroc has two objectives:

1. Regional Sustainability - Encourage and nurture suitable investment and infrastructure development throughout the region and support members in their action to seek from Governments financial assistance, legislative and/or policy changes and additional resources required by the Region.
2. Regional Cooperation and Resource Sharing – Contribute to measurable improvement in the operational efficiency and effectiveness of Member Councils through facilitation of the sharing of knowledge, expertise and resources and, where appropriate, the aggregation of demand and buying power.

The Centroc Board is made up of the 30 Mayors and General Managers of its member Councils who determine priority for the region. These priorities are then progressed via sponsoring Councils.

As part of its first objective Centroc undertakes advocacy and programming. This year is seeing a ramping up of programming regarding health.

Therefore, the Centroc Board is seeking to have representation from all member Councils on the Centroc Health Workforce Group (the Group).

With the roll out of the Centroc Beyond the Range campaign, of which Council is a participant, there will be an increase in activity being undertaken

regionally supporting the growth and retention of health workforce. Further, both Area Health Networks and Medicare Locals are looking to work with peak regional organisations seeking both advice and to provide information at this level to help with consultation and information dissemination at the local level. Where Health Councils and other entities fulfil this role, the Centroc Health Workforce Group has no conflict regarding particularly advocacy.

The role of the Group is to

- oversee the Centroc Beyond the Range campaign and provide advice to Council on its progress;
- provide advice, including advocacy advice, to the Centroc Board with regard to health workforce and health in Central NSW from a local perspective; and
- liaise with peak health bodies with a view to achieving better health outcomes in the region.

Where the Group has undertaken a period of recess as the Beyond the Range campaign has sought funding, with the generous commitment from Cadia Valley operations Community Partnerships Program the Minerals' Council the project is now moving forward.

Quarterly meetings after the Centroc Board meetings are anticipated with further meetings on as needs basis.

#### **BUDGET IMPLICATIONS**

Council provides funding to meet Centroc costs in its Annual and Long Term Financial Plan.

#### **POLICY IMPLICATIONS**

Nil.

#### **IP&R LINK**

DP 6.1.2 – Promote resource sharing and collaboration with regional organisations.

#### **Attachments**

Nil



**05) WBC ALLIANCE EXECUTIVE OFFICER REPORT**  
(General Manager)

**RECOMMENDED:**

1. That the report from the WBC Alliance Executive Officer be received and noted.

**REPORT**

Attached is a report from the WBC Alliance Executive Officer that notes the activities and actions of the WBC.

**BUDGET IMPLICATIONS**

Council makes provision in its annual Financial Plans to fund activities and shared services with the WBC Councils.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 6.1.2 – Promote resource sharing and collaboration with regional organisations.

**Attachments**

- 1** WBC Alliance Executive Officer Report 4 Pages

06) **REVITALISING LOCAL GOVERNMENT - FINAL REPORT OF  
THE INDEPENDENT LOCAL GOVERNMENT REVIEW PANEL  
OCTOBER 2013**  
(General Manager)

**RECOMMENDED:**

1. That Blayney Shire advise the Minister that it is working towards a higher level of sustainability through a Special Rate Variation and review of its borrowing program as discussed with TCorp, to meet asset depreciation needs and road and bridge upgrading across the Shire.
2. That Council advise the Minister and Division of Local Government that it does not intend to take up the option proposed by the Review Panel on pages 91 and 115 to amalgamate with Orange City Council, as it considers that longer term mergers would be better undertaken within the State electoral boundary of Bathurst;
3. That any future mergers, boundary adjustments or other structural changes would require a detailed review by the parties involved to ensure that staff, assets and finances can be transferred without placing local government in an unsustainable position;
4. That Council support the concept of a Councils of Mayors but request further information regarding the structure and function of Regional JO's before making a decision on their role and function;
5. That Council advise that it is working toward a 'Shared Services' direction with the WBC Councils to strengthen local government in this region and in NSW;
6. That Council support the rate cap variation of 5% above the IPART annual estimate;
7. That Council submit advice to the Minister and the Division of Local Government restating its support for a review of boundaries that allow communities of interest to be included into Blayney Shire as per the attached submissions.

**REPORT**

The Final Report of the Independent Local Government Review Panel October 2013 - Revitalising Local Government was released after new year and has been reported on in all media as to the future direction of local government. The report is comprehensive in the areas it has considered including, amalgamations, boundary adjustments, regional organisations of councils, shared services, rates, finances and assets.

Blayney Shire is recognised in the review of the 152 councils across NSW and the position of the Independent Review Panel has changed from that stated in

its previous report and it acknowledges that Blayney Shire is in an improving structural position.

The report is not clear in all its determinations and misinterpretation could result if not read fully. This is reflected in comments made by local media with a focus on just one council rather than consideration of the whole state and the financial and structural implications being discussed.

The report identifies two standout statements that impact Blayney Shire on page 91 and page 115.

P91

Orange + Cabonne 2013 population 64,400
---

- |   |
|---|
| <ul style="list-style-type: none"> <li>• Cabonne may well be sustainable into the long term, but its recent and projected growth is overspill from Orange</li> <li>• Some areas on the northern and western fringes of Cabonne are seeking to move to adjoining councils</li> <li>• Blayney could also be added and would increase the projected population to 73,100: it could remain sustainable as a separate council for several decades but amalgamation would provide a much higher capacity base</li> <li>• Community Boards should be established as required in the former LGAs</li> </ul> |
|---|

The table is proposing actions that should be undertaken between Cabonne and Orange City Councils'. The table, as per previous reports, has identified Blayney Shire has options to consider for the future. The statement above, that Blayney Shire could remain sustainable for several decades is a positive reflection on the work undertaken by council to review its financial position, its asset renewals and maintenance program and through the discussions held with both NSW Treasury and IPART.

Part of this statement also asks Council to consider that a possible merger with Orange and Cabonne councils to form a strong regional centre. There is no direct statement to this effect, as is the case with Cabonne, there is no compulsion but suggestion that this be considered for the longer term.

This statement must also be read with that made on p115.

There are two parts to this statement being:

- that *Blayney* (shown in Italics) can remain a Council and work within the region as part of the Regional Joint Organisation or
- as stated above consider the long term and merge with Orange.

<i>Blayney</i>	Council in Central West JO or merge with Orange
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Note: *Councils shown in italics* urgently require a revised long-term asset and financial management plan plus an updated sustainability assessment (see section 15.2).

Section 15.2 recommendation;  
Complete updated sustainability assessments and revised long term asset and financial plans for the 38 councils identified in Table 11 by no later than mid-2015 (15.2)

Section 15.2 states;

### *15.2 Sustainability reviews*

*Across all groups there are 38 councils that were allocated a Weak or Very Weak FSR by TCorp, and/or rated as Weak, Very Weak or Distressed in DLG's audit of asset management. These councils are shown in italics in Table 11.*

*The Panel commissioned case studies of two councils that appeared to be facing particularly serious challenges. In both cases it appeared that a combination of substantial rate increases, increased borrowings, significant additional grant support and some reductions in levels of service could progressively achieve long-term sustainability, but difficult decisions would be required.*

*Many of the 38 councils will face similar scenarios. Within the next 2 years they should all be the subject of updated sustainability assessments based on revised long term financial and asset management plans. Detailed responses will vary from council to council, but all require revised medium-long term financial strategies, rigorous fiscal discipline, and likely painful adjustments to revenue and expenditure. Some will also need considerable external support, at least in the short term whilst new strategies take effect. Action plans will have to be agreed with the State government, having regard to rate-pegging and other policy and legislative requirements.*

*In some cases amalgamations may form part of medium-longer term solutions. However, amalgamations alone will not solve the councils' financial problems, and those need to be addressed first. Establishment of the proposed Joint Organisations will help to achieve economies of scale and scope in planning, service delivery, major infrastructure projects and sharing of expertise.*

Blayney Shire has recently completed a full review of its Long Term Financial Plan, its Asset Management Plan and other plans under the IP&R process. This review included consultation with the community on the need for a Special Rate Variation (SRV). The community provided advice to Councillors from which a 6% SRV has been adopted and a final submission is required to IPART. This review of the financial plan and continued fine tuning to look at critical assets and core service delivery, meets the requirements made in the Independent review Panels documents. These include a reduced level of

asset renewal and upgrading, identification of a whole of community ability to afford asset upgrades and to look at the community expectations when setting budgets.

Council will continue to consult with TCorp (NSW Treasury) as to future loan borrowings and depreciation requirements for assets.

***It is considered that Blayney Shire should advise the Minister that it is working towards a higher level of sustainability through a Special Rate Variation and review of its borrowing program as discussed with TCorp, to meet asset depreciation needs and road and bridge upgrading across the shire.***

### **Proposed Mergers**

The proposed merger with Orange City Council as listed in the two reports issued by the Independent Review Panel need to be considered by Council. While the panel has made this determination, it is considered that Blayney Shire has a far more productive working relationship with Bathurst, Oberon and Cabonne than it has with Orange City Council. Blayney Shire has also shared services with Cowra and works with them on the reopening of the Blayney to Demondrille rail line.

The link to Orange City is only a suggestion and Orange City Council has never made any formal request to discuss such a merger.

In consideration of this proposal, Blayney Shire needs to consider the proposed regional Joint Organisation and how this might be structured. Council also needs to consider its need for future shared services and the similarity of councils in this group. The WBC Councils are currently working through a shared service model with KPMG to determine the best mix for service delivery and to identify councils that may support shared services as a viable approach to achieve efficiencies and capacity. Some discussion has been held between Blayney, Oberon, Lithgow and Bathurst at the request of these councils to consider the long term direction of the eastern sector of the Central West region. If Blayney is to form any future shared service association, it is considered that it should be looking towards councils that service similar rural and population types as itself ( Cabonne, Oberon, Bathurst and Lithgow) and allow councils with similar land use needs to the west to form a second shared service group based from Orange to the west.

Until the new regional Joint Organisation (JO) is formed and shared services groups further investigated, it would be rash to consider any merger with Orange City Council.

It is advised that at some time in the future (next ten years) that Councils such as Blayney Shire will need to consider changes to its structure, its potential to merge with other councils and to look at variations to the elected representation that presently exist. Council should seek advice from its community at that time to consider such moves and who they would see as an attractive partner. Although it is easy to make simple statements such as

merge with Orange City Council, as made by the Independent Review Panel, the issues around long term sustainability for this city area must be considered, along with the needs of the rural and residential communities and the long term enhanced delivery of services. The Independent review Panel has not made any comment on these issues and is possibly assuming that this merger is all that is needed to keep the regional council viable.

**Council should also advise the Minister that it is not considering any Merger with Orange City Council.**

**Rates Review**

The Panel has made recommendations in relation to changes to rates and a need to free-up the method of increases currently undertaken by IPART. The panel has not recommended a removal of rate pegging but has suggested that Councils are able to meet commitments to its communities as identified in the approved Delivery Plans.

*Councils would be able to increase rates by up to 5% pa above the rate-pegging limit over the life of a Delivery Program, provided that:*

- *They prepare more rigorous Delivery Programs (see Box 9) and Revenue Policies, certified by the Mayor and General Manager as meeting all applicable requirements*
- *The community has been made aware of proposed rate increases and associated expenditures contained in the Delivery Program*
- *The case for a Special Rate Variation has been endorsed by the council's auditor as being soundly based and warranted to ensure long term sustainability*
- *Council has lodged its documentation with IPART.*

Although a 5% increase in rural councils will not raise significant funds due to small rate bases, it does remove a need to spend large amounts of money to achieve a similar approval from IPART.

**It is considered that Council should support this proposal as it allows a council to work with its community to increase rates in line with community needs, however it does limit excessive increases by councils without proper planning and community consultation.**

**Boundary Variations**

The Panel has identified that as part of the reviews of each Council, Blayney is listed to be reviewed by the Boundaries Commission in 2017 (p115). This review should include the addition of areas of similarity and community interest or areas that are serviced by adjoining councils. Blayney Shire has made submissions previously to the Panel that identified areas that could be added to Blayney Shire due to transport access through the Shire, community of interest or due to other potential mergers of adjoining councils. Blayney Shire has also indicated areas that could be excised and joined to other shires.

**That Council submit advice to the Minister and the Division of Local Government restating its support for a review of boundaries that allow communities of interest to be included into Blayney Shire as per the attached submissions.**

### **Other Areas**

The Panel's report contains details on many issues around local government, and these need to be further considered as this review is implemented. Many actions are voluntary between Councils, some actions will require legislation to mandate change and other such as shared service delivery will be by negotiation. Councillors should continue to read the report and consider at future workshops, and with the community, the method of improved service delivery, future needs of the community and the long term changes required to ensure that the community remains progressive into the future.

### **BUDGET IMPLICATIONS**

Nil cost at this stage. Continued funding of WBC programs and Centroc Programs have been identified in future budgets.

### **POLICY IMPLICATIONS**

No proposed policy changes. Council will need to consider future shared service roles and legislation around Regional Joint Organisations. A future direction as to shared services, boundary adjustments and mergers will require consideration.

### **IP&R LINK**

DP 6.1.2 Promote resource sharing and collaboration with regional organisations.

DP 6.3.3 Support actions for the sustainable future for local government.

### **Attachments**

1	Boundary Variation Submission to Independent Review Panel	3
	2013	Pages





**CORPORATE SERVICES REPORTS**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



**07) REPORT OF COUNCIL INVESTMENTS AS AT 31 DECEMBER 2013**  
(Manager Financial Services)

**RECOMMENDED:**

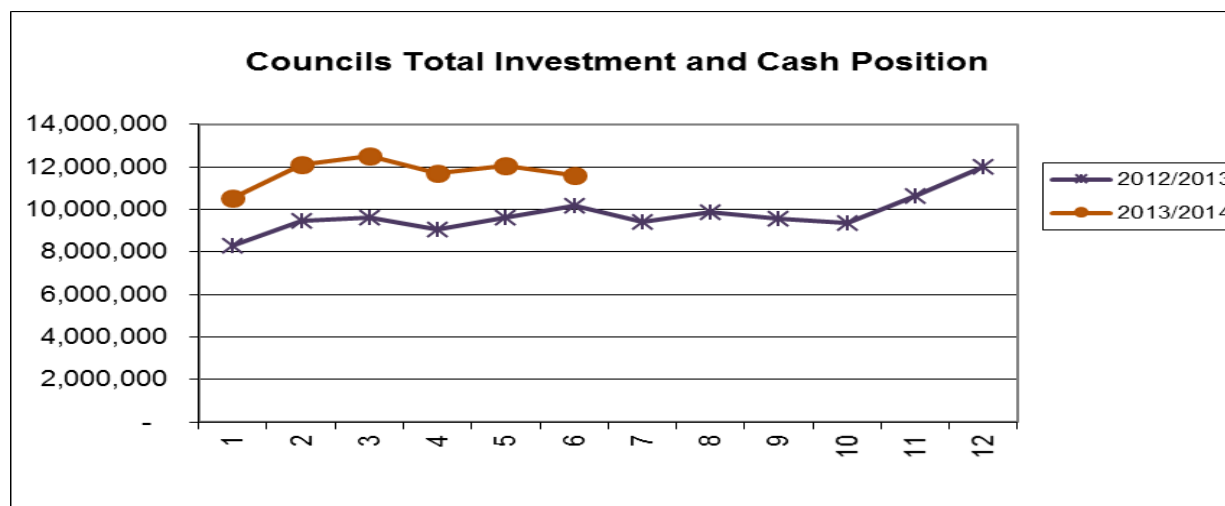
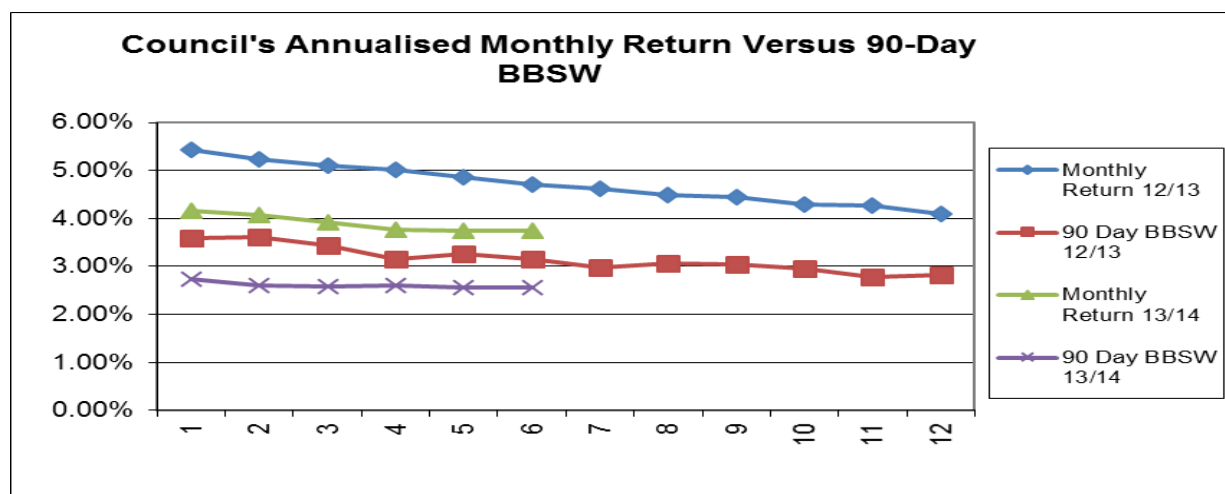
1. That the report indicating Council's investment position as at 31 December 2013 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

**REPORT**

This report provides details of Council's Investment Portfolio as at 31 December 2013.

Council's total investment and cash position as at 31 December 2013 is \$11,590,201.37. Investments earned interest of \$34,537.35 for the month of December 2013.

Council's monthly net return annualised for December of 3.75% outperformed the 90 day Bank Bill Swap Rate of 2.57%.



**REGISTER OF INVESTMENTS AND CASH AS AT 31 DECEMBER 2013**

<b>Institution</b>	<b>Maturity</b>	<b>Amount \$</b>	<b>Monthly Net Return Annualised</b>
<b><u>Term Deposits</u></b>			
NAB	9/01/2014	500,000.00	4.24%
Bankstown City Credit Union	5/03/2014	500,000.00	3.60%
Rural Bank	7/01/2014	500,000.00	3.80%
Bank of Sydney	21/01/2014	500,000.00	4.10%
ME Bank	25/02/2014	500,000.00	3.80%
Bank of Queensland	11/02/2014	500,000.00	3.80%
Railways Credit Union	17/06/2014	500,000.00	3.61%
Westpac Bank	22/07/2014	500,000.00	3.63%
Gateway Credit Union	11/03/2014	500,000.00	3.60%
B & E Ltd	11/03/2014	500,000.00	3.55%
ING	4/02/2014	500,000.00	4.13%
Peoples Choice Credit Union	27/04/2014	500,000.00	3.56%
Bendigo & Adelaide Bank	11/03/2014	500,000.00	3.60%
Police Credit Union	25/03/2014	500,000.00	3.60%
Wide Bay Australia Ltd	9/07/2014	500,000.00	3.80%
Goldfields Money Ltd	11/06/2014	500,000.00	4.20%
AMP Bank Limited	3/07/2014	500,000.00	4.00%
Beyond Bank Australia	20/02/2014	500,000.00	3.85%
Investec Bank	25/02/2014	500,000.00	3.83%
Macquarie Bank	4/03/2014	500,000.00	3.70%
Southern Cross Credit Union	11/02/2014	500,000.00	3.45%
<b>Total</b>		<b>10,500,000.00</b>	<b>3.78%</b>
<b><u>Collateralised Debt Obligation (CDO's)</u></b>			
ANZ Custodian (Kakadu, BBSW + 140 points)	20/03/2014	500,000.00	2.92%
<b>Total</b>		<b>500,000.00</b>	<b>2.92%</b>
<b>Total Investments</b>		<b>11,000,000.00</b>	<b>3.74%</b>
Benchmark: BBSW 90 Day Index			2.57%
Commonwealth Bank - At Call Account		330,458.80	
Commonwealth Bank Balance - General		259,742.57	
<b>TOTAL INVESTMENTS &amp; CASH</b>		<b>11,590,201.37</b>	

<b>Summary of Investment Movements - December</b>		
<b>Financial Institution</b>	<b>Invst/(Recall) Amount \$</b>	<b>Commentary</b>
<b><u>Term Deposits</u></b>		
Bankstown City Credit Union	(504,852.06)	Term Deposit Matured 5/12/2013
Bankstown City Credit Union	500,000.00	Term Deposit Reinvested 5/12/2013
Gateway Credit Union	(504,385.75)	Term Deposit Matured 5/12/2013
Gateway Credit Union	500,000.00	Term Deposit Reinvested 5/12/2013

<b><u>RESTRICTED CASH, CASH EQUIVALENTS &amp; INVESTMENTS</u></b>	
	<b>\$ 000's</b>
External Restrictions - Sewer	2,821
External Restrictions - Other	2,023
	<b>4,844</b>
Internal Cash Restrictions	5,338
Available Working Capital	1,408
	<b>6,746</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>11,590</b>
* Cash & cash equivalents represent balance as at 1 July 2013	

**Collateralised Debt Obligations (CDO's)**

As per Council's Auditor recommendations the disclosure of the impact of market conditions on the value of the Collateralised Debt Obligations held is provided. It is estimated by ANZ Custodian Services that the market value of Kakadu is \$202,700 as at 30 November 2013. Council is also involved in ongoing legal action to minimise any losses.

Council's monthly net return annualised for November on the CDO is 2.92% outperforming the 90 day Bank Bill Swap Rate of 2.57%.

**CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER**

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

**BUDGET IMPLICATIONS**

A good investment strategy optimises Council's return on investments.

**POLICY IMPLICATIONS**

Nil effect.

**IP&R LINK**

DP6.3.2 Maintain a stable and secure financial structure for Council.

**Attachments**

Nil

**08) REPORT OF COUNCIL INVESTMENTS AS AT 29 JANUARY 2014**  
(Manager Financial Services)

**RECOMMENDED:**

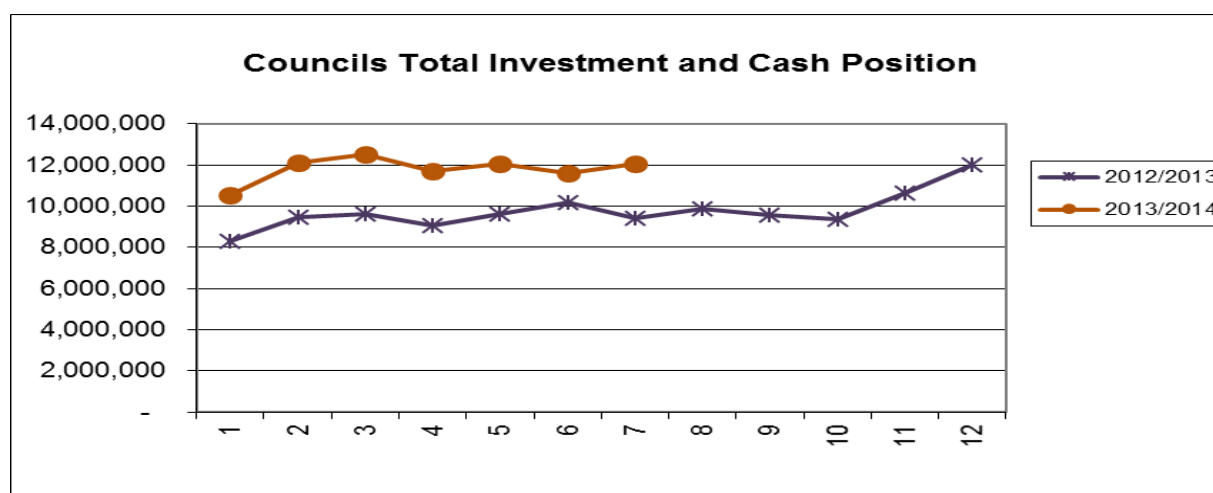
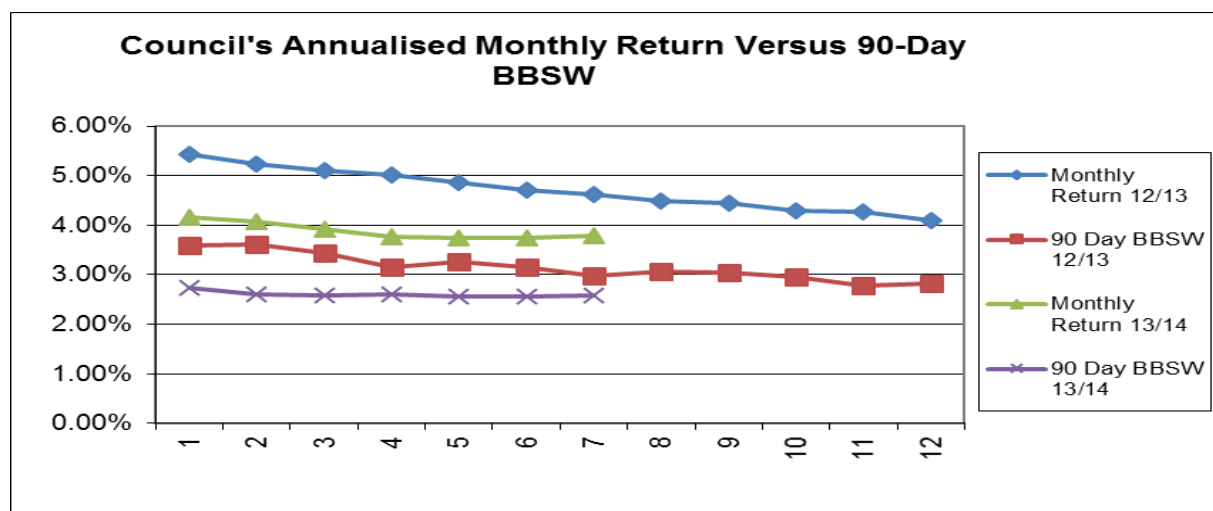
1. That the report indicating Council's investment position as at 29 January 2014 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

**REPORT**

This report provides details of Council's Investment Portfolio as at 29 January 2014.

Council's total investment and cash position as at 29 January 2014 is \$12,051,938.68. Investments earned interest of \$35,925.49 for the month of January 2014.

Council's monthly net return annualised for January of 3.79% outperformed the 90 day Bank Bill Swap Rate of 2.59%.



**REGISTER OF INVESTMENTS AND CASH AS AT 29 JANUARY 2014**

<b>Institution</b>	<b>Maturity</b>	<b>Amount \$</b>	<b>Monthly Net Return Annualised</b>
<b><u>Term Deposits</u></b>			
NAB	9/09/2014	500,000.00	3.82%
Bankstown City Credit Union	5/03/2014	500,000.00	3.60%
Bank of Sydney	22/07/2014	500,000.00	3.90%
ME Bank	25/02/2014	500,000.00	3.80%
Bank of Queensland	11/02/2014	500,000.00	3.80%
Railways Credit Union	17/06/2014	500,000.00	3.61%
Westpac Bank	22/07/2014	500,000.00	3.63%
Gateway Credit Union	11/03/2014	500,000.00	3.60%
B & E Ltd	11/03/2014	500,000.00	3.55%
ING	4/02/2014	500,000.00	4.13%
Peoples Choice Credit Union	27/04/2014	500,000.00	3.56%
Bendigo & Adelaide Bank	11/03/2014	500,000.00	3.60%
Police Credit Union	25/03/2014	500,000.00	3.60%
Wide Bay Australia Ltd	9/07/2014	500,000.00	3.80%
Goldfields Money Ltd	11/06/2014	500,000.00	4.20%
AMP Bank Limited	3/07/2014	500,000.00	4.00%
Beyond Bank Australia	20/02/2014	500,000.00	3.85%
Investec Bank	25/02/2014	500,000.00	3.83%
Macquarie Bank	4/03/2014	500,000.00	3.70%
Southern Cross Credit Union	11/02/2014	500,000.00	3.45%
<b>Total</b>		<b>10,000,000.00</b>	<b>3.75%</b>
<b><u>Collateralised Debt Obligation (CDO's)</u></b>			
ANZ Custodian (Kakadu, BBSW + 140 points)	20/03/2014	500,000.00	3.67%
<b>Total</b>		<b>500,000.00</b>	<b>3.67%</b>
<b>Total Investments</b>		<b>10,500,000.00</b>	<b>3.75%</b>
Benchmark: BBSW 90 Day Index			2.59%
Commonwealth Bank - At Call Account		331,513.55	
Commonwealth Bank Balance - General		1,220,425.13	
<b>TOTAL INVESTMENTS &amp; CASH</b>		<b>12,051,938.68</b>	

<b>Summary of Investment Movements - January</b>		
<b>Financial Institution</b>	<b>Invst/(Recall) Amount \$</b>	<b>Commentary</b>
<b><u>Term Deposits</u></b>		
Rural Bank	(506,506.85)	Term Deposit Matured 07/01/2014
National Australia Bank	(510,510.69)	Term Deposit Matured 09/01/2014
National Australia Bank	500,000.00	Term Deposit Reinvested 09/01/2014
Bank of Sydney	(510,221.92)	Term Deposit Matured 21/01/2014
Bank of Sydney	500,000.00	Term Deposit Reinvested 21/01/2014

<b><u>RESTRICTED CASH, CASH EQUIVALENTS &amp; INVESTMENTS</u></b>	
	<b>\$ 000's</b>
External Restrictions - Sewer	2,821
External Restrictions - Other	2,023
	<b>4,844</b>
Internal Cash Restrictions	5,338
Available Working Capital	1,870
	<b>7,208</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>12,052</b>
* Cash & cash equivalents represent balance as at 1 July 2013	

**Collateralised Debt Obligations (CDO's)**

As per Council's Auditor recommendations the disclosure of the impact of market conditions on the value of the Collateralised Debt Obligations held is provided. It is estimated by ANZ Custodian Services that the market value of Kakadu is \$260,950 as at 31 December 2013. Council is also involved in ongoing legal action to minimise any losses.

Council's monthly net return annualised for December on the CDO is 3.67% outperforming the 90 day Bank Bill Swap Rate of 2.59%.

**CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER**

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

**BUDGET IMPLICATIONS**

A good investment strategy optimises Council's return on investments.

**POLICY IMPLICATIONS**

Nil effect.

**IP&R LINK**

DP6.3.2 Maintain a stable and secure financial structure for Council.

**Attachments**

Nil

**09) QUARTERLY PERFORMANCE REPORT - DECEMBER 2013**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the Quarterly Review of Council's 2013/2014 Operational Plan including quarterly budget review as at 31 December 2013 be noted.
2. That the adjustments to votes of income and expenditure and restricted cash (reserves) be adopted.

**REPORT**

Under S.404(5) of the Local Government Act Council is required to report on progress of its Delivery Program including the Operational Plan. The Operational Plan identifies the specific actions to be completed in 2013/2014 under each of the four year objectives expressed in the delivery program. It comprises actions with performance measures and budget required to achieve these.

The Division of Local Government issued new Quarterly Budget Review Statement Guidelines in 2010 as part of the new Integrated Planning and Reporting (IP&R) framework. The guidelines are mandatory for all Council's from 1 July 2011 and provide a list of minimum quarterly reporting requirements for Council.

The purpose of the quarterly review of the Operational Plan performance measures is to inform Councillors of Council's progress to achieve the specific actions planned. In addition, this report allows members of the community to form their own assessment of Council's performance.

The purpose of the quarterly budget review is to act as a barometer of Council's financial health during the year and disclose Council's overall financial health position. It is also a means to ensure council meets its objectives, targets and outcomes as set out in its operational plan.

Following this report is the update of those performance targets set out in the 2013/2014 Operational Plan and the detailed review of Council's 2013/2014 Budget Review covering the December 2013 quarter.

**BUDGET IMPLICATIONS**

The variations contained within this report maintain a balanced budget as at 31 December 2013, for the 2013/2014 financial year.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 6.3.2 – Maintain a stable and secure financial structure for Council.



**Attachments**

- 1 Quarterly Performance Report - December 2013 20 Pages
- 2 Quarterly Budget Review - December 2013 22 Pages

10) **ADOPTION OF INTEGRATED PLANNING AND REPORTING PLANS**  
(Director Corporate Services)

**RECOMMENDED:**

1. That in accordance with Section 402-406 of the Local Government Act 1993, the Community Strategic Plan, Community Engagement Strategy, Delivery Program 2014/15 to 2017/18, and Resourcing Strategy be adopted by Council.
2. That the submissions received on the Integrated Planning and Reporting Plans be noted.
3. That the Division of Local Government be advised of Council's adopted Delivery Program 2014/15 to 2017/18, and Resourcing Strategy within 28 days of adoption by Council.
4. That a copy of the resolution be provided with the section 508A application for a special rate variation of 6% per annum for two years to the Independent Pricing and Regulatory Tribunal (IPART) as required under the Local Government Special Rate Variation guidelines.

**REPORT**

Public exhibition of Council's Community Strategic Plan and Delivery Program 2014/15 to 2017/18 concludes on 8 February 2014, in accordance with the Council resolution of 9 December 2014. Council adhered to the mandatory exhibition period of 28 days as required under the Local Government Act 1993, in order to allow sufficient time for all members of the community to become aware of the plans, proposed programs and special rate variation proposed in the Long Term Financial Plan. The exhibition period extended from 10 December 2013 to 5 February 2014.

While not formally placed on exhibition, being a management tool for Council, the Resourcing Strategy and a range of supplementary documents were also made available to the community to provide the full scope of information on Council's financial, asset and resourcing position.

It is a requirement that any submissions received be considered by Council in the process of finalisation and adoption of the draft plans. At the time of report preparation, Council had received two submissions on the Integrated Planning and Reporting Plans. A summary of submission issues and responses is included as an attachment to this report for Council's consideration. Should further submissions be received they will be tabled at the Council meeting.

**Ten Year Capital Works Program**

A listing of works is included in the Long Term Financial Plan. Council's principal mechanism for carrying out capital works is fed from this plan to a four year rolling works program incorporated into the Delivery Program

2014/15 to 2017/18. The Capital Works Program details the individual projects and works that will be undertaken each year to achieve the commitments made in the delivery program.

The program:

- Defines the capital projects that will help ensure the continued delivery of Council services;
- Allows advance planning of projects, including investigation, design and documentation;
- Is a key component of Council's infrastructure financing, planning maintenance and replacement strategy;
- Is an information source for the community;
- Allows integration of issues where projects have a wide-ranging impact across the community.

While inevitably refinements to the program will be made, it is appropriate and necessary to have the basis of a longer term schedule to allow appropriate planning both within the community and Council.

It should be noted that the program includes works and initiatives proposed to be specifically funded by additional revenue generated through Special Rate Variations (SRV's) proposed for the next two (2) years and future applications. The undertaking of these works will be subject to the success of these SRV applications, the first of which is anticipated to be advised in June 2014.

### **Summary**

Whilst the integrated planning and reporting requirements now in place under the Act are the catalyst to change, the key driver of the change has been the community engagement underpinning and expressed through *Blayney Shire 2025*' Community Strategic Plan, and the framework this provides for the objectives and actions expressed in both the delivery program and operational plan (yet to be adopted). The result is a very comprehensive and clear statement of the direction and activities of the Council over the next four years, and the beginning of an integrated and more effective approach to the delivery of services by Council. The *Blayney Shire 2025* Community Strategic Plan and the Delivery program set us on our path to the Blayney Shire that stakeholders have expressed that they would all like to experience in ten years' time.

### **BUDGET IMPLICATIONS**

The financial implications of this report are detailed in the Delivery Program 2014/15 to 2017/18 and Resourcing Strategy documents being the Long Term Financial Plan, Workforce Plan and Asset Management Strategy and associated plans. It should be noted that works in the Delivery Program to be funded by additional revenue from 2014/15 onwards will not proceed if the application and future year applications are not approved by IPART.

**POLICY IMPLICATIONS**

Adoption of the Delivery Program 2014/15 to 2017/18 and Resourcing Strategy establishes a comprehensive and clear statement of the direction and activities of the Council over the next four years.

**IP&R LINK**

DP 6.2.2 Implement Council's Community Engagement Plan

DP 6.3.2 Maintain a stable and secure financial structure for Council

**Attachments**

1	Submission 1	1 Page
2	Submission 2	3 Pages
3	Summary of Submissions and Responses	4 Pages

Please refer to the December 2013 Council Business Paper and/or for the following attachments:

- Community Strategic Plan
- Delivery Program
- Long Term Financial Plan
- Workforce Plan
- Asset Management Strategy
- Community Engagement Strategy

**INFRASTRUCTURE SERVICES REPORTS**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



11) **2 WAY RADIO NETWORK UPGRADE**  
(Operations Manager)

**RECOMMENDED:**

1. That Council approve the funding of 2 way radio network upgrade from the plant fund in the current financial year
2. That an allowance be made within the plant hire rates for the ongoing maintenance and future replacement of the network.

**REPORT**

Executive Summary

Council's current Portable Mobile Radio (PMR) network utilises equipment that is approximately 20 years old, and is starting to show signs of age with reduced coverage around the shire.

This reduced coverage poses a number of operational, and work health and safety issues as it restricts Council's ability to communicate with its workforce.

Additionally, the Australia Communications and Media Authority (ACMA) have recently changed the requirements for transmission frequencies to protect a particular band for emergency services. As Council currently transmits within this frequency, Council is required to modify its transmission frequency to comply.

As a result of these issues, an audit has been undertaken on Council's current network to determine an appropriate course of action to ensure that the radio network will meet Council's requirements into the future.

It is therefore recommended to replace the existing radios, and investigate options to negotiate an agreement to utilise existing infrastructure with Cabonne Shire Council and NSW Rural Fire Service (RFS).

Current Network

Council's current network consists of a total of 34 plant/vehicle mounted radios of various brands, 3 desktop mounted radios, and a repeater on Mount Macquarie.

Council owns the vehicle mounted, and desktop radios, however currently leases access to the repeater on Mount Macquarie for approximately \$2,200 per year.

This equipment is approximately 20 years old, and through attrition they are currently performing poorly due to the use of incorrect aerials, and lack of retuning to ensure they are operating on the correct frequency. This has resulted in a large number of blackspots throughout the shire, which have dramatically reduced the functionality of the system and has contributed to the decline in use of the system over time.

Options to Move to a New Frequency

The current vehicle and desktop radios are capable of being retuned to the new frequency that is required under the ACMA's requirements, however the base-station is not able to be retuned, requiring it to be replaced by the lessor.

Retuning of Council's existing radio's could be undertaken for approximately \$300-400 per unit. Given the age of Council's current radio fleet, it is noted that technical support for them is getting harder to obtain.

Council has received an informal notification from the lessor that an upgraded base station was proposed to be installed. It is not known whether these works have been completed.

The total estimated cost to undertake the retuning of the existing radios is \$11,100-14,800. This does not include any money for the installation of a new repeater, as it would be anticipated that the lessor would provide this as part of the lease should Council continue with this arrangement. However this option is not considered sustainable in the longer term.

Based on the age of the radio network, the option for replacement of the vehicle and desktop mount units has been investigated as well. The costs for this are significantly higher, however Council would then have a modern radio fleet, which has technical support available to be suitably maintained and tuned as required.

Council has received a quote to undertake the replacement of all radios within Council's fleet, to replace them with Simoco SRM9030 units. These units are easily reprogrammed through the use of a serial cable, and are able to be installed without the need to drill mounts into the dash of vehicles.

Additionally, the new radios are able to be programmed to operate as UHF as well, thus removing the requirement to install UHF radios throughout Council's fleet in addition to the 2 way network, this provides an efficiency saving into the future by not requiring the purchase of UHF radios in addition to Council's 2 way network.

The supply cost for these radios was quoted at \$1,029.52 each, giving a total supply cost of \$38,092.24, with an estimated install cost of \$30,090.99, for a total of \$68,183.23.

The recommended radios are towards the higher end of the spectrum, and savings are possible to go with a lower specification radio. Indications are that the saving may be as high as \$200/unit, however further investigation is required to confirm the suitability of the lower specification radio.

It is recognised that this is significantly above the cost of retuning, however given the age of Council's existing equipment, they will need replacement in the short term (1-2 years).

An alternative base station solution has also been proposed where a new base station be installed on Mount Macquarie with concurrence from the (RFS). The cost of a new base station is \$21,537.75 installed, and would remove the need for Council to lease the current base station. It may also provide an increase in coverage through the shire.

#### Options to Co-operate with Other Authorities

Given the prevalence of PMR networks throughout other Local and State Authorities, there may be options to reach an agreement to utilise existing systems that they utilise.

The recommendations put forward by the audit are based on Council being able to reach an agreement with RFS to multi-couple off their repeater on Mount Macquarie.

Discussions with RFS have indicated that they are happy to work with Council on this issue, and would not oppose Council multi-coupling off the existing tower (owned by Essential Energy) on Mount Macquarie. Further, RFS have offered an existing base station that is surplus to their requirements; offering Council a saving of \$2-3,000 on the supply of a new base station.

However it is worth noting that when RFS make the switch to the Transgrid tower on Mount Macquarie (anticipated 6-8 months) that there would be further costs incurred to either move with them, or to set up a stand-alone antenna on Mount Macquarie.

Alternatively Council may wish to collaborate through the WBC Alliance and investigate the use of either Cabonne Council's or Central Tablelands Water existing radio infrastructure.

Central Tablelands Water currently utilise the Government Radio Network (GRN). This network has superior coverage, and it is considered that it would suit Council's needs. However the cost of access to this network is \$52/unit/month. Given Council has a total of 37 radios, the expected annual cost would be approximately \$23,000 annually, in addition to the purchase of the hardware required.

Investigation has not progressed on the supply and installation of hardware for the GRN network, due to the high annual access charges.

Cabonne Council currently utilise a system similar to Blayney, with a repeater currently installed on Mount Canobolas. This repeater could serve a large area of the Blayney Shire, but would likely leave the eastern area of the shire with poor, or zero coverage.

Given the quotes provided, it may be possible to relocate the proposed base station to a location on 'Clarks Trig' station near Newbridge which is operated by RFS. This would provide suitable coverage across the eastern side of the shire, and may also assist Cabonne with improving the coverage on the eastern area of their shire.



The benefits of this collaboration would be a decrease in costs for both Council's as only one license fee would be required, and the maintenance on the Mount Canobolas and Clarks Trig station could be shared.

The downside to sharing the system with Cabonne is that it would be a complete shared network, with Cabonne and Blayney able to hear each other's communication. Depending on the usage rates it may be an issue, and further research on the utilisation is required prior to progressing further down this path.

Proper radio protocol would have to be practised by both shires to ensure that the communications are clear as to who the intended recipient is.

#### Conclusion and Recommendations

Based on the fact that retuning of the existing fleet does not address the age of Council's network, it is not recommended that the retuning option be taken as Council would still have to replace the radios in the coming years.

The total estimated cost for the replacement of the network is \$90,779.80, which is proposed to be funded through the addition of an on-cost to the current plant rates. The estimated annual cost to the plant fund to ensure the replacement of the radios into the future is \$20,000. Currently radios are replaced on a needs basis which is funded through the plant fund.

It is noted that further work needs to be undertaken to determine the best course of action with regards to the base station's location. However it is not considered that the price will vary significantly with either option.

Based on the age of the existing network, and the requirement to move to a new frequency, it is recommended that Council progress with the purchase of a new base station, radios for all vehicles and the three desktop mounted radios to return the radio network to a useable network with useful coverage.

#### **BUDGET IMPLICATIONS**

\$90,780 expenditure be voted from the plant fund in the current financial year, and will be recovered through an addition to the plant hire rates.

#### **POLICY IMPLICATIONS**

Nil effect

#### **IP&R REFERENCES**

DP 6.1.1 – Resource sharing and collaboration within WBC Alliance

#### **Attachments**

Nil

12) **DRAFT STRATEGIC BUSINESS PLAN FOR SEWERAGE SERVICES**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That Council accept the Strategic Business Plan for Sewerage Services 2013.
2. That the Strategic Business Plan for Sewerage Services 2013, be exhibited for public comment for a period of 90 days.
3. That a community newsletter be prepared seeking community input, highlighting the proposed future sewer network extension to the Villages of Carcoar, Mandurama, and Lyndhurst.

**REPORT**

**Executive Summary**

This Strategic Business Plan covers the development and operation of Blayney Shire Council's Sewerage Scheme. It provides supporting information for Council's Integrated Planning and Reporting (IP&R) as well as satisfying compliance requirements for the NSW Office of Water.

The Sewer Strategic Business Plan demonstrates best-practice management which encourages the effective and efficient delivery of sewerage services, with best practice recommending that it be reviewed on a 5 year rolling basis.

It is recommended that Council adopt the Strategic Business Plan for Sewerage Services 2013, for the period 2013 – 2018.

**Background**

Councillors may recall the April meeting of Council where it resolved:

*That Council accept the Centroc Water Utilities Alliance contract with New South Wales Public Works for the preparation of Strategic Business Plans for member councils for the price of \$16,050.*

NSW Public Works have recently completed the work involved in developing the latest version of the Strategic Business Plan for Sewerage Services (SBP).

Council has previously prepared a SBP in 1996/97 and more recently in 2008. This latest update was prepared by Blayney Shire Council with the assistance of the Strategic Water Planning Unit of NSW Public Works.

The draft plan is based on a workshop held on the 11<sup>th</sup> and 12<sup>th</sup> of September 2013, in which Councillors, senior Council staff and external stakeholder agencies were represented.

The SBP addresses the overall business activities of Council's Sewerage Functions and has a 30 year horizon, particularly in relation to capital works and asset management.

The Plan fully satisfies compliance requirements for the NSW Office of Water and has been prepared to align with Council's Integrated Planning and Reporting (IP&R).

The SBP addresses the following key planning elements:

- A review of the current operating environment
- current and future levels of service
- a 30 Year Capital Works Program
- financial management over the 30 year planning horizon
- performance measurement & performance targets

Other aims of the Strategic Business Plan include:

- Providing information for inclusion in Council's Resourcing Strategy;
- Focusing attention on the key issues affecting the day to day operations of the sewerage system;
- Exploring options for sharing the limited resources available in an equitable manner;
- Demonstrating to stakeholders that the sewerage scheme is well managed;
- Identifying financial and other resources required to operate these services on a commercial basis;
- Providing a long term price path for sewerage services;
- Assisting in the development of a long term capital works program, with an affordable price path;
- Enabling Council to model 'what-if' scenarios and see their rating impact; and
- Allowing future financial performance indicators to be calculated, such as return on capital invested.

Best-practice management is a prerequisite for payment of a dividend from the surplus of a local government's sewerage business, pursuant to section 409(5) of the Local Government Act 1993 and for the provision of financial assistance under the NSW Governments Country Towns Water Supply and Sewerage Program.

The current services are generally regarded as satisfactory by customers. Following are the major issues which will need to be addressed in the short term:

- Service extension to village areas (there are a number of properties within the Blayney Council that do not have access to the sewerage service);
- Equitable service pricing including developer charges; and
- Systematic rehabilitation and renewal of ageing assets (i.e. treatment plant and reticulation system, including manholes);

Specific actions listed, which represent the strategies for achieving the objectives outlined in the five Key Result Areas of: Customer service; Environment; Asset management; Human resources; and Finance. These are:

- Millthorpe sewage transfer main augmentation;
- Lining/replacement of sewer mains in Blayney;
- Manhole rehabilitation;
- Telemetry upgrade;
- Sewerage schemes for Carcoar, Mandurama and Lyndhurst;
- Provision of an additional sewer service operator

Financially the Plan enables Council to determine revenues needed to meet Levels of Service and manage cash flow and eliminate any cross subsidisation with other Council activities. The financial model is reviewed annually and any material adjustments made.

Modelling demonstrates that typical residential bills (TRB) for sewerage services (measured in 2013/14 dollars) should be increased by \$20 per year for the next four years, from the current TRB of \$496 to \$576 p.a. in 2017/18, while maintaining liquidity with a minimum \$250K of cash.

Over the next ten (10) year period, capital works will be internally funded, except the new borrowing of \$1.5 Million for the village sewerage schemes in 2020/21 – 2021/22. The scheme would be subject to a 50% subsidy from external sources.

Whilst preparing the plan, and during the course of Council's Community Consultation process for the proposed Special Rate Variation, residents of Millthorpe enquired about the existing rates and charges associated with the extension of the sewer to Millthorpe. Ratepayers indicated that when the village sewer project was being developed they were reportedly advised that Council would remove the sewer charge once the loan was paid in full.

The charging for sewer access in Blayney and Millthorpe is in accordance with Best Practice compliance, and will therefore remain in the medium term.

At present Millthorpe customers pay a sewer access charge approximately 1.6 times that of Blayney customers, and was developed in order to provide for no cross subsidisation by Blayney, for the Millthorpe scheme.

Modelling was undertaken by Public Works to identify when the access charge could possibly be aligned with Blayney; based upon the financial model and the current loan terms this may be considered in approximately 2022/23.

It is recommended the Strategic Business Plan for Sewerage Services be placed on Public Exhibition for Three (3) months, recognising the importance of the subject matter.

**BUDGET IMPLICATIONS**

The typical residential bill will be increased by \$20 p.a. for four years.  
All proposed activities are fully funded within existing allocations for the life of the Strategic Business Plan, excluding the proposed \$1.5 Million loan commencing in 2020/21

**POLICY IMPLICATIONS**

Nil effect.

**IP&R POLICY IMPLICATIONS**

DP 4.2.2 – Ensure Sewerage Treatment Plants are able to meet needs of the Blayney Shire.

DP 4.2.3 – Provide an effective and safe Sewerage Collection Network for Blayney Shire.

**Attachments**

1 Draft Strategic Business Plan for Sewer Services 124 Pages

**13) NATIONAL MOBILE COVERAGE PROGRAM**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That Council receive the report for advice and consideration.

**REPORT**

Executive Summary

The Australian Government Department of Communications released a discussion paper in December 2013 on mobile phone coverage and competition in regional Australia, for stakeholder engagement.

Comment is currently being sought and can be lodged up to Friday 28 February 2014.

Background Information

The Australian Government is currently considering potential methods of allocating funding to the delivery of improved mobile phone coverage in regional areas of Australia.

As identified in the governments discussion paper:

*“The 2011-12 Regional Telecommunications Review identified a lack of adequate mobile voice and broadband coverage as the issue of greatest concern to regional communities.”*

*“The objective of the Mobile Coverage Program is to invest in the telecommunications network to improve both coverage of high quality terrestrial mobile voice and wireless broadband services, and competition in the provision of these services.”*

The document is available for download from  
[www.communications.gov.au/mobile\\_services/mobile\\_coverage\\_programme](http://www.communications.gov.au/mobile_services/mobile_coverage_programme).

The Hon. John Cobb MP, Member for Calare has been urging Councils to provide a response to the discussion paper and also to provide information supporting him in advocating for better mobile coverage across the electorate.

Due to the timing of the issue of the discussion paper and the limited response time, Council issued a media release in January seeking input from the Blayney Shire community on mobile phone coverage issues. Council has also sought input from staff.

Mobile phone usage in Australia continues to increase with there being the equivalent of 1 handset per person in Australia (2011). Such a statistic is evidence that the need for adequate coverage is important, most notably to

ensure the population is able to make contact in an emergency situation, such as a motor vehicle accident.

Submissions received by Council at the time of preparation of the report reported as follows:

Submission 1. – Resident of Neville (Via Facebook)

*Seeking similar benefits for Neville as those living in town. To use Optus or Telstra mobile in Neville, one presently has to drive up Mandurama Rd or Egbert St. and sit in the car with phone toward Mt Macquarie even then reception is what's called " edge " ( you could drop off at any moment and often do ). With a good Mobile service, residents can streamline to just one account saving a substantial amount each year. Good Mobile now includes local, STD and internet access via the Mobile. Using any cheap smart phone as a "hot spot" for your PC wireless. Many residents currently have and are paying for 3 separate accounts. Good Mobile service makes these redundant. 1. a land line ( as there is no mobile ) 2. Mobile for when you're out and about etc In Neville, your mobile mostly sits around doing nothing. 3. A Sat dish from NBNco for internet access.*

*Regarding NBNco, Many don't realise, NBNco has no satellite ! They won't have one up for about 18 months. What we have, comes to us via an Optus satellite. However, as Govt. did not anticipate the massive uptake, this arranged and insufficient " bandwidth" is so over crowded with traffic, it does not run to the Govt. guaranteed 3mb download speed running on average at 1.5Mb download. So to have good mobile service in Neville and surrounds on par with the rest of Australia and Asia would be fantastic making the NBNco redundant. Currently, the Neville phone exchange in Crouch street is scheduled to be removed in June of 2016. What does Telstra have planned for us then, who knows? Would Mt Macquarie be a good location for a mobile tower ?*

Submission 2. – Resident of Barry (Via Facebook)

*Same type of thing happening in some areas of Barry with mobile phones and to get wireless internet we have to go to an added expense of getting an aerial.*

Submission 3. – Council staff member

*Areas in the East of the shire have improved on what they were a few years ago however Neville through to Hobbys Yards to Newbridge are very patchy.*

*Much of the Village Road is patchy. Barry through Moorilda also.*

Submission 4. – Council staff member

*Coverage within the village of Carcoar is weak, with phones constantly seeking connection, causing battery life to be significantly limited, as a result.*

Submission 5. – Council staff member

*Coverage on the eastern boundary of the Shire is poor. The Village of Trunkey whilst outside of the Blayney Shire is home to many who work in Blayney, and is extremely limited in its modern communication capacity. Residents are unable to access the NBN (Optus) Satellite due to over subscription, mobile services are almost non-existent even with external aerials and other technologies to help.*

If Councillors wish to provide comment, further information should be submitted to Council for inclusion prior to 24 February 2014.

Council shall prepare its submission to ensure lodgment in accordance with Department of Communications timeframes.

**BUDGET IMPLICATIONS**

Nil Effect

**POLICY IMPLICATIONS**

Nil Effect

**IP&R REFERENCES**

DP 5.3.1 – Implement programs to build community skills with computer technology, to build community participation and social inclusion amongst older Australians.

DP 6.4.1 – Provide support for emergency management in Blayney Shire in accordance with the SERM Act.

**Attachments**

Nil



**14) SALE OF PORTION OF CHURCH STREET - BLAYNEY**  
(Infrastructure Manager)

**RECOMMENDED:**

1. That Council:
  - a. Support the sale of the portion (16 square metres) of Church Street, Blayney, to adjoining land owner, as shown on the map.
  - b. Approve a sale price of one dollar subject to the applicant paying all survey and legal costs including Council costs.
  - c. Approve the placement of Council's seal on all documentation associated with the transfer of the segment of Church Street.

**REPORT**

Council has been approached by the adjoining property owner (the applicant) seeking to purchase approximately 16 square metres of the Church Street road reserve to the east of the formed part of Church Street, Blayney. The portion is marked in Orange on the attached map.

The road reserve forms part of the former Roads and Maritime Services reserve for the construction of a highway bypass to the east of Lower Farm Lane, Farm Lane and Maria Street, Blayney. The road reserve has since been transferred to Council's ownership.

Sale of the road would not isolate any land parcels.

The applicant has indicated a willingness to pay any legal and survey costs associated with subdivision and sale of the land.

**BUDGET IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 4.1.12 – Identify surplus Council owned assets for possible sale to be invested in infrastructure reserve.

**Attachments**

1 Map of Portion of Church Street Blayney 1 Page

**15) SALE OF PORTION OF CHURCH LANE - HOBBOYS YARDS**  
(Infrastructure Manager)

**RECOMMENDED:**

1. That Council:
  - a. Support the sale of the portion of Church Lane, Hobboys Yards, as shown on the map.
  - b. Approve a sale price of one dollar subject to the applicant paying all survey and legal costs including Council costs.
  - c. Approve the placement of Council's seal on all documentation associated with the transfer of the segment of Church Lane.

**REPORT**

Council has been approached by the two adjoining property owners (the applicants) seeking to purchase the portion of road from Hobboys Yards Road to approximately 300M east of Three Brothers Road, marked in Blue and Orange on the attached map.

Councillors may recall from the Roads Tour the closed portion of Church Lane at Hobboys Yards. The road has been closed for a number of years due to two closed culverts.

The portion of the road is a duplicate route to the nearby Hobboys Yards Road. It provides secondary access to the two applicants properties. Sale of the road would therefore not isolate any land parcels.

One of the applicants has undertaken an investigation with Crown Lands Department, who have advised that the road is Council Public Road. However, it appears that part of the land (marked in Blue on the map attached to the Infrastructure Managers' Report) comprises part of Reserve 46 for preservation of water supply notified 10<sup>th</sup> June 1878 under Tablelands Livestock Health and Pest Authority (LHPA) control.

For the sale to proceed Council will need to clarify with the LHPA if they have any continued interest in this portion of land and submit an application to Crown Lands on the Applicants behalf.

Both applicants have indicated a willingness to pay any legal and survey costs associated with subdivision and sale of the land.

**BUDGET IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 4.1.12 – Identify surplus Council owned assets for possible sale to be invested in infrastructure reserve.

**Attachments**

1 Map of Church Lane Hobbys Yards 1 Page

**16) FOOTPATH MAINTENANCE PROGRAM**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That Council:
  - a. vote expenditure, in the amount of \$25,000 to the Operations – Footpath/Kerb and Gutter Maintenance Program, from the 2013/14 Footpath Capital Works Program.
  - b. notify its insurer of the expenditure to be redirected as a result of the inspection program priorities.

**REPORT**

**Executive Summary**

Council has recently received various complaints and reports of trip/fall incidents across its footpath/kerb and gutter (k&g) network that has resulted in members of the public sustaining injuries of varying degrees.

An inspection program is to be implemented, and it is recommended that footpath program funding be redirected from existing network extensions to a prioritised list (developed from the inspection program) of repair/renewal projects.

**Background Information**

Council's footpath and kerb and gutter infrastructure continues to age, and is showing signs of failure as a result of various impacts, including:

- Uplift due to tree roots
- Reactive soils
- Material (concrete) failure

Council staff are currently undertaking an inspection of the infrastructure, identifying trip hazards, material failures and other associated maintenance issues.

As a result of the inspection program, issues will be prioritised based upon the extent of failure, the level of risk (difference in levels, unevenness, encroachment), and the failure location in relation to surrounding facilities and pedestrian traffic generating facilities such as schools, the shopping precinct etc.

Council's insurer has been placed on notice in relation to the notified incidents and have been addressing these matters on Council's behalf.

Council's 2013/14 Footpath Capital Works Program budget was \$106,250, with a remaining allocation of \$25,000, and the Operations – Footpath Maintenance Program currently has an unspent allocation of \$24,000.

It is recommended that Council vote expenditure in the amount of \$25,000 to the Operations – Footpath Maintenance Program, from the 2013/14 Footpath Capital Works Program. This will provide \$49,000 to be allocated to prioritised footpath/k&g maintenance and renewal projects.

The budget required to address the issues identified is unable to be determined until such time as the inspection program is completed, and priorities determined. Should further funds be required, the reallocation of future capital works budgets shall be considered at a later date.

It should be noted that the Long Term Financial Plan has allocated future Footpath Capital Works, from within the Village Enhancement Program allocation.

Council has advised its insurer of the inspection program, and shall notify it of the redirection of the budget allocation.

### **BUDGET IMPLICATIONS**

The increased expenditure of \$25,000 is to be funded by a vote from the Footpath Capital Works Program.

### **POLICY IMPLICATIONS**

Council is currently undertaking a review of its footpath inspection regime and shall review and update the footpath inspection and maintenance policy/procedure.

### **IP&R REFERENCES**

DP 4.1.3 – Ensure Ancillary Road facilities are serviceable and in line with current standards e.g. footpaths, cycleways, kerb and gutter, bus stops etc.  
DP 4.1.5 – Implement the Blayney Shire Council asset Management Plans.

### **Attachments**

Nil



**PLANNING AND ENVIRONMENTAL SERVICES REPORTS**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



17) **REGIONAL TENDER FOR WASTE SERVICES**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That Council note for information the dates of the tender development process associated with the Regional Tender for Waste Services.
2. That Council authorise the General Manager to negotiate an extension of the existing Domestic Waste and Recycling Contract with JR Richards and Sons until midnight 3 April 2016 and apply the Council Seal to all associated documents.

**REPORT**

NetWaste serves as a facilitative body for the establishment of regional contracts for a range of waste services for member Councils, including domestic waste and recycling services.

The current domestic waste and recycling services are carried out by JR Richards and Sons, with the waste received taken to the participating Council landfills and recyclables collected, delivered to and sorted at the regional Material Recovery Facility (MRF) located at the Ophir Road Resource Recovery Centre in Orange.

Council's current service was established, under contract with JR Richards and Sons, through NetWaste, in 2005 and expires in December 2015.

Consequently a new regional contract is being put out to tender, by NetWaste and the following Councils are included in the Joint Regional Tender:

- Bathurst Regional
- Blayney Shire
- Blue Mountains City
- Cabonne Shire
- Forbes Shire
- Orange City
- Parkes Shire
- Wellington Shire

The participating Councils have all entered into a Memorandum of Understanding committing to the tender process. The scope of the tender has been expanded to include the processing of recyclables and possible processing of organic waste.

Commencement date of the new waste services is proposed to be Monday 4 April 2016. As the existing NetWaste Contract expires on the 11 December 2015, it is considered that the introduction of new waste services prior to



Christmas or during January, when many people are away from home, would not be best practice.

Accordingly Council needs to seek an extension to the existing waste services contract until midnight on the 3 April 2016.

**BUDGET IMPLICATIONS**

An increased cost in providing for waste collection services from 2016 onwards will need to be addressed in the 2015/2016 budget.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 4.5.1 – Develop and promote programs that increase the participation of the community in recycling and reducing waste going to landfill.

**Attachments**

Nil

**18) SWIMMING POOL BARRIER INSPECTION PROGRAM**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That Council place the draft 'Swimming Pool Barrier Inspection Program' on public exhibition for 14 days and seek community comment on the proposed program before considering a further report on the amendment and/or adoption of this program.
2. A copy of the draft program be made available to local solicitors, conveyancers and real estate agents for information.

**REPORT**

Council at its meeting on the 17 June 2013 considered a report regarding the NSW Government amendment to the Swimming Pools legislation, via the Swimming Pool Amendment Act 2012, in regard to pool owners registering their pools.

As part of the legislation pool owners were required to register their pool by the 29 October 2013.

Advice from the Division of Local Government is that 93 pools were registered in Blayney Shire.

Pool owners will require a compliance certificate, available from Council, or an Accredited Certifier, before they can sell or lease their property, when there is a pool on that property, from 29 April 2014.

Council is required to:

- Develop and implement a swimming pool barrier inspection program in conjunction with the community.
- Report annually on the number of pool inspections undertaken and the level of compliance.
- Inspect pools associated with tourist and visitor accommodation and multi-occupancy development at three year intervals.
- At the request of the pool owner, inspect pools prior to sale or lease.
- Issue compliance certificates after an inspection which finds a pool barrier compliant with the requirements of the legislation. Compliance certificates are valid for three years.

Council resolved on the 17 June 2013 to adopt the following fees from 1 June 2013:

- a. Council register a pool on behalf of a pool owner - \$10.00.
- b. The fee for each inspection undertaken be \$150.00 and \$100.00 for a re-inspection resulting from the first inspection.

The proposed draft 'Swimming Pool Barrier Inspection Program', see attached, is recommended to be publicly advertised for 14 days in the local media and on Council's website. Following consideration of any public comment a further report regarding amendment and/or adoption of the program will be submitted to Council.

**BUDGET IMPLICATIONS**

The requirements placed on Council to inspect and report on pools will be an additional cost to Council and is expected to be offset by the fees charged.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

Nil.

**Attachments**

1 Swimming Pool Barrier Inspection Program 2 Pages

19) **COMMERCIAL DOG BREEDING FACILITY - 1445 HOBBS YARDS ROAD, HOBBS YARDS**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That Council endorse the commencement of legal proceedings against the owner of No. 1445, Lot 27 and Lot 28, DP 572532, Hobbs Yards Road, Hobbs Yards, to cease the unauthorised use of the subject premises as an animal boarding and training establishment.

**REPORT**

A report regarding this on-going matter was considered by Council at its meeting on the 12 August 2013.

Council resolved to:

*'Note the contents of the report and endorse the possible future legal action to be taken to cease the unauthorised use at the subject premises.'*

Following receipt of correspondence from Council's lawyer, the owner responded to him and Council on the 23 September 2013, detailing problems she was having relocating from the Hobbs Yards property to a property she has acquired outside Blayney Shire.

In that letter she requested she be given until the end of 2013 to complete the move to her new property.

Council's lawyer responded and agreed to that request and advised that failure to complete the relocation on or before the commencement of January 2014 would result in legal action being taken to cause the unlawful activity to cease.

As a follow-up to this, regular inspections have been undertaken by Council staff to determine what action the owner has taken to comply with her undertaking to relocate the unlawful activity away from the subject property.

These inspections have revealed the number of dogs has actually increased to at least 36 and there are still 7 dingoes on site.

In addition there has been no reduction in the number of structures, which includes sheds and enclosures from the site.

Council has continued to receive complaints since the August 2013 meeting, regarding the noise from the dogs and dingoes and the detrimental impact this is having on the people who live on properties adjoining and in the vicinity of the subject property.

The loss of amenity from and the impact of the noise from the dogs and dingoes on the adjoining property owners, which has continued for approximately four and a half years needs to be addressed by Council and it appears legal action remains the only remedy.

It should be noted that when Council Officers attempted to arrange a further inspection of the property, in early January 2014, they were advised the owner was in hospital, and Council would be advised when the property could be inspected.

At the time of writing this report staff have been unable to verify if the owner is hospitalised and no advice has been received regarding a further inspection.

**BUDGET IMPLICATIONS**

Future legal expenses.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP 6.4.2 – Undertake regulatory responsibilities from environmental health and animal control.

**Attachments**

Nil

20) **FLYERS CREEK WIND FARM - DRAFT VOLUNTARY  
PLANNING AGREEMENT (VPA)**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That the report be received for information.
2. Council place on public exhibition, for 28 days, the proposed Voluntary Planning Agreement and Explanatory Note and the public be invited to comment, in writing, on the proposal within that 28 day period.
3. Following the public exhibition and community consultation, a further report be submitted to Council for determination.

**REPORT**

A Voluntary Planning Agreement, in accordance with the requirements of the Environmental Planning and Assessment Act, 1979 – Clause 93F (3) and Environmental Planning and Assessment Regulation 2000, Clause 25E, has been negotiated, see attachment 1, with the proponents of the windfarm.

The Planning Agreement promotes the objects of the Environmental Planning and Assessment Act 1979 (NSW) in particular Clause (v), which seeks to encourage *‘the provision and coordination of community services and facilities’*. The Planning Agreement will provide significant additional financial resources to fund community groups, services and infrastructure.

The Planning Agreement does not specify requirements that must be complied with prior to the issue of a Construction or Occupation Certificate and requires each instalment of the monetary contribution to be paid for 25 years, with 50% payable on 1 July and 50% payable on the 5 January each year.

The windfarm proponent, Flyers Creek Wind Farm Pty Ltd, has agreed to enter into the Agreement and, provided that construction is commenced, to pay the development contributions to Council, on the basis that the development consent is granted by the NSW Government.

The Environmental Planning and Assessment Act, 1979, requires an Explanatory Note, to be attached to the Planning Agreement and this will be placed on public exhibition with the Voluntary Planning Agreement.

On 16 December 2008, the proponent made a development application to the NSW Department of Planning for development consent to carry out the proposed development on the land, approximately 15 kilometres west of Blayney. The proposed development was identified by the Department as a Major Project Application No. 08\_0252.

Following consideration by the Department, the application was recommended for approval, subject to consideration, in November 2013 and

has been referred to the Planning Assessment Commission for determination, under the terms of the Planning Minister's delegation.

The Commission will be meeting to hear public views, on the Department of Planning and Infrastructure Assessment Report and recommendation, in Blayney at 3.00 pm on Tuesday 11 February 2014 at the Blayney Shire Community Centre.

The meeting will be open to the public to observe the proceedings and following the public meeting the Commissioner will move to determine the proposal.

### **BUDGET IMPLICATIONS**

Acceptance and implementation of the Voluntary Planning Agreement will result in a substantial financial contribution, to Council, over 25 years and will be directed to a Community Benefit Fund, Road Maintenance and Project Related Council Administration and observation.

### **POLICY IMPLICATIONS**

Nil.

### **IP&R LINK**

DP 1.5.2 – Promote sustainable energy developments/use within the Shire.

### **Attachments**

1 Planning Agreement 15 Pages

The Explanatory Note attachment will be available at the Council meeting.





**COMMITTEE REPORTS**  
**PRESENTED TO THE BLAYNEY SHIRE COUNCIL**  
**MEETING HELD ON MONDAY, 10 FEBRUARY 2014**



21)            **MINUTES OF THE BLAYNEY TRAFFIC COMMITTEE**  
**MEETING HELD ON 13 DECEMBER 2013**  
(Infrastructure Manager)

**RECOMMENDED:**

1. That the recommendations of the Blayney Traffic Committee meeting held on 13 December 2013 be adopted.

**REPORT**

The minutes of the Blayney Traffic Committee meeting held on Friday 13 December 2013 are attached and Councillors attention is drawn to the following items:

- B2B Cyclo Sportif Traffic Management Plan
- Speed Zone Signs – Lyndhurst Streets off Highway
- Off Route B Doubles

**Attachments**

1 Traffic Committee Minutes 13/12/2013 2 Pages

22) **MINUTES OF THE BLAYNEY SHIRE AUDIT COMMITTEE  
MEETING HELD ON 25 NOVEMBER 2013**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the recommendations of the Blayney Shire Audit Committee meeting held on 25 November 2013 be adopted.

**REPORT**

The minutes of the Blayney Shire Audit Committee meeting held on Monday 25 November 2013 are attached.

**Attachments**

- 1 Audit Committee Minutes 25/11/2013 2 Pages

23) **MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES  
COMMITTEE MEETING HELD ON 12 DECEMBER 2013**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the recommendations of the Blayney Shire Towns and Villages Committee meeting held on 12 December 2013 be adopted; and
2. That Council contact Transport NSW and John Holland to advocate on behalf of Newbridge, Carcoar and Millthorpe seeking examination of railway facilities with a view to opening facilities; and that members of each Village Committee be invited to attend any meetings.

**REPORT**

The minutes of the Blayney Shire Towns and Villages Committee meeting held on Thursday 12 December 2013 are attached.

**Attachments**

- 1 Towns and Villages Minutes 3 Pages

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Cr S Ferguson  
Mayor

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Mr GA Wilcox  
General Manager

# ***Blayney Shire Council***



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# ***Blayney Shire Council***



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**22 Minutes of the Blayney Shire Towns and Villages Committee Meeting held on 12 December 2013**

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## Climate Risk: From Risk to Resilience

**DATE**  
Blayney: 6 March 2014  
Albury: 27 March 2014

**COST**  
Free

**CONTACT**  
Denise Anderson  
02 9242 4056  
[denise.anderson@lgnsw.org.au](mailto:denise.anderson@lgnsw.org.au)

### Overview

As decision makers within councils and leaders within communities, councillors across NSW need to understand new and emerging environmental risks and liabilities. Many regions have recently responded to floods of new magnitudes, while other regions are experiencing water concerns under extended drought conditions, or investigating potential worst-case scenarios from fire hazards, and seeking to learn from the Victorian bushfires.

The workshop will give councillors an opportunity to learn from case studies of responses to these recent natural hazards, hear from experts and peers on potential liabilities for Local Government and collaborate to minimise risks and liabilities relating to council land, assets, services, staff and communities. It will further equip councillors for informed decision making for beneficial environmental outcomes.

### Who should attend

Councillors and senior staff.

### Content

The workshops will cover:

- The implications of more frequent and higher intensity natural disasters to local government including to communities and council's workforce.
- Local Government's responsibilities and obligations in responding to climate risks.
- Examine the changing levels of climate risk.
- Managing community expectations and service levels.
- Case studies on resilience to climate variability.

### Process

The facilitator will use case studies and group discussions to assist elected members to understand the multitude of facets of climate risks.

### Facilitator

Denise Anderson

### To register

[lgnsw.org.au/learning](http://lgnsw.org.au/learning)





***WBC Alliance Report for Council meeting February 2014***

*(Prepared by the Executive Manager, WBC Alliance)*

As this is my first report for 2014 I would like to wish everyone all the very best for the year ahead which I am sure will be a challenging one for the Alliance.

**SHARED SERVICES PROJECT: (Cabonne, Blayney and C TW)**

Since my report in December the final report from the Independent Local Government Review panel has been released. I am sure that Councillors will have received or accessed a copy of this report.

From the Alliance perspective around the Shared Services Project the final recommendations are still supportive of the concept of developing a shared entity for the delivery of a range of services. The key message that “no change is not acceptable” was continued through the report and it is still very clear that councils are expected to take up opportunities to work collaboratively and innovatively.

The Shared Service’s project has moved into a new phase with the engagement of KPMG consulting firm to work with us on the development of the framework and methodology for the shared entity. There are three steps in this body of work:

***Step 1: Development of Assessment Methodology***

Identify and define a methodology to review both existing and potential future council services or functions (eg back-of- house) that could be delivered by a Shared Services entity.

The methodology would consider but not be limited to:

- Relevance of the service/function to the member organisations and other councils
- Financial gains to be achieved through shared delivery
- Human Resources required to provide the service or function and any potential industrial implications

- Efficiency gains to be delivered through shared service delivery
- Risk Analysis on proposed options
- Capacity improvement to the member councils of providing the shared service
- Asset consolidation/reduction (eg. shared IT & communications infrastructure)
- Community and geographic considerations.

***Step 2: Identify functions suitable for delivery through shared services***

Using the agreed methodology, undertake a review of services delivered by current member councils so as to identify those functions suitable for delivery on a shared basis.

It is anticipated that the Shared Service entity will grow and expand in service delivery over the short, medium and longer terms.

This Step will include:

- Identifying the functions or services to be transitioned within each timeframe
- Determination of the implementation timeframes (nominally short, medium and long term)
- A gap analysis to determine what other functions or services currently not provided by the member councils which may be cost effectively delivered through a shared arrangement to the member councils and to other councils on a fee for service arrangement.
- Agreement on how service level agreements would be struck with member councils and other councils (customers)
- An accepted formula for the calculation of fee for services (both internally to member councils and to other customers)
- Agreeing on general principles relating to the operation of the entity (in consideration of the outcomes of the other scope of work to determine the legal status of the entity and the governance and operational management of the entity)

***Step 3: Development of a Business Case***

Taking the results of Steps 1 and 2 develop a business case to be considered by the member.....

Councils, outlining the risks, benefits and costs associated with establishing the shared service entity and the transition of functions in the short, medium and long terms.

This will include, but not be limited to:

- Identifying the financial benefit, risks and costs associated with each implementation phase
- key milestones
- Implementation timetable
- Advice on how service level agreements would be struck with member councils and potential other councils (customers) and how the fee for services would be calculated

The more detailed and time consuming work would be in Stage 3 and at this point Councils will make a decision about moving to Step 3 on completion of the first two steps. We remain hopeful that we can try to secure support funding from the State Government for this Phase of the project as it is a large cost.

As discussed in my presentation to councils in December Councils should be considering allocating funds in the 2014/15 budgets for change management and to have funds available to support projects such as this shared services initiative.

Councils in the wider Central West Region are now also starting to talk about shared services and opportunities to share and this will be discussed at Centroc level. There is no doubt that in our region the Alliance project and member councils are well progressed in the development of a model.

The Alliance will prepare a response to the final recommendations from the Panel which is due on 7<sup>th</sup> March.

**WBC Board Meeting:**

The first meeting of the WBC Board will be held on **19<sup>th</sup> February in Wellington**. This will be a good chance for the member councils to consider the priorities and projects for 2014. All Councillors are invited to attend the meeting.

**RECOMMENDATION**

THAT the information be noted.

## Boundary Adjustments

Blayney Shire in its original submission considered a need to undertake a review of local government boundaries based on the need to consider community of interests rather than historical amalgamations or parish lines.

Council has been in discussion with its surrounding councils and note that a number of these have indicated that their communities of interest are located in adjoining shire areas or that the boundaries are land locked requiring access through other council areas to allow road maintenance or other council services.

*"Past approaches to boundary change in NSW have been characterised by three key elements:*

- *The need to apply an essentially 'one-size fits-all' model*
- *The lack of a sufficiently robust regional collaboration/shared services alternative to amalgamation (seemingly County Councils were not viewed as such)*
- *A tendency for pressure for change to build up over long periods of time before action was taken."*

*(Local Government Review, 2012)*

Council agrees with the Panels determination that boundary changes need to reflect communities of interest needs rather than the historical actions of map preparation. Council has found that in its discussions with other rural council areas that past amalgamations have caused communities to become isolated from traditional neighbours once amalgamations were undertaken and the community of interest focused back towards larger regional centres.

In the assessment of a need to undertake boundary adjustments, Blayney Shire has identified that minor adjustments should be undertaken that enlarge the Blayney Shire area, but incorporates areas of similarity. These areas are a result of road and transport access, communities of interest, protection of natural and future resource development areas and similarity of land use.

The areas identified would require a change to the boundaries of Cabonne Shire to the west and north, a change to the boundaries of Bathurst Regional Council to the east and south east and to Cowra Shire to the south. The areas identified have been based on existing road and transport access (residents and business that traverse Blayney Shire to reach other shires), similarity of communities and rural activity and the protection of environmental areas that cross shire boundaries. The attached plans simply indicate the changes proposed and subject to the outcomes of the Review, further detailed submissions would be required to support the changes identified.

Blayney Shire is in a unique position in that it is surrounded by three communities of interest being Orange, Bathurst and Cowra. Blayney Shire is also a mineral rich area and current and future development would increase the financial viability of the other councils surrounding this shire.

Blayney Shire is a financially sustainable and viable council area. Blayney Shire can maintain very low debt service ratios under its long term financial plans and this will ensure that future community needs can be addressed should boundary changes be meaningfully considered.

Council has reviewed the continuing development of the shire with its community and advised the community of its need to improve infrastructure and the proposed increase in rates required to achieve this over the next ten years. It must be noted that an application is required to IPART, however this has been delayed pending the Review Committee's advice on the future of local government. The viability of the shire does not solely rely on mining; it does however rely on continued growth as planned under the LEP 2012. The areas identified for inclusion under the Blayney Shire boundary are similar in all respects to the existing shire and the review of asset needs and community needs will not impact on Blayney Shires budgets beyond that currently expected for the present shire area.

It is proposed that a review of rating categories is required to ensure consistency across any new area and that mining should be considered as supplementary to general rating as mines have a varying life span that should be addressed separately from general land rates.

The Shire acknowledges that its commercial (shopping) interests are in the rural cities due to their proximity but it must also be understood that the industrial and mining development of the region is growing in Blayney Shire with many employees travelling from outside of the shire to the Blayney area. The symbiosis of the region is what makes it function and grow. Each of the local government areas has unique characteristics that complement each other. This is possibly attributable to the original Bathurst Orange Development area and the continuing flow on effects.

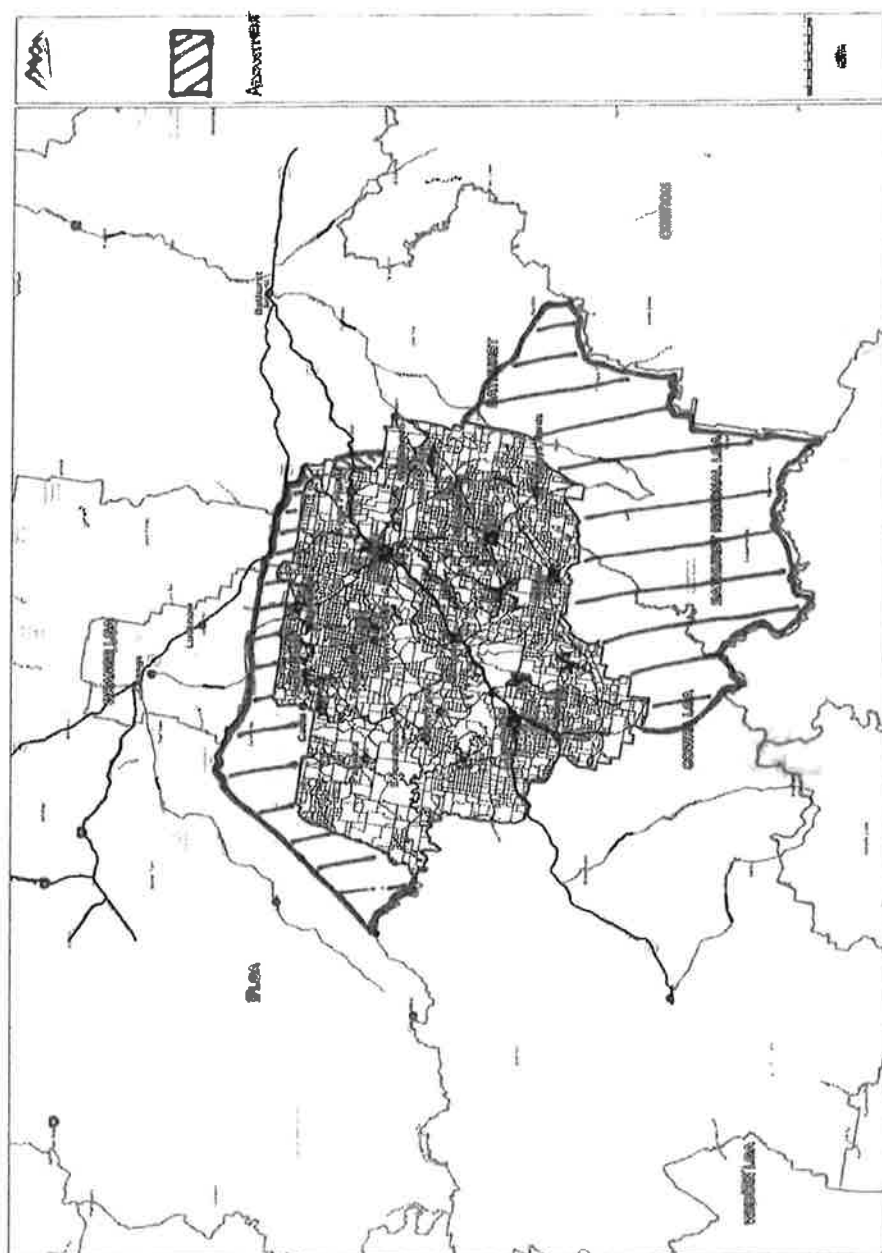
At an administrative level, the proposed boundary changes will not require any additional Councillors, it will not require any additional indoor staff positions, however it may allow Council to undertake further works for RMS and use local contractors to assist in asset renewal projects.

The identification of a new council boundary as proposed would allow the rural areas to progress into the future as it contains similar land use areas, similar communities of interest and a future direction that links major road, rail and planning considerations for its growth and development.

This option would be councils preference as it draws together communities of interest.

It is proposed:

- ❖ If the Review into Local Government identifies a need for boundary adjustments in this locality, that a new Council area is identified (map attached) that incorporates the community of interest benefits;
- ❖ That the rate in the dollar for all rating categories is adjusted to be consistent across the new council area and that the mining rates are considered as supplementary rating above the general rate categories.



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CSP Ref.	DP Ref.	TASK	MEASURE	STRATEGIC DIRECTION 1: GROW THE WEALTH OF THE SHIRE				Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT	
				OP Ref.	TASK	MEASURE	CSP						DELIVERY
1.1	1.1.1	Maintain and strengthen partnerships with organisations responsible for natural resource management.	Attendance at meetings.	1.1.1a	Ongoing liaison and support and participating local CMA's and Landcare Groups.	Meetings attended, Partnership activities undertaken.	1.1	1.1.1	1.1.1a	DPES	X		Ongoing attendance at meetings during period.
		Promote sustainable development and protection of our natural resources through the planning system.	Review of LEP and Council	1.1.1b	Ongoing liaison, support and participation in CENTROC.	Meetings and on-going initiatives undertaken		1.1.1	1.1.1b	DPES	X		Ongoing attendance at meeting during period.
	1.1.2			1.1.2a	Actively support local CMA's and Landcare Groups.	Meetings and activities undertaken		1.1.2	1.1.2a	DPES	X	X	Ongoing attendance at meetings and activities undertaken during period.
				1.1.2b	Disseminate information to the community as it becomes available.	Information disseminated to the public		1.1.2	1.1.2b	DPES			Ongoing availability of information disseminated during period.
		Ensure planning activities support long term sustainability of agricultural sector.	Support by agricultural sector/landcare groups for planning scheme	1.1.3a	BLERP 2011 and DCP maintained in accordance with statutory requirements and any Council adopted studies.	Ongoing maintenance and review of BLERP 2011 and DCP		1.1.3	1.1.3a	DPES	X		BLERP 2012 now in place. DCP now hearing completion of first draft to draft Blayney Shire specific requirements.
	1.1.3			1.1.3b	Provide technical advice/planning advice to sector as required.	Provision of advice as requested.		1.1.3	1.1.3b	DPES	X		Advice continually provided as requested.
	1.3.4	Explore and promote opportunities for Agriculture value adding industries.	Production of a economic development strategy in 2013. Establishment of new industries.	1.1.4a	Seek funding opportunities for production of economic development strategy.	Grant application lodged.		1.1.4	1.1.4a	DCS	X		Funding for "Economic Revival" Plan approved for \$85,000. Contract finalised awaiting signature of Dept. and initial funding. FOI Document being prepared for Isaac/Landcare in February. Appointment of Consultants early March.
		Manage the development of mining asset develops in the Shire in order to preserve sustainable industrial diversity into the future.	Industry meeting, Policy development.	1.2.1a	Encourage and support cooperation of mining industry in relation to the environment and addressing mining impacts; and review Council's land planning with the provision of information regarding industry growth and future land requirements and other industry information.	Meetings and interaction undertaken.		1.2	1.2.1	DPES	X		Ongoing meetings with current and prospective mining company's expected to be undertaken in the future.
1.2	1.2.1			1.2.1a	Address issues in Council's response to any proposed mining activities in Blayney Shire.	Provision of assistance as required.		1.2	1.2.1	DPES	X		Assistance provided as required/requested during period.
				1.2.1b				1.2.1	1.2.1b	DPES			



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CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	OPS Plan Ref		DIRECTOR	ONGOING	COMPLETED	COMMENT
							DELIVERY	sorting				
	1.2.2	Improve transport linkages across the local Government Area to support the mining industry.	Development of work plan.	1.2.2.a	Provide for the upgrade of road linkages supporting the Cadia valley district.	Projects completed within budgetary constraints.	1.2.2	1.2.2.a	DIS	X		Pump Yards and Erromarang Roads upgrades completed. Foree Road upgrade. Ideas underway.
				1.2.2.b	Advocate the upgrading of the Blayney - Demondville Railway to support the transport of bulk materials to/from the Blayney Local Government Area.	Meetings and interaction undertaken	1.2.2	1.2.2.b	GMA, DIS	X		Transport for NSW Registration of interest process completed for Blayney-Demondville project. Awaiting tender process and interaction with Minister.
				1.2.2.c	Actively lobby all levels of government for support for the Cadia Valley Operation and future mining projects.	Representations and contact made by Council.	1.2.2	1.2.2.c	DIS, DPES	X		Representations and contact made on opportunities available.
				1.2.3	Build meaningful relationships between the mining industry and community.	Participate in the Association of Mine Related Council's meetings.	1.2.3	1.2.3.b	GM	X		Association meetings attended during period at Gunnedah.
	1.2.3	Established communication channels. Attendance at meetings. Working relationships and cooperation. Mutual projects.		1.2.3.a	Participate in individual Mine Community Consultative Committee Meetings.	Attendance at meetings, communication of meeting outcomes to Council.	1.2.3	1.2.3.b	DPES	X		Ongoing attendance at Community Consultative Cttee meetings during period.
				1.2.3.b	Actively contribute to Cadia Mine Communities initiatives.	Provide information to community groups, as appropriate.	1.2.3	1.2.3.c	DPES			Community groups provided with information when requested/necessary.
				1.2.3.c	Develop and market tourism products.	Participation in marketing campaigns.			DCS	X		Meeting with Central NSW Tourism on Thursday 30/1/14 to review and understand all regional marketing plans. Meeting to be attended by all TMs.
1.3	1.3.1	Implement Blayney Shire Tourism Plan	Implementation of plan and targets. Tourist business thriving.	1.3.1.a	Identify new and developing products and commercial opportunities.	Work with state agencies to develop opportunities.	1.3	1.3.1	DCS	X		Identifying and reviewing all Blayney Shire tourism events with a view to better coordination and optimisation (where possible). Will be working with Central NSW Tourism on subsequent product development/promotion.
				1.3.1.b			1.3.1	1.3.1.b				

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CSP Ref.		DP Ref.		TASK		MEASURE		OP Ref.		TASK		MEASURE		CSP		Ops Plan Ref		DIRECTOR		ONGOING		COMPLETED		COMMENT	

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CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
	1.5.2	Promote sustainable energy development and use within the Shire.	Provision of information.	1.5.2.a	Provide information to public regarding sustainable energy practices e.g. SASEX	Information provided to public.		1.5.2	1.5.2.a	DECS	X		Updated information provided to public during period
		Seek opportunities to build a vibrant local retail and business sector.	Cooperative projects. Opportunities identified and followed up.		Seek partners and funding for project development.	Partners and funding sought.				DECS	X		Funding obtained. Town Centre Revival Plan is a key element of upcoming consultancy and will follow-on brand identification and marketing strategy for Blayney Shire. Retail Sector Plan will focus on lifestyle business attraction and growth in weekend visitation.
1.5	1.5.1	Build and retain relationships with government bodies and NGOs to assist small business.	Productive relationships. Number of activities.	1.5.1.a	Engage with small business assistance government bodies and develop concept.	Meetings held	1.5	1.5.1	1.5.1.a	DECS		X	Dialogue with Office of Small Business during first quarter. Small Biz Bus visit to assist small business held in October.
		Support and encourage the establishment or expansion of local businesses	New businesses. Empowered local business.		Develop promotional packages with share information on business development.	No. of enquiries.				DECS	X		Ongoing dialogue with Office of Small Business, Dept of Industry and Investment and RDA regarding business attraction and development. Meeting with RDA re: Transport Update on 30/1/14.
	1.5.3	Develop an environment that will attract technology or internet based industry to come to Blayney.	Establishment of technology industries and technologies.	1.5.3.a				1.5.3	1.5.3.a				Planned for future years. To be incorporated into planning review as part of consultancy work.
	1.5.4							1.5.4		DECS			

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CSP Ref.		DP Ref.	TASK	MEASURE	Op Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
										sorting				
2.1		2.1.1	Encourage development of a calendar of sport and cultural events.	Information provided on web site and updated by sporting groups.	2.1.1.a	Website development to accommodate calendar maintenance by groups.	Website upgrade.	2.1	2.1.1	2.1.1.a	DCS	X		Decision to be taken re: development of a dedicated Sports website. Sports Tourism promotional plan to be developed.
2.1.2		2.1.2	Engage with key groups and organisations with a view to developing community partnerships for conducting activities and programs.	Participation of organisations.	2.1.2.a	Build relationships and meet with key organisations and groups.	Meetings held.	2.1.2	2.1.2	2.1.2.a	DCS	X		Yet to be commenced.
2.1.3		2.1.3	Engage with the Shire youth to facilitate progress and activities across the Shire.	Youth activities held. Meetings of Youth Council.	2.1.3.a	Consultation through Youth Council meetings held in partnership with Blayney High School.	Attendance at meetings.	2.1.3	2.1.3	2.1.3.a	DCS	X		Review of future to be undertaken.
2.1.3		2.1.3			2.1.3.b	Youth activities held in Shire during Youth Week.	Grant submission and acquisition completed in accordance with requirements.	2.1.3	2.1.3	2.1.3.b	DCS	X		2014 Youth Week Application approved. Blayney Youth Week grant to be offered during 3rd Quarter.
2.1.4		2.1.4	Work proactively with the community groups to assist with event management.	Develop Community events guide and policies.	2.1.4.a	Develop a how to guide to conduct community events.	Guide to organising community events available.	2.1.4	2.1.4	2.1.4.a	GM	X		Guide is being developed along with policy to assist communities. Risk assessments have been developed and trialled.
2.1.4		2.1.4			2.1.4.b	Review and update Council policy for holding events at Council facilities.	Policy review and updated.	2.1.4	2.1.4	2.1.4.b	GM	X		See above. Trial at Cadia Open Day well covered and details being reviewed.
2.1.5		2.1.5	Encourage and facilitate an active and healthy community by developing accessible programs through Centrepaint and local sporting groups.	Develop programs and activities with the community. Maintain facilities in accordance with financial estimates.	2.1.5.a	Provide a broad range of quality sport and leisure opportunities for Shire residents.	Continued community promotion of healthy living.	2.1.5	2.1.5	2.1.5.a	DPS	X		Promotion of Centrepaint activities and facilities ongoing during period.
2.1.5		2.1.5			2.1.5.b	Provide and maintain active and passive recreation facilities for the Shire communities.	Maintenance to be provided as in accordance with Council's adopted Assets Management Plan.	2.1.5	2.1.5	2.1.5.b	DPS, DCS	X		Maintenance and Parks improvements undertaken for Parks and Gardens facilities. Assets management Plan and written resource constraints.
2.2		2.2.1	Encourage active participation in sport.	Participation in Regional Sport promotions.	2.2.1.a	Participate in programs and maintain Council membership to Western Region Academy of Sport.	Membership renewed.	2.2	2.2.1	2.2.1.a	DCS	X		Awaiting membership renewal.
2.2		2.2.1			2.2.1.b	Continue partnership in Sport Award Program to encourage participation at representative level.	Sports awards issued.	2.2	2.2.1	2.2.1.b	DCS	X		Working with Radio 2BS to promote awards program. Sports Council also provided with material.

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CSP Ref.		DP Ref.	TASK	MEASURE		OP Ref.	TASK	MEASURE		CSP	DELIVERY	Ops Plan Ref sorting	DIRECTOR	ONGOING	COMPLETED	COMMENT
			Establish and support a community based representative body for sporting groups.		Report written and council established		Establish Council and develop Terms of Reference/Constitution. For the collation of information to be used to develop Parks & Gardens Asset Management Plan.		Meetings conducted with strong attendance rates.		2.2.2	2.2.2a	DIS	X		Meeting held in November, with council attendance rate.
	2.2.2					2.2.2a	Provide funding for sporting group development projects.		Grant applications take up available funding.		2.2.2	2.2.2b	DIS	X		Funding provided through Financial Assistance Program as and when applications received.
						2.2.2b	Develop relations with NSW Sport & Recreation and apply annually for grants to increase recreational activities in Blayney Shire.		Funding made available.			2.2.2c	DIS	X		Application submitted for Napier SS toilet block project.
						2.2.2c	Participate in programs and maintain Council's membership to regional Music Programs.		Membership renewed.		2.2.2	2.2.2a	DIS	X		Membership renewed.
2.3	2.3.1		Encourage participation and continue relationships with music organisations.		Scholarships awarded	2.3.1a	Continue partnership in the Blayney Shire Music Scholarship program with regional partners.		Music scholarships awarded.	2.3	2.3.1	2.3.1a	DCS	X		Music Scholarships awarded during quarter.
						2.3.1b	Actively support and promote the Arts Outwest division of NSW Ministry of the Arts.		Programs promoted in the Shire		2.3.1	2.3.1b	DCS	X		Approaches made to and by Council. Art exhibitions proposed in November 2013 and March 2014.
	2.3.2		Develop partnerships with other arts organisations to help deliver arts and cultural activities		Arts and cultural activities coordinated.	2.3.2a	Develop marketing and promotional information for website and distribution to promote use of the facility.		Marketing and promotional information developed.		2.3.2	2.3.2a	DCS	X		Opportunity to develop a dedicated 'Community Centre' website/webpage with promotional information developed and available on-line.
	2.3.3		Encourage the use of the Blayney Shire Community Centre as a facility for arts and culture.		Use of facility	2.3.3a	Maintain and operate Blayney Central West Libraries		Maintain membership of		2.3.3	2.3.3a	DCS	X		Membership renewed and joint agreement signed.
2.3.4			Provide library services in the Blayney Shire		Usage of library services	2.3.4a				2.3.4	2.3.4a		DCS	X		



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				OPERATIONAL PLAN											
CSP Ref.	OP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT		
STRATEGIC DIRECTION 3: PRESERVE AND ENHANCE OUR HERITAGE AND RURAL LANDSCAPES															
3.1	3.1.1	Protect and enhance biodiversity, native, vegetation, river and soil health	Developed strategies for protection	3.1.1.a	Assess all DA's with appropriate regard to the minimisation and mitigation of loss of harm to native vegetation	Proper regard given to native vegetation in DA Assessment / Determination	3.1	3.1.1	3.1.1.a	DPES	X		Applied to all applications assessed/determined during period		
				3.1.1.b	Engage with CMA's and landscape group to promote value of retention of native vegetation	Attendance at meetings and availability of information		3.1.1	3.1.1.b	DPES	X		On-going attendance at meetings and available information considered during period		
				3.1.1.c	Mapping and calculate area of remnant native vegetation in Blayney Shire	In consultation with CMA, identify remaining native cover mapped in BLEP 2011		3.1.1	3.1.1.c	DPES	X		Future project to be done when funding and provider available		
				3.1.2.a	Identify suitable planting areas	Areas identified and mapped		3.1.2	3.1.2.a	DIS		X	Locations identified in village enhancement programs		
	3.1.2	Facilitate the delivery of more planting on Council owned and controlled land	Compliance with strategy	3.1.2.b	Complete Roadside Vegetation Management Plan (RVMP)	Completed RVMP		3.1.2	3.1.2.b	DIS		X	Operational staff training undertaken, Project finalised in Q1		
3.2	3.2.1	Adopt and implement the Draft Integrated Water Cycle Management Plan	Implementation of agreed activities and tasks	3.2.1.a	Prepare a report for Council consideration to adopt IWCM plan	IWCM Plan adopted	3.2	3.2.1	3.2.1.a	DIS	X		Council continues to await NSW Office of Water approval		
		Enhance the community's understanding of biodiversity issues and work towards positive behavioural change	Research resourced and made available	3.2.2.a	Actively participate in local and regional catchment management groups to increase sharing of knowledge and participate in catchment wide projects and programs	Number of meetings attended		3.2.2	3.2.2.a	DPES		X	Meetings attended during period		
3.3	3.3.1	Pursue recognition of heritage items in draft LEP 2011	Information to public	3.3.1.a	Implement heritage matters adopted in the BLEP 2011	Implement BLEP 2011	3.3	3.3.1	3.3.1.a	DPES		X	BLEP 2012 now in place and heritage continually being addressed		
			Heritage advice	3.3.1.b	Review and promote Heritage Grants program	Promotion of Heritage Grants program		3.3.1	3.3.1.b	DPES	X		Ongoing review and promotion during period		
				3.3.1.c	Provide quality functional and accessible heritage advice	Heritage Advisor service available		3.3.1	3.3.1.c	DPES	X		On-going service provided monthly		
				3.3.2.a	Source funding for natural heritage research and identification	Apply for grants as appropriate		3.3.2	3.3.2.a	DPES	X		Grant applications made when money available and appropriate		
3.3.2		Identify items of natural heritage in Blayney Shire	Information to public	3.3.2.b	Promote advantages of heritage listing and availability of funding/grants through heritage branch and Council	Public information made available. Number of local grants made		3.3.2	3.3.2.b	DPES	X		Local grants during period reported to Council. Public information made available in Council foyer and on website		

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CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	Ops Plan Ref		DIRECTOR	ONGOING		COMPLETED	COMMENT
							CSP	DELIVERY		sorting			
3.4	3.4.1	Pursue sustainable land use practices based on the protection resources, innovative land use policies and government and community partnerships.	Develop partnerships with relevant organisations.	3.4.1a	Regularly attend and participate in local Catchment Management Authority meetings/workshops	Maintain regular contact with CMA	3.4	3.4.1	3.4.1a		DPES	X	CMA meetings attended and ongoing contact maintained during period
				3.4.1b	Engage with and support local Bushcare and Landcare groups	Maintain regular contact with local Landcare groups		3.4.1	3.4.1b		DPES	X	Established links with local Landcare group.
				3.4.1c	Investigate/review best practice in local government related to sustainable land use practices for urban and rural areas.	Review information as available		3.4.1	3.4.1c		DPES	X	New information reviewed as it becomes available and used in Blayney Shire Council where appropriate

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Csp Ref.		DP Ref.		TASK		MEASURE		STRATEGIC DIRECTION 4: DEVELOP AND MAINTAIN SHIRE INFRASTRUCTURE		CSP		OPS Plan Ref sorting		DIRECTOR		ONGOING		COMPLETED		COMMENT	



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CSP Ref.		DP Ref.	TASK	MEASURE		OP Ref.	TASK	MEASURE		CSP	DELIVERY	Ops Plan Ref sorting	DIRECTOR	ONGOING	COMPLETED	COMMENT
	4.1.2		Manage Regional and State Road Network to agreed service levels.	Service levels provided in accordance with State Government funding.		4.1.2.3	Sealed roads are maintained in accordance with Council's Assets Management Plan and financial constraints.	Asset inspections undertaken in accordance with Asset Management Plan. Construction program designed and implemented in line with financial constraints. Record customer issues and monitor response times.		4.1.02		4.1.2.4	D/S	X		Paving program ongoing. Council continues to address customer complaints in reactive manner due to limited resources.
	4.1.3		Ensure Ancillary Road facilities are serviceable and in line with current standards e.g. footpaths, Meeting service levels, cycleways, kerb and gutter, bus stops etc.	Performance budget/time/quality, Meeting service levels, Customer/request system.		4.1.3.2	Footpaths and cycle ways are provided to meet the needs of pedestrians within financial constraints.	Asset inspections undertaken in accordance with Asset Management Plan. Construction program designed and completed as per budget constraints. Record customer issues and monitor response times.		4.1.03		4.1.3.2	D/S	X		Construction program to recommence Q3/Q4 2013/14 subject to resources.
	4.1.3					4.1.3.2	Kerb and gutter is provided in accordance with Council's Assets Management Plan.	Asset inspections undertaken in accordance with Asset Management Plan. Construction program designed and implemented in line with financial constraints. Construction program implemented as per budget constraints. Record customer issues and monitor response times.		4.1.03		4.1.3.2	D/S	X		Council continues to address customer complaints in reactive manner due to limited resources.

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COMMUNITY			DELIVERY PLAN			OPERATIONAL PLAN			2ND QUARTER REPORT				
CSP Ref.	Op Ref.	TASK	MEASURE	Op Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
					Parking areas provided in accordance with Council's Assets Management Plan.	Asset inspections undertaken in accordance with Asset Management Plan.		4.1.03	4.1.5.c	DIS	X		Seagrey Shire Community Centre carpark upgrade completed. Further Blumason sale to be undertaken in 2014/15.
				4.1.3.c	Bus facilities are provided for new residential and rural residential estates, in accordance with Council's Section 94 Plans.	Conditions applied to Development Applications.		4.1.03	4.1.5.d	DIS	X		Further facilities subject to requests and investigation.
					Traffic facilities are provided, in accordance with Council's Asset Management Plan, to enhance road safety.	Asset inspections undertaken in accordance with Asset Management Plan.				DIS	X		Council continues to address customer complaints in reactive manner due to limited resources.
				4.1.3.a	Street lighting is provided to meet the needs of road users and reduce Council's costs.	Compliance within Australian Standards is maintained as funding permits.		4.1.03	4.1.3.a				Essential Energy continues to undertake street lighting maintenance program.
				4.1.3.f	Street cleaning is undertaken as required.	Street cleaning program is developed and implemented.		4.1.03	4.1.3.g	DIS	X		Street cleaning undertaken subject to demand.
				4.1.4.a	Ensure compliance with legislation pertaining to operation of gravel pits.	Asset inspections carried out. Performance reports developed to identify legislative requirements.		4.1.04	4.1.4.a	DIS	X		Injury surveys completed on quarterly basis.
4.1.4		Source road making materials in environmentally responsible manner.	Regulatory compliance	4.1.4.b	Manage contractors engaged in the processing of road making materials to ensure legislative compliance.	Review Contractors and Performance.		4.1.04	4.1.4.b	DIS	X		Contractors plant inspected as required for individual projects.
				4.1.4.c	Road making materials stocks are maintained at a level to ensure timely supply for works.	Stockpile levels are monitored on a regular basis. Road making materials availability is linked to works program.		4.1.04	4.1.4.c	DIS	X		Crushing operations currently ceased. Quotations to be sought in Q3 2013/14 for further programs to support project demand.

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CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	CSP	DELIVERY	OPS Plan Ref		DIRECTOR	ONGOING	COMPLETED	COMMENT
									sorting					
				4.1.4.d	Closed grant files are rehabilitated	Pre Management Plans are developed		4.1.04	4.1.4.d		DIS	X		Plans not commenced due to resourcing constraints.
				4.1.4.e	Road making supplies are sought to ensure future needs are met.	New road making supply sources are identified.		4.1.04	4.1.4.e		DIS	X		Project not commenced.
				4.1.5.a	Data for the Asset Management Plan is collected in a timely manner.	Information recorded in the asset management database. Asset Management Plan is maintained and up to date.		4.1.05	4.1.5.a		DIS	X		Asset data captured as resources allow.
4.1.5		Implement the Shire Council Asset Management Plan	Quantity and quality of information allocated	4.1.5.b	Programs are developed in accordance with Road Asset Management Plan principles	Works programs are developed utilising data and principles from the Roads Asset Management Plan		4.1.05	4.1.5.b		DIS	X		Road inspections undertaken on regular basis. Works priorities and principles reviewed as part of Asset Management review.
				4.1.5.a	Applications are prepared and submitted for funding under the NSW Government's REPAIR Program on a yearly basis.	Applications are submitted in full and on time.		4.1.06	4.1.5.a		DIS	X		Application for funding of Hobbs Yards Rd submitted for 2014/15.
4.1.6		Seek additional grant funding for construction and maintenance of roads and associated facilities	Applications submitted and Grant funds received.	4.1.6.b	Applications are prepared and submitted for funding under Government programs as they arise.	Applications are submitted in full, and on time.		4.1.06	4.1.6.b		DIS	X		Applications submitted upon identification of funding sources.
				4.1.6.c	Representations are made through the local State and Federal Members of Parliament for assistance to obtain additional funding for significant projects.	Details of representations made are recorded including outcomes.		4.1.06	4.1.6.c		DIS	X		Engagement with NSW and Australian Government Local Members of Parliament seeking further funding undertaken.
				4.1.6.d	Road network and supporting facilities are analysed to identify opportunities for development.	Projects identified for further investigation.		4.1.07	4.1.6.d		DIS	X		Bridge inspections identified new bridge or alternative solution requirements and provided to Councilors.
4.1.7		Plan for future transport and road infrastructure to service future needs	Projects are 'shovel ready'	4.1.7.a										

2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013

CSP Ref.		DP Ref.	TASK	MEASURE		Op Ref.	TASK	MEASURE		CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
						4.1.7.b	Projects are scoped and designed to a job ready state for when funding opportunities arise.	A suite of suitable projects have documentation prepared.		4.1.07	4.1.7.b		DIS	X		Project documentation for 2013/14 capital works program ongoing. Preparation of "job ready" projects as resources allow.
4.1.8			Investigate opportunities for stormwater harvesting and reuse	Projects identified and implemented. Successful grant applications.						4.1.08			DIS, DPES			Planned for future years.
4.1.9			Apply the principles of Water Sensitive Urban Design (WSUD) to stormwater management	Completion of WSUD policy. Investigate grant funding.						4.1.09			DIS, DPES			Planned for future years.
			Prepare Stormwater Management Plans	Completion of plans	4.1.10.a		Prepare and implement stormwater strategic management plan to reduce impacts of stormwater quality and quantity on the local environment.	Millthorpe Stormwater Strategic Management Plan completed.		4.1.10	4.1.10.a		DIS, DPES	X		Tender brief for Millthorpe Stormwater Management Plan programmed for Q3 2013/14.
4.1.10			Maintain cemetries in accordance with the community's needs and expectations	Compliance with regulations. Maintain records.	4.1.11.a		Maintain Cemetery records in accordance with adopted procedures.	Cemetery records up to date. Burial permits and approvals for monumental work issued.		4.1.11	4.1.11.a		DPES	X		Updated records maintained and approvals issued as required
4.1.11					4.1.11.b		Cemetery Management Plan developed	Draft Cemetery Management Plan adopted. Consultation conducted.		4.1.11	4.1.11.b		DPES	X		Draft Plan developed and referred to Cemetery C'ttee for review and minor amendments made awaiting final sign off by c'ttee before going to Council.
					4.1.11.c		Maintain cemetries within available funding levels	Record customer issues and monitor response times		4.1.11	4.1.11.c		DPES	X		Issues and response times monitored

**2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013**

COMMUNITY DELIVERY PLAN OPERATIONAL PLAN 2ND QUARTER REPORT

CSP Ref.	DP Ref.	TASK	MEASURE	GP Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref: sorting	DIRECTOR	ONGOING	COMPLETED	COMMENT
	4.1.12	Identify surplus Council owned assets for possible sale to be invested in infrastructure reserve.	Assets identified for sale	4.1.12.a	Undertake review of Council assets to identify those surplus to requirements	Review commenced		4.1.12	4.1.12.a	DPES, DIS	X		Continued review of assets
				4.1.12.b	Proceeds from sale of surplus Council assets restricted for future infrastructure purpose (i.e. Infrastructure Reserve)	Funds transferred		4.1.12	4.1.12.b	DCS	X		No asset sales during quarter.
				4.1.13.a	Complete buildings asset management plan	Asset Management Plan available for review		4.1.13	4.1.13.a	DPES		X	Completed and adopted by Council. Ongoing. Plan now part of IP&R Plan documents.
	4.1.13	Maintain and improve Council owned building assets	Implementation of Building maintenance program		Manage the water supply bores in rural locations to provide a secure non portable supply of water to the Shire	Maintain bore licences and comply with conditions				DIS	X		Licences renewed as required. Investigation of suitable draw points underway.
	4.2	Maintain the availability and quality of water for use in rural areas	Water availability and quality. Operational bores.	4.2.1.a	Meet with Central Tablelands Water representatives on a regular basis	Meetings attended	4.2	4.2.1	4.2.1.a	DIS	X		Meetings undertaken to discuss CWUA.
				4.2.1.b	Participate in Centroc Water Utilities Alliance	Meetings attended.		4.2.1	4.2.1.b	DIS	X		Regular teleconference meetings for sewer strategic business plan (SBP) development. Draft SBP completed, awaiting further advice from NSW Public Works prior to reporting to Council.
				4.2.1.c	Manage treatment plant to effectively treat raw sewage	Ensure compliance with licence requirements.		4.2.1	4.2.1.c				Licence review completed with NSW EPA
	4.2.2	Ensure Sewerage Treatment Plant are able to meet needs of the Blayney Shire	Maintain to licensing standards	4.2.2.a	Implement CEEPA Aeration pond upgrade (Subject to successful grant application)	Project implemented.		4.2.2	4.2.2.a	DIS	X		Community Energy Efficiency Program agreement signed with Australian Government. Tender to be issued Q3.
				4.2.2.b		Number of overflows. Annual replacement program implemented. Provide a level of service for connections including attending to shoke and overflows. Problem sewer mains identified and remedial works undertaken.		4.2.2	4.2.2.b	DIS	X		Smoke testing defect notice letters issued. Cloches attended as and when they occur.
	4.2.3	Provide an effective and safe Sewerage Collection Network for Blayney Shire	Achieve network maintenance	4.2.3.a	Maintain the network of collection mains and manholes			4.2.3	4.2.3.a	DIS	X		

2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013

CSP Ref.		DP Ref.		TASK	MEASURE		TASK		MEASURE		CSP	Ops Man Ref		DIRECTOR		ONGOING	COMPLETED	COMMENT
												DELIVERY	sorting					



COMMUNITY DELIVERY PLAN 2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013 2ND QUARTER REPORT

CSP Ref.		Op Ref.	TASK	MEASURE	STRATEGIC DIRECTION 5: DEVELOP STRONG AND CONNECTED COMMUNITIES		Op Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
CSP Ref.		Op Ref.	TASK	MEASURE	STRATEGIC DIRECTION 5: DEVELOP STRONG AND CONNECTED COMMUNITIES		Op Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plan Ref	DIRECTOR	ONGOING	COMPLETED	COMMENT
5.1	5.1.1		Assist incorporated village committees, progress associations and hall committees.	Active village committees	5.1.1a	Identify Village Committees, progress associations and hall committees requiring assistance to develop programs and local improvements.	5.1.1a	Implement insurance contributions funding program	5.1	5.1.1	5.1.1a	DCS	X			Community insurance contributions program implemented. Financial Assistance approved and paid during quarter.
	5.1.2		Promote living in the Blayney Shire	Residents Park developed.	5.1.2a	Develop a Promotions Program for living in the Blayney Shire	5.1.2a	Information on website. Develop new residents pack.		5.1.2	5.1.2a	DCS	X			New resident pack on website. Further website enhancement to be developed.
5.2	5.2.1		Build partnerships with community groups to increase use of parks and reserves	Interaction with use groups	5.2.1a	Identify Community groups using parks and reserves	5.2	Meet with community groups. Identify strategic plans to enhance existing facilities across the Shire.	5.2	5.2.1	5.2.1a	DIS	X			Village Enhancement program completed. Sporting field management plans reviewed by Sports Council member organisations and comments being incorporated.
	5.2.2		Provide for the implementation of projects, identified in Council's Pedestrian and Access Mobility Bike plan to improve community health and fitness	Meetings attended	5.2.2a	Develop annual implementation plan of priority pedestrian/cycling projects	5.2.2a	Plan is developed annually. PAMP is used to identify remaining priority projects.		5.2.2	5.2.2a	DIS	X			Plan developed in consultation with RMS. Subject to funding application.
					5.2.2b	Implement the annual pedestrian cycling projects plan	5.2.2b	Projects compliant with RMS funding guidelines to maximise funding potential		5.2.2	5.2.2b	DIS	X			Cycleway projects underway. Completion expected Q4 2013/14
					5.2.2c	Participate in Blayney Shire Access Committees	5.2.2c	Attendance at Access Committee Meetings		5.2.2	5.2.2c	DCS	X			Committee meetings ongoing.
					5.2.2d	Council ensures that adequate access is provided to all buildings and public spaces, as required by legislation	5.2.2d	Street-side access issues identified are assessed and included in future works programs where warranted.		5.2.2	5.2.2d	DIS, DPES	X			Access issues where applicable, addressed in all applications lodged with Council
5.3	5.3.1		Implement programs to build community skills with computer technology, and community participation and social inclusion amongst older Australians.	Internet access available to community program participation.	5.3.1a	Provide support for the provision of information and communication technologies in the Shire	5.3	Information provided on Council's website and Blayney Library. Internet access available at library. Identify opportunities within villages for internet café or public access. Promote Seniors Broadband program.	5.3	5.3.1	5.3.1a	DCS	X			Information on website. Internet access available at Library. Promotion of Seniors Kiosk ongoing.

2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013													
COMMUNITY			DELIVERY PLAN			OPERATIONAL PLAN			2ND QUARTER REPORT				
CSP Ref.	DP Ref.	TASK	MEASURE	Op Ref.	TASK	MEASURE	OPS Plan			DIRECTOR	ONGOING	COMPLETED	
							CSP	DELIVERY	Ref			Ref	Ref
5.4	5.4.1	Develop and implement a community engagement process and policy	Informed communities	5.4.1.a	Utilise electronic survey processes, social and print media to promote, research and engage with the community.	Undertake community surveys; Issued press releases; Respond to community issues and needs in future delivery plans.	5.4	5.4.1	5.4.1.a	DCS	X		Engagement ongoing; Press releases; community newsletter; electronic media updates; and advertising undertaken.
	5.4.2	Develop and implement plans for villages and township	Plans are implemented	5.4.2.a	Plans developed – implementation on-going as funds become available.	Plans are implemented		5.4.2	5.4.2.a	DPCS	X		Plans developed and being discussed with local communities; Actions implemented when finances and staff available
	5.4.3	Encourage volunteerism within the Community	Promotion undertaken	5.4.3.a	Develop promotional campaign material.	Promotion on Council website and Newsletters.		5.4.3	5.4.3.a	DCS	X		Dedicated section to be added to website and promoted via flyers and newsletters (printed and on-line).
				5.4.3.b	Develop database of community organisations and information accessible contacts in Shire			5.4.3	5.4.3.b	DCS	X		Community Directory created and available on-line with 'search' facility. Can be further enhanced with a targeted promotional to review, correct and add information.



**2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013**

COMMUNITY DELIVERY PLAN OPERATIONAL PLAN 2ND QUARTER REPORT

CSP Ref.		DP Ref.		TASK		MEASURE		OP Ref.		TASK		MEASURE		CSP		DELIVERY		Ops Plan Ref sorting		DIRECTOR		ONGOING		COMPLETED		COMMENT	
STRATEGIC DIRECTION 6: LEADERSHIP																											
6.1	6.1.1	Councilors to exhibit leadership on Council participate in communities and community organisations.				Attendance to meeting, Councilor presence on relevant committees.				6.1.1.a	Council delegates participate in committees and community organisations.				Delegates reports included in Council's Business Papers.				6.1	6.1.1	6.1.1.a	GM	X	X	New committees working well. Some delegate reporting to council.		
	6.1.2	Promote resource sharing and collaboration with regional organisations.				Participation in meetings, Resource sharing projects.				6.1.2.a	Active participation in the WBC Alliance, Control and Central Tablelands Water.				Regional organisations remains strong and provides valuable outcomes.					6.1.2	6.1.2.a	GM	X	X	Council current chair of WBC. Shared services are being reviewed with KPMG to assist region and NSW.		
	6.1.3	Encourage sound governance practice in community organisations.				Provide assistance and training as requested.				6.1.3.a	Develop program with groups to build capacity.				Training program developed.					6.1.3	6.1.3.a	DCS			Planned for future years.		
6.2	6.2.1	Identify and engage with Shire Community Groups				Establish regular communications with Shire Community Groups.				6.2.1.a	Identify social, sporting, business groups across the Shire.				Develop an online community register.				6.2	6.2.1	6.2.1.a	DCS		X	Register available on website currently.		
										6.2.1.b	Council initiates Social Media to communicate with the broader community				Social media networks developed and monitored.					6.2.1	6.2.1.b	DCS	X		Updates to electronic media occurring on a regular basis and upon demand.		
	6.2.2	Implement Council's Community Engagement Plan				Engagement activities conducted				6.2.2.a	Council conduct community surveys, as required to enhance its community services and needs.				Utilise online surveys					6.2.2	6.2.2.a	DCS	X		Survey on Council Services undertaken as part of Special Rate Variation consultation program.		
	6.2.3	Develop communications between Councilors and the community to provide community opinion.				Community satisfaction with communication processes. Available to community.				6.2.3.a	To implement and promote Council communication through electronic and print media.				Strategies and communications put in place.					6.2.3	6.2.3.a	GM	X	X	Council has established web site, face book and twitter accounts and will use these to promote council activities, employment and events.		
	6.2.4	Manage a customer request system to assist communications between community and Council.				Response times to requests.				6.2.4.a	Monthly activity report provided to Management.				Reports provided to Management Team.					6.2.4	6.2.4.a	DCS	X		Reports provided monthly to GM & Directors.		
										6.2.4.b	Develop process of acknowledgment of receipt for customer requests.				Customer request acknowledgments issued.					6.2.4	6.2.4.b	DCS		X	Automated generation of acknowledgments to correspondence procedure in place and occurring.		
6.3	6.3.1	Provide a framework for the efficient and effective administration of Council.				Assess Council's position against Better Practice Review.				6.3.1.a	Implement internal audit program.				Business process reviews undertaken.				6.3	6.3.1	6.3.1.a	DCS	X		Audit committee meetings undertaken during quarter.		
										6.3.1.b	Review of policies every 4 years.				25% of policies reviewed.					6.3.1	6.3.1.b	DCS	X		Policies reviewed as required during quarter.		
										6.3.1.c	Undertake a Better Practice Review of Council activities.				Review commenced.					6.3.1	6.3.1.c	DCS	X		Better practice review template refined for commencement in July 2013. Ongoing.		
										6.3.1.d	Provide training for Councilors and staff.				Identified Training programs for Councilors and staff.					6.3.1	6.3.1.d	GM	X		Training will be ongoing.		

COMMUNITY

DELIVERY PLAN

2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013

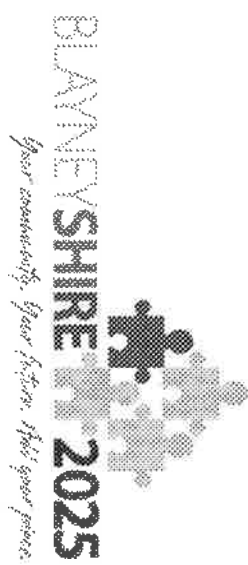
OPERATIONAL PLAN

2ND QUARTER REPORT

CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	CSP	Ops Plan		DIRECTOR	ONGOING	COMPLETED	COMMENT
								DELIVERY	Ref sorting				
6.3.2		Maintain a stable and secure financial structure for Council	Report financial outcomes as required by legislation.	6.3.2.a	Review ten year financial plan reviewed.	Quarterly budget review for Council		6.3.2	6.3.2.a	DCS	X		2014/15 - 2023/24 Financial Plan on public exhibition.
				6.3.2.b	Review and report on Council's budget performance	Audited statements lodged with DCS within statutory timeframe.		6.3.2	6.3.2.b	DCS	X		Quarterly review of Operational Plan undertaken reported quarterly per legislative requirements.
				6.3.2.c	Council's annual statements completed per statutory requirements.	Audited statements lodged with DCS within statutory timeframe.		6.3.2	6.3.2.c	DCS	X		2012/13 Audited statements lodged with Division of Local Government 18/09/2013.
		Support actions for the sustainable future of local government.	Review Destination 2035 outcomes and actions to improve local government.					6.3.3		GM		X	Council has reviewed all documents and made submissions to relevant organisations. Future submissions to review panel documents ongoing.
6.3.3					Promote activities that reduce the volume of greenhouse gases emitted into the atmosphere.	Attached regional organisation meetings and provide information on Council's website.		6.3.3			X		Meetings attended during period and info placed on website where available and of interest to community
6.3.4		Develop strategies that respond to the impact of climate change on the community.	Supply of community information.	6.3.4.a	Provide executive support to the local Emergency Operations controller and the local Emergency Management Committee	LEMO organics and attends meetings. ERM reviewed. Exercises conducted with support of Council. The EOC is maintained in a state of readiness.		6.3.4	6.3.4.a	DPS	X		LEMC meeting conducted in November. Revised ERM adopted by LEMC.
6.4	6.4.1	Provide support for emergency management in Blayney Shire in accordance with SFRM Act	Emergency services responded to	6.4.1.a	Support the operation of the SES	Plan and equipment funded. Provide accommodation and support for SES unit.	6.4	6.4.1	6.4.1.a	DIS (LEMO)	X		Council continues to provide facilities and support. SES vehicles being transferred from Council Fleet to SES, expected to be completed in Q3 2013/14.
				6.4.1.b	Provide the statutory animal control services	Animal control services provided.		6.4.1	6.4.1.b				On-going animal control services provided during period
6.4.2		Understate regulatory responsibilities for environmental health and animal control	Regulatory responsibilities are met	6.4.2.a	Work with state and regional organisations in the retention of a Road Safety Officer	Provide financial support for the employment of the Road Safety Officer		6.4.2	6.4.2.a	DPS	X		RSC position continues to develop programs and deliver safety initiatives to the Shire.
6.4.3		Educate communities on road and pedestrian safety	Programs delivered	6.4.3.a				6.4.3	6.4.3.a	DIS	X		

**2ND QUARTER OPERATIONAL PLAN PERFORMANCE STATUS REPORT - DECEMBER 2013**

CSP Ref.	DP Ref.	TASK	MEASURE	OP Ref.	TASK	MEASURE	CSP	DELIVERY	Ops Plans Ref		DIRECTOR	ONGOING	COMPLETED	COMMENT
										sorting				
				6.4.3.b	Assist in the development of the annual Road Safety Action Plan	Annual Plan Developed		6.4.3	6.4.3.b		DS	X		Delivery of Annual road safety action plan continues for 2013/14 in conjunction with Bathurst Regional Council. Action plan for 2014/15 to be prepared in Q3 2013/14.
		Review risk management of council operations.	Plan is implemented and risk managed.	6.4.4.a	Develop Enterprise Risk Management Plan	Plan completed		6.4.4	6.4.4.a		GM	X		Risk Management plan being prepared with councils insurer. Future policies will include risk reviews
6.4.4				6.4.4.b	Implement Risk Management Plan	Implementation commenced		6.4.4	6.4.4.b		GM	X		Plan identified with councils insurer and implemented. Reviews undertaken at Centre Point, footpaths and walkways and work sites.



# Quarterly Budget Review 2013-2014

Period ending  
31 December 2013

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

1. Responsible Accounting Officer's Statement
2. Income & Expenses Budget Review Statement's
3. Capital Budget Review Statement
4. Cash & Investments Budget Review Statement
5. Key Performance Indicator (KPI) Budget Review Statement
6. Contracts & Other Expenses Budget Review Statement

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Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Report by Responsible Accounting Officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Blayney Shire Council for the quarter ended 31/12/13 indicates that Council's projected financial position at 30/6/14 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:



date: 29/01/2014

Chris Hodge  
Responsible Accounting Officer

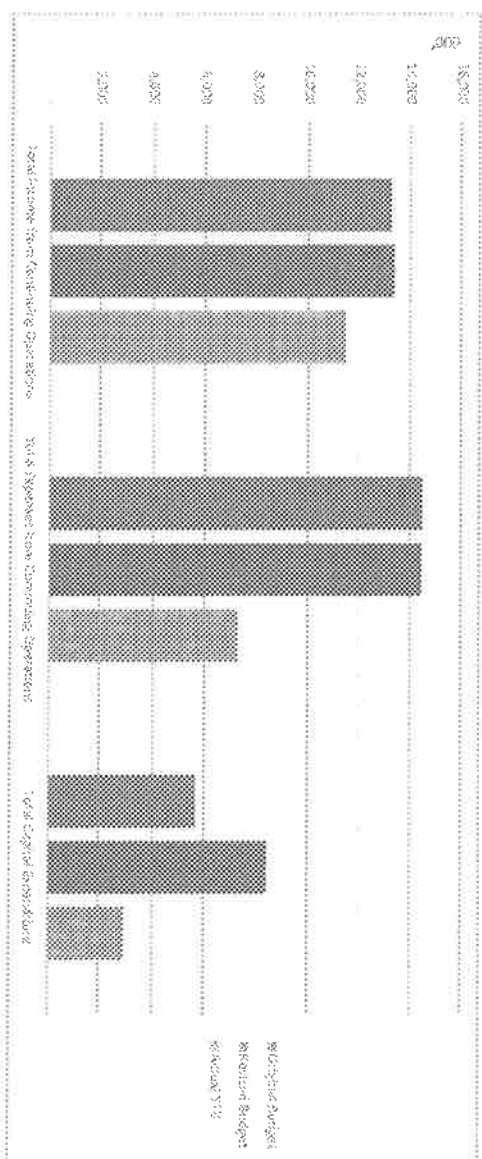
Blayney Shire Council

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013  
Income & Expenses - Council Consolidated

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

	Original Budget 2013/14	Revised Budget 2013/14	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
Total Income from Continuing Operations	13,232	13,357	69	13,426	11,457
Total Expenses from Continuing Operations	14,485	14,441	69	14,510	7,278
Net Operating Result from Continuing Operations	(1,253)	(1,084)	-	(1,084)	4,179
Total Capital Expenditure	5,667	8,409	-	8,409	2,963
Net Movement	(6,920)	1,119	-	1,119	1,216
Total Restricted Cash Movement	10,045	10,612	-	10,612	9,845



Blayney Shire Council

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013  
Income & Expenses - Council Consolidated

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

	Operating Income						Operating Expenditure							
	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%
<b>Governance</b>														
Council														
<b>Administration</b>														
Corporate Support	60	20	80	39	119	92	77.2%	2,220	24	2,244	1,231	2,244	1,092	48.7%
Engineering & Works	32		32	33	65	10	16.4%	1,077		1,077	(811)	2,308	655	28.7%
Other Support Services	31		31		31	60	193.5%	107		107		(794)	21	-3.0%
	123	20	143	72	215	162		3,404	24	3,428	420	3,848	1,776	
<b>Public Order &amp; Safety</b>														
Fire Service Levy														
Rural Fire Service	6		6		6		0.0%	387		387		387	58	25.3%
Animal Control	7		7		7	5	71.4%	112		112		112	43	38.0%
Emergency Services	13		13		13	5		42		42		42	34	73.4%
								541		541		541	171	
<b>Health</b>														
Administration	27		27		27	5	18.5%	483	(30)	453	(419)	24	15	44.1%
Food Control	27		27		27	5	0.0%	6		6		6		0.0%
								489	(30)	459	(419)	30	15	
<b>Environment</b>														
Noxious Plants	801		801		801	848	105.8%	64		64		64	65	101.1%
Domestic Waste Management	126		126		126	31	24.6%	678		678		678	378	55.9%
Street Cleaning							0.0%	101		101		101	30	29.7%
Urban Stormwater Drainage							0.0%	159		159		159	59	37.1%
	927		927		927	879		1,098		1,098		1,098	538	



## Blayney Shire Council

## Income &amp; Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013  
Income & Expenses - Council ConsolidatedQuarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

	Operating Income						Operating Expenditure							
	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%
Community Services & Education														
Administration														
Child Care	21	20	41	-	-	1	0.0%	36	36	11	-	36	-	0.0%
Aged & Disabled	1		1		41	31	75.0%	66	66	66	11	66	32	48.5%
Youth Services	22	20	42	-	42	37	500.0%	9	9	9		9		6.0%
Housing & Community Amenities														
Housing														
Town Planning	138		138		-	60	43.5%	2		2		2	-	0.0%
Public Conveniences	35		39	-	39	21	59.0%	44	44	44		44	98	36.0%
Public Conveniences								84	84	84		84	33	54.5%
	177	-	177	-	177	81	0.0%	388	-	388	-	388	155	39.3%
Recreation & Culture														
Public Libraries	37		37	(3)	34	1	2.9%	148		148	(2)	146	75	51.4%
Museums														
Public Halls	5		-		5	4	80.0%	109		109		108	52	47.7%
Sporting Grounds	6		6		6	10	166.7%	389		389		388	120	30.7%
Blayney Showground	2		2		2		0.0%	35		35		36	17	47.2%
Parks & Gardens	3		3		3	1	33.3%	585		585		585	461	78.8%
Centrepont Sport & Leisure	386		386		396	188	50.3%	639		639	32	671	460	69.6%
Other Cultural Services								8	1	7		7	5	71.4%
	449	-	449	(3)	446	215	0.0%	1,912	-	1,913	30	1,943	1,180	
Mining Manufacturing & Construction														
Building Control	93		93		93	64	68.8%			-		-	30	
Quarries & Pits	134		134		134	248	185.1%	125		125		125	211	568.8%
	227	-	227	-	227	312		125	-	125	-	125	241	

## Blayney Shire Council

## Income &amp; Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013  
Income & Expenses - Council ConsolidatedQuarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

	Operating Income							Operating Expenditure						
	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%	\$ (000) Original	Variations for	Revised Budget	Variations for	Projected Year End	Actual YTD	%
<b>Transport &amp; Communication</b>														
Urban Roads - Local	832		832		832	1,502	180.5%	208		208		208	55	26.4%
Rural Roads Sealed - Local	-		-		-	2,140	51.0%	2,140		2,140		2,140	1,082	51.0%
Rural Roads Sealed - Regional	240		240		240	208	86.7%	208	(89)	120		120	72	80.0%
Rural Roads Unsealed - Local	-		-		-	1,659	31.7%	1,659		1,659		1,659	628	31.7%
Bridges - Urban Roads Sealed - Local	-		-		-	337	19.0%	337		337		337	19	19.0%
Bridges - Local	73		73		73	120	164.4%	-		-		-	3	-4.8%
Bridges - Regional	-		-		-	(82)	-4.8%	(82)		-		(82)	3	-4.8%
Bridges - Rural Roads Unsealed - Local	11		11		11	32	60.0%	57		57		57	392	67.5%
Road Works (R/A Assets)	57		57		57	32	56.1%	271		271		271	56	18.8%
Ancillary Roadworks	15		15		15	1,862	6.0%	4,881	(151)	4,730		4,730	2,169	44.4%
<b>Economic Affairs</b>	1,228		1,228		1,228	1,862	6.0%	4,881	(151)	4,730		4,730	2,169	44.4%
Tourism & Area Promotion	-		-		-	-	-	-		-		-	-	-
Industrial Development & Promotion	85		85		85	171	201.2%	85		171		171	49	28.1%
R/A Estate	4		4		4	9	60.2%	13		13		13	8	60.2%
Other Business	65		65		65	1	1.7%	50		50		50	4	6.0%
<b>General Purpose Revenue</b>	69		69		69	1	1.7%	149		149		149	123	246.0%
General Purpose Revenues	7,946		7,946		7,946	6,811	85.7%	-		-		-	78	1.0%
<b>Non Operating Funds</b>	-		-		-	-	-	-		-		-	-	-
Non Operating Funds	-		-		-	-	-	-		-		-	-	-
<b>Sewerage Services</b>	1,223		1,223		1,223	1,085	88.8%	897		897		897	595	66.3%
<b>Surplus/Deficit From Ordinary Activities Before Capital Amounts</b>	12,431	125	12,556	69	12,626	11,456	91.3%	14,483	(44)	14,439	69	14,508	7,278	50.3%

## Blayney Shire Council

## Income &amp; Expenses Budget Review Statement

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

Budget review for the quarter ended 31 December 2013

## Income &amp; Expenses - Council Consolidated

(\$000's)	Original Budget 2013/14	Approved Changes Sep QBRs	Revised Budget 2013/14	Variations for Dec Qtr	Projected Year End Result	Actual YTD figures	% of Budget
<b>Income</b>							
Rates and Annual Charges	7,836		7,836	27	7,863	7,848	100%
User Charges and Fees	996	10	1,006	(1)	1,005	833	83%
Interest and Investment Revenues	426		426		426	191	45%
Other Revenues	272	30	302	73	375	130	35%
Grants & Contributions - Operating	2,902	85	2,987	(30)	2,957	891	30%
Grants & Contributions - Capital	800	1,101	1,901		1,901	1,539	81%
Net gain from disposal of assets			-		-	24	
<b>Total Income from Continuing Operations</b>	<b>13,232</b>	<b>1,226</b>	<b>14,458</b>	<b>69</b>	<b>14,527</b>	<b>11,456</b>	
<b>Expenses</b>							
Employee Costs	5,361	(31)	5,330	77	5,407	2,131	39%
Borrowing Costs	204		204		204	54	26%
Materials & Contracts	2,850	(47)	2,803	(30)	2,773	1,598	58%
Depreciation	4,556		4,556		4,556	2,310	51%
Legal Costs	29		29		29		0%
Other Expenses	1,485	34	1,519	22	1,541	1,184	77%
<b>Total Expenses from Continuing Operations</b>	<b>14,485</b>	<b>(44)</b>	<b>14,441</b>	<b>69</b>	<b>14,510</b>	<b>7,278</b>	
<b>Net Operating Result from All Operations</b>	<b>(1,253)</b>	<b>1,270</b>	<b>17</b>	<b>-</b>	<b>17</b>	<b>4,178</b>	
<b>Net Operating Result before Capital Items</b>	<b>(2,053)</b>	<b>169</b>	<b>(1,884)</b>	<b>-</b>	<b>(1,884)</b>	<b>2,615</b>	

## Blayne Shire Council

## Income &amp; Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013

## Income &amp; Expenses - Council Consolidated

	Original Budget 2013/14	Approved Changes Sep QBRs	Revised Budget 2013/14	Variations for Dec Ctr	Projected Year End Result	Actual YTD figures	% of Budget
<b>(\$000's)</b>							
<b>Income</b>							
Governance	123	20	143	72	216	163	75.60%
Administration	16		16		16	5	31.56%
Public Order & Safety	27		27		27	5	18.60%
Health	927		927		927	879	94.78%
Environment	37	20	57		57	37	64.29%
Community Services & Education	177		177		177	81	45.80%
Housing & Community Amenities	494		494		491	215	42.79%
Recreation & Culture	1,238	94	1,332	(3)	1,332	1,086	81.53%
Sewer Supplies	227		227		227	312	137.63%
Mining, Manufacturing & Construction	1,951	1,007	2,958		2,958	1,861	62.93%
Transport & Communication	69	85	154		154	1	0.64%
Economic Affairs	7,946		7,946		7,946	6,812	85.73%
General Purpose Revenues	13,232	1,226	14,458	69	14,527	11,457	
<b>Total Income from Continuing Operations</b>							
<b>Expenses</b>							
Governance	477	27	504	38	542	222	41.82%
Administration	3,405	24	3,429	420	3,849	1,776	46.15%
Public Order & Safety	540		540		540	171	32.85%
Health	489	(30)	459	(419)	40	15	37.36%
Environment	1,097		1,097		1,097	538	49.03%
Community Services & Education	122		122		122	32	26.23%
Housing & Community Amenities	388		388		388	155	40.00%
Recreation & Culture	1,912	1	1,913	30	1,943	1,190	61.27%
Sewer Supplies	899		899		899	506	56.29%
Manufacturing & Construction	125		125		125	241	192.52%
Transport & Communication	4,881	(151)	4,730		4,730	2,169	45.86%
Economic Affairs	143	85	234		234	185	78.84%
General Purpose	14,485	(44)	14,441	69	14,510	7,278	
<b>Total Expenses from Continuing Operations</b>							
<b>Net Operating Result from Continuing Operations</b>	(1,253)	1,270	17		17	4,179	
<b>Net Operating Result before Capital Items</b>	(2,053)		(2,053)		(2,053)	2,615	

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Income & Expenses Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes Details**

1	SRV Consultation Program & Village Enhancement Plans
2	Insurance rebates received
3	Council vehicles leaseback contributions
4	Reallocation of plant hire to correct cost centre
5	Reallocation of health and building salaries to correct cost centre
6	Increase in salary and wages - Centrepoint
7	Reallocation of pensioner rebates on rates and annual charges budget
8	Reallocation of animal control from materials to salary and wages

Blayney Shire Council

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2013

Capital Budget - Council Consolidated

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13

	Original Budget 2013/14	Approved Changes Sep QBRs	Revised Budget 2013/14	Variations for Dec Qtr	Projected Year End Result	Actual YTD Figures	%
<b>Capital Expenditure</b>							
New Assets							
- Plant & Equipment	725	567	1,292		1,292	952	73.7%
- Land & Buildings	224		224		224		0.0%
- Sewer							
Renewal Assets (Replacement)							
- Plant & Equipment							
- Land & Buildings	525		525		525	118	22.5%
- Roads, Bridges, Footpaths	3,938	1,971	5,909		5,909	1,893	32.0%
- Sewer	56	204	260		260		0.0%
Other	199		199		199		0.0%
<b>Total Capital Expenditure</b>	<b>5,667</b>	<b>2,742</b>	<b>8,409</b>	<b>-</b>	<b>8,409</b>	<b>2,963</b>	
<b>Capital Funding</b>							
Rates & Other United Funding	2,310		2,310		2,310	2,310	100.0%
Capital Grants & Contributions	800	1,101	1,901		1,901	1,539	81.0%
Reserves:							
- External Restrictions/Reserves	1,066	204	1,270		1,270	1,066	0.0%
- Internal Restrictions/Reserves	615	567	1,182		1,182	615	52.0%
New Loans	876	870	1,746		1,746		0.0%
<b>Total Capital Funding</b>	<b>5,667</b>	<b>2,742</b>	<b>8,409</b>	<b>-</b>	<b>8,409</b>	<b>5,530</b>	
<b>Net Capital Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,567</b>	

Blayney Shire Council

# Capital Budget Review Statement

Budget review for the quarter ended 31 December 2013  
Capital Budget - Council Consolidated

## Quarterly Budget Review Statement

for the period 01/10/13 to 31/12/13

	Original Budget (,000)	Variations for Sep Qtr	Revised Budget -	Variations for Dec Qtr	Projected Year End Result	Actual YTD figures	%
<b>ADMINISTRATION</b>							
<b>CORPORATE SUPPORT</b>							
Computer Equipment	157		157		157	118	75.2%
Office Furniture	35		35		35	228	0.0%
Motor Vehicles (Net Cost)	240		240		240	346	95.0%
Building Capital Works	432	-	432	-	432		
<b>ENGINEERING AND WORKS</b>							
Motor Vehicles (Net Cost)	24		24		24	33	137.5%
Major Plant	360	567	927		927	573	61.8%
Minor Plant	255		255		255		0.0%
Works Depot - Building	1		1		1		0.0%
	640	567	1,207	-	1,207	606	
<b>PUBLIC ORDER &amp; SAFETY</b>							
Surveillance Camera	1	-	1	-	1		0.0%
<b>HEALTH</b>							
Motor Vehicles (Net Cost)	39	-	39	-	39		0.0%
<b>TOWN PLANNING</b>							
Motor Vehicles (Net Cost)	12	-	12	-	12		0.0%
<b>TOTAL ADMINISTRATION</b>	1,124	567	1,691	-	1,691	952	56.3%

RECREATION AND CULTURE					
LIBRARY					
Disability & Geographical Grants Purchase					
	Original Budget (,000)	Variations for Sep Qtr	Revised Budget -	Variations for Dec Qtr	Actual YTD figures
	7	-	7	-	-
COMMUNITY CENTRE					
Building Capital Works					
	5	-	5	-	64
					1280.0%
SPORTING GROUNDS					
Building Capital Works					
	85		85		1
	25		25		1
					1.2%
Other Capital Works					
	110		110		1
					0.0%
					0.9%
CENTREPOINT SPORT & LEISURE					
Long Term Improvement Plan					
	125		125	-	53
					0.0%
PARKS & GARDENS - RENEWALS					
Building Capital Works					
	22		22		22
Other Capital Works					
	24		24		24
					0.0%
	46		46	-	-
					0.0%
TOTAL RECREATION AND CULTURE					
	293	-	293	-	118
					40.3%



**TRANSPORT AND COMMUNICATION  
URBAN ROADS - LOCAL**

Local Reseal Program

**RURAL ROADS SEALED - LOCAL**

Local Rehabilitation Program

**RURAL ROADS SEALED - REGIONAL**Regional Rehabilitation Program  
Regional Reseal Program**OTHER WORKS**Flood Damage Restoration  
Building Capital Works - Transport**FOOTPATHS RENEWAL/UPGRADE PROGRAM****BRIDGES****TOTAL TRANSPORT AND COMMUNICATION**

Original Budget (,000)	Variations for Sep Qtr	Revised Budget -	Variations for Dec Qtr	Projected Year End Result	Actual YTD figures	%
652	-	652	-	652	166	25.5%
2,340	-	2,340	-	2,340	582	24.9%
	300	300	-	300	88	29.4%
	300	300	-	300	88	
287		287		287	20	6.9%
5		5		5		0.0%
292	-	292	-	292	20	0.0%
106	-	106	-	106	76	71.7%
562	1,671	2,223		2,223	960	43.2%
3,942	1,971	5,913	-	5,913	1,893	32.0%

## SEWERAGE SERVICES

## New Assets

## Asset Replacement/Renewal

Replace Sewer Mains  
Village Extensions

## TOTAL SEWERAGE SERVICES

## OTHER WORKS

Building Capital Works - Tourism  
Environmental Surveillance  
Waste Contract

## TOTAL CAPITAL EXPENDITURE

	Original Budget (,000)	Variations for Sep Qtr	Revised Budget -	Variations for Dec Qtr	Projected Year End Result	Actual YTD figures	%
	-	-	-	-	-	-	
	56	204	56		56		0.0%
	224	204	428		428		0.0%
	280	204	484	-	484	-	0.0%
	280	204	484	-	484	-	0.0%
	10		10		10		0.0%
	1		1		1		0.0%
	16		16		16		0.0%
	27	-	27	-	27	-	0.0%
	5,666	2,742	8,408	-	8,408	2,963	35.2%

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Capital Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes Details**

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## Blayney Shire Council

## Cash &amp; Investments Budget Review Statement

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13Budget review for the quarter ended 31 December 2013  
Cash & Investments - Council Consolidated

	Original Budget 2013/14	Approved Changes Sep QBRs	Revised Budget 2013/14	Variations for Dec Qtr	Projected Year End Result	Actual YTD figures	
<b>Externally Restricted <sup>(1)</sup></b>							
Developer Contributions - General (D)	606		606		606	606	100.0%
Developer Contributions - Sewer Fund (D)	658		658		658	658	100.0%
Specific Purpose Unexpended Grants (F)	235		235		235	235	100.0%
Specific Purpose Unexpended Grants (F) - Sewer Fund	4		4		4	4	100.0%
Sewerage Services (G)	2,581		2,581		2,581	2,581	100.0%
Rates - Special Variation	118		118		118	118	100.0%
Rates - Special Variation Mining	508		508		508	508	100.0%
<b>Total Externally Restricted</b>	<b>4,711</b>	<b>-</b>	<b>4,711</b>	<b>-</b>	<b>4,711</b>	<b>4,711</b>	<b>100.0%</b>
<b>Internally Restricted <sup>(2)</sup></b>							
Plant & Vehicle Replacement	1,689	(567)	1,122		1,122	1,122	100.0%
Employees Leave Entitlement	564		564		564	564	100.0%
DWM Rehabilitation Reserve	50		50		50	50	100.0%
Blayney Town Works	185		185		185	185	100.0%
Cemeteries	6		6		6	6	100.0%
Construction of Buildings	8		8		8	8	100.0%
Election Reserve	28		28		28	28	100.0%
Financial Assistance Grant	1,192		1,192		1,192	1,192	100.0%
Golden Gully	23		23		23	23	100.0%
Inala Units	12	20	32		32	32	100.0%
I.T Reserve	20		20		20	20	100.0%
Multipurpose Centre	168		168		168	168	100.0%
Property Account	465		465		465	465	100.0%
Quarry	330		330		330	330	100.0%
Asset Replacement Reserve	835		835		835	835	100.0%
Showground Improvement Fund	6		6		6	6	100.0%
Townsm Prioraction Fund	60		60		60	60	100.0%
Local Museums	15		15		15	15	100.0%
Grant Matching Reserve	25		25		25	25	100.0%
<b>Total Internally Restricted</b>	<b>5,681</b>	<b>(547)</b>	<b>5,134</b>	<b>-</b>	<b>5,134</b>	<b>5,134</b>	<b>100.0%</b>
<sup>(2)</sup> Funds that Council has earmarked for a specific purpose							
<b>Unrestricted (i.e., available after the above Restrictions)</b>	<b>(347)</b>	<b>-</b>	<b>(347)</b>		<b>(347)</b>	<b>1,745</b>	
<b>Total Cash &amp; Investments</b>	<b>10,045</b>	<b>(547)</b>	<b>9,498</b>		<b>9,498</b>	<b>11,590</b>	

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Cash & Investments Budget Review Statement**

Investments

Investments have been invested in accordance with Council's Investment Policy.

Cash

The value of Cash at Bank which has been included in the Cash & Investment Statement totals enter balance on P

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.

The date of completion of this bank reconciliation is 31/12/13

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

Cash at Bank (as per bank statements)  
Investments on Hand

\$90  
11,000

**Reconciled Cash at Bank & Investments**

11,590

**Balance as per Review Statement:**

11,590

Difference:

-

Blayney Shire Council

Key Performance Indicators Budget Review Statement

Budget review for the quarter ended 31 December 2013

(\$000's)	Current Projection Amounts Indicator	Actuals Prior Periods
	13/14	12/13
	13/14	11/12

The Council monitors the following Key Performance Indicators:

1. Unrestricted Current Ratio	59.0%	5.2	6.9	4.8
Current Assets less all External Restrictions	1094			
Current Liabilities less Specific Purpose Liabilities				

Purpose of this ratio is to assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

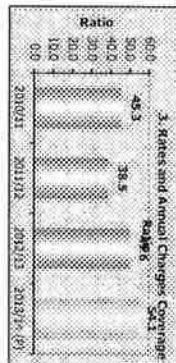
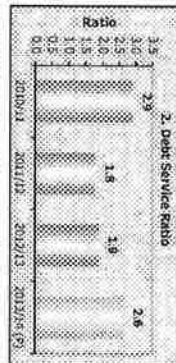
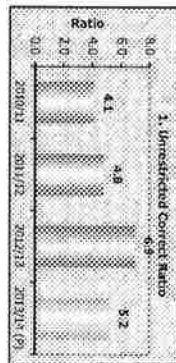
2. Debt Service Ratio	583	2.6	1.9	1.9
Debt Service Costs	14527			
Income from Continuing Operations				

Purpose of the debt service ratio is to assess the impact of loan principal and interest repayments on the discretionary revenue of Council.

3. Rates and Annual Charges Coverage Ratio	7863	54.1	49.4	58.5
Rates and Annual Charges	14527			
Income From Continuing Operations				

Purpose of this ratio is to assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.

Quarterly Budget Review Statement  
for the period 01/10/13 to 31/12/13



## Bayney Shire Council

## Contracts Budget Review Statement

**Budget review for the quarter ended 31 December 2013**  
**Part A - Contracts Listing - contracts entered into during the quarter**

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Contractor	Contract detail & purpose
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99	
100	

**Contract Value**

Start
Date

Duration Budgeted  
of Contract (Y/N)

100

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/13 and should be read in conjunction with the total QBRs report

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Contracts Budget Review Statement**  
**Comments & Explanations relating to Contractors Listing**

Notes Details

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins or other markings visible.



**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

## Consultancy & Legal Expenses Overview

**Definition of a consultant:**

### Comments

## Details

21 of 21

**From:** council@blayney.nsw.gov.au [mailto:council@blayney.nsw.gov.au]  
**Sent:** Wednesday, 27 November 2013 3:49 PM  
**To:** council  
**Subject:** IS/5213 - Contact via Council's Website | Special Rate Variation Submission

Does this message need to be registered in the corporate recordkeeping system ?

The following information has been submitted from the Blayney Shire Council Website:

Please keep the  
following submission  
ID for your reference.

Submission ID:

11201327174

**Subject :** Special Rate Variation Submission

**Full Name :**

**Address :**

**Town or Suburb :**

**Postcode :**

**Phone Number :**

**e-mail address :**

**Comments :** I cannot agree with the contention that a 15% year on year rise year on year (compounding) will not have a deleterious effect on farm profitability. On a quick review of my business costs this will reduce profit by over 4.5%. I support the Reduced services option.

**Add Document :**

**Attach Image 1 :**

**Attach Image 2 :**

---

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General Manager  
Blayney Shire Council  
91 Adelaide Street  
Blayney NSW 2799

SHIRE  
CH.  
14/1

28<sup>th</sup> January 2014

Dear General Manager,

Disp.  
GA39:  
Sent.

Re:- Blayney Shire Strategic Plan 2025

We make the following comments in relation to the above Plan.

The statement of future directions lists Leadership last. This possibly reflects the Community Committee's perception of reality. With any strategic plan successful implementation is the hard part which requires strong leadership. Item DP 6.1.1 states Councillors should exhibit leadership. However, as senior staff seem to be the decision makers or lead the councillors to endorse staff decisions, then those staff also should have leadership responsibility.

The Plan recognises the importance of agriculture. However, Council refuses to correct its E3 zoning mistake affecting 13% of the shire's land area in the 2012 LEP. This is contrary to the objectives contained in CSP 1.1 and DP 1.1.3, which raises questions about Council's commitment to its published strategy. Property owners in the affected area certainly are not being treated equally to those in other rural areas.

If credibility is important, it is time for Councillors and staff to "walk the talk".

#### Delivery Programme

The majority of action plans are scheduled for delivery over each of the four years. There is no indication of order of priority. There would be core projects which should receive concentrated attention in the first one or two years. How are these identified in the programme?

Long Term Financial Plan

Four rating classifications are listed. At present different rate formulae apply to villages such as Millthorpe, Carcoar etc., including business ratings. Will this structure be maintained in future years or will those ratepayers be disadvantaged?

By including the community centre SRV in the Base Rate it is difficult to determine whether the annual rate percentage increase has been applied to the \$75. If that amount was shown separately on the rate notice there would be no need for the present convoluted formula. It is understandable Council does not want ratepayers regularly reminded of the levy.

Item 3.1.4 lists \$275,000 as income generated by the \$75 SRV. That equated to 3666 assessments. In the May 2013 IP&R documents Council lists total assessments as 3756. Which ratepayers are exempt from the levy?

Employee Benefits in 2014/15 show a reduction of \$529,262 or 9% over 2013/14 in both models. This would be after the annual increase of 3.5%. How is this achieved with staff numbers unchanged?

The consolidated income statement for the "community informed" model is hard to reconcile. In relation to Rate revenue the growth over the previous year is 5.3% 2015/16, 3.4% 2016/17 and 6.7% 2017/18.

For Employees benefits the growth is 2.6% 2015/16, 3.4% 2014/17 and 3.16% 2017/18. It appears the projected increase in staff numbers from 66 to 77 is not factored in but the additional expense would be significant. If the additional rate revenue is included in income (as 2017/18) the additional staff should be included in expenses otherwise the Operating Result is overstated.

Item 3.2.2 Waste Management provides for a surcharge of \$30 in 2014/15 with no explanation. If, say, 2500 assessments incur this charge, the extra revenue would be \$75,000.

The Capital Works schedule includes a Waste Transfer Station costing \$500,000 2014/15. This is a major expense taking priority over the much needed infrastructure maintenance of bridges and roads. Surely an expense of this magnitude warrants an explanation as to necessity and alternatives.

On both this and the \$30 surcharge Council fails its own "community informed" policy.

Workforce Strategy

The Plan contains a suggestion to investigate a payment system based on length of service. This is already legislated in the Long Service Act. For an organisation constantly concerned about financial viability, this should be an avoidable expense. The emphasis should be on pay for performance.

Putting this voluminous Plan out for comment over the Christmas New Year holiday period will limit community comment. If council is serious about wanting community input, planning to achieve more appropriate timing of document issue needs to be considered for the future.

**SUMMARY OF SUBMISSIONS TO IP&R PLANS EXHIBITED DEC. 2013**

**Submissions**

**Submission #1**

Submission in Brief:

*The submission expresses the author's objection to a 15% rate rise stating that it will have a "deleterious impact of farming profitability" and support of the Reduced Services Option.*

Response:

Comments are acknowledged. Council has since resolved to apply for a permanent Special Variation of 6% per annum over two years and to commence a community consultation on future funding of services in this two year period.

**Submission #2**

Submission in Brief:

The submission raises a number of issues in Council's documents as outlined below. (Please note that page numbers refer to page number on website. Document page number inserted after reference):

*Issue 1: Future Direction 6: Leadership*

*Authors make reference to Leadership being listed last in Community Strategic Plan and that staff should be referenced in Delivery Program Action 6.1.1.*

Response:

The Community Strategic Plan is shown in any priority order, so Leadership being shown as Future Direction 6 is of no significance. Delivery Program Action 6.1.1 is Councillor specific and is in reference to exhibiting community leadership. It is also reflective of the governing body as reflected in the Local Government Act.

*Issue 2: Importance of Agriculture – CSP1.1 and DP1.1.3*

*Authors reference Councillors' refusal to rectify E3 Zoning in the 2012 LEP as contrary to the above objectives. It is also alleged that property owners in the affected area are not being treated equally.*

Response:

This is a matter that has been addressed by Council previously.

*Issue 3: Delivery Program – No priorities expressed.*

*Authors reference that plan is for four years yet no priorities are expressed and questioned how they are prioritised.*

**Response:**

The Delivery Program identifies the actions and the year or years that they are proposed for delivery. Council is not the "Provider" of all actions and is unable to control delivery of such actions. The purpose of the document is not to prioritise but articulate actions to be delivered.

*Issue 4: LTFP -- Rating Categories*

*Authors reference the four rating categories and have questioned whether the present different rate formulae that apply to villages will be maintained or if those ratepayers will be disadvantaged.*

**Response:**

Council is obligated under legislation to maintain the current rating categories in place, subject to land being existent and categorised accordingly. Rating structures of future years, including sub-categories as referenced, are unable to be forecast. These will be tabled and exhibited annually in the Operational Plan.

*Issue 5: LTFP – Community Special Rate Variation*

*Authors assert that the Community Centre Special Rate Variation being shown separately would be more transparent for determining whether it has been indexed by rate increases. It is also asserted that there are ratepayers who are exempt for the Community Centre SRV as the figures quoted do not tabulate.*

**Response:**

It is acknowledged that transparency could be improved by disclosing the Community Centre SRV separately. Figures in the LTFP are forecast and figures will be reconciled upon project finalisation. Council can confirm that there are no exemptions to the Community Centre Special Rate Variation with the exception of non-rateable properties as defined in legislation.

*Issue 6: LTFP – Reduction in Employee Benefits*

*Question raised as to how employee benefits expenditure has reduced yet employee numbers are unchanged.*

**Response:**

This occurrence is as a consequence of the capitalisation of employee costs. That is costs associated with employees that work on assets that are subsequently capitalised and depreciated are not expensed in the Income statement and are thus not shown as such.

*Issue 7: LTFP – Rate Revenue Growth*

*Growth in rate Revenue for the Community Informed Model hard to reconcile.*

**Response:**

Percentages referenced refer to growth in revenue of Rates and Annual Charges. Annual Charges are not subject to rate or special rate variation to income and influence the percentage growth. Also, as articulated in the narrative part of the LTFP, the Community Centre special rate variation is forecast to cease and also reduces rate revenue growth.

*Issue 8: LTFP – Growth in Employee Benefits*

*Growth in employee numbers from 66 to 77 does not appear to be reflected and operating result is overstated.*

**Response:**

Per issue 6, growth in numbers of employees will focus upon capital works and therefore be capitalised. Numbers are only proposed and are subject to future special rate variations above 6%.

*Issue 9: LTFP – Waste Management Surcharge \$30*

*Author states that no explanation for the \$30 charge proposed for 2014/15.*

**Response:**

The \$30 charge relates to forecast expenditure increases associated with waste management operations, changing legislative requirements and forecast state government cost imposts. Council is permitted to determine charges on a reasonable cost basis for waste operations.

*Issue 10: LTFP – Capital Works: Waste Transfer Station \$500,000*

*Claim that major expense is taking funding from roads and bridges and such expenditure warrants explanation as to necessity and alternatives.*

**Response:**

Waste management operations are funded exclusively by Waste Charges and do not rely on rate revenue. Accordingly such expenditure will not impact upon services funded by Rate or other revenues. As the project nears Council will be informed of project including alternatives.

*Issue 11: Workforce Strategy – Payment system based on length of service*

*Suggestion that such a payment system is already incorporated in the Long Service Act and should be avoided.*

**Response:**

Comment noted. Council is purely investigating this as an employee retention strategy.



*Issue 12: Exhibition of Plan over Christmas / New Year period*

*Placing plans on exhibition over this period will limit input and more appropriate timing of document should be considered for the future.*

**Response:**

Comment noted. Document is being exhibited from 10 December 2013 to 5 February 2014. Timing is associated with lodgement of Special Rate Variation application to IPART by 23 February 2014 and undertaking of community engagement on future funding of Council services.



Public Works

# BLAYNEY SHIRE COUNCIL

## Strategic Business Plan for Sewerage Services



**2013**



Document Control

Version	Author	Reviewer	Approved for Issue	
			Name	Date
Draft V1	D. Kumarasinghe	M. Sundaravadivel	-	10/10/2013
Final Draft	D. Kumarasinghe	M. Sundaravadivel	M. Pudasaini	15/11/2013

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## **Acknowledgements**

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This Strategic Business Plan was prepared by Blayney Shire Council with the assistance of the Strategic Water Planning Unit of NSW Public Works.

The Plan is based on a workshop held on the 11<sup>th</sup> and 12<sup>th</sup> of September 2013, in which Councillors, senior Council staff and external stakeholder agencies were represented.

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## Abbreviations

Abbreviation	Description
ADWG	Australian Drinking Water Guidelines
BOD	Biochemical Oxygen Demand, a measure of 'strength' of organic pollutants in wastewater/ sewage.
CENTROC	Central Regional Organisation of Councils -- consisting of Bathurst, Blayney, Boorowa, Cabonne, Cowra, Forbes, Harden, Lachlan, Lithgow, Oberon, Orange, Parkes, Upper Lachlan, Weddin, Wellington, Young and Central Tablelands Water.
CWUA	Centroc Water Utilities Alliance
DCP	Development Control Plan
DLG	Division of Local Government
DMERP	Drought Management and Emergency Response Plan
EPA	Environment Protection Authority
EIS	Environmental Impact Statement
EP	Equivalent Person
IDEA	Intermittently Decanted Extended Aeration
IPR	Integrated Planning and Reporting
IWCM	Integrated Water Cycle Management
LEP	Local Environment Plan
LGA	Local Government Area
LGSA	Local Government and Shires Associations
LOS	Levels of Service
NHMRC	National Health and Medical Research Council
NOW	NSW Office of Water
NWI	National Water Initiative
OEH	Office of Environment and Heritage
PIRMP	Pollution Incidents Response Management Plan
SCADA	Supervisory Control and Data Acquisition
SEPP	State Environmental Planning Policy
STP	Sewage Treatment Plant
WDCC	Written Down Current Cost/ Fair Value
WELS	Water Efficiency Labelling and Standards
WHS	Work Health and Safety
WTP	Water Treatment Plant
TAM	Total Asset Management
TBL	Triple Bottom Line
TCM	Total Catchment Management
TRB	Typical Residential Bill

## Executive Summary

This Strategic Business Plan covers the development and operation of Blayney Shire Council's Sewerage Scheme. It provides supporting information for Council's Integrated Planning and Reporting (IP&R) as well as satisfying compliance requirements for the NSW Office of Water.

## Operating Environment Review

A review of operating environment explores the internal and external conditions under which Council delivers services now, and those, which will be likely to prevail in the future. Details are given in Section 5 of this Business Plan.

Council provides services to the communities listed in the Table below. Reticulated water is provided to the towns and villages in the shire by Central Tablelands Water (CTW). Rural properties and industries outside of the communities listed below generally source their water from rainwater tanks.

Council currently provides Blayney and Millthorpe with sewerage services. The remaining Shire communities use on-site sewage management systems, the inspection which is the responsibility of Council's Planning and Environmental Services section.

### Current Service Areas

Name	Estimated Population	Potable Water Supply	Sewerage Scheme
Blayney	2810	Provided by CTW	Reticulated sewerage
Millthorpe	737	Provided by CTW	Reticulated sewerage
Carcoar	215	Provided by CTW	Septic tanks
Lyndhurst (including Somers and Garland)	219	Provided by CTW (Lyndhurst only)	Septic tanks
Mandurama (including Errowanbang, Burnt Yards and Gallymont)	496	Provided by CTW	Septic tanks
Barry, Neville and Newbridge villages	305	Rainwater Tanks	Septic tanks

A more detailed description, including a service area map of Council's sewerage schemes, is presented in Section 3 of this Business Plan.

## Mission

Council has adopted the following objective for its sewerage services:

***To provide sewerage services in an efficient manner to the agreed and currently recognised health, environmental and other community standards and needs with flexibility to promote and meet development demands within the Region***

Council's corporate policies and objectives also place specific requirements on the sewerage scheme. These are detailed in Section 2 of this Business Plan.

## Levels of Service

Council's primary objective for its sewerage services is to meet its adopted Levels of Service.

### Sewerage

- Proportion of sewage treated to various standards
- Number of overflow events
- Greenhouse gas emissions

### Service interruptions

- Frequency and duration of planned and unplanned service interruptions
- Response times to service interruptions

### Customer care

- Frequency of customer complaints
- Response times for customer queries and/or complaints

Levels of Service with predicted improvements are summarised on the following page. Note the Levels of Service are the targets which Council aims to meet; they are not intended as a formal customer contract.

## Summary of Levels of Service Improvements

DESCRIPTION	UNIT	LEVEL OF SERVICE	
		Current	Future
SERVICE AVAILABILITY			
Extent of area serviced	% Service area	100% of designated service areas in Blayney and Millthorpe	100% of designated service areas in Blayney, Millthorpe and villages of Carcoar, Mandurama and Lyndhurst
Time to provide a domestic individual connection in serviced area (95% of times)	Working days	7	7
SYSTEM FAILURES (OVERFLOWS TO THE ENVIRONMENT)			
Category One			
Failure due to rainfall and deficient capacity®	No./ Year	<1	<1
Category Two			
Failure due to pump or other breakdown including power failure	No./ Year	2	2
Category Three			
Failure due to main blockages and collapses®	No./ Year	25	10
RESPONSE TIME SYSTEM FAILURES (OVERFLOWS TO THE ENVIRONMENT)			
Time to have staff on-site commence work after notification			
Priority One			
Failure due to rainfall and deficient capacity®			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
Priority Two			
Failure due to pump or other breakdown including power failure			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
Priority Three			
Failure due to main blockages and collapses®			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
CUSTOMER FEEDBACK/ COMPLAINTS®			
(identified in the CRM system)			
Complaints received			
Service complaints	No./ 1000 connections	0	<10

DESCRIPTION	UNIT	LEVEL OF SERVICE	
		Current	Future
Odour Complaints			
- Treatment works (outside designated buffer zone)		0	0
- Pumping Stations		<5	<5
- Reticulation system		0	0
Billing and account complaints		0	0
<b>Response Times for Feedback/ Complaints</b>			
% calls answered by an operator within 30 seconds	%		
General complaints and inquiries:			
- Written Complaints*	Working Days	7	7
- Email	Working Days	N/A	3
- Personal/ oral complaints*	Minutes	30	30
<b>ENVIRONMENT<sup>@</sup></b>			
Recycle/ reuse of wastewater (dry weather conditions)	% total volume of sewage treated	100	100
Sewage treated to:	% of total volume of sewage treated		
- Primary level only		0	0
- Up to secondary level		100	100
- Up to tertiary or advanced level		0	0
Effluent discharge compliance with licence limits	% of samples/year	100	100
Net greenhouse gas emissions <sup>@</sup>	Tonnes CO2 equivalent/ year	334 (associated with flooding event)	290

<sup>@</sup> - NWI Performance Indicators

\* - Times apply for 95% of incidents

## Principal Issues

The current services are generally regarded as satisfactory by customers. Following are the major issues which will need to be addressed in the short term:

- Service extension to village areas (there are a number of properties within the Blayney Council that do not have access to the sewerage service);
- Equitable service pricing including developer charges; and
- Systematic rehabilitation and renewal of ageing assets (i.e. treatment plant and reticulation system, including manholes);

## Objectives and Performance Targets

Council has recognised five Key Result Areas that must be managed well to achieve success in the long-term provision of sewerage services to its customers. These are:

- Customer service;
- Environmental protection and sustainable development;
- Total asset management;
- Work force; and
- Finance.

Objectives and Performance Targets have been set in these Key Result Areas. These are summarized in Table below and detailed in Sections 8 through 12.

Notable capital work outcomes Council plans to achieve over the next 10 years include:

- Lining/ replacement of sewer mains
- Manhole rehabilitation program
- Telemetry upgrade
- Millthorpe transfer main augmentation
- Sewerage schemes for the villages of Carcoar, Mandurama and Lyndhurst

### Objectives and Performance Targets

Key Result Area	Objective	Performance Target
<b>Customer Service</b>		
Levels of Service	Levels of services are in accordance with community expectations.	100% compliance with the agreed Levels of Service.
Areas Served	Maintain existing designated service areas and provide service to selected un-served areas where economically feasible.	Achieve 100% service connections in the designated service area by June 2015.  Complete feasibility study for village schemes by June 2016.
Sewer Load Management	Minimise hydraulic loads due to infiltration, inflow and illegal connections and manage any industrial and commercial pollutant loads.	Implement Infiltration/Inflow (I/I) program by 2015.
Service Pricing	Ensure scheme achieves full cost recovery and reflects best practice guidelines.	Review sewerage tariff by March 2015 Review and update developer charges by December 2014.
Customer Relations	Keep stakeholders informed of issues relating to the sewerage services and provide services in a professional and efficient manner.	Customer survey conducted every 4 years. A survey to be conducted in 2014.  Achieve at least 80% customer satisfaction level in customer surveys by 2015.
Community Involvement	Engage the community in consultation in the delivery of sewerage services as appropriate.	Community involvement on all significant capital works and policy decisions.



Key Result Area	Objective	Performance Target
<b>Environmental Protection and Sustainable Development</b>		
Environment	Manage sewerage in an environmentally responsible manner.	Comply with all regulatory and licence requirements.
<b>Total Asset Management</b>		
Operations and Maintenance	Operate and maintain assets to provide agreed levels of service at minimum life cycle costs.	Prepare an Operations and Maintenance Plans by June 2015.
Capital Works	Ensure systems have adequate capacity to meet current and future levels of service at minimum life cycle costs.	Funded projects carried out on time and to budget in accordance with capital works program.
<b>Work Force</b>		
Workforce Planning	Have a proactive, productive and skilled staff with appropriate areas of expertise.	Review and update Work Force Strategy every 4 years.
<b>Finance</b>		
Financial Plan	Maintain a long-term financial plan to provide full cost recovery for scheme operation and asset replacement at an affordable level of cost to customers.	Sewerage long-term financial plan in place by March 2015.

## Projected Financial Position

Financial projections have been made considering that 50% subsidy will be available for the sewerage schemes planned for the villages of Carcoar, Mandurama and Lyndhurst. The following Table presents the summary of forecast financial position of Council's sewer fund over the next 30 years at five-year intervals. Note all projected values are in 2013/14 dollars.

### Summary of Projected Financial Position

2013/14 \$ ('000)	2013/14	2017/18	2022/23	2027/28	2032/33	2037/38	2042/43
Estimated Total Revenue	1,440	1,602	1,776	1,899	1,880	1,982	2,090
Estimated Total Expenditure	1,439	1,620	1,839	1,819	2,087	2,062	2,031
Operating Surplus / (Deficit)	1	(18)	(64)	80	(207)	(80)	59
Acquisition of Assets	231	300	100	28	3,020	120	20
Principal Loan Payments	44	52	103	92	108	128	72
Borrowings Outstanding	933	643	1,629	957	2,498	1,589	878
Cash and Investments	3,676	2,660	472	2,641	419	2,278	4,710
Total Assets	24,635	23,809	28,666	27,923	29,119	27,582	26,463
Total Liabilities	939	649	1,635	962	2,502	1,593	881

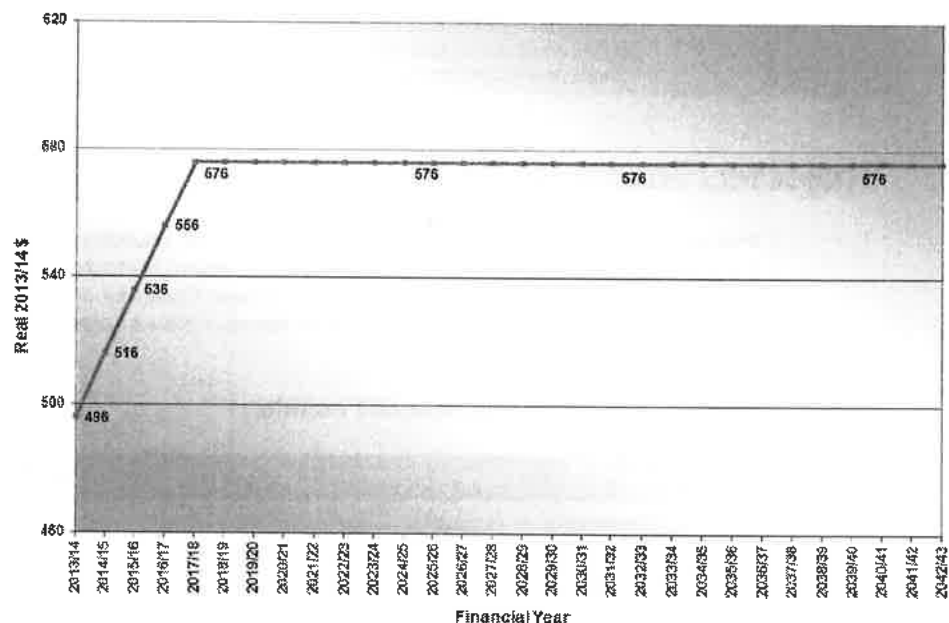
Financial modelling has demonstrated that the typical residential sewerage bill for sewerage services, measured in 2013/14 dollars, has to be increased by \$20 per year for the next 4 years from the current TRB of \$496 p.a. to \$ 576 p.a. in 2017/18 as shown below:

- TRB for 2014/15 - \$516 p.a.
- TRB for 2015/16 - \$ 536 p.a.
- TRB for 2016/17 - \$ 556 p.a.
- TRB for 2017/18 - \$ 576 p.a.

From 2018/19 onwards, the TRB can be maintained at the same level for the remainder of the forecast period. It should be noted that the TRB projections are for Blayney customers and financial model considered that residential customers of Millthorpe will be paying 1.6 times the projected TRB for Blayney. The model also considered that the residential customers of the villages of Carcoar, Mandurama and Lyndhurst will also be charged 1.6 times the Blayney residential customers.

Note the forecast TRBs are to be adjusted annually for CPI/inflation

### Typical Residential Sewer Bill



This level of typical residential charges for sewerage services is sufficient to maintain liquidity with a minimum of \$250 K of cash in hand over the period.

Over the next 10 year period, all the planned capital works will be internally funded except for a new borrowing of \$ 1.5 Million for the village sewerage schemes in the years 2020/21 and 2021/22. External borrowing will also be required for the Blayney STP augmentation and replacement works planned to start in 2031/32. The borrowing outstanding at the end of the 30-year forecast period will be \$ 878 K but can be fully retired from available cash and investments, if required.

See Section 12.4 for more financial projection details.



# **1 Introduction**

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## **1.1 Purpose of the Plan**

The purpose of the strategic business plan is to provide guidance for the future management of Blayney Shire Council's sewerage businesses with the aims of:

- Providing the information for Council's Resourcing Strategy as required for compliance with the Integrated Planning and Reporting Framework and for the Management Plan;
- Focusing attention on the key issues affecting the day to day operations of sewerage services;
- Demonstrating to stakeholders that the scheme is well managed;
- Identifying the financial and other resources required to operate these services on a commercial basis;
- Providing a long term price path for services;
- Assisting in the development of a long-term capital works program with an affordable price path for the services;
- Enabling Council to model 'what-if' scenarios and see their impact on customer charges; and
- Allowing future financial performance indicators to be calculated, such as return on capital invested.

## **1.2 Integrated Planning and Reporting Framework**

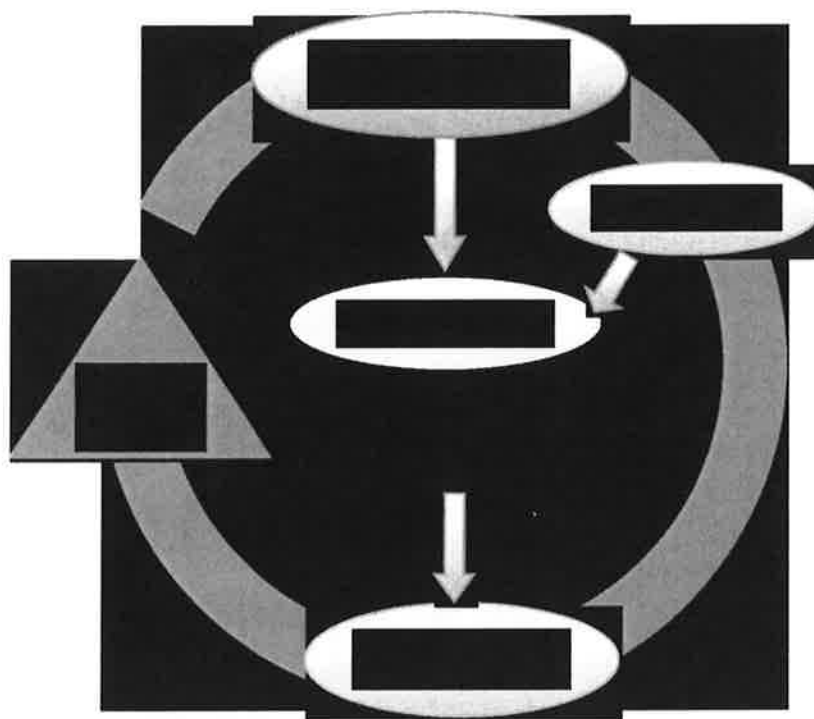
The Strategic Business Plan is required under the NSW Integrated Planning & Reporting (IPR) Framework (Figure 1). The framework is used by State Government agencies to:

- Gain an overview of the current status and future water supply and sewerage needs of non-metropolitan NSW; and
- Gather information to assist in directing policy and programs for financial and technical assistance towards the needs of the utilities.

The main elements of the IPR framework are the:

- Community Strategic Plan (CSP)
- Resourcing Strategy
- Delivery Program
- Operational Plan
- Annual Report
- Perpetual monitoring and review

Figure 1 – Integrated Planning and Reporting Framework



Source: NSW Water and Sewerage Strategic Business Planning Guidelines, NSW Office of Water, NSW, July 2011 (available on [www.water.nsw.gov.au](http://www.water.nsw.gov.au))

### 1.3 Benefits of Strategic Business Plans

Sewerage capital investments tend to be large and lumpy, and assets are long-lived, for example, the economic lives of sewerage infrastructure can range from 50 and 70 years. For this reason, financial projections in the Strategic Business Plans are for 30 years. The projections for the next three years are based on reasonably firm estimates of costs, and, beyond this time, projections are based on indicative amounts only.

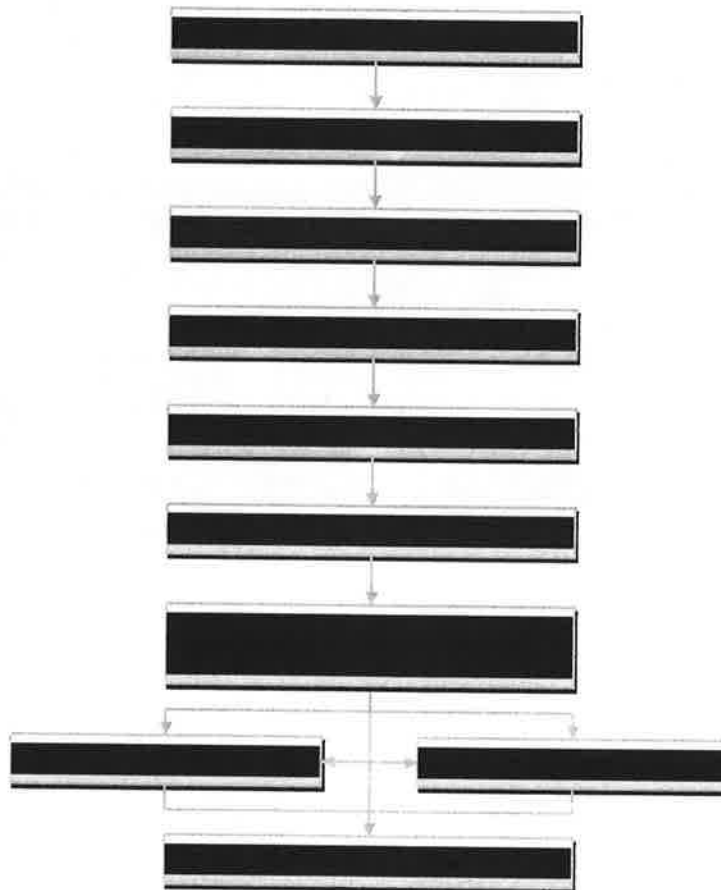
**Strategic Business Plans provide many benefits to Council including:**

- improved management performance;
- improved financial performance;
- avoidance or minimisation of increases to Typical Residential Bills (TRBs); and
- increased accountability to customers.

## 1.4 Plan Structure

The structure of this Strategic Business Plan is outlined in Figure 2.

Figure 2 – Structure of Plan



## 2 Mission and Vision

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Strategic planning aims to optimise service delivery in terms of long term cost effectiveness and sustainability. The prime driver is Council's vision of the future and definition of a mission statement.

### 2.1 Corporate Vision

Council's vision is:

- To be a shire of welcoming communities
- Of beautiful and productive landscapes
- Recognising our rural and mining heritage
- Showing the world how agriculture, mining and industry can work together for the greatest good, and
- Be a place to live your dreams.

Council's values are:

- With a generosity of spirit we will:
- Be inclusive and united
- Act honestly and respect each other
- Have a "can do" attitude
- Think outside the square and
- Back ourselves

Blayney Shire strategic outcomes are:

- Grow the wealth of the Shire
- A centre for sports and culture
- Develop and maintain Shire infrastructure
- Develop strong and connected communities
- Leadership

### 2.2 Sewerage Objective

Council's corporate objective for sewerage is:

***To provide sewerage services in an efficient manner to the agreed and currently recognised health, environmental and other community standards and needs with flexibility to promote and meet development demands within the Region.***

## **2.3 Implications of Vision Statements**

The implications of Council's vision and objectives for the provision of sewerage services can be summarised as follows:

- To have sufficient capacity for community growth, this will require increasing the serviced areas and upgrading the capacity of some existing infrastructure.
- To provide environmentally and financially sustainable service, this will require improved environmental performance and
- To develop public confidence in the staff and services, this will require improving levels of service, customer care and customer education.



### 3 Existing Schemes

Blayney Shire Council provides sewerage services to the community of Blayney and Millthorpe directly. The rest of the communities within the LGA uses on-site sewerage management systems (usually septic tanks, though some other systems may be in use). Council's Planning and Environment section is responsible for the management of these on-site septic systems.

Council provides services to the communities listed in Table 3-1. Reticulated water supplies are provided by Central Tablelands Water (CTW). CTW provides water to the townships of Blayney and Millthorpe as well as the villages of Carcoar, Mandurama and Lyndhurst. The availability and quality of the water provided, influences the volume and quality of sewage produced by these communities.

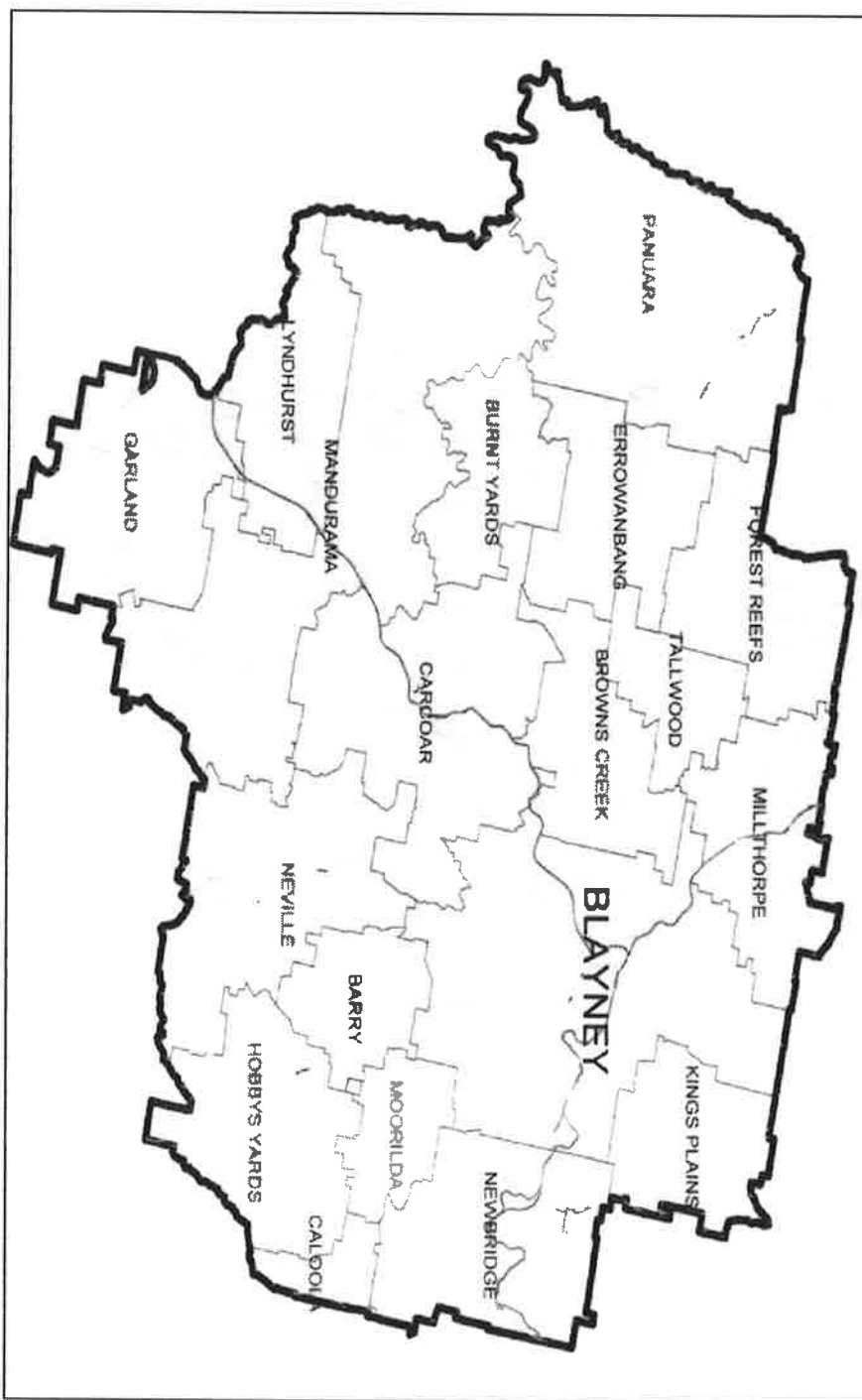
Rural properties and industries outside of the communities listed below generally source their water from rainwater tanks.

Table 3-1: Communities provided with services

Name	Estimated Population	Water Supply	Sewerage
Blayney	2810	Provided by CTW	Reticulated sewerage
Millthorpe	737	Provided by CTW	Reticulated sewerage
Carcoar	215	Provided by CTW	Septic tanks
Lyndhurst (including Somers and Garland)	219	Provided by CTW (Lyndhurst only)	Septic tanks
Mandurama (including Errowanbang, Burnt Yards and Gallymont)	496	Provided by CTW	Septic tanks
Barry, Neville and Newbridge villages	305	Rainwater Tanks	Septic tanks

A map of the Blayney Shire Council Local Government Area (LGA), including most of these communities, is shown in Figure 3.

Figure 3 -- Map of Blayney Shire Council



### **3.1 Blayney Sewerage Scheme**

The Blayney reticulation system consists of 51 km of AC and uPVC mains and six pumping stations. The original reticulation system in Blayney was constructed in late 1960s with considerable augmentation in 1970's, 80's, 90's and in 2003.

The Blayney Sewage Treatment Works is located on the south eastern outskirts of town on the north side of Hobby Yards Road. The original works, constructed in 1966, consisted of a Biological filter (Trickling filter) with a capacity of 2,100 E.P. The original treatment works was replaced by an Intermittently Decanted Extended Aeration (IDEA) activated sludge treatment plant with a design capacity of 7,000 E.P in 1989.

The STP fully treats all predicted intflows and currently has excess capacity based on the future design load.

Cadia mine currently takes all treated effluent. Any effluent that may not be pumped to Cadia mine due to the operational issues is released to the wetland, which then overflows to the Belubula River. Wetland has been provided as a supplementary structure to impart additional effluent polishing treatment. Flows to the wetland have been limited to wet weather events.

Sludge from sludge lagoons are dried at drying beds while supernatant is gravitated back to the IDEA plant.

The service area map of Blayney town sewerage scheme is shown in Figure 4**Error! Reference source not found..**

### **3.2 Millthorpe Sewerage Scheme**

Millthorpe sewerage services about 600 people in the village of Millthorpe. The sewer reticulation was commissioned in 2003. The system consists of 9.7 Km of uPVC gravity sewer mains and one pumping station. Collected sewage is pumped to the balancing tank of Blayney STP for treatment. The service area map of Millthorpe sewerage scheme is shown in Figure 5**Error! Reference source not found..**

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Blayney Shire Council has prepared an asset register and the locations of all major sewerage assets have been recorded. Council is continuously updating the asset register.

The currently estimated condition rating of Council's major sewerage assets is presented in Table 3-2 and the estimated value is presented in Table 3-3.

**Table 3-2: Sewerage Scheme System Assets Summary**

<b>Asset</b>	<b>No./Length/ Capacity</b>	<b>Average Remaining Life (Years)</b>	<b>Condition 1 = As New 5 = Poor</b>
Gravity mains including Trunk mains	53 km	35	3.2
Sewage pumping stations	8	24	3.2
Rising mains	23.3 km	58	1.2
Sewage Treatment Plants	7000 EP	37	2.7
Buildings, Plant and Equipment including Telemetry			
- Telemetry	8 stations	11	2.2
- Buildings	4	38	2.5
- Plant	5	6	2.5

**Table 3-3: Estimated Values of Sewerage Assets**

<b>Asset</b>	<b>Current Replacement Cost (\$'000)</b>	<b>Annual Depreciation (\$'000)</b>	<b>Written Down Value (\$'000)</b>
Gravity mains including Trunk mains	14,000	120	10,000
Sewage pumping stations	2,774	51	1,784
Rising mains	5,200	69	4,400
Sewage Treatment Plant	3,840	80	2,610
Buildings, Plant and Equipment including Telemetry			
- Telemetry	61	4	42
- Buildings	338	2	267
- Plant	210	24	163

### 3.2.2 Capital Works Program for Sewerage

The following is a summary of the major sewerage capital works planned for Blayney Shire Council over the next 10 years. The justifications for the works are shown below.

Table 3-4: Major Sewerage Capital Works

Proposed Capital Work	Year	Justification
Lining/ Replacement of sewer mains	2013 - 2019	Renewal and refurbishment of ageing assets
Manhole rehabilitation program	2014 - 2019	Improved levels of sewerage service and STP performance
Telemetry upgrade	2014/15	Improved scheme operation for better performance
Millthorpe transfer main augmentation	2014 - 2016	Refurbishment of ageing assets
Sewerage schemes for Carcoar, Mandurama and Lyndhurst	2018 - 2022	Extension of service to backlog areas and public health improvement

## 4 Levels of Service

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The Levels of Service:

- define explicitly the standards required;
- are an expansion of the mission statements; and
- largely shape Council's detailed planning.

The Levels of Service define the deliverables and are the driving force for the management and development of sewerage schemes. Achieving the target Levels of Service is the **primary goal**.

Council uses its judgement in setting standards and while there are statutory service standards in some areas such as effluent quality, noise, and sludge management, in other areas, stakeholders may be consulted (see Section 5.4 for details) and may desire levels of service which are even more stringent than the regulatory requirements.

While Council endeavours to close any perceived gap between the stakeholder expectations and the levels of services provided, this is also subject to economic, social and environmental considerations. This Plan presents Council's proposed approach to future service delivery.

It should be noted that while the current Levels of Service are the target, which Council aims to meet, they are not intended as a formal customer contract. It is Council's responsibility to strive for continual improvement to achieve these levels in the most cost effective way.

The current and target levels of service are shown in the following tables.



Table 4-1: Levels of Service

DESCRIPTION	UNIT	LEVEL OF SERVICE	
		Current	Future
SERVICE AVAILABILITY			
Extent of area serviced	% Service area	100% of designated service areas in Blayney and Millthorpe	100% of designated service areas in Blayney and Millthorpe
Time to provide a domestic individual connection in serviced area (95% of times)	Working days	7	7
SYSTEM FAILURES (OVERFLOWS TO THE ENVIRONMENT)			
Category One			
Failure due to rainfall and deficient capacity®	No./ Year	<1	<1
Category Two			
Failure due to pump or other breakdown including power failure	No./ Year	2	2
	Critical locations		
	Other locations		
Category Three			
Failure due to main blockages and collapses®	No./ Year	25	10
Time to have staff on-site commence work after notification			
Priority One			
Failure due to rainfall and deficient capacity®			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
Priority Two			
Failure due to pump or other breakdown including power failure			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
Priority Three			
Failure due to main blockages and collapses®			
All Customers			
- 90% of times	Minutes	30	60
- 100% of times	Minutes	45	60
CUSTOMER FEEDBACK/ COMPLAINTS®			
(identified in the CRM system)			
Complaints received			
Service complaints	No./ 1000 connections	<10	<10

DESCRIPTION	UNIT	LEVEL OF SERVICE	
		Current	Future
Odour Complaints			
- Treatment works (outside designated buffer zone)		0	0
- Pumping Stations		<5	<5
- Reticulation system		0	0
Billing and account complaints		0	0
<b>Response Times for Feedback/ Complaints</b>			
% calls answered by an operator within 30 seconds	%		
General complaints and inquiries:			
- Written Complaints*	Working Days	7	7
- Personal/ oral complaints*	Minutes	30	30
<b>ENVIRONMENT<sup>@</sup></b>			
Recycle/ reuse of wastewater (dry weather conditions)	% total volume of sewage treated	100	100
Sewage treated to:	% of total volume of sewage treated		
- Primary level only		0	0
- Up to secondary level		100	100
- Up to tertiary or advanced level		0	0
Effluent discharge compliance with licence limits	% of samples/year	100	100
Net greenhouse gas emissions <sup>@</sup>	Tonnes CO2 equivalent/ year	334	334

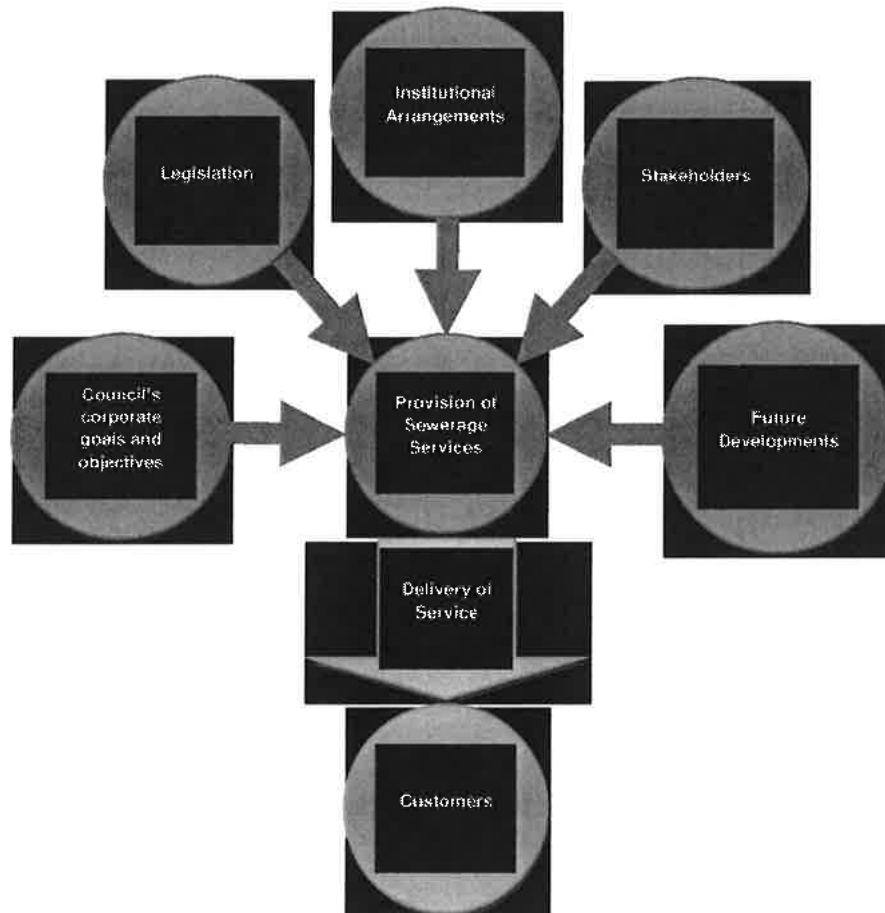
<sup>@</sup> - NWI Performance Indicators

\* - Times apply for 95% of incidents

## 5 Operating Environment Review

The delivery of sewerage services to the scheme's customers is subject to a large number of constraints, requirements, guidelines and other factors, which collectively are referred to as the operating environment. The five major elements of the operating environment are shown in the following figure.

Figure 6 – Operating Environment



## **5.1 Institutional Arrangements**

There are several institutional arrangements available to Council as potential structures for providing sewerage services. These include institutional models such as Amalgamation, County Councils, Commercialisation, Strategic Alliances, Corporatisation, Regional Corporation and Privatisation.

These models have been suggested in the options paper issued by the LGSA and the NSW Water Directorate to assist Councils in making a submission to the NSW Government Inquiry into Local Water Utilities.

Blayney Shire Council has adopted the Strategic Alliance model by becoming part of the CENTROC Water Utility Alliance (CWUA) and running its sewerage services in a commercially viable manner in accordance with the NOW Best Practice Management Guidelines. The CWUA facilitates a unified approach to water management in the central NSW region and includes the member councils of Bathurst, Blayney, Young, Cabonne, Cowra, Forbes, Harden, Lachlan, Lithgow, Oberon, Orange, Parkes, Upper Lachlan, Weddin, Wellington, Young and Central Tablelands Water.

The definitions of these arrangements are:

- **Commercialisation:** Where a Council operates on a commercial basis, i.e. each aspect of the Council's operations is self-sustaining. This arrangement is believed to be able to reflect the true cost to customers, be more efficient and provide better service choices. There is however some concern this model can lead to some valuable services being abandoned, based on an economic and commercial basis.
- **Strategic Alliance:** Where a Council joins other participating Councils in the region/catchment through a Memorandum of Understanding, in order to pool in available staff and other resources to provide sewerage services. This arrangement aims to help provide crucial pooled professional and technical resources for efficient delivery of services. The major concern regarding this sort of alliance is that if not mandatory, it may risk falling apart in the face of difficulties, agreed scope of pooled activities or lack of interest.

Council would like to continue with the current Commercialisation / Strategic Alliance model for the foreseeable future.

## **5.2 Legislative Framework**

Numerous Acts influence the way in which Council can provide sewerage services to the community. Appendix B provides a discussion of the relevant legislation and the specific implications it has for Council's operations.

In general, more regulation, stringent enforcement and fewer subsidies from the State and Federal Governments is imposing heavy burden on Council's sewerage service management responsibilities and hence on its finances.

Additionally, the latest State Government policies tend to transfer more regulatory responsibilities to Local Government; this increases the burden on the Council.

## 5.3 Corporate Policies

Blayney Shire Council currently has the following corporate policies that are relevant to the operation of its sewerage scheme.

**Table 5-1: Council Corporate Policies**

Policy	Impacts
Model Code of Conduct for Local Councils	- Socially responsible
Asset Management Plan - Sewer	- Provision of required service infrastructure in a sustainable manner - Meeting legislative requirements
Water saving rules (Demand Management Plan by Central Tablelands Water)	- Encouraging to be water-wise - Demand management
Liquid Trade Waste Policy	- Identification and monitoring of trade wastes according to NOW and EPA Guidelines
Developers contribution for sewage	- Equitable distribution of infrastructure costs
Pollution Incident Response Management Plan	- Environmental Protection and notification

## 5.4 Stakeholder Review

Stakeholders are defined as individuals and organisations, both internal and external, with an interest and/or equity in the sewerage services provided by the Council. They typically include:

- Property Owners/Ratepayers
  - Residents/Families
  - Pensioners
  - Commercial and Industrial Consumers
- Councillors
- Management Staff
- Council Employees
- Government Agencies
- Tourists
- Special Interest Groups such as Environmental groups and Chambers of Commerce

Typically the expectations of the stakeholders cover a wide spectrum of issues and aspects of service delivery including operational levels of service relating to service reliability, responsiveness to complaints, etc., which are not covered by regulation. Such expectations may significantly impact on the development and operation of the schemes. A stakeholder review was undertaken at the planning workshop, the participants were asked to rate Council's service provision both from a Council and a Stakeholder point of view for a number of criteria generally of importance to the stakeholders. The results are included in Appendix C. Some of the criteria include:

- Quality of water in waterways downstream of the communities and sewage treatment plants;
- Public perception of the Council;
- Staff satisfaction; and
- External agency perception.

## **5.5 Future Development**

Council's vision for a 30-year planning horizon for sewerage services reflects the changing operating environment due to future growth and developments that in turn influence the service requirements. Council considers the following factors as having significant influence on the future sewerage services provided and the general quality of life of the residents.

### **5.5.1 Population Growth**

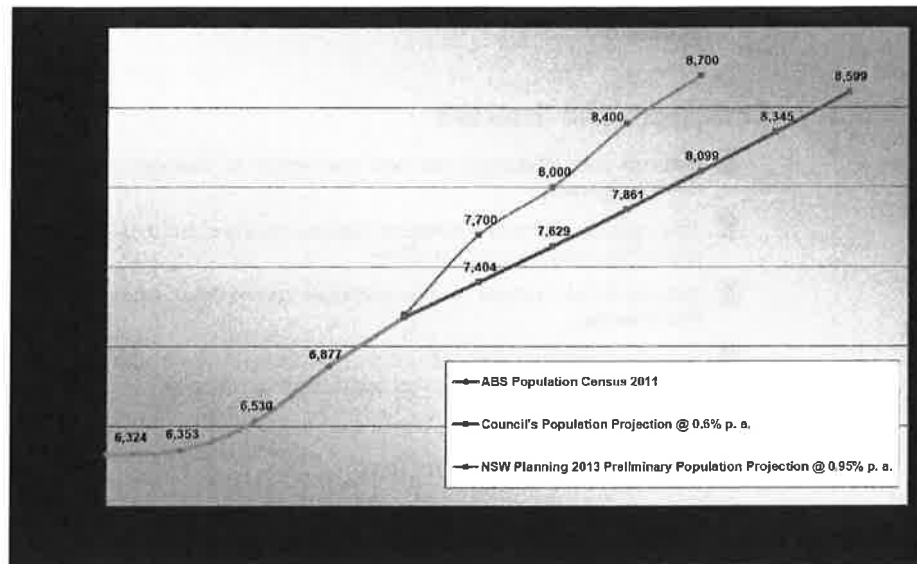
Blayney Shire Council has had a compounding population growth of 0.6% p.a. during the 20-year period between 1991 and 2011 (Based on ABS data – Regional Population Growth, Local Government Areas, NSW – 1991 – 2011, April 2013, Ref. 3218.0).

Population growth for Council has been estimated to be at 1.2% p.a. by Centroc (Western Research Institute - WRI, 2008). NSW Planning (2013) projected that the population would grow on average by 0.95% p.a. during the period between 2011 and 2031.

Council has adopted a long term average growth rate of 0.6% p.a. for sewerage services planning purposes (based on data from Central Tablelands Water Joint Integrated Water Cycle Management (IWCM) Detailed Strategy Study, NSW, June 2013)

The ABS census data, NSW Planning forecasts and Council's projection for sewerage service planning are shown graphically in the figure next page.

Figure 7 – Blayney Shire Council Population Growth Projections



For sewer fund financial modelling purposes, the projected number of assessments adopted is based on the 1,927 (Residential: 1,639; Non-residential: 288) assessments in June 2013 (Reference: Blayney Shire Council Special Schedule 5 for the year 2012/13) and factored up on a pro-rata basis in line with the adopted growth forecasts.

### 5.5.2 Development

- The key sectors driving economic output within the LGA are agriculture, manufacturing and mining.
- The major employers within the Shire are Newcrest/ Cadia Mining, Linfox and Nestle. Sea-link, a cold storage facility also operates in Blayney.
- New mines may be opened within the LGA increasing the potential for growth in the near term.
- Land releases are planned in North Millthorpe (96 rural residential lots)

### 5.5.3 Public Health

- The residents of Blayney Shire are within reasonable distance to major regional centres including Orange, Bathurst and Sydney. The nearest base hospitals are located in Orange and Bathurst.
- Limited medical services in the Shire are considered an impediment to growth in the region.

### 5.5.4 Environment

- Algal blooms are now commonplace in the regional waterways; flows of almost all of which are regulated.

- The Shire continues to have good air quality however increasing through traffic of heavy vehicles may contribute in the long-term to air pollution due to vehicular emissions.

#### **5.5.5 Transport and Tourism**

- Blayney and Millthorpe are well connected to Orange, Bathurst, Dubbo and Sydney by road.
- The upgrade of the Mid-Western Highway is expected to drive growth of industrial properties in and around the Shire.
- Blayney is the railhead for the container terminal that exports to Port Botany and Port Kembla.
- Council is collaborating with Wellington Shire Council, Cabonne Council and the Regional Tourism Board to increase tourism in the area.

#### **5.5.6 Technology and Information**

- Advanced information management would provide better financial and operational analysis and lead to continual service improvement.
- Improvements in reliable mobile access and availability of high-speed (broadband) internet access in future will enhance opportunities for growth and development. This would also provide opportunities for tele-commuting.

#### **5.5.7 Government Legislation/ Policy**

- Potential for changes to effluent quality requirements and EPA licence requirements will have drastic impact on Council finances
- The notion that State Government shifting responsibility and costs to councils is considered a major threat to the Council
- Possible loss of council, headquarters, local representation either due to amalgamation or centralisation of government services is considered a major government policy related issue for the Council.



## 5.6 Service Provision

Council's future growth projections indicate that there is insufficient extra capacity in the sewerage system to meet the expected future demand due to forecast growth and development in the LGA for the next 30-years. Also, the sewerage scheme will need to be maintained to cope with ageing assets and increasing demand. Council plans to extend services to urban growth areas as required.

Council's response to the forecast of likely future demands and changes to service provision are summarised in the table below.

Table 5-2: Future Demands and Responses

Changes	Council Actions
Customer Growth Rate	<ul style="list-style-type: none"> <li>Extend services to villages areas, where financially feasible</li> <li>Account for growth in demand plans</li> </ul>
Commercial Growth	<ul style="list-style-type: none"> <li>Extend services to urban development areas</li> <li>Account for growth in demand plans</li> </ul>
Environmental Changes	<ul style="list-style-type: none"> <li>Attempt to collect more climate data to improve yield models</li> </ul>
Service Culture	<ul style="list-style-type: none"> <li>Provide refresher training to staff on customer service</li> </ul>
Technology Changes	<ul style="list-style-type: none"> <li>Monitor technology changes to enable appropriate decisions to be made during refurbishments, upgrades, augmentations etc.</li> </ul>
Tourism Growth	<ul style="list-style-type: none"> <li>Account for growth in demand plans</li> </ul>
Government Policy	<ul style="list-style-type: none"> <li>Keep abreast of changes in Government policies and Acts</li> <li>Apply for grants and subsidies</li> </ul>
Ongoing changes	<ul style="list-style-type: none"> <li>Participate actively in Centroc</li> </ul>

## 5.7 Service Delivery

The Federal Industry Commission Report on the Australian Water Industry indicated that there should be an efficient use of resources in the water industry – natural, physical and financial. The 1992 recommendations were wide-ranging and covered matters such as pricing and structural reforms. This has been followed up by the NSW Government's Competition Policy and the Independent Pricing and Regulatory Tribunal's Pricing Principles for Local Water Authorities. In addition, the Local Government Association has issued a guideline to self-regulation, which suggests ways Councils can improve their service delivery.

Council has considered the advantages and disadvantages of various methods of service delivery including full service contract, part-service contract, BOOT (Build, Own, Operate and Transfer), resource/ service sharing, and in-house resourcing.

Currently the majority of operation and maintenance works are carried out using in-house resources. Council contracts out work for minor operations such as maintenance and pipeline cleaning.

Council will contract out major works and will consider contracting out where in-house expertise and resources are limited and where more economical solutions may be available. A BOOT approach is not seen as desirable.

Resource sharing/ shared services and knowledge/ information sharing (e.g. trade waste and road safety) etc. are of particular interest to Council and across the region. Considerations include rates, hire agreements, qualifications, skills, shared service agreements, panel contracts, long-term contracts, buying power, etc.

Main advantages of resource sharing are:

- There would be a reduction in the number of resources required by Council as these would be shared with the other organisations.
- By sharing the resources associated with the provision of sewerage services with other organisations economies of scale would be achieved.
- May enables specialist expert team to be established and used on a regional basis.

This option is along the lines of Strategic Alliance discussed under the institutional arrangement alternatives. Council, in conjunction with Centroc, is planning to identify areas of co-operating with neighbouring Councils.

### 5.7.1 Conclusion

The various service delivery arrangements were rated on a scale of +1 (very possible) to -1 (very unlikely) as listed below.

Table 5-3: Service Delivery Options

Option	Ranking
Full Service Contract	-1
Part-Service Contract	+1
BOOT	-1
Resource/Service Share	+1

Council believes that under the current operating environment only part-service contract options and resource sharing will hold any real advantages in the foreseeable future.

## 6 Best Practice Management

### 6.1 Compliance Status

The NSW Office of Water (NOW) is responsible for the administration of the *Guidelines for Best-Practice Management of Water Supply and Sewerage* pursuant to section 409(6) (NSW Department of Water and Energy, 2007) of the Local Government Act 1993. A summary of Blayney Shire Council's current compliance status of the guidelines is listed in Table 6-1.

Table 6-1: Best Practice compliance

Best Practice Requirement	Status
Strategic Business Plan (including Financial Plan)	This document
Sewerage Service Pricing	
- Full cost recovery without significant cross subsidies	Compliant
- Complying residential charges, independent of land value	Compliant
- Complying non-residential charges	Compliant
- Development service plan including commercial developer charges	Compliant
- Appropriate liquid trade waste fees and charges	Compliant
- Complying liquid trade waste policy and approval for all discharges	Compliant
Performance Reporting	Compliant
Integrated Water Cycle Management (CTW)	Compliant
Asset Management*	
30-year capital works plan	Compliant (part of SBP)
Operations and Maintenance Plans	Compliant

\* Note: Development of Asset Management Plan is not currently a requirement of NOW Best Practice Guidelines; however, it is required to comply with DLG Integrated Planning and Reporting Framework, 2010.

## 6.2 Principal Issues

A number of issues have been identified as important to the future operation of the sewerage scheme. Table 6-2 presents a list of major issues and where they have been addressed in this Strategic Business Plan.

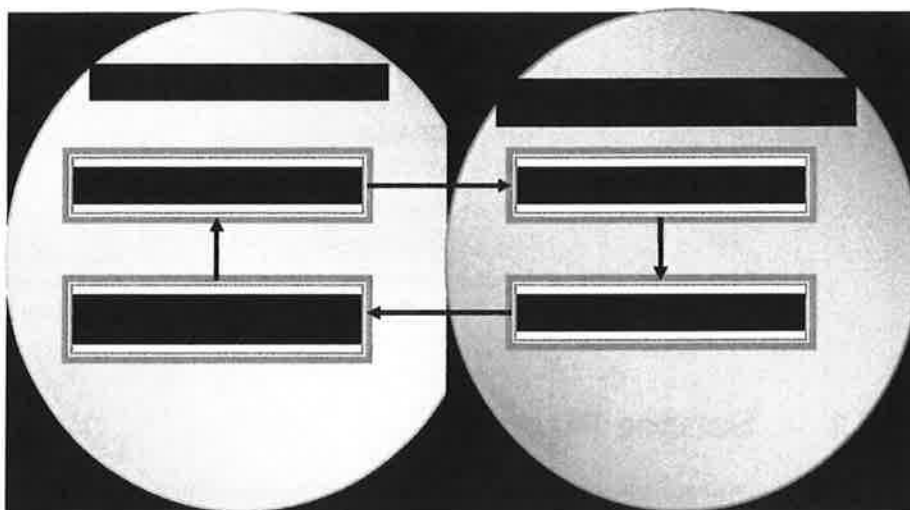
**Table 6-2: Principal Issues**

Issue	Section where this is addressed
Meeting NOW Best Practice Management Guidelines and the adopted levels of service	Performance Management (Levels of Service Review) (Section 8.1)
Service extension to urban growth areas (there are a number of villages that only have access to on-site sewage systems)	Areas Served (Section 8.2) Capital Works (Section 10.3)
Equitable service pricing including developer charges	Service Pricing (Section 8.4) Finance (Section 12)
Systematic rehabilitation and renewal of ageing assets (i.e. treatment plant and reticulation system, including manholes)	Maintenance (Section 10.2) Capital Works (Section 10.3) Finance (Section 12)
Meeting EPA license conditions	Performance Management (Levels of Service Review) (Section 8.1) Sewer Load Management (Section 8.3) Environmental Protection and Sustainable Development (Section 9)
Maintaining skilled staff resources	Work Force (Section 11)

## 7 Action Planning Overview

The relationship between "Service Solutions" and "Asset Strategy Planning" is represented in Figure 8.

Figure 8 – Relationship between Service Planning and Asset Strategy Planning



In order to achieve the levels of service, a number of objectives have been defined along with the actions that will aid Council in achieving these targets. An "Objectives and Actions" table has been created for each area of the Action Plan. The definitions for each of the key terms used in these tables is summarised in Table 7-1.

Table 7-1: Key Terms in Objectives & Action Tables

Section	Description of Contents
Objective (Goal)	Defines how key result areas contribute to service goals
Performance Targets	Expected Outcomes
Strategies	The plan for achieving the objective(s), expressed in general terms rather than specifics
Actions	Specific tasks to implement strategies and achieve objective(s)
Responsibility	Person in charge of task completion
Cost	Implementation (Implement) – One off cost Ongoing - Cost incurred annually over a number of years or at regular intervals

The responsibility for ensuring that each of the actions is undertaken has been assigned to a member of Council's management team. Each member of the team is identified by the acronym used for their position. A brief description of the responsibilities of each team member is contained in Table 7-2.

Table 7-2: Positions and Responsibilities

Abbreviation	Position
GM	General Manager
DIS	Director Infrastructure Services
DPES	Director Planning and Environmental Services
DCS	Director of Corporate Services
IM	Infrastructure Manager
HRM	Human Resources Manager
MFS	Manager Financial Services
OM	Operations Manager
EHO	Environmental Health Officer
RO	Risk Officer
SSS	Sewer System Supervisor

With respect to the expenditure, where the current levels of expenditure are considered sufficient to cover the required activities the acronym NAE (No Additional Expenditure) has been entered.

## 7.1 Service Planning

There is a relationship between the Levels of Service (LOS) to be provided to consumers and the actions that will be undertaken by Council. The following table shows how the Levels of Service map into the key result area action-planning framework. As such, it would be expected that any changes to current LOS would be addressed in the indicated objectives.

Table 7-3: Relationship between Objectives and Levels of Service

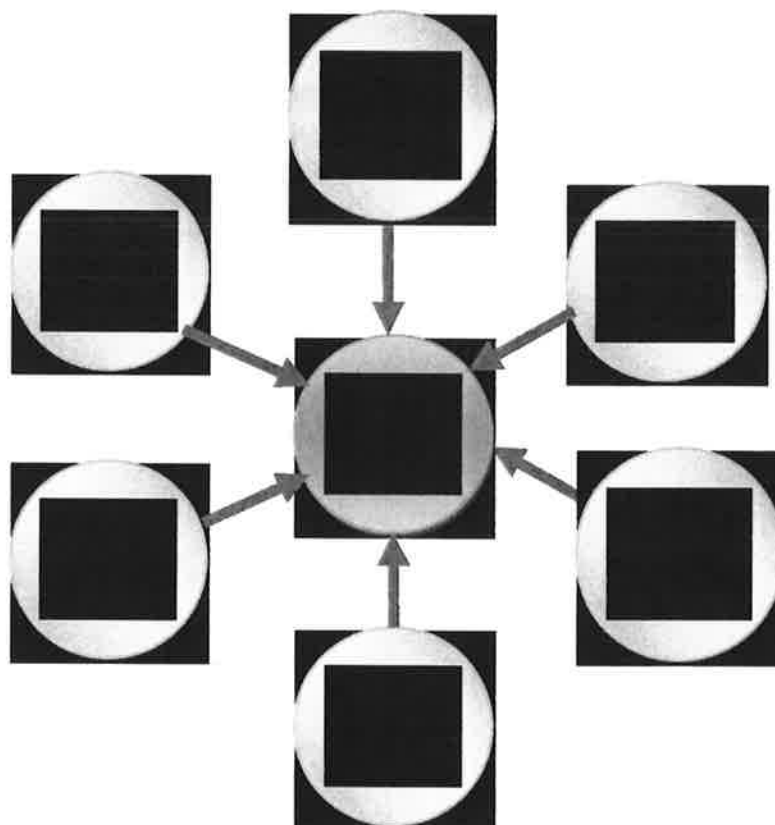
Objective	Levels of Service
Service Performance Management	Sustainability
Area Serviced	Availability of Service
Sewer Load Management	Discharge – Trade Wastes Failures (Inflow/Infiltration)
Pricing	Availability – user pays Rebates – pensioners
Customer Relations	Interruption advice Complaints/Enquiries
Community Consultation	Service pricing Environmental impacts
Environment	Sewage overflows/ treatment Effluent and sludge disposal/ reuse
Operations	Sewer blockages Response times

Objective	Levels of Service
Maintenance	Failure – breakdowns Interruptions – planned and unplanned
Capital Works	Failures/ service interruptions – asset renewal program Effluent disposal - compliance
Work Force	Interruptions – staff on call Customer complaints/ requests Response times
Finance	Financial sustainability/ Business continuity Affordability - model

## 8 Customer Service Plan

The Customer Service Plan covers activities, which involve interaction between Council, its customers and the wider community as illustrated in Figure 9.

Figure 9 – Components of the Customer Service Plan





## 8.1 Performance Management (Levels of Service Review)

The Levels of Service discussed in Section 4, are designed to reflect an optimisation of the desired service provision, what is affordable, and the system's capability. These considerations take into account legislative requirements, industry standards and customer demands.

This section reviews the services currently provided by the Council's sewerage scheme. In addition to identifying areas where improvements are necessary, the review also refers to aspects of the operation that are being performed well.

The Levels of Service Review objective should enable the community to be aware of, and endorse the Levels of Service provided. As a public document, this report provides the necessary background information.

To demonstrate continuous improvement, Council will seek to provide the target Levels of Service in the most efficient manner. A number of items are of particular importance and these will be addressed under the relevant key result areas.

Under the NOW Best Practice Management Guidelines, a performance review is required to demonstrate that Council is either achieving the Level of Service or progressing towards achieving the target levels. Monitoring and benchmarking are needed to help Council determine if the methods are appropriate or more effective than other Councils. Performance data is forwarded to NOW in September each year.

A benchmarking exercise is then conducted to ensure Levels of Service are comparable to others in the industry at present. The outcome of the benchmarking exercise is provided as a feedback from NOW to the Councils as a 2-page Triple Bottom Line (TBL) report. The TBL report should be reviewed and an action plan to address areas of under-performance prepared by the Council.

In accordance with the Inter-Government Agreement on a National Water Initiative signed between the Commonwealth and the State Governments, NOW has introduced independent auditing of the performance data reported by all non-major water utilities for a comprehensive set of performance indicators developed by the National Water Commission (2012). The audit verifies the reliability and accuracy of the performance data reported by Water Utilities and enables meaningful state-wide and nation-wide benchmarking and comparison of key issues affecting water utilities and their customers. The performance audit is to be undertaken at least once in three years. Currently, audits are only applicable for utilities with more than 10,000 connections and hence not applicable to Blayney Shire Council.

Generally Council has been performing well in respect of the Levels of Service. Maintaining the levels of service is Council's current priority.

Table 8-1: Objective &amp; Actions – Levels of Service

Objective					
Levels of services are in accordance with community expectations					
Performance Target					
100% compliance with the agreed Levels of Service					
Strategies					
Comply with Best Practice Guidelines					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Review and update Strategic Business Plan	2013	4 yearly ongoing	DIS/ IM		20 every 4 years
Implement and monitor SBP Action Plans		Ongoing	IM/ OM		NAE
Monitor and review LOS targets and report performance to NOW	Annually	Ongoing	OM		NAE
Report key performance indicators and TBL reports to Council	Annually	Ongoing	DIS		NAE
Input and review of special schedules for Div. of Local Govt. in the financial statements	Annually	Ongoing	MFS/ IM		NAE
EPA compliance reporting for licence renewal	Annually	Ongoing	OM		NAE
SoE reporting	Annually	Ongoing	DPES		NAE

## **8.2 Areas Serviced**

This section of the Customer Service Plan addresses Council's intentions in the provision of sewerage services for the next thirty years.

The extension of sewerage services to new areas is dependent on a range of factors, the most important of which are:

- The growth in rural settlements
- The impact on levels of service to existing customers
- The environmental impact of the works
- Cost to customers associated with extending services

When extending services, Council will:

- Treat all residents as equal for the provision of services
- Consider residents expectation of service
- Consult community when considering new development areas or backlog programs
- Compete with neighbouring Councils in attracting commercial and industrial developments;

The main issues considered are:

- Providing sewerage services to future growth and development areas
- Ensuring that sewerage planning in line with the LEP is integrated with overall Council planning to eliminate pressure from developers and avoid the under-utilisation of services

With regard to the development of new areas identified in Table 8-2, it has been assumed that there will be some form of development over the next 30 years.

Council have indicated that they may consider providing reticulated sewage services to Carcoar, Lyndhurst and Mandurama in the medium to long term.

The villages of Barry, Neville and Newbridge are not connected to a sewage system. Residents live on large blocks where onsite septic tanks are used. It is not considered financially practical to connect to the existing system.

**Table 8-2: Current and Future Service Areas**

TOWNS	Current (2012)		Future (2041)	
	Population	Service	Population Growth	Service
Blayney	2810	Reticulated sewerage	3971	Reticulated sewerage
Millthorpe	737	Reticulated sewerage	1168	Reticulated sewerage
Carcoar	215	Septic tanks	256	Reticulated sewerage
Lyndhurst (including Somers and Garland)	219	Septic tanks	260	Reticulated sewerage for the village of Lyndhurst
Mandurama (including Errowanbang, Burnt Yards and Gallymont)	496	Septic tanks	590	Reticulated sewerage for the village of Mandurama
Villages of Barry, Neville and Newbridge	305	Septic tanks	305	Septic tanks

**Table 8-3: Objective & Actions – Areas to be serviced**

<b>Objective</b>					
Maintain existing designated service areas and provide service to selected un-serviced areas where economically feasible					
<b>Performance Target</b>					
Achieve 100% service connections in the designated service area by June 2015					
Complete feasibility study for village schemes by June 2016					
<b>Strategies</b>					
Encourage ongoing infill urban development to maximise use of existing facilities and investigate economic feasibility of servicing the villages of Carcoar, Mandurama and Lyndhurst					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Identify infill service areas	Started	June 2014	DPES	NAE	
Undertake feasibility studies for village sewerage schemes	July 2015	June 2016	DIS/ DPES	50	
Investigate and implement options for 100% service connections within designated service areas	January 2014	June 2015	DPES/MFS	NAE	
Provide sewerage services to villages as required	As identified			Refer to Capital Works Program	

## 8.3 Sewer Load Management

This section of the Plan outlines Council's intention in the management of loadings on the sewerage systems. While the impacts and management practices are of concern to the Customer Service Plan, the solutions must be an integrated part of the Asset Management Plan since they involve long-term system maintenance strategies.

Reducing hydraulic and biochemical loading on the system can:

- Effectively prolong the life of the existing assets;
- Defer new works programs;
- Make treatment processes more effective;
- Reduce siltation in the system and reduce pump wear;
- Reduce operation costs; and
- Improve environmental performance.

Problems of load management may occur due to changing development patterns affecting design capacity, trade waste discharges, stormwater, or ground water.

### 8.3.1 Inflow and Infiltration Management

Although water demand management can reduce the hydraulic load on the treatment works, the major factor is usually the ingress of water into the system. The challenge is to control and reduce any significant inflow and infiltration (I/I). The main reference for the management of Inflow and Infiltration was written by the Department of Land and Water Conservation (DLWC) in 1996. The section responsible for this study is currently part of NOW. The definitions used were:

- Inflow is stormwater that entered the sewerage system through direct ingress from illegal connections of roof drains, back yards and low gullies, manhole covers, surface water drain connections etc.
- Infiltration is stormwater that entered the sewerage system as a result of damage to the sewers due to cracking, breakage, open joints and broken junctions etc. Infiltration can occur in dry weather as well as wet weather if the pipes are below the water table, or adjacent to a streambed

The main issues identified with regards to inflow and infiltration are:

- Wet weather inflow and infiltration (I/I) caused by a combination of illegal connections, defective pipes and access chambers; and
- Wet weather hydraulic loads and associated operational impacts on STPs.

The primary strategies for reducing I/I are:

- Education of plumbers and the general public regarding illegal connections; and
- Inspection of sewers to find damaged areas; and
- Smoke testing to find illegal connections.

Currently, during large, infrequent wet weather events, surcharging/overflows occur at the STP inlet works. This problem is being addressed through the inflow/infiltration program.

### **8.3.2 Trade Waste Management**

The treatment system functions can be jeopardised by shock loads of high nutrient or high biological oxygen demand wastes or toxic chemical loads. These loads are more likely to come from trade waste than domestic waste. Therefore, Council needs to assess the current levels of liquid trade waste discharges by non-residential customers into the town sewer system.

Council needs to review and update its trade waste policy and regulatory framework to control commercial and industrial discharges into the system. The policy is to be fully implemented in accordance with NOW guidelines by June 2014.

Further, as industry develops, trade waste policy will be reviewed to outline service expectations to developers, targeting in particular, chemicals, fuels, oils and hospital discharges and would start with a survey to determine the contributors.

Council plans to address the following main issues in this regard by updating the trade waste register and implementing trade waste policy to protect the sewers and STP from the impacts of high strength waste discharges.

**Table 8-4: Objective & Actions – Sewer Load Management**

<b>Objective</b>					
Minimise hydraulic loads due to infiltration, inflow and illegal connections and manage any industrial and commercial pollutant loads					
<b>Performance Target</b>					
Implement Infiltration/Inflow (I/I) program by 2015					
<b>Strategies</b>					
Implement Inflow/Infiltration program					
Implement Trade Waste Policy					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Undertake inspection of mains for Inflows/ Infiltration					Refer to Recurrent cost schedule
- smoke testing	Started	2019	DIS/ OM		
- CCTV program					
- Pump flow/ flow gauge analysis					
Send out notices and enforce removal of illegal connections		Ongoing	DIS/OM		
Prepare analysis/defects report and develop work program		Ongoing	IM/ OM		
Sewer relining/replacement program	Started	June 2019	DIS/OM	1,000	
Implement sewer manhole rehabilitation program	July 2014	June 2019	OM	500	
Maintain trade waste register and report to NOW		Ongoing	EHO		20
Liquid trade waste awareness campaign	March 2014	Annually ongoing	EHO		NAE
Monitor oil & grease traps services		Ongoing	EHO		5



## 8.4 Pricing

This section of the Plan outlines Council's intentions regarding the pricing of sewerage services.

Council's pricing policy will conform to the following general principles:

**Equity** - adoption of user pays principles. Residential and non-residential revenue to be collected via a two-part tariff which reflects the level of water used and hence the load on the sewer system. (It is considered equitable that people pay for the cost of the services they use).

**Financial** - provision of adequate cash flows to meet operating costs and to fund future capital works (as determined in the financial plans).

**Customers** - provision of a service of desired quality and reliability at a fair and affordable price.

**Cross subsidies** - should be fully disclosed in Council's reporting.

**Community service obligations** - provision of services to pensioners, disadvantaged groups and general community amenities, to be recognised.

**Other** - simplicity of pricing structure for ease of understanding by customers and stability of income.

### 8.4.1 Sewerage Charges

Best Practice Pricing Guidelines for sewerage services recommend adoption of two-part tariff structure for non-residential customers that has features such as:

- Uniform annual charges for residential customers
- A two-part, access and usage charges for non-residential customers;
- Trade waste charges for identified commercial and industrial customers; and
- Assessment and adoption of appropriate sewage discharge factors for commercial and industrial customers

The best practice tariff structure provides revenue stability and sustainability for the sewerage services and sends signals to business and industrial customers to conserve water as a resource.

The current non-residential sewerage charges do not comply with the current Best Practice recommendation. Council's sewerage charges are shown below.

Table 8-5: Charges for Blayney Sewerage Services

Charge	2013/14
Residential:	
- General	\$496/year
- Vacant/unmetered	\$256/year
Non-Residential*	
- Access charge (20mm water service)	\$436/year
- Access charge (25mm water service)	\$676/year
- Access charge (32mm water service)	\$1,108/year
- Access charge (40mm water service)	\$1,732/year

Charge	2013/14
- Access charge (50mm water service)	\$2,705/year
- Access charge (80mm water service)	\$6,693/year
- Access charge (100mm water service)	\$10,812/year
- Access charge (150mm water service)	\$23,328/year
- Vacant/unmetered	\$256/year
- Usage charge (\$/KL)	\$1.15
* The charges are adjusted for discharge factor and are subject to a minimum total annual charge equivalent to occupied residential charges	

**Table 8-6: Charges for Millthorpe Sewerage Services**

Charge	2013/14
<b>Residential:</b>	
- General	\$788/year
- Vacant/unmetered	\$701/year
<b>Non-Residential*</b>	
- Access charge (20mm water service)	\$740/year
- Access charge (25mm water service)	\$1,156/year
- Access charge (32mm water service)	\$1,892/year
- Access charge (40mm water service)	\$2,956/year
- Access charge (50mm water service)	\$4,624/year
- Access charge (80mm water service)	\$11,832/year
- Access charge (100mm water service)	\$18,484/year
- Access charge (150mm water service)	\$41,592/year
- Vacant/unmetered	\$701/year
- Usage charge (\$/KL)	\$1.15
* The charges are adjusted for discharge factor and are subject to a minimum total annual charge equivalent to occupied residential charges	

### 8.4.2 Developer charges

Developer Charges are up-front charges levied under Section 64 of the Local Government Act to recover part of the infrastructure costs incurred in servicing new developments or additions/changes to existing developments. Developer charges serve two related functions:

- They provide a source of funding for infrastructure required for new urban development.
- They impact on the costs of urban development and thus encourage less costly forms and areas of development.

Current developer charges are shown below.

**Table 8-7: Developer Charges**

Service	Area	2012/2013
Sewer	Blayney	\$2,367
	Millthorpe	\$6,215

Council's Development Servicing Plan (DSP) is currently under review in accordance with NOW Developer Charges Guidelines. Council intends to adopt the DSP in 2015.

**Table 8-8: Objectives & Actions – Service Pricing**

<b>Objective</b>					
Ensure scheme achieves full cost recovery and reflects best practice guidelines					
<b>Performance Target</b>					
Review sewerage tariff by March 2014					
Review and update developer charges by December 2014					
<b>Strategies</b>					
Rates and charges reviewed annually to meet financial planning revenue goals					
<b>Action</b>	<b>Start</b>	<b>End</b>	<b>Responsible</b>	<b>Cost (\$'000)</b>	
				<b>Implement</b>	<b>Ongoing</b>
Complete review and update of DSP including developer charges	July 2014	Dec 2014	DPES/ DIS	15	
Review and update sewerage tariffs in conjunction with sewer fund LTFP	January 2014	March 2014	MFS	NAE	

## 8.5 Customer Relations

Council aims to maintain good customer relations through the:

- provision of a quality service,
- keeping customers informed of Council's intentions,
- responding to customer and community needs

Council believes it operates a service that is reliable, has a good level of service and provides a quick response to problems.

Customer satisfaction is measured in a variety of ways to suit the circumstances and to give a valid indication of the extent to which customers feel satisfied with the type, quality, cost and performance of service provided. Keeping customers informed is agreed by Council to be important for good customer relationship. Council has adopted a 'Complaints Policy' and developed and adopted a detailed complaints handling and resolution procedure. It also maintains requests and complaints register that classify and record requests and complaints, these are analysed to identify where conditions are deteriorating. Actions should then be seen to be taken to improve these situations.

Council promotes a customer focussed, socially responsive communications culture for service provision issues.

Regarding customer relations, Council currently:

- Undertakes regular staff training on customer relations procedures.
- Included sewerage information in the regular Council new section of the local newspaper, examples include updates on major construction project
- Public meetings through monthly report at Council meetings
- Customer surveys – project specific e.g. IWCM
- Customer contact – phone and front desk
- Public display of Management Plans, Annual Reports and Business Plans
- Information brochures and flyers
- Council website

Adherence to the published levels of service is important and notification of any planned failure to comply should be given wherever possible. Performance monitoring and reporting is very important for updating and review of the Strategic Business Plan.

In order to carry out Council's mission to focus on the community expectations, a level of communication is required so that the community is satisfied that the Council's decisions are responsive to their needs.

**Table 8-9: Objectives & Actions – Customer Relations**

<b>Objective</b>					
Keep stakeholders informed of issues relating to the sewerage services and provide services in a professional and efficient manner					
<b>Performance Targets</b>					
Customer survey conducted every 4 years					
Achieve at least 80% customer satisfaction level in customer surveys by 2014					
<b>Strategies</b>					
Keep staff well trained in providing good customer relations.					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Implement customer feedback system		Ongoing	DCS	NAE	
Analyse and monitor feedback reports		Ongoing	DIS		NAE
Staff training on customer relations	Started	Every 5 years	DIS/DCS		NAE
Conduct customer survey	Started	Every 4 years	DCS		NAE
Notify customers of planned service interruptions		Ongoing	DIS		NAE

## 8.6 Community Involvement

This section of the Plan outlines Council's intentions in involving the community in decision-making during the development of major infrastructure schemes. Community consultation is not only highly desirable in terms of major capital works, but there are requirements under the Environmental Planning and Assessment Act and the Local Government Act, which need to be satisfied. The aims of community consultation are to:

- Develop ownership of the service delivery issues by the community, and to gain agreement that action is required;
- Ensure that the concerns of the community, particularly social and environmental concerns, are taken into account;
- Allow the community to propose options it wants evaluated and ensure that the costs associated with decisions are acceptable; and
- Demonstrate to the community that Council is making the best decisions after the proper evaluation of all the issues.

Development and review of the Local Environmental Plan, sewage treatment process improvements, revision of tariff structure and developer charges, all benefit from direct involvement of the community. Periods of public display, public comment and notices to ratepayers and business groups to advertise the opportunity to comment are typical consultation processes.

Methods that Council uses to consult the community include:

- Project specific advisory committees (e.g. IWCM)
- Community meetings (as appropriate)
- Public meetings and village tours (as required – for example school trips to the STP)
- Public forum at Council meetings
- Councillors' feedback
- Newsletters/Media

The following aspects are considered when undertaking community consultation:

- Members of community who are not directly affected by a project may also have concerns;
- There must be a balance between due process and risks in order that a satisfactory level of progress can be maintained; and
- While community consultation on projects is highly desirable, it can be a lengthy and costly process. Project lead times and budgets need to be programmed to take account of this.

Proposed sewerage issues that Council will consider for community consultation include:

- Service extension under the LEP
- Section 64 charges review

Council intends to maintain the existing methods of consultation for all major capital works or decisions.

Council's current objectives and actions with regards to community involvement are shown below.

**Table 8-10: Objectives & Actions – Community Involvement**

<b>Objective</b>					
Engage the community in consultation in the delivery of sewerage services as appropriate					
<b>Performance Target</b>					
Community involvement on all significant capital works and policy decisions					
<b>Strategies</b>					
Ensure community consultation and awareness					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Implement Community Engagement Strategy		Ongoing	DIS		NAE
Review of prospective consultation program and report to Council	January Annually	Ongoing	DIS		NAE
Liaise with the community and carry out stakeholder consultation as required	As required	Ongoing	DIS	Included in the capital works	



## 9 Environmental Protection and Sustainable Development

The Environment objective addresses Council's intentions in managing the sewerage scheme to minimise the impact on the environment, protect environmentally sensitive areas and promote ecological sustainability.

It is recognised by Council that a responsible, region-wide approach to environmental protection and sustainable development is needed. Council's vision is to conserve and enhance the natural environment through sustainable management practices. Council's program will focus on identifying sensitive areas and undesirable outcomes. The driver is simply the need for the improvement of existing practices. As part of Council's due diligence, the following will be considered:

- Achieving environmental objectives should strengthen, not threaten the local economy; and
- Local knowledge and enthusiasm for sustainability should be harnessed.

The table below summarises the 'state of the environment' in regard to sewerage operations.

**Table 9-1: State of the Environment for Sewerage Operations**

Receiving Environment	Location	Activities impacting on the environment	Response of the Council/ Government/ Community
Land	Waste disposal sites	Disposal of detritus, screenings from STP Disposal of sludge	- Tipping - Tipping/ Application on land
Air	Pump stations Sewage Treatment Plant	Odour pollution	- Ongoing maintenance of pumping stations - Deodorisation beds - Monitoring and control of liquid trade waste contributors through trade waste approvals
Water	Stormwater drainage Creeks Rivers	Downstream pollution	- Minimising discharge to Belubula River by reuse - Minimising stormwater overflow

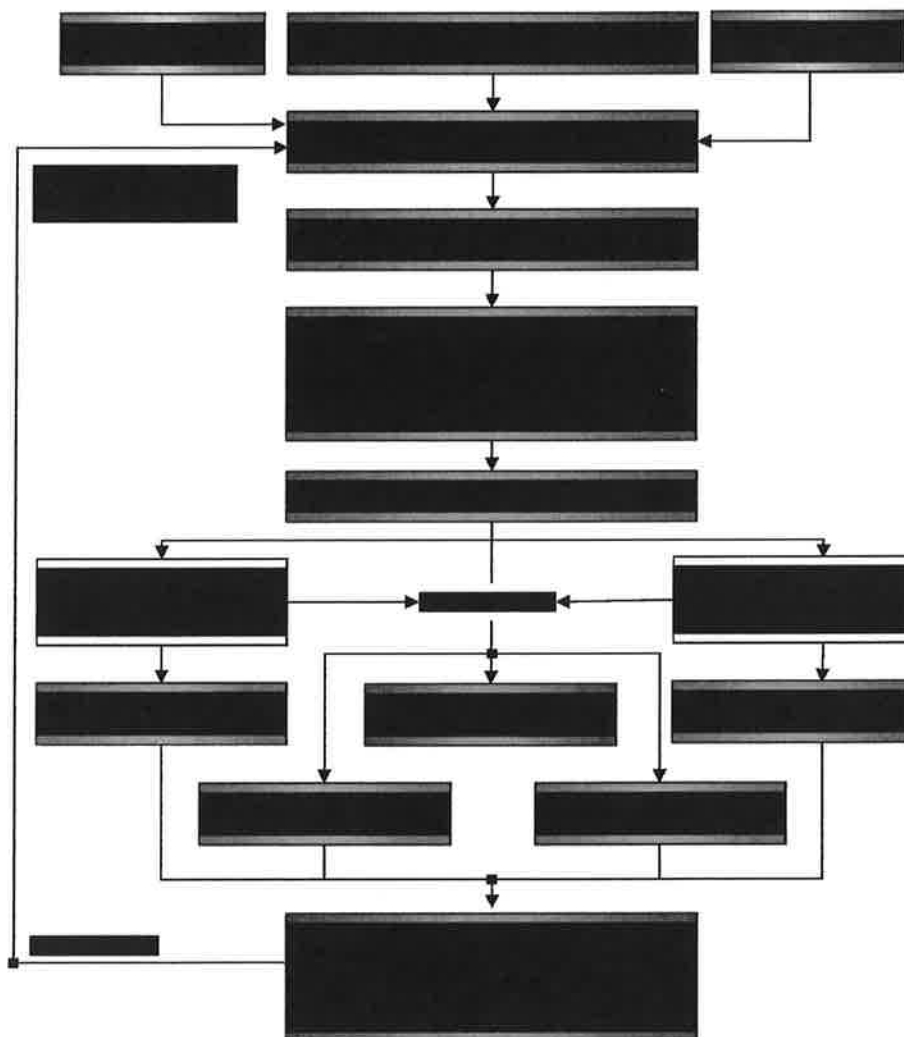
**Table 9-2: Objectives & Actions – Environment & Sustainability**

<b>Objective</b>					
Manage sewerage in an environmentally responsible manner					
<b>Performance Target</b>					
Comply with all regulatory and licence requirements					
<b>Strategies</b>					
Practice due diligence to ensure compliance with regulatory requirements					
Minimise environmental impacts					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Prepare and implement Bio-solids Management Plan	July 2014	June 2015	OM	10	
- Regular testing					
- Identify and evaluate options for beneficial reuse					
Carry out Energy Audit	Started	June 2014	OM	10	
- Review energy usage					
- Implement audit recommendations					
- Energy saving measures such as VSD pumps, pump operating procedures etc.					
Implement PIRMP		Ongoing	OM/ RO		NAE
Monitor implementation of LTW Policy		Ongoing	EHO		NAE

## 10 Total Asset Management Plan

This section contains information that Council will use in managing its sewerage assets throughout their whole life cycle. This includes asset creation, operation, maintenance, replacement and disposal. The Best Practice approach to asset management is outlined in Figure 10.

Figure 10 – Best Practice Asset Management Approach



Current Government policy is directed towards lifecycle asset management. Solutions in the past have often been capital intensive so there is the potential to generally reduce capital works costs for councils over the long term. The 'best practice' flow chart describes a methodology for improving asset management planning. This model is not intended to reflect the structure of the Asset Management Plan but rather provides a guide for continuous improvement. Some of the benefits of implementing this model are:

- Appropriate asset solutions;
- Optimal balance of capital works and maintenance;
- Maximisation of asset life and utility; and
- Cost effective and sustainable asset management.

The type of asset portfolio involved in sewerage services warrants significant investment of resources for its management. Council intends to adopt a Total Asset Management (TAM) approach for the schemes' management to ensure that assets are managed as effectively as possible i.e. optimisation of the whole of the asset lifecycle rather than focusing on asset creation alone. Following the TAM Approach, this section of the business plan reviews and develops objectives and strategies for the management of:

- Operations;
- Maintenance; and
- Capital Works.

Each of these components of the Plan deals with separate issues relating to the Scheme, but since they are interlinked several combinations of structured and non-structured solutions could result in providing the same level of service.

The implementation of an asset management system by Council will provide a vital repository for Council's asset related information such as: asset location, aerial photographs, financial and asset costs, construction and acquisition details and other asset attributes such dimensions. Key functions of the system include:

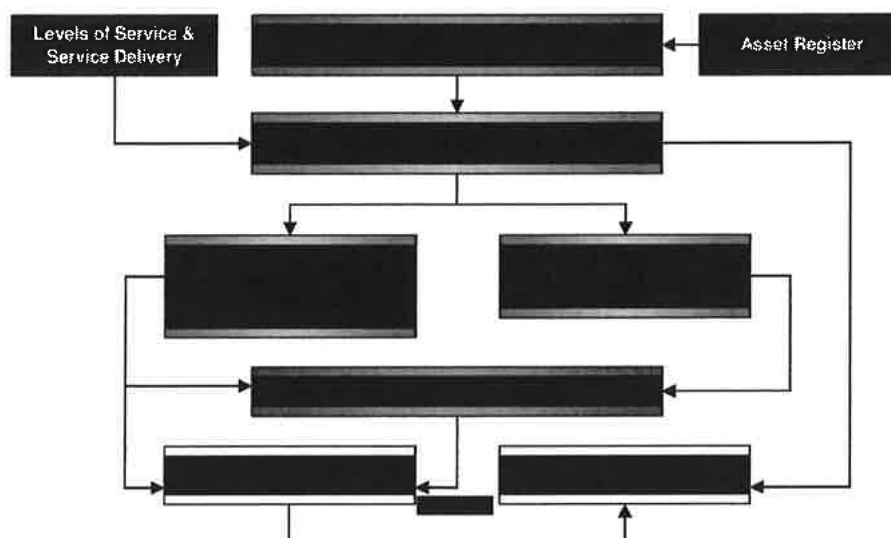
- Maintenance history;
- Maintenance planning;
- Operations management;
- Asset condition rating and values;
- Capital works planning;
- Asset disposals; and
- Customised reporting.

Anticipating the need for asset replacement is vital given the significant investment of resources involved and the need to ensure funds are available. Under the Total Asset Management approach a schedule of expected capital works is estimated into the future. Both current and projected capital works to satisfy future demands in terms of growth, improved Levels of Service and replacement of existing assets are identified. Appropriate operation and maintenance activities also are identified, to suit the desired level of service delivery. This includes documentation of the rules and procedures at system and facility level. All these details are used in the financial plan to ensure that required funds are available when needed.

## 10.1 Operations Plan

This section of the Plan outlines Council's strategy for operation of the sewerage scheme in the future. The function of an operations plan is to ensure that the service objectives are achieved at the least cost, with minimal interruptions to services. This may be achieved through the process illustrated in Figure 11.

Figure 11 – Operations Flowchart



Provision of the agreed Levels of Service to customers is dependent on the efficient and effective running of operations. An operations analysis will form the interface between the operations and capital works plans by identifying what level of service the existing assets can provide and what additional works are needed to bridge any gap between existing and desired service levels.

The operations plan is based on knowledge of the system assets and as such, there are ongoing requirements for maintaining an appropriate asset register and for investigating the condition of key elements of the systems that affect the ability to deliver the desired Levels of Service. Contingency operations plans (emergency response plans) should be developed where the impact of failure is significant. The existing inspection and maintenance procedures are appropriate, however the utilisation of improved technology need to be investigated.

Asset condition surveys required include inspection for main breaks in the sewerage system and CCTV spot check inspection of sewer lines in the reticulation system. The Asset Register should be updated as an integral part of this recording process.

There are various documentation requirements for sewerage operations. Operating rules and procedures for both normal condition and breakdown contingencies need to be established. These should include system performance requirements and constraints, and cross reference to specific plant operations manuals (Water Directorate). Council recognises that a monitoring telemetry/ SCADA system leads to best operating efficiency and improves resource utilisation.

Further operations planning requirements for the Council are:

- Completion of documenting system operating rules and performance requirements for all subsystems and facilities;
- Improving the Assets Management System to enable identification of conditions of assets from assets register and maintenance reports; and
- Compliance with Work Health and Safety (WHS) requirements.

Existing operational systems, processes and procedures routinely deliver services that comply with levels of service and regulatory requirements.

Rapid changes in the operating environment in terms of customer expectations, improved environmental outcomes, resource conservation, higher regulatory standards etc. will require commensurate improvements in operations.

Main operational issues include the following:

- Asset condition audit and monitoring program – CCTV program
- Monitoring of operational performance
- Review and documenting of operating procedures for the STP and the effluent reuse scheme
- Weed control around STP site
- Sewer mains cleaning / root cutting
- Conducting a review of energy usage
- Conducting and implementing recommendations of a Safety Audit and complying with WHS regulations (last completed in 2009)

Council has developed a WHS Policy outlining the roles and responsibilities of all employees within the Council. As part of Council's ongoing commitment to Work Health and Safety requirements, all staff have been familiarised with the latest amendments to the WHS Act, Local Government Act 1993 and the Protection of the Environment (Operations) Act 1997.

Work health and safety hazards in sewerage operations include:

- Bacterial contamination
- Falling off structures
- Moving heavy mechanical parts
- Chemical exposure and handling
- Injuries due to sharps
- Electrical injuries
- Confined spaces

As part of Council's ongoing commitment to Work Health and Safety requirements, all staff have been trained in the relevant amendments to the WHS Act 2011, Local Government Act 1993 and the Protection of the Environment (Operations) Act 1997. The following table summarises Council's WHS performance during last 3 years.

**Table 10-1: WHS Performance**

Performance Indicator	2010/2011	2011/2012	2012/2013
Lost time due to injury (hours)	NII	NII	NII
No. of Workers compensation claims	NII	NII	NII



Records should be kept of maintenance and operations requirements. The aim is to:

- Reduce delays or periods of reduced service;
- Determine the limit of acceptable substandard operation; and
- Determine the cost effective breakeven point.

The most cost effective strategy for each asset (either by class or individually depending on the asset) should be identified as either:

- Scheduled maintenance - fixed time or condition based;
- Reactive maintenance - failure based

The thrust of the Government's total asset management guidelines is to make the best use of existing assets by implementing systematic maintenance and rehabilitation plans. It could therefore be that increased maintenance costs will result from a critical review of the maintenance area. This in turn would be expected to be more than compensated for by a reduction in the need for capital works.

A complete assessment of the system is needed for the development of sound strategies to ensure the Levels of Service are not jeopardised by failure to address maintenance problems. A maintenance plan is needed to incorporate appropriate maintenance schedules and procedures. This should include references to specific plant maintenance manuals.

The Maintenance Plan has to consider the following information and issues on the existing system:

- Review and update the Maintenance manuals and the Maintenance Plan;
- Criticality analysis of systems to identify components of high risk and refine the maintenance strategy;
- Need for refresher training of key staff in dealing with mission critical functions;
- Maintenance has largely been on a fail and fix regime with no computer based maintenance management system. Asset audits – power, fire, M&E, spares, general condition audits etc. are necessary.

The expansion of some programs will require resources and it is possible that current activities such as grounds maintenance could be outsourced to release resources.



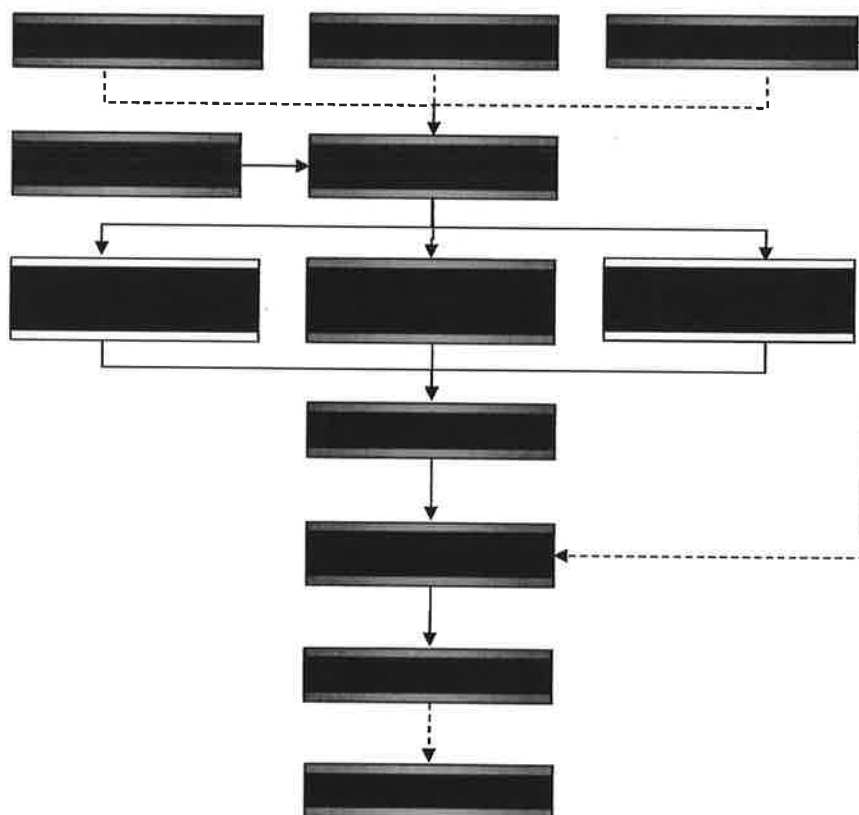
Table 10-2: Objectives &amp; Actions – Operations and Maintenance

Objective					
Operate and maintain assets to provide agreed levels of service at minimum life cycle costs					
Performance Target					
Prepare an Operations and Maintenance Plans by June 2015					
Strategies					
Continually improve operation and maintenance procedures and Reduce operational risks					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Prepare, implement and review sewerage asset management plans based on condition assessments of all assets and compliant with the Best Practice guidelines	June 2014	Jan 2015	IM	5	
Undertake maintenance cost analysis	Jan 2014 (Annually)	Ongoing	IM/ OM/ MFS		NAE
Maintain an up to date Asset Management System	July 2014	June 2016 (ongoing)	IM/ SSS	20	
Asset revaluation	July 2016	5 yearly	IM/ MFS		20 every 5 years
Prepare Operations Plan <ul style="list-style-type: none"> <li>Operations analysis</li> <li>Updating procedures and practices manuals</li> <li>Operating Rules</li> </ul>	July 2014	June 2015	OM/ SSS	NAE	
Prepare a Maintenance Plan <ul style="list-style-type: none"> <li>Predictive maintenance for critical assets</li> <li>Scheduled maintenance for less critical assets</li> <li>Breakdown maintenance strategy</li> </ul>	July 2014	June 2015	OM/ SSS	NAE	
Review and update operation and maintenance manuals	July 2015 (Annually)	Ongoing	OM/ SSS		NAE
Prepare Business Continuity Plan	July 2014	June 2015	RO/ OM	NAE	
Review and update PIRMP	Jan 2016	Aug 2016	RO/ OM	NAE	
Develop and maintain sewer reticulation model	July 2017	Ongoing	OM	25	3
Review and manage operational procedures for quality assurance and WHS risk management	Dec 2013	Ongoing	RO/OM	2	NAE
Undertake mains cleaning/ root cutting/ foaming program	As required	Ongoing	OM		NAE
Review and update system schematics and maintain engineering records	As required	Ongoing	OM		

### 10.3 Capital Works Plan

The capital works plan should make an assessment of scheduled work for growth, non-growth, and rehabilitation works over a 30-year period.

Figure 13 – Capital Works Flowchart



The Capital Works Plan is of crucial importance because sewerage infrastructure is capital intensive and the construction and renewal of facilities can have a significant impact on Council's overall finances.

In the process of preparing the Capital Works Plan, the following points have been considered:

- The development of sewerage schemes is a long-term investment, and must be integrated with Council planning policies.
- The capital works strategy needs to be regularly updated to take account of changing conditions.
- Consideration of the costs and benefits of alternative options.
- Acceptance by the community of the development proposals and costs.

A summary of the 30-year capital expenditure program is shown in Section 12. On the forward budget for the sewerage scheme, the following specific capital works are addressed:

- Augment and upgrade Blayney STP to meet sensitive waters standards
- Sewerage scheme for Carcoar, Mandurama and Lyndhurst
- Aeration Tank - Variable Speed Drives
- Lining/ Replacement of sewer mains
- Manhole rehabilitation program
- Telemetry upgrade

Further work is required to develop the capital works projections however the level of cost based on the current short term program and estimates for renewals in line with depreciation, provide an acceptable order of costs for the purposes of this Plan.

**Table 10-3: Objectives & Actions – Capital Works**

Objective					
Ensure systems have adequate capacity to meet current and future levels of service at minimum life cycle costs					
Performance Target					
Funded projects carried out on time and to budget in accordance with capital works program					
Strategies					
Develop and implement a 30-year capital works plan					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Develop a long-term (30-years) capital works plan	Started	Dec 2013	DIS/ IM	Refer to Capital Works Plan	
- For improved levels of service					
- For growth					
- For renewal/ replacement					
Implement a long-term capital works plan	As planned		OM		

## 11 Workforce Plan

The aim of the Workforce Plan is to ensure that Council has the appropriate staff numbers with the necessary skills to meet current and future requirements. If these are in order, Council's Levels of Service can be met.

As part of the Work Force Plan, Council will ensure the following:

- Operators are familiar with all current practices including WHS requirements;
- Up to date training program is in place for all staff (in particular training the treatment plant operators);
- There is succession planning for senior technical staff;
- Reviewing of job appraisal and jobs award scheme; and
- Additional resources including Trainee/ Apprentice for servicing new schemes as required.

Council's current Infrastructure Services Sections consists of 5 staff, who together operate and maintain the sewerage scheme. The organisational structure of Council's sewerage section is shown on the following page.

Figure 14 – Blayney Shire Council Organisational Structure – Wastewater Services

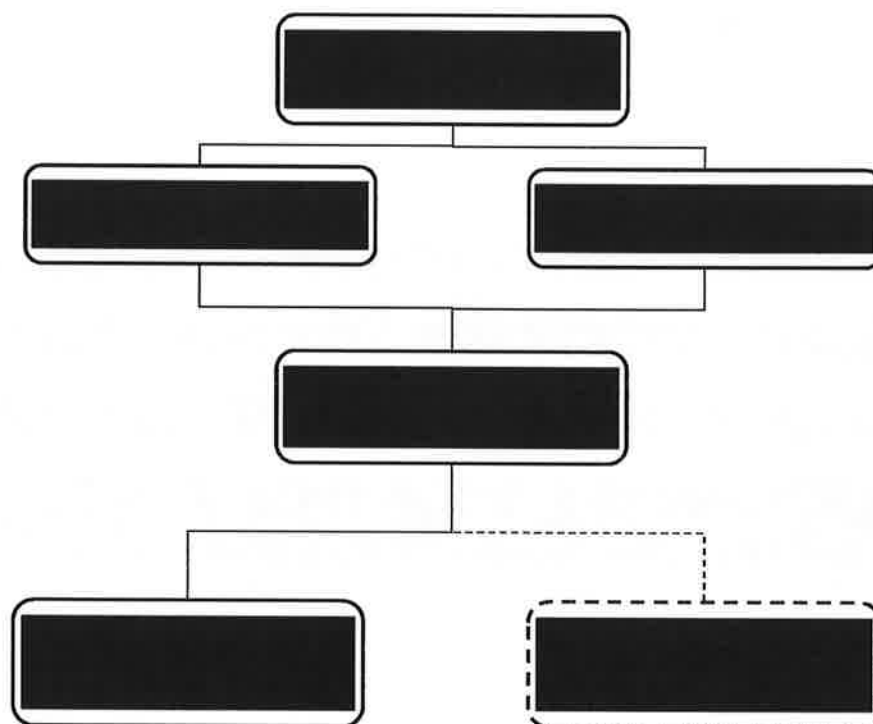


Table 11-1: Objectives &amp; Actions – Human Resources

Objective					
Have a proactive, productive and skilled staff with appropriate areas of expertise					
Performance Target					
Review and update Work Force Strategy every 4 years					
Strategies					
Maintain and implement a Work Force Strategy					
Action	Start	End	Responsible	Cost	
				Implement	Ongoing
Review WHS methodology and documentation	Annually	Ongoing	DIS/ RO		NAE
Implement Corporate Work Force Strategy		Ongoing	HRM		NAE
Prepare, implement and review staff training plan	Annually	Ongoing	HRM/ OM		5
Carry out staff appraisals & performance assessments	Annually	Ongoing	HRM/ OM		NAE
Recruit new staff			HRM/ OM		
- Sewer Service Operator	July 2014	Ongoing		80	80
- Environmental Health Officer (Part-funded)	Dec 2013	Ongoing		35	35

## **12 Financial Plan**

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### **12.1 Overview of Financial Planning**

The purpose of the Financial Plan is to enable Council to determine the revenues needed to meet the Levels of Service over the long term and effectively manage the cash flow.

Legislation requires separate accounting for sewerage services and the elimination of cross subsidies from Council's General Fund or other areas. Any cross subsidy deemed necessary by Council should be explicitly noted.

Council's commitment to provide the Levels of Service described in this document requires collection of revenues of the order shown in the detailed tables and graphs in Appendix G. Estimates of the cost of activities in the action plan have been modelled using the NSW Financial Model (FINMOD) issued by the NSW Office of Water (NOW) and represent the best projection of future costs possible at this time. Actual billings will depend on the levels of developer charges and pricing structure adopted.

Generally, recurrent operating costs should be covered by the annual sewerage charges.

Capital funds are drawn from the following four sources:

- Developer charges;
- Government grants;
- Annual sewerage charges / cash; and
- Borrowing.

In accordance with the NOW Financial Planning Guidelines, Council will develop its long-term financial models and establish a steady price path. The financial model forecasts will be used in setting up the tariff structure in accordance with the NOW August 2007 Best Practice Management Guidelines.

Council's objectives and actions with respect to financial planning are outlined in the table below.

**Table 12-1: Objectives & Actions – Financial Planning**

<b>Objective</b>					
Maintain a long-term financial plan to provide full cost recovery for scheme operation and asset replacement at an affordable level of cost to customers					
<b>Performance Target</b>					
Sewerage long-term financial plan in place by March 2014					
<b>Strategies</b>					
Establish long-term, stable sewerage price path through financial planning					
<b>Action</b>	<b>Start</b>	<b>End</b>	<b>Responsible</b>	<b>Cost</b>	
				<b>Implement</b>	<b>Ongoing</b>
Review operations and maintenance expenditure	Annually	Ongoing	OM		NAE
Review capital works programs	Annually	Ongoing	OM		NAE
Review developer charges every five years	5 yearly	Ongoing	DPES/ DIS	Refer to Pricing objective	
Review annual charges annually	Annually	Ongoing	MFS		NAE
Update Financial Plan annually	Annually	Ongoing	MFS		NAE

## **12.2 Financial Planning Process**

The objective of financial planning is to develop full cost recovery models based on life cycle management. It models appropriate funding strategies for the preferred service planning option and projects a price path for residential charges against which to assess affordability in the long term.

By taking a long-term view, financial peaks and troughs can be smoothed to provide the basis for a consistent charging policy and to highlight any current impact of future actions. The new NSW Financial Planning Model (FINMOD Version 4.0), issued by the NSW Office of Water (NOW) in November 2003, has been used for this modelling. A 30-year planning horizon has been adopted as recommended in the NOW Best Practice Guidelines. It is assumed that any government grants will be available as expected by the Council.

In establishing the financial plan a number of scenarios are explored in order to determine the best funding strategy for sewerage. A minimum level of available cash is modelled to reflect risk of variable annual revenues to ensure the robustness of the price path for at least 4 years.

AAS27 reporting for the financial statements requires that all funds be declared as assets under cash and investments in the statement of financial position. Also, assets are valued on the basis of current replacement cost and depreciated according to their remaining lives compared with their expected lives.

All capital works estimates in the text are quoted in real (2013/14) dollars unless specified otherwise. The output data is quoted in real and inflated dollars.

When assessing affordability, note that a \$1 charge now will be equivalent to \$1.80 in 20 years' time, assuming a 3% annual inflation rate.

A summary of the input data and results are included in the following pages. Detailed financial input data and output financial projections are available in the Appendices.

## **12.3 The Financial Model**

### **12.3.1 Inputs to the Financial Model**

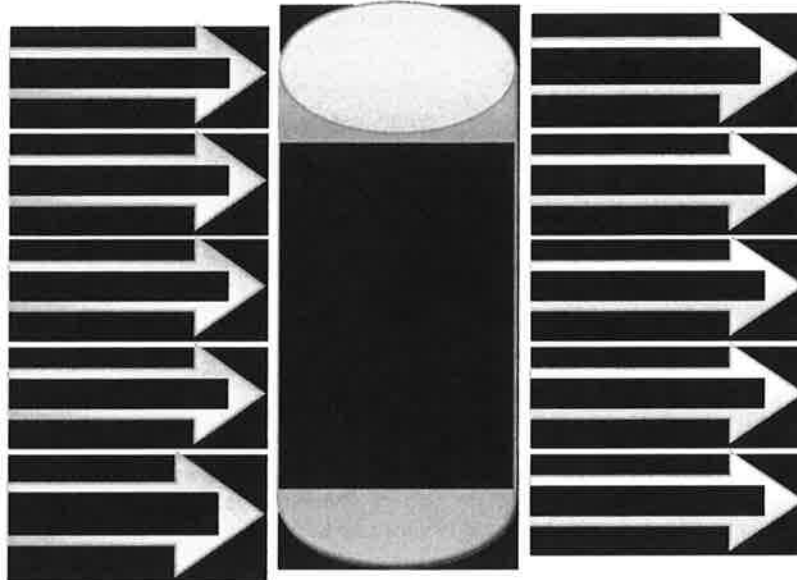
The financial model forecasts income streams to match projected expenditure. The diagram on the right illustrates the main elements, which affect the financial plan.

The financial modelling undertaken in this plan aims to:

- optimise the long term funding strategy,
- meet the demands of the capital works program and other life cycle costs of the system assets,
- ensure a minimum level of cash liquidity, and
- provide a forecast of the typical residential annual charges over the long term.



Figure 15 – Elements of the Financial Model



Input data for the model is sourced from three main areas:

- AAS27 special schedules for past financial performance of the sewerage fund
- Estimates for uncontrollable variables e.g. interest rates, growth, inflation
- Projected capital works, and operations and management expenses

All other criteria being met, the financial plan seeks, after an initial adjustment, to model, in real dollars, the lowest steady level of charging possible. Actual bills will depend on Council's pricing structure but this is indicative of the affordability of the services and shows the performance requirements for long-term stability.

A number of variables and assumptions have to be entered into the model and these are first agreed to by Council. They include:

#### Opening Balances

Council's special accounting schedules are used to establish opening balances and baseline costs for the model. Financial statements for the last two years are compared to try to eliminate 'one off' occurrences from being incorporated as part of a normal trend.

#### Developer Charges

Council is planning to review and adopt a revised level of developer charges in accordance with NOW Best Practice Management Guidelines from January 2014 onwards. For modelling purpose, average revenue of \$33K/year to sewer fund through Section 64 developer charges has been considered.

#### Growth Projections

A customer service growth rate of 0.6% p.a. and has been adopted for the financial projections.

**Inflation**

Average long-term inflation has been assumed as 3.0% per annum.

**Interest Rates**

A borrowing rate of 6.5% p.a. and an investment rate of 5.5% p.a. were used in this analysis

**Annual Revenue Splits**

For sewerage services, residential charges currently account for 78.2% of the sewerage revenue through annual charges. Remaining 21.8% revenue is contributed by non-residential customers.

The same level of revenue split has been used for all the forecast years.

**Performance Measures**

Council's minimum service criteria will have an impact on the level of charges required e.g. minimum cash level is generally assumed to be between 10-20% of annual revenues (excluding restricted revenues). For the financial model, \$250K (2013/14\$) for sewer fund has been considered as minimum cash level.

**Expected Lives of Assets**

The default average life of system assets is based on the weighted average of long-lived structures and shorter-lived mechanical plant. The average life of sewerage assets is currently estimated to be approximately 60 years. The life of assets controls the depreciation, which is a non-cash expense. It directly affects the need for future asset renewal works planned, which is part of the capital works program.

**Grants and Subsidy for Capital Works**

The State Government provides financial assistance to local government sewerage schemes through the Country Towns Water Supply and Sewerage Program. Councils can apply for funding of up to 50% of Improved Level of Service (ILOS) capital works. These days allocation of grant funds works on a priority scoring carried out by NSW Office of Water.

Financial model for sewer fund considered that 50% subsidy will be available for the proposed sewerage schemes for the villages of Carcoar, Mandurama and Lyndhurst as identified in the 30-year capital works program.

**Ongoing Recurrent Costs: Management, Operations and Maintenance**

By default, the model increases historical operation and maintenance expenses on a pro rata basis with respect to growth. This has been overridden where Council provided revised estimates i.e. where the action plan requires new initiatives or where new works require additional operating resources.

The capital works plan and projected operations and management expenses also form a significant component of the inputs. These are shown in the section 'Projected Cost Schedules'.

### **Assumptions and Limitations**

The projections of the financial plans are based on past financial performance. Allowance is made for new initiatives, future rate forecasts, and maintenance of sustainable levels of service as identified in the strategic planning process.

The depreciation is shown in the operating statement but this is not a cash item. The financial planning model manages the cash flow but keeps a running tally of cumulative depreciation so that Council can appreciate the potential future liability for maintaining the value in the system and levels of service. By planning ahead and making optimum use of existing assets, a more cost-effective and efficient service should result.

Typical annual residential charge is used as the performance measure representing overall revenue requirements from residential customers. This should not be confused with pricing. Pricing, i.e. distribution of the charges according to consumption or special customer groups, is the subject of a separate revenue planning exercise.

The financial model is not a substitute for normal budgeting (that is, short-term financial planning). The model assumes that all expenses and income occur at the beginning of the year and is therefore not appropriate to track cash flow throughout the year. It is important, however, that the budgeting process is carried out within the framework of the long-term financial plan.

The Capital Works Plan provides a guide for estimation of long-term operation and maintenance costs. It is accepted that the level of confidence in these projections reduces with time but it is important to identify as many future commitments and liabilities as possible.

## **12.3.2 The Modelling Process**

### **12.3.3 Phase 1 – Initial Runs**

The objective of Phase 1 development is to present a first cut model of options for future service provision. Comparison of outcomes enables Council to make decisions as to the preferred model and the most beneficial and practical funding solution for the proposed asset management programs.

Figure 16 – Phase 1 Review of the Financial Model



### Funding

In considering funding for future options there are three basic options:

- Fund all capital works from revenues.
- Borrow to fund all capital works.
- Fund capital works from a mix of borrowing and revenue

To establish the lowest level of steady rate of typical residential bills in real terms a combination of cash management and borrowing will usually be required. The model outputs demonstrate the required financial management required to keep the plan "on track".

Where capital works costs are low and cash levels are high it may be possible to avoid borrowing but this may also suggest that current charges are too high. Longer period loans spread the cost of works over a longer period, eliminating early peaks in annual charges. Often there may be no choice except to borrow for major projects because collecting sufficient cash in advance is impracticable and would require an unacceptably high level of charges. In the Phase 1 runs of the model, the default loan period used was twenty years.

## 12.3.4 Phase 2 – Preferred Model and Sensitivity

After consideration of Phase 1 issues preferred modelling options for sewer fund has been adopted.

While the preferred model reflects the expected performance of the systems, it does not give any indication of the sensitivity of the proposed solution to the basic assumptions used, for example if the conditions prove significantly different in practice, there will be no information about the implications of the difference.

Sensitivity analysis has been carried out if it is perceived that a model variable may change significantly in the future. The value of a sensitivity analysis is that it shows:

- The sensitivity of the results to assumptions (uncontrollable variables); and
- The impact of changing controllable variables.

The guidelines suggest that a number of sensitivities be carried out to test the robustness of the plan. In regard to controllable variables, such as type of loan structure, level of developer charges etc. the model enables Council to make decisions to establish the right management policies.

It is important to demonstrate the impact of the "no subsidy" scenario, which shows the potential benefits of government assistance. Council's expectations for receiving subsidy are included in the final preferred model as being the most realistic future scenario.

With uncontrollable variables, Council is at the mercy of change. The downside risk of an increase in interest rates, or declining growth rates, or rise in energy costs, may be considerable.

### 12.3.5 On-going Review

Over time, changes in model variables can have a significant impact on the model's accuracy and this has implications for Council's forward planning. To maintain currency the model is to be revisited annually.

### 12.3.6 Model Inputs

#### Projected Costs

Projected capital costs are split into three categories (Table 12-2) and the projected recurrent costs include management, operation and maintenance costs as shown in (Table 12-3).

Table 12-2: Categories of Projected Capital Works

Category	Description
Growth Works	Works required to increase the capacity of facilities e.g. to service new subdivisions.
Improved Level of Service Works (backlog works)	Works to provide better public health and environmental standards, better service, higher reliability, or an extension of services to un-served existing development. Works in this category may be eligible for Government grants.
Asset Renewal Works	Renewal/replacement of existing assets, which have aged and reached the end of their useful life.

Table 12-3: Categories of Projected Recurrent Costs

Category	Description
Management	Reflects true overheads associated with providing this service. Any cross subsidies with General Fund should be eliminated or explicitly disclosed in the Annual Accounts.
Operations and Maintenance	It is assumed that the current level of costs shown in the Financial Statements reflects a realistic level of expenditure for the current schemes. The projections assume costs increased in proportion to the growth.
Model Cost Overrides	Additional costs are included where specific activities have been identified in future years. This includes new initiatives plus additional costs associated with new Capital Works.

The expected capital and recurrent cost expenditures are presented in Appendix E. A summary of capital works program including subsidies/grants, if any, is presented in Table 12-4. Projections are in real (2013/14) dollars.

Historical and additional input data used for financial forecasts are shown in Appendix F.

**Table 12-4: 30-year Capital Works Program**

<b>2013/14 \$ (000)</b>	<b>Growth and Minor Works</b>	<b>Improved Levels of Service</b>	<b>Asset Renewals</b>	<b>Total Capital Works</b>	<b>Expected Subsidy</b>	<b>Cost to Council</b>
2013/14	0	78	153	231	0	231
2014/15	0	150	590	740	0	740
2015/16	0	350	398	748	0	748
2016/17	0	0	405	405	0	405
2017/18	0	0	300	300	0	300
2018/19	0	50	350	400	0	400
2019/20	0	200	30	230	100	130
2020/21	0	5,000	10	5,010	2,500	2,510
2021/22	0	4,000	28	4,028	2,000	2,028
2022/23	0	0	100	100	0	100
2023/24	0	0	20	20	0	20
2024/25	0	0	40	40	0	40
2025/26	0	0	0	0	0	0
2026/27	0	0	170	170	0	170
2027/28	0	0	28	28	0	28
2028/29	0	0	20	20	0	20
2029/30	0	0	50	50	0	50
2030/31	90	60	20	170	0	170
2031/32	2,100	1,400	0	3,500	0	3,500
2032/33	1,800	1,200	20	3,020	0	3,020
2033/34	0	0	58	58	0	58
2034/35	0	0	30	30	0	30
2035/36	0	0	10	10	0	10
2036/37	0	0	105	105	0	105
2037/38	0	0	120	120	0	120
2038/39	0	0	0	0	0	0
2039/40	0	0	83	83	0	83
2040/41	0	0	0	0	0	0
2041/42	0	0	65	65	0	65
2042/43	0	0	20	20	0	20
<b>Total</b>	<b>3,990</b>	<b>12,488</b>	<b>3,223</b>	<b>19,701</b>	<b>4,600</b>	<b>15,101</b>

## 12.4 Outcomes of Financial Modelling

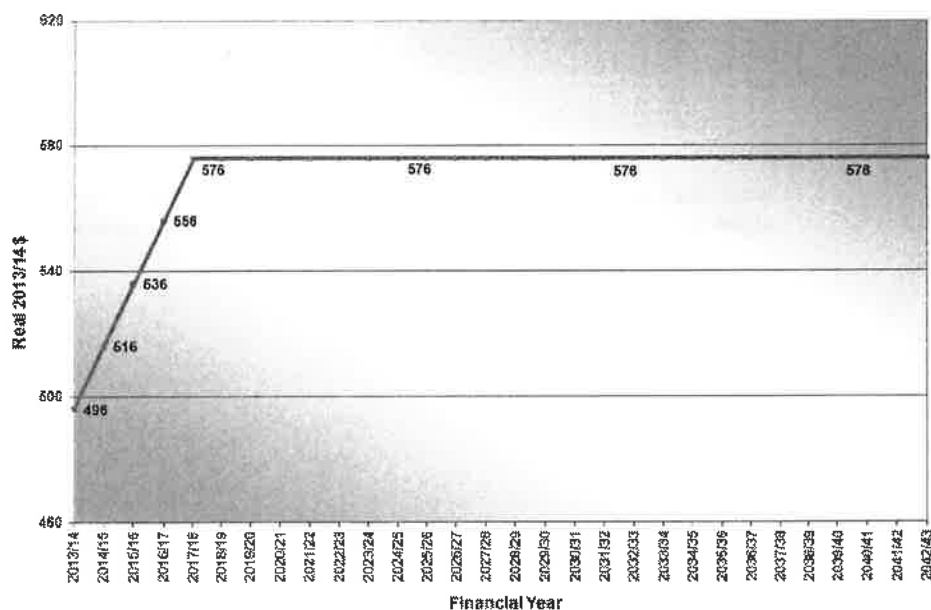
In line with current NOW guidelines, the financial plan identifies the lowest stable typical residential bill required with maximum utilisation of existing cash reserves. A number of scenarios have been analysed before Council adopting a 'preferred' price paths for the sewerage services. Modelling outcomes of the preferred scenarios and the sensitivity of the model forecasts for the financial parameters identified as important are presented in this section.

- Financial modelling has demonstrated that the typical residential sewerage bill for sewerage services, measured in 2013/14 dollars, has to be increased by \$20 per year for the next 4 years from the current TRB of \$496 p.a. to \$ 576 p.a. in 2017/18 as shown below: TRB for 2014/15 - \$516 p.a.
- TRB for 2015/16 - \$536 p.a.
- TRB for 2016/17 - \$556 p.a.
- TRB for 2017/18 - \$576 p.a.

From 2018/19 onwards, the TRB can be maintained at the same level for the remainder of the forecast period. It should be noted that the TRB projections are for Blayney customers and financial model considered that residential customers of Millthorpe will be paying 1.6 times the projected TRB for Blayney. The model also considered that the residential customers of the villages of Carcoar, Mandurama and Lyndhurst will also be charged 1.6 times the Blayney residential customers.

Note the forecast TRBs are to be adjusted annually for CPI/inflation and the financial model will be reviewed for updating the forecasts after 3 years in accordance with the NOW Best Practice Guidelines.

Figure 17 – Typical Residential Sewerage Bill

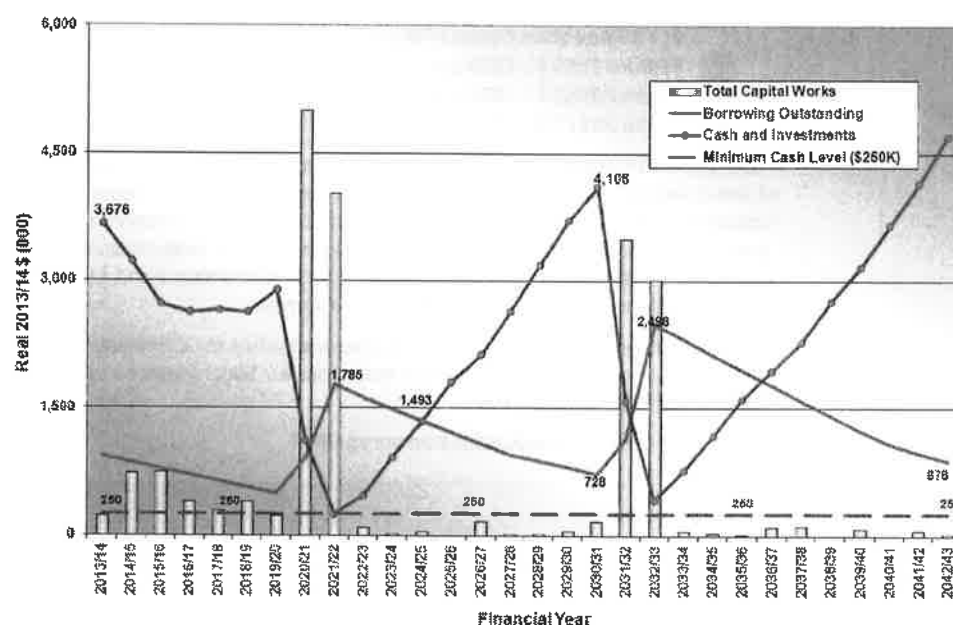


This level of typical residential charges for sewerage services is sufficient to maintain liquidity with a minimum of \$250K of cash in hand over the period.

Over the next 10 year period, all the planned capital works will be internally funded throughout the projection period except for a new borrowing of \$1.5 Million for the village sewerage schemes over a period of two years starting 2020/21. External borrowing will also be required for the Blayney STP augmentation and replacement works planned to start in 2031/32. The borrowing outstanding at the end of the 30-year forecast period will be \$878K but can be fully retired from available cash and investments if required.

The levels of cash and borrowing outstanding as the planned capital works program is implemented during the forecast period are depicted in the following figure.

Figure 18 – Cash and Borrowing Projections - Sewerage



A summary of projected financial results is presented in Table 12-5. Detailed financial projections of Council's 'preferred scenario' for the sewer fund are shown in Appendix G.



Table 12-5: Projected Financial Results

Financial Year	Revenue and Expenses			Capital Transactions			Financial Position			System Assets				
	Total Revenue	Total Expenses	Operating Result (Before Grants)	Acquisition of Assets	Principal Loan Payments	Cash and Investments	Borrowings	Total Assets	Total Liabilities	Net Assets Committed	Current Replacement Cost	Less: Accumulated Depreciation	Written Down Current Cost	Typical Residential Bills
2013/14 (\$'000)														
2013/14	1,440	1,439	1	231	44	3,676	933	24,835	939	23,896	28,179	8,112	20,067	496
2014/15	1,484	1,513	(29)	741	46	3,227	880	24,428	868	23,562	28,320	8,092	20,227	519
2015/16	1,514	1,602	(89)	747	47	2,728	788	24,173	794	23,379	28,678	8,090	20,588	535
2016/17	1,551	1,591	(40)	405	49	2,630	716	23,979	721	23,258	28,679	8,170	20,508	556
2017/18	1,602	1,620	(18)	360	52	2,660	643	23,809	649	23,160	28,679	8,356	20,322	576
2018/19	1,607	1,579	28	400	54	2,632	570	23,689	575	23,115	28,728	8,492	20,236	578
2019/20	1,722	1,575	144	230	58	2,692	498	23,669	503	23,166	28,928	8,952	19,977	576
2020/21	4,083	1,737	2,346	5,009	72	1,116	911	26,334	916	25,418	33,928	9,515	24,413	576
2021/22	3,539	1,854	1,685	4,028	99	251	1,785	28,863	1,790	27,073	37,928	10,127	27,801	576
2022/23	1,776	1,839	(64)	100	103	472	1,629	28,666	1,635	27,031	37,928	10,666	27,261	578
2023/24	1,795	1,829	(33)	20	89	922	1,499	28,502	1,498	27,004	37,928	11,286	26,642	576
2024/25	1,823	1,847	(24)	40	93	1,344	1,356	28,330	1,361	26,969	37,928	11,885	26,043	576
2025/26	1,850	1,857	(7)	0	97	1,609	1,220	28,160	1,225	26,935	37,928	12,525	25,403	576
2026/27	1,873	1,825	48	170	104	2,137	1,081	28,025	1,085	26,940	37,928	12,995	24,933	576
2027/28	1,899	1,819	80	28	92	2,641	957	27,923	962	26,961	37,928	13,606	24,322	578
2028/29	1,926	1,898	28	20	49	3,187	880	27,857	884	26,973	37,928	14,225	23,703	576
2029/30	1,951	1,843	108	50	50	3,708	804	27,794	808	26,986	37,928	14,815	23,113	576
2030/31	1,973	1,853	120	170	53	4,106	728	27,725	732	26,993	38,078	15,438	22,642	578
2031/32	1,916	1,917	(1)	3,500	68	1,584	1,139	28,009	1,143	26,866	41,578	16,138	25,441	576
2032/33	1,880	2,067	(207)	3,020	108	419	2,498	28,119	2,502	25,617	44,577	16,868	27,711	576
2033/34	1,897	2,081	(184)	58	111	783	2,314	29,763	2,318	26,465	44,577	17,558	27,019	578
2034/35	1,920	2,059	(139)	30	115	1,177	2,131	28,478	2,135	26,343	44,577	18,277	26,300	576
2035/36	1,945	2,059	(115)	10	120	1,613	1,950	28,180	1,953	26,227	44,577	19,017	25,560	578
2036/37	1,963	2,067	(103)	105	124	1,949	1,769	27,877	1,773	26,104	44,577	19,862	24,715	576
2037/38	1,982	2,062	(90)	120	128	2,278	1,589	27,582	1,593	25,989	44,577	20,292	24,285	578
2038/39	2,005	2,039	(34)	0	132	2,759	1,411	27,329	1,414	25,916	44,576	21,041	23,535	576
2039/40	2,025	2,029	(4)	83	137	3,188	1,233	27,068	1,236	25,832	44,576	21,798	22,868	576
2040/41	2,048	2,081	(15)	0	117	3,658	1,080	26,814	1,083	25,731	44,576	22,458	22,118	576
2041/42	2,068	2,048	21	65	70	4,151	979	26,628	982	25,646	44,577	23,143	21,433	576
2042/43	2,090	2,031	59	20	72	4,710	878	26,463	881	25,582	44,577	23,874	20,703	576

## Sensitivity Analysis

In accordance with the NOW Financial Guidelines, the following sensitivities have been modelled to determine the impact of various scenarios on typical residential bill for sewerage services.

Table 12-6: Sensitivity Analysis Parameters

Criteria	Preferred Case	Sensitivity
Assessment growth rate	0.6% p.a.	0.3% p.a.
Borrowing Interest Rate	6.5% p.a.	10.0% p.a.
Subsidy	50% for village schemes	No subsidy for village schemes

The results of sensitivity analysis are shown graphically in the following pages.

Figure 19 – Sensitivity of Typical Residential Bills

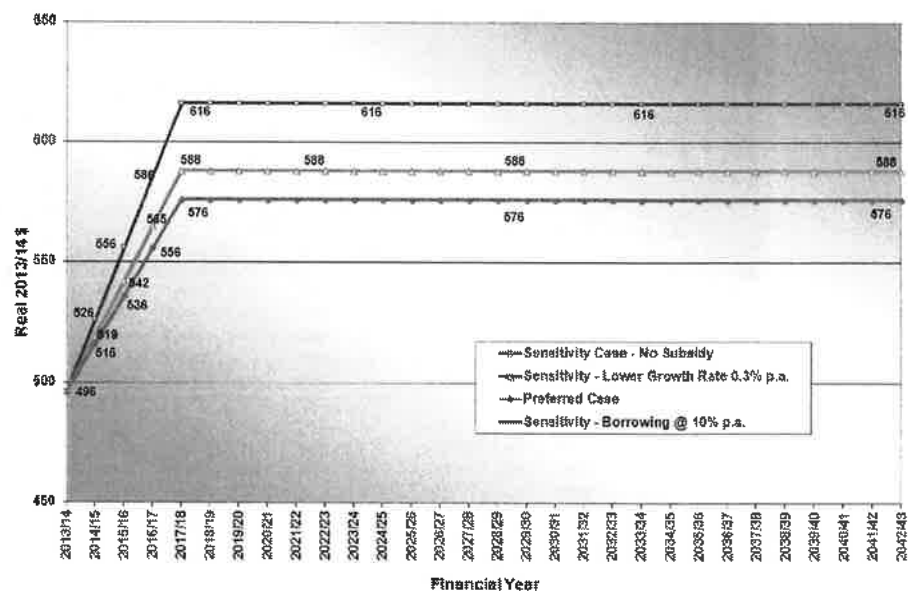


Figure 20 – Sensitivity of Cash Levels

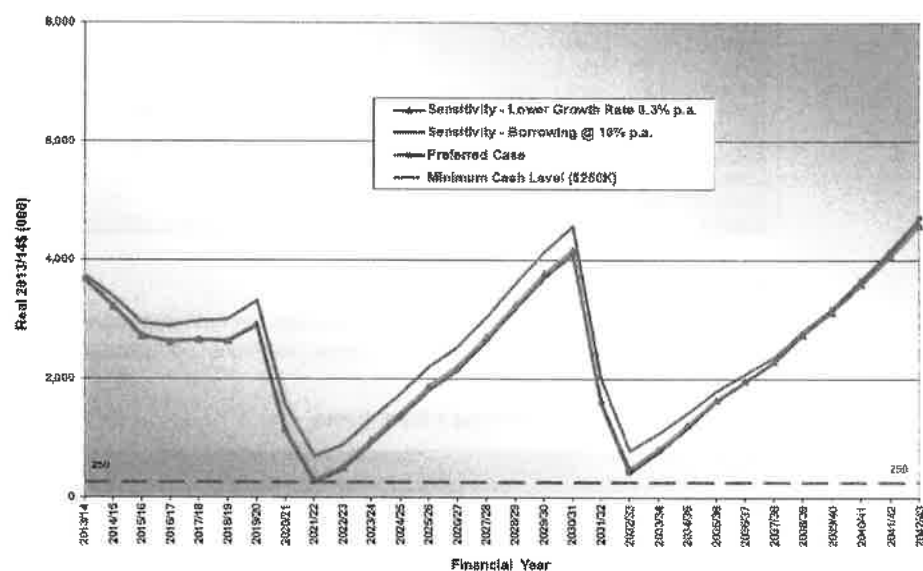
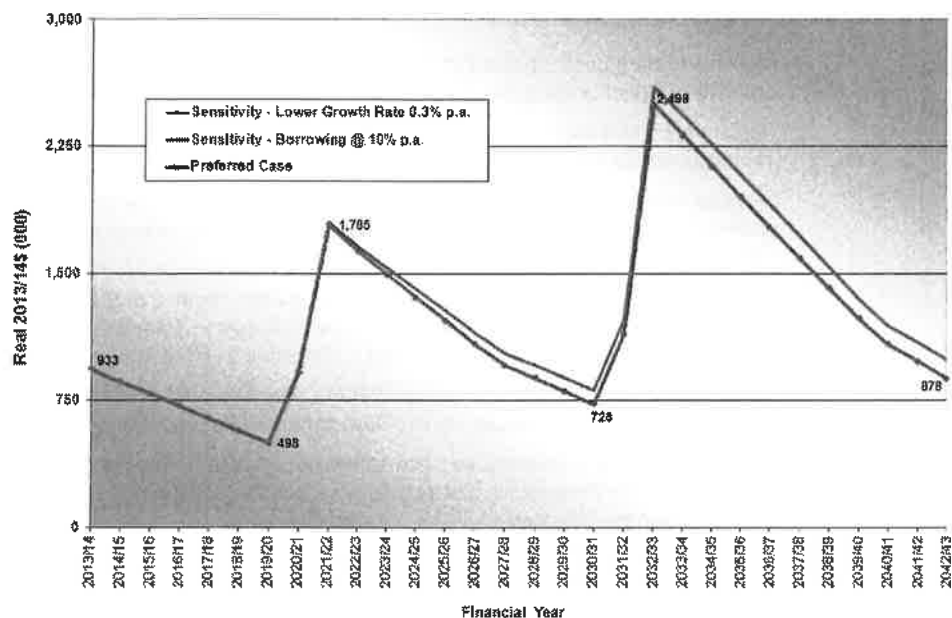


Figure 21 – Sensitivity of Borrowing



Sensitivity analysis indicates that the typical residential sewerage bills will not be affected by higher borrowing interest rates of up to 10% p.a..

Lower assessment (customer) growth rate (0.3% p.a. instead of estimated 0.6% p.a.) will have a slight impact in the order of \$12 higher than the projected TRB for the preferred scenario.

The impact of unavailability of the expected level of subsidy of 50% for the proposed village sewerage schemes will be an increase in TRB of \$30 per year instead of \$20 per year as projected for the preferred scenario.

It is noted that the levels of impact on TRBs indicated by the sensitivity analysis are in terms of Blayney residential customer charges. Increases to Millthorpe customer charges will be 1.6 times of the TRB changes presented above.

## 13 References

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National Water Commission 2012, 2012-13 National Performance Framework: urban performance reporting indicators and definitions handbook (online copy), National Water Commission, Commonwealth of Australia, Canberra.

NRMMC 2011, *Australian Drinking Water Guidelines Paper 6 National Water Quality Management Strategy*, National Health and Medical Research Council, National Resource Management Ministerial Council, Commonwealth of Australia, Canberra.

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NSW Planning and Infrastructure 2013, *New South Wales State and Local Government Area Population Projections: 2013 preliminary revision*, Demography Unit, NSW Planning and Infrastructure, Sydney.



## **Appendices**

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## **Appendix A   Inputs for Reporting under IPR Framework**

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The main requirements of the Local Government Integrated Planning and Reporting Framework 2010 for the 10-year Community Strategic Plan, 4-year Delivery Program, Annual Operational Plan and Annual Report are summarised below. Inputs for sewerage services for inclusion in each of these reports are also presented alongside the summaries.

## A.1 Community Strategic Plan

The requirements for the Community Strategic Plan in the IPR framework include:

- To be revised at least every 10 years.
- Give due regard to the State Plan and other relevant state and regional plans.
- Include a community vision statement.

The planning process is generally used to:

- Identify main priorities and aspirations for the future.
- Enable community input on the identification of social, environmental, economic and civic leadership issues.
- Establish strategic objectives and proposed strategies to achieve those objectives that address issues identified above.
- Establish expected levels of service.

### Input to Community Strategic Plan

For sustainable sewerage services the Strategic Business Plan (SBP) for Sewerage will be reviewed and implemented in accordance with the NSW Government's Best Practice Management of Water Supply and Sewerage Guidelines, August 2007.

Major sewerage capital works identified in the current Strategic Business Plan for completion over the next 10 years are shown in the Table below. The justifications for why these works have been planned also are presented in the Table below.

Proposed Capital Work	Year	Justification
Lining/ Replacement of sewer mains	2013 - 2019	Renewal and refurbishment of ageing assets
Manhole rehabilitation program	2014 - 2019	Improved levels of sewerage service and STP performance
Telemetry upgrade	2014/15	Improved scheme operation for better performance
Millthorpe transfer main augmentation	2014 - 2016	Refurbishment of ageing assets
Sewerage schemes for Carcoar, Mandurama and Lyndhurst	2018 - 2022	Extension of service to backlog areas and public health improvement

## **A.2 Resourcing Strategy**

Sets out what Council will do over the next 10 years to address the community's main priorities in the Community Strategic Plan. Council determines its Resourcing strategy from the following:

- Total Asset Management Planning;
- Work Force Planning; and
- Long-term Financial Planning.

### **Input to Resourcing Strategy**

"The SBP for Sewerage is the Council's resourcing strategy for sewerage services in which the strategies for Asset Management Planning (AMP), Work Force Planning (WFP) and the Long-term Financial Planning are presented in detail".

Note regarding the AMP and WFP, the SBP details the current status and key outcomes and detailed reference is from the individual planning documents

## **A.3 Delivery Program**

- Directly addresses the objectives and strategies of the Community Strategic Plan.
- Identifies principal activities council will undertake.
- Identifies principal activities be undertaken within available resources.
- Provides financial estimates for the 4 year period.
- Considers priorities and expected level of service in the Community Strategic Plan.

### **Input to Delivery Program**

"The SBP for Sewerage (Sections 8 to 11) is the Council's delivery program for sewerage services where in the objectives, strategies, activities planned for the next 4 - 5 years including the costs, start and end dates and responsible officer are presented in detail. The financial estimates for the next 4 year period are presented as part of the 30-year financial projections of the Long-term Financial Plan".

## **A.4 Operational Plan and Annual Report**

- Operational Plan outlines the activities to be undertaken for the year as part of the Delivery Program and is prepared as a sub-plan of the Delivery Program
- Operational Plan includes Statement of Revenue Policy – fees and charges, pricing methodology, proposed borrowings, and detailed budget for activities to be undertaken in the year.
- Annual Report is a report to the community which outlines council's achievements in implementing the Delivery Program as planned in the Operational Plan.
- Annual Report outlines the effectiveness of the principal activities undertaken in achieving the objectives in the Community Strategic Plan.

### **Input to Operational Plan**

"The SBP for Sewerage (Sections 8 to 11) is the Council's operational plan for sewerage services in which all the planned activities for delivery program are presented in detail".

## **Appendix B      Legislation Affecting Sewerage Services**

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## B.1 Legislative Framework

Blayney Shire Council delivers reticulated sewerage services to the Blayney and Millthorpe communities under the authority of the Local Government Act, 1993. Council has embraced the principles underlying this Act as being of benefit to the community it serves. Community consultation and involvement in decision-making has been increased in line with the Act in the last few years.

Several other Acts also affect Council's scheme. These generally fall into three main categories as follows:

Act	General Implications for Council
<b>PRICING</b>	
Local Government Act 1993 Esp. Sections 64 and 428	<ul style="list-style-type: none"> <li>- Determining developer charges:               <ul style="list-style-type: none"> <li>o provide a source of funding for infrastructure required for new urban development</li> <li>o provide signals regarding costs of urban development and encourage less costly forms</li> </ul> </li> <li>- Need to be more accountable.</li> <li>- Need for better asset management.</li> </ul>
Environmental Planning and Assessment Act 1979	<ul style="list-style-type: none"> <li>- Determining developer charges.</li> <li>- Requirement for LEP and DCPs</li> <li>- Council control of service approvals.</li> </ul>
Local Government Regulation 2005 (Savings and Transitional)	<ul style="list-style-type: none"> <li>- Determining developer charges.</li> </ul>
Independent Pricing and Regulatory Tribunal Act 1992	<ul style="list-style-type: none"> <li>- Gives powers to the Independent Pricing and Regulatory Tribunal to inquire into and regulate prices.</li> <li>- IPART has developed a set of consistent pricing principles to be adopted by local government authorities.</li> <li>- Guidelines for 'user pays' charging system in the water and wastewater industry.</li> </ul>
Water Industry Competition Act 2006	<ul style="list-style-type: none"> <li>- Establishment of third-party access regime for water and sewerage infrastructure to encourage competition</li> <li>- Authorisation of IPART to regulate licensed private network operators to ensure services are delivered in a safe and reliable manner</li> </ul>
<b>ENVIRONMENTAL PROTECTION</b>	
Protection of the Environment Operations Act 1997	<ul style="list-style-type: none"> <li>- Regulating pollution activities and issue of licenses as well as the monitoring of and reporting on waste output.</li> <li>- Council is required to be "duly diligent" in undertaking the scheme operations</li> </ul>
Soil Conservation Act 1938	<ul style="list-style-type: none"> <li>- Conserves soil resources and farm water resources and the mitigation of erosion and land degradation.</li> <li>- Preservation of watercourse environments</li> </ul>
Environmental Planning and Assessment Act 1979	<ul style="list-style-type: none"> <li>- Encourages the proper management of natural and man-made resources, the orderly use of land, the provision of services and protection of the environment.</li> </ul>
Catchment Management Act 1989	<ul style="list-style-type: none"> <li>- Promotes the coordination of activities within catchment areas. Council believes this Act has implications for the</li> </ul>

Act	General Implications for Council
	management of river water quality and quantity. - Requirement for ongoing management plan. - Requirement of Capital Works Plan under Sydney Catchment Authority Regulations.
<b>HEALTH AND SAFETY</b>	
Public Health Act 2010	- Prevention of the spread of disease. - Effluent disposal methods.
Work Health and Safety Act 2011 (and Regulations 2011)	- Council's responsibility to ensure health, safety and welfare of employees and others at places of work. - Likely be cost implications - Impacts all operations. - Note public safety – Insurance.

### Local Government Act 1993

The main purpose of the Local Government Act 1993 is to provide the legal framework for an effective, efficient, environmentally responsible, and open system of Local Government in NSW.

The Act is, in the main, administered by the Minister for Local Government, but the Minister for Water has significant powers under the Act for water, sewerage and drainage.

The Act confers service functions on Councils. These include the provision, management and operation of water supply and sewerage works and facilities. The Act provides Councils with broad power to carry out their functions, and a "Council may do all such things as are supplemented or incidental to, or consequential on, the exercise of its functions" (section 23 of the Act).

Some particular parts of the Act relating to water supply and sewerage are:

- Section 64 - developer charges (Under this section of the new Act, a Council may use the relevant provisions of the Water Management Act 2000 to obtain water supply and sewerage developer charges. The provisions of Section 94 of the Environmental Planning and Assessment Act are no longer available to Councils for obtaining water supply and sewerage developer contributions.);
- Section 68 - Council approval of plumbing works;
- Sections 634-651 - water supply, sewerage and drainage offences; and
- Water, Sewerage and Drainage Regulation which cover matters from the "old" ordinance 4.5 and 4.6.

The role of the Minister for Water in regard to water supply, sewerage and drainage is covered in Sections 56-66. The Minister's role is generally along the lines of Part XIV of the 1919 Act, and it includes matters such as construction of works, hand over and vesting of work, approval of dams and treatment works, directions to Councils concerning dams and treatment works, action during emergencies, and the appointment of an administrator.

The NSW Office of Water provides section 60 approvals to council proposals to construct a dam, water or sewage treatment works and for effluent and bio-solids reuse.

The NSW Office of Water carries out section 61 inspections of LWU dams and water and sewage treatment works.

The NSW Office of Water provides concurrence to Council liquid trade waste approvals under section 90(2) of the Act.

Councils issue approval to applications to discharge trade waste to their sewerage system under section 68 of the Local Government Act. Conditions of approval are imposed under clause 32 of the Local Government Regulation 2005.

### **Environmental Planning and Assessment Act 1979**

The Environmental Planning and Assessment (EP&A) Act was enacted in 1979, and amended by the Environmental Planning and Assessment (Amendment) Act (1985). The Act is the principal planning instrument in NSW, and it specifies the environmental considerations required in all development activities. It also governs the procedures of all proposals that have an effect on the environment. Its objectives are to encourage the proper management of natural and man-made resources, the orderly use of land, the provision of services, and the protection of the environment.

The Act is administered by the Minister for Planning.

The Act requires that all proposals, activities, and functions which are investigated, designed, planned, constructed, and operated by Councils should be studied during all stages for their environmental impact on the basis of scale, location, and performance.

Environmental studies are to be undertaken concurrently with the technical or planning investigations. The findings of environmental studies should be reported initially in Reviews of Environmental Factors (REF), which indicate the need for further studies, their extent and depth, and the degree of public or other involvement required. The REF can often be used for consents or approvals. A Council can give consents for a development as prescribed in Local Environmental Plans (LEP) when the Council are the consent authorities (Part IV of the EP&A Act).

An Environmental Impact Statement (EIS) is a comprehensive report compiled from extensive studies. An EIS is required for:

- designated developments (Part IV of the EP&A Act);
- projects which affect the environment significantly (Part V of the EP&A Act); and
- when designated by a State Environmental Planning Policy or in an LEP.

### **Catchment Management Act 1989**

The objectives of this Act are:

- To coordinate policies, programs and activities as they relate to total catchment management;
- To achieve active community participation in natural resource management;
- To identify and rectify natural resource degradation;
- To promote the sustainable use of natural resources; and
- To provide stable and productive soil, high quality water and protective and productive soil and vegetation cover within each of the State's water catchments.

The Act is administered by the Minister for Land and Water Conservation.

### **Soil Conservation Act 1938**

The objective of the Soil Conservation Act is the conservation of soil resources and farm water resources and the mitigation of erosion and land degradation.

The Act is administered by the Minister for Land and Water Conservation.

Under Section 21C of the Act, a Council is required to protect land along prescribed streams and to prevent any destruction of trees and soil erosion on protected land. The

same section of the Act specifies the rules for any person or occupier or any protected land from ringbarking, cutting down, felling, poisoning of, or otherwise destroying, vegetation or trees.

Section 21D of the Act requires that the land owner or occupier must obtain an authority before damaging or destroying trees between the banks or within 20 metres of banks of a prescribed stream. Public Works is responsible for preparing inspection reports for sites downstream of the tidal limit.

Section 22 of the Act outlines requirements for preservation of proclaimed works and catchment areas.

### **Public Health Act 2010**

The Public Health Act 2010 replaced the Public Health Act 1991. The main objectives of the Public Health Act 2010 are:

- to promote, protect and improve public health;
- to control the risks to public health;
- to promote the control of infectious diseases; and
- to prevent the spread of infectious diseases.

The Act recognises the role of local government in protecting public health. Under the Act, a local government authority has the responsibility to take appropriate measures to ensure compliance with the requirements of this Act in relation to public swimming pools and spa pools, regulated systems and premises on which skin penetration procedures are carried out. A local government authority has the responsibility of appointing authorised officers to enable it to exercise its functions under this Act and ensuring that its authorised officers duly exercise their functions under this Act.

Part 3 Division 1 of the Act includes the provisions in respect to safety measures for drinking water.

The Minister for Health has the power to take actions and to issue directions, as the Minister considers necessary:

- to restrict or prevent the use of unsafe water, potable or otherwise, that is likely to be a risk to public health; and
- to bring unsafe water to such a condition that it is no longer unsafe water.

The Director General has the power to direct a supplier of drinking water to carry out testing and produce information in relation to the treatment and quality of drinking water.

The Chief Health Officer has the responsibility for determining the necessity for a boil water advice and additional information or correction or re-traction of such advice, by a supplier of drinking water for the drinking water it supplies. The Chief Health Officer may also prepare advice concerning public health risks or boil water advice, and provide the advice to the drinking water supplier.

According to the Clause 25 of the Act a supplier of drinking water must establish and adhere to a quality assurance program that complies with the requirements prescribe by the regulations. The regulations are yet to be enacted.

### **Independent Pricing and Regulatory Tribunal Act 1992**

The Independent Pricing and Regulatory Tribunal Act establishes the Independent Pricing and Regulatory Tribunal and enables the Tribunal to determine and advise on prices and pricing policy for government monopoly services. A government monopoly service is a service supplied by a government agency (which may include a local



government council) and declared by the regulations, or the Minister, to be a government monopoly service.

The Tribunal conducts investigations and makes reports to the Minister on the determination of the maximum price and on a periodic review of pricing policies for services applied by these agencies specified in Schedule 1 to the Act. Schedule 1 presently includes Sydney Water Corporation, Hunter Water Corporation, Water Supply Authorities, including Gosford City Council, Wyong Shire Council, State Water (Fish River Water Supply) and Essential Energy (Broken Hill).

The Tribunal may also conduct investigations and make reports for any government monopoly service, at the request of the Minister, whether or not it is supplied by a government agency specified in Schedule 1.

### **Work Health and Safety Act 2011**

This revised Act details Council's responsibilities to ensure health, safety and welfare of employees and others at places of work. All of the scheme's operational activities are impacted on by this Act. This act is administered by the Work Cover Authority.

### **Protection of the Environment (Operations) Act 1997**

This Act came into effect in July 1998 and consolidated existing legislation to eradicate the duplication of powers and overlapping use of resources. The Act brought together what used to be five separate pieces of legislation:

- Clean Air Act 1961;
- Clean Waters Act 1970;
- Pollution Control Act 1970;
- Noise Control Act 1975; and
- Environmental Offences and Penalties Act 1989.

The POEO Act introduces a holistic approach to protecting the environment, changing from pollution control legislation to environment protection legislation.

The Act enables the NSW Government to set out explicit protection of the environment policies (PEPs) involving environmental standards, goals, protocols and guidelines.

Key features of the Act are as follows:

- Single licensing arrangement relating to air pollution, water pollution, noise pollution and waste management;
- EPA issues licences and is the regulatory authority for scheduled activities specified in Schedule 1 of the Act;
- Local councils are the regulatory authorities for non-scheduled activities except activities undertaken by a public authorities;
- EPA can issue licences to regulate water pollution from a non-scheduled activity therefore becomes the regulating authority;
- Environment protection notices that can be issued by appropriate regulatory authorities;
- The Act includes an offence regime and may involve heavy penalties and or gaol.
- The Act includes civil enforcement provisions for third parties.

The Act is administered by Office of Environment and Heritage.

The POEO Act is a powerful tool for regulation of sewerage and trade waste by local water utilities and facilitating compliance with the utility's conditions of approval for liquid trade waste discharges to the sewerage system.

Councils may issue a penalty notice under section 222 of the Act to a discharger who fails to obtain an approval to discharge trade waste to the council's sewerage system or who fails to comply with the conditions of the council's approval. In addition, section 123 of the Act may be used to sue a discharger causing major damage to the council's sewerage system or to the environment.

The legislation also incorporates major regulatory provisions of the Waste Minimisation and Management Act.

### **Water Industry Competition Act 2006**

The objectives of the Act and supporting regulations are to encourage competition in the water industry and to foster innovative recycling projects and dynamic efficiency in the provision of water and wastewater services.

Increasing competition in the metropolitan water market and water recycling are key actions in the NSW Government's Metropolitan Water Plan and State Plan.

The Act provides for the matters such as:

- the establishment of a new licensing regime for private sector providers of reticulated drinking water, recycled water and sewerage services;
- the establishment of a third-party access regime for water and sewerage infrastructure;
- provisions for a licensed network operator to construct or remove water industry infrastructure; and
- provisions to authorise IPART to undertake regulatory functions in certain parts of the Act.

Key aspects of General Regulation include:

- ensuring new entrants and the public water utilities face similar obligations, where like services are provided;
- strict licensing rules to ensure that drinking water meets Australian standards, that recycled water is 'fit for purpose' and that all services are delivered in a safe, reliable manner with minimal environmental impacts; and
- provisions to prevent retailers from disconnecting small customers for non-payment of debt and to require the implementation of NSW Government social policies, such as pensioner rebates.

## B.2 Other Government Initiatives

Initiative	Purpose
Efficient Operation	The Department of Local Government is concerned that councils generally are well managed.
Efficient Resource Use	The Federal Industry Commission Report on the Australian Water Industry is concerned to ensure efficient use of resources - natural, physical and financial. Its 1992 Report's recommendations were wide-ranging and covered matters such as pricing reforms and structural reforms (e.g. amalgamation of authorities).
Competition Policy	<p>In 1995 the Council of Australian Governments (COAG) ratified the National Competition Policy. Of particular significance to the water and sewerage functions of Council is the application of competitive neutrality to operations. The purpose of this is to have councils <i>"operate under similar competitive pressures to those experienced by the private sector"</i>.</p> <p>The NSW Government has embraced these principles and set in motion a number of policies to increase the efficiency and the competitiveness of this type of business area. (Refer to the <u>NSW Government Policy Statement on the Application of National Competition Policy to Local Government</u>).</p>
Asset Management	The NSW Government, which has ultimate responsibility for water and sewerage in the State, is concerned to ensure that the \$7 billion asset base in water supply and sewerage schemes of country towns under the care of Local Governments is well managed.
Financial Assistance	<p>The NSW Government has been providing grants for the development and improvement of water supply and sewerage schemes in country areas, under the Country Towns Water, Sewerage and Drainage Program, which is now administered by the NSW Office of Water.</p> <p>The Minister responsible for water has made changes to the subsidy provisions. The main changes are the requirement to implement best industry management practices and the withdrawal of subsidies for growth related capital works. These changes are outlined in the publication <u>Country Towns Water Supply and Sewerage Program: Technical and Financial Assistance</u> available to Councils.</p>
Best Practice Management	<p>The NSW Government encourages best practice for all LWUs. The purpose of best practice management is:</p> <ul style="list-style-type: none"> <li>- To encourage the effective and efficient delivery of water supply and sewerage services; and</li> <li>- To promote sustainable water conservation practices and water demand management throughout NSW.</li> </ul> <p>From 1 July 2004, compliance with the six best practice criteria is mandatory for payment of a dividend from the surplus of an LWU's water supply and sewerage businesses and future financial assistance under the Country Towns Water Supply &amp; Sewerage program.</p>

## **Appendix C   Stakeholder Review**

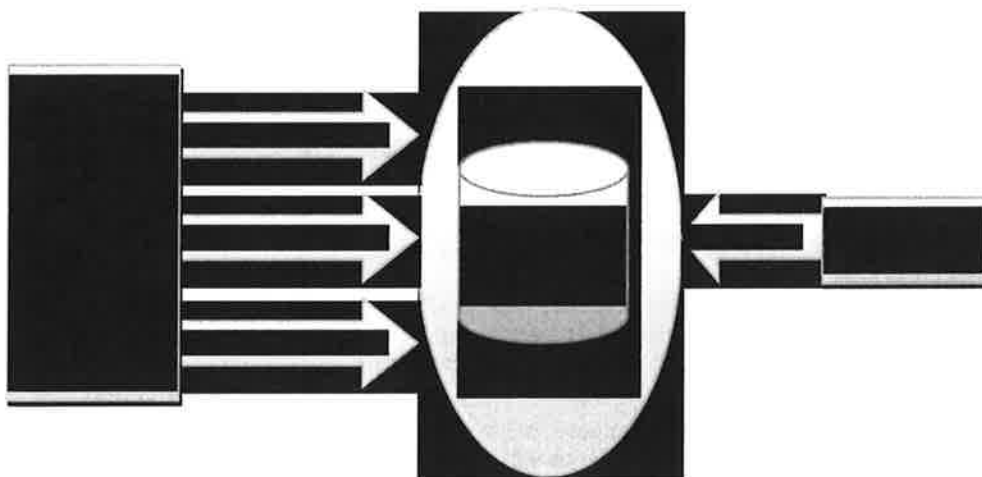
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## C.1 Identification of Stakeholders

Stakeholders are individuals and organisations with an interest and/or equity in the sewerage services provided by Council. Stakeholders may have different expectations, and the extent to which Council meets, or is perceived to meet, these expectations may vary.

### Institutional Stakeholders

A large number of government departments and agencies have interest in, and impact on, the management of the sewerage scheme, as shown in the chart below.



### Local Government

The sewerage undertaking is an integral part of Council's operation. Council has the ultimate responsibility for the development, operations, maintenance and performance of the scheme.

### State Government

The State Government has a significant impact on the sewerage scheme. Various government agencies fill a role in one or more of the following areas.

#### Regulators

These are the agencies that are largely responsible for administering the various acts listed in the preceding section. Of particular significance to the sewerage scheme are the Independent Pricing and Regulatory Tribunal (IPART), which is urging councils to adopt the pricing principles outlined in Pricing Principles for Local Water Authorities, and the Environment Protection Authority (EPA) who regulates environmental protection, issues licenses to discharge effluent and administers the various pollution control acts. Council discharges effluent from sewage treatment plants under license from the EPA.

### **Resource Managers**

These are the agencies responsible for managing the State's resources, such as water resources, forestry and land.

### **Assistance**

The State Government has been providing financial and administrative assistance for improvements of water supply and sewerage schemes through the Country Towns Water Supply and Sewerage Program. Under the newly introduced guidelines, assistance is generally available for servicing backlog areas and improving standards, but not for augmentation works required to accommodate growth. This program is administered by the NSW Office of Water.

Other assistance is in the form of services, such as the professional services provided by the NSW Public Works.

### **Federal Government**

The Federal Government has no direct bearing on the sewerage scheme. Indirectly, the Federal Government is taking the initiative on reforming the way services are delivered to the community by Government agencies in order to improve efficiency.

## **C.2 Stakeholder Analysis**

Stakeholders are individuals and organisations with an interest and/or equity in the sewerage services provided by the Council. Stakeholders may have different expectations, and the extent to which Council meets, or is perceived to meet, these expectations may vary.

The Table next page lists the major stakeholders and their general level of satisfaction with the sewerage operations as perceived by the participants of the Strategic Planning Workshop and the comments of Council regarding the standing of their operations.

Low scores or perception gaps between Council and Stakeholders suggest the need for improvement in service standards and or communication.

Stakeholder	How to judge success?	How does Council rate its service? 1 – Poor 10 - Excellent	How do stakeholders rate the service 1 – Poor 10 - Excellent
<b>GENERAL USERS</b>			
Property Owners/ Ratepayers/ Residents (including pensioners)	<ul style="list-style-type: none"> <li>Value for money</li> <li>Guaranteed levels of service</li> <li>Public health standards met and maintained</li> <li>Guaranteed service</li> <li>Reasonable cost</li> </ul>	8.5	9
Commercial and Industrial customers	<ul style="list-style-type: none"> <li>Quality services</li> <li>Guaranteed service</li> <li>Reasonable cost</li> </ul>	8.5	7 Mainly due to the implementation of a TW policy
<b>OTHER USERS</b>			
Downstream water users	<ul style="list-style-type: none"> <li>Clean water</li> <li>No future interference with their operations</li> </ul>	9.5	9.3
Environmental groups	<ul style="list-style-type: none"> <li>Environmental responsibility</li> <li>Minimisation of wastage</li> <li>Treated effluent quality</li> <li>Environmental sustainability</li> </ul>	9	8
Tourists	<ul style="list-style-type: none"> <li>Quality and quantity of service</li> <li>Aesthetics</li> </ul>	8	8.3
<b>COUNCIL</b>			
Councillors	<ul style="list-style-type: none"> <li>No complaints</li> <li>Good public profile</li> <li>Compliance</li> <li>Business continuity</li> <li>Price</li> </ul>	9	8
Council Employees	<ul style="list-style-type: none"> <li>Recognition for work</li> <li>Safe workplace</li> <li>Competency/training</li> <li>Pride in workplace/ schemes</li> <li>Support and security</li> </ul>	9	8.7
Engineering Services - W & S Section	<ul style="list-style-type: none"> <li>Efficient service</li> <li>Chargeable service</li> <li>Working relationship</li> <li>Timeliness</li> <li>Innovation and technology</li> <li>Informed advice</li> </ul>	8	8.3

Stakeholder	How to judge success?	How does Council rate its service? 1 – Poor 10 - Excellent	How do stakeholders rate the service 1 – Poor 10 - Excellent
<b>GOVERNMENT</b>			
DLG	<ul style="list-style-type: none"> <li>Accountability</li> <li>Financial stability</li> </ul>	9.5	8.5
NOW	<ul style="list-style-type: none"> <li>Efficient operations</li> <li>Performance</li> <li>Best practice management</li> </ul>	9.5	8
OEH /EPA	<ul style="list-style-type: none"> <li>Environmental requirements</li> <li>Effluent and bio-solids disposal</li> <li>Catchment management</li> </ul>	9	8
Others (Dept. of Health, Work Cover, CENTROC, Central West CMA)	<ul style="list-style-type: none"> <li>Receiving water quality</li> <li>Effluent and bio-solids disposal</li> <li>Septic tanks</li> <li>Catchment management</li> <li>OHS</li> </ul>	7.5	8





## **Appendix D   Performance Indicators (TBL Report)**

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## Blayney Shire Council

## TBL Sewerage Performance

2011-12

SEWERAGE SYSTEM - Blayney Council has 1 sewage treatment works providing advanced secondary treatment. The system comprises 7,000 EP treatment capacity (Intermittent Extended Aeration (Advanced Sludge)), 1 pumping station (1 ML/d), 23 km of rising mains and 53 km of gravity trunk mains and reticulation. 77% of effluent was recycled.

PERFORMANCE - Residential growth for 2011-12 was 3.2% which is higher than the statewide median. Blayney Shire Council achieved 100% implementation of Best-Practice requirements. The 2012-13 typical residential bill was \$479 which was less than the statewide median of \$606 (Indicator 12). The economic real rate of return was 9.4% which was less than the statewide median (Indicator 46). The spending out per property (OMA) was \$317 which was less than the statewide median of \$410 (Indicator 59). Sewage odour complaints were less than the statewide median of 8.3 (Indicator 21). Blayney Council reported no public health incidents. Council complied with the requirements of the environmental regulator for effluent discharge. The current replacement cost of system assets was \$27M (\$14,100 per assessment), with investments were \$3M, debt was \$1M and revenue was \$1.1M (excluding capital works grants).

## IMPLEMENTATION OF REQUIREMENTS OF BEST-PRACTICE MANAGEMENT FRAMEWORK

(1) Complete current strategic business plan & financial plan	YES	(2a) Pricing - DSP with commercial developer charges	YES
(2) (2a) Pricing - Full Cost Recovery without statutory price subsidies	Yes	(2b) Pricing - Liquid waste water accounts & sewer	Yes
(2b) Pricing - Approximate Residential Charges	Yes	(3) Complete performance reporting (by 15 November)	YES
(2c) Pricing - Approximate Non-Residential Charges	Yes	(4) Integrated water cycle management strategy	YES
(2d) Pricing - Approximate Trade Waste Fees and Charges	Yes	IMPLEMENTATION OF ALL REQUIREMENTS	100%

## TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS

INDICATOR	NAME	UNIT	RANKING	2011-12		2012-13		2013-14		2014-15		2015-16	
				Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10
UTILITY	1	Population served: 3,500											
	2	Number of connected properties: 1,898	Number of assessments: 1,900										
	3	Number of residential connected properties: 1,898											
	4	New residences connected to sewerage (%)											
	5	Properties served per kilometre of main											
	6	Volume of sewage collected (ML)											
	7	Renewable expenditure (% of current replacement cost of system assets)											
	8	Employees per 1000 properties											
	9	Description of residential tariff structure: access charge/property: Independent of land value											
	10	11a Residential access charge for 2011-12 (B assessment)											
SOCIAL	11	11b Residential access charge for 2012-13 (B assessment)											
	12	12a Typical residential bill for 2011-12 (B assessment)											
	13	12b Typical residential bill for 2012-13 (B assessment)											
	14	13 Typical developer charge for 2012-13 (B assessment)											
	15	14 Non-residential sewer usage charge (C/L)											
	16	15 Revenue per property - Sge (\$)											
	17	16 Urban properties without reticulated sewerage service (%)											
	18	17 Percent of sewage treated to a tertiary level (%)											
	19	18 Percent of sewage volume treated that was compliant (%)											
	20	19 Number of sewage treatment works compliant at all times											
ENVIRONMENTAL	21	21 Odour complaints per 1000 properties	per 1,000 prop										
	22	22 Service complaints - sewerage per 1000 properties	per 1,000 prop										
	23	23a Average sewerage interruption (minutes)	min										
	24	23b Total sewer leak (%)											
	25	24 Volume of sewage collected per property (ML)	ML										
	26	25 Total recycled water supplied (ML)	ML										
	27	26 Recycled water (% of effluent recycled)	%										
	28	27 Sewerage reuse (%)	%										
	29	28 Energy consumption - sewerage (kWh/ML)	kWh										
	30	29 Renewable energy consumption (% of total energy consumption)	%										
ECONOMIC	31	31a Net greenhouse gas emissions - YR & 3 yr net tonnes CO2 equivalents per 1000 properties	tonnes										
	32	31b Net greenhouse gas emissions - YR & 3 yr net tonnes CO2 equivalents per 1000 properties	tonnes										
	33	32a Compliance with EOD in effluent discharge: BOD 30 mg/L, SS 30 mg/L, Total N	mg/L										
	34	32b Compliance with EOD in effluent discharge: BOD 30 mg/L, SS 30 mg/L, Total N	mg/L										
	35	33 Compliance with 43 in license (%)	%										
	36	34 Sewer main breaks and chokes (per 100 km of main)	per 100km main										
	37	35 Sewer overflows (per 100 km of main)	per 100km main										
	38	36 Sewer overflows reported to environmental regulator (per 100km of main)	per 100km main										
	39	37 Non res & trade waste % of total sge volume	%										
	40	40 Revenue from non-residential plus trade waste charges (% of total revenue)	%										
ENVIRONMENTAL	41	41 Revenue from trade waste charges (% of total revenue)	%										
	42	42 Economic real rate of return - Sge (%)	%										
	43	43 Return on assets - Sge (%)	%										
	44	44 Loan payment per property - Sge (\$)	\$										
	45	45 Net profit after tax - YR & 3 yr (\$/prop)	\$/prop										
	46	46 Operating cost (OMA) per 100 km of main (\$/SD)	\$/SD										
	47	47 Operating cost (OMA) per property (all bills \$)	\$										
	48	48 Operating cost (OMA) per kilolitre (cents)	c/L										
	49	49 Management cost per property (\$)	\$										
	50	50 Treatment cost per property (\$)	\$										
ECONOMIC	51	51 Pumping cost per property (\$)	\$										
	52	52 Energy cost per property (\$)	\$										
	53	53 Sewer main cost per property (\$)	\$										
	54	54 Capital Expenditure per property - Sewerage (\$)	\$										
	55	55 Capital Expenditure per property - Sewerage (\$)	\$										
	56	56 Capital Expenditure per property - Sewerage (\$)	\$										
	57	57 Capital Expenditure per property - Sewerage (\$)	\$										
	58	58 Capital Expenditure per property - Sewerage (\$)	\$										
	59	59 Capital Expenditure per property - Sewerage (\$)	\$										
	60	60 Capital Expenditure per property - Sewerage (\$)	\$										

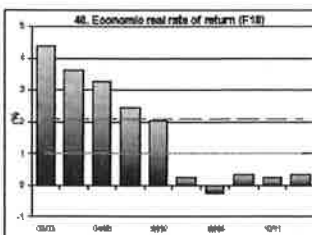
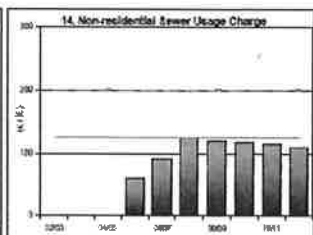
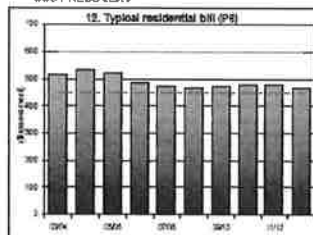
## NOTES:

- Col 2 rankings are on a % of LHMU basis - best reveals performance compared to similar sized LHMUs (ie. Col 1 is compared with LHMUs with 200 to 1,500).
- Col 3 rankings are on a % of LHMU basis - best reveals performance compared to all LHMUs (ie. Col 1 is compared with all LHMUs) - see attachment.
- Col 4 (Statewide Median) is on a % of connected properties basis - best reveals statewide performance (gives due weight to larger LHMUs & reduces effect of smaller).
- Col 5 (National Median) is the median value for the 66 utilities reporting sewerage performance in the National Performance Report 2011-12 ([www.nprc.gov.au](http://www.nprc.gov.au)).
- LHMUs are required to annually review key projections & actions in their Strategic Business Plan and annually update their financial plan. The SBP should be updated after 4 years.
- Non-residential access charge - \$479, proportional to square of size of service connection. Sewer usage charge - 110 c/L.
- Non-residential and trade waste volume was 8% of total sewage collected.
- Non-residential revenue was 8% of revenue from access, usage & trade waste charges, indicating the pricing of services between the residential and non-residential sectors.
- Compliance with T4314N in Licence was 100%. Compliance with Total P in Licence was 100%.
- Operating cost (OMA)/property was \$317. Components were: management (\$95), operation and maintenance (\$197), energy (\$34) & effluent/solids (\$11).

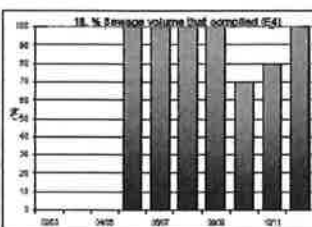
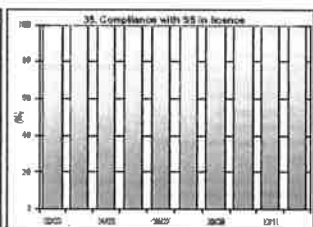
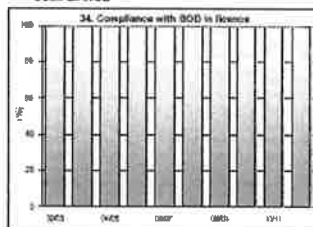
Blayney Shire Council TBL Sewerage Performance (page 2) 2014-12

(Results shown for 10 years together with 2011/12 Statistic Median and Top 20%)

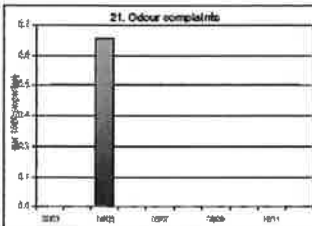
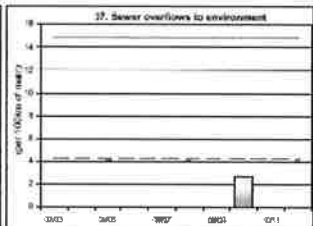
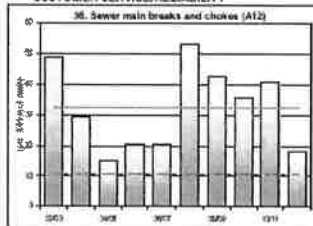
COST RECOVERY



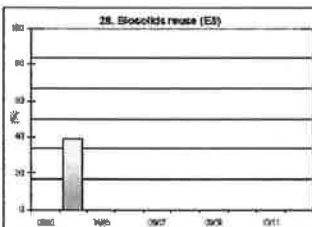
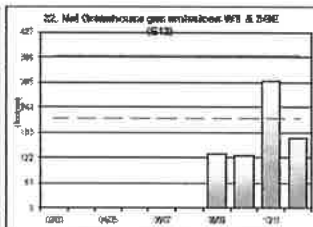
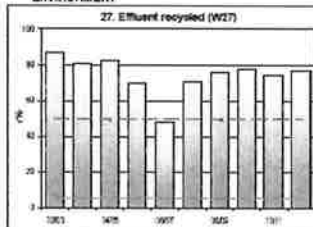
COMPLIANCE



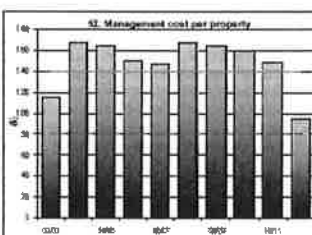
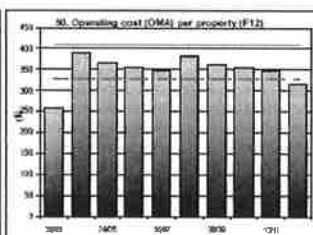
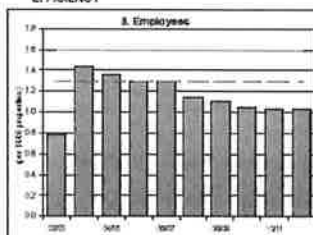
CUSTOMER SERVICE/RELIABILITY



ENVIRONMENT



EFFICIENCY



NOTES:

1. Costs are in Jan 2012\$ except for graph 12, which is in Jan 2013\$.

LEGEND	
2011-12 Statistic Median	-----
2011-12 Top 20%	-----



## **Appendix E      Projected Cost Schedules**

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E.2 30-year Recurrent Cost Schedule

SEWERAGE, WASTEWATER, RAINFALL, AND REVENUE OVERHEADS AND REVENUE REQUIREMENT EXPENDITURES 2013-14-2043

Item	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Revenue	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Operating and Maintenance	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Capital Expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Revenue	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Operating and Maintenance	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Capital Expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

## **Appendix F   Financial Input Data**

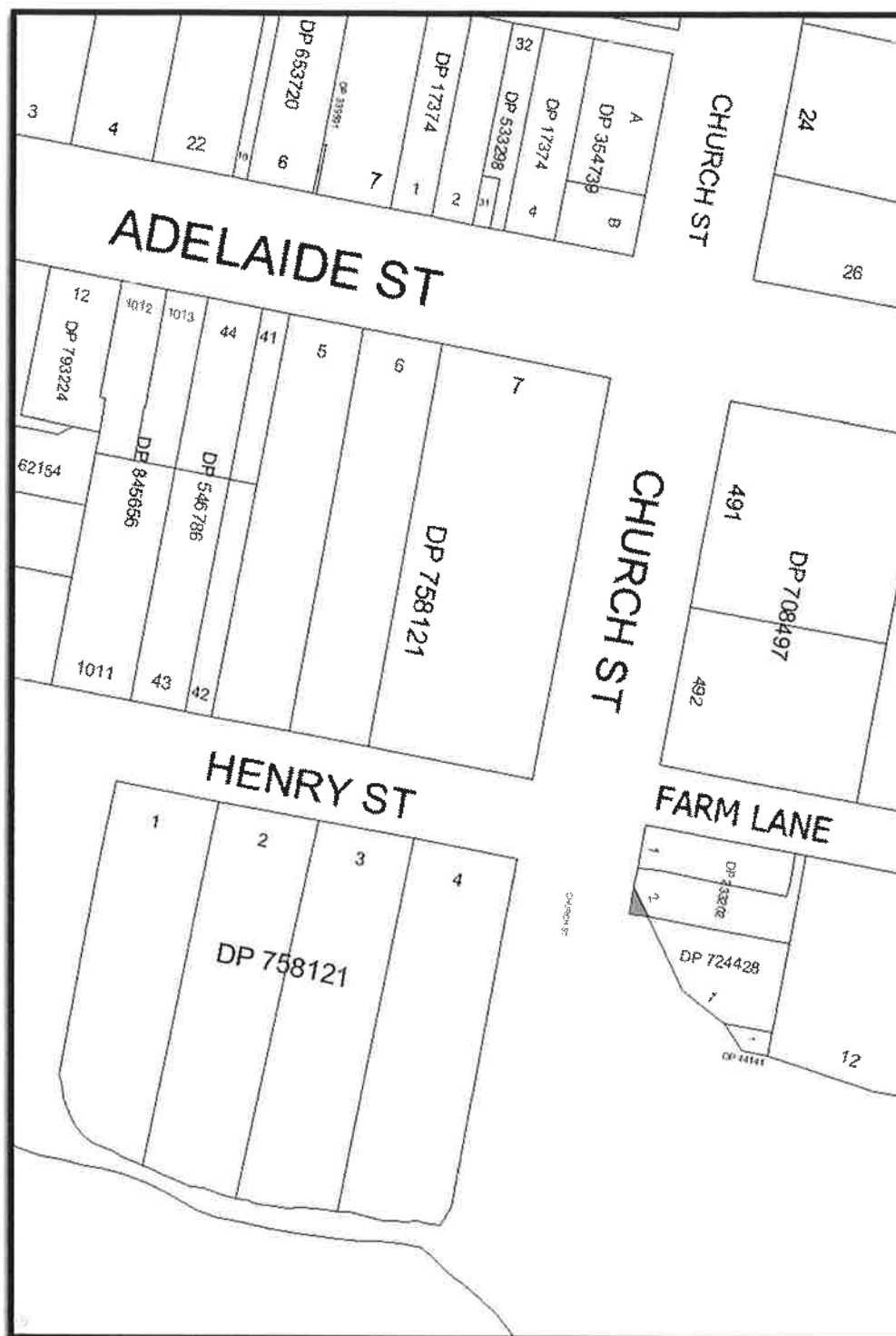
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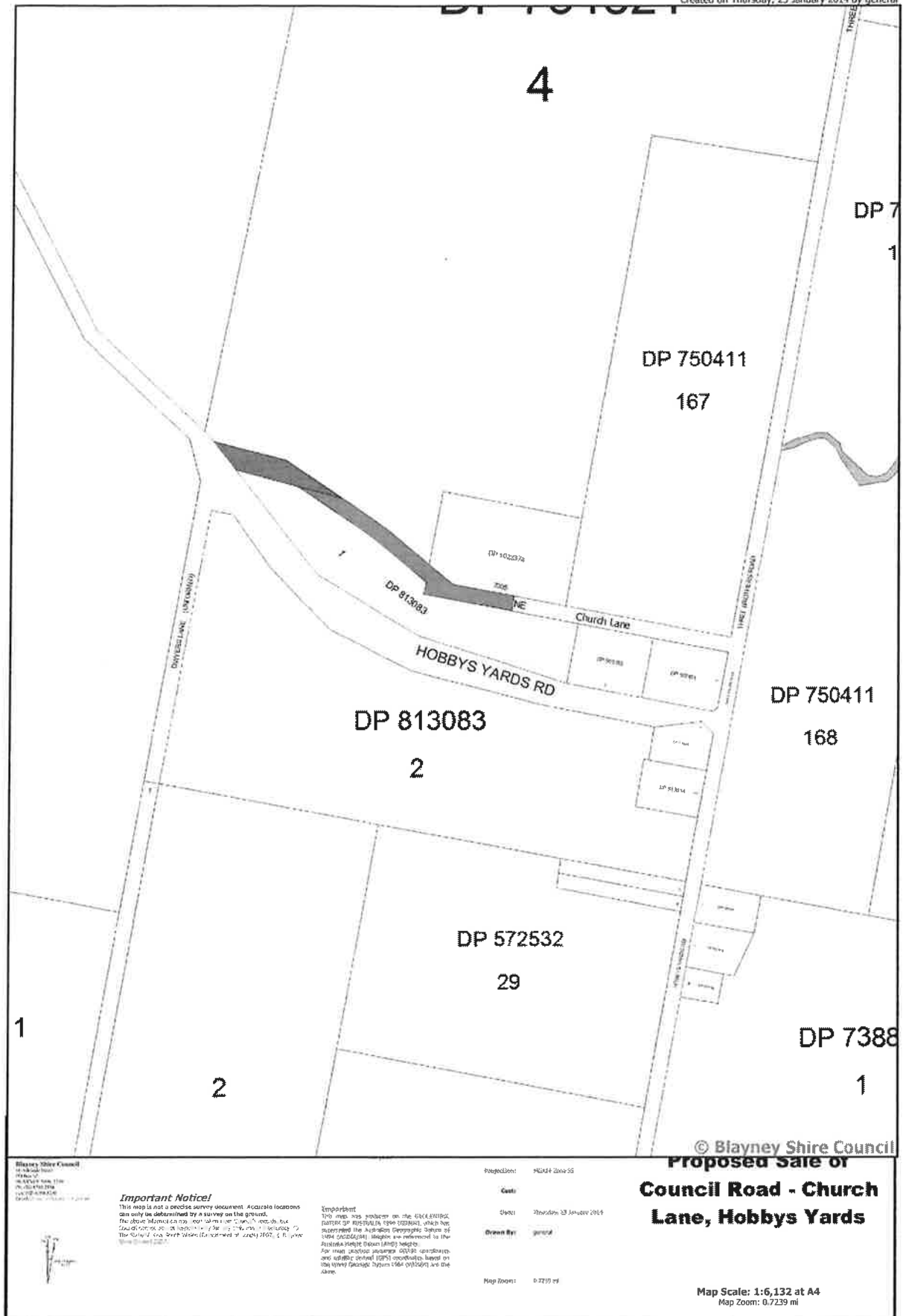
## **Appendix G      Detailed Financial Statements**

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Created on Thursday, 23 January 2014 by general



## **Swimming Pool Barrier Inspection Program**

This Swimming Pool Barrier Inspection Program has been developed by Blayney Shire Council following guidelines issued by the NSW Government and is aimed at reducing the incidence of children drowning in backyard pools.

As a pool owner you are responsible for ensuring that your pool is enclosed and access to it is restricted to children at all times. The pool owner is also responsible for ensuring the pool and fencing is maintained and it complies with relevant Australian Standards and legislation.

The purpose of the new legislation is to promote the need for regular checks and maintenance of pool safety barriers such as fencing.

### **Owner and Council Responsibilities**

The Swimming Pools Amendment Act 2012 makes a number of changes to the Swimming Pools Act 1992 that impact on pool owners and Council.

#### **Pool Owners:**

Swimming pool owners are required to register their swimming pools on an online register provided by the NSW State Government.

Swimming pool owners are required to self-assess and state in the register that to the best of their knowledge their swimming pool complies with the applicable standard when registering their pool.

There is a penalty for owners who fail to register a swimming pool (penalty notice amount \$220).

Swimming pool owners will be required to provide a valid Swimming Pool Compliance Certificate before being able to sell or lease a property with a pool. Accredited certifiers under the Building Professionals Act 2005 may conduct swimming pool inspections initiated by the owner.

#### **Council:**

Councils are required to:

- Develop and implement a swimming pool barrier inspection program in conjunction with their communities.
- Report annually on the number of pool inspections undertaken and the level of compliance.
- Inspect pools associated with tourist and visitor accommodation and multi-occupancy developments at three year intervals.
- At the request of the pool owner, inspect pools prior to sale or lease.
- Issue compliance certificates after an inspection which finds a pool barrier compliant with the requirements of the legislation. Compliance certificates are valid for three years.
- A swimming pool subject to an occupation certificate is exempt from an inspection program for three years from the date of issue of the occupation certificate.



- Councils may inspect any swimming pool that is the subject of a complaint to the Council.
- Council powers of entry will be consistent with the Local Government Act 1993.
- Councils may charge a fee for each inspection undertaken.

### **Implementation**

The Swimming Pool Barrier Inspection Program will be implemented by:

- Council officers carrying out inspections of swimming pools associated with tourist and visitor accommodation and multi-occupancy developments at three year intervals as required by legislation.
- At the request of the pool owner, inspect pools prior to sale or lease.
- Issue compliance certificates after an inspection which finds a pool barrier compliant with the requirements of the legislation. Compliance certificates are valid for three years. The fee for compliance certificates will be the same as the fee set annually by Council in the Management Plan.
- Council will inspect any swimming pool that is the subject of a complaint to the Council.
- Council fees for compliance certificates and inspection will be established annually through the management plan process.

This Swimming Pool Barrier Inspection Program may be modified from time to time following review by Council.

Any questions in relation to this document may be directed to Council's Building and Development Officers during office hours.

# Planning Agreement

Between

[Logo]

**Blayney Shire Council**

ABN: 47619651511

and



**Flyers Creek Wind Farm Pty Ltd**

ACN: 130 749 012

XX/XX/2014

**Blayney Shire Council**

**91 Adelaide Street Blayney NSW 2799**

**Phone 02 6368 2104**

[council@blayney.nsw.gov.au](mailto:council@blayney.nsw.gov.au) / [www.blayney.nsw.gov.au](http://www.blayney.nsw.gov.au)

## 1. PARTIES

- Blayney Shire Council of 91 Adelaide Street, Blayney, NSW 2799 ('Council');
- Flyers Creek Wind Farm Pty Ltd of Level 22, 56 Pitt Street, Sydney, NSW 2000 ('Proponent').

## 2. BACKGROUND

- 2.1 On 16<sup>th</sup> December 2008 the Proponent made a Development Application to the NSW Department of Planning & Infrastructure for Development Consent to carry out the Development on the Land (approximately 15 kilometres west of Blayney). This Development is identified by the Department of Planning & Infrastructure as Major Project Application No. 08\_0252.
- 2.2 The Proponent has agreed to enter into this Agreement and, provided that Construction Commencement is achieved, to pay the Development Contributions to the Council on the basis that Development Consent is granted by the NSW Government.

## 3. OPERATIVE PROVISIONS OF THIS AGREEMENT

### 3.1 PLANNING AGREEMENT UNDER THE ACT

The Parties agree that this Agreement is a Planning Agreement governed by Subdivision 2 of Division 6 of Part 4 of the Act.

### 3.2 APPLICATION OF THIS AGREEMENT

This Agreement applies to the Development as identified in Attachment A of this Agreement on Land which is identified in Attachment A of this Agreement.

### 3.3 OPERATION OF THIS AGREEMENT

- a) The operation of this Agreement is subject to and conditional upon:
- (i) final Development Consent for the Development being received on terms and conditions acceptable to the Proponent acting reasonably; and
  - (ii) Construction Commencement being achieved,
- (together the 'Conditions').
- b) This Agreement shall have no force or effect until both of the Conditions have been satisfied.
- c) Payment of the financial contributions due in the first calendar year shall be made pro rata, dependent on the date in that year the Conditions are met.

### 3.4 DEFINITIONS AND INTERPRETATION

In this Agreement, the following definitions apply:

**Act** means the *Environmental Planning and Assessment Act, 1979*.

**Approval** means any approvals, consents, certificates, permits, endorsements, licences, conditions or requirements (and any modifications or variations to them) which may be required by law or by adjoining owners for the commencement and carrying out of the Development generally and includes an approval under Part 3A of the Act (if relevant).

**Base Year** means the calendar year commencing 1 January 2013.

**Business Day** means a day on which banks are open for general business in Sydney excluding Saturdays, Sundays and public holidays.

**Conditions** is defined in clause 3.3(a).

**Council** means Blayney Shire Council.

**Construction Commencement** means the Project has reached financial close in securing all debt and equity required to build the Project, the Department has approved the Construction Environmental Management Plan for the Project and an Environmental Protection Licence has been issued by the NSW Department of Environment on terms acceptable to the Proponent and the Proponent has mobilised to site in preparation for commencing civil works on public road infrastructure and the project site itself. For the avoidance of doubt, mobilisation to site does not include undertaking activities such as geotechnical investigations, surveys of any nature or resource monitoring.

**CPI** means:

- a) the Consumer Price Index (All Groups, Sydney) published by the Australian Bureau of Statistics from time to time; or
- b) if for any reason the Consumer Price Index (All Groups, Sydney) is not published for any year, or if publication is delayed until after the relevant CPI Adjustment Date, the Consumer Price Index (All Groups, Sydney) published for the previous year; or
- c) if the Australian Bureau of Statistics ceases to publish the Consumer Price Index (All Groups, Sydney) and publishes another index which replaces it, then the other index.

**CPI Adjustment Date** means 1 January in each successive year after the Base Year.

**Dealing**, in relation to the Land, means, without limitation, selling, transferring, assigning, mortgaging, charging, encumbering or otherwise dealing with the Land.

**Department** means the NSW Department of Planning and Infrastructure.

**Development** or **Project** means the project known as the 'Flyers Creek Wind Farm' as detailed in Attachment A of this document.

**Development Application** has the same meaning as in the Act.

**Development Consent** has the same meaning as in the Act.

**Development Contribution** means a monetary contribution or the provision of a material public benefit, the schedule of which is listed in Table 1 contained herein.

**Dispute** is defined in clause 7.1.

**GST** has the same meaning as in the GST Law.

**GST Law** has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and any other act or regulation relating to the imposition or administration of the GST.

**Insolvency Event** means any of the following events:

- a) a Party ceases to (or is unable to) pay its creditors (or any class of them) in the ordinary course of business, or announces its intention to do so;
- b) a receiver, manager, receiver and manager, administrator or similar officer is appointed with respect to a Party or any of its assets;
- c) a Party enters into, or resolves to enter into, a scheme of arrangement, compromise or composition with any class of creditors;
- d) a resolution is passed or an order is made for the winding up or dissolution of a Party; or
- e) anything having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

**Land** means the land described in Attachment A of this Agreement.

**Modification** –means a modification to the Development Application that would result in more than forty three (43) wind turbines being approved for the Project.

**Party** means a party to this agreement, including its successors and assigns.

**Proponent** means Flyers Creek Wind Farm Pty Ltd or any subsequent owner of the Development.

### 3.5 INTERPRETATION OF THIS AGREEMENT

In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

- a) Headings are inserted for convenience only and do not affect the interpretation of this Agreement.
- b) A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney.
- c) If the day in which any act, matter or thing is to be done under this Agreement is not a business day, the act, matter or thing must be done on the next business day.
- d) A reference in this Agreement to 'dollars' or '\$' means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars.
- e) A reference in this Agreement to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- f) A reference in this Agreement to any agreement, deed or document is to that agreement, deed or document as amended, novated, supplemented or replaced.
- g) A reference to a clause, part, schedule or attachment is a reference to a clause, part schedule or attachment to this Agreement.
- h) An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency.

- i) Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
- j) A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender denotes the other genders.
- k) References to the word 'include' or 'including' are to be construed without limitation.
- l) A reference to this Agreement includes the agreement recorded in this Agreement.
- m) A reference to a party to this Agreement includes a reference to the servants, agents, and contractors of the party, and the party's successors and assigns. For the avoidance of doubt, all future owners of Flyers Creek Wind Farm Pty Ltd are bound by the terms of this agreement.
- n) Any schedules, tables and attachments form part of this Agreement.

#### 4. DEVELOPMENT CONTRIBUTIONS TO BE MADE UNDER THIS AGREEMENT

- 4.1 Subject to satisfaction of the Condition and the operation of clause 3.3, the Proponent commits to make the Development Contributions listed in Table 1 below to Council, by Electronic Funds Transfer, in accordance with the manner and timing stated in the same table.

**Table 1: The Development Contributions**

Number	Summary Description	Total Financial Contribution to be made (\$)	Manner & Timeframe for Payment of the Contributions
1	Community Benefit Fund	1,375,000	\$55,000/year paid for 25 years, with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
2	Road Maintenance	1,000,000	\$40,000/year paid for 25 years with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
3	Project Related Council Administration and Observations	300,000	\$12,000/year paid for 25 years, with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
	<b>Total over the first 25 years of the life of the Project</b>	<b>2,675,000 + CPI</b>	

The Proponent will not be required to make any ad hoc contributions (in addition to the Development Contributions); however, it may at its discretion make other donations for community purposes.

- 4.2 On each CPI Adjustment Date, Development Contributions which are payable by the Proponent will be indexed by reference to the CPI for the year ending 31 September in the

calendar year preceding the year in which the CPI Adjustment Date occurs. The adjustment is to be calculated by the following formula:

$$DC_n = DC_1 \times I_n / I_1$$

where:

$DC_n$  is the indexed Development Contribution (for year  $n$ );

$DC_1$  is the original amount of the Development Contribution, as set out in Table 1;

$I_n$  is the CPI for the year ending 31 September in the calendar year preceding the year for which the calculation is being made; and

$I_1$  is the CPI for the Base Year.

- 4.3 The Development Contributions paid pursuant to subclause 4.1 may be pooled with other monies held by Council which have similar and relevant objectives, subject to the Proponent having the opportunity to make representations for certain expenditure for the benefit of Flyers Creek and district residents. The Council must have regard to the opinions expressed by the Proponent but will not be bound by them.
- 4.4 In addition to the Development Contributions listed in Table 1 above, and as per the findings of the Traffic Study (acceptable to both Parties), the Proponent undertakes at its own expense to:
- a) upgrade Errowanbang Road (between the Mid-Western Highway and Gap Road) and Gap Road (and related intersections, causeways, etc), in accordance with plans approved by Council, prior to any Project construction work commencing (other than site mobilisation);
  - b) upgrade other roads, bridges, intersections, in the Flyers Creek district that require modification in the reasonable opinion of Council, to allow construction of the Development, in accordance with plans approved by Council, prior to any Project construction work commencing (other than site mobilisation);
  - c) maintain Errowanbang Road (between the Mid-Western Highway and Gap Road) and Gap Road for the duration of the construction phase of the Development, to the reasonable satisfaction of Council;
  - d) If, during the life of the Project, Council provides evidence of significant increases in traffic volumes or vehicle types on other roads in the locality not addressed in the abovementioned Traffic Study that can be directly attributable to the Project, the Proponent agrees to reach a negotiated settlement with Council to provide additional funds for road repair, maintenance or upgrade works. In an endeavour to avoid this impact the Proponent will require contractors and staff to travel on designated routes; and

- e) pay Council \$120/tonne ( adjusted for CPI in accordance with clause 4.2 as if they were Development Contributions) plus any carbon cost imposed by the waste management facility that accepts the waste generated by the Project.

The works a) to c) above shall be carried out by the Proponent as soon as practicable after the date the Conditions are satisfied but subject always to the operation of clause 3.3.

## **5. CONFIDENTIALITY**

- 5.1 The Parties agree that the terms of this Agreement are not confidential and that this Agreement may be treated as a public document and exhibited or reported without restriction by either Party.

## **6. AMENDMENT TO THIS AGREEMENT**

- 6.1 This Agreement may only be amended if Council and the Proponent agree to enter into a new Agreement or in accordance with clause 19.

## **7. DISPUTE RESOLUTION**

- 7.1 In the event a dispute between the Parties arises in relation to any activity, payment or item as covered in this Agreement (a "Dispute"), the Dispute is to be resolved through the following process (as required):

- a) A Party claiming that a Dispute has arisen must give written notice to the other Party specifying the nature of the Dispute;
- b) Within ten (10) days of receipt of notice of a claim of a Dispute, both Parties must endeavour, in good faith, to resolve the Dispute swiftly using informal dispute resolution methods such as discussion or expert evaluation as agreed by both Parties;
- c) If the Parties fail to resolve the Dispute within 21 Business Days of receipt of notice (or any further period agreed in writing by them) as to:
  - i) the Dispute resolution method and procedures to be adopted;
  - ii) the timetable for all steps in those procedures; or
  - iii) if applicable, the selection and compensation of the independent person required for any agreed expert evaluation,

the Parties must mediate the Dispute in accordance with the Alternative Dispute Resolution process of the Law Society of NSW. The Parties must request the President of the Law Society of NSW or the President's nominee to select the mediator;

- d) The costs associated with the mediation must be shared equally between the Parties, unless the mediator determines otherwise; and
- e) If the Dispute is not resolved within 60 Business Days after the initial notice of the Dispute is given under clause 7.1(a), then either Party, having exhausted efforts to resolve the Dispute in accordance with this section, may, in writing, terminate the Dispute resolution process and commence court proceedings in relation to the Dispute.



**8. ENFORCEMENT**

- 8.1 The Proponent commits an "event of default" if it commits, permits or suffers to occur any breach or default in the due and punctual observance and performance of any of the covenants, obligations and provisions to be performed or observed by the Proponent under this Agreement.
- 8.2 Where the Proponent commits an event of default the Council may:
- a) serve a notice on the Proponent requiring the breach of this Agreement to be rectified within a reasonable period (being not less than 28 Business Days from the date of the notice); and
  - b) claim damages for breach of contract from the Proponent.
- 8.3 The rights vested in Council pursuant to clause 8.2 above do not prevent the Council from exercising any other rights that it may possess at law.
- 8.4 If there is any Dispute as to whether an event of default has occurred, then any enforcement by the Council of this Agreement shall be suspended pending the outcome of the Dispute resolution procedure prescribed in clause 7.

**9. TERMINATION AND SUSPENSION**

- 9.1.1 Subject always to clause 8.4, this Agreement terminates upon the occurrence of any of the following events:
- a) the Parties agree in writing to terminate this Agreement;
  - b) an Insolvency Event affects a Party; or
  - c) the Council, acting reasonably, serves notice on the Proponent terminating this Agreement where the Proponent has failed to comply with a notice issued in accordance with clause 8.2(a).
- 9.2 Upon termination of this Agreement:
- a) all future rights and obligations of the Parties under this Agreement are discharged; and
  - b) all pre-existing rights and obligations of the Parties under this Agreement continue to subsist.

**10. NOTICES**

- 10.1 Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:
- a) delivered or posted to that Party at its address set out below; or
  - b) faxed to that Party at its fax number set out below.

**Blayney Shire Council**

Attention: General Manager

Address: 91 Adelaide Street Blayney, NSW 2799

PO Box 62, Blayney, NSW 2799

Fax Number: (02) 6368 3290

**Flyers Creek Wind Farm Pty Ltd**

Attention: Mr Jonathan Upson, Senior Development Manager

Address: Level 22, 56 Pitt Street, Sydney, NSW 2000

Fax Number: (02) 9247 6086

- 10.2 If a Party gives the other Party three Business Days notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.
- 10.3 Any notice, consent, information, application or request is to be treated as given or made at the following time:
- a) if it is delivered, when it was left at the relevant address;
  - b) if it is sent by post, two Business Days after it is posted; or
  - c) if it is sent by fax, as soon as the sender receives from the sender's fax machine, a fax report of an error free transmission to the correct fax number.
- 10.4 If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a Business Day, or if on a Business Day, after 5 pm on that day in the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next Business Day.

**11 COSTS**

Each Party shall pay its own costs in relation to negotiating, preparing and executing this Agreement.

**12 ENTIRE AGREEMENT**

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed except as permitted by law.

**13 FURTHER ACTS**

Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to affect, perfect or complete this Agreement and all transactions incidental to it.

**14 GOVERNING LAW AND JURISDICTION**

This Agreement is governed by the law of New South Wales. The Parties submit to the non-exclusive jurisdiction of its courts and courts of appeal from them. The Parties will not object to the exercise of jurisdiction by those courts on any basis.

**15 NO FETTER**

Nothing in this Agreement shall be construed as requiring Council to do anything that would cause it to be in breach of any of its obligations at law, and without limitation, nothing shall be construed as limiting or fettering in any way the exercise of any statutory discretion or duty.

**16 REPRESENTATIONS AND WARRANTIES**

16.1 Each of the Parties represents and warrants to the other Party that it has power to enter this Agreement and comply with its obligations under this Agreement and that entry into this Agreement will not result in the breach by it of any law applicable to it.

16.2 Each Party warrants to each other Party that:

- a) this Agreement creates a legal, valid and binding obligation, enforceable against the relevant Party in accordance with its terms; and
- b) unless otherwise stated, it has not entered into this Agreement in the capacity of trustee of any trust.

**17 SEVERABILITY**

If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of the Agreement is not affected.

**18 MODIFICATION**

No modification of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

**19 RENEWAL/REPLACEMENT OF THIS AGREEMENT**

During the term of this Agreement, the Parties agree to review and amend the Agreement if a Modification to the original planning consent is sought for the Development. Any amendments

resulting from such a review will only become effective if the Modification is approved by the consent authority and the works relating to the Modification are commenced.

Regardless, during the twenty fifth year after commencement of construction of the Development, the Parties agree to negotiate a replacement for, or an extension of, this current Agreement as determined by circumstances at the time.

This Planning Agreement shall be deemed to remain in force, even beyond the initial twenty five year period, and until such time as it is renegotiated and replaced.

## 20 WAIVER

The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party. A waiver by a Party is only effective if it is in writing. A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of that obligation or breach in relation to any other occasion.

## 21 GST

- 21.1 Capitalised terms used in this clause 21 which are not otherwise defined have the same meanings as in the GST Law.
- 21.2 Any consideration or amount payable under this Agreement, including any non-monetary consideration (as reduced in accordance with clause 21.6 if required) ("**Consideration**") is exclusive of GST.
- 21.3 If GST is or becomes payable on a Supply made under or in connection with this Agreement, an additional amount ("**Additional Amount**") is payable by the Party providing the Consideration for the Supply ("**Recipient**") equal to the amount of GST payable on that Supply as calculated by the Party making the Supply ("**Supplier**") in accordance with the GST Law.
- 21.4 The Additional Amount payable under clause 21.3 is payable at the same time and in the same manner as the Consideration for the Supply but is only payable on receipt of a valid Tax Invoice.
- 21.5 If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply made under or in connection with this Agreement (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 21.3:
- a) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as appropriate;
  - b) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and

- c) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.
- 21.6 Notwithstanding any other provision in this Sublease, if an amount payable under or in connection with this Agreement (whether by way of reimbursement or otherwise) is calculated by reference to an amount incurred by a Party, whether by way of cost, expense, outlay, disbursement or otherwise ("**Amount Incurred**"), the amount payable must be reduced by the amount of any Input Tax Credit to which that Party is entitled in respect of that Amount Incurred.
- 21.7 Any reference in this clause 21 to an Input Tax Credit to which a Party is entitled includes, without limitation, an Input Tax Credit arising from a Creditable Acquisition by that Party but to which the Representative Member of a GST Group of which the Party is a Member is entitled.

## EXECUTION

DATED:

EXECUTED AS AN AGREEMENT:

The Common Seal of **Blayney Shire Council** was affixed in the presence of:\_\_\_\_\_  
Mayor

Name (printed)

\_\_\_\_\_  
General Manager

Name (printed)

Executed by **Flyers Creek Wind Farm Pty Ltd** in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by authority of its directors:\_\_\_\_\_  
Director:

Name (printed)

\_\_\_\_\_  
Director/Secretary:

Name (printed)

## ATTACHMENT A

## THE DEVELOPMENT

The proposed Flyers Creek Wind Farm as described in the Environmental Assessment report dated May 2011 and further described in the Preferred Project Report of May 2013, and submitted to the NSW Department of Planning and Infrastructure for review and determination.

## DESCRIPTION OF SUBJECT LAND

The Land Title details are shown below:

[ Insert 3 page table from pdf]

DRAFT



**MINUTES OF THE BLAYNEY TRAFFIC COMMITTEE MEETING**  
**HELD ON FRIDAY 13 DECEMBER 2013**  
**AT THE BLAYNEY SHIRE COUNCIL DEPOT**

Meeting commenced at 10.00am

**PRESENT**

Cr Kevin Radburn (Chair), Darren Cooper (NSW Police), Prue Britt (Roads and Maritime Services), Reg Rendall (Paul Toole Representative), Geoff Paton (Blayney Shire Council) and Grant Baker (Blayney Shire Council).

**APOLOGIES**

**RESOLVED:** That the apology received from Jackie Barry (Roads and Maritime Services) be accepted. (Kevin Radburn/Darren Cooper)

**CONFIRMATION OF MINUTES**

**RESOLVED:** That the minutes of the previous Traffic Committee Meeting held on Friday 25 October 2013 be confirmed to be a true and accurate record of that meeting. (Reg Rendall/Kevin Radburn)

**TRAFFIC REGISTER**

Update provided and information noted.

**CORRESPONDENCE**

**B2B Cyclo Sportif Traffic Management Plan**

- Charles, Stillingfleet etc. – no 'cyclist ahead' signs, just road closed.
- Iris and Reg to provide 'dot' points re TCP's.
- Remind them of issues from last year.

**RESOLVED:** That the Blayney Traffic Committee approves the event subject to previous conditions and TCP corrections and like to remind the B2B to enhance its community engagement (Reg Rendall/Darren Cooper).

**Heavy Vehicle Incident on Gap Road/Browns Creek Road**

Correspondence noted.

**Speed Zone Signs – Lyndhurst Streets of Highway**

Not normally sign post gravel roads.

**RESOLVED:** That the Blayney Traffic Committee send letter to proponent explaining that it is part of road rules. NSW Police have been advised. If offender can be identified then advise Police. Speed zone review on Mt McDonald Road is pending (Reg Rendall/Darren Cooper).

**GENERAL BUSINESS**

Nil.

**INFORMAL MATTERS****Disabled Parking Mandurama – Highway/Gold Street**

Council to consult with local businesses and report back.

**Off Route B-Doubles**

- Old Lachlan
- Neville – Trunkey
- Carcoar Street
- Mallowgrove

**RESOLVED:** Put out Traffic Counters to assess need for weight limiting of roads. To go into 14/15 (-17) road safety program (Kevin Radburn/Reg Rendall).

**B-Double Route – Carbine Road**

- Noted.
- Await an application.

**Monthly Road Safety Report for October 2013**

Reports were noted.

**Long Vehicle Parking Areas in Blayney**

The Traffic Committee reconfirms its previous considerations.

**Driver Reviver at Heritage Park**

Traffic Committee supports the concept with RMS approval.

**RV Friendly Town**

- Traffic Committee provide In-Principal support.
- Check with Anton.
- Noted - not Traffic Committee matters.

**Road Directional Signage**

Council will assess individual locations and modification where appropriate.

**NEXT MEETING**

The next meeting of the Blayney Shire Traffic Committee will be held on Friday 21 February 2014.

**MEETING CLOSE**

The meeting closed at 12.10pm.

**MINUTES OF THE MEETING OF BLAYNEY SHIRE AUDIT COMMITTEE  
HELD IN THE COMMUNITY CENTRE ON MONDAY 25 NOVEMBER 2013**

The meeting commenced at 9:12am.

**1. Present**

Cr. Allan Ewin	(Councillor – voting)
Glenn Wilcox	(General Manager)
Steve Kent	(Independent – voting)
Phil Burett	(Independent – voting)
John O'Malley	(Intentus Chartered Accountants)
Jennie Robson	(Risk Officer)
Anton Franze	(Director Corporate Services – secretariat)

**2. Apologies**

Cr. Scott Ferguson

**3. Declarations of Interest**

Nil.

**4. Adoption of Previous Minutes**

**Recommendation:** That the minutes for the previous Audit Committee meeting held on 29 August 2013 were a true and accurate record of that meeting.

**5. Recruitment of Audit Committee independent member**

Formalities have been completed.

**6. Audit Committee Annual Report**

Report under preparation and will be circularised upon finalisation.

**7. Review of Charter**

To be circularised for review and feedback. Changes can be advised and ratified at next meeting.

**8. Risk Management Update**

A report by Council's Risk Officer was presented. New policies adopted by Council include Risk policy and WHS policy. The Continuous Improvement Pathway continues with pool signage review undertaken. Site specific risk assessments being reviewed and procedures being implemented. Council wide Risk register is still under development. A holistic review of Risk register developed is what Council needs to work towards.

It was requested that the Statewide CIP program and Statewide voluntary review and assessment of Council be distributed.

**9. Annual Financial Statements 2012/13**

A report was presented on behalf of External Auditors, Intentus Chartered Accountants, by John O'Malley. It was reported that focus of audit was around Investments, Revaluations and Land & Buildings.

**10. Major Developments**

Council is participating in a shared services model with the WBC.

**11. Status of Prior Report Recommendations**

Progress to date was noted. It was requested that the date of review undertaken be inserted; more specific target dates rather than quarter and high risk items prioritised. More information was also requested on item 23.2.

**12. Any other Business**

Future meeting dates: Not to be scheduled in last month of quarter on first Wednesday or Thursday or fourth Monday or Tuesday.

**14. Next Meeting**

TBA – Blayney

There being no further business the meeting closed at 11.10am.

**MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES  
COMMITTEE MEETING  
HELD ON THURSDAY 12 DECEMBER 2013  
AT THE BLAYNEY SHIRE COMMUNITY CENTRE**

Meeting commenced at 6.04pm

**PRESENT**

Wayne Moore, Judy Belecky, Alvaro Marques, Tony Kearney, Glenn Wilcox, Cecily Walters, Loretta Kervin, Cr Allan Ewin, Kerry Adams, Cathy Griffiths, Elizabeth Russ, Anton Franze and Narelle Riley.

**APOLOGIES**

**RESOLVED:** That the apology received from Richard Bloomfield be accepted (Tony Kearney/Alvaro Marques).

**CHAIR**

Elizabeth Russ appointed Chair due to absence of Cr Allan Ewin at commencement of meeting.

**CONFIRMATION OF MINUTES**

The minutes of the previous meeting held on 12 September 2013 were confirmed to be a true and accurate record of that meeting (Judy Belecky/Wayne Moore).

**DECLARATIONS OF INTEREST**

Nil.

**VILLAGE PLANS**

Final draft of Village Plans circularised to Committee members.

**RESOLVED:** That the distribution of the Village Plans be noted (Loretta Kervin/Wayne Moore)

**USE OF RAILWAY STATIONS BY VILLAGES**

- Seeking to get Stations opened at Newbridge and Millthorpe.
- Excursions seeking to attend Hotel however are unable to stop.
- Reason for closure has been officially advised as footbridge is unsafe.
- Alvaro has advised that Millthorpe has been liaising with Laurie Williams from Millthorpe Village Committee.

**RESOLVED:** That Council contact Transport NSW and John Holland to advocate on behalf of Newbridge; Carcoar and Millthorpe seeking

examination of railway facilities with a view to opening facilities; and that members of each Village Committee be invited to attend any meetings.  
(Wayne Moore/Judy Belecky)

#### **CHANGING OF ROAD SIGNAGE**

That the Traffic Committee be advised of obscured signage on Moorilda Road – Blayney/Newbridge Road Junction and Blayney/Moorilda/Newbridge Road Junction. (Wayne Moore/Kerry Adams).

#### **DISPLAYS ON FOOTPATHS POLICY**

- Draft policy was distributed. Policy has been somewhat simplified and made compliant.
- Seeking comment from Committee before being referred to Council for adoption.

#### **IP&R DOCUMENTS ON PUBLIC DISPLAY**

Noted that IP&R documents are on public exhibition, closing 5 February 2014.

#### **CLAIM THE DATE**

Lyndhurst Market Day noted.

#### **GENERAL BUSINESS**

##### **Public Halls Query**

- Hobbys Yards Hall has been confirmed not to be on a Crown Reserve.

#### **TEXTURES OF ONE ACTIVITY UPDATE**

- Entries being invited at present.
- Activity progressing well.
- Event proposed 14-16 March 2014.
- Craft market (through High School P&C) also proposed.
- Anglican Church is also holding book fair same weekend.
- Can Assist are also doing scones at the event.

#### **CARCOAR AUSTRALIA DAY FAIR UPDATE**

- Parade proposed for event.
- Cadia have donated \$500 for best float.
- History re-enactments.
- Times proposed for event is 8.30am to 2.30pm.

**OTHER EVENTS**

- Catholic Parish held a successful garage sale last weekend and seeking to hold it on a regular basis.
- Blayney Town Committee has been working on a number of strategies. Currently seeking to use vacant shop space for display space for artworks/displays etc.
- Mandurama proposing Anzac Day Test.
- Mandurama Progress Association Mailbox / Property Identification Competition happening as part of a strategy to help with mail delivery and property identification by emergency services.

**FUTURE AGENDA ITEMS**

- Workshop for development of strategy for events and invite Economic Development Committee and Towns and Villages and seek to capitalise on success of Blayney Festival.

**NEXT MEETING**

The next meeting of the Blayney Shire Towns and Villages Committee will be held on Thursday 13 March 2014 commencing at 6.00pm.

**MEETING CLOSE**

The meeting closed at 7.35pm.





**INFORMATION REPORTS**





## DEVELOPMENT APPROVALS – DECEMBER 2013

Below is a list of Development approvals determined during the month of December 2013 for your information.

DA No.	Applicant	Construction	Address	Determination Date/Method	Value of Works	Type: DA/CC, Mod, \$68, \$96 etc.
DA2013/0105	A Simmons & J Friedrich	Erection of a Garage	17 Unwin Street, Millthorpe	Council Delegation 29 November 2013	\$7648	DA/CC
DA2013/0107	CS Dunn & R Keogh	Additions & Alterations to an Existing Dwelling	85 Forest Reefs Road, Millthorpe	Council Delegation 4 December 2013	\$90,000	DA/CC
DA2013/0122	R & J Beach	Change of Use – Art Gall	38-40 Victoria Street, Millthorpe	Council Delegation 6 December 2013	Nil	DA
DA2007/114/1	RW Costello	Relocate Family Room & Effluent System, Extend Carport	47 Crouch Street, Neville	Council Delegation 5 December 2013	Nil	Modification
DA2013/0108	K Kendall	Erection of Signage & Massage/Pilates Business	134 Adelaide Street, Blayney	Council Delegation 11 December 2013	\$600	DA
DA2013/0110	J & M Bennett	Erection of a Dwelling	14 Carcoar Road, Forest Reefs	Council Delegation 11 December 2013	\$47,500	DA/CC
DA2013/0115	Toshack Building Pty Ltd	Erection of a Dwelling	5 Johnston Crescent, Blayney	Council Delegation 12 December 2013	\$ 246,000	DA/CC & S68

DA2013/0111	L Savio	Erection of a Garage	79 Carcoar Street, Blayney	Council Delegation 12 December 2013	\$13,000	DA/CC
DA2013/0106	AS Bathe	Erection of a Patio	34 Osman Street, Blayney	Council Delegation 12 December 2013	\$4,850	DA/CC
DA2013/0117	J Cunningham	Retail Footpath Trading & Advertising Signage	7a Belubula Street, Carcoar	Council Delegation 12 December 2013	Nil	DA
DA2013/0120	S Oates	Conversion of an Attached Garage to a Liveable Space	7 Stanfield Close, Blayney	Council Delegation 18 December 2013	19,000	DA/CC
DA2013/0118	B Alexander	Erection of a Patio	7 Euroka Place, Blayney	Council Delegation 20 December 2013	\$15,000	DA/CC
DA2013/0109	J Bostjanic	Two (2) Lot Subdivision	11 George Street, Millthorpe	Council Delegation 18 December 2013	Nil	DA
CDC2013/130	D Russell	Erection of a Patio Cover	8 Maple Crescent, Blayney	Council Delegation 19 December 2013	\$13,647	CDC

DA's Approved in December 2013: 14

DA's Lodged in December 2013: 10

Total Value of Works approved in December 2013: \$457,245

DA's Approved in December 2012: 15

DA's Lodged in December 2012: 6

Total Value of Works approved in December 2012: \$ 1,719,235

## DEVELOPMENT APPROVALS – JANUARY 2014

Below is a list of Development approvals determined during the month of January 2014 for your information.

DA No.	Applicant	Construction	Address	Determination Date/Method	Value of Works	Type: DA/CC, Mod, s68, s96 etc.
DA2013/0096	A Watts	Additions & Alterations to an Existing Premise for Medical Centre & Post Office Sorting Room	44 Victoria Street, Millthorpe	8 January 2014, Council Delegation	\$120,000	DA/CC
DA2013/43/2	S Baker	Modify Consent to Include Amenities	12 Tucker Street, Blayney	9 January 2014, Council Delegation	Nil	Modification
DA2013/0126	C & A McAlister	Erection of a Garage	4 Queen Street, Blayney	16 January 2014, Council Delegation	\$12,900	DA/CC
DA2013/0116	S & K Toshack Building Pty Ltd	Erection of a Dwelling	18 Oliver Street, Blayney	16 January 2014, Council Delegation	\$435,000	DA/CC
DA2013/0089	Mackintosh Development s Pty Ltd	Erection of a Dwelling	158 Walkom Road, Kings Plains	20 January 2014 Council Delegation	\$280,000	DA
DA2013/0119	Uniting Church	Erection of a Brick Veneer	711 Millthorpe Road, Blayney	20 January 2014 Council Delegation	\$385,582	DA/CC
DA2013/0124	A & T Orme-Smith	Erection of a Shed (temporary residence) and dwelling	152 Bentleys Lane, Millthorpe	20 January 2014 Council Delegation	\$390,000	DA/CC
DA2013/0127	TW & DM Taylor	Dwelling Alterations	22 Euroka Place, Blayney	23 January 2014 Council Delegation	\$138,000	DA/CC
DA2013/0128	RT & SA Wilson	Erection of a Dwelling & Shed	9 Pitt Street, Millthorpe	23 January 2014 Council Delegation	\$300,000	DA/CC

DA2013/0112	PJ & JE Hancock	Erection of a Studio	66 Kings Plains Road, Kings Plains	28 January 2014 Council Delegation	\$80,000	DA
DA2013/0125	G & C Sampson	Erection of a Farm Shed	115 Burtons Lane, Forest Reefs	28 January 2014 Council Delegation	\$84,000	DA/CC
DA2013/0113	Blayney Shire Show Society	Erection of a Storage Shed	22 Marshalls Lane, Blayney	28 January 2014 Council Delegation	\$14,000	DA/CC
DA2013/0129	Gregory J Coleman Pty Ltd	Erection of a Dwelling	512 Neville Road, Blayney	29 January 2014 Council Delegation	\$299,400	DA/CC
DA2013/0123	Ryan Hopkins	Outdoor Removable Furniture – Footpath Trading & Signage	129 Adelaide Street, Blayney	29 January 2014 Council Delegation	Nil	DA
DA2013/0131	Lee Hostel Committee Inc	Additions & Alterations to an Existing Building	1 Queen Street, Blayney	29 January 2014 Council Delegation	\$106,796.31	DA/CC

DA's Approved in January 2014: 15

DA's Lodged in January 2014: 10

Total Value of Works approved in January 2014: 2,645,678.31

DA's Approved in January 2013: 7

DA's Lodged in January 2013: 9

Total Value of Works approved in January 2013: \$ 866,089

## **Upper Macquarie County Council**

### **Minutes of the Ordinary Meeting of the Council held at the Council Chambers, Kelso, on Friday 20 December 2013**

The Chairman declared the meeting open at 4.33 p.m.

#### **Attendance**

The following members were present –

Councillor G Braddon, Chairman and in the Chair

Councillors

J McMahon

C Hunter

N Francis

D Kingham

R Thompson

The General Manager and Mr. Weeds Officer Waddell were also in attendance.

#### **Apologies**

Apologies for unavoidable absence were received from Councillors I North and W Aubin.

**Moved** Councillor McMahon

**Seconded** Councillor Kingham

**That** the apologies of Councillors North and Aubin be accepted and they be granted leave of absence.

**Resolved in the affirmative**

#### **Confirmation of Minutes**

Councillor McMahon informed the meeting that his recollection of the motion recorded under General Business in the minutes as printed did not accord with the minutes. There was some discussion and a number of Councillors agreed that their recollection also differed from the minutes as printed.

The General Manager read to the meeting his notes of the gist of the discussion about the correct form of the minute. This was in the following terms "the General Manager in consultation with the Chief Weeds Officer find from the Council's records a person to prosecute for an offence under the Noxious Weeds

#### **Certificate**

This is page 1 of 4 pages of the Minutes of the Ordinary Meeting of the Upper Macquarie County Council held at the Council Chambers, Kelso on Friday, 20 December 2013.

Chairman..... General Manager.....

Act and initiate prosecution action" and it was agreed that this was the motion referred to in the printed minutes.

**Moved** Councillor McMahon

**Seconded** Councillor Thompson

**That** the Minutes of the Ordinary Meeting of the Council held on 1 November 2013, a copy of which had been provided to each Councillor prior to the meeting, be adopted subject to the motion recorded under General Business in the minutes as printed being changed as follows "That the General Manager in consultation with the Chief Weeds Officer find from the Council's records a person to prosecute for an offence under the Noxious Weeds Act and initiate prosecution action".

**Resolved in the affirmative**

### **Matters arising from the Minutes**

There were no matters arising from the minutes.

### **Declaration of Interest**

**Moved** Councillor Francis

**Seconded** Councillor McMahon

**That** the Council note this matter.

**Resolved in the affirmative**

### **County Chairman's report**

The Chairman did not give a report.

### **Chief Weeds Officer's Report**

**Moved** Councillor Kingham

**Seconded** Councillor McMahon

**That** the report of the Chief Weeds Officer be adopted.

**Resolved in the affirmative**

### **General Manager's Report**

#### **Item A – Meeting dates**

The General Manager informed the Council that this item was for information only.

#### **Certificate**

This is page 2 of 4 pages of the Minutes of the Ordinary Meeting of the Upper Macquarie County Council held at the Council Chambers, Kelso on Friday, 20 December 2013.

Chairman..... General Manager.....



#### **Item B – Annual financial reports**

The General Manager informed the Council that this item was for information only.

#### **Item C – Tender for audit services**

The General Manager informed the Council that this item was for information only.

#### **Item D – Prosecution policy**

The General Manager informed the Council that this item was for information only.

There was some discussion about the terms of the Prosecution Policy and of the discretions which it vests in the General Manager. A contrast was drawn by some Councillors between the policy and the practice that formerly applied, which was that the Council by resolution made decisions about initiating individual prosecution actions.

In a short explanation the General Manager made the following points –

- Many authorities exercising regulatory powers have Prosecution Policies, and all should have.
- Prosecution policies need to be followed.
- It is not good practice to politicise prosecution decisions and for this reason decisions on prosecution matters are commonly delegated to “bureaucrats”, the example was given of the Minister for Police not making decisions on who is to be prosecuted by the police.
- Consideration by elected bodies of individual potential prosecutions create many difficulties and proper exercise of the discretion to prosecute cannot be done in public, hence must be considered confidentially. The information that should be made available to Councillors if the discretion is to be exercised properly may itself put the success of a prosecution at risk.
- Because of the debate that has been triggered about this matter the General Manager will not, for the time being, exercise his discretion under the Council’s Prosecution Policy and any proposal to prosecute, whether arising out of the Council’s resolution concerning prosecution action as now recorded in the minutes of the Ordinary meeting on 1 November 2013 or otherwise, will be brought to the Council for decision.

The General Manager also advised the Council that in compliance with the Council’s previous resolution concerning prosecution action he would

#### **Certificate**

This is page 3 of 4 pages of the Minutes of the Ordinary Meeting of the Upper Macquarie County Council held at the Council Chambers, Kelso on Friday, 20 December 2013.

Chairman..... General Manager.....

endeavour to bring to the Council some instances where prosecutions under Section 12 and Section 18 of the Act may be appropriate.

**Moved** Councillor Hunter

**Seconded** Councillor Thompson

**That** the Council's Prosecution Policy as set out in the Council's Delivery Program should be reviewed but that this not be given priority over the action required by the Council's resolution concerning prosecution action as now recorded in the minutes of the Ordinary meeting on 1 November 2013.

**Resolved in the affirmative**

#### **Item E –Investments and available funds**

The General Manager informed the Council that this item was for information only.

#### **Item F – Correspondence and information**

The General Manager informed the Council that this item was for information only.

**Moved** Councillor McMahon

**Seconded** Councillor Francis

**That** the report of the General Manager be adopted.

**Resolved in the affirmative**

### **General Business**

Concern was expressed by some Councillors concerning the Council's practice of accepting an apology for absence from a Council meeting, and the granting of leave of absence, where there is only an implicit apology from the absent Councillor.

**Moved** Councillor Kingham

**Seconded** Councillor McMahon

**That** it be the Council's policy that unless a formal apology by a Councillor for absence from a Council meeting and a request for a grant of leave of absence is conveyed to another Councillor or the General Manager prior to the meeting in question, and is conveyed to the Council by that Councillor or the General Manager, that the apology **not** be accepted and leave of absence **not** be granted.

**Resolved in the affirmative**

There was no other General Business.

The Chairman declared the meeting closed at 5.45 p.m.

#### **Certificate**

This is page 4 of 4 pages of the Minutes of the Ordinary Meeting of the Upper Macquarie County Council held at the Council Chambers, Kelso on Friday, 20 December 2013.

Chairman..... General Manager.....

M13/141

**MINUTES OF THE MEETING OF THE CENTRAL WEST LIBRARIES COMMITTEE HELD IN THE FORBES COUNCIL CHAMBERS, 2 COURT STREET, FORBES ON FRIDAY 25 OCTOBER 2013 COMMENCING 10.20AM.**

**ATTENDANCE**

Cr Janelle Culverson (Cabonne) Chairperson, Mr Anton Franze (Bleyney), Cr Ron Penny (Forbes), Ms Amity Howe (Forbes), Ms Kathy Woolley, Mr Scott Meunder, Ms Julie Murray (Orange), Ms Jan Richerds (Central West Libraries)

**1 APOLOGIES FOR ABSENCE**

Cr Geoff Braddon OAM, (Blayney), Mr Andrew Hopkins, Mr Gerry Aguila (Cabonne), Cr Ruth Fegan, Mr Graham Apthorpe (Cowra), Cr John Davis OAM (Orange).

**RESOLVED**

A Franze / Cr Penny

That apologies be accepted from Cr Geoff Braddon OAM, Mr Andrew Hopkins, Mr Gerry Aguila, Cr Ruth Fegan, Mr Graham Apthorpe and Cr John Davis OAM for the Central West Libraries Committee meeting on 25 October 2013.

**2 ELECTION OF CHAIRPERSON AND DEPUTY CHAIRPERSON**

**RESOLVED**

Cr Penny / K Woolley

That Cr Janelle Culverson (Cabonne Council) be elected as Chairperson of the Committee.

**RESOLVED**

Cr Culverson / K Woolley

That Cr Ron Penny (Forbes Council) be elected as Deputy Chairperson of the Committee.

**3 CONFIRMATION OF THE MINUTES OF THE MEETING OF THE CENTRAL WEST LIBRARIES COMMITTEE HELD ON 26 JULY 2013**

122/623/455/5/1

M13/92

**Item 6 Public Library Funding**

Cr Culverson advised that letters were sent to Local Government NSW and Central NSW Councils (CENTROC) on behalf of the Committee.

**Item 3 Central West Libraries Joint Agreement**

The Central West Libraries *Joint Agreement* has now been signed by all Member Councils and copies will now be distributed to all partners.

**RESOLVED**

K Woolley / S Maunder

That the Minutes of the Meeting of the Central West Libraries Committee held on Friday 26 July 2013 (copies of which were circulated to all members) be and are hereby confirmed as a true and accurate record of that meeting.

#### **4 CENTRAL WEST LIBRARIES COMMITTEE ANNUAL REPORT**

Presentation by Manager Central West Libraries

Copies of the Central West Libraries *Annual Report 2012/2013* were distributed and a Power Point presentation on the year in review given. A copy of the Power Point presentation will be distributed to all Member Councils.

Cr Penny questioned the population figures used in the *Annual Report* and was advised that these were based on the CENTROC figures as agreed at the Committee's meeting on 15 March 2013. These will be compared to the figures used by other agencies including the State Library of New South Wales and reported upon at the next meeting.

Ms Woolley initiated discussion about the implementation of RFID. Manager Central West Libraries advised that a State Library research project found that installing RFID is not economically viable for smaller libraries.

Cr Culverson thanked Manager Central West Libraries for her informative presentation.

<b>RESOLVED</b>	A Franze / A Howe
That the Central West Libraries <i>Annual Report 2012/2013</i> be accepted.	

#### **5 CENTRAL WEST LIBRARIES DRAFT ANNUAL FINANCIAL STATEMENT**

Report by Financial Accountant dated 17 October 2013

122/623/455/5/1

2013/1030

Cr Culverson reminded all that this is the DRAFT Annual Financial Statement. The final document will be presented at a future meeting after being examined by Central West Libraries auditors Intertus.

<b>RESOLVED</b>	Cr Penny / K Woolley
1. That the Statement of the Members of the Central West Libraries Committee be signed by the Executive Member and the Chairperson and then forwarded to Intertus Chartered Accountants.	
2. That signed copies of the Audit report and the Annual Financial Statements of the Central West Libraries be forwarded to each Member Council.	

#### **6 CENTRAL WEST LIBRARIES QUARTERLY REVIEW**

122/623/455/5/1

Report by Manager Central West Libraries dated 17 October 2013

2013/1031

Manager Central West Libraries highlighted item G2 on page 28 and explained that a review will take place in the near future on the opening hours for all branches. Desktop research has already begun on this using data from the SPYDUS Library Management System. A report will be submitted to the Committee's first meeting of 2014. These will then form the basis of recommendations to individual Member Councils.

Cr Culverson requested statistics be provided for busy and quiet times.

Mr Maunders asked we consider trials of new opening hours.

**RESOLVED**

Cr Penny / Cr Culverson

That the information provided in the report by the Manager Central West Libraries dated 17 October 2013 on Central West Libraries Quarterly Review be acknowledged.

**7 CENTRAL WEST LIBRARIES MANAGEMENT PLAN REVIEW – 30 SEPT 2013**

122/623/455/5/1

Report by Finencial Accountant dated 17 October 2013

2013/1027

Accommodation Costs (p 54). It was noted that figuras have not been increased for rates, water end sewer etc. Ms Murray will present paper with emended eaccommodation costs et the next meeting.

**RESOLVED**

S Maunder / A Howe

That additional income totalling \$7,880, additional expenditure of \$9,070 end a draw down on the restricted esset for the Orel History experience for \$986 be adopted in the September review.

**8 NSW PUBLIC LIBRARY FUNDING UPDATE**

122/623/455/5/1

Report by Menager Centrel West Libraries dated 17 October 2013

2013/1028

**RESOLVED**

K Woolley / A Franze

That the information provided in the report by the Manager Central West Libraries dated 17 October 2013 on NSW Public Library Funding be acknowledged.

This week Centrel West Libraries received e letter confirming that Arts NSW have not funded the Central West Writers' Centre for 2014. The Manager Central West Libraries has organised a teleconference with Arts NSW to discuss further details.

Each Member Council is strongly urged to write to their Local Member as the Cantral West Writers' Centre will no longer operate without this vitel funding. The Maneger Central West Libraries will supply details of specific projects for each Member Council for inclusion in these lattars.

The Central West Libraries Reading and Writing Coordinator Jasmine Vidler has been speeking with other Writers' Centres regarding distribution of funding. At this stage the allocation of funds seems to be ad-hoc.

**RECOMMENDATION**

Cr Penny / Cr Culverson

That all Central West Libraries Member Councils write to The Minister for the Arts and Local Mambars urging for funding to be considered for the Central West Writers Centra.

**9 REVITALISING REGIONAL LIBRARIES**

122/623/455/5/1

Report by Manager Central West Libraries dated 17 October 2013

2013/1026

**RESOLVED**

Cr Penny / Cr Culverson

That the information provided In the raport by the Meneger Central West Libraries dated 17 October 2013 on Revitalising Regional Libraries be acknowledged.

**10 NEXT MEETING OF THE COMMITTEE**

The next meeting of the Central West Libraries Committee is to be held in March 2014. Date and venue are yet to be advised.

**GENERAL BUSINESS**

An Agenda for PLNSW Central West Zone Meeting to be held on 1 November 2013 was distributed. As discussed at the last meeting it was strongly recommended that each Member Council has representation at this meeting.

**THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 11.42AM**

This is Page Number Four and the Final Page of the Minutes of the Meeting of the Central West Libraries Committee held on Friday 25 October 2013.

M13/95

**MINUTES OF THE MEETING OF THE CENTRAL WEST LIBRARIES COMMITTEE HELD IN THE COUNCILLORS WORKROOM, FIRST ROOM ORANGE CITY COUNCIL, 135 BYNG STREET ORANGE ON FRIDAY 26 JULY 2013 COMMENCING 10.19AM**

**ATTENDANCE**

Cr Janelle Culverson (Cabonne) (Chairperson), Cr Geoff Braddon OAM (Blayney), Mr Gerry Aguila (Cabonne), Cr Ruth Fagan (Cowra) (Deputy Chair), Ms Kathy Woolley (Orange), Mr Scott Maunder (Orange), Ms Jan Richards (Central West Libraries), Ms Ros Dorsman (Orange), Julie Murray (Orange).

**1 APOLOGIES FOR ABSENCE**

Cr John Davis (Orange), Anton Franze (Blayney), Andrew Hopkins (Cabonne), Graham Apthorpe (Cowra), Amity Howe (Forbes).

**RESOLVED**

Cr Fagan/ K Woolley

That apologies be accepted from Cr John Davis, Anton Franze, Andrew Hopkins, Graham Apthorpe and Amity Howe for the Central West Libraries Committee meeting on 26 July 2013.

**2 CONFIRMATION OF THE MINUTES OF THE MEETING OF THE CENTRAL WEST LIBRARIES COMMITTEE HELD ON FRIDAY 15 MARCH 2013**

122/623/455/5/1

M13/32

Clause 12.2 *Any costs incurred as a result of the withdrawal are borne by the withdrawing Council* was omitted from the Minutes but had been discussed and agreed upon. This Clause was inserted into the DRAFT *Joint Agreement* which was adopted by Cabonne, Blayney and Forbes Councils at their meetings. Orange and Cowra adopted the DRAFT *Joint Agreement* before this change was made and will need to determine the process for progressing this through their respective Councils.

**RESOLVED**

K Woolley / Cr Fagan

That the Minutes of the Meeting of the Central West Libraries Committee held on Friday 15 March (copies of which were circulated to all members) be and are hereby confirmed as a true and accurate record of that meeting.

**3 CENTRAL WEST LIBRARIES DRAFT JOINT AGREEMENT**

122/623/455/5/1

Report by Manager Central West Libraries dated 16 July 2013

2013/681

There was discussion around clarification of Clause 10.4

- *Orange prepares the document and adopted by CWL. This group adopts the budget on behalf of member libraries.*
- It was agreed that this be interpreted as the Administering Council is to use its best endeavours to ensure that the annual budget is adopted by 30 June in each year by preparing the document on behalf of Central West Libraries. The Central West Library Committee adopts the budget on behalf of member Councils.

**RESOLVED**

Cr Fagan / Cr Braddon

That the Central West Libraries DRAFT *Joint Agreement* be adopted by all Member Councils.

- 4 DRAFT INCOME STATEMENT AND STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013** 1222/623/455/5/1  
Report by Financial Accountant dated 18 July 2013 2013/682

<b>RESOLVED</b>		Cr Fagan / Cr Braddon
1	That the information provided in the report by the Financial Accountant on Draft Income Statement and Statement of Financial Position as at 30 June 2013 dated 18 July 2013 be acknowledged. Final figures are to be provided to the Committee when available.	
2	That the change of auditors used by both Central West Libraries and Orange City Council from Morse Group to Intentus be noted.	

- 5 CENTRAL WEST LIBRARIES DRAFT BUDGET REVIEW – 30 JUNE 2013** 122/623/455/5/1  
Report by Financial Accountant dated 18 July 2013 2013/683

<b>RESOLVED</b>		Cr Fagan / S Maunder
That the information contained in the report by the Financial Accountant on Central West Libraries Draft Budget Review dated 18 July 2013 be noted. Final figures are to be provided to the Committee when available.		

- 6 NSW PUBLIC LIBRARY FUNDING** 122/623/455/5/1  
Report by Manager Central West Libraries dated 16 July 2013 2013/880

<b>RESOLVED</b>		Cr Fagan / G Aguila
1	That a letter signed by the Chairperson of the Central West Libraries Committee be sent to Local Government New South Wales as a matter of urgency requesting their representation to the Minister for the Arts for increased state government funding for libraries.	
2	That each member council write to their local members of State Parliament voicing their grave concerns about the level of public library funding with a copy sent to the Minister for the Arts.	
3	That a letter signed by the Chairperson of the Central West Libraries Committee be sent to CENTROC requesting their support for the Public Libraries NSW funding campaign.	

- 7 CWL NEWSPAPER DIGITISATION PROJECT** 122/623/455/5/1  
Report by Technical Services Librarian dated 16 July 2013 2013/668

<b>RESOLVED</b>		Cr Fagan / Cr Breddon
1	That the report by the Technical Services Librarian on CWL Newspaper Digitisation Project dated 16 July 2013 be acknowledged.	
2	That a letter be sent to the Minister for the Arts acknowledging the Country Libraries Fund contribution and describing the success and benefits of the project.	



**6 CWL SELF SERVICE UNITS**

**122/623/455/5/1**

Report by Tachnical Servics Librarian dated 16 July 2013

**2013/667**

**RESOLVED**

**G Aguila / K Woolley**

Thet the information provided in the raport by the Technical Servics Librarian on CWL Self Service Units datad 16 July 2013 be noted.

**9 CWL TECH SAVVY SENIDRS PROGRAM GRANT**

**122/623/455/5/1**

Report by Technical Services Librerian deted 16 July 2013

**2013/675**

Discussion around this topic included:

- The need to advertise this project across the Central West Libraries footprint (Cr Culverson)
- The possibility of engaging U3A in the roll-out (Scott Maunder)
- Expansion to include banking sector (Cr Fagan)

**RESOLVED**

**Cr Braddon/ S Maunder**

That the information providad in the raport on CWL Tech Savvy Seniors Program Grant by the Tachnical Services Librarian dated 16 July 2013 be ecknowledged.

**10 PUBLIC LIBRARIES NSW**

**122/623/455/5/1**

Report by Maneger Central West Libraries deted 16 July 2013

**2013/670**

**RESOLVED**

**Cr Culverson / Cr Fagan**

That the committea encourage all Central West Librarias membar councils to consider sending a dalegate to the next Zona Meeting to be held on 6 September 2013 in Dubbo and tha confarance and Annual Genaral Meating in Sydney 24 to 26 November 2013.

**11 IFLA INTERNATIONAL MARKETING AWARDS**

**2013122/623/455/5/1**

Raport by Manager Central West Librarias dated 16 July 2013

**2013/674**

**RESOLVED**

**Cr Fagan / Cr Culverson**

Thet the IFLA International Markating Award be acknowledged, and the Central West Libraries staff be congratulated for the success of this project.

**12 CENTRAL WEST LIBRARIES E-RESOURCES**

Presantation by tha Tachnical Servics Librerien on Centrel West Librerries e-resources.

**GENERAL BUSINESS**

Cr Fagan asked that a paper on the Library's Strategic Direction be presanted at a future meeting.

**13 DATE FOR NEXT MEETING**

The next meeting of the Central West Libraries Committee is to be held on Friday 25 October 2013 at Forbes. (in conjunction with the River Arts Festival)

**THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 11.45AM.**

This is Page Number Four and the Final Page of the Minutes of the Meeting of the Central West Libraries Committee held on Friday 26 July 2013.

**CENTROC**

Minutes of AGM Thursday 28 November 2013 held in Young

**Delegates in Bold**

<b>Cr G Rush</b>	Bathurst Regional Council	<b>Mr G Styles</b>	Orange City Council
<b>Mr Brian Dwyer</b>	Bathurst Regional Council	<b>Cr K Keith</b>	Parkes Shire Council
<b>Cr S Ferguson</b>	Blayney Council	<b>Mr L Finn</b>	Parkes Shire Council
<b>Mr G Wilcox</b>	Blayney Council	<b>Cr J Shaw</b>	Upper Lachlan Shire
<b>Cr W Tuckerman</b>	Boorowa Council	<b>Mr J Bell</b>	Upper Lachlan Shire
<b>Mr A McMahon</b>	Boorowa Council	<b>Cr M Liebich</b>	Weddin Shire Council
<b>Cr I Gosper</b>	Cabonne Council	<b>Mr G Carroll</b>	Weddin Shire Council
<b>Mr R Staples</b>	Cabonne Council	<b>Cr S Freudenstein</b>	Young Shire Council
<b>Cr G Braddon</b>	Central Tablelands Water	<b>Mr P Vlatko</b>	Young Shire Council
<b>Mr T Perry</b>	Central Tablelands Water	Cr D Somervale	Central Tablelands Water
<b>Cr B West</b>	Cowra Shire Council	Mr B Steffen	Forbes Shire Council
<b>Mr P Devery</b>	Cowra Shire Council	Cr B Miller	Local Government NSW
<b>Cr P Miller</b>	Forbes Shire Council		
<b>Cr D Manwaring</b>	Lachlan Shire Council	Mr S Morrison	RDA
<b>Ms L Collyer</b>	Lachlan Shire Council	Ms J Bennett	Centroc
<b>Mr R Bailey</b>	Lithgow City Council		
<b>Cr R Thompson</b>	Lithgow City Council	Ms M Macpherson	Centroc
<b>Cr J McMahon</b>	Oberon Council	Ms L Chapman	Centroc
<b>Mr A Cairney</b>	Oberon Council		

**1 Meeting opened at 11.55 Chaired by Cr K Keith****2 Apologies**

Cr J Davis, Mr K Boyd, Mr D Sherley, Mr A Hopkins, Cr R Penny, Cr M Statham and Mr J Collins

**Resolved** **Cr P Miller/ Cr I Gosper**

That the apologies for the Centroc Board meeting 28 November listed above be accepted.

**3 Minutes****Ratification of the Minutes of the AGM 22 November 2012****Resolved** **Mr G Styles/Cr S Freudenstein**

That the Minutes of the AGM 22 November 2012 be confirmed

**4 Chairperson's Report – Presentation of the Annual Report****Resolved** **Cr B West /Cr J Shaw**

That the Annual Report be received and accepted with copies sent to member Councils for circulation to all Councillors in the region

## 5 Election of new Executive

That the Board welcome the new Executive of Centroc

- Cr Ken Keith as Chair
- Cr B West as Deputy Chair
- Cr P Miller as immediate past chair
- Cr J Davies Centroc Executive Member
- Cr M Morse Centroc Executive Member
- Cr M Statham Centroc Executive Member
- Mr K Boyd Secretary/Treasurer and Chair of GMAC
- Messers Sherley, Bailey, Styles, Devery and Steffen forming the balance of the Executive.

## 6 Election of Centroc Delegates

**Resolved**

**Mr G Styles/Cr I Gosper**

1. Cr M Statham, Cr R Penny, Cr B West and Cr K Keith are the BLEG delegates from Centroc
2. Cr C Ferguson will represent Centroc on the Central West Academy of Sport and
3. Mr David Kidd will represent Centroc the NSW Council Safe Advisory Network .

## 7 Appointment of Auditor

**Resolved**

**Mr G Styles/Mr J Bell**

That Crowe Horwath be appointed as the Auditor for Centroc

## 8 Constitutional Review

**Resolved**

**Mr G Styles/Cr J Shaw**

That the Board receive a report giving consideration to amending the Centroc Constitution to

1. remove of Harden and Wellington as members;
2. amend direction regarding "delegates of the Executive;"
3. inclusion of Forbes as Treasurer; and
4. the balance of the report be noted.

## 9 Policy review

**Resolved**

**Mr B Steffen/ Mr P Devery**

That

1. the Centroc Policy Manual be adopted and
2. the balance of the report be noted.

## 10 Presentation of the Statement of Finances

**Resolved**

**C P Miller/Cr D Manwaring**

That the Statement of Finances for Centroc be adopted.

## 11 Meeting Dates for 2014

**Resolved**

**Mr B Steffen/Cr P Miller**

That the meeting dates for Centroc for 2014 be:

**Board**

Board Date	Meeting of	Time	Host
Thursday 27 February	Board	9:30 for 10am	Bathurst
Thursday 29 May	Board	9:30 for 10am	Parliament House Macquarie St
Thursday 28 August*	Board	9:30 for 10am	Blayney
Thursday 27 November*	Board	9:30 for 10am	Boorowa

**GMAC**

Date	Meeting of	Time	Host
Thursday 6 February	GMAC	9.30 for 10am	Orange
Thursday 17 April	GMAC	9.30 for 10am	Orange
Thursday 31 July	GMAC	9.30 for 10am	Orange
Thursday 30 October	GMAC	9.30 for 10am	Orange

**\*Note there is likely to be a Board meeting in Canberra in the second half of the year and dates will need to be amended accordingly.**

**Meeting closed at 12.05**

**Page 3 is the last page of the AGM minutes 28 November 2012 held in Young**



**CENTROC****Minutes of the Board meeting 28 November 2013 held at Young Town Hall****Delegates in Bold**

<b>Cr G Rush</b>	Bathurst Regional Council	<b>Mr G Styles</b>	Orange City Council
<b>Mr Brian Dwyer</b>	Bathurst Regional Council	<b>Cr K Keith</b>	Parkes Shire Council
<b>Cr S Ferguson</b>	Blayney Council	<b>Mr L Finn</b>	Parkes Shire Council
<b>Mr G Wilcox</b>	Blayney Council	<b>Cr J Shaw</b>	Upper Lachlan Shire
<b>Cr W Tuckerman</b>	Boorowa Council	<b>Mr J Bell</b>	Upper Lachlan Shire
<b>Mr A McMahon</b>	Boorowa Council	<b>Cr M Liebich</b>	Weddin Shire Council
<b>Cr I Gosper</b>	Cabonne Council	<b>Mr G Carroll</b>	Weddin Shire Council
<b>Mr R Staples</b>	Cabonne Council	<b>Cr S Freudenstein</b>	Young Shire Council
<b>Cr G Braddon</b>	Central Tablelands Water	<b>Mr P Vlatko</b>	Young Shire Council
<b>Mr T Perry</b>	Central Tablelands Water	Cr D Somervale	Central Tablelands Water
<b>Cr B West</b>	Cowra Shire Council	Mr B Steffen	Forbes Shire Council
<b>Mr P Devery</b>	Cowra Shire Council	Cr B Miller	Local Government NSW
<b>Cr P Miller</b>	Forbes Shire Council		
<b>Cr D Manwaring</b>	Lachlan Shire Council	Mr S Morrison	RDA
<b>Ms L Collyer</b>	Lachlan Shire Council	Ms J Bennett	Centroc
<b>Mr R Bailey</b>	Lithgow City Council		
<b>Cr R Thompson</b>	Lithgow City Council	Ms M Macpherson	Centroc
<b>Cr J McMahon</b>	Oberon Council	Ms L Chapman	Centroc
<b>Mr A Cairney</b>	Oberon Council		

**1 Meeting opened at 10.05 Chaired by Cr K Keith****2 Apologies**

Cr J Davis, Mr K Boyd, Mr D Sherley, Mr A Hopkins, Cr R Penny, Cr M Statham and Mr J Collins

<b>Resolved</b>	<b>Cr P Miller/ Cr I Gosper</b>
That the apologies for the Centroc Board meeting 28 November listed above be accepted.	

**3 Welcome to Young by Cr Freudenstein****4 Speakers**

Cr B Miller and Cr P Miller provided an update regarding LGNSW. They agreed to attend meetings to provide advice. Centroc will provide a briefing after the meeting to progress the region's priorities.

Of note from their presentations was advice on the status of both the report from the Local Government Acts Taskforce and the Independent Panel to the NSW Government where the following two points were notable:

- disappointment with the perceived poorer relationship between State and Local Government than was hoped for at the election of the Coalition;
- concern that the Independent Panel report should be released in full; and
- advice regarding the current status of planning reforms.

## **4 Minutes**

### **4a Confirmation of the Minutes of the GMAC Meeting 7 November 2013**

<b>Resolved</b>	<b>Mr G Styles/Mr R Bailey</b>
That the Minutes of the Centroc GMAC Meeting 7 November 2013 held in Orange be confirmed.	

### **4b Confirmation of the Minutes of the Board Meeting 23 August 2013**

<b>Resolved</b>	<b>Cr P Miller/Cr S Freudenstein</b>
That the Minutes of the Centroc Board Meeting 23 August held at Dubbo City Council be confirmed.	

## **5 Business Arising from the Minutes – Matters in Progress**

<b>Resolved</b>	<b>Mr G Styles/Mr R Bailey</b>
That the Board note the matters in progress and make deletions as suggested.	

## **6 Correspondence**

### **6a Correspondence In**

<b>Resolved</b>	<b>Mr J Bell/ Cr S Freudenstein</b>
That the Board note the incoming correspondence.	

### **6b Correspondence Out**

<b>Resolved</b>	<b>Mr B Steffen/ Cr D Manwaring</b>
That the Board note the outgoing correspondence.	

## **7 Reports**

### **7a Transport Infrastructure including Bells Line of Road**

<b>Resolved</b>	<b>Cr B West/Mr R Bailey</b>
That the Board note Transport Infrastructure report and <ol style="list-style-type: none"><li>1. regarding grader trailing, advocate for local government wide permit;</li><li>2. write to OROC seeking a meeting between Executives regarding upgrading the Bells acknowledging funding of \$43 million.</li></ol>	

### **7b Water Infrastructure**

<b>Resolved</b>	<b>Cr B West/Cr I Gosper</b>
That the Board note the Water Infrastructure Report and <ol style="list-style-type: none"><li>1. develop an MOU with NSW Health;</li><li>2. endorse the Centroc response to the Dam Safety Act Review; and</li><li>3. advocate regarding the \$40m set aside in NSW for water infrastructure include activity progressing the Centroc Water Security Study regional infrastructure solutions.</li></ol>	

### **7c Health Report**

<b>Resolved</b>	<b>Mr G Styles/Mr B Steffen</b>
That Board note the Health report: and <ol style="list-style-type: none"><li>1. advocate to introduce immediate changes to the funding guidelines to reinstate the accessibility to funded community services transport for residents living in a hostel or nursing home;</li><li>2. thanking Cowra for bringing this matter to the Board's attention where follow-up will be provided in due course;</li><li>3. endorsement of the submission on the NSW Rural Health Plan; and</li><li>4. seek advice regarding the timeline for the new 24 hour helicopter service,</li></ol>	



**7d Telecommunications****Resolved****Mr G Styles/Cr B West**

That the Board note the Telecommunications' report and note ongoing advocacy will be undertaken regarding the NBN roll out for this region including advice from the NBN survey being provided to the Hon Malcom Turnbull and the Hon Paul Fletcher through John Cobb's office.

**7e Regional Development****Resolved****Mr G Styles/Mr B Steffen**

That the Board note the Regional Development Report and

1. direct a report be prepared for the Board that provides advice regarding opportunities from the Decentralisation Taskforce Report response from the NSW Government;
2. seek meetings in Canberra and advocate regarding RDAF rounds 4 and 5; and
3. encourage members to have engage in the strategic studies and reports being developed by RDACW including the freight import/export study.

**7f Planning Report****Resolved****Cr P Miller/Cr B West**

That the Board note the Planning report and

1. note a submission to the Biophysical Strategic Agricultural Lands mapping process has been lodged; and
2. monitor the progression of Planning Legislation and advocate as required through the Executive.

**7g Operational Report****Resolved****Mr G Styles/Cr B West**

That the Board note the Operational Report.

**7n Communications' Report****Resolved****Mr G Styles/Cr I Gosper**

That the Board

1. note the presentation of the new website and associated Centroc web presence; and
2. delegate approval of a soft launch to the Executive.

**7o Management Plan for 2014/2015****Resolved****Cr B West/Mr G Styles**

That the Board:

1. reiterate support for the voluntary incremental model for regional collaboration;
2. receive a report on model options for legislated mandatory regional collaboration;
3. include in this report that any mandatory components to the collaboration between members enacted in Legislation confine itself to:
  - a. Boundaries;
  - b. Regional strategy (General Managers may wish to be more specific);
  - c. Engagement with the Regional Planning functions mooted in the Planning reforms;
  - d. Regional Advocacy; and
  - e. Enabling State and Federal intergovernmental relationships; and
4. advocate that any regional shared services or other operational support programming be optional and fully owned and managed by member Councils.
5. receive a report in February outlining the 2014/2015 Management Plan that includes;
  - a. advice regarding streamlining the Training Service and redeploying resource into energy and social media;
  - b. ongoing inclusion of tourism;
  - c. minimal increases to fees; and
  - d. includes advice from the strategic review process of the Centroc Water Utilities' Alliance
6. internally restrict any "above program profits" from the Compliance and Cost Saving Program

(CCSP) with a report to members on securing more resource to progress further activity in this space;

7. remove the revolving cost savings component of the CCSP;

8. seek prescription; and

9. note the balance of the report.

#### **7p Financial Report**

**Resolved**

**M B Steffen/Mr R Bailey**

That the Board note the Financial Report

### **8 Late Reports**

**Resolved**

**Mr G Styles/ Mr B Steffen**

That the Board

1. progress through the Executive advocacy to resolve issues being experienced in the region regarding DLG Circular to Councils# 13-49 – 19 November Additional Guidance to Complaints Co-ordinators on the Referral of Code of Conduct Matters to Conduct Reviewers; and
2. this advocacy to include working with OROC.

### **9 Matters Raised by Members**

#### **9a Weddin Shire Council – Deposit refund on bottles**

**Resolved**

**C P Miller/Cr S Freudenstein**

That regarding deposit refund on bottles, seek advice from LGNSW and ALGA regarding action on this matter and provide advice to Weddin accordingly.

#### **9b Central West Libraries - Funding**

**Resolved**

**Cr G Braddon/Cr P Miller**

That regarding funding for libraries, this matter be referred to the Executive for further advice which is to refer to Local Government NSW advocacy.

#### **9c Oberon – promotion of women in Local Government**

**Resolved**

**Cr J McMahon/Cr B West**

That the Board, noting the drop from 33% – 26% of female Councillors' being successful in the last election, thank Oberon for bringing this matter to their attention and

1. nominate Ms Liz Collyer to lead a small group including Cr K Sajowitz, Cr W Tuckerman and Cr P Miller to progress the promotion of diversity in Local Government;
2. this subcommittee to give consideration to current programming by the LGMA, ALGA and LGNSW; and
3. include promotion of Local Government to staff as well as Councillors and
4. provide a report to the Board with recommendations.

### **10 General Business**

#### **Timing and manner of Local Government Review**

**Resolved**

**Cr G Braddon/Cr P Miller**

That regarding the Local Government Review, the Centroc Board advocate to have all reports provided to the State made public as soon as possible and to receive advice regarding the timetable for the review process going forward.

## **11 Next Meetings – speakers and date**

### **11a Speakers to the next meeting**

1. The Minister for Local Government the Hon Don Page regarding Local Government Reforms;
2. Mr Roger Stephan, CEO of Hunter Councils, regarding the Hunter Councils' Model; and
3. Mr Norm Mann, Chair of Central NSW Tourism and Ms Lucy White Executive Officer of Central NSW Tourism with advice on the Destination Management Plan and progress of regional tourism.

### **11b Next Meeting dates**

TBA as per the dates in the AGM

**Meeting closed at 11.50**

**Page 5 is the last page of the Board minutes for 28 November 2013**



# J R Richards and Sons

## WASTE MANAGEMENT

A.C.N. 000 389 793

### **BLAYNEY COUNCIL – GARDEN ORGANICS CLEAN-UP**

**10<sup>th</sup> March to 14<sup>th</sup> MARCH 2014**

Blayney Council is providing a Kerbside Garden organics only clean up for all residences currently receiving a waste and recycling collection service.

Please place your Garden Waste neatly next to the edge of the kerb and not blocking the footpath. It is also important to secure items to avoid windblown littering. Residents are also requested to put out your Garden Waste the **weekend before** the commencement date.

The volume of Garden organics collected from any one property shall not exceed two (2) cubic metres or more than 1 standard (6'x4') level box trailer.

**ACCEPTABLE ITEMS:** Garden organics includes clean prunings, leaves, lawn clippings and untreated timber.

- Garden prunings and tree limbs no longer than 1.8 metres and 250mm diameter.
- Lawn clippings and loose vegetation in sturdy cardboard boxes.(NOT PLASTIC BAGS)
- All Garden organics must be tied securely with rope or string into bundles and must be of manageable size for two people to lift (max 30kg).
- Loose items will not be accepted.

**UNACCEPTABLE ITEMS:** These materials will NOT be collected.

- Garden organics which have not originated from the garden of the premises.
- Items in plastic bags (including woven poly bags).
- Thorny bushes
- Tree stumps larger than 250mm diameter.
- Lengths of material longer than 1.8 metres
- Timber with bolts, brackets, etc.
- Bundles secured with wire.
- Any items other than Garden organics.

The Contractor and Council have the right to reject any material that they consider unacceptable.

**Enquires ~ JR RICHARDS & SONS ~ 1300 725 415**



***Environmental Planning and Assessment Regulation 2000***  
***(Clause 25E)***

**EXPLANATORY NOTE**

**DRAFT PLANNING AGREEMENT – FLYERS CREEK WIND FARM**

**1. Introduction**

The purpose of this Explanatory Note is to provide a summary to support the exhibition of a proposed draft planning agreement (the Planning Agreement) prepared under section 93F of the *Environmental Planning and Assessment Act 1979* (the Act).

**2. Parties**

The parties to the Planning Agreement are Blayney Shire Council (Council) and the Flyers Creek Wind Farm Pty Ltd (the Proponent).

This explanatory note has been prepared jointly by the parties.

**3. Description of Subject Land**

The Planning Agreement applies to land held under all of each of the titles listed Appendix 1 of this document.

**4. Description of the Development**

The Proponent proposes to develop the land to construct and operate a wind farm and associated electrical and civil infrastructure with a maximum generating capacity of up to 150.5 megawatts (up to 43 wind turbines).

**5. Summary of the Development**

The Proponent has offered to enter into the Planning Agreement with Council.

The objective of the Planning Agreement is to facilitate the delivery of the Proponents contribution towards the provision of community benefit, road maintenance and project related administration and observations.

The Planning Agreement provides that the Proponent will provide the following contributions (in accordance with the terms of the Planning Agreement:

Number	Summary Description	Total Financial Contribution to be made (\$)	Manner & Timeframe for Payment of the Contributions
1	Community Benefit Fund	1,375,000	\$55,000/year paid for 25 years, with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
2	Road Maintenance	1,000,000	\$40,000/year paid for 25 years with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
3	Project Related Council Administration and Observations	300,000	\$12,000/year paid for 25 years, with 50% payable on 1 <sup>st</sup> July and 50% payable on 5 <sup>th</sup> January each year.
	<b>Total over the first 25 years of the life of the Project</b>	<b>+CPI</b>	<b>2,625,000</b>

The Proponent is required to provide security and register the Planning Agreement on the title of the land in accordance with section 93H of the Act.

## 6. Assessment of Merits of Planning Agreement

### *The Planning Purpose of the Planning Agreement*

The Planning Agreement will benefit the public by making contributions towards community benefit, road maintenance and project related administration and conservation.

### *How the Planning Agreement Promotes the Public Interest*

The Planning Agreement promotes the public interest by committing the Proponent to make contributions towards community benefit, road maintenance and project related administration and conservation.



***How the Planning Agreement Promotes the Objects of the Act***

The Planning Agreement promotes the objects of the Environmental Planning and Assessment Act 1979 (NSW) in particular Clause (v), which seeks to encourage *'the provision and coordination of community services and facilities'*. The Planning Agreement will provide significant additional financial resources to fund community groups, services and infrastructure.

***Requirements Relating to Certificate, Occupation Certificate or Subdivision Certificate***

The Planning Agreement does not specify requirements that must be complied with prior to the issue of a Construction or Occupation Certificate.

The Planning Agreement requires each instalment of the monetary contribution to be paid for 25 years, with 50% payable on 1 July and 50% payable on the 5 January each year.

Appendix 1 – List of Properties in the Wind Farm Project Area

Property or Landowners	Land Title Details		Turbine Numbers	Met Mast	Wind farm ancillary items
	Lot	DP			
Wind Farm Area 1	12	1063204			
	6	550053	3	Northern	New track, track upgrade, 33kV UG Cabling
	76	750358			
	53	750358	5, 6, 7		New track, track upgrade, 33kV UG Cabling
	50	750358			
Wind Farm Area 2	41	750367			UG cabling and possible track
	28	750367	4		Site office, New track, track upgrade, 33 kV UG Cabling
Wind Farm Area 3	8	750358			Substation, 132 kV Line, 33kV Line, 33 kV UG Cabling, track upgrade
	52	750358			
Wind Farm Area 4	62	750358	8		New track, 33 kV UG Cabling, 33kV Line
	181	750358	10, 11, 12		Track upgrade, 33 kV UG Cabling, New Track
	180	750358			132 kV line, New track
	10	750358			New track
Wind Farm Area 5	63	750358	9		33 kV UG Cabling
Wind Farm Area 6	7	750358	13, 14		New track, track upgrade
	66	750358			New track, track upgrade
	65	750358			
Wind Farm Area 7	88	750358	16		33 kV UG Cabling, 33 kV Line, New track
Wind Farm Area 8	67	750358	15		New track and track upgrade, 33 kV UG Cabling
Wind Farm Area 9	69	750358		Central	Central
Wind Farm Area 10	5	1031238			33 kV OH Line

Property or Landowners	Land Title Details		Turbine Numbers	Met Mast	Wind farm ancillary items
Wind Farm Area 11	6	1031238			New track, 33 kV OH Line
Wind Farm Area 12	163	750358			
	427	1067009	21, 22, 24		New track, track upgrade, 33 kV UG Cabling
	425	1067009			
	426	1067009			
Wind Farm Area 13	162	750358	18, 19		New track, 33 kV Line
Wind Farm Area 14	161	750358	20		New track, 33 kV UG Cabling, 33 kV Line
Wind Farm Area 15	208	750359	38		New track, 33 kV UG Cabling, 33 kV Line
	72	750359			Access track to T38
	66	750359	39, 40		Access tracks and UG cabling
	1	1089162			
	2	1089182			
	1	1089147			
	2	1089147			
	3	1089147			33 kV UG Cabling
	96	750358			New track
	95	750358			New track
	94	750358			Track upgrade
Wind Farm Area 16	75	750358	43 to 46		New track, track upgrade, 33 kV UG cabling
Wind Farm Area 17	1	396680	23, 25		New track, track upgrade, 33 kV UG cabling
	1	1079963	26, 31, 32		New track, track upgrade, 33 kV UG cabling
Wind Farm Area 18	201	750359	28, 29		New track, 33 kV UG cabling
Wind Farm Area 19	202	750359	27, 30		New track, 33 kV UG cabling
	204	750359			

Property or Landowners	Land Title Details		Turbine Numbers	Met Mast	Wind farm ancillary items
Wind Farm Area 20	206	750359	33, 34	Southern	New track, 33 kV UG cabling
	2	519767			
	120	750359			
	1	519767			
	84	750359			New track
Wind Farm Area 21	533	749105	35		New track, 33 kV UG cabling
	1	1071270			
Wind Farm Area 22	B3	750359	36, 37		New track, 33 kV UG cabling
Wind Farm Area 23	7B	750359	41, 42		New track, 33 kV UG cabling
	62	750359			
	1	92756B			