



15 November 2016

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, 21 November 2016 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) Disclosures of Interest
- (5) Public Forum
- (6) Mayoral Minute
- (7) Notices of Motion
- (8) Confirmation of Minutes - Ordinary Council Meeting held on 24.10.16
- (9) Matters arising from Minutes
- (10) Reports of Staff
 - (a) Executive Services
 - (b) Corporate Services
 - (c) Infrastructure Services
 - (d) Planning and Environmental Services
- (11) Delegates Reports
- (12) Questions from Councillors
- (13) Closed Meeting

Yours faithfully

Rebecca Ryan
General Manager

5.30pm – Skillset Update – Ian Tooke

5.45pm – Citizenship Ceremony – Duane Dewey Switzer

Meeting Calendar 2016

November

Time	Date	Meeting	Location
4.00pm	15 November 2016	Local Emergency Management Meeting	Community Centre
5.30pm	17 November 2016	Sports Council Meeting	Community Centre
6.00 pm	21 November 2016	Council Meeting	Community Centre
9.00am	30 November 2016	Audit Committee Meeting	Community Centre

December

Time	Date	Meeting	Location
6.00pm	5 December 2016	Cultural Centre Working Group Meeting	Community Centre
10.00am	9 December 2016	Traffic Committee Meeting	Community Centre
6.00 pm	15 December 2016	Towns and Village Committee Meeting	Community Centre
6.00 pm	19 December 2016	Council Meeting	Community Centre

INDEX OF REPORTS OF THE BLAYNEY SHIRE COUNCIL MEETING
HELD ON MONDAY 21 NOVEMBER 2016

CONFIRMATION OF MINUTES	1
01) Minutes of the Previous Meeting held Monday 24 October 2016	1
MAYORAL MINUTES	11
02) General Manager Annual Performance Review	11
EXECUTIVE SERVICES	12
03) LGNSW Long Service Awards.....	12
04) Inala Units Millthorpe	14
05) Garage Sale Trail 2016	25
06) Minutes of the Blayney Shire Cultural Centre Working Group Meeting held Monday 7 November 2016	29
CORPORATE SERVICES	32
07) Report Of Council Investments As At 31 October 2016.....	32
08) 2015/2016 Audited Financial Statements	37
09) Quarterly Budget Review Statement - September 2016.....	58
10) Financial Reporting Obligations For Related Party Disclosures	61
11) Write Off Debt.....	67
12) Disability Inclusion Action Plan	71
INFRASTRUCTURE SERVICES	73
13) Director Infrastructure Services Monthly Report.....	73
14) Tender 4/2016 - Replacement Six Bridges.....	78
PLANNING AND ENVIRONMENTAL SERVICES	86
15) Request for Refund of Charges, Blayney Waste Facility	86
16) Development Application 55/2016 - Animal breeding, keeping and training facility at Lot 144 DP 750408, 73 Somers Lane Mandurama.....	88
CONFIDENTIAL MEETING REPORTS	145
17) Sale Of Lot 1/DP 813003 Maria Street Blayney	145

01) **MINUTES OF THE PREVIOUS MEETING HELD MONDAY 24 OCTOBER 2016**

Department: Executive Services

Author: General Manager

CSP Link: 6.3 A well-run Council organisation.

File No: GO.ME.3

Recommendation:

That the Minutes of the Ordinary Council Meeting held on 24 October 2016, being minute numbers 1610/001 to 1610/025 be confirmed.

MINUTES OF THE BLAYNEY SHIRE COUNCIL ORDINARY MEETING HELD IN THE CHAMBERS, BLAYNEY SHIRE COUNCIL COMMUNITY CENTRE, ON 24 OCTOBER 2016, COMMENCING AT 6.00 PM

Present: Crs A Ewin (Deputy Mayor), G Braddon OAM, D Kingham, S Oates, K Radburn and D Somerville

General Manager (Mrs R Ryan), Director Corporate Services (Mr A Franze), Director Infrastructure Services (Mr G Baker), Director Planning & Environmental Services (Mr M Dicker), Acting Executive Assistant to the General Manager (Ms S Hibbert)

ACKNOWLEDGEMENT OF COUNTRY

RECORDING OF MEETING STATEMENT

1610/001 **APOLOGIES**
RESOLVED

That the apology, tendered by Crs S Ferguson (Mayor), be accepted.

(Braddon/Radburn)
CARRIED

DISCLOSURES OF INTEREST

Nil

PUBLIC FORUM

Caroline Wilson – Agenda Item No. 20 - DA No.60/2016 Child Care Centre

Ann Harrison – Agenda Item No. 20 – DA No.60/2016 Child Care Centre

CONFIRMATION OF MINUTES

1610/002 RESOLVED

That the Minutes of the Ordinary Council Meeting held on Monday 19 September 2016, being minute numbers 1609/001 to 1609/023 be confirmed.

(Kingham/Oates)
CARRIED

MATTERS ARISING FROM THE MINUTES

Nil

EXECUTIVE SERVICES REPORTS

**1610/003 RISK, WORK HEALTH AND SAFETY QUARTERLY REPORT
RESOLVED**

That the Risk, Work Health and Safety Report for the quarter July to September 2016 be noted and received.

(Braddon/Radburn)
CARRIED

**1610/004 COUNCIL RESOLUTION REPORT
RESOLVED**

That Council notes the Resolution Report from July 2016 to September 2016.

(Kingham/Braddon)
CARRIED

**1610/005 LOCAL TOURISM ORGANISATION - BRAND ORANGE
RESOLVED**

That, subject to receiving further information, Council provide in principle support to Orange City Council proposal for an industry led Local Tourism Organisation to undertake tourism promotion, marketing and events for the Blayney, Cabonne and Orange region.

(Braddon/Oates)
CARRIED

1610/006 **DEVELOPMENT COORDINATOR PROGRAM**
RESOLVED

1. That Council notes the recruitment process and appointment of each individual Development Coordinator, for the Blayney Town Association, the Carmanhurst Villages Association and the Four Villages Association will commence, once the Program Funding Agreements for these clusters have been signed.
2. That Council approves the alternative proposal for the \$25,000 Development Coordinator funding for Millthorpe in 2016/17 as follows;
 - a) allocate up to \$5,000 for reimbursement of insurance and administrative costs of Millthorpe Village Committee; and
 - b) return the \$20,000 balance of the funds to the Village Enhancement Plan for the following;
 - a. \$5,000 for essential work on the Tallwood Hall;
 - b. \$15,000 for Millthorpe related projects identified in the Village Community Plan.

(Kingham/Somervaille)

CARRIED

MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES
COMMITTEE MEETING HELD THURSDAY 15 SEPTEMBER
2016**1610/007** **RESOLVED**

That the minutes of the Towns and Villages Committee Meeting, held Thursday 15 September 2016, be received.

(Oates/Braddon)

CARRIED

CORPORATE SERVICES REPORTS**REPORT OF COUNCIL INVESTMENTS AS AT 30**
SEPTEMBER 2016**1610/008** **RESOLVED**

1. That the report indicating Council's investment position as at 30 September 2016 be received.
2. That the certification of the Responsible Accounting Officer be received and the report be adopted.

(Somervaille/Kingham)

CARRIED

REVIEW OF STRUCTURE OF COUNCIL POLICIES AND PROCEDURES

1610/009

RESOLVED

1. That Council adopt the following structure for its Policy and Procedures Registers:
 - a. Strategic Policies;
 - b. Operational Policies; and
 - c. Procedures
2. That the following policies be repealed and removed from Council's Policy Register:

No.	Policy Name
1D	Communication between Councillors & Staff
3A	Responsible Accounting Officer
3B	Writing off debts
3E	Interest – Private Works
5A	Writing off Rates & Charges
19R	Temporary & Mobile Food Stalls Policy
25K	Removal of Street Trees

3. That the current policies remaining be classified as Strategic Policies of council and that the approval and amendment of Operational Policies and Procedures be delegated to the general manager

(Braddon/Somervaille)

CARRIED

DISCLOSURES BY COUNCILLORS AND DESIGNATED PERSONS

1610/010

RESOLVED

That the "Disclosures by Councillors and Designated Persons" Returns for the period ending 30 June 2016, as tabled be received.

(Oates/Braddon)

CARRIED

CODE OF CONDUCT COMPLAINTS FOR PERIOD 1 OCTOBER 2015 TO 30 SEPTEMBER 2016

1610/011

RESOLVED

That the report on Code of Conduct complaints for the period 1 October 2015 to 30 September 2016 be received.

(Somervaille/Kingham)

CARRIED

**REQUEST FOR REFUND OF RATES 48 HILL STREET,
BLAYNEY****1610/012 RESOLVED**

That Council approve a refund of Domestic Waste Management Charges to the property owner of 48 Hill Street (Lot 2 DP 770972) for period 21 December 2015 to 11 August 2016 in the amount of \$237.

(Braddon/Radburn)
CARRIED

**REDUCTION OF RATING INCOME FOLLOWING EXPIRY OF
2008/09 SPECIAL RATE VARIATION****1610/013 RESOLVED**

1. That Council receive the report on the Reduction of Rating Income following expiry of the 2008/09 Special Rate Variation.
2. That Council makes further representations to the Office of Local Government referring to the fact that, under the instrument approving the Community Centre SRV signed by Minister for Local Government, any adjustment to Council's general income should occur in the 2018/19 rating year.

(Somerville/Radburn)
CARRIED

**MINUTES OF THE FINANCIAL ASSISTANCE COMMITTEE
MEETING HELD 22 SEPTEMBER 2016****1610/014 RESOLVED**

1. That the minutes of the meeting held 22 September 2016 be received.
2. That the recommendations for 2016/17 - Round 1 of the Community Financial Assistance Program by the Financial Assistance Committee, in the amount of \$18,440, be approved.
3. That the action of the General Manager to approve additional amounts for insurance, sewer and rates in the amount of \$842.21 be endorsed.

(Somerville/Oates)
CARRIED

INFRASTRUCTURE SERVICES REPORTS**DIRECTOR INFRASTRUCTURE SERVICES MONTHLY
REPORT****1610/015 RESOLVED**

That the Director of Infrastructure Services Monthly report for October 2016 be received and noted.

(Braddon/Oates)
CARRIED

**TOWN OF BLAYNEY FLOODPLAIN RISK MANAGEMENT
STUDY AND PLAN****1610/016****RESOLVED**

That Council:

1. Accept the Floodplain Risk Management Study and Draft Floodplain Risk Management Plan for Blayney,
2. Place the Floodplain Risk Management Study and Draft Floodplain Risk Management Plan for Blayney on public exhibition seeking public comment for a period of no less than 28 days.

(Radburn/Braddon)

CARRIED**ROAD FUNDING ALLOCATIONS****1610/017****RESOLVED**

That Council:

1. Receive and note the proposed work locations for resealing, heavy patching, drainage works, and footpath renewals,
2. Vote additional expenditure in the amount of \$1,280,000 being \$530,000 for heavy patching, and \$750,000 for drainage maintenance,
3. Vote income in the amount of \$500,000 from the NSW Government, and \$780,000 from the Asset Replacement Reserve.

(Braddon/Kingham)

CARRIED**PLANT HIRE TENDER 2016-18****1610/018****RESOLVED**

That Council adopt the Plant Hire Tender list from Cabonne Council in accordance with the Local Government Regulation (General) 2005 Clause 169 (8).

(Braddon/Somervaille)

CARRIED**MINUTES OF THE EXTRAORDINARY BLAYNEY TRAFFIC
COMMITTEE MEETING HELD 29 SEPTEMBER 2016****1610/019****RESOLVED**

That the Minutes of the Blayney Traffic Committee Meeting held on Thursday, 29 September 2016, be received and noted.

(Radburn/Oates)

CARRIED

**MINUTES OF THE BLAYNEY SHIRE COUNCIL FLOODPLAIN
RISK MANAGEMENT COMMITTEE HELD 30 SEPTEMBER
2016**

1610/020

RESOLVED

That the Minutes of the Blayney Shire Council Floodplain Risk Management Committee, held on Friday, 30 September 2016, be received and noted.

(Radburn/Somerville)
CARRIED

PLANNING AND ENVIRONMENTAL SERVICES REPORTS

**DEVELOPMENT APPLICATION NO. 60/2016 – CHILD CARE
CENTRE - LOT 1 DP 575622 - 2 GEORGE STREET AND LOT
7 DP 929595, 60 VICTORIA STREET, MILLTHORPE**

1610/021

RESOLVED

1. That Council approve Development Application 60/2016 for a child care centre at Lot 1 DP 575622, 2 George Street and Lot 7 DP 929595, 60 Victoria Street, Millthorpe, subject to the conditions at Enclosure 5.
2. That Condition 15 of Enclosure 5 is to be replaced as follows;
 15. The following traffic improvement works are to undertaken in the vicinity of the development;
 - Installation of two (2) “Warning Children” signs;
 - Approximately 50m South of the property boundary of 2 George Street,
 - Approximately 50m North of the property boundary of 2 George Street.
 - Installation of two (2) “No Stopping” zones, on both sides of George Street in the vicinity of the Child Care Centre, as follows;
 - On the Eastern side of George Street, from the Pitt and George Street intersection south for approximately 18m to align with the southern property boundary of 2 George Street,
 - On the Western side of George Street, for 25m north of the car park entrance towards Victoria Street.
 - Installation of a continuity line across Pitt Street at the George Street intersection.
 - Installation of a “Give Way” sign in Pitt Street at the George Street intersection.

In this regard, prior to the issue of Construction Certificate, the developer is to make a payment to Council for the abovementioned works. The amount applicable will be dependent upon the date on which payment is made and will be as per Council's adopted fees and charges for the financial year in which payment is made.

3. That condition 39 include a fencing plan detailing proposed fencing to the boundaries of 2 George Street and the western boundary of 60 Victoria Street, utilised for car parking.
(Somerville/Braddon)
CARRIED

The **DIVISION** was taken and the names of the Councillors voting FOR and AGAINST were as follows:

FOR	AGAINST
Councillor Ewin	
Councillor Braddon	
Councillor Oates	
Councillor Kingham	
Councillor Somerville	
Councillor Radburn	
Total (6)	Total (0)

CLOSED MEETING

1610/022

RESOLVED

That the meeting now be closed to the public in accordance with Section 10A of the Local Government Act, 1993 for consideration of the following matters:

EOI 3/2016 - SALE OF INDUSTRIAL LAND AT 1 MARIA STREET, BLAYNEY

This matter is considered to be confidential under Section 10A(2) (di) of the Local Government Act, as it deals with commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it.

PURCHASE OF 2 X 4 WHEEL DRIVE TRACTORS

This matter is considered to be confidential under Section 10A(2) (di) of the Local Government Act, as it deals with commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it.

(Braddon/Oates)
CARRIED

CONFIDENTIAL MEETING REPORTS**EOI 3/2016 - SALE OF INDUSTRIAL LAND AT 1 MARIA STREET, BLAYNEY****1610/023****RESOLVED**

1. That Council decline the offer for sale of 1 Maria Street (Lot 1, DP813003) for the amount of \$35,000.
2. That Council continue its pursuit to sell the property by private treaty.
3. That the General Manager be delegated authority to negotiate a sale price based on a market appraisal with the interested party, within a pre-determined reserve price range for the land offered for sale, with a view to Council approval prior to sale.

(Braddon/Radburn)

CARRIED**PURCHASE OF 2 X 4 WHEEL DRIVE TRACTORS****1610/024****RESOLVED**

1. That Council accept to replace its 2 John Deere 5720 tractors with the quotation provided by Hutcheon and Pearce for the supply of 2 John Deere 6095MC tractors for a cost of \$147,666.90 (excl. GST) and dispose of 2 John Deere 5720 tractors via trade in to Hutcheon and Pearce for \$35,000 (excl. GST),
2. That Council approve the vote of expenditure of \$147,667.00 (excl. GST) and income of \$35,000 (excl. GST) into the 2016/17 budget from the Plant Reserve.

(Kingham/Braddon)

CARRIED**1610/025****RESOLVED**

That as consideration of the matters referred to in the closed meeting has been concluded, the meeting now be opened to the public.

(Oates/Braddon)

CARRIED

AT THE RE-OPENING OF THE MEETING TO THE PUBLIC, THE DEPUTY MAYOR ANNOUNCED THE OUTCOMES OF RESOLUTION NUMBERS 1610/023 TO 1610/024.

There being no further business, the meeting concluded at 7.58pm

The Minute Numbers 1610/001 to 1610/025 were confirmed on 21 November 2016 and are a full and accurate record of proceedings of the Ordinary Meeting held on 24 October 2016.

Cr A Ewin
DEPUTY MAYOR

Mrs R Ryan
GENERAL MANAGER

02) GENERAL MANAGER ANNUAL PERFORMANCE REVIEW

Author: Mayor Scott Ferguson

File No: GO.ME.2

Recommendation:

That the annual General Manager Performance Review Panel include the Mayor, a Councillor nominated by Council and a Councillor nominated by the General Manager.

Item:

Council's General Manager, Rebecca Ryan, commenced her Contract of Employment with Council in early November 2014 and has just passed her second year of a 5 year Contract. Clauses 6 & 7 and schedules A and B of the Contract relating to Duties/Functions and Performance Agreement/Review require a process of regular performance feedback.

Council engaged the services of Graeme Fleming PSM to independently prepare and complete the relevant performance agreements in early 2015, within 3 months of the General Manager appointment to Blayney Shire Council. A Performance Agreement with a set of objectives, priorities and criteria, was established and updated after the first annual review was conducted and reported to Council in November 2015.

Council had agreed to delegate the Deputy Mayor's position on the General Manager Performance Review Panel on a rotational basis. Therefore, this second annual review, now due; will include the Mayor, a Councillor nominated by Council and a Councillor nominated by the General Manager.

The review process will proceed as follows:

- 1) Review Panel established
- 2) The Mayor will advise all Councillors the date the review is taking place to allow for comments and feedback, positive, negative or otherwise
- 3) Summary of relevant issues to be compiled by Mayor and provided to Review Panel and General Manager as part of the facilitated review
- 4) Review conducted and documented by Independent Facilitator
- 5) Advice to General Manager
- 6) Report back to Council
- 7) Formal Documentation prepared by Independent Facilitator

The independent facilitation services provided by Graeme Fleming for this annual General Manager Performance Review has been accounted for in the Operational Plan budget.

Enclosures (following report)

Nil

Attachments (separate document)

Nil

03) LGNSW LONG SERVICE AWARDS

Department: Executive Services

Author: General Manager

CSP Link: 6.1 Good governance across our communities.

File No: GO.CO.2

Recommendation:

That Council acknowledge the awarding of Long Service Awards by Local Government NSW to current Councillors including; an Outstanding Service Award to Councillor Geoff Braddon OAM, a Certificate of Service and Emeritus Mayor Certificate to Mayor Scott Ferguson and Certificates of Service presented to; Deputy Mayor Allan Ewin, Councillor Kevin Radbun and Councillor David Kingham.

Reason for Report:

To inform Council and the residents of Blayney Shire Council of Councillors who have been awarded Long Service Awards by Local Government NSW (LGNSW).

Report:

LGNSW formally recognises long serving elected members who meet eligibility criteria and grants the following awards.

- Outstanding Service Award

Awarded to those Councillors retiring or of long service who have served a cumulative total of 25 or more years or more.

- Certificate of Service

Awarded to those Councillors retiring or of long service, who have served 2 terms of Council (8 years).

- Emeritus Mayor Certificate

Awarded Mayors who; in the case of Council's where the Council body elects the Mayor, have served as Mayor for a minimum of 3x1 year terms.

Issues:

These Councillor awards are generally presented at the LGNSW Annual Conference Dinner. Regrettably, Council missed this opportunity for Blayney Shire Councillors to be recognised at the LGNSW Conference in Wollongong last month.

Given that the merger of Blayney Shire with Cabonne and Orange City Councils is imminent; an opportunity has arisen for acknowledgment of our current Councillors who are eligible to be nominated and presented with their Long Service Awards.

The awards ceremony is being held on Monday 21 November with special guests in attendance to present the awards; President of LGNSW, Councillor Keith Rhodes and Chief Executive, Ms Donna Rygate. An afternoon tea will be hosted for family and friends to recognise the achievements and service provided by the Councillors in their civic duty for Blayney Shire Council.

Awards being presented are as follows;

Outstanding Service Award

- Cr Geoff Braddon OAM

Certificate of Service and Emeritus Mayor Certificate

- Cr Scott Ferguson

Certificate of Service

- Cr Allan Ewin
- Cr David Kingham
- Cr Kevin Radburn

Budget Implications:

Nil

Enclosures (following report)

Nil

Attachments (separate document)

Nil

04) INALA UNITS MILLTHORPE**Department:** Executive Services**Author:** General Manager**CSP Link:** 5.1 A diverse and sustainable population in our communities and villages.**File No:** PM.RP.6

Recommendation:

1. That Council place on notice inviting public comment for 28 days, the intention in principle; that Council will be proceeding to sell Inala Units being lot 221/DP593369 at 33 Park Street, Millthorpe.
2. That a communications strategy be implemented to ensure the Blayney Shire residents are fully informed and extensive opinion sought.

Reason for Report:

To provide Council with discussion about the investigation and community consultation undertaken to date in regards to the future ownership of Inala Units.

Report:

Blayney Shire Council owns the Inala Units, which comprise of 10 single bedroom unit style accommodation complex, being lot 221/DP593369 at 33 Park Street, Millthorpe.

Council purchased this land and units in 1980 with a grant from the Department of Social Security. The original funding purpose was to provide affordable housing for those people able to live alone in a self-care environment. NSW Health, now responsible for this program and the Funding Agreement, has formally advised Council that there are no remaining obligations arising from the Agreement.

Following a period of very poor occupancy, which at the time was only 20%, the purpose of the housing was amended from Retirement (administered under the Retirement Villages Act) to Residential (administered under the Residential Tenancies Act). This enabled the Millthorpe village to benefit from the mining in development since 2013 and removed the barrier which had required a financial contribution for a tenant to move in. This facilitated the occupancy from the low experienced in the 2012 to more recent 100% and 80% rates.

The Property Management Services were contracted to Kennedy Real Estate Blayney in April 2012.

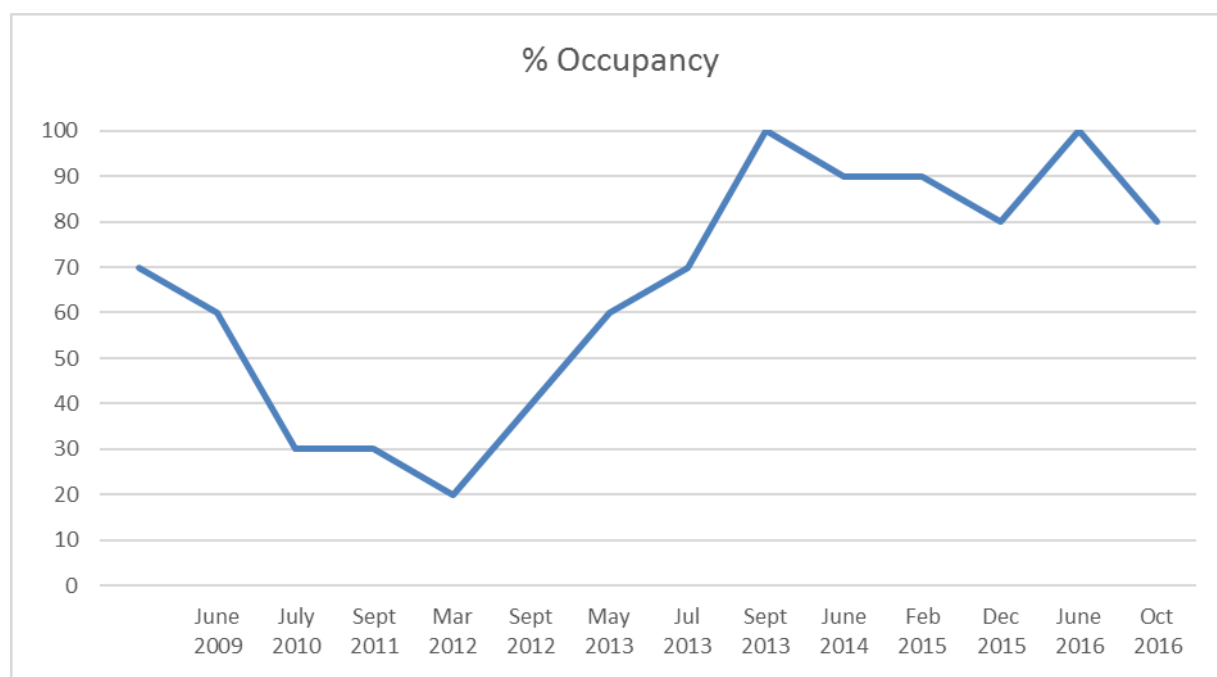
In June 2016, the last remaining 2 individual lifetime' residents under Tenancy Agreements units bound by the original funding purpose moved to supervised hostel care for health reasons.

This marked the conclusion of Council's 35-year involvement in the provision of retirement village housing in the Shire. These remaining units have now been refurbished with a view to being let through Council's Property Management Service Agent. The registration under the Retirement Villages Act was a statutory requirement to provide financial protection to retirement village residents in the event of an operator (Council) becoming insolvent.

Having no statutory requirement for this registration, in July 2016 Council resolved to apply to NSW Land and Property to remove the registration on the land title of the property that noted it as being used as a retirement village (**Resolution No 1607/015**).

The title deed is freehold and is operational land. The units are all 1 bedroom, with shared car parking in open space and 4 car ports. Rental is not subsidised and attracts a market rate ranging from \$155 - \$165 per week with an extra \$10 per week for a lockable garage of which there are 4 in number.

The following graph demonstrates the % Occupancy Rates since 2009.



The land is zoned RU5 Village and Permitted Development within the zone with consent includes; Child care centres; Community facilities; Dwelling houses; Light industries; Neighbourhood shops; Places of public worship; Recreation areas; Recreation facilities (indoor); Recreation facilities (outdoor); Respite day care centres; Roads or Schools (Blayney Shire Council LEP 2013).

Issues:

The property management services agent; Kennedy Real Estate has written to all tenants, reassuring them of their tenancy agreements and tenure security.

Council staff have attended the Millthorpe Village Association and Millthorpe Business Committee meetings last month and was the subject of a recent GM Conversation in the Blayney Chronicle for the week Commencing Monday 24 October.

Questions have been raised about the community service role of Council in ensuring a diverse population is catered for in Millthorpe and there is a valid opinion that Council should be providing affordable housing options in our villages close to the shopping centres, with access to public transport and health facilities. In that respect, Inala Units provide a very liveable option for single person families with lower income capacity.

Whilst some local governments in rural areas of Australia often step in to build medical centres or purchase housing for GP's; these are essential services. Blayney Shire Council has such an Assistance Policy whereby GP's are afforded a 2-year interest free loans of up to \$40K to assist with refurbishment or establishment of a medical practice in the Shire.

Regardless of this, the owning and managing of residential property is not a core business of local government. Even if this was identified as social or affordable housing, this is a state government responsibility.

According to various real estate data, weekly median advertised rent for Millthorpe is \$300. In addition to the 2 vacant units available at the Inala Complex the availability of rental properties in Millthorpe has little to offer;

- \$415 per week for a farm house on Forest Reefs Road
- \$230 per week for a 3 bedroom house in Boomerang Road

Council sought an independent appraisal for Inala Units in October 2015, the report of which is provided to Councillors under separate cover in confidence. Since this report was written, the immediate repairs and maintenance issues have been addressed. Both of the recently vacated units have been repainted and have had new carpet laid.

The units are best described as dated and basic. Whilst a major refurbishment including new kitchens, bathrooms, installation of reverse cycle heating and provision of disabled access would enhance their comfort, the cost of this of perhaps \$25K per unit would not necessarily increase the rental achieved simply due to them being only 1 bedroom units. An option of building courtyards and additional outside entertaining space with an investment of \$20K in total would be much less expense, however will not increase the rental return. Modification of the units from 10 x 1 bedroom to 5 x 2 bedroom units is an option; however, the return is once again limited by Council's inability to make this a taxation benefit via the depreciation or investment expense.

Some recent photos taken of both exterior and interior follow this report.

Are the best interests of the community, marketability of Millthorpe and improving range of housing development options throughout the Shire really being addressed?

Is Council's investment better spent on developing housing blocks, industrial land or providing an injection into a much needed community asset such as a Library/Cultural Centre, King George Oval, the CentrePoint Pool Refurbishment project or even the Equestrian Centre at the Blayney Showground.

Is the Millthorpe and the Blayney Shire community committed to the current ownership by Council as a landlord of a block of commercial units in the village precinct?

Budget Implications:

Whilst there has been capital gain in the asset value since the purchase in 1980, this realised return on investment is limited by Council being the landholder.

The provision of residential housing is better suited to private investment as Council does not have access to taxation advantages and benefits of negative gearing associated with land and property investment.

Any improvements to the property must compete with annual operational expenses such as parks and gardens, town streets, roads, recreational facilities and other Council services.

A 10 year history financial statement which follows this report for Councillor information. There is a restricted internal reserve where the yearly profit or loss is allocated, and as at 30 June 2016 this balance was \$95,345, however this is offset by the accumulated deficit which includes depreciation of \$175,135.

Should Council resolve to sell this asset the sale proceeds will not be allocated entirely within Millthorpe. This was purchased from general funds in 1980, albeit supported by a federal grant, and the annual income or expense has not impacted on the funding of other Council services or capital projects within Millthorpe.

Council's only justification in holding onto this asset is if there was a strategy in place such as a future land development opportunity.

Enclosures (following report)

- | | | |
|---|---|----------|
| 1 | Inala Units Financial Statements | 1 Page |
| 2 | 2016 Images of Inala Units | 4 Pages |
| 3 | Inala Units Valuation Report - October 2015 | 24 Pages |

This matter is considered to be confidential under Section 10A(2) (b) (c) of the Local Government Act, as it deals with the personal hardship of any resident or ratepayer; AND information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Attachments (separate document)

Nil

INALA UNITS FINANCIAL SUMMARY 2007 TO 2016

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
INCOME										
Rental Income	(24,766)	(27,241)	(24,244)	(21,944)	(19,051)	(16,860)	(6,772)	(65,807)	(68,155)	(65,626)
Contributions		(22,500)	(7,500)	(7,500)						
Sundry Income	(644)						(447)			
TOTAL INCOME	(25,409)	(49,741)	(31,744)	(29,444)	(19,051)	(16,860)	(7,219)	(65,807)	(68,155)	(65,626)
EXPENDITURE										
Management expenses							2,456	5,356	4,981	4,670
Maintenance & Repairs	5,221	6,251	8,451	7,895	7,432	7,426	13,861	7,997	10,424	10,380
Equipment M&R / Replacement		2,165	6,041				507	293		
Sundry expenses		495				100			416	
Administrative expenses	4,000	4,096	4,250	4,377	4,635	4,774	4,917	2,000	2,050	2,101
Electricity	220	364	484	443	511	516	1,073	1,747	(110)	756
Insurances	2,556	2,265	3,475	3,762	3,665	3,683	3,683	4,230	4,382	4,030
Water Rates	1,133	1,146	1,136	1,123	1,084	1,296	1,266	2,699	2,717	3,013
Rates & Charges	3,905	4,022	4,754	4,977	5,242	5,549	5,806	7,135	7,256	6,327
Total Expenditure before depreciation	19,199	24,680	22,549	22,577	22,569	23,850	33,355	31,164	32,116	31,278
Nett (Surplus) / Deficit before depreciation	(6,210)	(25,061)	(9,195)	(6,867)	3,518	6,989	26,136	(34,644)	(36,039)	(34,348)
Depreciation	8,084	7,495	31,962	33,582	34,039	34,117	33,734	35,947	35,947	35,947
Nett (Surplus) / Deficit	1,874	(17,566)	22,768	26,715	37,558	41,106	59,871	1,303	(93)	1,598
Capital Works										
Reserve balance at year end	(42,853)	10,121	19,742	35,825	3,474	(12,377)	(12,377)	(47,021)	(83,573)	(97,975)

Inala Units 2016











05) GARAGE SALE TRAIL 2016**Department:** Executive Services**Author:** Community Development and Tourism Projects Officer**CSP Link:** 5.4 Capable, self sufficient communities engaged in decision making about issues that affect them.**File No:** CS.SV.3

Recommendation:

That Council note the results of the 2016 Garage Sale Trail held throughout Blayney and shire villages.

Reason for Report:

To highlight community feedback and success of the 2016 Garage Sale Trail event.

Report:

On Saturday 22 October 2016, Blayney Shire Council worked with the community across Blayney and villages to hold its first Garage Sale Trail. As a member of the national local council program, the one day event allowed Blayney Shire Council to deliver on its strategic objectives in the areas of building community engagement, waste management, reuse and recycling and economic development/ tourism by attracting visitors from across the region. The Blayney Waste Facility was also promote as a reuse and recycling centre and listed on the Garage Sale Trail with items for sale.

The Garage Sale Trail campaign is the biggest national reuse and community building event across Australia with over 13,000 garage sales held in 164 council areas. The funding assists Councils with an online toolkit and resources including marketing materials, design templates and webinar courses to collaborate with other councils and successfully execute the campaign.

As a first time Council participating in the program, the team achieved outstanding results working with the community to generate widespread interest and support from sellers and buyers through a well-organised and co-ordinated communications, media and marketing campaign. The key strategic communications activities conducted throughout the period to promote the event included:

- Media release to announce Council's involvement in the campaign – June 2016
- Media release to promote messages about the value of recycling and cost of illegal dumping

- Blayney Chronicle advertising to encourage sellers to register for the event
- Facebook and Twitter cover shot changes
- Regular Facebook posts and +advertising – “boosted posts” to the value of about \$50 to extend reach to regional areas of Cowra, Bathurst, Blue Mountains, Orange
- Involving community groups in media photo opportunities and providing information (tips and tricks from campaign resources)
- Providing commentary to community radio station in Orange
- Council Connect enewsletter commentary
- Maximising partnership with 2BS radio for interviews
- Half page newspaper advertisement listing a few days before the event, listing all garage sales through the area in Blayney Chronicle, Western Advocate, Central Western Daily
- 5 x Community banner poles utilised to promote the event one week in advance
- Production of flyers for Council office and garage sale organisers to distribute to buyers

This activity resulted in Blayney Shire Council topping the leader board for the greatest number of garage sales registered per capita with 37 community group and private sales across Blayney and villages. There were also a handful of garage sales that listed in surrounding areas of Orange, Bathurst, Kelso and Perthville as a result of our promotions. Due to the success the Blayney Shire Garage Sale Trail, campaign organisers have asked Council to represent the event as a case study to assist other Council areas manage the campaign for next year.

Feedback from community groups and participants on the day demonstrated the value of Council collaborating with the community for a joint Shire wide campaign, taking a leadership role to facilitate the campaign made the day a success.

Our experience showed participants felt more connected the local area by getting involved with friends, neighbours and other volunteers to raise money for their community group or charity. Feedback suggests participants were pleasantly surprised by the number of visitors and buyers to their sales including people from outside the Shire who commented they came for a drive especially for the event and it was often their first time here and they would return. As events were held in most villages across the Shire, people on the trail could drive from one area to the other bringing greater than usual visitation and spend to local communities which generated economic activity for local businesses.

An opportunity was created to promote other Council projects and community groups initiatives such as fundraising for the Carcoar School of Arts building, promoting the Barry Village Association and work of BASIS (Blayney Association of Scripture in Schools).

Community groups reported outstanding profits and fundraising efforts from the day such as Carcoar's Monster 'Sale of the Century' generated \$1800, BASIS calculated a profit of \$2,003 and the Blayney Baptist and Community Church raised \$1,500.

Council requested community groups and individual participants to provide their feedback and all of the respondents said they would participate again next year.

Other comments included:

Carcoar School of Arts Community Hall Committee Member

"The Sale of the Century Garage Sale at Carcoar was very successful, both socially & financially. Customers included tourists & interstate travellers as well as people from within the district. Many had not been to this district before & we were able to give them brochures and tell them what the area had to offer.

It is hard to estimate the number of items sold, but there were a lot of empty packing boxes at the end. We also let out stall-space to members of the community at a small fee.

Unsold items were offered back to the donor, but many will be offered for resale at a stall at Carcoar Show. Other items have been taken to Blayney Tip-Shop for recycling.

Out total takings for the day, including a raffle & food stall was approx \$1,800. A great result from a very small band of volunteers, determined to restore the Carcoar School of Arts building.

We would certainly consider taking part again.

Overall it was a good community event and would have been even better if the weather had been kinder. We appreciate the Council's support."

Blayney resident

"A number of people were passing through Blayney on their way to Cowra, Bathurst and managed to get caught up in the fun. One couple stopped and their ute was loaded well above the cab with bargains they had collected during the morning.

Didn't make my first million on Saturday but certainly shifted a lot of stuff and enjoyed myself in the process. Financially it was worthwhile.

Thanks again for your help and support. It was really appreciated. A friend of mine in Sydney is planning to come up next year with a load of good stuff and join me.

I only have good things to say about the Garage Sale Trail 2016 and especially the council's involvement.

A passing thought... next time perhaps an actual map showing where the sales are situated. A number of people asked about streets but I wasn't sure of some. I printed a small number of the sales sheets but they went very quickly. A lot of people who visited don't have Internet access at their home which is a problem."

Recommendations for next year's event:

- Promotion 6 months in advance to encourage large numbers of sellers
- Greater involvement by Councillors
- A map of where sales are located, to be handed out on the day (This was a constraint this year due to the volume of garage sales in the area and such a wide area to cover)

Issues:

Risk of poor weather.

Budget Implications:

Blayney Shire Council joined the Garage Sale Trail Campaign in May 2016, signing up as a member council for 2 years at the cost of \$2,500 (ex-GST per year) with funding from Councils' Planning and Environmental Services Waste Management budget.

Enclosures (following report)

Nil

Attachments (separate document)

Nil

06) MINUTES OF THE BLAYNEY SHIRE CULTURAL CENTRE WORKING GROUP MEETING HELD MONDAY 7 NOVEMBER 2016

Department: Executive Services

Author: General Manager

CSP Link: 5.4 Capable, self sufficient communities engaged in decision making about issues that affect them.

File No: ED.LI.2

Recommendation:

1. That the minutes of the Cultural Centre Working Group Meeting, held Monday 7 November 2016, be received.
2. That Stage 2 Cultural Centre remain as originally planned to include space for an Art Gallery, Library, Viv Kable Collection and the Family History interests.
3. That the issue of Caravan/Long Vehicle Parking in Adelaide Street be referred to the Traffic Committee to investigate, including an assessment of signage to direct people to correct areas.

MINUTES OF THE CULTURAL CENTRE WORKING GROUP MEETING HELD ON MONDAY 7 NOVEMBER 2016 AT THE BLAYNEY SHIRE COMMUNITY CENTRE

Meeting commenced at 6.00pm.

PRESENT

Ian Tooke (Chair), Cr Allan Ewin, Rebecca Ryan, Elizabeth Russ, Gwenda Stanbridge, Loretta Kervin, Penny May, Ros Dorsman, Tom Williams

GUESTS

Betty Williams, Jane Nixon and Nyree Reynolds

APOLOGIES

Cr Scott Ferguson, Cr David Kingham, Jan Richards and Margaret Paton

Recommended that the apologies submitted on behalf of Cr Scott Ferguson, Cr David Kingham, Jan Richard and Margaret Paton be accepted.

(Gwenda Stanbridge / Ros Dorsman)

DISCLOSURES OF INTEREST

Nil

MINUTES FROM PREVIOUS MEETING – 1 AUGUST 2016

Recommended that the minutes from the previous Cultural Centre Working Group Meeting held on 1 August 2016 be adopted.

(Loretta Kervin / Penny May)

BUSINESS ARISING

GM has contacted the owner of land adjacent to VIC – was going to visit Blayney and talk to Council about plans.

Groups have provided their feedback to Penny May in regards to specific requirements for development of Business Plan – this will be updated for second draft for next meeting.

REVIEW OF DRAFT CONCEPT PLANS

- Estimated cost of current size based on standard quantitative building expense is \$2.875 million
- Revised Draft plans presented – with smaller footprint and potential scope for additional car parking
- Penny May presented a written detailed response about proposal to stage Art Gallery project
- Value of showcasing local Artists and nurturing arts and cultural events into rural economies discussed at length

Recommended that Stage 2 Cultural Centre remain as originally planned to include space for an Art Gallery, Library, Viv Kable Collection and the Family History interests.

Penny May / Loretta Kervin

TIME FRAME FOR STAGE 1 - THE COTTAGE

- GM reported on works progressing for refurbishment of Cottage
- Exterior painting and roof was replaced in August/September
- Internal works commenced, walls have been removed, gyprocking works underway and painting internal to commence next week
- Floors are in excellent condition and will be sanded/polished
- New commercial kitchen fitout scheduled for December 2016
- VIC shelving, display cabinets and furniture being ordered with input from Volunteers
- Meetings have been held with Café Operator to ensure uniform signage external and internal theme

ACCESS TO ALL AREAS FOR PEOPLE WITH DISABILITIES

- Tom Williams reported on session attending regarding Disability Access standards that will be coming into place soon requiring power points for disability scooters to support and encourage participation.

CARAVAN / PARKING

- Issue of Caravan and Long Vehicle Parking remains a hindrance to travellers stopping in Blayney for meal breaks, information or shopping. Project may impact on this availability of parking in Community Centre Car Park, and whilst noted in Master Plan as a priority the demand remains high now.

Recommended that the issue of Caravan/Long Vehicle Parking in Adelaide Street be referred to the Traffic Committee to investigate, including an assessment of signage to direct people to correct areas.

Tom Williams / Gwenda Stanbridge

UPDATE ON DRAFT PLANS AND PARKING REQUIREMENTS

- Whilst a recommendation was for a traffic consultant to give formal advice, it has been estimated, that 80 off-street carparks required for new Cultural Centre based on current size. This will need addressing.

GENERAL BUSINESS

- Nil

NEXT MEETING

Next meeting will be held Monday 5 December 2016 at 6.00pm.

MEETING CLOSE

There being no further business the meeting closed at 7.15pm.

Enclosures (following report)

Nil

Attachments (separate document)

Nil

07) REPORT OF COUNCIL INVESTMENTS AS AT 31 OCTOBER 2016

Department: Corporate Services

Author: Acting CFO

CSP Link: 6.3 A well-run Council organisation.

File No: FM.IN.1

Recommendation:

1. That the report indicating Council's investment position as at 31 October 2016 be received.
2. That the certification of the Responsible Accounting Officer be received and the report be adopted.

Reason for Report:

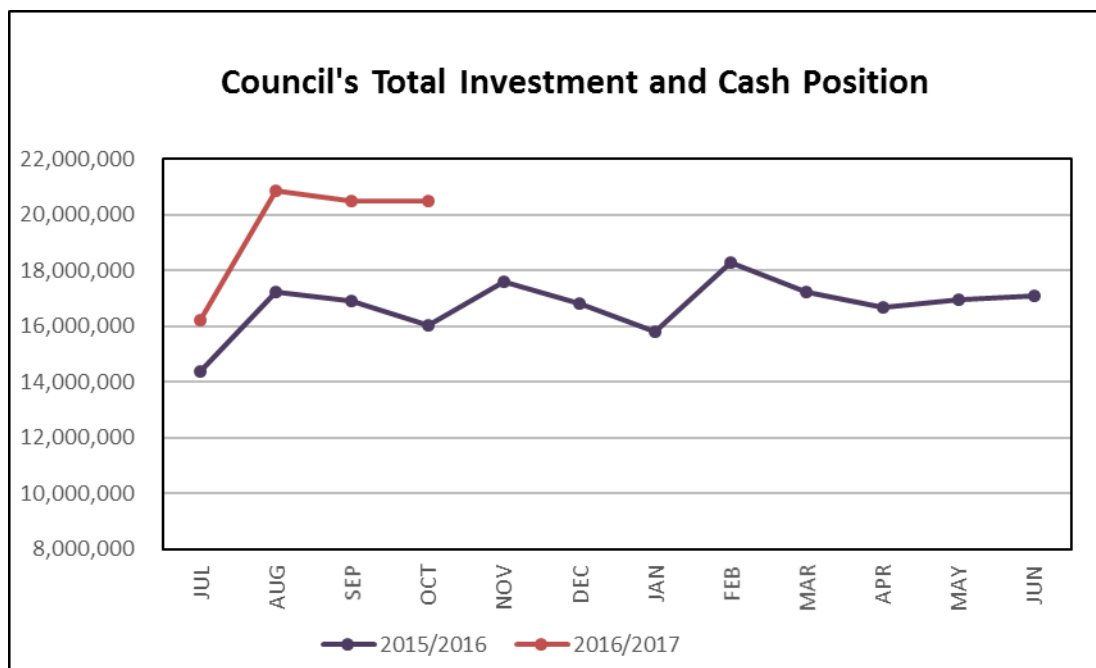
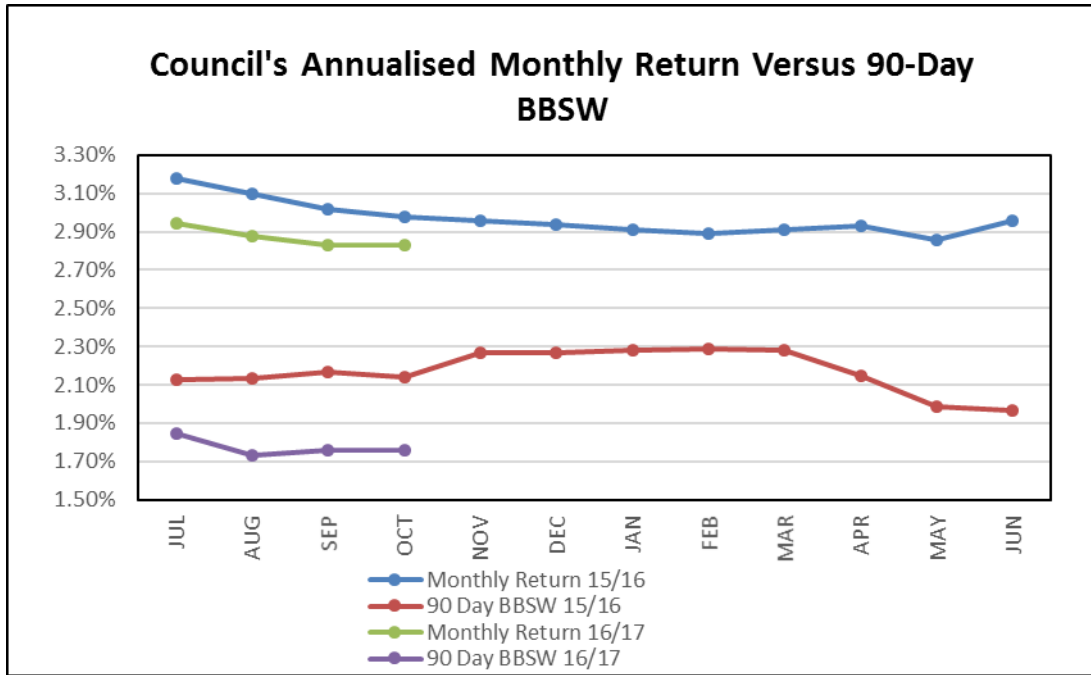
For Council to endorse the Report of Council Investments as at 31 October 2016.

Report:

This report provides details of Council's Investment Portfolio as at 31 October 2016.

Council's total investment and cash position as at 31 October 2016 is \$20,510,589. Investments earned interest of \$47,968 for the month of October 2016.

Council's monthly net return on Term Deposits annualised for October of 2.83% outperformed the 90 day Bank Bill Swap Rate of 1.755%.



REGISTER OF INVESTMENTS AND CASH AS AT 31 OCTOBER 2016				
Institution	Rating	Maturity	Amount \$	Interest Rate
AMP Bank	A1/A+	6/01/2017	500,000	2.850%
AMP Bank	A1/A+	9/05/2017	500,000	3.000%
AMP Bank	A1/A+	31/05/2017	500,000	3.000%
AMP Bank	A1/A+	15/06/2017	500,000	2.900%
AMP Bank	A1/A+	17/01/2017	500,000	2.850%
AMP Bank	A1/A+	16/08/2017	500,000	2.800%
Auswide Bank Ltd	A2/BBB	7/03/2017	500,000	3.000%
Bank of Queensland	A2/A-	3/01/2017	500,000	2.950%
Bank of Queensland	A2/A-	31/01/2017	500,000	2.750%
Bank of Queensland	A2/A-	16/05/2017	500,000	2.700%
Bankwest	A1+/AA-	4/04/2017	505,244	2.550%
Bankwest	A1+/AA-	14/02/2017	500,000	2.850%
Bankwest	A1+/AA-	12/12/2016	500,000	2.550%
Bankwest	A1+/AA-	29/11/2016	500,000	2.800%
Bankwest	A1+/AA-	14/02/2017	500,000	2.500%
Bendigo & Adelaide Bank	A2/A-	22/11/2016	500,000	2.800%
Bendigo & Adelaide Bank	A2/A-	13/06/2017	500,000	2.900%
Bendigo & Adelaide Bank	A2/A-	22/08/2017	1,000,000	2.700%
Bendigo & Adelaide Bank	A2/A-	29/08/2017	1,000,000	2.700%
IMB	A2/BBB	10/01/2017	500,000	2.600%
ING Bank	A2/A-	28/02/2017	500,000	3.100%
Macquarie Bank	A1/A	8/05/2017	500,000	2.800%
ME Bank	A2/BBB+	6/03/2017	500,000	3.070%
ME Bank	A2/BBB+	20/12/2016	500,000	3.000%
ME Bank	A2/BBB+	29/11/2016	500,000	2.900%
ME Bank	A2/BBB+	7/03/2017	500,000	3.070%
MyState Bank Limited	A2/A-	21/02/2017	500,000	2.670%
MyState Bank Limited	A2/A-	23/05/2017	500,000	2.670%
MyState Bank Limited	A2/A-	30/05/2017	500,000	2.670%
NAB	A1+/AA-	6/09/2016	500,000	2.680%
NAB	A1+/AA-	29/11/2016	500,000	2.920%
NAB	A1+/AA-	23/05/2017	500,000	2.890%
NAB	A1+/AA-	21/02/2017	500,000	3.130%
NAB	A1+/AA-	13/12/2016	500,000	2.940%
Westpac	A1+/AA-	6/12/2016	500,000	2.860%
Total Investments **			18,505,244	2.832%

Benchmarks:	BBSW 90 Day Index		1.755%
	RBA Cash Rate		1.500%
Commonwealth Bank - At Call Account		151,028	1.380%
Commonwealth Bank Balance - General **		1,859,561	0.950%
TOTAL INVESTMENTS & CASH		20,515,833	

* % Interest rates as at 31/10/2016

** Councils current cash position significantly increased during the September quarter as a result of Councils largest rate payer paying their 2016/17 rates in full at the first instalment date. These funds have been invested with a maturity date that coincides with the remaining instalments due dates in order to manage ongoing cash flow requirements and represents \$3,236,955 of the unrestricted cash balance as at 31 October 2016.

Summary of Investment Movements - October 2016		
Financial Institution	Invst/(Recall) Amount \$	Commentary
Bankwest	(505,244.09)	Term Deposit Matured 05/10/2016
Bankwest	505,244.09	Term Deposit Reinvested 05/10/2016
Bankwest	(504,564.38)	Term Deposit Reinvested 11/10/2016
Bankwest	500,000.00	Term Deposit Reinvested 11/10/2016

Short Term Credit Rating*	Policy Maximum	Current Holding %	Current Holding \$
A-1+	100%	30%	5,505,244
A-1	80%	19%	3,500,000
A-2	60%	51%	9,500,000
A-3	40%	0%	-
			18,505,244

*Councils current investment portfolio contains only short term investments and has therefore been rated accordingly.

Overall Portfolio Return to Maturity			Actual %
Portfolio % < 1 Year	Min 40%	Max 100%	100%
Portfolio % > 1 Year	Min 0%	Max 60%	0%
Portfolio % > 3 Year	Min 0%	Max 30%	0%
Portfolio % > 5 Year	Min 0%	Max 20%	0%

Individual Institution Limit	Rating	Policy Maximum	Actual Maximum
AMP Bank	A1/A+	3,000,000	3,000,000
Auswide Bank Ltd	A2/BBB	3,000,000	500,000
Bank of Queensland	A2/A-	3,000,000	1,500,000
Bankwest	A1+/AA-	3,000,000	2,505,244
Bendigo & Adelaide Bank	A2/A-	3,000,000	3,000,000
IMB	A2/BBB	3,000,000	500,000
ING Bank	A2/BBB+	3,000,000	500,000
Macquarie Bank	A1/A	3,000,000	500,000
ME Bank	A2/BBB+	3,000,000	2,000,000
MyState Bank Limited	A2/A-	3,000,000	1,500,000
NAB	A1+/AA-	3,000,000	2,500,000
Westpac	A1+/AA-	3,000,000	500,000

<u>RESTRICTED CASH, CASH EQUIVALENTS & INVESTMENTS</u>	
	\$ 000's
External Restrictions - Sewer*	5,157
External Restrictions - Unexpended Grants*	1,282
External Restrictions - Other*	2,267
	8,706
Internal Cash Restrictions*	8,232
Unrestricted	3,578
	11,810
TOTAL CASH & INVESTMENTS	20,516

* Restrictions represent balance as at 1 July 2016.

CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Tiffany Irlam, 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.

Issues:

Nil

Budget Implications:

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

Enclosures (following report)

Nil

Attachments (separate document)

Nil

08) 2015/2016 AUDITED FINANCIAL STATEMENTS

Department: Corporate Services

Author: Acting CFO

CSP Link: 6.3 A well-run Council organisation.

File No: FM.AU.2

Recommendation:

1. That Council adopt the 2015/2016 Financial Statements and accept the Auditor's Report, as submitted by Intentus Chartered Accountants.
2. That the 2015/2016 transfers to and from Council's restricted cash be adopted.

Reason for Report:

For the 2015/2016 audited financial statements to be presented to Council.

Report:

Section 413(3) of the Local Government Act 1993, requires Council to prepare Financial Reports and refer those reports to audit within 4 months after the end of the financial year (s416 (1)). On completion, section 419 of the Act requires Council to present its audited financial statements, together with the signed auditor's reports, at a meeting of the Council. The date of the above meeting must be no more than 5 weeks after the signing of the auditor's report.

For the 2016 financial year Council has presented a net operating result of \$4,523,000, with a net operating result before the inclusion of grants and contributions for capital purposes of \$1,388,000.

After the exclusion of non-cash items incorporated into the income statement there is a cash surplus from operating activities of \$10,033,000. This operating cash surplus contributed to funding Council's capital works program for the year, with the remainder of the required funding coming from the proceeds from asset sales and Council's reserves.

Council expended \$7,449,000 on new non-financial assets throughout the year. A large amount of this was spent on improving Council's road infrastructure and ongoing expenditure on plant and equipment replacement.

Income Statement for the financial year ended 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015
Income from continuing operations			
<i>Revenue:</i>			
Rates and annual charges	3a	10,444	9,846
User charges and fees	3b	1,960	2,419
Interest and investment revenue	3c	499	473
Other revenues	3d	258	280
Grants and contributions provided for operating purposes	3e,f	4,190	3,439
Grants and contributions provided for capital purposes	3e,f	3,135	1,660
<i>Other income:</i>			
Net gains from the disposal of assets	5	–	128
Net share of interests in joint ventures and associates using the equity method	19	203	28
Total income from continuing operations		20,689	18,273
Expenses from continuing operations			
Employee benefits and on-costs	4a	6,113	5,276
Borrowing costs	4b	165	186
Materials and contracts	4c	2,486	3,257
Depreciation and amortisation	4d	5,230	4,827
Impairment	4d	–	–
Other expenses	4e	2,122	2,321
Net losses from the disposal of assets	5	50	–
Total expenses from continuing operations		16,166	15,867
Operating result from continuing operations		4,523	2,406
Discontinued operations			
Net profit/(loss) from discontinued operations	24	–	–
Net operating result for the year		4,523	2,406
Net operating result attributable to Council		4,523	2,406
Net operating result attributable to non-controlling interests		–	–
Net operating result for the year before grants and contributions provided for capital purposes		1,388	746

Balance Sheet as at 30 June 2016

\$ '000	Notes	Actual 2016	Actual 2015	Actual 2014
ASSETS				
Current assets				
Cash and cash equivalents	6a	1,075	866	2,181
Investments	6b	16,000	13,500	11,000
Receivables	7	640	808	772
Inventories	8	839	736	768
Other	8	52	20	18
Non-current assets classified as 'held for sale'	22	–	–	–
Total current assets		18,606	15,930	14,738
Non-current assets				
Investments	6b	–	–	–
Receivables	7	208	237	32
Inventories	8	–	–	–
Infrastructure, property, plant and equipment	9	189,789	185,849	184,665
Investments accounted for using the equity method	19	20,545	20,059	19,832
Investment property	14	–	–	–
Intangible assets	25	241	249	281
Non-current assets classified as 'held for sale'	22	–	–	–
Other	8	–	–	–
Total non-current assets		210,783	206,394	204,810
TOTAL ASSETS		229,389	222,324	219,548
LIABILITIES				
Current liabilities				
Payables	10	944	897	1,075
Borrowings	10	190	178	183
Provisions	10	1,623	1,445	1,344
Total current liabilities		2,757	2,520	2,602
Non-current liabilities				
Payables	10	1	1	1
Borrowings	10	1,982	2,171	2,506
Provisions	10	717	516	521
Total non-current liabilities		2,700	2,688	3,028
TOTAL LIABILITIES		5,457	5,208	5,630
Net assets		223,932	217,116	213,918
EQUITY				
Retained earnings	20	88,787	83,981	80,719
Revaluation reserves	20	135,145	133,135	133,199
Council equity interest		223,932	217,116	213,918
Non-controlling equity interests		–	–	–
Total equity		223,932	217,116	213,918

Restricted Cash

In finalisation of the 2015/16 Financial Statements there were changes to restricted cash balances as reported to Council on 19 September 2016.

The external restrictions show \$1.492m transfers in and \$198k transfers out (nett \$1,294).

The internal restrictions show \$4,869m transfers in and \$3,081m transfers out (nett \$1,788m) largely due to the removal of the general Asset Replacement Reserve and creation of 4 new specific asset reserves.

The total Restricted Cash balance at 30 June 2016 was \$16,938m with unrestricted cash of \$137k.

A summary of Council's internal and external restrictions is detailed below.

2016 \$ '000		Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
External restrictions					
Developer contributions – general	(D)	670	45	–	715
Developer contributions – sewer fund	(D)	757	43	–	800
Specific purpose unexpended grants	(F)	1,480	–	(198)	1,282
Sewerage services	(G)	4,062	295	–	4,357
Domestic waste management	(G)	169	270	–	439
Rates – special variation mining		274	839	–	1,113
Total external restrictions		7,412	1,492	(198)	8,706

Internal restrictions

Plant and vehicle replacement	1,623	13	–	1,636
Employees leave entitlement	564	7	–	571
Asset replacement reserve	2,547	–	(2,547)	–
Asset Reserve - Transport	–	2,481	(127)	2,354
Asset Reserve - Buildings	–	486	(135)	351
Asset Reserve - Parks & Recreation	–	690	(183)	507
Asset Reserve - Stomwater	–	147	–	147
Blayney Sports Facility Master Plans	–	170	–	170
Blayney town works	185	–	(50)	135
Cemeteries	6	–	(5)	1
CentrePoint Reserve	282	568	–	850
Election reserve	44	17	–	61
Environmental projects – Belubula river	24	30	–	54
Inala units	84	12	–	96
I.T reserve	51	12	–	63
King George Oval	–	200	–	200
Land fill remediations and assets	112	–	–	112
Property account	525	–	(20)	505
Quarry	309	–	(14)	295
Village enhancement program	88	36	–	124
Total internal restrictions	6,444	4,869	(3,081)	8,232
TOTAL RESTRICTIONS	13,856	6,361	(3,279)	16,938

Performance Indicators

These indicators are intended to be indicative of the financial health and presence of good business management practices being conducted at Council.

\$ '000	Amounts	Indicator	Prior periods	
	2016	2016	2015	2014
Local government industry indicators – consolidated				
1. Operating performance ratio				
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	1,235	7.12%	3.59%	-18.42%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	17,351			
2. Own source operating revenue ratio				
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	13,161	64.24%	71.86%	70.40%
Total continuing operating revenue ⁽¹⁾	20,486			
3. Unrestricted current ratio				
Current assets less all external restrictions ⁽²⁾	9,418	7.23x	6.73x	5.52x
Current liabilities less specific purpose liabilities ^(3,4)	1,302			
4. Debt service cover ratio				
Operating result ⁽¹⁾ before capital excluding interest and depreciation/im payment/am ortisation	6,630	19.39x	10.65x	8.84x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	342			
5. Rates, annual charges, interest and extra charges outstanding percentage				
Rates, annual and extra charges outstanding	238	2.22%	2.28%	4.50%
Rates, annual and extra charges collectible	10,693			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	17,075	17.30 mths	13.7 mths	15.0 mths
Payments from cash flow of operating and financing activities	987			

Issues:

Council's Audited Financial Statements have been submitted to the OLG and received on 31 October 2016. They are available on Council's website.

Budget Implications:

Nil

Enclosures (following report)

- | | | |
|---|-------------------------------------|----------|
| 1 | Blayney Shire Council Audit Reports | 14 Pages |
|---|-------------------------------------|----------|

Attachments (separate document)

- | | | |
|---|--|-----------|
| 2 | Blayney Shire Council Financial Statements 2015-16 | 135 Pages |
|---|--|-----------|



Thorough, Attentive, Earnest

28 October 2016

The General Manager
Blayney Shire Council
PO Box 62
BLAYNEY NSW 2799

Dear Rebecca,

AUDIT OF THE BLAYNEY SHIRE COUNCIL

We advise having completed our audit of the Council's financial statements for the period ended 30 June 2016 and enclose the following:

- our independent auditor's report on the general purpose financial statements of Council;
- our independent auditor's report on the special purpose financial statements of Council;
- our independent auditor's report on special schedule 8; and
- our independent auditor's report on the conduct of the audit of Council;

As required by the Act we have forwarded a copy of our Auditors Reports directly to the Office of Local Government. The Council must now lodge the financial statements, including our auditors' reports, with the Office by 31 October.

If we can be of further assistance to you in relation to any of the above matters, please do not hesitate to contact us.

Yours faithfully

intentus

Per:

A handwritten signature in black ink that reads 'Leanne Smith'.

Leanne Smith
Director



PO Box 69, Orange NSW 2800
14 Sale Street, Orange NSW 2800
Phone: 02 6362 5100

PO Box 9013, Bathurst West NSW 2795
291 Stewart Street, Bathurst NSW 2795
Phone: 02 6333 7611

Liability limited by a scheme approved under Professional Standards Legislation



**INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL
ON THE GENERAL PURPOSE FINANCIAL STATEMENTS OF
BLAYNEY SHIRE COUNCIL**

Report on the Financial Statements

We have audited the accompanying general purpose financial statements of Blayney Shire Council for the financial year ended 30 June 2016. The financial statements comprise the Statement by Councillors and Management, Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying Notes to the Financial Statements.

Councils' Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. Our audit responsibility does not extend to the original budget figures included in the Income Statement and Statement of Cash Flows nor the original budget disclosures in Notes 2(a) and 16, and accordingly, we express no opinion on them. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the general purpose financial statements of Blayney Shire Council (Council) for the year ended 30 June 2016 included on Council's web site. Council is responsible for the integrity of its web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Audit Opinion

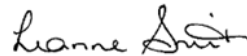
In our opinion:

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2;
- (b) the Council's financial statements:
 - (i) have been prepared in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and cashflows; and
 - (iv) are in accordance with applicable Australian Accounting Standards
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have come to light in the course of the audit.



intentus

291 Stewart Street
Bathurst
Dated: 28 October 2016



LR Smith
Director



**INDEPENDENT AUDITOR'S REPORT
ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF
BLAYNEY SHIRE COUNCIL**

Report on the Financial Statements

We have audited the special purpose financial statements of Blayney Shire Council for the year ended 30 June 2016, comprising the Statement by Council, Income Statement by Business Activities, Statement of Financial Position by Business Activities, and accompanying Notes to the Financial Statements. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and accordingly we express no opinion on them.

Councils' Responsibility for the Financial Statements

The Council are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial statements are appropriate to meet the financial reporting requirements of the Council and the Office of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. The Council's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Council. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



Liability limited by a scheme approved under Professional Standards Legislation

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the special purpose financial statements of Blayney Shire Council (Council) for the year ended 30 June 2016 included on Council's web site. Council is responsible for the integrity of their web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Audit Opinion

In our opinion, the special purpose financial statements of Blayney Shire Council are presented fairly in accordance with the requirements of those applicable accounting policies detailed in Note 1, the accounting requirements of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting.

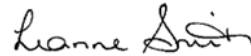
Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statement, which describes the basis of accounting. The special purpose financial statements have been prepared for distribution to the Council and the Office of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. As a result, the financial statements may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Office of Local Government or for any purpose other than for which the statements were prepared.

**intentus**

291 Stewart Street
Bathurst

Dated: 28 October 2016



LR Smith
Director



Thorough, Attentive, Earnest

28 October 2016

The Mayor
Councillor Scott Ferguson
Blayney Shire Council
PO Box 156
BLAYNEY NSW 2850

Dear Mr Mayor

**INDEPENDENT AUDITOR'S REPORT ON THE CONDUCT OF THE AUDIT OF
BLAYNEY SHIRE COUNCIL FOR THE YEAR ENDED 30 JUNE 2016**

We advise having completed our audit of the financial statements of Blayney Shire Council for the financial year ended 30 June 2016. Our audit resulted in the issuing of an unmodified audit report on both the general purpose and special purpose financial statements of Council.

In accordance with Section 417(3) of the Local Government Act 1993 we submit our report on the conduct of the audit of Blayney Shire Council for the year ended 30 June 2016. Our audit reports on the general purpose financial statements of Council and the special purpose financial statements on Council's business units outline the legislative framework of our audit and should be referred to in order to establish the context in which our comments are made.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant technical and ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

The following comments are provided in accordance with Section 415(3) of the Local Government Act 1993 and Regulation 227 of the Local Government (General) Regulation 2005 to assist in the understanding of the financial statements and our reports.



PO Box 69, Orange NSW 2800
14 Sale Street, Orange NSW 2800
Phone: 02 6362 5100
Liability limited by a scheme approved under Professional Standards Legislation

PO Box 9013, Bathurst West NSW 2795
291 Stewart Street, Bathurst NSW 2795
Phone: 02 6333 7611

Review of Financial Results**(a) Operating Result**

As disclosed in Council's Income Statement the year's operations resulted in a net operating result of \$4,523,000 (2015 – surplus \$2,406,000). Selected items of note in the operating statement include:

Revenue

- The operating result from ordinary activities *before* capital amounts was a surplus of \$1,388,000 (2015 – \$746,000).
- Rates & Annual Charges increased by \$598,000 to \$10,444,000 (2015 - \$9,846,000). Rates increased by a total of \$497,000 or 6.26%, primarily due to the approved special rate variation for 2015-'16 of 5.11%.
- User charges and fees totaled \$1,960,000 compared to \$2,419,000 in 2015 (decrease of \$459,000), due mainly to a reduction in work on State roads on behalf of Roads & Maritime Services (RMS).
- Operating Grants & Contributions rose by \$751,000 to \$4,190,000 (2015 - \$3,439,000). Council received an additional \$912,000 in funding under the RMS Roads to Recovery program which was offset by decreases in other funding sources.
- Capital grants and contributions for the 2015-'16 financial year totaled \$3,135,000 compared to \$1,660,000 for 2014-'15 (increase of \$1,475,000). Capital grants received for work on local roads were \$1,237,000 higher at \$2,300,000 (2015 - \$1,063,000) and was the main contributor to this increase. The 2015-'16 year included \$1,622,000 under the RMS Fixing Country Roads program for works on Errowanbang Road.

Expenditure

- Employee Benefits Expense increased by \$837,000 or 15.86%, mostly due to an increase in Council's staffing levels.
- Materials and contracts expenses were lower than the prior year, falling from \$3,257,000 in 2015 to \$2,486,000 (decrease of \$771,000). The increased level of capital works conducted by Council during the 2015-'16 financial year has been the main driver of the decrease in the level of raw materials and consumables expensed.
- At 30 June 2015, Council was required to revalue its infrastructure assets. This has resulted in increased depreciation charges in the current year, with total depreciation and amortisation expense increasing by \$403,000. Of this increase, \$362,000 is directly attributable to Council's road assets.

Council's other major items of income and expenditure were relatively consistent with the prior period.

(b) Financial Position

The Statement of Financial Position discloses that for the year ended 30 June 2016 Council's net assets stood at \$223,932,000 (2015 - \$217,116,000), which represents an increase of \$6,816,000. That movement is comprised of the net operating surplus after capital amounts of \$4,523,000 combined with the recognition of council's proportionate interest in joint associates of \$283,000 and the net asset revaluation increment of \$2,010,000 resulting from the current year's infrastructure, property, plant and equipment revaluations and indexation of Council's sewerage assets.

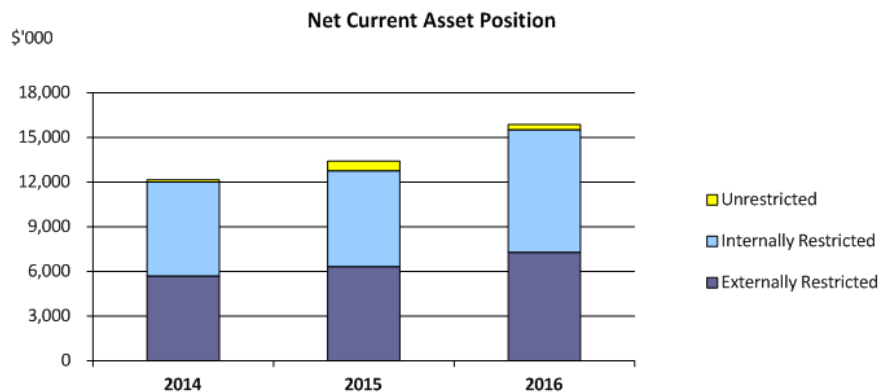
To assess the health of Council’s net current asset position (available working capital) it is necessary to review the level of restrictions placed against the use of Council’s assets. The notes to the financial statements indicate clearly where restrictions exist, and the effect of the restrictions is summarised below.

Unrestricted Net Current Assets

	2016 \$'000	2015 \$'000
Net Current Assets	15,849	13,410
Less: Amounts externally restricted for special purposes (refer Notes 6; 7; & 8 of financial statements)	(8,742)	(7,679)
Less: Council internally imposed restrictions (refer Note 6 of financial statements)	(8,232)	(6,444)
Add: Applicable current liabilities refer Note 10 - Sewerage	57	83
Add: Employee Leave Entitlements to be paid > 12 months	1,204	1,063
Add: Security bonds, deposits and retentions to be paid > 12 months	194	214
Unrestricted net current asset surplus/(deficit)	330	647
Unrestricted net current assets comprise: -		
Assets		
Cash	137	510
Receivables	604	541
Inventories	839	736
Other	52	20
Less: General Purpose Liabilities	(2,700)	(2,437)
Add: Employee Leave Entitlements to be paid > 12 months	1,204	1,063
Add: Security bonds, deposits and retentions to be paid > 12 months	194	214
Unrestricted net current asset surplus/(deficit)	330	647

Council’s continues to enjoy a surplus of net current assets to cover the restrictions placed on those assets.

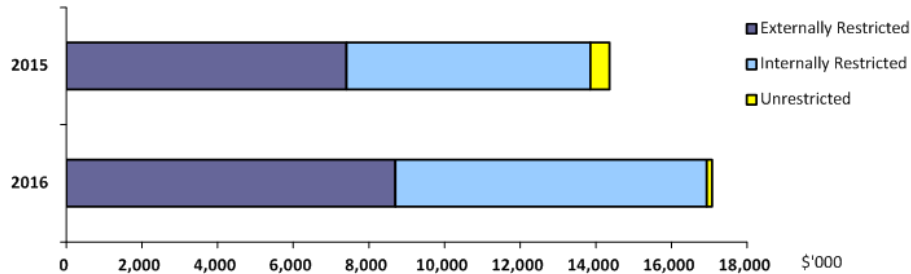
The following table shows the Council’s calculated net current asset position over the past three years:



Cash & Investments

Note 6 to the accounts discloses total cash and investments of \$17,075,000 (2015 - \$14,366,000). Of this amount \$8,706,000 (2015 - \$7,412,000) is subject to external restrictions requiring Council to commit those funds to the purposes for which they were provided and \$8,232,000 (2015 - \$6,444,000) is subject to internal restrictions agreed upon by Council for designated purposes. These internal restrictions may be altered at the discretion of Council, consistent with its management plan.

The unrestricted balance of \$137,000 (2015 - \$510,000) represents liquid assets available to cover non-budgeted discretionary expenditure and meet short-term cash flow requirements.



Whilst the consolidated financial statements displays sound levels of cash and investments, we remind the reader that the consolidated data is not necessarily reflective of the position of the individual funds (General & Sewer) and this is equally applicable when reviewing the performance indicators considered below. General information on the financial position and performance by fund is provided in Note 21 to the financial statements.

(c) Performance Indicators

Note 13 to the Financial Statements provides a measure of Council’s performance using a number of selected ratios:

Operating Performance Ratio

This ratio expresses Council’s ability to contain operating expenses, including depreciation, within its continuing operating revenue. The outcome of positive 7.12 % (2015 – 3.59 %) represents the buffer between continuing operating revenue and continuing operating expenses.

The improvement in this ratio is the combined result of the increase in revenue generated by Council during the year, combined with a reduction in materials and contracts expense due to a change in the mix of operating and capital works undertaken by Council.

Own Source Operating Revenue

This indicator is intended to measure Council’s fiscal flexibility by showing its degree of reliance on external funding sources such as grants and contributions. The higher the ratio, the more financially flexible Council is considered to be.

At 64.24% (2015 – 71.86%) Blayney Shire Council’s result indicates a degree of financial flexibility which exceeds the benchmark of greater than 60% determined by the Office of Local Government.

The reduction in this ratio from the prior year is mostly attributable to the increased level of grants and contributions during the 2015-’16 financial year, rather than a reduction in the level of own source revenue generated by Council.

Unrestricted Current Ratio

The Unrestricted Current Ratio is a measure of Council's liquidity that demonstrates its ability to satisfy obligations out of short-term and immediate asset balances. Council's ratio of 7.23:1 indicates that it is comfortably able to settle its debts as and when they fall due.

Debt Service Cover Ratio

This ratio measures the ability of Council to service debt by expressing that capacity as a multiple of the operating result from continuing operations, excluding capital items and depreciation / impairment, over the principal and interest costs.

At 19.39 times (2015 – 10.65 times) Blayney Shire Council's ratio indicates that it can comfortably meet its current levels of debt.

Rates & Annual Charges, Interest & Extra Charges Outstanding Ratio

The ratio is a measure of management efficiency. Whilst prevailing economic conditions may influence Council's ability to collect revenue, the efficiency and application of collection procedures are still the largest determinant of this ratio.

Blayney Shire Council's rates and annual charges outstanding percentage of 2.22% (2015 – 2.28%) indicates effective rates debtor management.

Cash Expense Cover Ratio

The purpose of this ratio is to assess the number of months cash expenses the accumulated cash and investments at 30 June would cover.

We suspect that this is a ratio that may vary considerably from year-to-year, but note that the improvement in this indicator to 17.3 months (2015 - 13.7 months) is likely due to the higher level of capital works this year which resulted in lower materials and contract payments in the operating activities section of the cash flow statement which is the denominator of this measure.

(d) Cash Flow Statement

The Statement of Cash Flows provides information regarding the movement in cash and cash-equivalents, which are highly liquid and have an original term to maturity of less than three months. The current year reports a net increase in cash assets held of \$209,000 (2015 – decrease \$1,315,000) as follows:

	2016 \$'000	2015 \$'000	Movement \$'000
Cash flow provided by / (used in)			
Operating activities	10,033	6,846	3,187
Investing activities	(9,647)	(7,821)	(1,826)
Financing activities	(177)	(340)	163
Net increase / (decrease) in cash held	209	(1,315)	1,524

Cash flows from operating activities

The net cashflows from operating activities have increased by \$3,187,000 compared to the prior year. Cash inflows from operating activities have increased by \$2,655,000 as a result of the overall increase in revenue as outlined earlier in this report. In addition, the higher level of capital works has seen lower levels of operating expenditure, resulting in cash outflows from operating activities falling by \$532,000.

Cash flows from investing activities

Council spent \$7,449,000 in additions to and renewals of its infrastructure, property, plant and equipment. Of this, \$3,969,000 was spent on Council's roads, bridges and footpaths, with major works undertaken on Errowanbang Road.

Council also purchased a further \$2,500,000 in investments (greater than 3 months to maturity) during the year.

Cash flows from financing activities

The net cash outflow used in financing activities was the repayment of principal on council's borrowings.

(e) Comparison of Actual and Budgeted Performance

Council's surplus from ordinary activities after capital amounts of \$4,523,000 was \$1,382,000 better than Council's original estimate of \$3,141,000.

It is beyond the purpose of this report to provide a detailed analysis of individual budget variations. Note 16 to Council's financial statements addresses the contributing factors to these variations in detail.

(f) Other Matters**National Competition Policy**

In accordance with the requirements of National Competition Policy guidelines, Blayney Shire Council has prepared special purpose financial statements on its business units for the year ended 30 June 2016. Council has determined that it has one business unit within its operations: Sewerage Services.

The Office of Local Government's July 1997 guidelines 'Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality' outlines the process for identifying and allocating costs of activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, rate of return on investments in business units and dividends paid.

An unqualified audit report on the special purpose statements for the year ended 30 June 2016 has been issued.

Management Letters

Our most recent management letter was issued on 30 June 2016, with a further management letter to follow.

(g) Legislative compliance

As a result of our audit we advise that there are no material deficiencies in the accounting records or financial statements that have come to our attention during the conduct of the audit and that Blayney Shire Council's accounting records have been kept in accordance with the requirements of the Local Government Act, 1993 and regulations.

(h) Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the financial statements of Blayney Shire Council (Council) for the year ended 30 June 2016 included on Council's web site. Council is responsible for the integrity of its web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

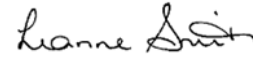
Conclusion

- (a) The Council's accounting records have been kept in a manner and form that facilitated the preparation of the general purpose financial statements and allowed proper and effective audit of these statements;
- (b) The Council's accounting records have been kept in a manner and form that facilitated the preparation of the special purpose financial statements and allowed proper and effective audit of these statements; and
- (c) all information relevant to the conduct of the audit has been obtained.



intentus

291 Stewart Street
Bathurst
Dated: 28 October 2016



**LR Smith
Director**



**AUDITOR'S REPORT
PERMISSIBLE GENERAL INCOME (SPECIAL SCHEDULE No.8)
OF BLAYNEY SHIRE COUNCIL**

Scope

We have audited the special purpose financial report comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Blayney Shire Council for the 2016-'17 financial year.

Responsibility of Council for Special Schedule No. 8

The Council is responsible for the preparation and fair presentation of Special Schedule No. 8 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 24. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor

Our responsibility is to express an opinion on Special Schedule No. 8 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 8 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 8. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 8, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 8.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 8 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the reconciliation of Council's total permissible general income (Special Schedule 8) which shows a carry forward excess total for 2016-'17 of **two hundred and seven thousand, nine hundred and thirty three dollars (\$207,933)** is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.




Liability limited by a scheme approved under Professional Standards Legislation

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to the fact that Special Schedule 8 - the reconciliation of total permissible general income is a special purpose financial report which has been prepared for distribution to the Council and the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the financial report may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Office of Local Government or for any purpose other than for which the financial report was prepared.

**intentus**

291 Stewart Street
Bathurst
Dated: 28 October 2016



LR Smith
Director

09) QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2016

Department: Corporate Services

Author: Acting CFO

CSP Link: 6.3 A well-run Council organisation.

File No: FM.BU.1

Recommendation:

1. That the Quarterly Budget Review Statement for the quarter ending 30 September 2016 be received.
2. That the supplementary votes of \$919k proposed in the Quarterly Budget Review Statement be adopted resulting in an increase to expenditure of \$103k for Net Continuing Operations and an increase to Capital Expenditure of \$816k offset by Capital Income variations of \$816k.
3. That the budgeted expenditure and transfers from the Asset Replacement Reserve of \$757k for works carried over from the 2015/16 financial year be endorsed.

Reason for Report:

For Council to endorse the Quarterly Budget Review Statement for the quarter ending 30 September 2016.

Report:

Clause 203 of the Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of a council prepare and submit to Council a budget review statement. The budget review statement must show, by reference to the estimate of income and expenditure set out in the operational plan adopted by Council, a revised estimate of the income and expenditure for the year. The budget review statement must also be accompanied by a report as to whether or not the Responsible Accounting Officer believes that the financial position of the council is satisfactory, having regard to the original estimates of income and expenditure.

In December 2010 the NSW Office of Local Government developed a set of minimum requirements for reporting the financial position of Council, to facilitate explanations and major variations and recommend changes to the budget for Council approval.

The Quarterly Budget Review Statement (QBRS) reports the Council Consolidated position combining General and Sewer Funds and is composed of, but not limited to, the following budget review components:

- A statement by the responsible accounting officer on council's financial position at the end of the year based on the information in the QBRS;

- Summary of Operational, Capital, Net and Restricted cash positions **(QBRs: Part 1)**
- Income and Expenses (Operational) Budget Review Statement in one of the following formats:
 - by income and expense type including capital grants and contributions **(QBRs: Part 2)**
 - by function / activity to align with the operational plan including capital grants and contributions **(QBRs: Part 4)** and further detailed, excluding capital grants and contributions **(QBRs: Part 4A)**
- Capital Expenditure and Funding Budget Review **(QBRs: Part 3)** and further detailed **(QBRs: Part 5)**
- Recommended changes to revised budget with commentary for Operational Income and Expenditure **(QBRs: Part 6)** and Capital **(QBRs: Part 7)**
- Budget Review Cash and Investments position **(QBRs: Part 8)** and narrative **(QBRs: Part 9)**
- Budget Review Key Performance Indicators **(QBRs: Part 10)**
- Contracts Budget Review Statement **(QBRs: Part 11)** and narrative **(QBRs: Part 12)**
- Consultancy & Legal Expenses Overview **(QBRs: Part 13)**
- Loans summary **(QBRs: Part 14)**.

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.

Council endorsement is also sought for carryover of works and services from 2015/16 for completion in 2016/17 in the amount of \$757k. These are fully offset by reserve transfer.

The attached report provides a detailed review of Council's 2016/17 Budget Review covering the September 2016 quarter.

Issues:

Nil

Budget Implications:

Overall, the net variations in Continuing Operations for the quarter of \$397k will increase the projected Net Operating Result before Capital Items (surplus) to \$1,051k.

Income from continuing operations is projected to increase by \$131k. Grant funding of \$47k was obtained from Public Reserve Management Fund for improvements and accessible pathways at the Blayney Showground. A further \$27k was received from Department of Lands for the installation of a bore at Redmond Oval.

Expenses from Continuing Operations have been forecast to increase by \$234k largely attributed to a reclassification of \$82k for closure of the Neville Landfill facility and \$80k attributed to the Developer Coordinator program from capital to operational. Whilst no additional funds are required to fund the reallocation, it will impact on Council's net operating result by \$162k. \$15k was also required to fund Council's contribution to the Sustainable Museums Collections project.

A further \$15k for Work, Health & Safety initiatives and \$11k for implementation of the Emergency Services Protection Levy was budgeted and is offset by budgeted income for this purpose.

The Capital Expenditure Budget has a net increase of \$816k. A transfer of \$692k was budgeted from the Plant Replacement reserve to fund the purchase of major plant. \$75k from Sewer to fund the 2015/16 deferred purchase of a CCTV camera. \$100k was budgeted for the purchase of compost bins, however as grant funding was not successful this project has been removed.

Budget amendments for carryover of works and services from 2015/16 for completion in 2016/17 in the amount of \$757k have been effected and are fully offset by reserve transfer.

A budget adjustment in the amount of \$1,280k was approved at the October 2016 meeting for heavy patching and drainage works on Council's road network due to the recent wet weather and has been effected as an adjustment between quarters.

Enclosures (following report)

Nil

Attachments (separate document)

1 September 2016 Quarterly Budget Review Statement 21 Pages

10) **FINANCIAL REPORTING OBLIGATIONS FOR RELATED PARTY DISCLOSURES**

Department: Corporate Services

Author: Director Corporate Services

CSP Link: 6.3 A well-run Council organisation.

File No: GO.CO.4

Recommendation:

That Council receive the report on financial reporting obligations for Related Party Disclosures.

Reason for Report:

To report the introduction of financial reporting obligations for Related Party Disclosures.

Report:

Council is in receipt of advice from the Office of Local Government (OLG) regarding introduction of financial reporting of Related Party Disclosures. Council is now obligated to fulfil disclosure obligations as provided for in AASB 124 Related Party Disclosures effective from 1 July 2016 and will be audited as part of the external audit.

Council is required to conduct its business with integrity, honesty and fairness and to comply with all relevant laws, regulations, codes and corporate standards. The objective of this standard is to ensure that Council's financial statements contain the disclosures necessary to draw attention to the existence of related parties and transactions with such parties.

Related parties are likely to include the mayor, councillors, general manager, senior executives, their close family members and any entities controlled or jointly controlled by councils. Any transactions between councils and these parties, whether monetary or otherwise, will need to be identified and may need to be disclosed. The mere existence of the relationship may be sufficient to affect the transaction of Council with other parties.

Council will prepare a policy of future consideration and establish a procedure to manage its related party disclosure obligations which will include:

- Identifying Key Management Personnel (KMP);
- Identifying related party relationships and transactions;
- Identifying ordinary citizen transactions;
- Identifying and recording transactions, outstanding balances, including commitments, between
- Council and its related parties;

- Identifying the circumstances in which disclosure is required; and
- Making the disclosures.

The implementation of a framework for to satisfy financial reporting obligations for Related Party Disclosures will assist to ensure adherence to the accounting standard AASB 124 assist to satisfy annual financial reporting requirements.

Issues:

Council must implement a procedure to manage its related party disclosure obligations and ensure disclosure in the Annual Financial Statements.

Budget Implications:

Nil.

Enclosures (following report)

- | | | |
|---|--|---------|
| 1 | OLG Circular 16-36: Related Party Transactions | 1 Page |
| 2 | OLG Questions & Answers - Related Party Transactions | 3 Pages |

Attachments (separate document)

Nil



Circular Details	Circular No 16-36 / 27 September 2016 / A515462
Previous Circular	
Who should read this	General Managers / Senior Staff / Finance Staff
Contact	Ms Laura Love, Policy Team, laura.love@olg.nsw.gov.au
Action required	Information

Financial reporting obligations - AASB 124 Related party disclosures

What's new or changing

- As advised during the Code of Accounting Practice and Financial Reporting (Code) Update 24 consultation process, the Australian Accounting Standards Board has determined that, from 1 July 2016, AASB 124 related party disclosures will apply to government entities, including local governments.
- In the annual financial statements for 2016-17, councils must disclose related party relationships, transactions and outstanding balances, including commitments.

What this will mean for your council

- Related parties are likely to include the mayor, councillors, general manager, senior executives, their close family members and any entities controlled or jointly controlled by councils.
- Any transactions between councils and these parties, whether monetary or otherwise, will need to be identified and may need to be disclosed.
- This information will be audited as part of the annual external audit.
- From 1 July 2016 councils should have systems in place to identify related parties and capture transactions. Comparatives are not required.

Key points

- In the financial reporting period beginning 1 July 2016, related party relationships and transactions with key management personnel, their close family members and council-related entities, will need to be identified and may need to be disclosed in councils' financial statements.

Where to go for further information

- The Office of Local Government is hosting a webinar on Wednesday 12 October 2016 (11:30am to 12:30pm) to provide further guidance on related party disclosures and assist councils in meeting their requirements.
- Council finance staff, general managers, other key management personnel and key stakeholders are encouraged to participate.
- Details on how to participate in the webinar are provided at Attachment A.

Tim Hurst
Acting Chief Executive

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 44 913 630 046

**Questions and Answers
AASB124 Related Party Disclosures Webinar - 14 October 2016**

	QUESTIONS	ANSWERS
1	Is a Chief Financial Officer a Key Management Personnel (KMP) if he is not part of the Exec team?	If he has the authority and responsibility to plan, direct and control the activities of the Council, then the CFO is a KMP of Council. Includes any acting positions even if for a short period of time.
2	If say Director of Engineering Services is participating at a board meeting but does not vote - he is not KMP?	The question is whether the Director of Engineering Services has the responsibility to plan, direct and control the activities of the Council, whether it is by way of vote at a board/council meeting or at an executive meeting. If the answer is yes then the Director is a KMP of Council. Includes any acting positions even if for a short period of time.
3	Under the Local Government Act the only staff members of Council who has any level of authority is the GM. All other authority is delegated by the GM. As such, wouldn't only the GM count as Key Management Personnel?	By way of delegation, the General Manager permits others to exercise that power. Therefore any Council staff (whether executive or otherwise) that have the authority and responsibility to plan, direct and control the activities of the Council, is a KMP of Council. Includes any acting positions even if for a short period of time.
4	How will the judgment of who is a close family member going to be audited?	This will be the discretion of the Auditor General however it is most likely the AG will be reviewing each council's policies and processes over the three necessary steps: <ol style="list-style-type: none"> 1. Councils have identified related parties and related party relationships. 2. Councils have identified and recorded related party transactions 3. Councils have assessed the information and determined whether the transactions need to be disclosed. Council should keep documentary evidence as to what has and hasn't been disclosed and why.
5	Would in-laws be captured in these requirements?	Yes they are a close family member and transactions Council has with the in-law of a KMP may need to be disclosed if KMP are expected to influence or be influenced by the in-law in their dealing with Council.
6	Referring to example 4 in the slides - what would happen with this cousin if there was no transaction - are they not a close family member?	They are still a close family member but we are only interested if they have a transaction with Council. Then it is a matter for Council to decide whether the transaction is required to be disclosed.
7	Is payment of rates a related party transaction?	It is a related party transaction, however Council would not require disclosing this transaction if the KMP is paying his/her rates just like every other rate payer. However, the Council would need to disclose the transaction if the KMP had not paid his/her rates as an example for the last 3 years.
8	Would this example need to be disclosed? A KMP's son	If for example the work experience is available to the general public and not paid work



	applied to do school based work experience with a different KMP section.	experience then it is not a transaction and would therefore not be considered for disclosure. If Council makes a decision to pay the son of the KMP when others had not been paid for the same work experience, then it may require disclosure.
9	Doesn't any staff member with a purchasing delegation have the ability to influence/control?	No, the fact that they can exercise a financial delegation to purchase goods and services on behalf of the council does not make them a KMP as they do not have the responsibility to plan direct or control the activities of the council.
10	Has the Auditor general been consulted?	The Auditor-General has a representative on the Technical Advisory Group which is consulted on all Code of Accounting Practice and Financial Reporting requirements including AASB124 Related Party Disclosures.
11	What about transactions with previous Councillors (pre September) and new Councillors (post Sept)?	From 1 July 2016 all Councils are required to capture related party transactions with KMP, this includes all Councillors before and after the September 2016 elections.
12	Does the service have to be provided by the related party directly or is it enough that the related party is employed by the consulting firm providing the services.	It depends on how much influence the related party has at the consultancy firm. Using a legal firm as an example, if the related party is the cleaner at the firm, there would be no influence. However if the related party is a senior lawyer or managing partner they would have some influence and would therefore need to be considered.
13	When the standard talks about decisions being made at "meetings" to identify KMP are we talking about Council Meetings only or are we talking about Senior Management Team Meetings?	Both.
14	Does the disclosure of KMP compensation include remuneration paid during the year or accrued during the year?	It includes the aggregate amount of KMP compensation included in the income statement. Expense incurred in P&L.
15	Do we need to disclose Long Service Leave and Annual Leave balances?	Amounts charged for annual leave and long service leave as part of AASB 119 expense would be included. Balances are not needed to be disclosed.
16	What about items included in Fringe Benefits Tax Calculations – are these included?	Yes.
17	Will the OLG issue a form to submit similar to the pecuniary interest form?	The OLG does not intend to issue a template form of disclosure.
18	Does accrued leave entitlements have to be disclosed for KMP	No.
19	Has any consideration be given to the interaction with and impact of the Personal Information & Privacy Protection Act (PPIPA) with this Standard as far as disclosures?	No consideration has been given; the private sector has been doing this for some time and is asked to disclose more information than the public sector.



	<p>20 How do you treat former General Managers (GM) in a merged council who were part of the initial management team but left soon after?</p>	<p>Council needs to capture information from all KMP and those acting in KMP positions that are or were in those positions any time during the financial year that is being reported on. If prior to 1 July 2016 the GM left or ceased to be a KMP in the new council then transactions with the former GM would not be required to be disclosed unless post 1 July 2016 he holds another position in the new Council which identifies him as a KMP of the new council.</p>
<p>21 Is the OLG going to develop a model policy for Councils to use as a standard, along with a related party transaction declaration?</p>	<p>OLG is not intending to develop a model Policy. There are a number of Policies already developed by councils in NSW and other States. A link to these policies has been provided on our website.</p>	<p>Yes</p>
<p>22 Please clarify if these new provisions take effect from the 2016-17 Financial Statements.</p>	<p>Yes</p>	<p>Yes. Just because it is not a financial transaction does not mean it does not need to be disclosed. E.g. if Council allows a Councillor to use office space (for personal reasons), this would be considered a transaction even though it is not a financial transaction. Remember that in the Standards 'a related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged'.</p>
<p>23 Are "use of Council assets" also included in related party transactions not just dollars?</p>	<p>Yes</p>	<p>The three steps are 1. Identify related parties and related party relationships. 2. Identify and record related party transactions and 3. Determine whether the transactions need to be disclosed. NSW Councils will determine the process of collecting the information required for disclosure. Councils approach should be sensible, efficient and practical. Councils approach may be to collect this information through their employment/procurement processes as well as asking KMP provide disclosure on a periodical basis i.e. every 3 to 6 months. In most cases information collected would probably be at the time of transaction or post transaction. Examples of Council policies and disclosure forms are available via a link on our website. (See slide 22 – Other considerations).</p>
<p>24 The Local Government Association of Queensland, recently advised QLD Councils that it is unacceptable to collect related party information upfront (e.g. asking for information about close family members of KMPs and their business involvements) when no transactions may eventuate. They are now only going to ask for information that has occurred. Has NSW OLG considered this?</p>	<p>Yes</p>	<p>If they were employed during the reporting period which commenced 1 July 2016 and they are a KMP, any transactions the Council has with this KMP may need to be disclosed. The reporting of KMP compensation is aggregated and there is no naming.</p>
<p>25 What if you have a confidentiality agreement with a past employee who has been terminated?</p>	<p>Yes</p>	<p>The reporting of KMP compensation is aggregated and there is no naming.</p>

11) WRITE OFF DEBT**Department:** Corporate Services**Author:** Director Corporate Services**CSP Link:** 6.3 A well-run Council organisation.**File No:** FM.DB.2**Recommendation:**

That Council approve the write-off of irrecoverable sundry debtor in the amount of \$22,645.70 for the following debtor:

D71247 – Metziya Pty Ltd T/A Sealink \$22,645.70

Reason for Report:

To approve the write off of sundry debt for private works.

Report:

Each year Council issues over \$1m in sundry debtor invoices for the fees and services it provides. Outstanding invoices are pursued by Council's Finance staff and Council's debt collection agency if required.

Similar to most other organisations or businesses, when all reasonable efforts to recover the debt have been exhausted, the debt should be considered for write-off. Under Section 377(1) of the Local Government Act 1993 (NSW) and pursuant to Clauses 131(1) and 131(2) of the Local Government (General) Regulation 2005 (NSW) the Council sets a limit upon which the General Manager may exercise their discretion writing off monies owing to Council.

Council has delegated to the General Manager the authority to write off monies due to Council up to a limit of \$1,000 per debtor. The following bad debt over \$1,000 in value is recommended for write off.

Reference	Name	Description	Write-off (\$)
D72147	Metziya Pty Ltd T/A Sealink	Private works – Tree planting and landscaping (October 2008)	22,645.70

Issues:

The original invoiced amount for this private works undertaken as a requirement of a DA condition of consent was \$18,603.09. Interest charges of \$4,042.61 have since accrued and the total debt outstanding is as shown above.

It was maintained by Metzuya that an arrangement was made for Council to undertake this work, being part of a grant application to upgrade infrastructure that Council was successful in obtaining.

A significant volume of staff resources has been expended on researching the debt. Whilst no record of any agreement or formal Council resolution has been found, which would have been required as per the Local Government Act (s67), the debt raised by Council is now in doubt.

It has only recently been confirmed that Council's in kind works were part of an agreement for funding obtained for infrastructure upgrades and therefore the original invoice should not have been generated.

Information pertaining to this infrastructure grant and debt claim is attached under separate cover for Council information.

The approval by Council of this report will bring pursuit of this debt to finalisation.

Budget Implications:

Council has already factored in its Provision for Doubtful Debts this amount.

Enclosures (following report)

- | | | |
|---|---|---------|
| 1 | Letter Regarding Local Infrastructure Support Funding | 2 Pages |
| 2 | Legal Advice And Associated Correspondance On Debt | 6 Pages |

This matter is considered to be confidential under Section 10A(2) (e) of the Local Government Act, as it deals with information that would, if disclosed, prejudice the maintenance of law.

Attachments (separate document)

Nil



Department of State and
Regional Development

Level 47, MLC Centre
19 Martin Place, Sydney NSW 2000
GPO Box 5477
Sydney NSW 2001, Australia
T: +61 2 9338 6600
F: +61 2 9338 6950
TTY: 1800 777 022

COUNCIL
AUG 20 2009

S26827
File no. 09/2549

Aaron Jones
General Manager
Blayney Shire Council
PO Box 62
Blayney NSW 2799

Dear Mr Jones

Letter of offer for financial assistance – pre Deed

The NSW Department of Industry and Investment (DII) on behalf of the NSW Government welcomes the application by Blayney Shire Council to upgrade road and power infrastructure to the SeaLink site in Blayney.

Based on the information provided by Blayney Shire Council and an evaluation of the strategic and economic benefits of the project, we are pleased to confirm the NSW Government's offer on a non-exclusive basis, to Blayney Shire Council of a performance based financial assistance package under the Local Infrastructure Support Fund of up to \$735,000. The structure of such proposed assistance will be in the form of progress payments against mutually agreed payment milestones.

This offer of assistance represents the full extent of the NSW Government's response to the organisation's request for financial assistance. The offer is conditional on agreement being reached between Blayney Shire Council and DII on the public announcement of the project in NSW and the State Government's role in any official launch of the project.

The offer will lapse if not accepted in writing within 30 days of the date of this letter. To accept the offer, please sign and return the attached statement to Michael Cullen, Executive Director, Enterprise, Small Business and Regional Development, at the address shown in the statement, within the 30-day time limit.

The NSW Government's offer of assistance is not intended to be legally binding until the Deed of Agreement is signed by both parties upon mutually agreed terms.

When the Department receives your signed acceptance of this offer, a draft Deed of Agreement will be sent to you. The Deed of Agreement is to be finalised and signed by both parties within 90 days of the date the draft deed is sent to you. The NSW Government reserves the right to withdraw this offer of assistance if the Deed of Agreement is not signed within the 90-day time limit.

In addition to this offer, the Department of Industry and Investment will work with the organisation to provide information and other support to fast track the project.



www.business.nsw.gov.au

NSW Offices
Albury • Armidale • Bathurst • Broken Hill
Buronga • Coffs Harbour Dubbo • Goulburn
Grafton • Kariong • Lismore • Newcastle • Nowra
Orange • Parramatta • Port Macquarie • Sydney
Tamworth • Tweed Heads • Wagga Wagga
Wollongong

Should you wish to discuss any aspects of this offer, please contact Michael Cullen, Executive Director, Enterprise, Small Business and Regional Development, on (02) 9338 6710.

The Department looks forward to working closely with your organisation in the future to facilitate further business growth.

Yours sincerely



B D BUFFIER
Deputy Director General
State & Regional Development and Tourism
Department of Industry and Investment

Statement of Acceptance of Offer for Financial Assistance

On behalf of Blayney Shire Council, I hereby accept the offer of assistance set out in the Department of Industry and Investment's (DII) letter dated [], for the upgrade road and power infrastructure to the SeaLink site in Blayney.

I understand that the offer:

- is made on a non-exclusive basis;
 - is conditional on agreement being reached with DII on the public announcement of the project in NSW and the State Government's role in any official launch of the project;
 - will lapse if not accepted within 30 days of DII's letter dated []; and
 - is not intended to be legally binding until the completed Deed of Agreement is signed by both parties upon mutually agreed terms;
- and that:
- the Deed of Agreement is to be finalised and signed by both parties within 90 days of the date the draft deed is sent to the organisation.

Signed..... General Manager, Blayney Shire Council.

Date:.....

Please return this signed acceptance to

Michael Cullen
Executive Director
Small Business, Enterprise and Regional Development Division
Department of Industry and Investment
PO Box 5477
SYDNEY NSW 2001

12) DISABILITY INCLUSION ACTION PLAN

Department: Corporate Services

Author: Director Corporate Services

CSP Link: 6.3 A well-run Council organisation.

File No: GO.PR.1

Recommendation:

That Council commit to the development of a Disability Inclusion Action Plan pursuant to the Disability Inclusion Act 2014.

Reason for Report:

To report Council's obligations under the Disability Inclusion Act 2014 to develop a Disability Inclusion Action Plan.

Report:

Council recognises that people with disability have a right to quality facilities and services that enable them to live and fully participate in their communities. Council's development of a Disability Inclusion Action Plan is required under the Disability Inclusion Act 2014 and will align with the Australian National Disability Strategy and obligations under the United Nations Convention on the Rights of Persons with Disabilities. Council is required to have a plan adopted by 1 July 2017.

The legislation focuses on:

- Alignment – The four focus areas in the guidelines align with the NSW Disability Inclusion Plan, to ensure action plans meet the four priority areas aimed at creating long term change and will require consistent efforts from Council and the wider community:
 - Positive community attitudes and behaviours
 - Liveable Communities
 - Supporting access to meaningful employment
 - Accessible systems and processes.
- Consultation – A greater emphasis is placed on consultation at all stages of planning, implementation and monitoring with people with disability, staff and the broader community.
- Governance – Highlighting the importance of governance and accountability at the outset and providing advice on designing governance and accountability arrangements to encourage effective implementation.

The development of Council's Disability Inclusion Action Plan will commence with consultations with community members, service providers, Council staff and wider community. These consultations will aim to identify strategies in each of the four focus areas that will assist in breaking down the barriers that prevent people with disability from enjoying the same opportunities and choices as everyone else.

Local Government NSW (LGNSW) is working with councils to promote access and inclusion of people with a disability in their community. The work of LGNSW in disability is supported by financial assistance from the NSW Government and they are assisting councils to become compliant through provision of direction and resources.

Preparation of the plan has been undertaken on a regional basis with Council working with Orange City and Cabonne Councils. Orange City Council commenced the consultation process with engagement of service providers in the Central West Disability Alliance and distribution of information to their clients and services.

From a local level, service providers in the Blayney Interagency have been addressed and information circularised. The Blayney Shire Access Committee was addressed at their November 2016 meeting and representatives will be invited to participate in the process by attending consultation sessions and reviewing identified strategies. The Committee may also be asked to review drafts of the Disability Inclusion Action Plan during the development phase and to assist Council in monitoring the implementation of the identified strategies. A regional survey has also been prepared and will be publicised over the coming weeks.

A requirement is also for the plan to be incorporated into Council's integrated planning and reporting (IP&R) framework including reference in the Annual Report as to status of its progress.

The development of a Disability Inclusion Action Plan will not only meet Council's legislative requirements, it will also assist in making the Blayney Shire more accessible for all community members.

Issues:

The development of a Disability Inclusion Action Plan is required under the Disability Inclusion Act 2014 and will form part of Council's integrated planning and reporting process.

Budget Implications:

No budget provision has been set aside in the 2016/17 Operational Plan. Preparation of the plan will be undertaken using Council staff resources. No provision is envisaged however should this change and adjustment in the quarterly budget review will be effected.

Enclosures (following report)

Nil

Attachments (separate document)

Nil

13) DIRECTOR INFRASTRUCTURE SERVICES MONTHLY REPORT

Department: Infrastructure Services

Author: Director Infrastructure Services

CSP Link: 4.1 Adequate provision of transport, roads, rail, information and communication technologies and community social assets.

File No: GO.ME.1

Recommendation:

That the Director of Infrastructure Services Monthly report for November 2016 be received and noted.

Reason for Report:

To update Councillors on matters associated with shire infrastructure, its maintenance, operation, upgrade and construction.

Report:

Topical Issues

Mandurama Rural Fire Station

Removal of the fire shed is complete, with some minor clean up works required. The solar panel installation has been relocated to safe storage by the Mandurama Fire Captain, awaiting reinstallation once the new facility is completed. The Canobolas Zone RFS has now been handed control of the site, to deliver the new facility.

Blayney Shire Men's Shed

Crown Lands has now provided advice on a suitable way forward for the establishment of the Blayney Community Men's Shed. Council had previously resolved to seek closure of part of the unconstructed section of Oldham Place. The proposed building is located upon Council owned and managed land. NSW Crown Lands has indicated that as the land that is managed by Council on behalf of the Crown is a Reserve with the purpose of plantation and public recreation. They consider that the establishment of part of the men's shed carpark on this "managed" land is consistent with the purpose, and Council's current management responsibility, therefore only requires Landowners (Crown) Consent. Council has submitted an application for Landowners Consent to Crown Lands, and awaits its response.

Floodplain Risk Management Study and Draft Plan

Council has placed the Floodplain Risk Management Study and Draft Plan (FRMP) on Public Exhibition. The exhibition period closes on 22 November.

Council undertook a community engagement session at Bernardi's IGA on Saturday 5 November, in order to raise awareness, seek community feedback into the FRMP, and let people know about the Community Forum that was undertaken on Monday 7 November. Approximately 20 people attended the stand, to investigate their individual situation and discuss flooding in general.

The Community Forum was held at the Blayney Shire Community Centre, with approximately 10 people attending. Council's consultant undertook a presentation to inform people of the process undertaken and the draft recommendations made.

At the end of the exhibition period, submissions will be considered and responded to by the consultant, and the amended FRMP referred to the Floodplain Risk Management Committee for consideration, with the intent to make a recommendation to the December Council meeting, that the plan be adopted. Once the plan is adopted Council will commence work to: -

- implement the required controls over future residential development/re-development in flood prone areas,
- prepare a planning proposal to amend the LEP,
- seek funding for potential voluntary house purchases/raising,
- commence a detailed stormwater management study to investigate the capacity and capability of the Blayney stormwater network, and potential retarding basins.

IPWEA NSW State Conference

Council staff recently attended the Institute of Public Works Engineers NSW State Conference and Excellence Awards, where Council's Manager Operations was recognised, with a Highly Commended in the David Abbott Award Category. This Award was created in the memory of David Abbott, a dedicated Engineer who mentored and inspired young engineers. It is an award for an under 35 individual IPWEA NSW Member to recognise and encourage their continuing contribution in the delivery of public works excellence.

Council staff were also actively involved, with the Manager Infrastructure, attending the NSW Asset Management Working Group meeting, and presenting a paper entitled Multi Agency Collaboration – Achieving Better Outcomes, that focussed on the successful partnership between Council and NSW Roads and Maritime Services in delivering the intersection upgrade at the corner of Adelaide and Ogilvy Streets. Council's Road Safety Officer as a member of the NSW Road Safety Working Party was also instrumental in the selection of papers in Road Safety stream.

Funding Applications

I recently attended a Football NSW Facilities Forum in Sydney where details were provided about the NSW Asian Cup 2015 Legacy Fund. This program has been launched by the NSW Government to deliver better community facilities for local football clubs, and is funded from the success of the 2015 Asian Cup Tournament. Council will help facilitate an application by Blayney Junior Soccer to upgrade Napier Oval. A defined scope of works is yet to be determined and will be the subject of further deliberations prior to a final application being submitted in late February 2017.

Wet weather impacts

Council staff have continued with emergency works across the road network. Patches have been undertaken on Guyong Road, Campbell Street, Three Brothers Road, Fell Timber Road, Mandurama Road, Barry Road, Burnt Yards Road, and Tallwood Road.

These works have delayed the commencement of Council's Capital Works Program by approximately 6 weeks.

Sporting Ovals

Council has now completed preparation of sporting fields for the summer season, with ground conditions suitable for mowing. Council remains mindful of further wet weather and potential impacts on playing surfaces should mowing equipment be used.

Sewerage Treatment

Flows through the Sewerage Treatment Plant have subsided with the drier weather, although still exceeding average dry weather flows.

Major Works

Council staff have commenced works on Browns Creek Road. These works are part of the Federal Government's Heavy Vehicle Safety and Productivity Program, and the NSW Government's Fixing Country Roads program. Works are programmed to be completed prior to Christmas, depending on weather and any variations.

Works have also commenced on drainage along Burnt Yards Road, with works moving onto Mandurama Road, and then onto Barry Road in the following weeks.

Major ContractsRedmond Oval Canteen Fitout

Council has started to take receipt of equipment for the kitchen fitout.

Redmond Oval Upgrade

- Works on Redmond Oval still remain on hold.
- A meeting with the contractor has decided that works will recommence the week of 14 November.

- Council were to undertake the internal roadworks, however the current workload will require a contractor to undertake these works on behalf of Council.
- We continue to communicate via attendance at monthly meetings of the Redmond Oval Committee.
- In consultation with the Millthorpe Markets Committee it was concluded the works will not be completed in time for them to make a firm decision on whether to hold the markets on the oval or not. The Markets Committee concluded to hold a smaller scale markets in the school.

Blayney Showground Equestrian Centre

Preliminary works have commenced on site, with the relocation of the yard fencing now complete. As a result of the wet weather experienced, ground conditions delayed this occurring before now. A contractor has been engaged by Council to undertake construction works, with plans in place to commence in coming weeks.

Building Maintenance Works

- Works on the Redmond Oval Rotunda are well underway. Council staff have completed the replacement of the ceiling lining, undertaken removal of old paint surfaces, and commenced repainting. Staff continue to seek suitable roof tiles to replace damaged ones, and a contractor engaged to install new light fixtures.
- Works on the amenities building have been completed with the rectification of various plumbing and drainage issues and repairs to the building.

Wastewater

Treatment Plant Inlet By-pass

The inlet channel bypass has been installed and is operational. Council has now commenced work on repairing concrete damage from Hydrogen Sulphide attack within the inlet works at the Treatment Plant.

Chambers Hill

Council has now completed construction of a retaining wall and hard stand to enable operators to get safely off the road when undertaking repairs and maintenance at this location. Completion of works requires removal of the deodorisation bed and installation of a new vent stack.

Parks and Recreation

Work has recommenced on the sideline seating project at King George Oval, with removal of the old seating and foundation complete. Subject to weather works are anticipated to be completed within 3 weeks.

Assets**Sewer Revaluation**

Council are required to revalue our sewer assets this financial year.

Asset and Waste Water staff have begun the Condition Assessment of Sewer Manholes and pipe lines for the revaluation of the Sewer network as at the 30 June 2017. We are working towards completing assessment of 8.5km of the gravity network to identify the structural and serviceability of the pipe.

Council has engaged Australis Asset Advisory Group, through a CENTROC contract, to undertake the valuations of our treatment plant and pump stations for the revaluation.

Heavy Plant and Fleet

- Council has been advised that the grader purchased last financial year has been delivered to the supplier and is being prepared for delivery to Blayney on 22 November.
- Volvo has made arrangements for resolution of the pay load issue to be addressed by the truck body builder, with the truck collected from Blayney on 11 November.
- Council has recently taken delivery of a pair of new solar powered mobile traffic lights to be used for traffic control.

Issues:

Nil

Budget Implications:

Nil

Enclosures (following report)

Nil

Attachments (separate document)

Nil

14) TENDER 4/2016 - REPLACEMENT SIX BRIDGES

Department: Infrastructure Services

Author: Manager Operations

CSP Link: 4.1 Adequate provision of transport, roads, rail, information and communication technologies and community social assets.

File No: RD.TN.32

Recommendation:

1. In accordance with the Local Government (General) Regulation 2005, Clause 178 (3) (e):-
 - a. Council not accept any tenders submitted for this project, and
 - b. Council not call new tenders as Council received offers from high quality contractors, and it is considered calling new tenders would not identify additional benefits beyond those already received, and
 - c. Council enter into negotiations with VEC Civil Engineering Pty Ltd as a suitably qualified and experienced contractor, to ensure all aspects of the contract have been negotiated in 'good faith', and are acceptable to both parties.
2. That Council approve to vote expenditure, in the amount of \$1,100,000 to be brought forward from Financial Year 17/18 to fund the early delivery of Newbridge Road, Dowsetts Lane, and part of Errowanbang Road bridges as offered in the tender scope.

Reason for Report:

The 2016/17 Operational Plan and 2016/17 – 2019/20 Delivery Program, includes the following Bridge Replacement Projects; Coombing Creek Bridge, Dowsetts Lane Bridge, Errowanbang Road Bridge, Fell Timber Road Bridge, Gallymont Road Bridge and Newbridge Road Bridge. Funds are made available through General Fund and the Cadia Special Rate Variation. The tender is for a lump sum with a schedule of rates¹.

Council called tenders for the design and construction of these bridges, and received 9 submissions from 8 tenderers for consideration, with it recommended that Council enter into negotiations with VEC Civil Engineering Pty Ltd with a view to forming a contract.

VEC identified within their tender, some items they would like to negotiate, and by entering into negotiations with VEC it is considered that Council can:

- Identify enhanced value for Council through exploring alternate designs for Newbridge Road and Errowanbang Road bridges;

¹ The Schedule of Rates provides guidance to Council in the assessment of progress payments based upon percentages for Works under the Contract completed and Variations under the Contract.

- Identify enhanced performance for Council and Contractor in the delivery of the contract, and;
- Further eliminate or mitigate residual risks to Council

Report:**Summary of Tenders Received**

Council developed a detailed specification which was let to tender on the Tuesday 20 September 2016, with a closing date of the Tuesday 1 November 2016, giving potential tenderers 6 weeks to develop their submissions. During the tender preparation period Council conducted a pre-tender meeting and site tour on Thursday 6 October 2016 at 10.00am². The meeting and tour were compulsory instantly disqualifying from tendering any who failed to attend. The meeting allowed prospective tenders to familiarise themselves with all site conditions, make observations and raise questions. In accordance with Clause 5.1 of the Conditions of Tendering, all answers to requests for further information were compiled in addenda and distributed to all prospective tenderers.

Council received a number of enquiries regarding the tender, and at closing had received 9 submissions from 8 potential contractors for consideration. Of these tenders, 5 proved to be nonconforming. While there is scope within the tender to consider nonconforming tenders; the non-conformances, including but not limited to, RMS pre-qualification, exposed Council to unacceptable risk. Therefore, no further consideration was given to the non-conforming tenders.

The remaining 4 tenders, were subjected to comprehensive evaluation using Council's selection criteria. This process endeavours to select a tenderer that will deliver; the best outcomes for Council, minimise Council's risk profile and best fit for purpose outcomes for residents and other road users. After evaluation of the 4 tenders, VEC's tender is considered, holistically, to present best value for Council.

Analysis of Tenders

In accordance with the *Local Government (General) Regulation 2005*, the assessment criteria against which all conforming tenders would be assessed was provided within the specification as below:

Project value, 60% made up as follows:-

- The overall project cost
- The make-up of the cost structure
- The integrity and stability of cost
- Commercial terms and conditions.

Project experience, 20% made up as follows:-

- Demonstrated ability to complete the work
- Experience in completing similar projects

² In accordance with Clause 5.3 of the "Conditions of Tendering."

Systems Assessment, 10% made up as follows:-

- Quality system and QA experience
- Demonstrated ability in OH&S management.
- Financial ability to undertake a project of this size

Project functionality, 10% made up as follows:-

- Satisfaction and recognition of the projects objectives
- Conceptual and operational plans
- Special benefits to the Principal by the Contractor's construction arrangement.

Council Officers undertook a detailed assessment utilising these criteria, based on the information that had been submitted to Council as part of the tenders. The results of this analysis are tabled below in order of their assessed score:

Tenderer	Project Value	Project Experience	Systems Assessment	Project Functionality	Total
VEC Civil Engineering Pty Ltd	44	20	06	10	80
Kenpass Pty Ltd	58	10	04	02	74
Bridging Australia Pty Ltd	55	11	01	08	75
Monford Group	10	10	03	05	28

The successful tender was the one deemed most aligned with Council's scope, specifications, expectations and other requirements. Importantly, offering both enhanced value and a lower risk profile (N.B: across all risk factors³) for Council.

References were solicited by Council from various sources on VEC Constructions Pty Ltd work. The feedback received provided confirmation that, conclusions reached during the tender evaluation process were valid.

It is estimated that the total cost of replacing Coombing Creek Bridge, Dowsetts Lane Bridge, Errowanbang Road Bridge, Fell Timber Road Bridge, Gallymont Road Bridge and Newbridge Road Bridge will be \$2,292,816 excluding GST. It is considered prudent that a contingency for Latent Conditions & Variations under the Contract⁴ of a further \$114,641 excluding GST be also set aside.

³ *Exempli Gratia*: WHS, Environmental, Financial, legal, programme, variations, maintenance, durability, community...

⁴ CG21 Edition 2 (2016)

N.B: The Contract sum does not cover Council's costs including but not limited to; contract administration, surveillance, land procurement and gazetting, road, realignments, service relocation, maintenance during the Defect Liability Period.

Issues:

All projects carry some form of risk. Council Officers have worked diligently on identifying these risks and ensuring they have been either mitigated, shared (as in insurance) or eliminated (by transference to the Contractor).

Workplace Health and Safety(WHS)

As WHS law is criminal law, responsibilities under the law cannot be contracted out or insured against, the latter being specifically illegal. As Council will always retain some level of responsibility, even as Superintendent of The Contract⁵ and Road/Bridge Construction is considered "high risk construction work" by the WHS Regulations⁶; it is vital that a Principal Contractor⁷ with a high level WHS Management System is engaged.

The preferred tenderer holds both accreditation for SAFETY MANAGEMENT SYSTEM - AS/NZS 4801:2001 and The Australian Government Building and Construction Accreditation Scheme. The latter is a very high standard, difficult to obtain and recognises best practice in WHS management. VEC is therefore auditable under both schemes, must achieve consistently high results and continuously improve to maintain accreditation.

VEC currently enjoy a zero Lost Time Injury Frequency Rate (LTIFR). This is an important lagging indicator used by RMS and insurance companies to assess safety standards. VEC's implementation of a Zero Harm initiative is an important leading indicator and demonstrates a certain maturity of their Safety Management System.

Financial

The project represents a large capital expenditure by Council, as such there is an inherent element of financial risk. Should the Contractor become insolvent during the project, Council would be forced to implement action under the contract to complete the project. Doing so would greatly increase Council's exposure to risk across all factors considered. Council faces the choice with financial risk to 1) accept, 2) eliminate/avoid, 3) mitigate, 4) share⁸.

⁵ See: Inspector Andrew Rowe v Roads and Maritime Services of New South Wales [2012] NSWIRComm 43, Decided 25 May 2012 before Kavanagh J

⁶Work Health and Safety Regulation 2011 Clause 291 (n-o)

⁷ Work Health and Safety Regulation 2011 Clause 292

⁸ COSO audit Enterprise Risk Management Model (COSO 2014)

Mitigate this risk by;

- a) The selection of a financially sound Contractor. The Nation Financial accreditation scheme has granted VEC an F150+ prequalification⁹. VEC is therefore able to bid in its own right for government contracts without any pre-set dollar value limit.
- b) The selection of a suitably accredited Bridge Contractor. VEC holds RMS prequalification of B4. VEC is therefore able to bid to build bridge/s for RMS that require a much higher level of skill. This is as the bridge works have a greater level of complexity. Effectively this ensures the contractor is capable to operate as a Principal Contractor rather than a high level subcontractor. This is in contrast to the B1 – 3 offered by all other tenderers.

Share this risk by;

- a) Ensuring VEC hold applicable insurances and Council has access to these insurances if required. VEC holds all policies identified in the tender documents and the levels specified in the tender documents.

A lack of due diligence by the Contractor could also lead to excessive applications by the Contractor for Variations. VEC's design proposal, assessment of quantities demonstrates sound due diligence in the assessment of Council's requirements. Further, discussions with referees has confirmed that their approach to tendering is to avoid where possible variations.

Council will also withhold a certain percentage of payments to the Contractor throughout the project and the Defect Liability period. This ensures Council has funds at hand should it be required to conduct defect corrections normally conducted by the Contractor

Durability

Bridges are expected to have a design life of 100years. Whilst individual components will (e.g: guard rails) will have shorter design life the key structural components must be good for up to 100years. Should the wrong Contractor or solution be procured it is likely Council will be burdened with excessive maintenance cost throughout the design life of the bridge. Worse, Council could be forced to replace the bridge, rather than upgrading it, before it has reached it design life's end. Considering the number of bridges being replaced this poses a substantial risk to Council. Durability of infrastructure assets are a key component for councils in creating and maintaining a financially sustainable asset management model.

⁹ The preliminary financial level is assessed as five times the assessed working capital. This is based on the core working capital determined from the entity's balance sheet (current assets less current liabilities)

VEC demonstrated, a sound approach to the project via their tender. Individual concept designs were supplied for each bridge in the program along with a commentary to verify their design assumptions. Along with their detailed assessment of the quantities involved in the construction of each bridge; Council Officers considered this to provide the best proof of concept over all other tenders. The concept designs align with best construction practices and materials.

VEC has engaged a suitable design house with national experience. The design house and VEC carry the prerequisite Professional Indemnity (PI) insurance cover specified in the tender. Further, no limitations to council's access to this insurance in instance or aggregate have been specified in the tender. This is important as it is becoming common practice for design houses to limit their PI to the value of the works they perform rather than the complete costs of a design failure.

Quality

Quality management provides proof that work is being done in accordance with the Contract, designs, specifications, with sound workmanship and quality materials. This is important in ensuring the bridges will be fit for purpose and meet their design life expectations.

VEC has an ISO 9001:2008 accredited Quality Management System. This standard is a prerequisite for all major construction works contracts. It ensures construction will be conducted in a carefully organised way so as to ensure quality standards are met. This is further verified by the Inspection and Testing methodology required to meet the accreditation standards. It creates a fully auditable trail of records that can be referred to by Council in future. It ensures non-conformances are identified quickly and rectified before subsequent work proceeds.

Program Duration

Selection of an inferior contractor could lead to an unacceptable extension of time to the program (program slippage). Slippage would cost council in resources; financially with ongoing Council supervision cost and sunken costs. Council could be forced to implement Acceleration¹⁰ under the Contract to make up lost time. Under the Contract the Contractor would be entitled to further payment for Acceleration¹¹.

VEC supplied a comprehensive program that; acknowledged Council's specific time requirements, the planned date for Practical completion, foresaw necessary dependencies and construction risks (integration and execution risks). Even with some slippage for weather etc, as allowed under the Contract, it is highly unlikely the project will run overtime.

¹⁰ CG21 Clause 52

¹¹ CG21 Clause 52 (2)

Community & Stakeholders

As Council is an organisation embedded in the local community, negative events during the project represent a reputational risk and to a lesser extent a financial risk. Financial risks have been shared via suitable insurances (e.g: Public Liability). VEC have a superior tender demonstrating high level WHS, Environmental and Quality Management go well to covering Council's risks in this area.

Environment

As the majority of the bridges in the project are over waterways; and these form an important part of the Lachlan catchment, a sound approach to environmental management is vital. Outside of this some local landholders land will be required for project purposes (hard stands, storage, site sheds) as such it is important the disturbance to this land is minimised and it is suitably reinstated.

VEC has provided its ISO 14001:2004 accreditation and environmental policy. This accreditation demonstrated, in an auditable way, the capacity to identify the aspects of its work and their environmental impacts. Further, its capacity to eliminate or mitigate these impacts through suitable control measures. VEC has provided in tender works successfully conducted in environmentally sensitive areas.

This gives confidence to the Council Officers that environmental risks have been minimised to the lowest level practicable.

Budget Implications:

For Council this project represents a significant Capital Expenditure. For the project to be executed seamlessly, it will require funds to the sum of \$1,100,000 from the proposed loan for the financial year 2017/18 to be brought forward to the current financial year. The negative implications for Council for not bringing these funds forward are threefold.

Firstly, as it is conceivable that a break in the Works under the Contract will be required; the Contractor would therefore be entitled to additional payment for disestablishment and reestablishment during any Council directed hiatus in the Works.

Secondly, as a break in the program is not in this, or any tenderer's, program and the accepted program forms part of the Contract; the Contractor is entitled to payment for cost associated with any suspension of works and **increase the total price of the Contract**. This is due to the fact that, any halt to the Works directed by Council would form a Principal Directed Suspension of the Works¹² under the Contract. It is likely, that either or both payments, would exceed any benefit derived by Council in retaining the funds into next financial year (e.g: interest earned over the period).

¹² Clause 53 of GC21Edition 2 (2016)

Thirdly, it is likely that; adverse weather, the Contractor taking on other work during this period and or negotiating over further payment may delay the Contractor's return to site in a timely fashion, forcing the project into further delay. These delays would undoubtedly have negative budgetary implications not just on the project specific costs but also Council's costs as they relate to the project (e.g: sunken costs, council overheads, other reliant projects).

Enclosures (following report)

Nil

Attachments (separate document)

Nil

15) REQUEST FOR REFUND OF CHARGES, BLAYNEY WASTE FACILITY

Department: Planning and Environmental Services

Author: Director Planning and Environmental Services

CSP Link: 6.3 A well-run Council organisation.

File No: WM.SP.4

Recommendation:

That Council approve an adjustment to the disposal rate charged to JR Richards for delivery of 45m³ of commercial waste to Blayney Waste Facility on 6 April 2016, from \$190 per m³ to \$48 per m³. This equates to a total adjustment of \$6,390 in JR Richards favour.

Reason for Report:

For Council to consider a request for the reduction of charges for disposal of commercial waste at Blayney Waste Facility.

Report:

Between 6 April 2016 and 21 June 2016 JR Richards delivered 170m³ of waste to Blayney Waste Facility from a commercial construction site at Newbridge Road Blayney (Cadia de-watering plant construction).

JR Richards have subsequently been invoiced a total of \$32,300 for the 170m³ delivered to Blayney Waste Facility (invoiced at \$190 per m³ in accordance with Councils 2015/16 fees and charges).

Until 6 April 2016, JR Richards were unaware the rate for commercially generated waste at Blayney Waste Facility was \$190 per m³, compared to \$48 per m³ for residential and small business waste. JR Richards have advised waste was delivered from the same construction site in March 2016 and only charged at \$48 per m³.

On Friday 8 April 2016 JR Richards Operational Manager sought clarification on the rates charged by Council.

During preparation of its 2016/17 fees and charges Council introduced a new commercial construction and demolition waste charge of \$50 per m³ to ensure Council is encouraging development. Council's DPES informed JR Richards of Councils 2016/17 Waste related charges by email on 13 July 2016.

On 9 September 2016, Council received an email from JR Richards Regional Manager requesting consideration of altering the per m³ rate invoiced from \$190 per m³ to \$48 per m³ for 170m³ of commercial waste delivered between 6 April 2016 and 21 June 2016.

If the per m³ rate is reduced from \$190 per m³ to \$48 per m³ for 170m³ it equates to lost revenue of \$24,140.

It is noted the new commercial construction and demolition waste charge of \$50 per m³ introduced in 2016/17 only applies to separated masonry and concrete products only. The 170m³ delivered during the period was not separated and if currently delivered to Blayney Waste Facility would attract the higher charge.

Council's DPES clarified with JR Richards by email on 12 April 2016 that the commercial rate was of \$190 per m³ applies to this type of waste. Therefore, it is recommended no adjustment should be applied to any commercial waste delivered after 12 April 2016.

As two deliveries totalling 45m³ were delivered by JR Richards to Blayney Waste Facility on 6 April 2016 and invoiced at \$190 per m³, it is recommended the rate per m³ should be reduced to \$48 per m³ for these two deliveries only. This would result in a total adjustment of \$6,390 in favour of JR Richards.

Issues:

Nil

Budget Implications:

Council would be forgoing \$6,390 of income.

Enclosures (following report)

Nil

Attachments (separate document)

Nil

16) DEVELOPMENT APPLICATION 55/2016 - ANIMAL BREEDING, KEEPING AND TRAINING FACILITY AT LOT 144 DP 750408, 73 SOMERS LANE MANDURAMA

Department: Planning and Environmental Services

Author: Director Planning and Environmental Services

CSP Link: 5.4 Capable, self sufficient communities engaged in decision making about issues that affect them.

File No: DB.AB.1002

Recommendation:

That Council refuse Development Application 55/2016 for an animal breeding, keeping and training facility at Lot 144 DP 750408, 73 Somers Lane, Mandurama, for the following reasons:

1. Additional information, being an adequate noise assessment prepared by a suitably qualified person and geotechnical report have not been supplied as requested in accordance with clause 54 of the Environmental Planning and Assessment Regulation 2000,
2. An adequate noise assessment and geotechnical report has not been provided to;
 - a. Support the development.
 - b. Enable proper consideration of the compatibility of the development with the existing rural residential landuse pattern,
 - c. Confirm landuse conflict will not be created from the development,
 - d. Confirm the site is suitable for the development,
 - e. Enable proper consideration of the development and its impact upon the natural and built environment,
 - f. Address issues detailed in submissions made against the development

Reason for Report:

For Council to consider and determine Development Application 55/2016 for an animal boarding and training facility at Lot 144 DP 750408, 73 Somers Lane, Mandurama as submissions were received during the notification of the proposed development.

Background

DA55/2016 for an animal breeding, keeping and training facility was lodged with Council on 27 May 2016. The development application was lodged to legalise a use that had been established since March 2016 without prior development consent. The property was purchased by the current owner and applicant in November 2015.

Council had received numerous complaints from neighbours that an unauthorised greyhound facility had been established without the prior development consent.

It must be acknowledged this application has been made significantly more complicated because during the time it has been lodged, the NSW Government;

- On 7 July 2016 announced that the NSW Greyhound Industry was ceasing on 30 June 2017.
- On 11 October 2016 announced that the NSW Greyhound Industry will not cease on 30 June 2017.

Since lodgement of DA55/2016 Council and the owner/s have met on several occasions to discuss an amenable way forward and outcome for all parties involved. Particular consideration was given to the constraints that the announcement that the NSW Greyhound Industry would be banned from 30 June 2017 had created on the entire Greyhound Industry within NSW.

At the meeting on 27 September 2016 attended by: Mayor Scott Ferguson, General Manager, Mrs Rebecca Ryan, Director Planning and Environmental Services Mr Mark Dicker, Mr Keith Selten and Ms Alita Funnell. An alternative approach to the development consent process was discussed; including withdrawal of DA55/2016 and Council issuing an order requiring a staged reduction in the number of Greyhounds at 73 Somers Lane, Mandurama by 30 June 2017. This approach could only be offered on the basis that the NSW Greyhound Industry was ceasing on 30 June 2017 and the owners would have no further association with the Greyhound Industry from 30 June 2017.

On 11 October 2016 the NSW State Government announced that the Greyhound Industry would not cease on 30 June 2017. On 19 October 2016, the applicant confirmed that since the NSW Greyhound Industry was not ceasing on 30 June 2017, they were proceeding with the development application with an intention to continue housing and training greyhounds at 73 Somers Lane Mandurama.

As a result, the development application assessment process recommenced. Council wrote to the applicant on 20 October 2016, seeking supply of a geotechnical report and noise assessment, prepared by a suitably qualified person that is eligible for membership of the Association of Australian Acoustical Consultants (AAAC) by 5pm Wednesday 9 November 2016. The facility had now been operating without development consent for over 7 months with a number of reported complaints particularly regarding noise.

Whilst Council acknowledges obtaining these reports would be expensive, they are essential to provide Council with the necessary required information to properly consider the development. Without either report Council cannot adequately quantify the full impact of the proposed development.

Report:

Application Number:	DA55/2016
Development:	Animal Breeding, Keeping and Training Facility
Applicant:	A Funnell
Owner:	AA Funnell and KJ Selton
Lodgment date:	27 May 2016
Land:	Lot 144 DP 750408, 73 Somers Lane Mandurama
Local Environmental Plan:	Blayney LEP 2012
Zoning:	RU1 Primary Production

The proposed development is to formalise approval for an animal breeding and training establishment (greyhound facility), which has already been constructed and established on the land without prior development consent.

The land is located on the eastern side of Somers Lane, 3km south east of Mandurama, and is 5.96ha in area. The property drains toward the south, and there is one dam toward the south western corner of the property and another near the north eastern corner. The existing dwelling and associated outbuildings achieve access off Somers Lane via a formed entrance, and the facility utilizes the same entrance.

Telephone, water and electricity services are available to the property. Waste disposal for the dwelling is via an onsite effluent disposal system.

The house is set back 20m from the western road boundary and 70m from the northern boundary. A private road runs along the northern boundary which was formerly a Crown road. An existing shed is set back about 35m from the northern boundary, and a new shed has been built as exempt development adjacent to the older shed, about 20m back from the northern boundary. All buildings are partly screened from the road to the west by mature trees and shrubs.

The newer shed now houses the main kennels (12), with a meal preparation area and the walking machine. All kennels have a bed and bedding, raised off the floor, and clean water available.

The yards are located to the north eastern corner of the land, and comprise ten runs with a kennel and water in each, some 50m from the northern boundary. The yards are 5m wide and 35m long, and the height of fencing is 1.8m. Each yard kennel is constructed of cool room panels, for temperature control for the dogs, and these will be painted a suitable colour to blend in with the landscape. The yards themselves will be screened with shade cloth along the sides. The screening measures are intended to minimise the opportunity for the dogs to bark, shielding the dogs from the exercise yards, shielding the neighbours view of the yard to reduce impact, and reducing the dogs' view so they don't become excited and bark.

An exercise yard is located along the eastern boundary of the land, being some 5m wide and running the full length of the property (230m). This is used only under supervision three times a week, in daylight hours for a maximum of 20 minutes at a time. A line of trees has been planted some years ago right along the eastern boundary of the land.

Some new landscaping is proposed along the eastern side of the yards, with one large shrub at the end of each yard for shade and screening, and another vegetation screen along the northern side of the yards. Screening is also intended to be built of wood or lattice along the eastern end of the yards. No other building work is proposed.

It is noted the applicant acknowledges on page 3 of their own Statement of Environmental Effects “Negative – Noise” may be a perceived issue (see enclosure 3). Dogs that are more inclined to bark are muzzled and receive additional training. Dogs have recently barked at foxes coming in on the neighbours lambs, and the applicant is seeking to install a fox light to deter foxes. Other noise abatement methods are outlined above.

The kennels are on a concrete slab and sloped so that any liquid waste runs towards and into a drain, which would then flow into a new onsite effluent system installed specifically for the facility. The kennels themselves are washed and disinfected daily. Solid waste is raked up and placed into a bin to be disposed of at a licensed waste collection depot. Solid waste from the day/spelling yards are also collected and placed into the waste bin three times a week. Bones are collected the day after provided and disposed of via the waste collection method.

The kennel block has a 3,000L water tank attached to one side, and a water catching bin on the other. The tank water is used to provide fresh water to the dogs, and the other bin is used to wash the kennels out daily. The local water system is not used for the dog facility.

The applicant seeks to house, breed and train their own greyhounds, and it is expected that the dogs would have a litter about every two years. There are also two horses on the land.

The dogs are on the property 24 hours a day, 7 days a week. The facility is not open to the public. They walk the dogs between 5am and 6am every day, and then again in the afternoon. If it is raining, a walking machine is used.

All dogs are registered with the Greyhound Racing Association, and all have their vaccinations prior to beginning racing training. All dogs are fully immunized against all potential diseases.

Notes:

- Greyhound Racing NSW advised Council that as of a site inspection on 15 June 2016, the property at 73 Somers Lane was deemed compliant with the Code of Practice and no rectification work was required.

The participants were advised that they were required to comply with any requirements of Blayney Council as per GRNSW current Codes of Practice.

- 7 July 2016 - Council noted the announcement by the NSW Government, that as from 1 July 2017, the NSW Government would no longer permit greyhound racing and close down the industry. The transition to shutdown would be 12 months to allow appropriate management of animal welfare and transitions for industry participants. Government industry assistance was to be available for those who currently make a living from the industry.

The legislation passed through the Upper House on 10 August 2016, and passed through the Legislative Assembly on 24 August 2016.

- 7 July 2016, Council contacted the Department of Planning & Environment. The Department advised that *“legislation is yet to be prepared. So for the time being, greyhound racing remains a legal use of land, and is proposed to be until about mid-2017. There is currently no legal avenue that prevents a consent being issued for any current applications.*

However, an “animal boarding and training establishment” does lend itself to other breeds of animals, not just greyhounds. So the facility can be on-sold or transferred to another breeding/boarding owner or operator (or remain in the same ownership, or other compatible land use with another breed of animal housed there), should the current owner not continue operation once the greyhound industry has closed down in July 2017”.

- On 11 October 2016, the NSW Government announced a new plan to reverse the greyhound racing ban. A policy is to be put in place which will contain tough penalties with a greater emphasis on animal welfare and dealing with cruelty through more funding for RSPCA and other groups, and increasing funding for rehoming capabilities in NSW. No new funding will be given for track upgrades, but the industry will fund this from sale of some tracks.

Some of the changes will relate to capping breeding numbers, reducing the number of tracks and race events, whole-of-life dog cycle management, and payment of a bond for each dog.

Section 79C Evaluation - matters for consideration

79C (a)(i) the provisions of any environmental planning instrument

1. State Environmental Planning Policies

There are no particular SEPPs relevant to the proposal.

2. Regional Environmental Planning Policies

There are no particular REPPs relevant to the proposal.

3. Local Environmental Plans

The land is zoned RU1 Primary Production under the *Blayney Local Environmental Plan 2012*, and the development is permissible in the zone with Council consent as an “*animal boarding & training facility*”, defined as follows:

animal boarding or training establishment means a building or place used for the breeding, boarding, training, keeping or caring of animals for commercial purposes (other than for the agistment of horses), and includes any associated riding school or ancillary veterinary hospital.

The applicant is not intending to board dogs, and is applying to house, breed and train greyhounds.

The objectives of the zone are examined as follows:

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base

Comment: The development will not impact upon primary industry due to the small size of the land and the size of adjoining properties. Some minor grazing of cattle has occurred on the land in the past. It currently also grazes horses, and adjoining properties also have sheep.

- To encourage diversity in primary industry enterprises and systems appropriate for the area.

Comment: The property will continue to be utilized for minor grazing of stock.

- To minimize the fragmentation and alienation of resource lands

Comment: The proposed development will not subdivide or alienate rural land, but enable the more effective management of an existing property for a use that is permissible in the zone.

- To minimize conflict between land uses within this zone and landuses within adjoining zones

Comment: It is likely that land use conflict may result from this development within the RU1 zone. There are no other zones adjoining the locality.

The property is surrounded by similar sized lifestyle blocks, and the land may continue to be utilized for minor livestock grazing. The blocks constitute the former village of Somers, which was gazette in 1895, but the gazettal was withdrawn in 1920. Since then they have been zoned as general rural through several planning instruments, where the proposed development is permissible with consent.

However, a number of submissions were made on the proposed development, and the issues raised are considered within in this report. It is noted that some of the issues which have arisen are due to the fact that the facility is already established without prior development consent

The development could be undertaken in accordance with industry standards and any conditions that Council might place on a development consent, intended to address the issues raised. Noise in particular, is a specialised field which may be difficult to address in a consent. However, the application needs to be supported by sufficient information, prepared by suitably qualified persons in order for Council to accurately consider and assess the development.

The applicant has been requested to supply additional information on two occasions (16 August 2016 and 20 October 2016) including a Geotechnical Report and adequate Noise Assessment, prepared by a suitably qualified person that is eligible for membership of the Association of Australian Acoustical Consultants (AAAC).

Council on 20 October 2016 specifically requested the information be supplied by 5pm Wednesday November 2016. If no further information is provided Council will proceed to assess the application on the information currently available.

The applicant failed to supply the required information within the timeframe specified, as such the development is being assessed on the information available.

To a certain degree dog behavior (barking) can be predicted and overcome in a variety of ways. However, this can only occur if the owners are on site all the time and in constant contact with the animals. Dogs, by the owners' admission, will respond to stimuli both on and off site.

Recent council decisions in the region and in the Land and Environment Court, as well as the EPA's Noise Guideline 2013, suggest that noise can be controlled through a negotiated noise management plan.

However, no adequate noise assessment has been provided as requested to address existing and future noise from the facility, despite two requests from Council.

- To enable function centres, restaurants and appropriate forms of tourist and visitor accommodation to be developed in conjunction with agricultural uses.

Comment: These uses do not form a part of this development, although the development would not necessarily prevent them from occurring.

1. Guidelines and policies

The proposal was notified to adjoining and adjacent landowners. A number of submissions were received, which are considered later in this report.

79C (a)(ii) the provisions of any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority that would apply to the land to which the development relates

Blayney Local Environmental Plan 2012 amendment number 7 – Rural and Large Lot Residential Lands applies to all land zoned RU1 Primary Production.

The amendment contains several proposed changes, of which the most relevant to this development application is extension of the period of time specified in Clause 4.2A (4) of the Blayney Local Environmental Plan 2012 from 3 to 5 years. This time extension to Clause 4.2A (4) will allow a development application to be lodged for the construction of a dwelling through the existing holding provision up until 22 November 2017 (originally only allowed until 22 November 2015).

The extension of the time period of Clause 4.2A (4) of the Blayney Local Environmental Plan 2012 will likely result in lodgement of development applications for dwelling houses within this precinct. In particular, 3 allotments being, lots; 139, 140 and 228 of DP 750408 all directly adjoin 73 Somers Lane Mandurama.

Council is currently liaising with the NSW Parliamentary Counsel finalising BLEP 2012 amendment 7, which is anticipated to be implemented within the next 4 weeks.

79C (a)(iii) any development control plan that applies to the land to which the development relates

There are no such matters relevant to the development.

79C (a)(iiia) any planning agreement that has been entered into under section 93F, or any draft planning agreement that a developer has offered to enter into under section 93F, that would apply to the land to which the development relates

There are no such agreements relevant to this proposal.

79C (a)(iv) any matters prescribed by the regulations that would apply to the land to which the development relates

There are no such matters relevant to the development.

79C (a)(v) Any coastal zone management plan (within the meaning of the Coastal Protection Act 1979), that would apply to the land to which the development relates

Not applicable to this development.

79C (b) the likely impacts of that development**Context and setting**

The proposed development is for the establishment of an animal breeding and training establishment, as a greyhound facility. The site is within an area of small lifestyle blocks, most of which are utilized for residential and minor grazing purposes.

The land is located on the eastern side of Somers Lane, and 3km south east of Mandurama, and is 5.96ha in area.

The property slopes down from the north, and there are two dams on the property. Existing infrastructure is located in the far north western sector of the land, with the kennel yards to the north eastern sector.

The closest off site dwelling is located approximately 100m to the west. Other dwelling houses in close proximity to the development include;

- Approximately 230m to the south east of the kennel yards,
- Approximately 220m to the north-north west of the kennel yards,
- Approximately 200m to the east from the kennel/yard area.

The property is cleared grazing land with no additional clearing or building required for the facility.

The submissions suggest that with the landuse being already established, it is in conflict with some nearby residents, in particular with regard to noise and visual amenity. There are other residents in closer proximity to the development who have made no comment and some have supplied letters of support for the development.

Visual amenity issues can usually be overcome through painting, screening, landscaping etc. Noise issues are harder to overcome, and are considered below in this report.

Access, transport and traffic

The site is accessed via the existing entrance directly off Somers Lane. Council's Engineer has required no particular upgrading of that existing entrance. Somers Lane is a two laned unsealed public road.

Services/utilities

Telephone, water and electricity are available to the land, and the property is already served by an on-site effluent disposal system for the dwelling.

An onsite effluent disposal system is required to be installed for the facility to handle effluent generated from the proposed development. A geotechnical report has not been provided, despite two specific requests by Council on 16 August 2016 and 20 October 2016.

Site design, internal design and construction

The main kennel development is located on the northern end of the property, adjacent to the existing dwelling and shed, with no tree clearing required. The developer has constructed a new farm shed as exempt development, and this is where the main kennels are. It has been fitted out as an insulated kennel facility.

The building contains 12 kennels and a food preparation area and a walking machine, with power and water connected. The facility is licensed to house up to 40 greyhounds on the property. However, at the time of the GRNSW inspection there were only 14 racing dogs and 13 pups on the site. The 10 kennel yards are located towards the north eastern section of the land. Each yard would have a kennel for weather protection, water, and eventually protection by shade cloth and landscaping.

GRNSW maintains a Codes of Practice for both the *Keeping of Greyhounds in Training* and for *Breeding, Rearing and Education* of greyhounds. Specifically, the Codes require trainers to consult with their local council prior to constructing kennels.

These Codes cover matters relating to the establishment of facilities, such as:

- Trainer responsibilities – animal accommodation, hygiene and health.
- Kennel Construction
- Kennel size.
- Security standards, including fencing.
- Environment – weather protection for animals.
- Bedding, nutrition, hygiene and exercise.
- Health and veterinary care.
- Pest control, disease prevention and notification.
- Transport and euthanasia.
- Training and educating greyhounds.
- Breeding guidelines and standards.

GRNSW maintains a checklist for site inspections which covers all of these matters.

It is noted that breaches of the Codes may result in the imposition of a penalty under the GRNSW Greyhound Racing Rules. Penalties may be up to \$22,000 or suspension, disqualification, and/or cancellation of registration. The Rules are set up under the *Greyhound Racing Act 2009*.

The site was inspected on 15 June 2016 by GRNSW and found to be compliant in all respects. See Enclosure #5.

Hazards – technological, natural

There are no particular known technological or natural hazards affecting the development, such as bushfire or flooding.

Noise and vibration

There are no particular significant matters relating to vibration which might apply to this development. However, noise is a significant factor which relates to such a development and the issue has been raised in submissions.

The GRNSW Code of Practice suggests that noise from barking greyhounds should be managed to comply with local government noise regulations and may be managed by:

- Positioning kennels so that they do not face each other.
- Limiting external stimulation by placing partitioning between kennels or using blinds.
- Holding greyhounds singly or in compatible pairs.
- Turning lights off after feeding.
- Exercising greyhounds away from greyhound housing.
- The extended use of barking muzzles is forbidden.

In the site inspection of 15 June 2016 by GRNSW, no mention is made of inspection of methods of noise management, in spite of the Code requirements.

There appear to be a number of reasons why any dogs will bark, not just greyhounds. The applicant suggests the following - bark at foxes; pups/dogs playing will yap and bark; when it is 5am and time for their walk and feed they will bark/howl; intermittent barking during the day for 20-30 seconds; bark when the owner/s come home; bark during the day intermittently for a minute or two; the noise in the sheds echoes and they have yet to address this; visitors calling to check on dogs would make them bark.

From the information provided by the applicant, the following noise management has been or will be undertaken:

- Insulation of kennels for weather protection, as well as to address noise.
- Shade cloth on yard fences to minimise reaction to external stimuli.
- Solid wooden/lattice fencing along the eastern end of the yards to limit the dogs view to external stimuli.
- Limited use of barking muzzles, only when required.
- Monitoring of animals when they are at home.
- The exercise yards are used for 20 minutes at a time, three times a week. When the neighbours are out and about, activities cease in the yards.

It is noted the above mentioned noise management measures are not recommendations that have resulted from the undertaking of a noise assessment prepared by a suitably qualified person.

Council has powers under various pieces of legislation to manage dog noise complaints.

The *Protection of the Environment Operations Act 1997* and associated Regulation provide the main legal framework and basis for managing unacceptable noise. Noise pollution is defined under that Act as the emission of offensive noise:

offensive noise means noise:

- (a) that, by reason of its level, nature, character or quality, or the time at which it is made, or any other circumstances:
 - (i) is harmful to (or is likely to be harmful to) a person who is outside the premises from which it is emitted, or
 - (ii) interferes unreasonably with (or is likely to interfere unreasonably with) the comfort or repose of a person who is outside the premises from which it is emitted, or
- (b) that is of a level, nature, character or quality prescribed by the regulations or that is made at a time, or in other circumstances, prescribed by the regulations.

The barking of a dog under the *Companion Animals Act 1998* may constitute a “nuisance”.

However, the Environment Protection Authority’s *Noise Guide for Local Government 2013*, suggests that in relation to dog kennels, it is better for Council to negotiate a noise management plan, assuming that the kennel is a legal entity in all other respects of the local planning instrument and policies.

A noise assessment is recommended to ascertain noise levels and their physical characteristics, not necessarily to determine whether it is offensive, but rather to determine what action, if any, is necessary. It will establish the location of the noise, its audibility at certain locations, the time the noise is made and its duration, its characteristics, and the reported effect it has on people.

The applicant submitted a “Report of Sound Level Determination” dated 5 August 2016 (see enclosure 6), however this report is not considered adequate, detailed enough, address the Environment Protection Authority’s *Noise Guide for Local Government 2013* or provide the qualifications of the person who prepared it to ascertain their suitability.

Subsequently on 16 August 2016 and 20 October 2016 Council wrote to the applicant requested submission of a noise assessment prepared by a suitably qualified person that is eligible for membership of the Association of Australian Acoustical Consultants (AAAC).

In the correspondence of 20 October 2016 Council specifically requested the information be supplied by 5pm Wednesday November 2016. The applicant failed to supply the requested noise assessment within the period specified.

Council does have opportunities to manage control of animal boarding and training facilities within the LEP and any development control plan, assuming a consent has been issued. Generally, such an animal facility is considered

acceptable within an RU1 Primary Production zone. However, particular settlement patterns and circumstance have produced the current situation, and the application must be assessed on its merits.

There are a number of conditions which Council might place on a consent to mitigate and manage noise from such a facility. Physical measures such as noise barriers, enclosures, sound proof design in kennels at night, removal of visual stimuli, use of sound absorbing materials, as well as more careful choice of timing of noise generating activities, animal behaviour training, and addressing boredom and lack of exercise. Measures such as changing the activity and relocating the noise source, are not always practical.

It must be accepted that there will be noise at times associated with the kennel usage.

However, Council may be able to apply stringent provisions in terms of construction, operation and management, to ensure the impacts, particularly at night are within acceptable limits only if an adequate noise assessment prepared by a suitably qualified person was supplied that qualified the development was suitable for the location.

The EPA's Noise Guideline 2013 indicates that it is possible to apply conditions to consents to address noise under a noise management plan.

Given that the applicant has already indicated a range of mitigation measures, these measures can be incorporated into a development consent and a management plan. However, an acceptable noise report has not been submitted, despite requests from Council, and a management plan has not been formulated.

Environmental impact – flora, fauna, land resources, air and water pollution, micro climate

There are no matters arising from this development which might affect flora or fauna, as the site is a highly disturbed rural property. No other land resources such as extractive industries are affected. Air pollution is minimized through attention to waste management, and existing mitigation measures would continue to prevent environmental impact.

The kennels and yards are erected along the northern end of the site. The yards are cleaned daily, and solid waste collected and disposed of offsite. Liquid waste from yard cleaning would be required to be directed into a new onsite effluent disposal system. No geotechnical report has been provided by the developer to satisfy Council that the development would not have a detrimental environmental impact or impact upon water pollution from the effluent created from the development.

Water

There are no water matters relevant to this development. Reticulated water and rainwater are provided for water supply.

Waste

Domestic waste is already collected, stored and removed off site to an approved waste facility. Animal waste would be treated in a similar manner. Yards would be cleaned daily and solid waste/bones removed off site for disposal. The sheds are hosed daily for cleanliness, and the internal drainage is to be directed into a new onsite effluent disposal system.

The existing dwelling is served by its own onsite effluent disposal system.

Air

The development is not expected to generate air pollution such as dust. Odour is minimised through appropriate waste management.

Safety, Security and Crime Prevention

There are no particular safety, security or crime prevention matters relevant to this development. The facility would be undertaken in compliance with the requirements of GRNSW Codes of Practice, which includes regular inspections. Fencing in particular is addressed in the Codes, and the site would be secured.

Economic impact

The economic impacts from this development relate to use of the existing rural property for the continued operation of a kennel facility for greyhounds, which would provide income for the land owner through racing and in turn, use of local goods and services to support the business.

Consideration of land values is not a matter for a S79C assessment.

Social Impact

The social impacts relate to the operation of an animal breeding and training facility on a rural property, with minimal impact on services and utilities. Although the use is permissible in the zone with Council consent, the use was established without prior development consent, and the activity has presented some issues for the community, given that this is a closely settled area in what was originally the village of Somers. The gazettal as a village was withdrawn in 1920, but the allotment pattern remains, with a number of established dwellings in existence and other dwelling entitlements available.

The issues which have been raised relate to noise and odour, pollution, pests and diseases, visual amenity, stock health and security, and setting a precedent. These matters are discussed below.

Without the supply of an appropriate noise assessment or geotechnical report Council cannot adequately assess and consider the potential impact of the proposed development on both the natural and built environment.

Cumulative impact, Principles of Ecologically Sustainable Development, Sustainability and Climate Change

Cumulative Impact

The cumulative impact of the development is for the operation of an animal training and breeding facility on a rural property, where it is permissible in the zone with consent. In the absence of a particular policy in this regard, Council must consider the development on its merits. Any consideration of similar development in the locality would also be considered on its merits, having regard for existing development in the area, potential and established landuse conflict, and appropriate context and setting, amenity and regulation.

Climate Change

The NSW Sea Level Rise Policy Statement 2009 outlines the Government's objectives and commitments in regards to sea level rise adaptation.

A key Government commitment is that it will promote and support an adaptive risk-based approach to managing the impacts of sea level rise. The proposal would not significantly contribute to climate change and will not change the risk profile of the site in regard to the impacts of sea level rise.

Ecologically Sustainable Development

All potential environmental interactions should have regard for the Precautionary Principle (prevent environmental degradation and protect local environment), Inter-generational Equity (not to compromise the environment for future generations), Improved Valuation and Pricing of Environmental Resources (to utilize the land with minimal environmental impact to result in an economic benefit to the community) and conservation of biological diversity and ecological integrity. The proposal would not present significant threats of serious or irreversible environmental damage, and the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations, for the conservation of biological diversity and ecological integrity.

Other

The following impacts have been considered and are not relevant to the proposal: flooding, contamination, bushfire.

79C (c) Suitability of the site for the development

The site is potentially unsuitable for the development, being a small rural property. However, it is located in the vicinity of other small occupied lifestyle blocks in what used to be the village of Somers. The settlement pattern over time has meant that a number of lots are established as rural living lots rather than agricultural holdings. A number of issues have been raised in regard to the development, and its suitability must hinge on the minimization of impact on these neighbouring properties.

Given that no geotechnical report or appropriate noise assessment has been supplied to support the development, Council is unable to fully determine the site suitability.

79C (d) Any submissions made in accordance with this Act or the Regulations

Adjoining and adjacent landowners were notified for 14 days from 1 June 2016. A number of submissions were received. The issues raised are considered as follows:

1. A closely settled hobby farm or lifestyle block area – distance from the kennels to nearby houses can be down to below 60m. Noise emanating from the shed at present has to be heard to be believed. No hedging will stop this.

Developer response: No comment provided.

Council comment: This is an area of character lifestyle blocks in what was originally the village of Somers. The gazettal as a village was withdrawn in 1920, but the allotment pattern remains, with a number of established dwellings and other dwelling entitlements available. The use is permitted in the zone, but must be assessed on its merits.

2. Although the development is permissible in the current zone, the land should be rezoned to so that this type of development cannot be allowed, as it is a rural residential area.

Developer response: The advice we were given was that the use was permissible in the zone with consent.

Council comment: Generally, the use is workable in the RU1 zone. In this instance a historical lot size pattern exists and the application must be considered on its merits. The application does not warrant a rezoning for a use which may not carry on in the long term.

3. The application is in error saying that the nearest house approximately 400m away. There are 4 houses which are 300-400m away.

Developer response: No comment provided.

Council comment: There are several houses located within 250m of the site.

4. Breach of Greyhound NSW Codes of Practice – the facility has been set up illegally.

Developer response: The facility has been set up in accordance with the Code of Practice for the Keeping of Greyhounds in Training, commencing on 1 December 2015. The Code stipulates that the training establishment is permissible with consent from the Council, for which we have made contact with Council, and are currently arranging. We are not registering a track. This is not for commercial use. This is for a hobby.

Council comment: The facility was set up prior to the consent of Council. This has been addressed through the lodgment of a development application for consideration. GRNSW carried out a site inspection on 15 June 2016 and found that the site complied with the Codes.

5. The dogs are still registered with Greyhounds NSW as living at a Blayney address – another Code breach.
Developer response: The greyhounds are registered at 73 Somers Lane, Mandurama. The GRNSW have been notified and a kennel inspection has already been completed and integrity department of GRNSW. A copy of the report is included.
Council comment: The address at Somers Lane is the only one relevant to this application.
6. How will Council ensure compliance with any conditions placed on any approval which might be issued by Council?
Developer response: We are happy to have open and honest communication with Council regarding this matter. We are happy to have regular scheduled inspections to ensure compliance. Scheduled, so we can ensure measures are taken to reduce the spread of any potential diseases from other properties.
Council comment: Council has within its powers under various pieces of legislation, the ability to prosecute for breaches of development consent, and also noise nuisance.
7. Other breaches include:
- No consultation with Council prior to construction of kennels.
 - Kennels should be kept away from livestock.
 - Kennels and fencing are not appropriately constructed.
 - Noise should comply with local government noise regulations.
 - Suitable waste management.
 - Dogs not exercised in accordance with the Code, as the owners are away all day.
 - No power to the new shed, so dogs subject to extreme hot and cold, and cannot use the walking machine.
 - No running water to the shed – comfort, hygiene and sanitation within the shed.
 - Mistreatment of dogs during “training” sessions – dragging them along the ground.
 - Extended use of barking muzzles.
 - Dogs should not pursue or attack live animals, ie. no other animals present on the same property where greyhounds are housed.
 - Other animals on the site should be notified to GRNSW.
 - Code breaches are subject to penalties under the GRNSW Greyhound Racing Rules.
 - Some dogs are kept permanently in the day yards.
- Developer response:** Many of these matters are considered elsewhere in their developer’s response. In particular, they comment on the following:

Power: How is it assumed that there is no power to the shed? Has someone been to the shed without our knowledge? This absolutely not true.

There is power to the shed. We have freezers that freeze large amounts of meat. We have a walking machine, in good working order that we definitely use from time to time. There is a light, that we use when we get the dogs out of a morning, and in the evening for a final empty. This has been the case since we moved in.

The greyhounds are rugged throughout winter days, and double rigged throughout the night. They are on beds with blankets and carpets. The windows are closed. The doors are closed on cold windy and rainy days. During summer, because there is power available to the shed, we can supply industrial fans, ice in the water and cool concrete to lay on.

In fact, these greyhounds are more comfortable in winter and summer than sheep and cattle and horses, which are exposed to the elements.

Water: In terms of water, there are water catchment bins near the shed and a water tank. The water tank is for drinking water and adding to their meals, and the water catchment is used for cleaning of the kennels.

Mistreatment of dogs during “training sessions”: when any dog is placed on a lead and taught to walk on a lead for the very first time, they all play up. They throw themselves down, and they vocal and thrash their head about. Greyhounds are no different, only in the sense that they aren't taught to walk on a lead at 12 weeks old. They sometimes are up to 12 months old. There was no mistreatment in any way during training sessions, however, if someone who hasn't witnessed this before with older dogs, we can see how this could be misconstrued.

Muzzles: We personally only use barking muzzles when there is a dog that is unable to walk with the others, ie. if a bitch is on heat. This for a maximum of 15 minutes, and only when one of us cannot stay in the shed with them. Another time that a barking muzzle is used, is when the dogs are exercising in the yard, and the one in particular is left in the shed until his turn. Again this is only when someone cannot be in the shed with them. Besides, if there was extended use of barking muzzles there wouldn't be much barking, would there?

Other animals on the same property: We do not allow the greyhounds to pursue any animal. Whilst we are walking the race dogs, they are on leads. If they are in the exercise yard, they are supervised. If on the rare occasion the pet greyhound sees a bird, she will run after it. They are sight hounds. They will chase on site. Most dogs will chase a bird or two in their lifetime.

Other animals on site: An animal declaration for has already been submitted to GRNSW.

Dogs permanently in day yards: That's because at this stage they are pups, waiting to be educated.

Council comment: The GRNSW site inspection report of 15 June 2016 suggests that the kennels comply with relevant aspects of the Codes, as far as they were concerned. No breaches were indicated.

8. More than a hobby due to scale of buildings already erected on the land. They are going to train for other people and so this is a paying concern.

Developer response: This is an unfounded concern. We are a family. We don't want more dogs. We like doing family things, like going away for the day, watching sports. We are at capacity for us. We unfortunately cannot control how many pups a bitch will have. We are not breeding any more litters. We have been asked to train for other people since moving here, but we haven't gone ahead with this.

Council comment: The applicant has indicated that the kennels are for their own use.

9. No mention of the maximum number of dogs on the land. Currently houses up to 25 greyhounds at any one time. They bark and howl intermittently throughout the day and night.

Developer response: We are never going to be able to keep the dogs quiet 100% of the time. This is cruel. As per the RSPCA's "five freedoms for Animals No. 4", is "freedom to express normal, by providing sufficient space, proper facilities and company of the animal's own kind". Sometimes the pups enjoy running up and down the fence line playing and barking. It's normal and healthy behavior. If it gets too rambunctious, we quieten them down.

The early morning howling comes from the shed. It's time to be walked and be fed. We are out of bed at 4.50am in order to walk them, to eliminate the noise.

Throughout the daytime, however, the howling does occur intermittently and never more than 20-30 seconds. I have had some time off recuperating after an operation, and I have been monitoring this.

There are other properties with dogs also, the barking is not directly and solely our dogs. I sometimes go to stop our dogs from barking, however just to find myself outside and it's not ours at all.

Conversations with other neighbours indicate that the dogs aren't barking constantly. We have had visits from GRNSW, other neighbours, friends and family, all who have advised that it isn't impacting them at all. Yes, sometimes they hear them, but it's not constant or as impacting as what is said in the responses during the exhibition period.

All pets get excited when their owner gets home. It's natural. As soon as the first person arrives home, it's straight to the toilet and straight up to the shed.

Council comment: The site inspection report indicates that the maximum number of dogs permissible on the site is 40. At the date of the GRNSW inspection there were 13 pups and 14 dogs.

Noise control measures have been undertaken by the applicant and other measures are proposed, particularly in regard to reduction of opportunity for disturbance from off-site stimuli. Council has an opportunity to reinforce these measures through conditions of consent under a noise plan of management. However, a noise assessment has not been provided to enable Council to fully assess the noise issues and possibly address a management plan.

- 10.** Barking for extended periods during the night and early morning, especially when feeding (at 4-5am) and evening. Intermittent barking/yelping for the rest of the day. More barking and howling in the afternoon when the owners come home. Night and evening is filled with barking, yowling and yelping.

Developer response: As 9 above.

Council comment: Council has an opportunity to reinforce the existing noise control measures through conditions of consent and the requirement for a noise management plan. However, a noise assessment has yet to be received from the applicant for Council consideration.

- 11.** Neighbours cannot relax and walk outside without extensive and intrusive barking and howling from the greyhounds, especially along adjoining the paddock and tree line.

Developer response: When the neighbours are seen to be out walking, and we are utilizing the exercise yard, we actually stop all activities with the greyhounds. The reason sometimes the greyhounds bark during this time, is because one neighbouring property has a small white dog walking with them. This fine, however, this is also the reason we cease activity during this time, so that there can be no misunderstanding regarding the greyhounds and their dog. None. We take that risk away completely. Whilst we are there, we certainly monitor the dogs' behavior in relation to the neighbours walking along the boundary line, and can honestly say, the above statement from them is the exception, not the rule.

Council comment: The applicant has sought to undertake noise containment measures, and other features are intended, including more landscaping and yard screening. However, as an adequate noise assessment has not been undertaken by a suitability qualified person and supplied to Council, Council cannot quantify the developers proposed measures are adequate, nor that the development is suitable for the location to address land use conflict.

12. Have to shut all doors and windows especially at night, in spite of double glazing. This has led to intense anxiety and sleep deprivation affecting health and wellbeing.

Developer response: Currently we live in an old cottage, with thin walls and normal windows. We can only just hear the dogs should they bark. I'm a light sleeper, so I wake up easily and quickly. I can't say for sure what the neighbours can hear, but I can tell you the house we live in is a lot older and closer to the dogs than neighbours, and we don't hear the dogs as often as portrayed. Intense anxiety has been suffered throughout this whole process, caused by the people complaining re this development, ringing and visiting other neighbours to encourage complaints. And now, calling the Council Ranger to complain about the noise. I was home all last week, as well as the week before and monitored the greyhounds. They barked periodically, but it was never for more than a minute or two. No different than another breed of pet dog.

Council comment: However as an adequate noise assessment has not been undertaken by a suitability qualified person and supplied to Council, Council cannot quantify the developers proposed measures are adequate, nor that the development is suitable for the location to address land use conflict.

13. Solar passive home relies on cross breezes in warmer months for cooling. Northerly aspect provides heating in winter. The deck is on the northern side. The outdoor area cannot be used and the windows must be kept closed to limit noise.

Developer response: I can't comment on this right now, as it is winter. I'm assuming that all windows are closed? It certainly hasn't prohibited them from having BBQs or camp fires, as on no less than 2 occasions they have been cooking something outside, or have a fire lit outside.

Council comment: It must be accepted that there will be noise at times associated with the kennel usage, as with any dogs. However, Council is able to apply stringent provisions in terms of construction, operation and management, to ensure the impacts, particularly at night are within acceptable limits as agreed by the acoustic consultant. With no noise assessment provided by the developer this cannot be fully determined.

It is noted that other properties in the vicinity have dogs which easily respond to external stimuli, such as passing cars. No firm evidence has been provided as to recording frequency, times of barking, to ascertain that it is solely the greyhounds that are barking.

14. Any tree planting, wooden, lattice or shade cloth screens to improve visual amenity and noise impact are not likely to have any significant effect on the level of noise being experienced, and not improve visual amenity due to the topography of the locality and the location of some adjoining dwellings being above the site.

Developer response: No one else has mentioned the way the kennels look. The shade cloth and screens were more to limit the amount of area that they greyhounds could see, therefore reducing the amount of stimulants that are around, and cause potential excitement.

Council comment: The site is screened from the east by a row of established eucalypts. The intention of screening is to limit disturbance from external stimuli. Any solid screening erected would be painted to address visual amenity. However, as an adequate noise assessment has not been undertaken by a suitability qualified person and supplied to Council, Council cannot quantify the developers response is adequate to address the submission, nor that the development is suitable for the location to address land use conflict.

15. Constructed for 3 months now and without approval.

Developer response: Unfortunately, due to the advice we were given, we weren't aware we had to have approval. We can only do what we are now advised to do, which is now, to seek approval. We have submitted all the appropriate documentation to Council to obtain approval for the development which is currently being processed.

Council comment: A development application has now been lodged for consideration and assessment.

16. Dog runs and exercise yard (training track) directly adjoin property boundaries. Noise from dogs housed in the iron shed echoes and is significantly amplified.

Developer response: No. The dog runs do NOT directly adjoin property boundaries. We ensured that this was the case. The exercise yard only uses the boundary fence. But as stated previously, we do not use it without supervision and it is only used for a maximum of 20 minutes a day up to three times a week. If there was no exercise yard, the horses would stick their head over and munch on grass. This way, there is a clear boundary at all times for the horses and the greyhounds will only ever go near it under supervision. As for the noise in the shed echoing, we are currently researching cost effective, harmless ways to further sound proof the shed.

Council comment: The exercise run is located along the side boundary and is only used 3 times per week for 20 minutes at a time. In the interim it acts as a buffer of 5m from the dog runs to the boundary. However, as an adequate noise assessment has not been undertaken by a suitability qualified person and supplied to Council, Council cannot quantify the developers response is adequate to address the submission, nor that the development is suitable for the location to address land use conflict.

17. Many local triggers to noise from the greyhounds – foxes, stock, rabbits, cats, kangaroos, birds and other dogs, and people – these cannot be controlled and the owners are not home during the day to control the dogs.

Developer response: We currently have a friend who passes by here at least twice a day, between his jobs and his home. He calls in to do a “head count” to ensure that the dogs are safely in their yards and kennels. A letter from him is attached. No dog owners can control the above stimulants. All dogs bark when there are strangers in their territory or when there are other animals. Dogs bark. All dogs throughout this area bark.

Council comment: External stimuli cannot be controlled in themselves. However, the dogs’ opportunity to view them is able to be controlled through landscaping and screening, thus minimizing reaction.

18. Smell from the site is a very real one, being at a disagreeable level even 60m away from the site. Waste collection and disposal is not being undertaken effectively. Flies, vermin and diseases may have impact on livestock and people.

Developer response: During the kennel inspection, I repeatedly asked if there were any foul smells, any waste odours. The answer was no. Anyone who comes to visit, I ask for the same feedback. The answer is no. During the heavy rain that we had, I didn’t make it out there every third day, but there is no smell. We often walk around the yards to ensure that there aren’t any bones that we missed picking up generating this “disagreeable smell” but there never is.

As outlined in the original development application, we pick up solid waste 3 times a week in the yards. It is picked up daily from around the race kennel area, put in a waste bin and taken to the tip when required. The kennels are washed out daily with disinfectant and water. This is all compliant with the GRNSW Code of Practice.

Council comment: The site inspection by GRNSW was satisfied with the waste management arrangements. However, Council have required a geotechnical report to address a separate onsite effluent system to take liquid waste from the kennels and yards, which has not been received.

19. No drainage or septic system. All runoff washes down slope towards neighbouring properties, with high nutrient levels for vegetation.

Developer response: No it doesn’t. The runoff from any yards that generate run off, stays on our property. Even after all the heavy rain, no visual runoff went anywhere but the big paddock. Not neighbouring properties.

Council comment: A separate onsite effluent system is required to be installed for liquid waste generated from the development. A geotechnical report has not been supplied.

20. Proximity to other animals (stock).

Developer response: The greyhounds are housed exclusively in their own kennels or yards. All other stock that we have – 2 horses – have their own paddock. The exception to this, is when we are walking the perimeter of the big paddock with the race dogs.

The greyhound area is completely separate from the horses and neighbouring properties livestock by fences that were already on the property. The kennel inspection by GRNSW shows that all kennels and yards are GRNSW compliant.

Council comment: The greyhounds' proximity to other stock is limited by distances of yards and kennels from the boundaries. The GRNSW Code is specific in this regard, with regard to secure fencing.

21. This development will totally destroy a previously quiet and peaceful rural residential area if approved. It has already affected neighbours with noise, smell and unsightly sheds.

Developer response: Dogs barked and howled long before we came here. In our previous development application, it was already advised that the white yard kennels be painted a more consistent and appealing colour, better blending in with the landscape. Two of the "unsightly sheds" were already here prior to us purchasing the property, and as stated below, "the main shed construction is not an issue".

Council comment: Given that there are 9 dwellings within 800m of the site and only three submissions were received, one being from a landowner who owns vacant land there, a clearer picture can be seen of the actual impact of the development. The other submissions are from premises 300 and 500m away. The number of neighbours affected as indicated in the submissions may be limited to two. Without supply of the requested adequate noise assessment the noise impact of the development cannot be adequately assessed.

22. The main shed construction is not an issue but the large dog kennels and other structures made out of coolroom panels are glaring white and reflect the sun. Should blend in with the landscape to minimise visual impacts.

Developer response: The large dog kennels are made out of the cool room panels. The other structures are fencing that has been professionally built with brand new materials. The main shed isn't a concern, however, it's the same colour as the house and the yard kennels. Why is it that the kennels reflect the sun, but not the other structures? However, as stated previously, in the original development application, once the weather is more predictable, the yard kennels will be painted a more appealing colour.

Council comment: The applicant proposes painting and landscaping to address these matters.

23. Stacking/storage of additional coolroom panels on the site are not secured and have the potential to cause considerable damage during inclement weather events.

Developer response: Not a development concern, however I will state that we have had some ferocious winds and storms this year to date. And all the coolroom panels are stacked securely.

Council comment: Cool room panels are by nature heavy and in this case, securely stacked.

They will be utilized on the site to provide further insulation to kennels and for yard screening, being painted to minimise impact.

- 24.** Concern for the quality of the fencing, and the safety and security of children on nearby properties. The owners are not home on weekdays and may not be home if the dogs escape.

Developer response: As per the kennel inspection report from GRNSW which is attached, all kennels and yards are GRNSW compliant. As per our original development application, I have included the measurements on that document.

The report clearly states that the greyhounds are very secure. The fences which surround the outside yards are at such a height that the greyhounds are secure. The latches on the race kennels and yard gates are ones that the greyhounds cannot open in error.

The greyhound's nature is gentle. They play. They sometimes yap. They lay around most of the day being lazy. The dogs on our property are not a threat to anyone.

As stated above, we have a family friend who regularly drops by between his jobs to check on the animals, to ensure that all are accounted for and are quiet. He is NOT an employee, but a friend who sets our mind at ease by doing a quick head count.

It can also be noted that not all pet owners are home 100% of the time. They work. But they are not required to check their animals through the day. Before we have any time away from home, such as a holiday, we ensure we have someone from our family stay at the house to look after the dogs. To ensure that they don't get noisy, to ensure that they don't escape. To ensure that they are fed correctly and according to their racing schedule.

In the original development application, it was stated that the dogs are walked twice a day, morning and afternoon. When it is raining, we sometimes use the walking machine. This was also explained to the GRNSW compliance officer that came to complete the kennel inspection. We have not been able to fully use the exercise yard, due to the dam overflowing onto the yard.

Council comment: The GRNSW inspection on 15 June was satisfied with the fencing of the site.

- 25.** Complete disregard for local rules and regulations and near neighbours.

Developer response: We purchased this house in November 2015. It took a fair while looking at the property, getting finance, gathering a deposit etc. During this time, the real estate agent advised the vendors multiple times that we had greyhounds, and this is the sole purpose of us purchasing this property. This can be verified by contacting the real estate agent (details provided in submission).

It took us until March to move in. During the months of December, January, February and the beginning of March, construction of the main shed was completed. Then the day yards. Then the exercise yard. Not once in all of those months or during the purchasing of the property, did anyone say anything about the greyhounds.

Keith and our son met the vendors to be given instruction on how to change the water from town to rain water. Again, the shed was in the process of being built, and a conversation around what our intent was for the land occurred. Nothing was said. Other neighbours knew the purpose of the land. So, yes, we did have regard for near neighbours. I simply ask, if they didn't want neighbours, why sell the land? It seems they wanted our money during the sale, but not once were we approached in almost 4 months from any neighbours to discuss location of the site. Not once.

Had we known that we were going to have this many issues, we would never have purchased the property.

As for local rules, it states on the contract of sale, that it is allowable with permission. This unfortunately wasn't pointed out to us via our solicitor, and hence, we are now trying to follow the local rules. Had we known we would have purchased another property.

Council comment: A DA has been lodged for consideration and the applicants are indicating a willingness to cooperate with Council to minimise impact.

26. The wrong location for a development of this kind and size. Concern that this facility will become a commercial boarding, breeding, keeping and training of animals on a much larger scale.

Developer response: No comment provided.

Council comment: The applicant has indicated that the kennels are a private facility, not for commercial purposes.

27. The current zoning does not reflect the purpose or land uses occurring on these small lifestyle blocks. Rezoning should occur with appropriate development restrictions.

Developer response: No comment provided.

Council comment: Generally, the landuse is appropriate for the RU1 zone. The landuse pattern in this instance has presented conflict as suggested in the submissions. Rezoning may be a matter for Council to consider in the long term. In the short term Council must assess the application under the current planning instrument, on its merits.

28. The greyhound facility is a conflicting landuse that is already having a negative impact and has destroyed the country atmosphere of this lovely semi-rural area.

Developer response: No comment provided.

Council comment: The landuse has created conflict, as demonstrated in the submissions received. Some of the suggested conflict is actual, some perceived, and some not proven. This assessment attempts to present the issues, as well as possible solutions for management. The developer also wishes to enjoy this semi-rural area, and has indicated a willingness to cooperate with Council in achieving a positive outcome.

29. Negative impact on resale of adjacent properties, and property devaluation.

Developer response: No comment provided.

Council comment: Property valuation is not a matter for a S79C assessment.

30. Noise level testing and monitoring should be undertaken to demonstrate the level of noise being experienced.

Developer response: Due to the fact that the greyhound industry could potentially be banned from 1 July 2017, we actually put on hold the noise testing discussions with the family and the governing body. I have made another appointment with the gentleman to come out, and a report will be sent in outlining the results. It should be noted, that I have called Blayney Council and Bathurst Council, and neither of them could provide a decibel limit for noise. I have downloaded the Noise Regulations information pack and cannot locate a Db limit.

Council comment: Council requested supply of an adequate noise assessment from the applicant, which was not provided, despite two requests from Council to do so.

In addition, the EPA's Noise Guideline 2013 suggests that it is possible to negotiate a noise management plan to manage conflict, which would be set down in conditions of consent. However as an adequate noise assessment has not been undertaken by a suitability qualified person and supplied to Council, Council cannot quantify the developers response is adequate to address the submission, nor that the development is suitable for the location to address land use conflict

31. Failure to obtain Council consent is an offence under the Environmental Planning & Assessment Act. Council can order demolition and impose serious penalties for illegal work.

Developer response: No comment provided.

Council comment: Council could take these steps if it chose to do so. However, the Land and Environment Court would rather see an attempt to remediate the situation through available EPA Guidelines, and negotiation of appropriate solutions.

32. Council cannot issue retrospective approvals.

Developer response: No comment provided.

Council comment: Council cannot refuse to accept lodgment of a development application, and must proceed to assess and determine such application if requested by the proponent, particularly when the use is permissible with consent.

33. The submission from the closest neighbour in support of the application made the following points:

- One of the complainants have their own dogs which are left alone and bark all day, being only checked once a day.
- The same complainants sold the property to Seltons, knowing they were to have greyhounds on the property.
- Seltons are 100m from our back door, and we have had no trouble with noise, smell or loose uncontrollable dogs.
- We have visited the establishment and were impressed by the cleanliness, healthiness and efficiency of the place.
- It is a credit to them, to manage the number of dogs, and in such a small amount of time.

Council comment Even though a letter of support has been provided by the current closest neighbour, Council must still ensure land use conflict is not created from a development now or to potential future occupants. An adequate noise assessment has not been undertaken by a suitability qualified person which is the only way for Council to ensure that the development is suitable for the location and that no land use conflict is created to current or future occupants of a neighbouring residence.

79C (e) The public interest

The public interest was roused through the notification of the application to adjacent and adjoining landowners. Submissions were lodged and issues raised. These issues have been considered and addressed within this report.

Comment: It may be for Council to consider rezoning of this particular subdivision in the long term, as there are other landuses which may not be appropriate for this subdivision. However, in the short term Council must apply the existing planning instruments.

There are no other known matters of public interest relevant to the development that have not already been considered in this report

Conclusion:

The above assessment illustrates that the development may not be suitable for the locality.

The development has already been established without prior development consent, and its current operation has shown that the landuse is not compatible with the existing rural residential landuse pattern, where there are established rural lifestyle blocks that date back to the original subdivision, prior to recent planning instruments.

An adequate noise assessment prepared by a suitably qualified person and geotechnical report have not been provided to support the development, and therefore Council is unable to undertake a compliant assessment of the development, in particular consideration of land use conflict and environmental impact of the development.

Without supply of adequate noise assessment and geotechnical report Council cannot adequately consider and determine that the development has satisfied section 79C(1) of the Environmental Planning and Assessment Act 1979, in particular; 79C(1)(b), (c), (d) and (e)

Issues:

Should Council proceed to refuse DA55/2016 as recommended, Council will have to commence the orders process in accordance with division 2A of the Environmental Planning and Assessment Act 1979 to cease using the premises as an animal breeding, keeping and training facility for which development consent is required but not obtained.

Council must give notice of the proposed order and if it proceeds to issue an order a reasonable time period to comply with the terms of the order.

It is proposed Council issue the notice of order within a period of 21 days. The period of compliance on the order (if issued) is proposed to be 21 May 2017 (6 months from 21 November 2016).

This timeframe is proposed to coincide with review and appeal rights legally available to the applicant under; section 82A (review of determination) and section 97 (appeal rights) of the Environmental Planning and Assessment Act 1979 should Council proceed to refuse development application DA55/2016 as recommended. This time period ensures Council does not pre-emptively circumvent due legal process afforded to the applicant under the Environmental Planning and Assessment Act 1979.

Budget Implications:

Nil

Enclosures (following report)

1	Location Plan	1 Page
2	Plans	3 Pages
3	Statement of Environmental Effects	5 Pages
4	GRNSW Code of Practice	13 Pages
5	GRNSW Inspection 15.06.16	1 Page
6	Report of Sound Level Determination	4 Pages

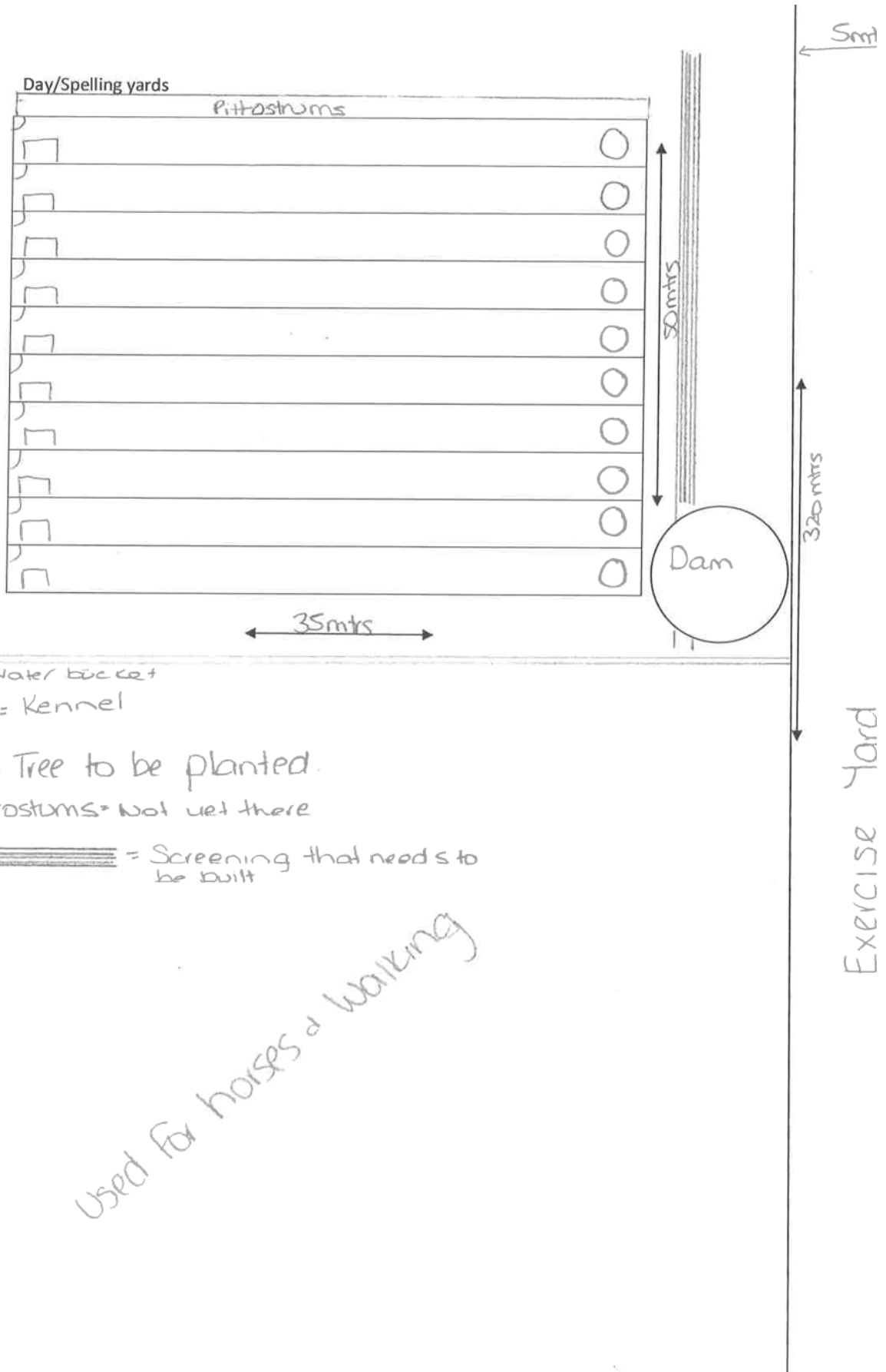
Attachments (separate document)

Nil

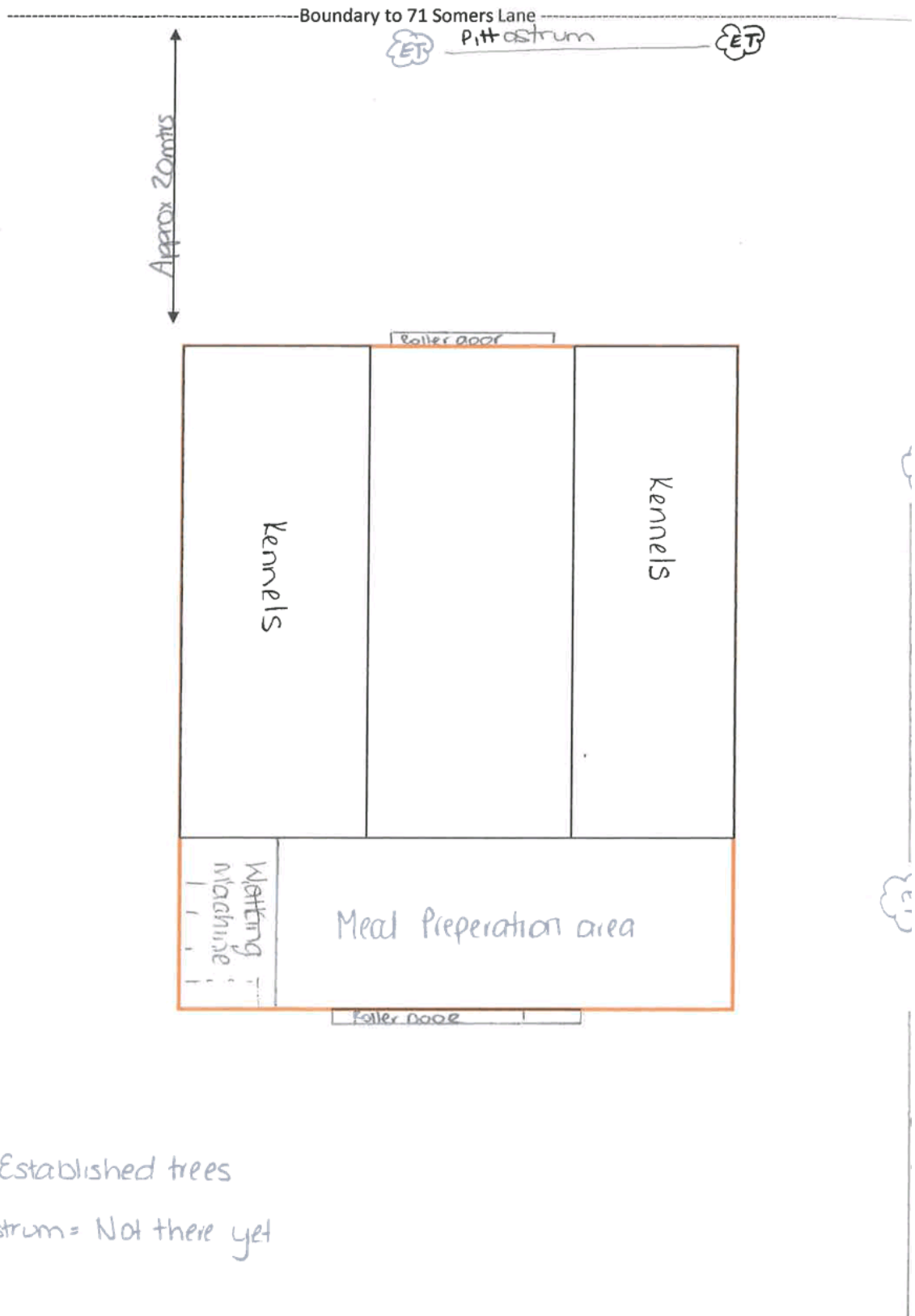
Property



- Purple – boundary Fence
- Black – Day/Spelling yards
- Blue – Exercise Yard
- Blue** – Kennels



Floor Plan



ET = Established trees

Pittastrum = Not there yet



STATEMENT OF ENVIRONMENTAL EFFECTS

LEGISLATION

In accordance with Schedule 1 of the Environmental Planning and Assessment Act Regulation 2000, a development application must be accompanied by a Statement of Environmental Effects (SEE).

This SEE is suitable for minor impact developments such as dwellings, subdivisions, dwelling alterations, additions and outbuildings. It may be necessary for Council to request additional information depending on the nature and impacts of a proposal.

PLEASE NOTE: LARGER SCALE DEVELOPMENT SHOULD BE ACCOMPANIED BY A DETAILED AND SPECIFIC STATEMENT OF ENVIRONMENTAL EFFECTS PREPARED BY A SUITABLY QUALIFIED CONSULTANT

(Please provide additional comment if answering 'yes' to any of the questions. If necessary attach additional information)

ASSISTANCE

This is a legal document & Council staff are not permitted to complete the form when blank spaces are left. Please answer every question. Where not relevant, please write N/A.

Please refer to the Development and Building Guide for assistance in completing this form.

Definition – LEP means Local Environmental Plan, Blayney 2012

DEVELOPMENT STANDARDS

What is the zoning of the land? R1 Rural primary producer (please obtain from Council's Staff or written Planning and Development Advice received)

Is the proposal permissible within this zone? (Please refer to the LEP link on Council's website) [X] Yes [] No

Is the proposal consistent with the zone objectives? (Please refer to the LEP link on Council's website) [] Yes [] No

Please list the relevant Development Control Plans that apply to the development? A list of DCPs is available on Council's website or from Council. If you are unclear please check with Council Staff.

DCP No. DCP No.

DCP No. DCP No.

DCP No. DCP No.

Is your proposal consistent with the selected Development Control Plans? If not, please indicate how the development is not consistent.

Comments:

.....

Document review July 2015

SITE SUITABILITY

Is the development in an area that may be prone to natural hazards such as bushfires or floods? (please check with Council's Staff) Yes No

Describe the physical features of the site such as, slope, vegetation, any waterways
2 Dams, hill, flat

CURRENT AND PREVIOUS USES

What is the current use of the site? Date present use commenced (if known)

Previous Use (if known).....

What is the present use(s) of the adjoining land?

Is it possible that the site could be contaminated from current or previous usage? Yes No

Comments:

Is it possible that asbestos will be removed as part of this application? Yes No

OPERATIONAL DETAILS (if applicable)

For applications that involve a usage other than residential, describe how the establishment will operate.

What is the type of business you wish to operate?

Number of staff

Days of operation: Mon Tues Wed Thurs Fri Sat Sun

Hours of operation

Comments:

ACCESS, TRAFFIC & UTILITIES – please refer to Council's website

Will the development increase local traffic movements and volumes? Yes No N/A

If yes, will this be significant?

Has vehicle manoeuvring and onsite parking been addressed in the design? Yes No N/A

Will vehicles, pedestrians, bicycles and disabled persons be able to access the development?
 Yes No N/A

Is there vehicle access to a public road? Yes No N/A

Are the following utilities readily available to the site?

Water Yes No

Telecommunications Yes No

Electricity Yes No

Sewer Yes No

Comments:

Document review July 2015

SOCIAL AND ECONOMIC IMPACTS Note: Impacts can be positive or negative

Will the proposal have any social or economic consequence for the area?

- Yes No
- Positive Negative

Comments:

* Positive - Purchase food from local businesses, bringing income into the township Negative - Noise

CONTEXT AND SETTING Note: Impacts can be positive or negative

Will the development:-

- be visually prominent in the surrounding area? Yes No
- be inconsistent with the existing streetscape or council setback policies? Yes No
- be out of character with the surrounding area? Yes No
- have a negligible impact Yes No

Is there any significant impact on neighbouring properties relating to:

Visual Privacy YES NO (If yes please comment)

If yes, what mitigation measures will be put in place? Maybe - landscaping / planting to screen off the yards

Views YES NO (If yes please comment)

If yes, what mitigation measures will be put in place? As above

Overshadowing YES NO (If yes please comment)

If yes, what mitigation measures will be put in place?

ENVIRONMENTAL IMPACTS Note: Impacts can be positive or negative

Air and Noise

- Will any form of air pollution be created from the development? Yes No
- Will the development create any noise impacts? Yes No

If yes, what mitigation measures will be put in place? Barking muzzles, Screening to prevent provocation

Soil and Water

- Does the development have the potential to result in any form of water pollution? Yes No
- Will the development require any significant excavation or filling? Yes No
- During & after construction could the development cause erosion or sediment run-off? Yes No

Comments/Mitigation measures put in place?:

Document review July 2015

Heritage (please check with Council's Staff)

- Is the development a heritage item as listed in Council's LEP or the State Heritage Register? Yes No
- Is the development located in a defined heritage conservation area? Yes No
- Will the development be adjoining a listed heritage item? Yes No
- Will the development have an impact on any listed heritage item or defined heritage conservation area? Yes No
- Will the development disturb any known Aboriginal artefacts? Yes No

If yes, list Aboriginal artefact

1. If yes to any of the above questions a *Heritage Impact Statement* **may** be required for any work to a heritage item or a building within a Heritage Conservation Area that requires consent under Council's Local Environment Plan. Where a Heritage Impact Statement is required it must be prepared by a suitably qualified heritage advisor/consultant.

The statement must address:

- Historical development of the site
- Description of the item and its setting (e.g. garden, fences, ancillary buildings, etc)
- Contribution to the streetscape: height, scale, mass, setback, fenestration, architectural style and period
- Heritage significance (use heritage manual criteria)
- Affect of proposal on the heritage significance of the building and its setting
- Design options and rationale for the preferred option
- Relevant conservation principles in accordance with ICOMOS Burra Charter

The NSW Heritage Manual, Heritage Impact Guideline and the Burra Charter can be obtained from Department of Planning - NSW Heritage Branch.

2. Alternatively, a statement of mitigation measures should be provided, and comment sought from Council's Heritage Advisor.

Sites adjoining a listed heritage item will require assessment in relation to the impact of any proposed development on the heritage item.

Comments:

.....

Flora and Fauna

Will the development:

- Result in any removal of vegetation on the site? Yes No
- Be likely to have an impact on threatened species, populations or ecological communities, or their habitats? Yes No
- Be subject to any significant landscaping treatments? Yes No
- Is the development in a koala habitat? Yes No
- Is the land a critical habitat? Yes No
- Is the development biodiversity compliant? (EP&A Regulation, Schedule 1, 1(2)) Yes No

Comments:

.....

Document review July 2015



Code of Practice for the Keeping of Greyhounds in Training

Date policy was made

April 2011

Commencement date of this version

1 December 2015

Application

This Code applies to persons involved in training greyhounds.

Purpose

This Code is designed for persons involved in the training of greyhounds. The Code provides an overarching framework for persons involved in the training of greyhounds and specifies minimum standards of accommodation, management and care for greyhounds.

The overriding theme of this Code is that the well being of the greyhound must at all times be considered above the demands of owners, breeders, trainers, sponsors, wagering operators, punters and spectators.

By adhering to this Code, persons involved in the greyhound industry can demonstrate to the general community their commitment to uphold the welfare of the animals in their care.

Background

This Code provides an overarching framework for trainers by specifying the minimum standards of accommodation, management and care to uphold the welfare of greyhounds. It is not a comprehensive manual to care for a greyhound.

It is acknowledged that the specific needs of a greyhound vary throughout its lifecycle. Participants involved in the breeding, rearing or education of greyhounds should refer to the Code of Practice for the Breeding, Rearing and Education of greyhounds.

The Code emphasises the importance of best practice management and refers to rules and regulations that persons in charge of greyhounds must abide under the GRNSW Greyhound Racing Rules which are made under the *Greyhound Racing Act 2009* (NSW). For the purposes of this Code, the person in charge may be the licensed trainer, owner or other licensed persons who has the care and control of the greyhound.

Compliance with this Code does not remove the need to abide by the requirements of the *Prevention of Cruelty to Animals Act 1979* (NSW), the *Prevention of Cruelty to Animals Regulation 2012* (NSW), the *Local Government Act 1993* (NSW), the *Companion Animals Act*

Policy number: [GRNSW WF01]

Page 1 of 13



1998 (NSW), the *Companion Animals Regulation 2008* (NSW) or any other laws and regulations, including local government regulations relating to animals.

Persons should be familiar with their responsibilities under these laws and regulations. The responsibility for compliance rests with the person in charge of the greyhound and GRNSW will not be held responsible for any omissions or non-compliance.

Policy

1. Guiding Principles

- 1.1. This Code sets standards for the care and management of greyhounds on training premises to ensure their basic needs are met.
- 1.2. For the purposes of this Code, premises include land, buildings fixed or moveable, including motor vehicles used for the purpose of breeding, rearing or education of greyhounds.
- 1.3. The basic needs of greyhounds are:
 - Readily accessible food and water in sufficient quantities to maintain health and vigour;
 - Freedom of movement to stand, stretch and lie down;
 - Regular exercise;
 - Shelter and accommodation that provides protection from the weather;
 - Regular inspections to assess the need for veterinary care;
 - Internal and external parasite control; and
 - Rapid identification and treatment of injury and disease.
- 1.4. For the purposes of this Code, a Trainer means a person registered by GRNSW to train a greyhound. Train or training means the preparation, education or exercise of a greyhound to race or trial.
- 1.5. A Trainer must be licensed in accordance with the GRNSW Greyhound Racing Rules to train a greyhound.
- 1.6. A Trainer is responsible for the:
 - provision of accommodation and equipment which suits the physical and behavioural requirements of the greyhounds held;
 - protection of greyhounds from people, other animals or adverse environmental conditions;
 - provision of sufficient space for greyhounds to stand, move around freely, stretch fully and rest;
 - provision of sufficient quantities of appropriate food and water to maintain good health;
 - protection of greyhounds as far as possible from disease, distress and injury;
 - provision of prompt veterinary or other appropriate treatment in cases of illness or injury;



- maintenance of hygiene of the premises and health of the greyhounds held;
- the supervision of daily feeding, watering and inspection of greyhounds held to ensure their well-being; and
- the collation and maintenance of relevant treatment records for each greyhound in the Trainer's care.

1.7. When greyhounds are admitted to training premises, Trainers must ensure that owners are made aware of this Code by referring to it in the agreement which sets out the terms for greyhounds being accepted onto the premises.

2. Kennel Construction

2.1. For the purposes of this Code, a kennel is an enclosed space in a training premises used to house greyhounds.

2.2. Prior to constructing kennels, Trainers should consult with their local council in relation to any requirements for the keeping of greyhounds or construction of kennels in their local council area. Trainers should also determine:

- the number of greyhounds to be kept in the kennels;
- the type, construction and finishes of kennels and any local government restrictions;
- the intended purpose of the kennels e.g. racing, rearing or breeding;
- the distance of all kennel facilities to boundaries and dwellings on adjoining properties;
- provision for noise and odour abatement;
- provision for the management and disposal of solid/liquid wastes and water runoff.

2.3. The location of kennels should be away from sources of noise or pollution that could cause injury or stress to the greyhound and out of areas that are prone to flooding and/or bushfires.

2.4. Kennels must be constructed, serviced and maintained in a way that maintains the good health and wellbeing of greyhounds, prevents the transmission of infectious disease agents, prevents the escape of greyhounds and does not cause injury risk to either greyhounds or humans.

2.5. Kennels must be constructed away from other establishments that house other animals (for example, agricultural livestock) through appropriate fencing.

2.6. Vehicles, caravans, trailers, portable crates or the crawl space under any dwelling must not be used to house greyhounds.

2.7. The internal surfaces of kennels must be constructed of impervious, solid, washable materials. Wall/floor junctions should be sealed to facilitate cleaning and disinfection.



- 2.8. Floors of kennels should be made of an impervious material to assist cleaning and drainage. Sealed concrete or sealed brick is ideal and should ideally be covered with straw that is replaced frequently.
- 2.9. Individual spaces within kennels must be separated by solid partitions, galvanised mesh or chain wire dividers.
- 2.10. Grassed or landscaped sections may form part of large outdoor kennels but must be adequately maintained and not allowed to deteriorate into bare earth.

3. Kennel size

- 3.1. Kennel areas should provide at least enough space for each animal to feed, sleep, sit, stand, lie with limbs extended, stretch and move about.
- 3.2. Kennels should be high enough to permit ease of maintenance and cleaning by an adult.
- 3.3. Kennels for adult greyhounds, including sleeping quarters and runs, should meet the following requirements:

Racing Kennel – Minimum size = 3 sq.m (e.g 2m x 1.5m)

A kennel enclosure for housing a single greyhound in race training, generally situated within a secure building and designed to encourage the greyhound to rest. The minimum width of a kennel for an adult greyhound shall be no less than 1.2 metres.

Fencing should be appropriately constructed and well maintained fencing mesh being 1.8 meters high on a concrete or fixed base.

Posts may be steel and/or wood. Fencing should be strained as appropriate to ensure the security of the greyhound.

Day / Spelling Yard – Minimum size not less than 6sq.m – (if provided)

A wire mesh enclosed space and often with an associated kennel, where a single greyhound may spend short periods of time recuperating outdoors.

Fencing should be a minimum of 1.7m and further 0.1m should be buried into the ground to prevent digging and escape.

Provision for shade either natural or a permanent structure must be provided.

Exercise Yard – (if provided)

A series of two or more fenced enclosures used to exercise greyhounds adjacent to each other. Each yard is generally 30 to 50m in length and 3 to 4 m wide but may vary in shape dependent on site characteristics.

Fencing should be a minimum of 1.2m high. Consideration should be given for shading to be provided if greyhounds are to be exposed for an extended period of time.



4. Security Standards

- 4.1. Kennels must be reasonably secure and adequate fencing must exist to prevent escape of greyhounds and prevent access by unauthorised people.
- 4.2. Kennels must be fitted with a secure closing device that cannot be opened by greyhounds. Double barriers (a secure area outside the immediate kennels) are recommended to prevent the escape of greyhounds.
- 4.3. Any security methods used must allow for ready access by staff to greyhounds and ready exit of staff and greyhounds from the premises in the event of an emergency.
- 4.4. Fire safety equipment must be readily available and an emergency exit plan as required.
- 4.5. All potential poisons and harmful substances, whether in storage or use, must be kept secure and out of reach of greyhounds.
- 4.6. Prescribed veterinary products should be kept secure with all treatments administered recorded for each greyhound.

5. Environment

- 5.1. Greyhounds must be provided with protection from rain and wind, direct sunlight or other adverse weather conditions and trainers must comply with GRNSW's Hot Weather Guidelines.
- 5.2. Where kennels are constructed outdoors, they must protect the greyhound from the rain and wind and be partially enclosed to provide sheltered sleeping areas.
- 5.3. Where kennels are constructed indoors, the environment should be controlled to ensure the comfort of the greyhound, inclusive of indoor temperature, humidity and appropriate ventilation. Lighting should be as close as possible, in duration and intensity, to natural conditions.
- 5.4. Despite 5.2 and 5.3, very old and very young greyhounds are more sensitive than others to changes in temperatures and may require heating or cooling.
- 5.5. Natural lighting is the preferred for kennels, provided shaded areas are available to protect greyhounds from extreme lighting conditions. Artificial light should also be available in greyhound housing areas so that they can be thoroughly cleaned in the evenings and greyhounds can be attended to.
- 5.6. Where natural lighting is not possible, artificial lighting should be used and be similar in duration and intensity to natural lighting.
- 5.7. Kennels should be adequately ventilated to minimise undue draughts, odours and moisture condensation. Greyhounds must not be in contact with wet floors for extended periods of time.

Policy number: [GRNSW WF01]

Page 5 of 13



- 5.8. Measures should be in place to reduce the impact of sudden noise.
- 5.9. Noise from barking greyhounds should be managed to comply with local government noise regulations and may be managed by:
- Positioning kennels so that they do not face each other;
 - Limiting external stimulation by placing partitioning between kennels or using blinds;
 - Holding greyhounds singly or in compatible pairs;
 - Turning lights off after feeding;
 - Exercising greyhounds away from greyhound housing.
- 5.10. The extended use of barking muzzles is not permitted.
- 5.11. The use of barking muzzles at race tracks is strictly prohibited.

6. Bedding

- 6.1. Greyhounds must be provided with a clean and dry dedicated sleeping area, with flooring to be of fixed construction or concrete. Outdoor greyhound housing must be partially enclosed to provide greyhounds with sheltered sleeping areas that can protect them from the rain and wind.
- 6.2. All greyhounds should be provided with raised wooden sleeping boards, dog houses or trampoline-style beds to insulate them from the floor. Sleeping areas and bedding must be regularly kept clean, hygienic and dry and bedding and blankets should be changed frequently.

7. Hygiene

- 7.1. Greyhound areas must be kept clean so that diseases are controlled and greyhounds are comfortable. Greyhound areas should be left dry after cleaning and be dried with a mop or squeegee.
- 7.2. Cleaning and disinfecting agents should be chosen on the basis of their suitability, safety and effectiveness. Manufacturer's instructions for the use of cleaning and disinfecting agents must be followed keeping in mind that solutions that are diluted too much may be ineffective solutions that are too concentrated may be toxic.
- 7.3. Urine and faeces should be removed at least once a day from greyhound housing areas and exercise areas.
- 7.4. Housing and exercise areas should be cleaned daily, and disinfected at least once each week, before new puppies or greyhounds are introduced. Kennel enclosures should be disinfected at least once a week with practices in place to minimise odour from kennels. Food preparation and storage areas must be maintained in a hygienic standard.
- 7.5. Urine, faeces and food wastes must be disposed of promptly and hygienically and in accordance with local government requirements. Floors of outdoor greyhound

Page 6 of 13

Policy number: [GRNSW WF01]



housing areas should be sloped to enable waste and water to run off. External yards should be designed to minimise run off and potential contamination. A collection drain may be provided and fitted with fine mesh wire baskets to trap hair and waste. The baskets should be cleaned daily.

- 7.6. Use of a trade waste service for collection and disposal of wastes is preferred. Waste should not be incinerated on-site.

8. Pest Control

- 8.1. Effort must be made to effectively control pests, including flies, fleas, mosquitoes and rodents.
- 8.2. Chemicals used for vermin control must be registered under relevant Commonwealth and NSW agriculture and veterinary chemicals legislation as highlighted on the labels, and used only in accordance with manufacturer's instructions.
- 8.3. Because greyhounds and humans may be adversely affected by pest control agents, expert advice should be sought before pest control operations are carried out.

9. Nutrition

- 9.1. Greyhounds should be provided with adequate amounts of good quality food and fresh clean drinking water daily to maintain optimal health at all times.
- 9.2. All food should be stored in a secure hygienic area. A variety of foods should be supplied.
- 9.3. Adult greyhounds must be fed daily. Pregnant and lactating greyhounds, pups up to 6 months of age, should be fed twice daily.
- 9.4. Pregnant and lactating greyhounds require approximately twice the amount of food required normally.
- 9.5. Food should be prepared hygienically and served in appropriate containers, i.e. non-chewable and non-spillable bowls. They must be readily accessible, positioned to avoid spillage and contamination by urine or faeces, and must be cleaned daily.
- 9.6. Food should be stored appropriately, with dry food kept in a rodent-free place and fresh meat kept refrigerated.
- 9.7. Uneaten food should be removed and disposed of promptly so that it does not spoil or attract pests.
- 9.8. Fresh water in non-spillable containers must be available at all times.

10. Exercise

- 10.1. Greyhounds must have the opportunity once or twice a day for exercise to:

Policy number: [GRNSW WF01]

Page 7 of 13



- allow them to be checked over;
- allow them to stretch their limbs; and
- give them contact with humans.

10.2. Exercise can be provided by walking greyhounds on a lead for a minimum of 30 minutes once daily or 15 minutes twice daily. Very active, very old or injured greyhounds may require more or less exercise than the above.

10.3. If the greyhound is not being raced it should be given an opportunity to be exercised in suitable exercise areas. Measures should be in place to minimise the deterioration of exercise areas to bare earth, i.e. turf, concrete or suitable animal flooring.

10.4. When greyhounds are walked on the footpath of busy roads handlers should take extra care to ensure that the greyhounds are safe from escaping into the path of vehicles. A walking machine can be used to assist in exercising greyhounds but should not be seen as a replacement for outdoor walking and environmental stimulation.

11. Health and Veterinary Care

11.1. Before a greyhound is admitted, the following information should be recorded:

- The greyhounds registered name;
- Name, address and telephone number of its owner;
- Expected date of collection by owner;
- A description of the greyhound including:
 - Sex
 - Breed
 - Microchip
 - Earbrand
 - Colour
 - Age
 - Distinguishing Features
 - Condition and weight
- All health records including vaccination status and heartworm prevention status;
- Details of medical and dietary requirements; and
- Name and contact telephone number of a veterinarian who normally attends the greyhound.

11.2. Each greyhound should be checked at least once daily to monitor its health and comfort. Any changes in health status should be recorded and promptly addressed.

11.3. The person checking the greyhound should note whether each greyhound:

- is eating
- is drinking
- is defecating
- is urinating
- is behaving normally
- is of normal appearance
- is able to move about freely
- has a normal coat.

Policy number: [GRNSW WF01]

Page 8 of 13



- 11.4. Owners of greyhounds must be asked to sign an agreement authorising provision of necessary veterinary treatment. The Trainer should liaise with a veterinary practitioner to provide advice and treatment as required. The veterinary practitioner must be able to attend to any greyhounds in his or her care, and advise on disease prevention measures.
- 11.5. Immediate veterinary care must be provided for sick or injured greyhounds, to relieve pain, suffering and distress. Veterinary attention must be sought by for any greyhounds showing any of the following conditions:
- Runny nose
 - Repeated sneezing
 - Coughing
 - Runny, discharging or inflamed eyes
 - Inability to stand or walk
 - Lameness (i.e. disturbance in ability to move)
 - Apparent pain
 - Fits or staggering
 - Extreme lassitude (i.e. lack of energy)
 - Vomiting
 - Severe diarrhoea, especially if bloodstained
 - Inability to urinate or defecate
 - No appetite
 - Bloating of abdomen
 - Weight loss
 - Bleeding or swelling of body parts (other than the vulva of a female on heat).

12. Disease Prevention and Notification

- 12.1. Greyhounds must be vaccinated in accordance with the GRNSW Greyhound Racing Rules or as directed by GRNSW in consultation with a veterinarian. Vaccination against distemper, hepatitis, parvovirus and canine cough is required (C5). A current vaccination certificate (certifying that vaccination was completed in the preceding 12 months) must be produced for each greyhound before admission.
- 12.2. Internal and external parasites must be controlled through routine preventative treatments.
- 12.3. All greyhounds are to be protected from distress or injury caused by other greyhounds and:
- Greyhounds known or suspected to be suffering from an infectious disease should not be admitted to the premises;
 - Greyhounds that are suspected or have been diagnosed as having an infectious disease must be isolated in facilities either within the greyhound premises or at a veterinary premises.
- 12.4. Due to the mobile nature of greyhounds, Trainers are required to advise GRNSW of any suspected outbreak of an infectious disease and take immediate steps to isolate the suspected greyhound(s) until the infection is formally diagnosed by a veterinarian.



12.5. Under Greyhounds Australasia Rule 84A, the person in charge of a greyhound must keep and retain records on all vaccinations, worming and medical treatments administered to a greyhound from the time the greyhound enters their care until the time the greyhound leaves their care. A person in charge of a greyhound will be required to keep and retain treatment records for a period of two (2) years.

12.6. Trainers are required to record treatments for any greyhound in their care from the age of 14 months until its retirement from racing. It is expected that the treatment records are kept at the Trainer's premises and it is not the intention of Stewards to request this record of treatment at a race meeting. If the record is requested outside of a kennel inspection, GRNSW will allow sufficient time for the person to produce the record.

13. Transport

13.1. Greyhounds may be transported to and from race meetings, training sites, exercise sites, veterinary visits, stud purposes or other appropriate purposes. Trainers must ensure that at all times greyhounds are transported in a way that does not cause injury or stress and in the shortest practicable time.

13.2. Any vehicle especially designed or regularly used for transporting greyhounds should:

- Protect greyhounds from injury during transportation;
- Have non-slip floors;
- Have enough room for the greyhound to adequately stretch in a standing position and lie down comfortable during transport;
- Provide easy access and operator safety;
- Protect against extremes of temperature;
- Protect against escape of greyhounds; and
- Be easy to clean and disinfect.

13.3. Suitable modes of transport for greyhounds include:

- Enclosed trailers - insulated and ventilated;
- Appropriately sized cars with owner or handler; and
- Rear compartments of station wagons.

13.4. Modes of transport that are not suitable include:

- Wire cages in trailers or utilities which are open to the elements; and
- Non-ventilated or non-insulated trailers.

13.5. Before the commencement of each trip, the Trainer must ensure that the mode of transport is in a sanitary condition. It must also be kept in a clean condition for the entire duration of each trip.

13.6. Trainers must ensure that good quality water is provided to each greyhound at least every six hours, or more frequently on hot or humid days. Provision of electrolytes should also be considered in extreme hot or humid conditions.



- 13.7. A greyhound should not be kept in a mode of transport for more than 6 hours without breaks provided. A break should consist of being let out of the mode of transport for at least ten minutes.

14. Euthanasia

- 14.1. Euthanasia should only be considered where a greyhound becomes seriously ill or injured and where it is recommended by a veterinarian who has examined the greyhound.
- 14.2. Permission from the greyhound owner or nominee, preferably in writing, must be obtained.
- 14.3. Euthanasia should only be performed by a veterinarian by intravenous administration of an overdose of pentobarbitone sodium unless there are compelling reasons to use another method to humanely destroy the greyhound.
- 14.4. The use of firearms to kill animals should be limited to emergency situations only. Where firearms are used, operators must be appropriately licensed, trained and experienced, and animals must only be humanely killed in areas away from the sight and hearing of other animals and the public.
- 14.5. In accordance with Greyhounds Australasia Rule 106 (3), the last registered owner of the greyhound must notify GRNSW within two working days if a greyhound has been humanely euthanised by a veterinary surgeon by lodging the prescribed form.
- 14.6. The method of disposal and/or location of burial must be recorded and documented by the Trainer.

15. Training and Educating Greyhounds

- 15.1. Training facilities must be constructed and maintained to minimise risks to greyhounds and persons.
- 15.2. All equipment used in association with greyhound education or training must be recorded in a facility register. This register should be updated when equipment is maintained or repaired. Examples of equipment may include:
- lures, quarry or baits;
 - bullrings;
 - slipping tracks;
 - walking machines; and
 - starting boxes.
- 15.3. The use of any live animal, animal carcass or part of an animal in greyhound education, training or racing is strictly prohibited.
- 15.4. A lure is defined under the Greyhounds Australasia Rules as any item, natural or man-made, that is used in any way for the purposes of encouraging or enticing a



greyhound to pursue, attack or excite it in response. The terms quarry and bait have the same meaning. A Trainer is only permitted to use lures approved by GRNSW.

15.5. GRNSW approves lures that:

- are made up of synthetic materials only; and
- may contain an audible device.

15.6. "Synthetic materials" means non-animal derived materials. As such, the use of any live animal, animal carcass or part of an animal (including for example animal-derived wool, fur, feathers or tanned and professionally processed skin) as a lure in greyhound training, education or racing is strictly prohibited.

15.7. A Trainer must take reasonable steps to ensure that a greyhound does not pursue or attack any live animal. This includes ensuring that there are no other animals present on the same property where greyhounds are housed.

15.8. Where any animal other than a greyhound is kept at the premises as a domesticated pet or is kept for rural or agricultural purposes, the Trainer must notify GRNSW by completing the animal declaration form.

15.9. Trainers must notify GRNSW of permanent domestic pets on the premises. Domestic animals kept as pets must be identified by microchip if required under the *Companion Animals Act 1998* (NSW). Further, Trainers must notify GRNSW if they own a property where greyhounds are trained and cattle, sheep or other livestock are bred or reared. Where a person is conducting an agricultural business, there must be a clear and secure delineation between the greyhound and livestock areas.

15.10. Trainers are not expected to notify GRNSW of each and every instance where animals appear on the property. For example notification may not be required or expected:

- on occasions where stray animals such as kangaroos or cats appear on the premises; or
- for the exact numbers of animals used for rural or agricultural purposes.

15.11. Where Trainers are in doubt, they should declare all relevant information to GRNSW by completing the animal declaration form.

16. Standard Agreements

16.1. GRNSW strongly recommends that all Managers enter into a formal agreement with their clients to help avoid disputes and potential legal action in the future.

16.2. To assist both Managers and their clients, GRNSW has developed a standardised training agreement and a standardised rearing agreement template.

16.3. This is a template that both parties can use to document any finalise the terms of any training arrangements.

16.4. These templates are available under at GRNSW's website at www.thedogs.com.au.

Page 12 of 13

Policy number: [GRNSW WF01]



Consequences of a breach of this policy

A failure to comply with this policy may result in the imposition of a penalty under the GRNSW Greyhound Racing Rules. The maximum penalty that may be imposed is \$22,000 or suspension, disqualification and/or cancellation of registration.

Registered participants should make themselves familiar with the GRNSW Racing Rules. Trainers in particular should be aware of the Rules specific to all racing matters, including breeding, grading, incapacitations and prohibited substances. Please note that these Rules are continually amended. All amendments are undertaken through the co-operation of all affiliated greyhound racing bodies as well as Greyhounds Australasia.

Definitions

In this policy:

Code means the Code of Practice for the Keeping of Greyhounds in Training.

Rules means the GRNSW Greyhound Racing Rules.

Amendments to, and operation of, this policy

GRNSW reserves the right to amend this policy at any time.

Policy information

Effective dates

Date policy was made: April 2011
Commencement date of this version: 1 December 2015

Policy details

Policy number: GRNSW WF01
Policy owner: Chief Veterinary Officer
Date for review: As required

Revision history

Version	Date	Description
1.01	April 2011	Board Approval
1.02	19 June 2015	Revised Format Endorsed
1.03	1 December 2015	1 December 2015 policy update

KENNEL INSPECTION FORM

OTR PTR BRE
 TYPE OF INSPECTION: NEW ROUTINE OTHER
 NAME: KEITH SELTEN
 ADDRESS: 73 SOMERS LAKE ALISO
 MURRAMBA 2792 ALTA FINNEY OTR 207337
 NO. OF WHELP BOXES: 2 NO. OF KENNELS: 10
 BREEDING: 10
 PUPS: 13
 RACING / TRAINING: 10
 SPELLING: 4
 TOTAL GREYHOUNDS PERMITTED ON PROPERTY: 40
 GREYHOUND COUNTS PERMITTED (PROPERTY CAPACITY):

USING / KENNEL CONSTRUCTION	COMPLIANT / NON-COMPLIANT										WORK DIRECTIVES		DUE DATE	
	2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	2.10				
USING / KENNEL SIZE	3.1	3.2	3.3	3.4	3.5	3.6							NEW KENNELS LARGE INSULATED SIDED WELL FENCED ON A 1.80M x 30M W/HELPOUT ENCLOSURES	
URITY STANDARDS	4.1	4.2	4.3	4.4	4.5	4.6							(10) 1.2 x 2.60 VERY SECURE	
IRONMENT	5.1	5.2	5.3	5.4	5.5	5.6	5.7	5.8	5.9	5.10			DAMAGED INSIDED & EXTERNAL KENNELS. GOOD AIRFLOW RAISED WOODEN BEDS. BRIDGE PANELS	
DIENE AND CLEANING	7.1	7.2	7.3	7.4	7.5	7.6							KENNELS YARDS FOOD PREP ALL EXCELLENT. SOME SNAKES PUTTING IN MESH AROUND YARDS	
T CONTROL	8.1	8.2	8.3										MURRAMBA PET SUPPLY WALKING TRACK IN YARDS WALKING M/C - SLIP TRACK	
TRITION	9.1	9.2	9.3	9.4	9.5	9.6	9.7	9.8					CURE HARRISON	
RCEISE	10.1	10.2	10.3	10.4									FEUPROL TREATMENT RECORDS GOOD.	
ALTH AND VETERINARY CARE	11.1	11.2	11.3	11.4	11.5								4 DOG TRAILER + UTE	
EASE PREVENTION	12.1	12.2	12.3	12.4	12.5	12.6	12.7						REMOVE VIA GAP. KEEP AS PER.	
NSPORT	13.1	13.2	13.3	13.4	13.5	13.6	13.7						STARTER BOX LURE / SOUNDER	
HANASIA	14.1	14.2	14.3	14.4	14.5	14.6							YARDS VERY GOOD SET UP ALL GREYHOUNDS	
INING AND EDUCATING	15.1	15.2	15.3	15.4	15.5	15.6	15.7	15.8	15.9	15.10			NO GREYHOUNDS AT PREVIOUSLY NON APPROVED YARDS COM	

FREE, AT ALL TIMES, TO OBSERVE AND BE BOUND BY THE GREYHOUND RACING ACT 2009, THE GRNSW GREYHOUND RACING RULES AND THE GRNSW CODES OF PRACTICE
 WITNESS NAME: Keith Selten
 INSPECTOR NAME: Paul Curry
 WITNESS SIGNATURE: *Keith Selten*
 INSPECTOR SIGNATURE: *Paul Curry*
 DATE: 15/6/16
 DATE: 15/6/16

REPORT OF SOUND LEVEL DETERMINATION

For Keith & Alita Selten

73 Somers Lane Mandurama NSW 3rd August 2016

This report for sound readings at Somers greyhound kennels was different to previous reports I carried out for Blayney Motors Service & Repairs in Waters street and for Western White Linen Blayney, however over many years of dog ownership, I believe I have sufficient knowledge of their general habits to offer comments within this report.

Sound level readings were taken between 3:00 pm and 4:32pm on wed 3/8/2016 after two previous attempts during July when I did not record any sound levels due to inclement weather conditions, however I did observe on all occasions a companion dog in the residence X as marked on the general site plan did bark when I passed each time but there was no other responsive barking from the Somers shed or kennels 80 to 100m away.

The meter readings taken 3/8/16, shown on the chart supplied were carried out with fine slightly cloudy and less than 5m/s wind conditions at the positions marked on the area plan supplied. The meter was set at the range 40-70 DbA and readings were taken for the ambient and other activities for both time frames. The later readings were taken at the general time for the greyhounds in the shed to be exercised and then fed. At the time of recording several vehicles passed by and their sound levels are included on the chart.

From the time to lead up 5 and 6 dogs respectively for their exercise at around 4:30pm no increase in sound levels recorded above 40dBA , it should be noted that the meter does not show readings below this value as shown in the copy of meter brochure. The exercise distance from the shed is approx 250m out and return on each occasion and is carried out within 73 Somers Lane property marked blue on the plan. The dogs came within 50m of the meter without increasing the sound level and were apparently easy to exercise.

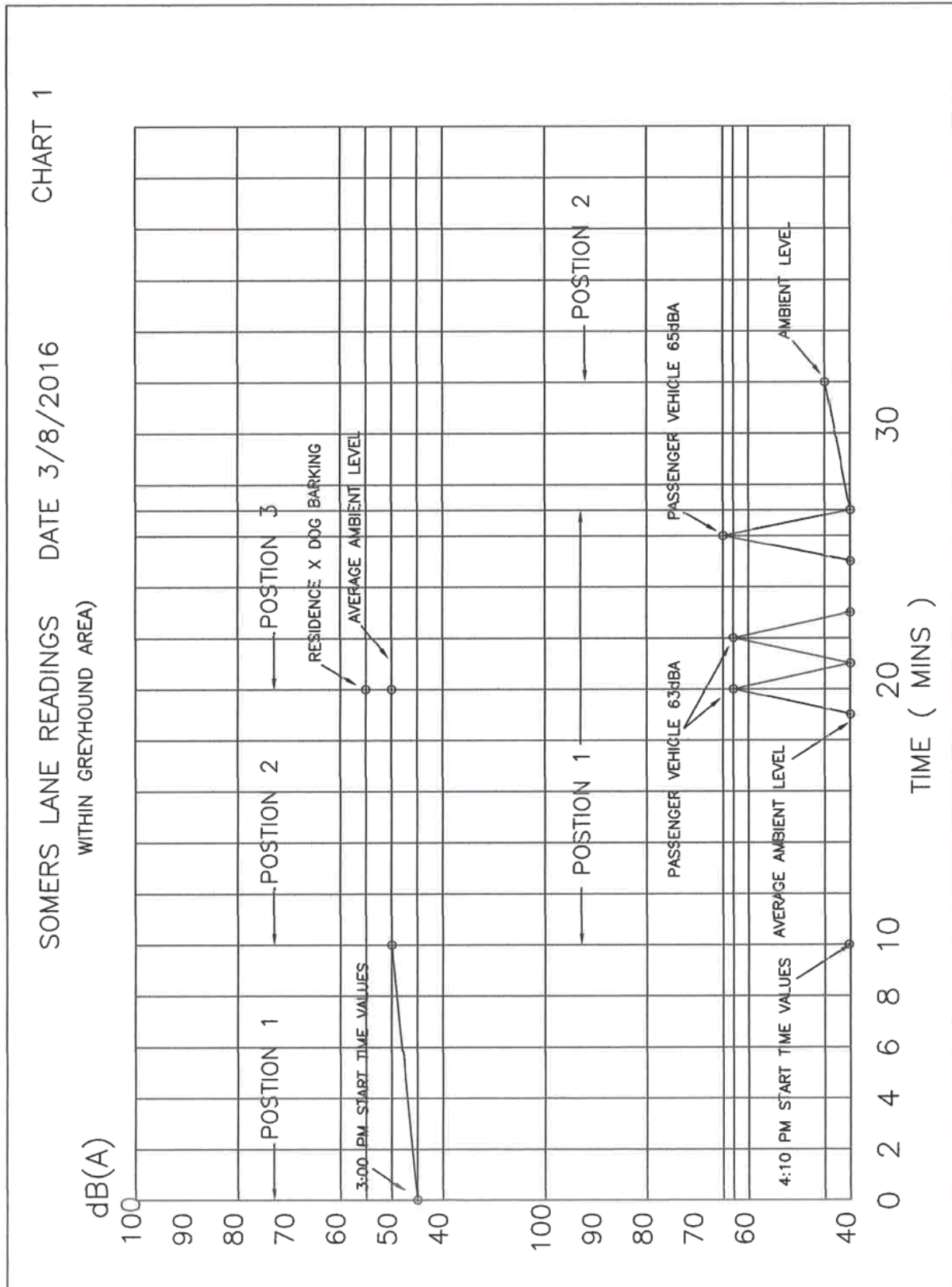
I assume some dogs could whimper if not fed on time, this could apply to any group of greyhounds at any time but was never observed by myself during any visit to Somers area. During all visits the greyhounds in question behaved well and when on exercise showed no signs of chasing wild animals, the horses or barking on the property. It think it would be time consuming and difficult to attempt to record such activities, and I suggest there would be very little possibility to record such a situation with the well kept greyhounds that I observed within the Somers kennels.

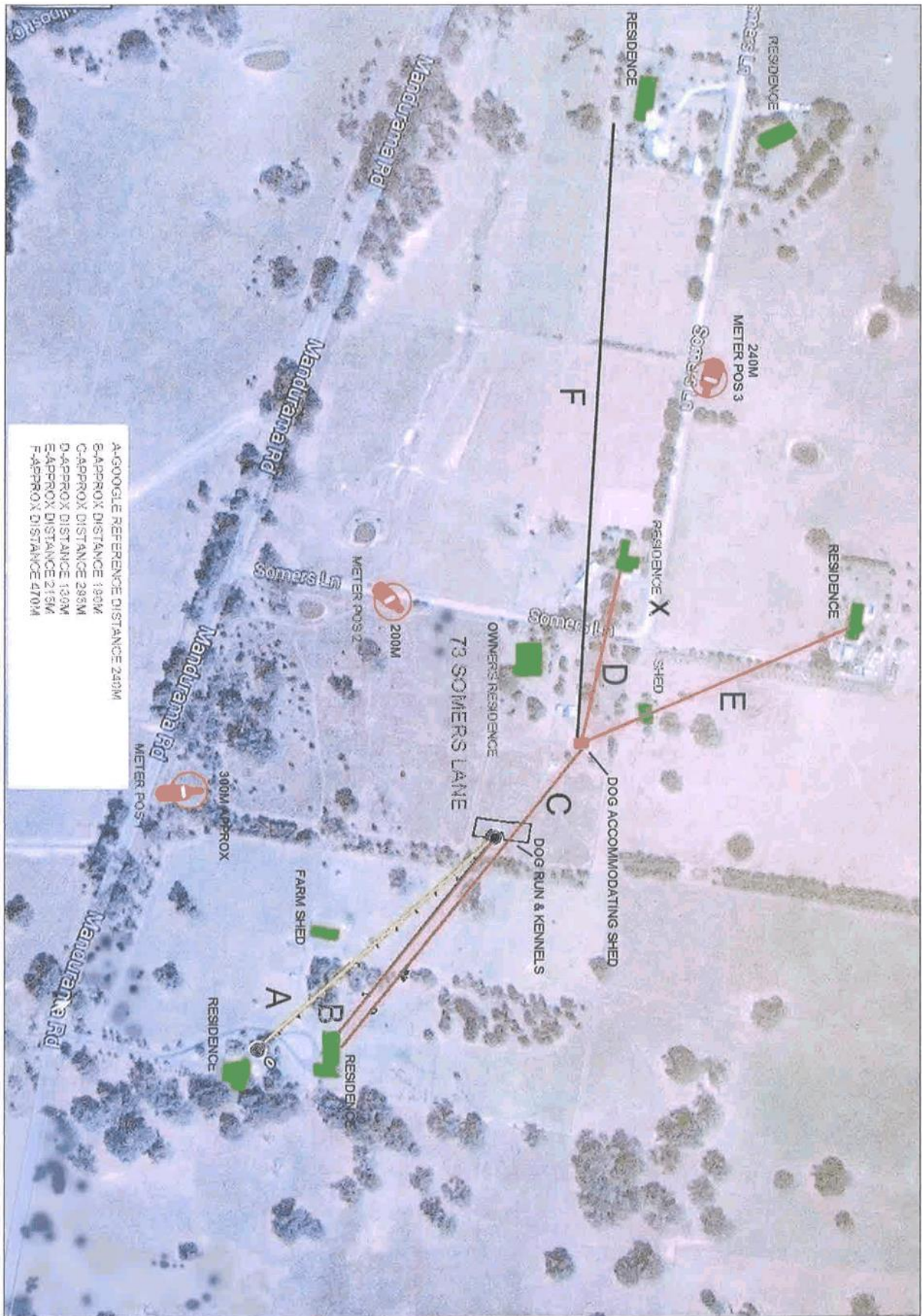
The recording positions were chosen in an attempt to cover most residences should the greyhound be heard at the time of recording, to date this has not been the case and I make no claim that the dogs do not make any noise at other times, how many visits would be required to find out if there is any noise and then, if it is a problem?. Copies of the overall site plan, sound record chart and meter details have been included for your reference.

Allan Edwards M.E.C.
6 Binstead St Blayney 2799

5th August 2016







The automatic shut-off feature will resume the next time the meter is turned on.

Replacing the Battery

When the screen displays BAT in the bottom left corner, the 9V battery has fallen to a critically low voltage level and should be replaced as soon as possible. Use a screwdriver to unscrew the back battery compartment cover. Insert a fresh 9V battery and screw the cover.

Measurement Frequency Range	200Hz – 6kHz
Accuracy	±2.0dB
Measurement Level A Weighting	40dB-130dB
Measurement Level C Weighting	45dB-130dB
Measurement Level Range	4 ranges: 40-70dB, 60-90dB, 80-110dB, 100-130dB
Auto Range	40-130dB
Time Weighting	Fast and slow
Digital Display	3 1/2 digit LCD, 0.1dB resolution updated every 0.5sec.
Quasi-Analogue Bar Indicator	1dB display steps, 30dB display range, updated every 50ms
Microphone	(9mm(5/8")) electric condenser microphone
Analogue Output	AC: 0.707Vrms (at full scale)
Standard Accessories	Instruction manual, battery

Operation Temperature: 0-50°C, 10-100% relative humidity
 Storage Temperature: -20-60°C
 Battery: Single 9V battery
 Size: 72mm x 182mm x 30mm (2.8" x 7.2" x 1.2")
 Weight: 150g

12 MONTH WARRANTY

DICK SMITH ELECTRONICS PTY LTD will, at our discretion, repair or replace this product without charge, if it fails due to defects in material or workmanship within 12 months of purchase.

DICK SMITH ELECTRONICS PTY LTD will not recognise a warranty claim if the equipment has been subject to misuse, incorrect installation, accident, or if the serial number or circuitry of the unit has been tampered with in any way.



Dick Smith Electronics Pty Limited
 Cnr Lane Cove & Waterloo Roads, North Ryde NSW 2113
 Telephone (02) 9937 3200



Digital Sound Level Meter

Q 1362



Owner's Manual

Introduction

Your digital sound level meter provides automatic or manual ranging in 4 measurement ranges from 40 to 130dB, and features 0.1dB resolution.

The meter allows you to select between fast and slow response times and 'A' or 'C' weighting. A maximum hold function is provided. Jacks on the meter provide AC analogue output.

Measuring Sound Levels

Sound levels are displayed both digitally and in a bar graph. The digital display is updated every 60ms whilst the bar graph is updated every 40ms.

1. Press the ON/OFF key to turn the meter on. The unit will first display the full screen and "18.8.8", then count down from 99.9 to zero. The meter will now begin measuring the current sound levels.
2. Point the microphone toward the source of the sound to be measured.

Selecting the Response Time

You can select fast or slow response times to suit different applications and standards.

When you turn the meter on, it will be in fast response mode. Press the FAST/SLOW key to toggle between fast and slow response. A small FAST or SLOW indicator will be displayed on the right side of the screen to indicate the current mode.

Selecting A and C Weighting

When you turn the meter on, it will be in 'A' weighting mode. 'A' weighting enables the meter to respond in the same manner as the human ear, which increases and decreases amplitude over the frequency spectrum. 'C' weighting is suitable for flat response measurements with no increase or decrease of amplitude over the frequency spectrum. Applications for 'C' weighting include the sound level analysis of engines and machinery.

1. Press the WEIGHTING A/C key to select between 'A' and 'C' weighting. A small 'A' or 'C' will be displayed on the right side of the screen to indicate the current mode.

Freezing the Maximum Sound Level Reading

1. Press the ON/OFF key to turn the meter on.
2. When measuring sound levels, press the MAX HOLD key to freeze the maximum reading. MAX HOLD will be displayed. The digital display will remain unchanged until a higher reading is detected. Note that the bar graph will continue to record the current reading.
3. Press the MAX HOLD key again to exit maximum hold mode.

Recording the Maximum and Minimum Measurements

1. Press the ON/OFF key to turn the meter on.
2. Press the RECORD key REC. will be displayed on the corner of the screen, then the meter will begin tracking the maximum and minimum sound level measurements.
3. Press the RECORD key again MIN will appear in the middle of the screen and the minimum sound level measurement will be displayed. The unit is not recording at this time but the bar graph will continue to show the current reading.
4. Press the RECORD key again MAX will appear on the screen next to REC. The maximum sound level reading is then displayed. The unit is not recording at this time but the bar graph will continue to show the current reading.
5. Press the RECORD key again to resume recording and repeat the process.
6. Press and hold the RECORD key until the RECORD indicator disappears to exit the recording.

Selecting Automatic and Manual Ranging

The meter features 4 measurement ranges: 40-70dB, 60-90dB, 80-110dB and 100-130dB.

When you turn the meter on, it will be in automatic range mode and a small AUTO will be displayed on the left side of the screen. In this mode, the meter will adjust the measurement range automatically for accuracy. The two digit number to the left of the bar graph on the LCD will show the low end of the current range. You can also set the range manually. This is helpful when you know the measurement range in advance. The meter will be able to take readings more quickly, as the meter does not need to first establish the range before displaying the measurement.

To Adjust the Range Manually

1. When measuring sound levels, press the RANGE keys as needed to adjust the measurement range. MENU will appear on the display. Note that the two digit number to the left of the bar graph will change to reflect the low of the newly selected range.
2. Press and hold the RANGE key to switch back to automatic ranging.

If the meter is operating in manual range and LO is displayed, the sound is too low for the range. If HI is displayed, the sound is too loud for the range. In either case, you must adjust the measurement range or your readings will be inaccurate.

Automatic Shut-off

The meter will turn off automatically after 20 minutes to preserve the battery.

To override this feature:

1. Make sure the unit is turned off.
2. Press and hold the MAX HOLD key, then press the ON/OFF key to turn on the unit.
3. When the unit displays "0", release the MAX HOLD key.
4. The meter will remain on until the ON/OFF button is pressed again.

Matters to be dealt with in closed committee

In accordance with the Local Government Act (1993) and the Local Government (General) Regulation 2005, in the opinion of the General Manager, the following business is of a kind as referred to in Section 10(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public.

17) SALE OF LOT 1/DP 813003 MARIA STREET BLAYNEY

This matter is considered to be confidential under Section 10A(2) (c) of the Local Government Act, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.