



**ATTACHMENTS TO REPORTS OF THE BLAYNEY SHIRE COUNCIL MEETING
HELD ON MONDAY 21 NOVEMBER 2022**

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Input into the review of the IPART methodology for rate peg increases

November 2022





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3 November 2022

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[Have your say | IPART \(nsw.gov.au\)](https://www.ipart.nsw.gov.au)

To Whom it May Concern

Joint Organisations (JOs) were proclaimed in May 2018 under the NSW Local Government Act 1993. The Central NSW Joint Organisation (CNSWJO) represents over 200,000 people covering an area of more than 50,000sq kms comprising the Local Government Areas of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes, Weddin, and Central Tablelands Water.

Tasked with intergovernmental cooperation, leadership and prioritisation, JOs have consulted with their stakeholders to identify key strategic regional priorities. The CNSWJO Strategic Plan can be found here: https://docs.wixstatic.com/ugd/51b46b_31886650ecf546bc916f15e99a733b3e.pdf

The Central NSW Joint Organisation understands IPART is seeking feedback from councils and other stakeholders as it reviews the methodology for rate peg increases (the Review).

Firstly, thank you for the opportunity to provide feedback on an issue that goes to the heart of the two greatest challenges for Local Government, **sustainability and the relationship with the State**. These two challenges were identified at the Destination 2036 Conference in Dubbo in 2011.

"In fact the prevalent option was that the financial difficulties and infrastructure gap facing Councils had been created by rate pegging on NSW Councils over the last 30 years,"

"The universal call was to remove rate-pegging, stop cost-shifting and to review the tax system so that local government is acknowledged in tax revenue for the many essential services and facilities they provide."¹

Both of these challenges remain today. The IPART determination of the rate peg as 0.7% is a clear and present reminder of this ongoing parlous situation which ultimately impacts communities across NSW with a greater impact on non-metropolitan communities as they have a greater breadth of service delivery.

This Joint Organisation, like others, and the Local Government sector more broadly has advocated for years for change in the Local Government Cost Index. Change is only happening because the 0.7% rate rise this year has exposed a methodology which for decades has been profoundly wrong. That Councils had to progress "Special" Rate Variations to manage this travesty is quite simply a bastardisation of the English language. The ongoing continuation of Councils having to undertake this tortuous process because the BAU costs to Councils have not been effectively recognised by the LGCI since its inception is exemplified by the "Special" rate variation process this year to manage a blatantly wrong number generated by IPART.

¹[Amalgamation raised its head at Destination 2036 - Government News](#)

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CNSWJO and before it, Centroc has consistently advocated the removal of rate pegging on the grounds that:

- electoral accountability has already proven to be a highly effective tool in containing rates;
- the introduction of Integrated Planning and Reporting (IPR) in 2009 further enhanced accountability and community engagement, further rendering rate pegging unnecessary and frustrating effective IPR; and
- rate pegging has been serving to create an ever-expanding funding deficit for NSW councils. This has been recognised in numerous reports and reviews over the past 20 years.

Ironically, IPART's findings on why a Waste Peg was not required apply to the Rate Peg, these being:

- It did not reflect costs increases beyond council control;
- There were methodology and data limitations. It was difficult to find one rate for all; and
- It limited councils' ability to provide what the community wants.

CNSWJO acknowledges that the discontinuation of rate pegging is outside the scope of this Review and is a matter of NSW Government policy. However, CNSWJO maintains that a review of the rate peg methodology needs to address the policy it is based on and the outcomes the methodology is designed to deliver. Rate pegging is the fundamental question. **In the Board's view, as public servants, IPART ought to provide fearless and frank advice that the political arm of government is welcome to ignore. This is particularly the case as IPART is nominally independent.**

2. Background

Local government is under sustained financial stress. This is a result of;

- the compounding impacts of rate pegging;
- growing populations where mandatory Treasury Common Planning Assumptions under report this growth with its knock on impacts for further service delivery for Councils as they meet the gap;
- increased responsibilities; and
- cost shifting from the Federal and State governments including declining Commonwealth Financial Assistance Grants (in real terms).

Cost shifting by the NSW Government onto local government is currently estimated to be around \$800 million per annum (representing over 6% of total local government revenue). Rate pegging is foremost among them.

This is exacerbated by the willingness of the NSW government to persist with just plain bad legislation, like Red Fleet which further deteriorates Council's financial sustainability as well as exposing them to potential litigation.

The NSW Productivity Commission, reinforced by IPART who has reached similar conclusions, has confirmed the long-held view of local government and the findings of numerous Inquiries over many years that the rate peg is not working. Both the Productivity Commission and IPART have concluded that rate pegging does not provide councils with adequate revenue to fund the infrastructure and services needed to support communities. This is resulting in declining per capita revenue and a growing revenue gap. NSW per capita rates are lower than any other state and the Productivity Commission estimates that NSW councils have foregone \$15 billion in rate revenue over the past 20 years compared to Victorian councils, as the result of rate pegging.

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That the Government has finally accepted this after 40 years is a major step forward in itself, and hopefully will open the door to other necessary reforms in future.

Finally, rating capping undermines local governance and the ability for communities to be masters of their place and its future. It undermines the Local Government Act at its heart – Integrated Planning and Reporting. It is lazy, disempowering, bad economics and poor strategic practice. It exacerbates Councils' poor relationship with the State and their deteriorating financial position.

3. Response to the Terms of Reference

CNSWJO understand the Terms of Reference for the Review to be:

Possible approaches to set the rate peg methodology to ensure it is reflective of inflation and costs of providing local government goods and services;

- *Possible approaches to stabilising volatility in the rate peg, and options for better capturing more timely changes in both councils' costs and inflation movements;*
- *Alternate data sources to measure changes in councils' costs;*
- *Options for capturing external changes, outside of councils' control, which are reflected in councils' costs;*
- *The effectiveness of the current LGCI approach;*
- *Whether the population growth factor is achieving its intended purpose.*

In undertaking the review, IPART should have regard to:

- *The Government's commitment to protect ratepayers from excessive rate increases and to independently set a rate peg that is reflective of inflation and cost and enabling financial sustainability for councils.*
- *The differing needs and circumstances of councils and communities in metropolitan, regional and rural areas of the State*
- *Ensuring the rate peg is simple to understand and administer.*

The CNSWJO Board would like to express its disappointment that the sector was not effectively engaged in the creation of these Terms of Reference and makes passing comment that this exemplifies the extent to which the NSW Government does things to the local government sector, not with it. Excluding the Local Government sector from the development of the Terms of Reference just perpetuates the comparatively dismal relationship in NSW between Local Government and the State.

4. Response to the questions raised by IPART

1. **To what extent does the Local Government Cost Index (LGCI) reflect changes in councils' costs and inflation? Is there a better approach?**

Like previous submissions to IPART on the LGCI, this submission suggests that the LGCI does not adequately reflect actual movements in council costs. Additional costs need to be included and there needs to be provision for adjustments for cohorts of councils and individual councils. Finally, there needs to be some type of quality stop process that prevents just plain wrong numbers being spat out of any formula – for example the 0.7% in 2022.

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The LGCI index is a one size fits all model, applying a standard basket of goods to all councils and applying an average weighting of these items across all councils. At best this provides an approximate indication of aggregate local government cost movements and there may be large variations between the peg and the actual outcome for individual councils or cohorts of councils. It does not recognise that different councils or council cohorts may have significantly different cost structures or “baskets of goods.” Examples from this region include:

- Rural Fire Service
- Emergency Services Levy
- Audit Risk and Improvement Framework costs (for example Assurance Mapping as described by the OLG costs a minimum of 100K per Council)
- Councils with high agricultural lands rating structure
- Councils that can't collect rates from State owned land (State forests and National Parks)
- Asset Revaluations
- Cybersecurity
- Additional planning activities where Councils report having to put on extra staff to manage the NSW Government Planning Portal
- Cost of elections
- Airports
- Road network size
- Remoteness and associated transport costs

The LGCI is a lagged or “rearward” facing index. A deficiency that IPART itself acknowledges. Furthermore, it is effectively a two-year lag, meaning that there can be a large difference between the LGCI and the actual cost increases councils are facing in the budget year in which it is applied. This is clearly demonstrated in the LGCI of 0.7% for 2022-23, (later adjusted to 2.5% after introduction of a one off Additional Special Variation), but now facing an inflation rate of over 7% in the subject year.

The LGCI needs to be re-designed as a more forward-facing index. This could involve the use of more timely data and/or forecast indicators. State and Federal Governments use forecasts in developing budgets. Forecasting is looking at multiple futures and have ability to have foresight in volatility such as those presented with the COVID-19 pandemic.

CNSWJO is open to the view that the indexes to be determined as a 3-year moving average. This would reduce volatility. However, this should again be subject to historical modelling to better understand what impacts this may have.

2. What is the best way to measure changes in councils' costs and inflation, and how can this be done in a timely way?

Data is not current enough. CNSWJO supports the widely held view that the LGCI needs to be re-designed as a forward-facing index. This could involve the use of more timely data and/or forecast indicators. State and Federal Governments use forecasts in developing budgets.

There needs to be several indexes for different council cohorts or categories e.g: metro, coastal, regional city, regional, rural remote. CNSWJO supports the introduction of multiple indices in principle if it can be demonstrated that there is or can be material differences. This needs to be subjected historical modelling and adopted if material differences are evident. Councils have similar but also unique pressures. Any forward-facing index needs a level of flexibility for Councils to plug into and utilise. In this approach a sound model is developed that can be worked through clusters and appropriate to a specific local government area. For example, staffing pressures are across every local government area however the reasons for staffing pressures can be different. Staffing wages vary for different Councils and as a collective, wages are not competitive to other levels of government or

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private industry. A breakdown of Council employees costs will show even greater discrepancies across the State and will be for different reasons and thus requiring flexibility in the index.

CNSWJO also supports the views that the basket of goods for each index needs to be updated more frequently and supports further research on the use of a 3-year rolling average to smooth volatility. Arguably, an annual review across the sector to account for change would be worthwhile given the extent to which Councils have to manage change in cost shifting and other imposts to their financial position.

There is potential to use Financial Return data.

Staff vacancies should be included in any forward modelling. The reasons for staffing vacancies vary and any model needs to predict multiple futures.

3. What alternate data sources could be used to measure the changes in council cost?

One approach involves introducing additional accurate data that reflects actual cost movements rather than applying proxy indices.

The most obvious example is to use the NSW Local Government (State) Award as opposed to NSW Public Sector Wage Cost Index, LGNSW have long argued for this change. This would provide a significant improvement to accuracy as:

- wage costs are the single largest component of council expenditure be a significant improvement as wage costs are the single largest component of council costs, representing nearly 40% of the LGCI
- it is a more accurate reflection of actual cost increases that are faced by councils
- it is forward looking measure.

Other examples that would be best applied at an individual council level include:

- Audit costs (which have escalated rapidly in recent years)
- Audit & Risk Improvement Committees costs (ARICs) which have been imposed on councils in recent years
- Emergency Services Levy
- Costs of elections
- Disability Factors
- SEIFA Index
- Inflation/CPI
- Operating statements – grants and contributions.

As noted in response to question 2, there is a need to adopt forward facing indicators. The Australian Bureau of Statistics (ABS), Reserve Bank, NSW Treasury provide CPI forecasts that could be substituted for LGCI components based on CPI, making forward determinations rather than lagged determinations.

4. Last year we included a population factor in our rate peg methodology. Do you have any feedback on how it is operating? What improvements could be made?

CNSWJO supports the introduction of a population growth factor in principle. However, the first two years of operation have produced inconsistent and counter intuitive results.

Given the importance of the impact of perverse impacts from population modelling, this region seeks to work with IPART on calculating the population factor. Data from the NSW Government Planning Portal could be helpful.

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5. How can the rate peg methodology best reflect improvements in productivity and the efficient delivery of services by councils?

Productivity improvements should be removed from the rate peg methodology. Productivity cannot be accurately measured across the local government sector as councils are too diverse.

It would need to be conducted on an individual council basis and even then would be complicated by the multifaceted operations of councils. Individual assessments are not consistent with a sector wide peg. It also adds unnecessary complexity to the peg. IPART has set the productivity factor at zero since 2018-19 demonstrating the above and ranged insignificantly between 0.0% to 0.2% when applied. The factor should be removed permanently.

Any productivity gains made by councils should be retained to invest in maintaining services or infrastructure maintenance and renewal. Penalising councils for productivity improvements introduces a perverse disincentive.

6. What other external factors should the rate peg methodology make adjustments for? How should this be done?

CNSWJO agrees that predictable costs, that apply to the whole sector such as election expenses and increases in superannuation guarantee contributions should continue.

CNSWJO also holds the view that the methodology should be modified to allow adjustments for external factors that affect groups of councils, affect councils unevenly or affect individual councils.

For example, the Emergency Services Levy (ESL) that has been included in the peg, does not fall evenly across councils, with the heaviest burden proportionally falling on rural/regional councils with a high RFS presence.

RFS asset depreciation is another factor that should be included.

7. Has the rate peg protected ratepayers from unnecessary rate increases?

This is a nonsense question and flies in the face of Integrated Planning and Reporting. Further it is an exemplar of the pervasive and unhelpful thinking that somehow the State needs to manage a very few examples of 'bad' Local Government through a sectoral response.

There is no evidence to support the conclusion that the rate peg has protected ratepayers from "unnecessary" rate increases. Comparisons with other States without rate pegging support the view that electoral accountability protects ratepayers from excessive rate rises.

Rather, rate pegging has been found to deprive communities of services and infrastructure.

The rate peg should be relevant and if the State is concerned about a potential crazy Council doing something terrible – set a minimum and maximum peg.

Finally, there is tension between trying deliver Council sustainability and keeping rates as low as possible.

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8. Has the rate peg provided councils with sufficient income to deliver services to their communities?

Not in this region. That “Special” rate variations are being sought to fund Business as Usual operations of Councils, like wage growth, as a result of the current model is both a travesty and misuse of the English language.

Further, it forces Councils to push their liabilities into the future making our children pay for today’s broken system. This is outside the principles of intergenerational equity enshrined in the Local Government Act.

9. How has the rate peg impacted the financial performance and sustainability of councils?

The rate peg has generally served to undermine financial sustainability. Based on OLG data, the majority of councils are producing consolidated operating deficits, with nearly all producing General Fund annual deficits with deteriorating trend lines.

The fact that the 178 SV applications were overwhelmingly for the purposes of ‘financial sustainability’ and addressing ‘asset backlogs’ and funding future ‘infrastructure obligations’ indicates that the rate peg is inadequate to support financial performance and financial sustainability.

The rate cap has forced Councils to

- Find efficiencies with the perverse outcome of incentivising cutting corners
- Reduce services, lessen maintenance on infrastructure
- Delay maintenance
- Undermine service provision
- Contravene the Local Government Act
- Go broke
- Fail to deliver on their Community Strategic Plans

10. In what ways could the rate peg methodology better reflect how councils differ from each other?

The rate peg methodology could potentially determine different pegs for different regions, categories or cohorts of councils. This would be justifiable if there are material differences in the outcomes.

CNSWJO recommends that historical modelling be undertaken to establish whether there are significant differences, and if so, they should be introduced immediately.

Examples from this region include:

- ESL
- RFS
- Unrateable land requiring Council services (National Parks and State Forests)
- Own source revenue capacity
- SEIFA
- Quantum of roads against population density
- Multiple delivery of community service infrastructure and services (eg pools)

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11. What are the benefits of introducing different cost indexes for different council types?

Any improvement to the current arrangement on rating capping will bolster local governance and the ability for communities to be masters of their place and its future. Rate capping undermines the Local Government Act at its heart – Integrated Planning and Reporting. It is lazy, disempowering, bad economics and poor strategic practice. It exacerbates Councils' poor relationship with the State and their deteriorating financial position.

Notable, regional and rural Councils are disproportionately adversely impacted by the current arrangements creating a socially unacceptable divide between metropolitan and non-metropolitan communities.

As Councils are unable to deliver services and infrastructure from own source income, so they must participate in the competitive funding framework with its associated significant input costs. There is opportunity for IPART to look at the broader funding framework for Councils and make recommendations to the NSW Government in that regard.

12. Is volatility in the rate peg a problem? How could it be stabilised?

The initial rate peg determination for 2022-23 of 0.7% clearly demonstrated that the volatility is a major problem where there are significant cost movements.

Stabilisation could be supported by:

- Using a range thereby allowing councils to stabilise
- Benchmarking – then allow a percentages above and below and explain why
- Benchmarking the rate peg against other indices like CPI

13. Would councils prefer more certainty about the future rate peg, or better alignment with changes in costs?

In the presence of volatility, the peg needs to better reflect actual cost movements.

14. Are there benefits in setting a longer term rate peg, say over multiple years?

This is potentially beneficial but only if increases are maintained in real terms. This would require adjustments if there is volatility that increases costs beyond those factored into the longer term peg. It would be difficult to accurately predict an accurate long-term cap.

15. Should the rate peg be released later in the year if this reduced the lag?

There are potential advantages in that the peg will better reflect actual costs. However, there are disadvantages in terms of certainty and forward planning. An alternative may involve continuing early release but using forward estimates to better reflect likely movements rather than lagged data.

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Alternatively, the release of an indicative peg within the existing timeline to assist with planning and locking in a final peg as late as practical.

Both are potentially workable options that should be further investigated.

16. How should we account for the change in efficient labour costs?

CNSWJO strongly supports adoption of the NSW Local Government (State) Award, which would be more reflective of the actual changes in labour costs councils face.

As noted previously in response to Q. 5, CNSWJO does not believe that productivity factors can be accurately measured in a sector as diverse as local government. Efficiency dividends do not reflect HR environment in councils

Any efficiencies gained are applied to the deficit of the provision of services and infrastructure and do not translate into surpluses.

17. Should external costs be reflected in the rate peg methodology and if so, how?

Yes. Have an LGCI and then add an additional factor based on the applicability

Flag specific costs for specific councils or cohorts of Councils.

The geographic size and population density of the LGA should be a consideration.

18. Are council-specific adjustments for external costs needed, and if so, how could this be achieved?

Yes. Refer response to Q.6.

19. What types of costs which are outside councils' control should be included in the rate peg methodology?

Further to the advice in Q.6 and given climate change, natural disaster should be given special consideration as well as the capacity to build a response to future disasters (betterment).

20. How can we simplify the rate peg calculation and ensure it reflects, as far as possible, inflation and changes in costs of providing services?

Given the application of the process as it stands is so bad, there is no way out of introducing complexity to manage a poor situation. It goes without saying that ending rate pegging would simplify matters significantly.

Having said that, removal of the productivity indice would make one small improvement.

Allowing councils to increase rates 2-3% above the rate peg without SV application would reduce the use of SRVs to fund sustainability. This option has previously been raised by councils and included as an interim measure to the ending of rate pegging by LGNSW. This makes the peg more

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of a reference rate. It would make councils more accountable to their communities and is consistent with allowing councils not to adopt the rate peg.

Simplify the Special Variation application process.

Introduce quality control measures so we never have a 0.7% rate rise again.

In conclusion, in the absence of removing the rate peg in its entirety, CNSWJO welcomes any opportunity to work closely with IPART on creating a better model that leads to financial sustainability for Councils.

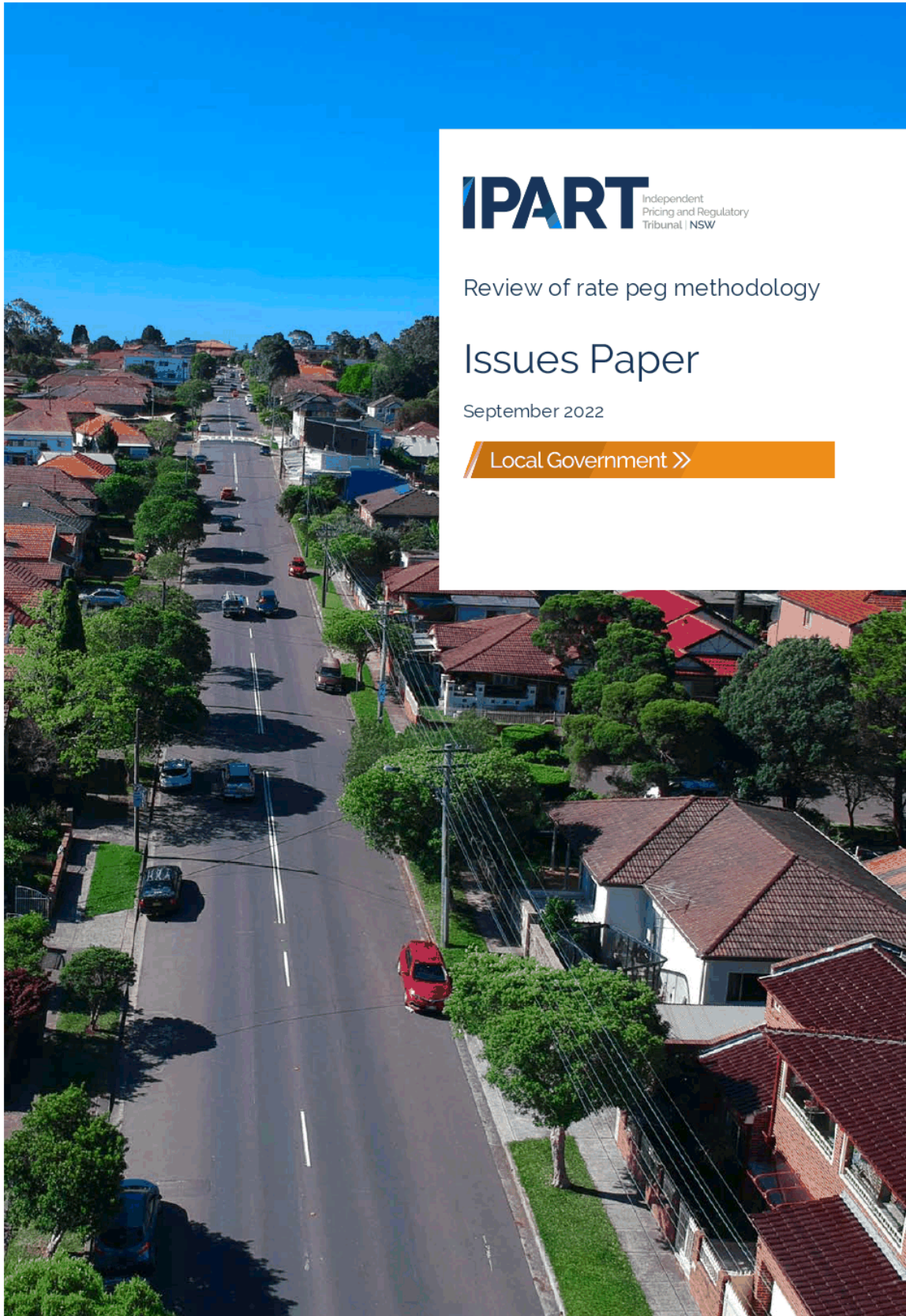
Please feel welcome to contact Ms Jenny Bennett, Executive Officer, at any time regarding this submission on 0428690935.

Yours Sincerely



Cr Kevin Beatty
Chair
Central NSW Joint Organisation

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Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly, PSM, Chair
Deborah Cope
Sandra Gamble

Enquiries regarding this document should be directed to a staff member:

Scott Chapman (02) 9290 8449
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Invitation for submissions

IPART invites comment on this document and encourages all interested parties to provide submissions addressing the matters discussed.

Submissions are due by Friday, 4 November 2022

We prefer to receive them electronically via our [online submission form](#).

You can also send comments by mail to:

2022-23 Rate peg methodology review
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop, Sydney NSW 1240

If you require assistance to make a submission (for example, if you would like to make a verbal submission) please contact one of the staff members listed above.

Late submissions may not be accepted at the discretion of the Tribunal. Our normal practice is to make submissions publicly available on our [website](#) as soon as possible after the closing date for submissions. If you wish to view copies of submissions but do not have access to the website, you can make alternative arrangements by telephoning one of the staff members listed above.

We may decide not to publish a submission, for example, if we consider it contains offensive or potentially defamatory information. We generally do not publish sensitive information. If your submission contains information that you do not wish to be publicly disclosed, please let us know when you make the submission. However, it could be disclosed under the *Government Information (Public Access) Act 2009* (NSW) or the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW), or where otherwise required by law.

If you would like further information on making a submission, IPART's [submission policy](#) is available on our website.

The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).

Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders, past, present and emerging.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

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1 We want to work with stakeholders to improve our rate peg methodology

The rate peg is the maximum amount in percentage terms by which a council may increase its general income for the year.^a IPART sets a new rate peg every year and has done so since 2010. The role of the rate peg is to protect ratepayers from unnecessary rate rises, while enabling councils to continue delivering their existing services to households, businesses, and the broader community.

Across the state, 128 councils provide important goods and services to their local communities, including roads, bridges and footpaths, and facilities such as parks, libraries, and swimming pools. As the costs of providing these goods and services increase over time, councils need to be able to increase their income to continue providing the services that their communities need and want. However, it is also important to ratepayers that councils have incentives to improve their productivity and efficiency in delivering these goods and services.

Income from rates represents one of the main sources of income for councils. The importance of this income source varies across councils but, on average, it represents around one third of NSW councils' combined total income. Councils' other sources of income include grants and contributions, and fees and charges for goods and services they deliver. The rate peg does not constrain income from these other sources which are not part of this review.

Our rate peg methodology is currently designed to allow councils to increase their rates income each year by an amount that reflects inflation and changes in the types of costs a typical council would incur. Councils may also need to increase the quantity of services they provide as their local communities grow. We have accounted for this by introducing a population growth factor to the rate peg methodology from 2022-23 onwards.

Councils can choose to increase their rates income by the rate peg, by less than the rate peg, or not at all. The rate peg applies to rates income in total, and not to individual ratepayers' rates. This means that councils can increase rates for some rating categories by more than the rate peg, and others by less than the rate peg, as long as the overall increase in their rates income does not exceed this percentage.

Councils may want or need to increase their rates income by more than the rate peg in some years – for example, so they can introduce new services or improve service quality. To do this, they must consult with their communities, and then apply to IPART for a 'special variation' (SV). If approved, the SV allows the council to increase their rates income by a specified percentage above the rate peg. This is a separate process and is not a matter for this review.

Our rate peg methodology uses independent measures of price changes published by the Australian Bureau of Statistics (ABS) to produce an objective measure of inflation and changes in relevant costs.

^a For almost all councils, general income consists entirely of rates income. For a small number of councils, general income also includes some annual charges such as drainage levies. In our Issues Paper we use 'rates income' to describe general income.

We want to work with stakeholders to improve our rate peg methodology

Although we use the most up-to-date ABS data available, there is a 2-year lag between the time period that price changes are measured over and when councils can recover these price changes by applying the rate peg to their rates income. The lag may not be a significant concern in periods when inflation is relatively stable. However, when inflation is more volatile, the lag may lead to material differences between what councils receive under the rate peg and how their costs have actually changed. This may temporarily impact councils' funding of the quality and range of services their communities need.

Currently, we refer to inflation and changes in costs incurred by the average council in NSW when we calculate the rate peg. We recognise that councils and communities across NSW have differing needs and circumstances and understand that each council faces a unique set of challenges. These include the impacts of natural disasters such as bushfires, droughts and floods and more broadly addressing climate change. This means that some councils may experience higher cost increases than the annual rate peg.

More recently, the impacts of COVID and inflation on council costs and services have prompted us to review our rate peg methodology. The Premier and Minister for Local Government have also asked us to undertake a review and issued us with a terms of reference. This review will help to enable the rate peg to meet the needs of ratepayers and councils in the years ahead.

1.1 Our review of the rate peg methodology

IPART has been asked to recommend a rate peg methodology that:

- allows councils to vary their general income^b annually to reflect (as far as possible) changes in the costs of providing local government goods and services due to inflation and other external factors
- continues to include a population growth factor.^c

We have been asked to investigate and make recommendations on:

- options to set the rate peg methodology to ensure it is reflective of inflation and costs of providing local government goods and services
- options to stabilise volatility in the rate peg, and options for capturing more timely changes in council costs and inflation
- alternate data sources to measure changes in councils' costs
- the effectiveness of our current Local Government Cost Index (LGCI)
- options for capturing changes in councils' costs caused by external factors
- the effectiveness of the population growth factor in achieving its intended purpose.

^b In our Issues Paper we use 'rates income' to describe general income.

^c The terms of reference for this review are available on our website.

We want to work with stakeholders to improve our rate peg methodology

This Issues Paper outlines the current rate peg methodology, its performance since 2011-12, and the key issues we are considering. It also sets out the questions we are seeking stakeholder comment on.

1.2 We want to hear from you

We are keen to hear what you think about the IPART's rate peg methodology.

We are seeking feedback on the questions raised throughout our Issues Paper (and listed below). We are also interested in hearing about other issues in addition to those raised in this paper.

Tell us what you think

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We want to work with stakeholders to improve our rate peg methodology

16.	How should we account for the change in efficient labour costs?	20
17.	Should external costs be reflected in the rate peg methodology and if so, how?	21
18.	Are council-specific adjustments for external costs needed, and if so, how could this be achieved?	21
19.	What types of costs which are outside councils' control should be included in the rate peg methodology?	22
20.	How can we simplify the rate peg calculation and ensure it reflects, as far as possible, inflation and changes in costs of providing services?	22


We will engage with councils, ratepayers, and other stakeholders throughout our review. To have your say, you can:

- provide a submission to this Issues Paper by 4 November 2022
- participate in our workshops in November 2022.

We will consider all the feedback we receive through this engagement, as well as the results of our analysis, in forming our draft recommendations. We will release our Draft Report that explains those recommendations in February 2023. You will then have further opportunities to comment by:

- providing a submission to our Draft Report
- attending our public hearing, which is planned for March 2023.

We will provide our Final Report and recommendations to the Minister for Local Government in May 2023.

 Have your say

Your input is critical to our review process.

You can get involved by making a submission, submitting feedback, or attending a public hearing.

We are seeking feedback on our Issues Paper by 4 November 2022.

[Submit feedback »](#)

[Register for the workshop »](#)

[Attend the public hearing »](#)

2 Current rate peg methodology

The rate peg is one of several ways that councils can increase their rates income each year. They can also raise additional income from SVs and supplementary valuations. More generally, councils can also receive income through grants and contributions, and user fees and charges for goods and services they provide.

The Minister for Local Government has delegated to IPART the task of setting the rate peg. Each year, we apply the rate peg methodology to determine the maximum amount in percentage terms by which councils can increase their rates income in that year.

The rate peg applies to total rates income rather than to individual rates. Councils are responsible for setting individual rates for residential, business, farmland, and mining rating categories. This means that individual rates may increase by more or less than the rate peg.

One way that the rate peg affects rates directly is through the minimum rate. Most councils have a minimum rate that applies to all ratepayers, regardless of their land value or the ad valorem rate that the councils apply to that land value. While the minimum rate varies between councils, where councils have set minimum rates at the limit imposed by legislation or where IPART has approved a higher minimum rate, the rate peg affects how much this minimum rate can be increased by each year.^d

2.1 Role of the rate peg

The role of the rate peg is to protect ratepayers from excessive rate increases, and to create a financial incentive for councils to improve their productivity and efficiency. However, it also needs to allow councils' rates income to vary annually to reflect, as far as possible, changes in the cost of providing services due to factors such as inflation and population growth. Otherwise, they may have to reduce the quality or scope of their services to their communities or seek other sources of income.

To balance these interests, our current rate peg methodology involves measuring the average annual change in costs faced by NSW councils, then adjusting this percentage to account for the annual change in each council's population. We can also make further adjustments to account for productivity improvements in the local government sector, and other external factors likely to affect councils' costs, where we consider this is appropriate.

^d A council can vary its minimum rate by more than the rate peg if IPART has approved an application for a special variation or minimum rate increase, or if its minimum rate is below the statutory minimum set out in the *Local Government (General) Regulation 2021*.

What else can councils do to vary their income?

Individual councils may experience changes in costs greater or less than the rate peg. Or they may want to increase the quantity or quality of services they provide to their communities. Councils that require additional increases in rates income above the rate peg on a temporary or permanent basis can apply to IPART for an SV. If approved, the SV allows the council to increase their rates income by a specified percentage above the rate peg. Councils can also apply to IPART to increase their minimum rates above the statutory limit (MR increase).

Councils applying for an SV or MR increase must consult with their communities and satisfy the criteria listed in the Office of Local Government's (OLG's) SV/MR increase guidelines. These are available on IPART's website.^e IPART's website also includes general information on the requirements and recent applications from councils.

Councils can also raise additional income by applying for grants and through their user fees and charges.

2.2 Measuring average annual change in councils' costs

We measure the average annual change in councils' costs using the Local Government Cost Index (LGCI). This index measures the change in prices of a fixed 'basket' of goods and services purchased by the average council relative to the prices of the same basket in a base period. It is similar in principle to the Consumer Price Index (CPI) used to measure changes in prices for a typical household.

We developed the LGCI for use in setting the rate peg in 2010, following a review of the revenue framework for the local government sector.^f We made the decision to set the rate peg with reference to a local government-specific cost index rather than a broad economic index (such as CPI or the Wage Price Index) to better reflect the composition of councils' costs and the relative importance of individual costs. We considered that this would provide more accurate estimates.

The LGCI is designed to reflect the costs that councils incur when providing goods and services to their communities, including labour, construction, and administration costs. It currently includes 26 cost components, each of which is weighted to reflect its relative contribution to councils' total costs.¹ We maintain the accuracy of the index by collecting data on councils' expenditure every 4-5 years and using this data to update the weights of the cost components.

Figure 2.1 shows the main cost components in the LGCI and their weightings. Further detail on the LGCI cost components and weightings are available in Appendix A – Performance of the rate peg since 2011-12.

^e See IPART's website for OLG's [Guidelines for preparation of an application for an SV](#) and further information on MR increases.

^f See IPART, [Local Government Cost Index – Information Paper](#), December 2010 and IPART, [Revenue Framework for Local Government – Final Report](#), December 2009.

Figure 2.1 Main cost components in the LGCI and weights as at end June 2021

38.6%	Labour
26.9%	Road and bridge construction
6.2%	Business services, including administrative services
4.9%	Non-residential building construction
3.0%	Plant and equipment – machinery
2.3%	Utilities (electricity, gas, and water)
2.1%	Operating contracts
1.5%	Emergency services levy
1.2%	Insurance

To measure the annual change in each cost component, we use an appropriate inflator. In most cases, this is a price index published by the ABS. This is intended to provide transparency and independence in estimating cost changes. However, as we rely on historical data to set the rate peg, there is a 2-year lag associated with this method. We discuss the issue of lag in further detail in section 4 of this Issues Paper.

Our terms of reference require us to investigate alternate data sources to measure councils' costs. We will assess the merit of using alternate data sources, including both historical and forecast data, for measuring changes in councils' costs as part of this review.

Seek comment

- 1. To what extent does the Local Government Cost Index reflect changes in councils' costs and inflation? Is there a better approach?
- 2. What is the best way to measure changes in councils' costs and inflation, and how can this be done in a timely way?
- 3. What alternate data sources could be used to measure the changes in council costs?

2.3 Adjusting for each council's population growth

When the population a council serves grows, the costs of delivering local government services in the council's area also grow. Before the 2022-23 rate peg, there was no explicit allowance in the rate peg methodology to account for the increase in the volume of services that need to be provided to service population growth or to maintain new local infrastructure. Historically, councils have funded these additional costs through supplementary valuations where land had been rezoned or subdivided to accommodate the growing population,^g other income sources (such as grants or SVs) or within existing rates income.

In our 2021 review of population growth and the rate peg,^h we introduced a population factor to the rate peg methodology so that councils can increase their rates income in line with the annual change in the residential population in their area (minus any supplementary valuations they receive). This council-specific percentage is then added to the average annual change in councils' costs (as measured by the LGCI) to determine each council's rate peg.

Our terms of reference ask us to investigate and report on whether the population growth factor is achieving its intended purpose. However, as 2022-23 was the first year that councils received a population growth factor in their rate peg, there is only limited information to analyse. We are keen to hear stakeholders' views on this issue.

Further detail on how we calculate the population factor is provided in Appendix A – Performance of the rate peg since 2011-12.

Seek comment



4. Last year we included a population factor in our rate peg methodology. Do you have any feedback on how it is operating? What improvements could be made?

2.4 Adjusting for productivity improvements

Our current rate peg methodology includes a productivity factor to account for productivity gains in the local government sector.

From 2011-12 to 2017-18, we calculated the productivity factor using information published by the ABS on market sector value-added multifactor productivity.² The productivity factors we applied ranged from 0.0% to 0.2%.

^g Supplementary valuations are issued outside the usual 3-to-4-year general valuation cycle when changes to property are recorded on the Register of Land Values. Supplementary valuations can result in land values increasing or decreasing, impact the rates income received for the affected properties, and lead to a permanent change in a council's rates income.

^h The outcomes of this review are available on our [website](#).

Since 2018-19, the productivity factor has been set at zero as a default to recognise that improvements in productivity are already reflected, to an extent, in the ABS price indexes we use to measure price changes in LGCI cost categories. However, we retain discretion to deduct a productivity factor if there is evidence of productivity improvements in the local government sector that have not been fully incorporated in the LGCI.³

The productivity of councils and the efficient delivery of services is a key concern for ratepayers.

Seek comment



5. How can the rate peg methodology best reflect improvements in productivity and the efficient delivery of services by councils?

2.5 Adjusting for the impact of other external factors

IPART has discretion when setting the rate peg. We have previously adjusted it for factors we considered would impact councils' costs and would not be captured or reflected in a timely manner through the existing rate peg methodology. These adjustments can be upwards or downwards.

Specific adjustments we have made to the rate peg include:

- An upward adjustment in 2012-13 to cover the introduction of a carbon price.⁴ Downward adjustments were made in 2013-14 and 2014-15 following the removal of the carbon price.⁵
- A temporary upward adjustment in the 2021-22 rate peg to assist councils to meet additional costs associated with the 2021 local government elections.⁶ A corresponding downwards adjustment was made to the 2022-23 rate peg to remove these costs.⁷
- An upward adjustment in 2023-24 to include the costs of an increase in superannuation guarantee contributions.⁸

We have also made adjustments to our LGCI methodology, including changing the way we measure council costs associated with the Emergency Services Levy from the 2020-21 rate peg onwards.⁹

Details of adjustments we have made to the rate peg since 2011-12 are available in section 3 of Appendix A – Performance of the rate peg since 2011-12.

Seek comment



6. What other external factors should the rate peg methodology make adjustments for? How should this be done?

3 Rate peg and changes in councils' income and expenses since 2011-12

In reviewing the rate peg methodology and other potential approaches, it is important to understand how the rate peg has performed, and how councils' revenue has changed, since IPART started setting the rate peg in 2011-12.

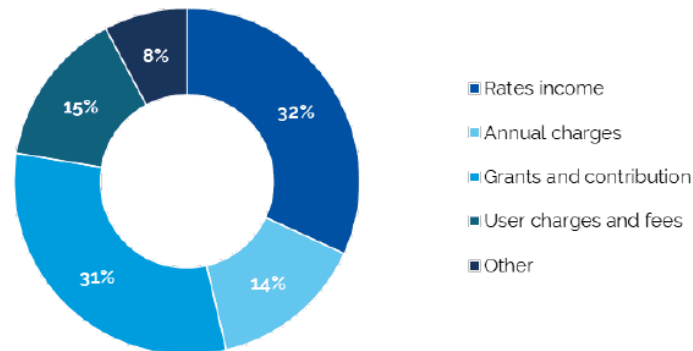
Councils in NSW receive most of their income from 3 main sources:



Source: Office of Local Government, NSW Overview - Finances.

Figure 3.1 shows that in 2020-21, income from rates represented 32% of combined total operating income for all councils in NSW, followed by grants and contributions and user fees and charges, which accounted for 31% and 15% of total operating income respectively. Annual charges such as domestic waste management charges represented 14% of councils' total operating income.

Figure 3.1 Councils' sources of income (2020-21)



Source: Email to IPART, Office of Local Government, 25 August 2022 and Office of Local Government, *Times Series Data 2020/2021*

IPART's rate peg represents the maximum percentage amount by which councils can increase income from rates each year. However, councils may increase their rates income by more than the rate peg by if IPART has approved an application for an SV, or through supplementary valuations when land is rezoned or subdivided.

The sections below summarise IPART's decisions on the rate peg since 2011-12 and compare the cumulative increase in the rate peg over this period to the increases in councils' combined total operating income and expenses.

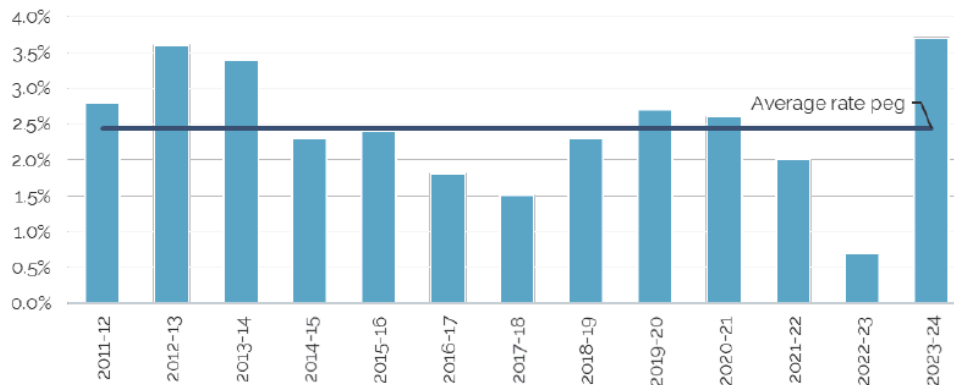
3.1 Rate peg over time

Figure 3.2 shows that from 2011-12 to 2023-24, the rate peg has ranged from 0.7% to 3.7%, with an average of around 2.4%.ⁱ

ⁱ Councils' population factors have been excluded for 2022-23 and 2023-24. Councils' rate pegs for those years ranged up to 5.0% for 2022-23 and 6.8% for 2023-24.

Rate peg and changes in councils' income and expenses since 2011-12

Figure 3.2 Rate peg since 2011-12

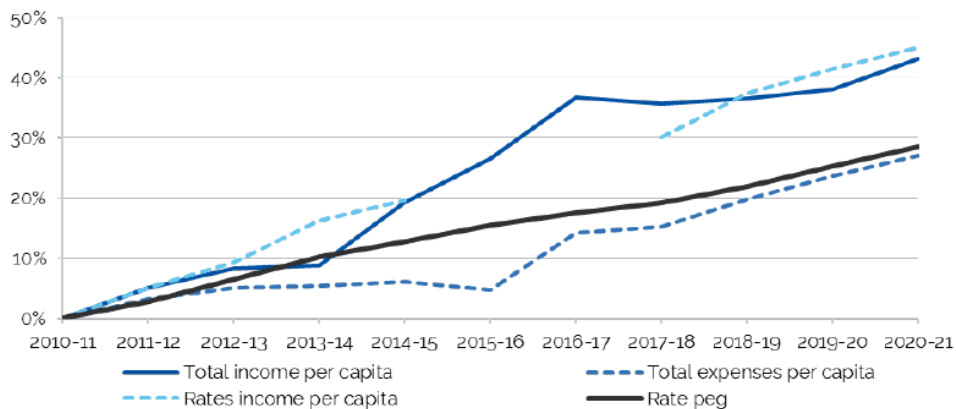


Note: Excludes councils' population factors for 2022-23 and 2023-24.

3.2 How has councils' income changed?

To understand how NSW councils' income has changed since we started setting the rate peg from 2011-12, we compared the relative growth in their total income, expenses, and rates income and the cumulative increase in the rate peg (Figure 3.3).

Figure 3.3 Growth in NSW councils' income, expenses, and rates income per capita compared to cumulative increases in the rate peg



- a. 2010-11 included as the base year.
- b. We adjusted figures for total income, expenses, and rates income for population growth.
- c. Figures for total income and expenses from continuing operations are based on councils' general funds.
- d. We excluded rates revenue for 2015-16 and 2016-17 as the dataset does not contain councils impacted by amalgamations.
- e. We estimated values for a small number of councils that did not report data to OLG based on the aggregate percentage change for other councils over the same period.

Source: Email to IPART, Office of Local Government, 25 August 2022, and Office of Local Government, [Times Series Data](#).

Figure 3.3 presents councils' total income, expenses, and rates income on a per capita basis. It shows that from 2010-11 to 2020-21:

- councils' operating income per capita grew by around 43%
- councils' operating expenses per capita grew by around 27%
- councils' rates income per capita grew by around 45%
- the cumulative increase in the rate peg was 28%.

In addition to higher rates revenue, other drivers of the 43% increase in councils' total operating income per capita included:

- higher grants and contributions per capita, which grew by 65%
- higher user charges and fees per capita, which grew by 29%.

The 45% increase in total rates income per capita is equivalent to an average increase of around 3.8% per year, which is around 50% higher than the average rate peg of 2.5% per year over this period. This can mainly be attributed to SVs and additional income received through supplementary valuations.

Our preliminary state-wide analysis suggests that on a per capita basis, movements in the rate peg appear to be similar to councils' combined total operating expenses. We intend to undertake further analysis to understand if this varies depending on a council's circumstances and location. It is also possible that councils have referred to the rate peg when setting their budgets and planning their expenditure, which would explain why councils' total expenses per capita and the rate peg have grown at a similar rate.

Appendix B – Councils' income since 2011-12 provides more detailed analysis on councils' total operating income.

3.3 Why did we introduce the population factor?

In our 2021 review of the rate peg to include population growth, we recognised that councils must provide additional services as their local communities grow. While councils receive supplementary valuations to fund the costs of these additional services, we found that most councils receive less income from rates for each new resident compared to existing residents.

In response to this finding, we adjusted our rate peg methodology to include a population factor from 2022-23. The population factor is intended to enable councils to maintain per capita rates income over time as their populations grow.

This means that from the 2022-23 rate peg onwards, councils' rate pegs account for higher costs incurred as a result of population growth. However, these population adjustments did not compensate councils that experienced population growth prior to the recent introduction of the population factor.

Figure A.1 in Appendix A shows the population factors we set for the 2022-23 rate peg, which range from 0% to 3.1%.




3.4 How has the rate peg impacted councils' funding of services?

Some councils have told us that the rate peg is putting them under increasing financial pressure.

We welcome stakeholder views (and evidence) on how the rate peg has impacted councils' quality and range of services. We are also seeking information on how the rate peg has affected the ability of councils to maintain levels of existing services (in terms of both quantity and quality) to their communities.

We will also undertake analysis of NSW councils' financial data from 2011-12 to help support our understanding of this issue.

Seek comment

-  7. Has the rate peg protected ratepayers from unnecessary rate increases?
-  8. Has the rate peg provided councils with sufficient income to deliver services to their communities?
-  9. How has the rate peg impacted the financial performance and sustainability of councils?

4 Important issues for this review

To meet our terms of reference, and respond to concerns that stakeholders have raised with us, we have identified 5 key issues for this review:

- Can we better account for the differences between councils?
- Are volatility and lag in the rate peg problems?
- Can we better capture the change in efficient labour costs?
- How should new services, activities or external costs be funded?
- Can we improve simplicity and understandability?

Each of these issues relate to how well the rate peg reflects costs and are discussed below.

4.1 Can we better account for how councils differ from each other?

Our terms of reference ask us to have regard to the differing needs and circumstances of councils and communities in metropolitan, regional and rural areas. These councils differ widely in terms of the characteristics of the areas and the populations they serve. These differences mean that their costs in providing local government goods and services and their scope to raise revenue to cover these costs also vary.

Table 4.1 highlights the differences in some key characteristics of councils across the state, including area size, population, and length of roads they are responsible for maintaining.

Table 4.1 Characteristics of councils in different parts of NSW

Council type	Average council area (km ²)	Average population changes over 5 years (%)	Average population density (population /km ²)	Average total road length (km)	Average residential rate (\$)
Metropolitan	77	5.9%	3,825.7	439	1,186
Regional town/city	3,688	3.6%	93.2	1,363	1,222
Metropolitan fringe	1,134	8.9%	305.2	1,032	1,400
Rural	15,213	-2.8%	0.5	1,608	454
Large rural	7,881	-0.2%	2.6	1,725	863
All councils	5,530	2.4%	796.5	1,307	1,024

a. Figures in this table are based on data for 2020-21.

b. We separated metropolitan councils into 2 types – Metropolitan to describe those part of a developed urban centre, and Metropolitan Fringe to describe those on the margin of a developed urban centre. We also separated rural councils in 2 types – Rural to describe those with population up to 5,000; and Large Rural to describe those with population above 5,000.

c. Figures in the population changes over 5 years column represent the population changes from 2015-16 to 2020-21.

Source: Office of Local Government, *Times Series Data 2020/2021*.

We have observed that different council types rely on a different mix of income sources to fund their expenditure. For example, metropolitan and regional councils tend to receive a higher share of income from rates, and rural councils generally source a higher share of income from grants and contributions. More information on the role of the rate peg in the revenue framework for different councils is available in Appendix B – Councils' income since 2011-12.

Some councils have previously argued that the LGCI is too broad and that its components are not individualised enough for councils. As Section 2 discussed, the LGCI is designed to measure cost changes experienced by the average council in NSW, and as a result probably does not reflect the exact actual cost changes of any individual council. Every council is different, with different communities, services, and costs.

The addition of the population growth factor from the 2022-23 rate peg means the current methodology captures the differing rates of population growth, and the costs associated with this, for individual councils. As part of this review, we plan to investigate the degree of variability in cost profiles across different councils and council types in NSW and consider ways in which the rate peg methodology could better reflect council differences.

For example, it may be that councils of the same type – e.g. rural councils or metropolitan councils – have similar cost structures. If we find evidence that this is the case, we will consider whether there is merit in introducing separate cost indexes for different council types.^j

We support changing the rate peg methodology to account for material differences in inflation and costs incurred by different council types. However, changes to improve accuracy and cost-reflectivity can also result in greater complexity. We will take this into account when considering changes to the rate peg methodology as part of this review.

Seek comment



10. In what ways could the rate peg methodology better reflect how councils differ from each other?



11. What are the benefits of introducing different cost indexes for different council types?

^j For instance, if large metropolitan councils tend to have a certain mix of cost inputs, which differed markedly from any cost mix that small rural councils may tend to have.

4.2 Are volatility and lag in the rate peg problems?

As previously noted, our terms of reference ask us to set a rate peg methodology that is reflective, as far as possible, of inflation and the costs of providing local government goods and services. At the same time, we have also been asked to recommend options for addressing lag and volatility in the rate peg.

Under the current methodology, this lag and volatility stem from:

- **The 2-year lag in the LGCI.** The rate peg for a financial year is published in September of the previous year. To determine this percentage, we measure the change in the LGCI using the latest available ABS information on prices, which relates to the previous financial year. As a result, there is a 2-year lag between when councils experienced cost changes and when the rate peg reflects those changes. For example, to set the rate peg for 2022-23, we measured the change in the LGCI in the year July 2020 to June 2021, relative to July 2019 to June 2020. This rate peg then came into effect in July 2022.
- **Volatility in prices.** When inflation is volatile, this is reflected in the change in the LGCI and thus the rate peg.

The sections below discuss why lag and volatility in the rate peg may be problems for councils and ratepayers, some options for addressing these issues, and the role of the SV process.

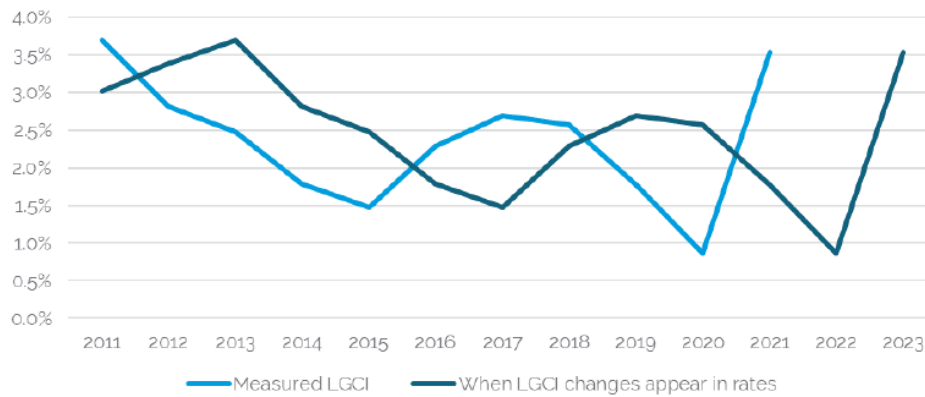
Why lag and volatility may be problems

When inflation^k is relatively stable from one year to the next, the lag in the LGCI (and therefore the rate peg) does not cause a problem in and of itself. In this stable environment, the changes in councils' costs from year to year are relatively even, so there is little difference between the change in the LGCI when councils get that increase through the rate peg 2 years later.

However, the lag is more of an issue when inflation is volatile. When inflation increases sharply in one year, councils' actual cost changes are also likely to increase sharply in that year. However, the lag means that the cost change measured by the LGCI in that year will be significantly lower than these actual cost changes, and it will take 2 years for these actual changes to 'show up' in the LGCI. This is shown in Figure 4.1 below.

^k And/or public sector wages as measured by the NSW public sector wage price index (WPI).

Figure 4.1 When LGCI changes are measured versus when they apply to rates income



Source: IPART analysis

Volatility in the rate peg makes it more difficult for councils to plan and budget. This problem occurred recently, when we set the 2022-23 rate peg at 0.7% (excluding the population factor). Recent high inflation and price volatility, combined with the lag in the LGCI, meant that this increase was lower than most councils had factored into their 2022-23 budgets and Long-Term Financial Plans. In response to this, councils were allowed to apply for an Additional Special Variation (ASV) to make up the shortfall.¹

But would volatility be less of a problem for councils if we could:

- reduce the lag in the LGCI?
- improve the predictability of the changes measured by the LGCI?

We are keen to hear councils' views on these questions.

Volatility may also be an issue for ratepayers because it might make budgeting for future years more difficult. Overall, ratepayers may prefer stability over cost-reflectivity. However, creating a stable rate peg instead of a cost-reflective one may result in a growing divergence between councils' costs and rates income. We would like to hear from ratepayers on this issue.

¹ We assessed councils' ASV applications based on guidelines from the Office of Local Government. The ASV they could seek was capped at the lower of 2.5% (including the population factor) or the council's assumed 2022-23 rate peg based on its 2021-22 Integrated Planning and Reporting documentation (including the population factor). Councils had to demonstrate why the ASV was required and that they had considered the impact on ratepayers and the community. We approved ASV applications for 86 councils, with increases ranging from 1.6% to 2.5%.

How could we address some of these volatility problems?

There are a number of changes we could make to the current methodology to reduce the impact of volatility, but each has some potential drawbacks.

For instance, we could use forecasts of cost changes rather than lagged actual data on cost changes to set the rate peg each year. This would eliminate the lag, and potentially enable more timely changes in the rate peg to match changes in costs. However, even the most sophisticated forecasts can be inaccurate. This means this approach would create a risk of long-term divergence between councils' costs and rates income.

Another option might be to use a rolling-average of cost changes. This would reduce volatility in the rate peg but increase the lag. It could also result in the rate peg being less cost-reflective than under the current methodology.

There might be other options that we could consider, such as setting the rate peg at a fixed percentage over a longer period, say 4 years. This gives councils and ratepayers more certainty but may turn out to be significantly out of alignment with changes in costs.

What are stakeholder preferences?

It will be difficult to devise a methodology that can simultaneously reduce volatility in the rate peg, allow it to reflect councils' cost changes in real time, and enable it to accurately reflect these costs changes. Determining the most appropriate rate peg methodology is a balancing act. Each option has benefits and risks associated with it. To find the right balance, we will carefully consider what stakeholders tell us is more important to them:

- short-term fluctuations in the rate peg are minimised to support councils' long-term planning processes
- the rate peg compensates councils for changes in the costs of providing local government goods and services in a timely manner, or
- the rate peg accurately reflects changes in the costs of providing local government goods and services.

We also note that the option which performs best in a high inflationary environment may not be the best option over the long-term, and vice versa.

Seek comment

- 12. Is volatility in the rate peg a problem? How could it be stabilised?
- 13. Would councils prefer more certainty about the future rate peg, or better alignment with changes in costs?
- 14. Are there benefits in setting a longer term rate peg, say over multiple years?



15. Should the rate peg be released later in the year if this reduced the lag?

4.3 Can we better capture the change in efficient labour costs?

As Figure 2.1 indicated, labour costs are the largest single cost component included in the LGCI, with a weighting of 38.6%. While we intend to review all 26 components of the index, we are particularly interested in whether we can better capture changes in efficient labour costs.

We recognise that councils need to pay staff salaries and maintain conditions that retain and attract people with appropriate skills. The measure of labour costs in the rate peg methodology needs to reflect labour market conditions, but also make allowance for appropriate labour productivity gains.

We currently use the NSW public sector wage price index (WPI) in the LGCI. This reflects the change in total hourly rates of pay for NSW public sector workers.^m We are seeking comment from councils, ratepayers, and other stakeholders about whether this remains the most appropriate way to account for changes in councils' labour costs.

Some alternatives we could consider instead of the WPI include using:

- the NSW Local Government (State) Award, which may be more reflective of the actual changes in labour costs councils face
- specific enterprise bargaining agreements, or changes in NSW councils' total employee costs.

However, we may also need to consider expected labour productivity improvements, depending on the approach taken.

We note that the WPI does not include changes in the superannuation guarantee. From July 2021 to July 2025, it is increasing by 0.5% each year (from 9.5% in 2020-21 to 12% in 2025-26). This may be a significant additional cost for councils that is not currently captured in the rate peg methodology.ⁿ

Seek comment



16. How should we account for the change in efficient labour costs?

^m Excluding bonuses and superannuation contributions.

ⁿ We included an explicit adjustment for the 2021-22 superannuation guarantee in our calculation of the 2023-24 rate peg.

4.4 How should new services, activities and external costs be funded?

Over time councils may need or want to provide new services to their local communities or undertake new activities to deliver existing services. These may be discretionary new services the community wants, existing services that require more effort to deliver, or additional costs or services the council has been compelled to fund. Where this is the case, councils need to meet the costs of those new services or activities.

The rate peg methodology does not account for changes in service provision.^o The LGCI is calculated based on the change in unit costs of doing business, not how much business council does.^p

Currently councils can fund new services in several ways, including:

- re-prioritising services or finding efficiencies in their expenditure
- levying fees or charges for a service in some cases
- applying to IPART for an SV to their rates income above the rate peg
- seeking operating or capital grants.

We are interested in hearing from stakeholders about whether and how the rate peg methodology should account for additional costs associated with new services, activities or costs outside councils' control, while still providing appropriate checks and balances to allow ratepayer interests to be protected.

Councils can face changes in their costs that are outside their control (external costs). Some of the adjustments we currently make to the rate peg to account for these kinds of external costs, such as the emergency services levy, are added to the LGCI. Others, such as the costs of local government elections in 2021-22, are made as a separate adjustment to the rate peg directly. One of the options we may consider is whether adjustments for changes in other external costs should be included in the rate peg methodology.

We would also like to hear stakeholders' views on what types of external costs they face and if and how these costs should be reflected in the rate peg methodology.

Seek comment



17. Should external costs be reflected in the rate peg methodology and if so, how?



18. Are council-specific adjustments for external costs needed, and if so, how could this be achieved?

^o An exception to this is our approach to factoring the emergency services levy (ESL) into the LGCI. We use forecasts to determine the change in councils' ESL costs.

^p There is now a population growth factor that provides more income as population grows, but rates do not rise as more services are provided on a per capita basis.



19. What types of costs which are outside councils' control should be included in the rate peg methodology?

4.5 Can we make the rate peg simpler and easier to understand?

The current rate peg is a relatively complex calculation, with multiple inputs and steps. For example, as section 2.1 noted, the LGCI includes 26 cost components, each of which is separately inflated using an ABS index. Simplifying our methodology would make it easier for councils to apply the method themselves to predict the likely rate peg when they are planning.

However, in general, the simpler we attempt to make the rate peg, the less accurate it will become in reflecting cost changes. On the other hand, it may also be the case (for example) that the relative materiality of using many different ABS indexes is negligible, and it might be preferable to reduce some of that complexity for a simpler method.

In this review, we will look for opportunities to simplify the methodology and improve the predictability of the rate peg without sacrificing much accuracy.

Seek comment



20. How can we simplify the rate peg calculation and ensure it reflects, as far as possible, inflation and changes in costs of providing services?

Appendices

A Performance of the rate peg since 2011-12

A.1 History of the rate peg in NSW

First introduced in NSW in 1977, the rate peg represents the maximum percentage amount by which councils may increase their rates income for a given year. Councils that wish to increase their rates income by an amount above the rate peg must consult with their communities and apply to IPART for approval of an SV.

In 2008, the NSW Government asked IPART to review the framework for regulating council rates and charges.⁹ The review identified that stakeholders were concerned about the transparency of the approach for setting the rate peg, given the methodology had never been clearly explained. The review recommended using a new local government-specific cost index that is calculated transparently and designed to reflect movements in councils' costs to determine the rate peg. A productivity adjustment factor would be added to account for councils' productivity gains.

In 2010, the NSW Government announced that from 2011-12 the amount by which councils could increase their rates income would be determined by IPART, having regard to the movements of the LGCI and productivity factor. IPART exercises this power under delegation from the Minister for Local Government.¹⁰

In 2021, the NSW Government asked us to recommend a rate peg methodology that allows councils' rates income to vary in a way that accounts for population growth. We recommended a methodology that enables councils to maintain their per capita income as their population grows. We first applied this new methodology in our decisions on councils' 2022-23 rate pegs.⁷

A.2 How does IPART calculate the rate peg?

Our current rate peg methodology has 4 key steps:

- measuring the average annual change in costs faced by NSW councils using the LGCI
- applying a council-specific population growth factor to account for the annual change in each council's population
- considering whether we need to apply a productivity factor to account for productivity improvements in the local government sector
- considering whether we need to adjust the rate peg above or below the percentage produced by the LGCI, population growth factor and productivity factor, for any other external factors likely to impact on councils' costs.

Each of these steps is discussed below.

⁹ See our [terms of reference](#) for our review of the revenue framework for local government.

⁷ See our [terms of reference](#) for our review of the rate peg to include population growth.

A.2.1 Measuring the annual change in the Local Government Cost Index

The LGCI is designed to measure how much the price of a fixed basket of inputs acquired by councils in a given period compares with the price of the same set of inputs in a base period. That is, the LGCI does not measure costs directly, but how the prices of goods and services in the basket change over time. Measures of cost changes are mainly sourced from ABS price indexes for wages, consumer prices, and producer prices.

The LGCI was first developed by IPART in 2010 following a survey of councils to determine appropriate cost categories and weightings.⁵ IPART surveys councils on costs for the LGCI every 4-5 years and uses this data to reweight the LGCI to maintain the appropriateness of the cost categories and their weightings. The last reweight of the LGCI was completed in May 2020, based on results from our 2019 cost survey of councils.¹¹

Table A.1 shows the 26 cost components in the LGCI, the inflators we use to measure changes in each component, and their current weights.

⁵ See IPART's Information Paper on the Local Government Cost Index, released December 2010.

Table A.1 LGCI cost components, inflators, and weightings

Cost component	Inflator	Weight as at end June 2021 (%)
Operating costs		
Employee benefits and on-cost	Wage Price Index (WPI) – Public sector, NSW	38.6
Plant and equipment leasing	Producer Price Index (PPI) – 663 Other goods and equipment rental and hiring	0.3
Operating contracts	PPI – 729 Other administrative services	2.1
Legal and accounting services	PPI – 693 Legal and accounting services	0.8
Office and building cleaning services	PPI – 7311 Building and other industrial cleaning services	0.3
Other business services	PPI – 7299 Other administrative services (not elsewhere classified)	6.2
Insurance	Consumer Price Index (CPI) – Insurance, Sydney	1.2
Telecommunications, telephone and internet services	CPI – Telecommunication equipment and services, Sydney	0.4
Printing, publishing and advertising	PPI – 16 Printing (including the reproduction of recorded media)	0.6
Motor vehicle parts	CPI – Spare parts of accessories for motor vehicles, Sydney	0.3
Motor vehicle repairs and servicing	CPI – Maintenance and repair of motor vehicles, Sydney	0.4
Automotive fuel	CPI – Automotive fuel, Sydney	0.7
Electricity	CPI – Electricity, Sydney	1.9
Gas	CPI – Gas and other household fuels, Sydney	0.1
Water and sewerage	CPI – Water and sewerage, Sydney	0.4
Road, footpath, kerbing, bridge and drain building materials	PPI – 3101 Road and bridge construction, NSW	2.5
Other building and construction materials	PPI – 3020 Non-residential building construction, NSW	0.7
Office supplies	CPI – Audio, visual and computing media and services, Sydney	0.3
Emergency services levy	IPART index based on data provided by NSW Treasury	1.5
Other expenses	CPI – All groups CPI, Sydney	8.4
Capital costs		
Building – non-dwelling	PPI – 3020 Non-residential building construction, NSW	4.2
Construction works – road, drains, footpaths, kerbing, bridges	PPI – 3101 Road and bridge construction, NSW	22.0
Construction works – other	PPI – 3101 Road and bridge construction, NSW	2.5
Plant and equipment – machinery, etc.	PPI – 231 Motor vehicle and motor vehicle part manufacturing	3.0
Plant and equipment – furniture, etc.	PPI – 24 Machinery and equipment manufacturing	0.1
Information technology (hardware and software)	CPI – Audio, visual and computing equipment and services, Sydney	0.6

A.2.2 Apply a council-specific population factor

From 2022-23, we introduced in the rate peg methodology a population factor for each council in NSW based on how fast its population is growing. The population factor is designed to compensate councils for population growth from 2021-22 onwards.

The population factor is equal to the maximum of the change in residential population in the council area less the supplementary valuations percentage or zero (see Box A.1 for more detail). Councils with negative population growth will have a factor of zero, ensuring no council receives a lower increase in rates income, relative to a rate peg calculated using the LGCI, productivity factor and any adjustments. Councils that have recovered more from supplementary valuations than is required to maintain per capita rates income as their population grows will also have a population factor of zero.

Box A.1 How the population factor works

When the population grows, land is sometimes rezoned or subdivided to provide more housing or businesses. When this happens, councils can generate additional income (over and above the rate peg) through supplementary valuations in a given year. In our review of the rate peg to include population growth we found that supplementary valuations only partly compensated councils for population growth.

The population factor enables councils to maintain per capita rates income as their populations grow, in instances where the rate of growth in income from supplementary valuations does not keep pace with the rate of growth of the population.^a

$$\begin{aligned} \text{Population factor} &= \max(0, \text{change in population} \\ &\quad - \text{supplementary valuations percentage})^b \end{aligned}$$

a. We calculate a separate population factor for each council. This means a fast-growing council is likely to receive a higher population factor (and hence rate peg) than a slowly growing one.

b. Without this adjustment for supplementary valuations, some councils would be overcompensated for population growth at the expense of ratepayers (up to double in some cases).

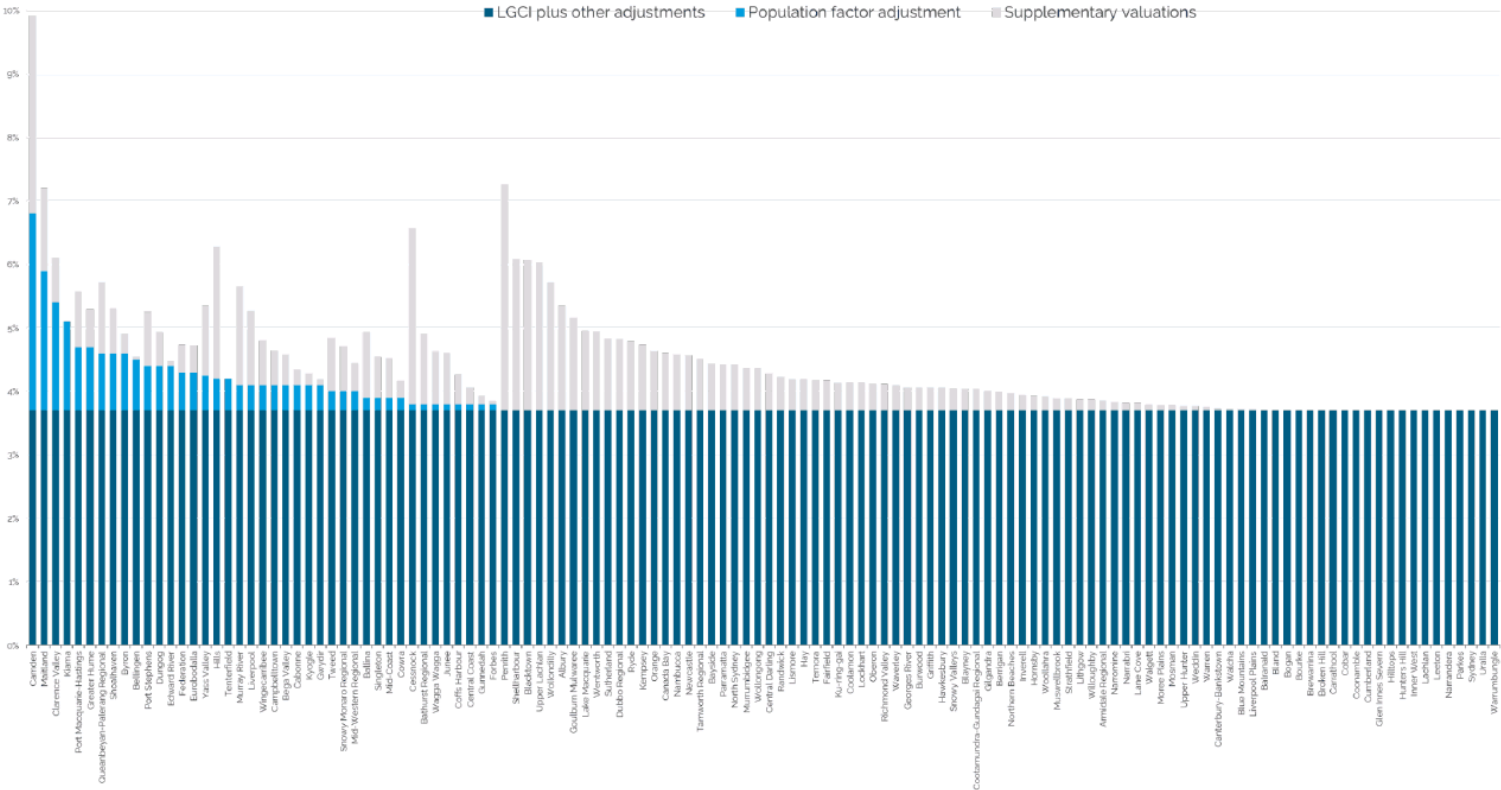
Source: IPART, [Review of the rate peg to include population growth](#), September 2021, pp 2,3, 8 and 11.

Our terms of reference for this review require us to consider whether the population factor is achieving its intended purpose. We will review the effectiveness of the population factor, but this will be limited as we have only 2 years of data.

Figure A.1 shows the allowed change in each council's rates income in 2023-24 due to the rate peg (change in the LGCI and other adjustments we make plus its council-specific population factor) as well as any supplementary valuations it receives.[†]

[†] Supplementary valuations are provided through a process outside of the rate peg but do provide councils with additional revenue.

Figure A.1 2023-24 rate peg, population adjustments and supplementary valuations by council



The figure shows that each council will receive a minimum rate peg of 3.7%. Around one third will receive a higher rate peg due to their population factor. The remainder have a population factor set to 0%. This occurs because, either the council recorded no population growth in its area, or the population growth was less than the supplementary valuation increases they received.

The population factor in our rate peg methodology is based on the most up to date ABS population data, but this is lagged by 3 years. This lag means that the population changes captured in the population factors we applied for the 2023-24 rate peg reflect changes that occurred in 2020 to 2021, during the COVID-19 pandemic. We expect the pandemic would have impacted on levels of intrastate and interstate migration, and suppressed levels of net overseas migration.

A.2.3 Consider applying a productivity factor

Our rate peg methodology also includes a factor to account for productivity changes in the local government sector.

From 2011-12 to 2017-18, we calculated the factor using the ABS market sector value-added multifactor productivity based on quality adjusted hours worked. Productivity factors we applied ranged from 0.0% to 0.2%.

Since 2017-18, our productivity factor has been set at 0% as a default to recognise that improvements in productivity are already reflected, to an extent, in the ABS price indexes we use to measure price changes in LGCI cost categories. However, we retain discretion to apply a productivity factor if there is evidence of productivity improvements in the local government sector that have not been fully incorporated in the LGCI.

A.2.4 Make other adjustments

IPART has discretion when setting the rate peg, and we have previously adjusted for factors we considered would impact councils' costs that would not be captured or reflected in a timely manner through the existing rate peg methodology. These adjustments can be upwards or downwards. We are interested in your views on whether the adjustments we have previously made are sufficient.

As an example, in the 2012-13 rate peg we included a carbon price advance to allow councils to recover higher costs associated with introduction of the carbon price, which was not captured in the price data we used to calculate the rate peg.¹² This adjustment was reversed in the following 2 years to avoid double counting the impact of the carbon price as it flowed through to the LGCI.¹³

More recently, we introduced a temporary upward adjustment in the 2021-22 rate peg to assist councils to meet additional costs associated with the 2021 local government elections.¹⁴ This adjustment was reversed in 2022-23.

Figure A.2 shows the different adjustments we have made to the rate peg percentage since 2011-12.

Figure A.2 IPART adjustments to rate peg percentage, 2011-12 to 2023-24

2011-12	Rate peg set - With productivity adjustment
2012-13	0.4% increase - Carbon price advance to offset introduction of carbon price
2013-14	0.1% decrease - Carbon price advance partially withdrawn to avoid double counting the impact of the carbon price
2014-15	0.3% decrease - Carbon price advance withdrawn to avoid double counting the impact of the carbon price
2018-19	0% productivity adjustment - IPART decided to set the productivity adjustment to 0% by default
2020-21	Change in Emergency Services Levy - IPART used forecast ESL contributions instead of actual figures. This helped reduce the lag from two years to one
2021-22	0.2% increase - Adjustment for local government election costs
2022-23	0.2% decrease - Adjustment for local government election costs removed Population growth factor - Introduced
2023-24	0.2% increase - Superannuation guarantee

Source: Adjustments for each year are available on our website.

A.3 How other states and territories regulate rates income

Apart from Victoria, the other states and territories do not regulate rates income. Rather, councils are permitted to adjust the level of their rates income to align with their prepared budget for each financial year.

However, these councils do need to meet specified requirements before raising rates. For example, several jurisdictions require councils to publish a public notice of rates and an explanation for the rate increases and, in some cases, to consult with the public.

Table A.2 provides an overview of the legal mechanisms that allow rates income to increase in each jurisdiction.

Table A.2 Methods of increasing rates in other states and territories

Jurisdiction	Method
Victoria	<ul style="list-style-type: none"> • Uses a rate cap method, similar to NSW. The rate cap is set equal to the December forecast of the CPI from the Victorian Department of Treasury and Finance. • The Essential Services Commission (ESC) is responsible for recommending rate cap increases to the Minister for Local Government. • The Victorian method is flexible, as shown in 2022-23 when the ESC recommended that the rate cap should not be set outside of the historical range of 1.50% to 2.50%.^a • Councils can seek approval for a higher rate cap from the ESC, if the rate cap decision does not meet their needs. • The rate cap for 2022-2023 was set at 1.75%.^b
Western Australia, Queensland, South Australia, Tasmania and Northern Territory	<ul style="list-style-type: none"> • In these jurisdictions councils have the autonomy to set their rates at the level needed to achieve the required income in their budgets.^c • Each jurisdiction has varying legislative requirements and restrictions on councils, but broadly councils have authority to independently set rates. • An example of a restriction is that in Western Australia, a council's income from general rates is limited, such that income from rates cannot exceed 110% of the budget deficit or be less than 90% of the budget deficit.^d
ACT	<ul style="list-style-type: none"> • The ACT does not have local governments and instead land rates are set by the ACT government.

a. Essential Services Commission, *Advice on the average rate cap for 2022-23*, November 2021, p 1.

b. Essential Services Commission, *Average annual rate caps*.

c. Productivity Commission, *5 Year Productivity Review - Supporting Paper No. 16 - Local Government*, August 2017, p 10.

d. *Local Government Act 1995 (WA)*, s 6.34.

A.4 How municipal rates have changed in NSW compared to other states and territories

Figure A.3 shows how municipal rates have changed in all states and territories (other than the ACT^u) and compares this to the NSW rate peg and inflation.^v The difference between the NSW changes in municipal rates and the rate peg changes likely reflect this difference. The difference is also likely due to SVs, which allow NSW councils to raise their rates above the amount allowed by the rate peg.

Figure A.3 shows that the rate peg and NSW rates have been relatively stable, compared to other jurisdictions. However, there are numerous and varied factors that may drive changes in rates. The higher and less stable rates of change in other jurisdictions could be due to faster growing populations, or volatility in prices. Because of this, it is difficult to compare the impacts of the rate peg to other jurisdictions due to the wide ranging geographic, demographic, and economic differences between them.

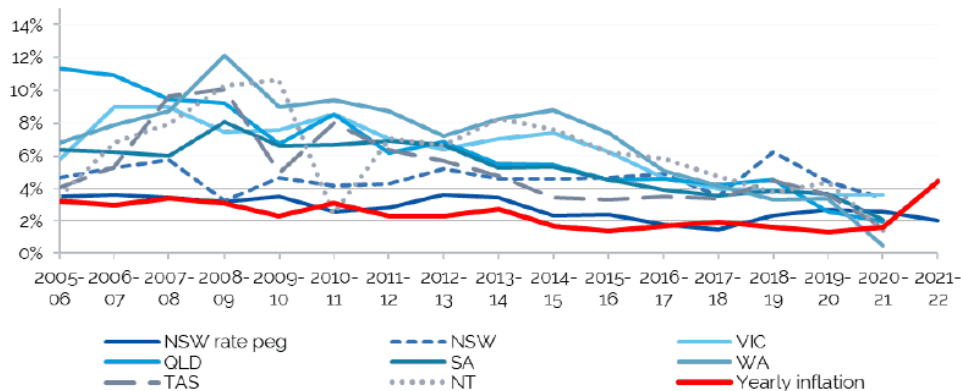
It is important that we examine the changes in rates from other jurisdictions as a comparison for the performance of the rate peg. However, we note that such comparisons are not perfect and that the differences between jurisdictions create a significant number of variables.

^u We did not compare the ACT with other states and territories for two reasons. Firstly, there are no local governments in the ACT, rates are set by the Territory Government. Secondly, rates in the ACT grew at approximately 10% annually over the same period, almost double the Australian average (*Taxation Revenue, Australia Methodology, 2020-21 financial year*).

^v Municipal rates are used for this analysis due to the data from the ABS using this categorisation. Municipal rates include rates and charges beyond those that form part of NSW councils' rates income (and therefore subject to the rate peg) – that is, water, wastewater and garbage.

We also note that the changes in municipal rates represent total rates income across each jurisdiction. They do not provide an accurate depiction of the changes experienced in each council, or the experience of individual ratepayers.

Figure A.3 Changes in municipal rates in Australian jurisdictions and the NSW rate peg



Note: Annual change in municipal rates raised in each jurisdiction. IPART first set the rate peg in 2011-12. The ESC first set the rate peg for Victoria in 2015-16.

Source: Australian Bureau of Statistics: [Taxation Revenue, Australia Methodology, 2020-21 financial year](#).

B Councils' income since 2011-12

B.1 How councils and their income sources vary

Under the current rate peg methodology, we set a rate peg for each of the 128 councils across NSW each year. NSW councils differ widely in terms of the characteristics of the areas and the populations they serve. These differences mean that councils' costs of providing goods and services and their scope to raise income to cover these costs also vary.

As part of this review, we will consider the extent to which differences between councils leads to differences in how councils' costs change over time due to inflation and other external factors.

To start exploring this issue, we used OLG's council classifications to identify the key differences between councils' characteristics and sources of income.¹⁵ OLG classifies councils by 5 council types:

1. Metropolitan
2. Regional town/city
3. Metropolitan fringe
4. Rural
5. Large rural.

The council types are based on broad demographic variables, specifically whether the council is part of an urban centre, on the margin of an urban centre, or agricultural in nature and the population size. We recognise that there are also differences between councils of the same type that may influence their cost changes, including geography, socio-economic index rating and demographic factors.

B.1.1 Key differences in council sources of income

In 2020-21, the main source of income for NSW councils was rates income (32% of combined total operating income), followed by grants and contribution (31% of combined total operating income) then user fees and charges (15% of combined total operating income).

However, this varies by council type. As shown in Table B.1, for rural and large rural councils, grants and contributions were the highest source of income (62% and 48% respectively) and the contribution of rates income was much lower than average.

Table B.1 Source of income as a percentage of total income, 2020-21

Council type	Rates income (%)	Grants and contributions (%)	User fees and charges (%)	Annual charges (%)	Other (%)
Metropolitan	41%	23%	11%	13%	12%
Regional town/city	28%	31%	18%	17%	6%
Metropolitan fringe	34%	34%	12%	15%	5%
Rural	11%	62%	18%	6%	3%
Large rural	20%	48%	16%	11%	5%
Total	32%	31%	15%	14%	8%

a. Other sources of income include interest and investment revenue, net gain from the disposal of assets, and other revenues and income.

b. Based on total income from continuing operations for councils' general funds.

Source: Email to IPART, Office of Local Government, 25 August 2022 and Office of Local Government, [Times Series Data 2020/2021](#).

As part of the next stage of this review we will consult with councils and develop case studies to better understand how different council types use elements of the revenue framework to raise income to fund expenditure. We are also seeking to better understand any differences in inflation and costs incurred by different council types.

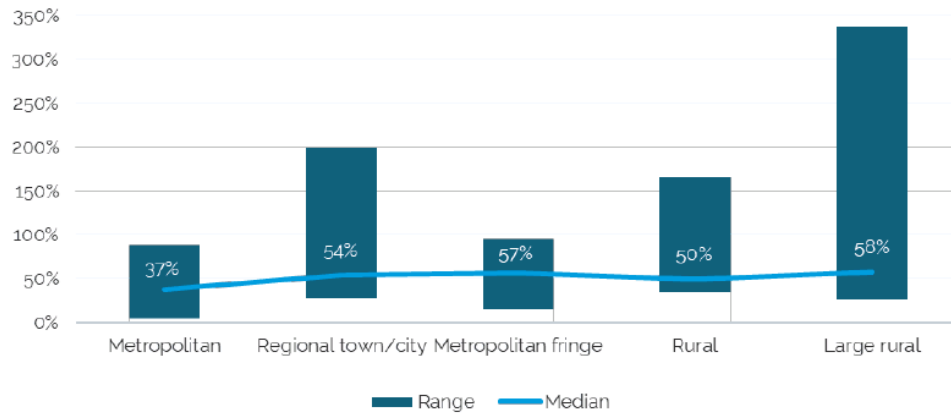
B.2 How councils' income has changed

B.2.1 Rates income per capita increased by 45% from 2010-11 to 2020-21

As we discuss in section 3, rates income per capita increased by 45% from 2010-11 to 2020-21. This is equivalent to an average increase of around 3.8% per year, which is around 50% higher than the average rate peg of 2.5% per year over this period.

To determine whether particular council types are more likely to require higher increases in total rates income, we compared the percentage change in rates income per capita by council type. Figure B.1 shows the median change, as well as the top and bottom of the range for each council type.

Figure B.1 Change in rates income per capita by council type, 2010-11 to 2020-21



Note: Excludes councils impacted by amalgamations.

Source: Office of Local Government, Time Series Data

All council types recorded medians above the cumulative increase in the rate peg over this period. Large rural councils had the highest median percentage increase (58%), and metropolitan councils had the lowest median percentage increase (37%). We expect that increases above the rate peg are mainly due to SVs and supplementary valuations.

Special variations

From 2011-12 to 2022-23 we approved 168 applications for SVs.

To explore whether particular council types are more likely to apply for an SV, we compared the proportion of councils in each council type to the proportion of SV applications we received from each council type since 2011-12. As Table B.2 shows, we found that metropolitan councils and regional councils were more likely to apply for an SV than other council types:

- metropolitan councils represent 19.5% of all councils in NSW, but account for 25.3% of all SV applications
- regional councils represent 28.9% of all councils, but 40.7% of all SV applications.

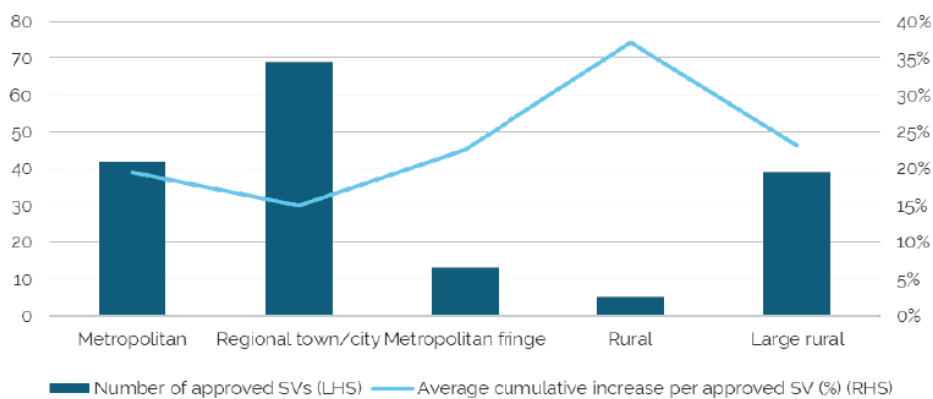
In contrast, together rural and large rural councils represent 44.5% of all councils, but only 26.9% of SV applications.

Table B.2 Proportion of councils and SV applications by type

Council type	Councils in NSW		SV applications	
	Number of councils	Proportion of councils	Number of applications	Proportion of applications
Metropolitan	25	19.5%	46	25.3%
Regional town/city	37	28.9%	74	40.7%
Metropolitan fringe	9	7.0%	13	7.1%
Rural	15	11.7%	7	3.8%
Large rural	42	32.8%	42	23.1%
Total	128	100%	182	100%

Figure B.2 shows the number of SV applications we approved, and the average cumulative increase per SV by council type from 2011-12 to 2022-23.^w We note that while rural councils had the lowest number of approved SV applications, they also had the highest average cumulative increase.

Figure B.2 Number of approved SVs and average cumulative increase



Supplementary valuations

Councils are also able to increase rates income outside the rate peg when the Valuer General issues supplementary valuations due to changes in land value (e.g. when land is rezoned or subdivided). We determined that councils received around \$286 million in supplementary valuations from 2014-15 to 2020-21.^x

^w SVs can be approved for multiple years. The cumulative increase represents the increase over the SV period, and accounts for the effect of compounding. As an example, if we approved a 2-year SV for 10% increases in each year, this would be a cumulative increase of 21% due to compounding

^x OLG did not collect information on supplementary valuations prior to this.

B.2.2 Grants and contributions increased by 65%

Operating and capital grants and contributions per capita grew by 65% from 2010-11 to 2020-21.

The key driver of this overall increase was a 130% increase in grants and contributions per capita for capital purposes. In comparison, grants and contributions per capita for operating purposes grew by just 7% over the same period.

We are aware that sometimes a grant for capital purposes might lead to ongoing operating expenses, or depreciation costs which are not captured in our existing rate peg methodology. This is because the LGCI measures the cost of direct acquisitions of goods and services rather than their financing.

We will consider the impact of grants on councils' financials as part of this review.

- ¹ IPART, [Rate peg for NSW councils for 2023-24 – Information Paper](#), September 2022, p 5.
- ² IPART, [Rate peg for NSW councils for 2017-18 – Fact Sheet](#), November 2016, pp 2-3.
- ³ IPART, [Rate peg for NSW councils for 2018-19 – Fact Sheet](#), November 2019, p 1.
- ⁴ IPART, [Rate peg for NSW councils for 2012-13 – Fact Sheet](#), December 2011, p 1.
- ⁵ IPART, [Rate peg for NSW councils for 2013-14 – Fact Sheet](#), November 2012, p 1 and IPART, [Rate peg for NSW councils for 2014-15 – Fact Sheet](#), December 2013, p 1.
- ⁶ IPART, [Rate peg for NSW councils for 2021-22 – Fact Sheet](#), September 2020, p 1.
- ⁷ IPART, [Rate peg for NSW councils for 2022-23 – Information Paper](#), December 2021, p 2.
- ⁸ IPART, [Rate peg for NSW councils for 2023-24 – Information Paper](#), September 2022, p 6.
- ⁹ IPART, [Rate peg for NSW councils for 2020-21 – Fact Sheet](#), September 2019, p 1.
- ¹⁰ Office of Local Government, [Guidelines for the Preparation of an Application to Increase Minimum Rates above the Statutory Limit](#), p 4.
- ¹¹ IPART, [Reweighting of Local Government Cost Index – Fact Sheet](#), May 2020.
- ¹² IPART, [Rate peg for NSW councils for 2012-13 – Fact Sheet](#), December 2011, p 1.
- ¹³ IPART, [Rate peg for NSW councils for 2013-14 – Fact Sheet](#), November 2012, p 1. IPART, [Rate peg for NSW councils for 2014-15 – Fact Sheet](#), December 2013, p 1.
- ¹⁴ IPART, [Rate peg for NSW councils for 2021-22 – Fact Sheet](#), September 2020, p 1.
- ¹⁵ Office of Local Government, [Australian classification of local governments and OLG group numbers](#).
- ¹⁶ Email to IPART, Permissible Income Data by LGA and Email to IPART, Office of Local Government, 25 August 2022

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Quarterly Budget Review 2022-2023

**Period ending
30 September 2022**

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

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Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

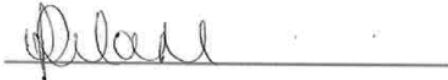
Report by responsible accounting officer

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

30 September 2022

It is my opinion that the Quarterly Budget Review Statement for Blayney Shire Council for the quarter ended 30/09/22 indicates that Council's projected financial position at 30/6/23 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:



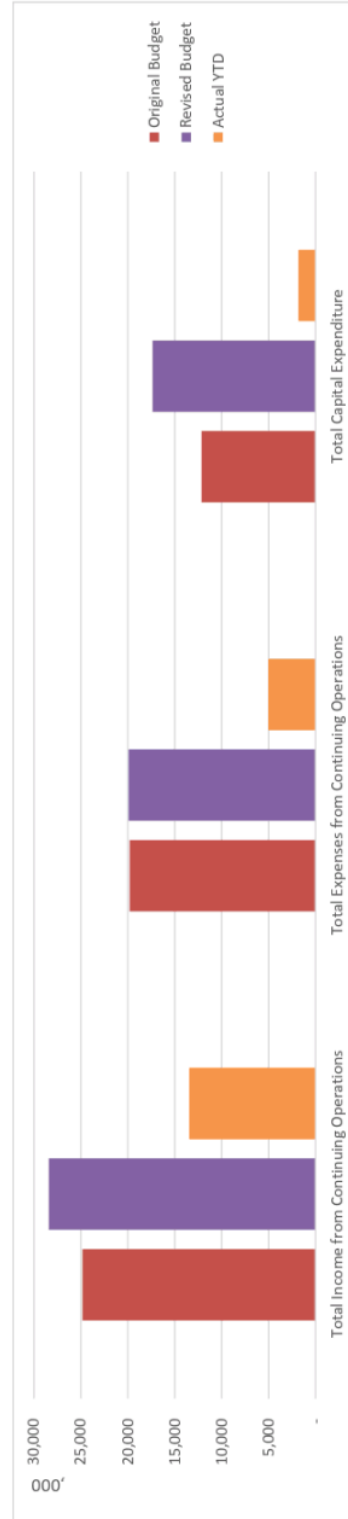
date: 14/11/2022

Tiffany Irlam
Responsible accounting officer

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council
PART 1:
Income & Expenses Budget Summary
Budget review for the quarter ended 30 September 2022
Income & Expenses - Council Consolidated

	Original Budget \$ 000	Carry Forwards \$ 000	Other than by QBRs Sep \$ 000	Revised Budget 2021/22	Variations for this Sep Qtr	Projected Year End Result	Actual YTD figures
Total Income from Continuing Operations	24,824	-	3,591	28,415	525	28,940	13,441
Total Expenses from Continuing Operations	19,806	95	22	19,923	1,209	21,132	5,029
Net Operating Result from Continuing Operations	5,018	(95)	3,569	8,492	(684)	7,808	8,412
Total Capital Expenditure	12,145	1,023	4,177	17,345	427	17,772	1,821



This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council
Quarterly Budget Review Statement
 for the period 01/07/22 to 30/09/22

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2022

Income & expenses - Council Consolidated

	Original budget 2022/23	Approved Changes Carry forwards	Other than by QBRs	Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures *	% Budget Remaining
Income									
Rates and annual charges	12,382			12,382			12,382	12,099	2%
User charges and fees	1,667			1,667	(3)		1,664	603	64%
Other revenues	371			371			371	39	89%
Grants and contributions - operating	4,255			4,255	470	a,b,c,d	4,725	229	95%
Grants and contributions - capital	5,857		3,591	9,448	58	e,j	9,506	392	96%
Interest and investment revenue	189			189			189	79	58%
Net gain from disposal of assets	78			78			78		
Share of interests in joint ventures	25			25			25		
Total income from continuing operations	24,824	-	3,591	28,415	525		28,940	13,441	54%
Expenses									
Employee benefits and on-costs	7,209			7,209	95	c,d,f	7,304	1,571	78%
Borrowing costs	223			223			223	58	74%
Materials and services	4,371	38	22	4,431	270	c,d,g	4,701	1,296	72%
Depreciation and amortisation	6,774			6,774	742	h	7,516	1,805	76%
Legal costs	52			52	15	i	67	15	78%
Consultants	233	57		290	39	d,f	329	58	82%
Other expenses	944			944	48		992	226	77%
Total expenses from continuing operations	19,806	95	22	19,923	1,209		21,132	5,029	76%
Net operating result from continuing operations	5,018	(95)	3,569	8,492	(684)		7,808	8,412	
Discontinued operations - surplus/(deficit)				-			-		
Net operating result from all operations	5,018	(95)	3,569	8,492	(684)		7,808	8,412	
Net Operating Result before Capital Items	(839)	(95)	(22)	(956)	(742)		(1,698)	8,020	

* Rates and annual charges are levied in full in July with minor variations made throughout the year. There are other income and expenditure items that vary in timing when paid or received (e.g. weekly, monthly or annually).

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council
Quarterly Budget Review Statement
 for the period 01/07/22 to 30/09/22

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2022

Income & expenses - General Fund

	Original budget 2022/23	Approved Changes Carry forwards	Other than by QBRs	Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures	% Budget Remaining
Income									
Rates and annual charges	10,953			10,953			10,953	10,815	1%
User charges and fees	1,326			1,326	(3)		1,323	463	65%
Other revenues	367			367			367	39	89%
Grants and contributions - operating	4,237			4,237	470	a,b,c,d	4,707	229	95%
Grants and contributions - capital	5,698		3,591	9,289	58	e	9,347	392	96%
Interest and investment revenue	132			132			132	60	55%
Net gain from disposal of assets	78			78			78	-	
Share of interests in joint ventures	25			25			25	-	
Total income from continuing operations	22,816	-	3,591	26,407	525		26,932	11,998	55%
Expenses									
Employee benefits and on-costs	6,967			6,967	95	c,d,f	7,062	1,505	79%
Borrowing costs	191			191			191	50	74%
Materials and services	3,594	38	22	3,654	268	c,d,g	3,922	1,149	71%
Depreciation and amortisation	6,175			6,175	617	h	6,792	1,629	76%
Legal costs	52			52	15	i	67	24	64%
Consultants	121	57		178	39	d,f	217	58	73%
Other expenses	944			944	48		992	222	78%
Total expenses from continuing operations	18,044	95	22	18,161	1,082		19,243	4,637	76%
Net operating result from continuing operations	4,772	(95)	3,569	8,246	(557)		7,689	7,361	
Discontinued operations - surplus/(deficit)				-			-		
Net operating result from all operations	4,772	(95)	3,569	8,246	(557)		7,689	7,361	
Net Operating Result before Capital Items	(926)	(95)	(22)	(1,043)	(615)		(1,658)	6,969	

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council
Quarterly Budget Review Statement
 for the period 01/07/22 to 30/09/22

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2022

Income & expenses - Sewer Fund

	Original budget 2022/23	Approved Changes Carry forwards	Other than by QBRs	Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures	% Budget Remaining
Income									
Rates and annual charges	1,428			1,428			1,428	1,284	10%
User charges and fees	341			341			341	140	59%
Other revenues	4			4			4	-	100%
Grants and contributions - operating	17			17			17	-	100%
Grants and contributions - capital	159			159			159	-	100%
Interest and investment revenue	58			58			58	19	67%
Net gain from disposal of assets	-			-			-	-	-
Share of interests in joint ventures	-			-			-	-	-
Total income from continuing operations	2,007	-	-	2,007	-		2,007	1,443	28%
Expenses									
Employee benefits and on-costs	242			242			242	66	73%
Borrowing costs	32			32			32	8	75%
Materials and services	778			778	2		780	138	82%
Depreciation and amortisation	598			598	125		723	177	76%
Legal costs	-			-			-	-	0%
Consultants	112			112			112	3	100%
Other expenses	-			-			-	-	0%
Total expenses from continuing operations	1,762	-	-	1,762	127		1,889	392	79%
Net operating result from continuing operations	245	-	-	245	(127)		118	1,051	
Discontinued operations - surplus/(deficit)									
Net operating result from all operations	245	-	-	245	(127)		118	1,051	
Net Operating Result before Capital Items	86	-	-	86	(127)		(41)	1,051	

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council
Quarterly Budget Review Statement
 for the period 01/07/22 to 30/09/22

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2022

Income & expenses - Council Consolidated

	Original budget 2022/23	Approved changes Carry forwards	Other than QBRs	Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
Income								
Governance	13			13	65	a	78	3
Administration	410			410			410	49
Public order & safety	56	467		523			523	2
Health	8			8			8	
Environment	1,538			1,538	24	b	1,562	1,353
Community services & education	3			3			3	
Housing & community amenities	679	161		840	80	c	920	72
Sewer supplies	2,007			2,007			2,007	1,443
Recreation & culture	387	75		462	(4)	k	458	54
Manufacturing & construction	621			621			621	216
Transport & communication	6,997	2,888		9,885	120	a,e,j	10,005	379
Economic affairs	147			147	240	d	387	87
General purpose revenue	11,933			11,933			11,933	9,783
Share of Interest in Joint Ventures	25			25			25	-
Total income from continuing operations	24,824	-	3,591	28,415	625		28,940	13,441
Expenses								
Governance	532			532	46	a	578	159
Administration	4,286	25	22	4,333	105	d,g,h,i	4,438	1,321
Public order & safety	732			732	20		752	45
Health	18			18			18	4
Environment	2,018			2,018	48	b,h	2,066	434
Community services & education	20			20	2		22	12
Housing & community amenities	596	70		666	79	c,h	745	127
Sewer supplies	1,763			1,763	127	g,h	1,890	392
Recreation & culture	2,908			2,908	194	g,h	3,102	709
Manufacturing & construction	559			559			559	121
Transport & communication	5,944			5,944	342	h	6,286	1,561
Economic affairs	430			430	246	d,g,h	676	144
Total expenses from continuing operations	19,806	95	22	19,923	1,209		21,132	5,029
Net operating result from continuing operations	5,018	(95)	3,569	8,492	(684)		7,808	8,412
Discontinued operations - surplus/(deficit)				-			-	
Net operating result from all operations	5,018	(95)	3,569	8,492	(684)		7,808	8,412
Net operating result before capital items	(839)			(839)	(684)		(1,523)	

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council
PART 3A:
Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Operating Income & Expenses Budget Review Statement (By Function/Activity - Detailed)

Budget review for the quarter ended 30 September 2022

Operating Income & Expenses - Council Consolidated (Excludes Capital Grants and Contributions)

(\$000's)	Operating Income				Remainder	Operating Expenditure				Actual YTD figures	Actual YTD %				
	Original Budget \$ 000	Carry Forwards \$ 000	Other than by QBRS Sep \$ 000	Revised Budget \$ 000		Operating Income Variations for Sep-22	Notes	Projected Year End Result	Operating Expenditure Revised Budget \$ 000			Variations for Sep-22	Notes	Projected Year End Result	
Governance															
Council	13	-	-	13	10	65	78	3	96.2%		532	46	578	159	72.5%
Administration															
Executive Services	-	-	-	-	(3)	-	-	3	#DIV/0!		652	-	652	161	75.3%
Corporate Services	184	-	-	184	169	184	184	15	91.6%		2,156	31	2,209	670	69.7%
Engineering & Works	223	-	-	223	194	223	223	29	87.0%		1,845	74	1,944	404	79.2%
Environmental	3	-	-	3	1	3	3	2	49.5%		366	-	366	86	76.5%
	410	-	-	410	361	-	410	49	88.1%		5,019	22	5,171	1,321	74.5%
Public Order & Safety															
Rural Fire Service	46	-	-	46	46	-	46	-	100.0%		568	18	586	19	96.8%
Animal Control	10	-	-	10	8	-	10	2	80.0%		108	2	110	14	87.3%
Emergency Services	-	-	-	-	-	-	-	-	0.0%		47	-	47	12	74.2%
Other Public Order & Safety	56	-	-	56	54	-	56	2	96.4%		727	20	747	45	94.0%
Health															
Administration/Food Control	8	-	-	8	8	-	8	0	97.1%		18	-	18	4	77.5%
	8	-	-	8	8	-	8	0	97.1%		18	-	18	4	77.5%
Environment															
Noxious Plants	-	-	-	-	-	-	-	-	0.0%		99	-	99	98	1.4%
Domestic Waste Management	1,017	-	-	1,017	10	-	1,017	1,007	1.0%		932	3	935	168	82.0%
Other Waste Management	520	-	-	520	174	-	520	346	33.5%		481	-	481	58	87.9%
Street Cleaning	-	-	-	-	-	-	-	-	0.0%		195	-	195	48	75.4%
Urban Stormwater Drainage	-	-	-	-	-	24	24	-	100.0%		187	45	232	62	73.3%
	1,537	-	-	1,537	184	24	1,561	1,353	43.3%		1,894	48	1,942	434	77.7%
Community Services & Education															
Community Services Administration	-	-	-	-	-	-	-	-	0.0%		5	2	7	2	71.9%
Child Care	-	-	-	-	-	-	-	-	0.0%		10	-	10	10	100.0%
Youth Services	3	-	-	3	3	-	3	-	100.0%		5	-	5	5	100.0%
	3	-	-	3	3	-	3	-	100.0%		20	2	22	12	46.3%
Housing & Community Amenities															
Public Cemeteries	70	-	-	70	37	-	70	33	52.9%		85	-	85	11	87.1%
Public Conveniences	6	-	-	6	3	-	6	3	50.0%		174	(1)	173	25	85.6%
Street Lighting	22	-	-	22	22	-	22	0	99.5%		78	38	116	12	89.7%
Town Planning	152	-	-	152	116	80	232	36	84.5%		336	80	448	79	82.3%
	250	-	-	250	116	80	330	72	78.2%		673	79	822	127	84.5%

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report.

Blayney Shire Council
PART 3A:
Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Operating Income & Expenses Budget Review Statement (By Function/Activity - Detailed)

Budget review for the quarter ended 30 September 2022

Operating Income & Expenses - Council Consolidated (Excludes Capital Grants and Contributions)

(\$000's)	Operating Income				Remainder	Operating Expenditure				Actual YTD figures	Actual YTD %								
	Original Budget \$ 000	Carry Forwards \$ 000	Other than by QBRS Sep \$ 000	Revised Budget \$ 000		Operating Income Variations for Sep-22	Notes	Projected Year End Result	Original Budget \$ 000			Carry Forwards \$ 000	Other than by QBRS Sep \$ 000	Revised Budget \$ 000	Operating Expenditure Variations for Sep-22	Notes	Projected Year End Result		
Recreation & Culture																			
Public Libraries	81	-	-	81	(1)	80	100.0%	-	231	-	231	23	23	254	12	95.3%			
Public Halls	18	-	-	18	-	18	50.0%	9	154	-	154	32	32	186	60	67.7%			
Other Cultural Services	-	-	-	-	-	-	0.0%	-	25	-	25	-	-	25	10	59.9%			
Centrepoint Sport & Leisure	19	-	-	19	-	19	0.0%	-	941	-	941	7	7	948	218	77.0%			
Sporting Grounds	3	-	-	3	(3)	-	26.3%	14	338	-	338	31	31	369	88	76.1%			
Parks & Gardens	21	-	-	21	-	21	0.0%	-	994	-	994	63	63	1,057	268	74.6%			
Blayney Showground	142	-	-	142	(4)	138	19.0%	17	187	-	187	38	38	225	53	76.5%			
							71.0%	40	2,869	-	2,869	194	194	3,063	709	76.9%			
Mining Manufacturing & Construction																			
Building Control	214	-	-	214	-	214	57.0%	92	234	-	234	-	-	234	52	77.7%			
Quarries & Pits	406	-	-	406	-	406	69.5%	124	312	-	312	-	-	312	69	77.9%			
	620	-	-	620	-	620	65.2%	216	546	-	546	-	-	546	121	77.8%			
Transport & Communication																			
Local Roads	1,615	-	-	1,615	-	1,615	99.9%	1	4,543	-	4,543	262	262	4,805	1,321	72.5%			
Regional Roads	345	-	-	345	-	345	100.0%	-	248	-	248	-	-	248	44	82.3%			
Bridges - Local	12	-	-	12	-	12	100.0%	-	464	-	464	23	23	487	118	75.8%			
Bridges - Regional	-	-	-	-	-	-	0.0%	-	-	-	-	-	-	-	-	0.0%			
Footpaths	-	-	-	-	-	-	0.0%	-	124	-	124	23	23	147	36	75.5%			
Kerb and Gutter	-	-	-	-	-	-	0.0%	-	166	-	166	1	1	167	42	74.9%			
Other Transport and Communication	1	-	-	1	63	64	100.0%	-	161	-	161	33	33	194	-	100.0%			
	1,973	-	-	1,973	63	2,036	100.0%	1	5,705	-	5,705	342	342	6,047	1,561	74.2%			
Economic Affairs																			
Tourism & Area Promotion	30	-	-	30	239	269	97.0%	8	298	-	298	246	246	544	97	82.2%			
Industrial Development & Promotion	12	-	-	12	-	12	83.3%	2	9	-	9	9	9	9	3	68.0%			
Real Estate	9	-	-	9	-	9	44.4%	5	19	-	19	-	-	19	11	42.1%			
Other Business - Private Works	96	-	-	96	-	96	25.0%	72	74	-	74	-	-	74	33	55.2%			
	147	-	-	147	239	386	77.5%	87	400	-	400	246	246	646	144	77.7%			
General Purpose Revenue																			
General Purpose Revenues	11,960	-	-	11,960	-	11,960	18.2%	9,782	-	-	-	-	-	-	-	0.0%			
Sewerage Services																			
	1,953	-	-	1,953	-	1,953	26.1%	1,443	1,403	-	1,403	127	127	1,530	392	74.4%			
Surplus/(Deficit) From Ordinary Activities Before Capital Grants & Contributions	19,072	-	-	19,072	467	19,539	33.2%	13,048	19,806	95	19,923	22	1,209	21,132	5,029	76.2%			

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report.

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Income & expenses budget review statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details	Income \$000	Expenditure \$000
a Reallocate Voluntary Planning Agreement - Capital Grants & Contributions - Operational Grants & Contributions Financial Assistance Program as per Council resolution 2205/0111	(127) 127	45
	-	45
b Balance of funding claimable under the Floodplain Management Program	24	24
	24	24
c Transition to NSW Planning Portal project - Employee benefits and on-costs - Software development and licencing	80	40 40
	80	80
d Reconnecting Regional NSW - Community Events Program - Employee benefits and on-costs - Community events and marketing	240	69 171
	240	240
e Fixing Local Bridges - Swallow Creek Bridge preliminary costs. Project schedules for completion in 2023/24	150	
	150	-
f Reallocate budget for wages of temporary planning staff - Employee benefits and on-costs - Consultants		(15) 15
	-	-
g Council's insurance premiums increased higher than forecast		41
	-	41
h Increase in depreciation expense following indexation of infrastructure asset classes - Land Improvements 10.81% - Open Space, Other Structures and Swimming Pools 9.70% - Specialised Buildings 9.70% - Non Specialised Buildings 17.26% - Roads, Bridges and Footpaths 10.81% - Stormwater Drainage 5.73% Increased depreciation following revaluation of sewerage infrastructure Increased depreciation on all other asset classes		33 28 147 19 343 21 131 20
	-	742
i Legal costs associated with public liability claim		15
	-	15
j Grant funding received under the Country Passenger Infrastructure grants scheme for the construction of 3 bus shelters in Manduarma, Lyndhurst and Newbridge	35	
	35	-
k Other minor budget variations	(4)	22
	(4)	22
	-	-
	525	1,209
Net adjustment to operating result		(684)

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report

Blayney Shire Council
Quarterly Budget Review Statement
 for the period 01/07/22 to 30/09/22

Capital budget review statement

Budget review for the quarter ended 30 September 2022

Capital budget - Council Consolidated

	Original budget 2022/23	Approved changes Carry forwards	Other than by QBRs	Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
Capital expenditure								
New assets								
- Plant & equipment	2,214	105		2,319	172		2,491	130
- Land & buildings	180	104		284	12		296	27
- Sewer	-	15		15	30		45	28
- Roads, Bridges, Footpaths	807	89	161	1,057	35		1,092	213
- Other	-	61	253	314	16		330	160
Renewal assets (replacement)								
- Plant & equipment	-			-	-		-	-
- Land & buildings	476	103	853	1,432	13		1,445	191
- Sewer	158	85		243	14		257	40
- Roads, bridges, footpaths	7,260	323	2,910	10,493	151		10,644	828
- Other	421	138		559	(16)		543	49
Loan repayments (principal)	629			629			629	155
Total capital expenditure	12,145	1,023	4,177	17,345	427		17,772	1,821
Capital funding								
Rates & other united funding	3,292			3,292	(12)		3,280	1,140
Capital grants & contributions	5,698		3,591	9,289	185		9,474	392
Reserves:								
- External restrictions	807	544	386	1,737	57		1,794	80
- Internal allocations	1,572	479		2,051	197		2,248	96
New loans	-			-			-	-
Receipts from sale of assets								
- Plant & equipment	776			776			776	113
- Land & buildings	-		200	200			200	-
Total capital funding	12,145	1,023	4,177	17,345	427		17,772	1,821
Net capital funding - surplus/(deficit)	-	-	-	-	-		-	-

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council
PART 4A:
Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022
Capital Budget - Council Consolidated

	Original Budget 2022/23	Carry Forwards	Other than by QBRS Sep Qtr	Revised Budget 2022/23	Variations for Sep Qtr	Notes	Projected Year End Result	Actual YTD figures	%
(\$000's)									
LAND & BUILDINGS									
Truck Wash	150			150			150		0%
Energy Efficiency Upgrades	30			30			30		0%
RFS Shed Blayney			667	667			667	2	0%
Community Centre - Exterior Painting	26			26			26		0%
Works Depot - Security Gate & Carpark Configuration		104		104	12	5	116	27	23%
Works Depot - Refurbishments		6		6	1	11	7	7	100%
R4R8 - Amenities Refurbishment - Carrington Park	90	9		99			99		0%
R4R8 - Amenities Refurbishment - Heritage Park	360	40		400			400		0%
BBRF4 - King George Oval Amenities		48	111	159	12	1	171	170	99%
R4R7 - CentrePoint - Stage 2 Roofing Works			75	75			75	12	16%
TOTAL LAND & BUILDINGS	656	207	853	1,716	25		1,741	218	13%
OTHER STRUCTURES									
Public Cemeteries - Infrastructure Works	11			11			11		0%
SCCF4 - Lyndhurst Rec Ground Tennis Court Lights		50		50	16	2	66	6	9%
SCCF4 - Redmond Oval Cricket Nets		23		23	2	2	25	9	36%
SCCF4 - Netball Courts Lighting Upgrade	113			113			113		0%
SCCF4 - KGO Oval Lighting	132			132			132		0%
Centrepoint Shade Sail Replacement	40			40			40		0%
Blayney Showground Safety Fencing		6		6			6		0%
Blayney Showground Water Improvements		5		5			5		0%
Pipe Renewal & Water Meters - Industrial Land		7		7			7		0%
Carcoar Dam Boating Safety and Fishing Facilities Upgrade			253	253			253	154	61%
VEP Blayney	5			5			5		0%
VEP Barry & Hobbys Yards	10	(3)		7			7		0%
VEP Carcoar	28	6		34			34	1	3%
VEP Lyndhurst	16	34		50	(16)	2	34	17	50%
VEP Mandurama	10	19		29			29	4	14%
VEP Millthorpe	28	36		64	(2)	2	62	18	29%
VEP Neville	10	5		15			15		0%
VEP Newbridge	18	11		29			29		0%
TOTAL OTHER STRUCTURES	421	199	253	873	-		873	209	24%

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council

PART 4A:

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022

Capital Budget - Council Consolidated

(\$000's)

INFRASTRUCTURE

Local Roads - Construction

	Original Budget 2022/23	Carry Forwards	Other than by QBRs Sep Qtr	Revised Budget 2022/23	Variations for Sep Qtr	Notes	Projected Year End Result	Actual YTD figures	%
R4R7 - Forest Reefs Road	1,298	70	175	1,368			1,368	20	1%
R4R7 - Carbine Road			36	175			175	7	4%
R4R8 - Forest Reefs Road/Tailwood Road Intersection	562		200	598			598	3	1%
R4R8 Initial Sealing - Coombing & Mendham Lane Barry	200	(6)		200			200	59	30%
R4R8 Initial Sealing - North & South Prescott Street Lyndhurst	75			69			69	31	45%
R4R8 - Initial Seal - North Harrow Street	75			75			75	12	16%
Errowanbang Road Realignment				-		1	1	1	100%
Errowanbang/Gap Road Storm Damage		59	434	493		5	493	20	4%
Richards Lane Reconstruction				-		6	5	3	60%
Guard rail repair - Newbridge Road				-		11	6	6	100%
Gravel Resheeting	390		456	846			846	347	41%
Heavy Patching Program	530			530			530	31	6%
Panuaara Road Heavy Patching			83	83			83	-	0%
Reseal Program	425			425		11	414	-	0%
TOTAL LOCAL ROADS CONSTRUCTION	3,555	129	1,178	4,862	(11)	1	4,863	540	11%

Regional Roads

R4R8 Hobbys Yard Rd

TOTAL REGIONAL ROADS

Bridges

Culvert Renewal Program

REPAIR- Culvert Replacement - Belubula Way over Icelly Creek

FCB - Gallymont Road, Mandurama - Gally Swamp Bridge

FCB - Lucan Road, Lyndhurst - Limestone Creek Bridge

FCB - Leabeater Street, Lyndhurst - Grubbenbun Creek Bridge

Boondaroo Creek (2020 Storm Event)

Four Mile Creek, Swallow Creek

TOTAL BRIDGES

R	470		278	748			748	-	0%
TOTAL REGIONAL ROADS	470	-	278	748	-		748	-	0%
R	513			513			513	121	24%
R	700		22	700			700	-	0%
R			439	22			22	20	91%
R		69	508	508			508	-	0%
R		105	508	613			613	2	0%
R			496	496			496	6	1%
R	1,213	174	1,465	2,852	150	3	3,002	151	5%

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council

PART 4A:

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022

Capital Budget - Council Consolidated

	Original Budget 2022/23	Carry Forwards	Other than by QBRS Sep Qtr	Revised Budget 2022/23	Variations for Sep Qtr	Notes	Projected Year End Result	Actual YTD figures	%
(\$000's)									
Footpaths									
Spot Renewals	49			49			49	4	8%
BBRF5 - Belubula River Walk Stage 3 (Martin St - Charles St - Boardwalk to Island)	336	89	162	587			587	209	36%
SCCF4 - Belubula River Walk Stage 4 (Martin St - Charles St - Boardwalk to Island)	471	(1)	(1)	470			470	4	1%
R4R8 - Mt Donald Road				-	6	11	6	6	100%
R4R8 - Carcoar (Amp 2) - Coombing St Fp - Showground Entrance - Ibelly St	119		(3)	116	(6)	11	110	78	71%
R4R8 Coombing St - FP Eulamore St - Showground Entrance (Carcoar AMP 8)	17			17			17	-	0%
R4R8 Trunkey St - SP - Showground - Newbridge Hotel / Toomey St (AMP 1)	168			168			168	3	2%
R4R8 - Millthorpe (AMP AD1) Elliot St FP - Victoria - Pym St	117			117			117	-	0%
R4R8 - Millthorpe (Amp 10A) Glenorie Rd Sp Stage 1 - Blake St To Rail Overbridge	119		(3)	116			116	-	0%
R4R8 - Millthorpe (AMP 10B) Glenorie Rd SP Stage 2 - Rail Overbridge to Dog Run	222	(5)	(5)	217			217	10	5%
R4R8 - King George Oval Parking & Pedestrian Integration	1,045	20		1,065			1,065	28	3%
TOTAL FOOTPATHS	2,663	109	150	2,922	-		2,922	342	12%
Stormwater									
Stormwater Drainage Renewals	66			66			66	-	0%
Stormwater Drainage - Stabback & Unwin St - Preliminary Works	100			100			100	8	8%
TOTAL STORMWATER	166	-	-	166	-		166	8	5%
Other Transport & Communication									
Bus Shelters					35	10	35	-	0%
TOTAL - RENEWALS	-	-	-	-	35		35	-	0%
TOTAL INFRASTRUCTURE	8,067	412	3,071	11,550	186		11,736	1,041	9%

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council
PART 4A:
Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022
Capital Budget - Council Consolidated

	Original Budget 2022/23	Carry Forwards	Other than by QBRs Sep Qtr	Revised Budget 2022/23	Variations for Sep Qtr	Notes	Projected Year End Result	Actual YTD figures	%
PLANT & EQUIPMENT									
Light Vehicle									
Light Vehicle Replacement	513	93	-	606	0		606	96	16%
TOTAL LIGHT VEHICLE	513	93	-	606	0		606	96	16%
Minor Plant									
Small Plant & Tools	33			33			33	-	0%
Fiatl Mowers x 4	201			201			201	-	0%
VMS Message Board	23			23			23	-	0%
TOTAL MINOR PLANT	257	-	-	257	0		257	-	0%
Major Plant									
Watercart	297			297	18	4	315	-	0%
Watercart	297			297	18	4	315	-	0%
Grader Cat 140M AWD	538			538	112	4	650	-	0%
Backhoe JCB 3CX-APC Elite	183			183	49	4	232	-	0%
TOTAL MAJOR PLANT	1,315	-	-	1,315	197		1,512	-	0%
Information Technology									
Councillors - iPad Replacement/Accessories	3			3			3	-	0%
2 x Smartboards (GM Office & Downstairs)	20			20	(10)	11	10	10	100%
CCTV Cameras	10			10			10	5	50%
Mobile Device Replacements	4			4			4	-	0%
Mobile Phone Replacements	4			4			4	-	0%
PC Replacements	-			-	6	11	6	-	0%
Opmanager - Network Monitoring System	4			4			4	3	75%
Exchange cloud migration	5			5	(5)	11	-	-	0%
Server upgrade	10			10			10	4	40%
GIS Mapping Upgrade	11			11	3	11	14	-	0%
Access control	12			12	(12)	5	-	-	0%
Iferret - SharePoint to OneDrive link	5			5	(1)	11	4	4	100%
UPS Battery Backup	8			8	8		8	8	100%
Tipsite Software	-	12		12			12	-	0%
TOTAL INFORMATION TECHNOLOGY	96	12	-	108	(19)		89	34	38%

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council
PART 4A:
Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022
Capital Budget - Council Consolidated

	Original Budget 2022/23	Carry Forwards	Other than by QBRs Sep Qtr	Revised Budget 2022/23	Variations for Sep Qtr	Notes	Projected Year End Result	Actual YTD figures	%
(\$000's)									
Other Plant & Equipment Purchases									
Minor Asset Purchases - Administration Office	3			3			3		0%
Blayney Community Centre - Minor Assets	11			11			11		0%
Minor Asset Purchases - CentrePoint	-			-	13	6	13		0%
Minor Asset Purchases - Blayney Library	19			19	(19)	7	-		0%
TOTAL OTHER PLANT & EQUIPMENT PURCHASES	33	-	-	33	(6)		27		0%
TOTAL PLANT & EQUIPMENT	2,214	105	-	2,319	172		2,491		5%
Sewerage Services									
Minor Assets	5			5	14	8	19	14	74%
Telemetry Upgrade	78			78			78	3	4%
Lining/Replacement of Sewer Mains	75	85		160			160	23	14%
Recycled Water Treatment Plant		15		15	30	9	45	28	62%
TOTAL SEWERAGE SERVICES	158	100	-	258	44		302		23%
Principal Loan Repayments									
Bridge Replacement Program	262			262			262	64	24%
Works Depot	96			96			96	25	26%
Millthorpe Sewer	59			59			59	14	24%
Residential Land Development	128			128			128	31	24%
CentrePoint Major Upgrade	84			84			84	21	25%
	629	-	-	629	-		629	155	25%
Total Capital Expenditure	12,145	1,023	4,177	17,345	427		17,772	1,821	

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRs report

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Capital budget review statement
Recommended changes to revised budget

Budget variations being recommended include the following material items:

Notes/Details	Variations to:
	Expenditure \$000
1 Finalisation of King George Oval amenities project funded from VPA contributions	12
	12
2 Council's contribution towards completion of SCCF4 projects - Redmond Oval cricket nets - VEP Millthorpe - Lyndhurst Recreation Ground tennis court lights - VEP Lyndhurst	2 (2) 16 (16)
	16
3 Swallow Creek Bridge preliminary works to be completed in 2022/23 following successful grant funding under Fixing Country Bridges	150
	150
4 Increased costs associated with Council's fleet replacement program.	197
	197
5 Works Depot - Security Gate & Carpark Configuration Admin building access control synchronisation with the works depot was not a suitable option with budgeted funds reallocated to the works depot access works	12 (12) -
6 Replacement of two indoor basketball hoop mechanisms at CentrePoint following a risk assessment by YMCA	13
	13
7 Reallocation of Library Priority Grant to fund operational projects including One Library, One Book, Lego Club, Storytime and holiday activities and digitisation to microfilm of newspapers	(19)
	(19)
8 Finalisation of Sewerage Treatment Plant upgrade works carried over from 2021/22	13
	13
9 Finalisation of Recycled Water Treatment Plant	30
	30
10 Construction of bus shelters in Mandurama, Lyndhurst and Newbridge	35
	35
11 Minor budget variations	(20)
	(20)
12	-
13	-
14	-
15	-
	-
TOTAL	427

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council
Cash & investments budget review statement
Budget review for the quarter ended 30 September 2022
Cash & investments - Council Consolidated

(\$000's)	Opening balance 1/07/2022	Approved changes Carry forwards	Other than by QBRS	Revised budget 1/07/2022	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
Externally restricted ⁽¹⁾								
Developer Contributions - General	1,033			1,033			1,033	1,296
Developer Contributions - Sewer	1,196			1,196			1,196	1,303
Unexpended Grants	3,198			3,198			3,198	3,200
Sewerage Services	5,802	(100)		5,702	(43)	i	5,659	5,452
Domestic Waste Management	831	(12)		819			819	819
Voluntary Planning Agreements	284			284	(12)	ii	272	408
Rates Special Variation - Mining	753	(59)		694	(1)		693	694
Total externally restricted	13,097	(171)	-	12,926	(56)		12,870	13,172
⁽¹⁾ Funds that must be spent for a specific purpose								
Internally restricted ⁽²⁾								
Plant and Vehicle Replacement	1,137	(93)		1,044	(197)	iii	847	847
Employees Leave Entitlement	1,086			1,086			1,086	1,086
CentrePoint								
Election Reserve	51			51			51	51
Environmental Projects – Belubula River	27			27			27	27
I.T Reserve	324			324			324	324
King George Oval	-			-			-	-
Property Account	1,462	(70)		1,392			1,392	1,462
Property Account - Borrowings	1,026			1,026			1,026	990
Quarry	219			219			219	219
Village Enhancement Program	106	(106)		-			-	-
Financial Assistance Grant	1,364			1,364	(1,364)	iv	-	-
Carryover Works	318	(318)		-			-	-
Total internally restricted	7,120	(587)	-	6,533	(1,561)		4,972	5,006
⁽²⁾ Funds that Council has earmarked for a specific purpose								
Unrestricted (ie. available after the above Restrictions)	81	758	-	839	1,617		2,456	3,618
Total Cash & investments	20,298			20,298			20,298	21,796

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Cash & investments budget review statement

Investments

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

Cash

The Cash at Bank figure included in the Cash & Investment Statement totals \$21,796

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 30/09/22

Reconciliation status

The YTD cash & investment figure reconciles to the actual balances held as follows:

\$ 000's

Cash at bank (as per bank statements)		3,296
Investments on hand		18,500
less: unpresented cheques	(Timing Difference)	
add: undeposited funds	(Timing Difference)	
less: identified deposits (not yet accounted in ledger)	(Require Actioning)	
add: identified outflows (not yet accounted in ledger)	(Require Actioning)	
less: unidentified deposits (not yet actioned)	(Require Investigation)	
add: unidentified outflows (not yet actioned)	(Require Investigation)	
Reconciled cash at bank & investments		21,796
Balance as per QBRS review statement:		21,796

Recommended changes to revised budget

Budget variations being recommended include the following material items:

Not Details

	Variations \$000
i Finalisation of 2021/22 capital works program for Sewer Sewerage Treatment Plant upgrade Recycled Water Treatment Plant	(13) (30) (43)
ii Finalisation of KGO amenities project	(12) (12)
iii Fund increased costs associated with Council's fleet replacement program as a result of increased price estimates	(197) (197)
iv Balance of 2022/23 Financial Assistance Grant prepayment	(1,364) (1,364)
v Other minor budget variations	(1) (1)
TOTAL	(1,617)

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Key performance indicators budget review statement - Industry KPI's (OLG)

Budget review for the quarter ended 30 September 2022

(\$'000's)	Current projection		Original budget 22/23	Actuals prior periods 21/22 20/21
	Amounts 22/23	Indicator 22/23		

NSW local government industry key performance indicators (OLG):

1. Operating performance				
Operating revenue (excl. capital) - operating expenses	8020	61.5 %	-5.0 %	-0.9 %
Operating revenue (excl. capital grants & contributions)	13049			-3.7 %

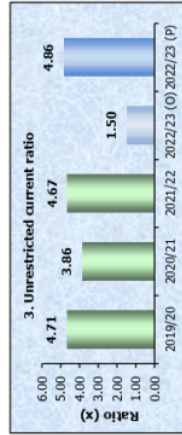
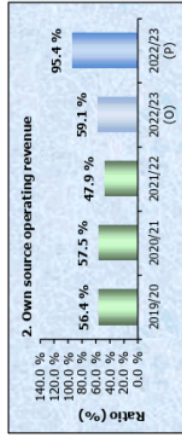
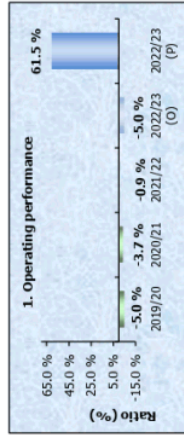
This ratio measures Council's achievement of containing operating expenditure within operating revenue.

2. Own source operating revenue				
Operating revenue (excl. ALL grants & contributions)	12,820	95.4 %	59.1 %	47.9 %
Total Operating revenue (incl. capital grants & cont)	13,441			57.5 %

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.

3. Unrestricted current ratio				
Current assets less all external restrictions	11,743	4.86	1.50	4.67
Current liabilities less specific purpose liabilities	2,418			3.86

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



Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Key performance indicators budget review statement - Industry KPI's (OLG)

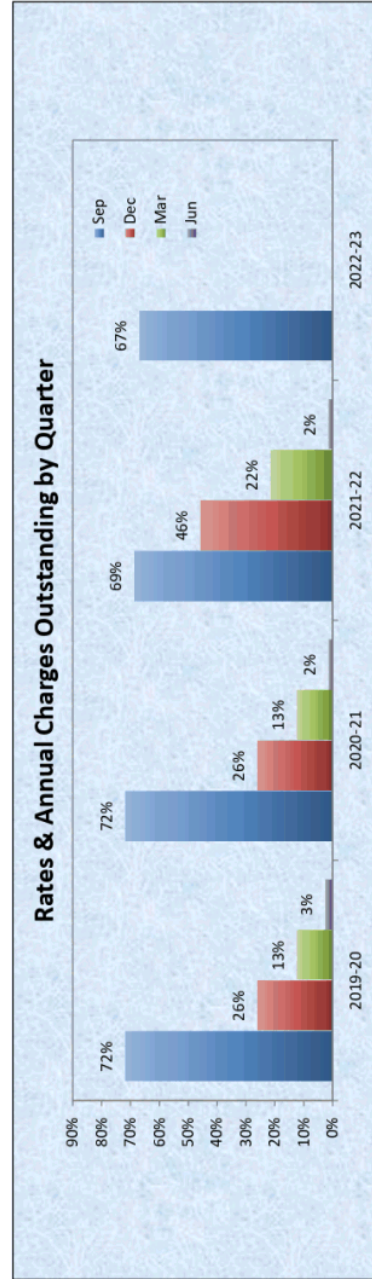
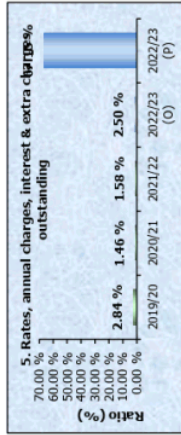
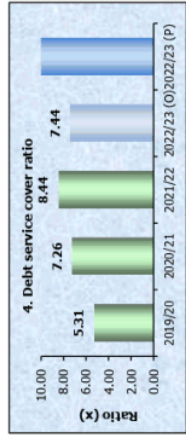
Budget review for the quarter ended 30 September 2022

(\$'000's)	Current projection		Original budget	Actuals	
	Amounts	Indicator		21/22	20/21
	22/23	22/23	22/23	21/22	20/21

NSW local government industry key performance indicators (OLG):

4. Debt service cover ratio	6.157	30.03	7.44	8.44	7.26
Operating result before interest & dep. exp (EBITDA)	205				
Principal repayments + borrowing interest costs					
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments.					
5. Rates, annual charges, interest & extra charges outstanding	8,000	67.15 %	2.50 %	1.58 %	1.46 %
Rates, annual & extra charges outstanding	11,913				
Rates, annual & extra charges collectible					

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.



This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council

Contracts budget review statement

Budget review for the quarter ended 30 September 2022

Part A - Contracts listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract value	Budgeted (Y/N)	Notes
Contracts Entered > \$50,000				
Data#3 Limited	Microsoft Licence Renewal	75,413	Y	
Grillex Pty Ltd	Supply and install BBQ shelters and amenities	50,489	Y	
Transbridge Group	Supply and install pedestrian bridge	158,675	Y	
PCW Constructions Pty Limited	Shed materials and construction	91,902	Y	
Murray Constructions Pty Ltd	Bridge construction components	88,407	Y	
Holcim (Australia) Pty Ltd	Road construction components	84,241	Y	
Dockpro Pty Ltd	Floating jetty	87,650	Y	
Ross Granata Motors	Light vehicle replacements	230,148	Y	
Tony Leahey Motor Group	Light vehicle replacements	105,720	Y	
Central West Power Construction Pty Ltd	Lighting replacement	109,077	Y	
Tracserv Trucks	Fleet replacements	692,776	Y	
Omya Australia Pty Ltd	Road construction materials	117,150	Y	
Central West Power Construction Pty Ltd	Lighting replacement	235,637	Y	
Hinchliff Plumbing	Shed construction - internal drainage	70,193	Y	
Ross Granata Motors	Light vehicle replacements	58,500	Y	
Toro Australia Group Sales Pty Ltd	Fleet replacements	225,653	Y	
Riverpark Constructions	Footpath construction	127,360	Y	
Barnes Prestige Pty Ltd	Conduct roadside mowing	59,948	Y	
JCB Construction Equipment	Fleet replacement	255,090	Y	
Aitken Rowe Testing Laboratories Pty Ltd	Pavement and subgrade investigation	109,754	Y	
Hanson Construction Materials	Road construction materials	92,235	Y	
YMCA NSW	Management contract and operation costs	328,024	Y	
Contracts Paid > \$50,000				
AGL Gas Company	Gas supply	69,736	Y	
Data#3 Limited	Microsoft Licence Renewal	75,677	Y	
Dockpro Pty Ltd	Floating jetty	87,650	Y	
Encat Pty Ltd	Boardwalk materials	129,874	Y	
Grillex Pty Ltd	Supply and install BBQ shelters and amenities	50,489	Y	
Hadlow Earthmoving	Waste management contract	103,142	Y	

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

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council

Contracts budget review statement

Budget review for the quarter ended 30 September 2022

Part A - Contracts listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract value	Budgeted (Y/N)	Notes
	Plant hire	18,414	Y	
Holcim (Australia) Pty Ltd	Road construction components	89,363	Y	
IT Vision	Annual Licence Fee	62,875	Y	
JR Richards and Sons	Waste contract for kerbside collection	192,986	Y	
Oberon Quarries Pty Ltd	Road construction materials	60,311	Y	
Petro National P/L T/AS Oilplus Holdings	Fuel	205,050	Y	
Renascent Regional Pty Ltd	Building construction	187,093	Y	
Statewide Mutual	22/23 Insurance premiums	457,224	Y	
Tony Leahy Motor Group	Light vehicle replacements	70,255	Y	
Transbridge Group	Supply and install pedestrian bridge	97,472	Y	
Upper Macquarie Country Council	22/23 Contribution for roadside weed spraying	107,992	Y	
Wilimot Civil Pty Ltd	Sewer relining works	53,232	Y	
YMCA NSW	Management contract	131,011	Y	

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.
4. Figures shown include GST

Blayney Shire Council

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Consultancy & legal expenses budget review statement

Consultancy & legal expenses overview

Expense	YTD expenditure (actual dollars)	Budgeted (Y/N)
Consultancies	61,782	N
Legal Fees	23,718	N

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

1	Professional fees associated with public liability claim	6,170
2	Retarding basin flood study	13,960

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 30/09/2022 and should be read in conjunction with the total QBRS report Page 25

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Blayney Shire Council

Loans Summary
Budget review for the quarter ended 30 September 2022

LOAN DETAILS	Loan Term	Original Principal	Int % ^{***}	Opening Balance	Year to date			Closing Balance	Scheduled Completion date
					Interest	Principal	Repayments		
Blayney Works Depot	20	600,000	6.73%	77,625	1,302	12,405	13,707	65,220	04-Dec-23
Blayney Bridges Program (LIRS)*	10	1,000,000	5.73%	218,394	3,122	29,893	33,015	188,501	22-Jan-24
Blayney Works Depot	20	600,000	6.00%	119,256	1,804	11,129	12,933	108,127	21-Dec-24
Millthorpe Sewer	20	900,000	8.05%	415,139	3,423	19,313	22,736	395,826	26-Feb-28
Residential Land Development**	10	1,320,000	2.09%	952,469	4,977	31,678	36,655	920,791	28-Jun-29
Bridge Replacement Program	20	3,000,000	3.97%	2,544,336	25,253	29,261	54,514	2,515,075	15-Feb-38
CentrePoint	20	2,000,000	2.36%	1,819,059	10,732	20,702	31,434	1,798,357	13-Feb-40
Cowriga Creek Bridge	20	500,000	2.36%	454,765	2,683	5,176	7,859	449,589	13-Feb-40
		9,920,000	4.15%	6,601,043	53,296	159,557	212,853	6,441,486	

* Blayney Bridges Program loan is funded under the Local Infrastructure Renewal Scheme (LIRS) subsidising 4% of the interest payable

** Residential Land Development loan is funded under the Low Cost Loans Initiative (LCLI) subsidising 50% of the interest payable

*** Weighted average interest rate

Blayney Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2022



Blayney Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022



Blayney Shire Council

General Purpose Financial Statements

for the year ended 30 June 2022

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Overview

Blayney Shire Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

91 Adelaide Street
Blayney NSW 2799

Council's guiding principles are detailed in Chapter 3 of the Local Government Act and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.blayney.nsw.gov.au.

Blayney Shire Council

General Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 29 August 2022.



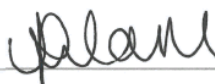
Cr. S.J. Ferguson
Mayor
29 August 2022



Cr. D. Somerville
Deputy Mayor
29 August 2022



M. Dicker
General Manager
29 August 2022



T. Irlam
Responsible Accounting Officer
29 August 2022

Blayney Shire Council

Income Statement

for the year ended 30 June 2022

Original unaudited budget 2022	\$ '000	Notes	Actual 2022	Actual 2021
Income from continuing operations				
11,817		B2-1	11,777	11,423
1,575		B2-2	1,579	1,486
276		B2-3	480	244
4,601		B2-4	5,525	5,227
8,162		B2-4	9,788	4,677
175		B2-5	110	138
171		B2-6	196	361
–		B4-1	54	–
<u>26,777</u>			<u>29,509</u>	<u>23,556</u>
Expenses from continuing operations				
6,723		B3-1	7,167	7,124
4,966		B3-2	5,135	4,388
255		B3-3	147	262
6,684		B3-4	6,522	6,740
887		B3-5	685	843
351		B4-1	–	512
<u>19,866</u>			<u>19,656</u>	<u>19,869</u>
<u>6,911</u>			<u>9,853</u>	<u>3,687</u>
<u>6,911</u>			<u>9,853</u>	<u>3,687</u>
Net operating result for the year attributable to Council				
<u>(1,251)</u>			<u>65</u>	<u>(990)</u>
Net operating result for the year before grants and contributions provided for capital purposes				

The above Income Statement should be read in conjunction with the accompanying notes.

Blayney Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Net operating result for the year – from Income Statement		9,853	3,687
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	33,221	5,189
Other comprehensive income – joint ventures and associates		210	237
Total items which will not be reclassified subsequently to the operating result		33,431	5,426
Total other comprehensive income for the year		33,431	5,426
Total comprehensive income for the year attributable to Council		43,284	9,113

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Blayney Shire Council

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	2,298	3,665
Investments	C1-2	17,500	16,500
Receivables	C1-4	1,267	587
Inventories	C1-5	1,377	1,528
Contract assets and contract cost assets	C1-6	2,345	550
Other		128	63
Total current assets		24,915	22,893
Non-current assets			
Investments	C1-2	500	500
Receivables	C1-4	20	-
Infrastructure, property, plant and equipment (IPPE)	C1-7	337,346	296,774
Intangible assets	C1-8	54	83
Right of use assets	C2-1	21	40
Investments accounted for using the equity method	D2-3	30,108	29,835
Total non-current assets		368,049	327,232
Total assets		392,964	350,125
LIABILITIES			
Current liabilities			
Payables	C3-1	1,522	1,533
Contract liabilities	C3-2	3,198	3,369
Lease liabilities	C2-1	19	20
Borrowings	C3-3	629	602
Employee benefit provisions	C3-4	2,330	2,356
Total current liabilities		7,698	7,880
Non-current liabilities			
Payables	C3-1	2	2
Lease liabilities	C2-1	2	21
Borrowings	C3-3	5,972	6,601
Employee benefit provisions	C3-4	75	76
Provisions	C3-5	1,338	952
Total non-current liabilities		7,389	7,652
Total liabilities		15,087	15,532
Net assets		377,877	334,593
EQUITY			
Accumulated surplus	C4-1	167,548	157,485
IPPE revaluation reserve	C4-1	210,329	177,108
Council equity interest		377,877	334,593
Total equity		377,877	334,593

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Blayney Shire Council
Statement of Changes in Equity
for the year ended 30 June 2022

\$ '000	Notes	2022		2021	
		Accumulated surplus	IPPE revaluation reserve	Accumulated surplus	IPPE revaluation reserve
			Total equity		Total equity
Opening balance at 1 July		157,485	177,108	153,561	171,919
Restated opening balance		157,485	177,108	153,561	171,919
Net operating result for the year		9,853	-	3,687	-
Restated net operating result for the period		9,853	-	3,687	-
Other comprehensive income					
Gain (loss) on revaluation of infrastructure, property, plant and equipment	Cl-7	-	33,221	-	5,189
Joint ventures and associates		210	-	237	-
Other comprehensive income		210	33,221	237	5,189
Total comprehensive income		10,063	33,221	3,924	5,189
Closing balance at 30 June		167,548	210,329	157,485	177,108
			377,877		334,593

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Blayney Shire Council

Statement of Cash Flows

for the year ended 30 June 2022

Original unaudited budget 2022	\$ '000	Notes	Actual 2022	Actual 2021
Cash flows from operating activities				
<i>Receipts:</i>				
11,816	Rates and annual charges		11,801	11,572
1,702	User charges and fees		1,080	1,621
186	Interest received		96	177
12,816	Grants and contributions		12,489	12,468
-	Bonds, deposits and retentions received		-	341
242	Other		2,332	1,340
<i>Payments:</i>				
(6,722)	Payments to employees		(7,214)	(7,059)
(4,825)	Payments for materials and services		(6,708)	(5,690)
(256)	Borrowing costs		(251)	(275)
-	Bonds, deposits and retentions refunded		(74)	-
(887)	Other		(380)	(761)
14,072	Net cash flows from operating activities	G1-1	13,171	13,734
Cash flows from investing activities				
<i>Receipts:</i>				
-	Redemption of term deposits		-	4,000
-	Sale of real estate assets		-	796
257	Proceeds from sale of IPPE		904	560
<i>Payments:</i>				
(500)	Acquisition of term deposits		(1,000)	(8,500)
(14,289)	Payments for IPPE		(13,763)	(9,819)
-	Purchase of real estate assets		-	(38)
-	Purchase of intangible assets		(16)	(16)
-	Deferred debtors and advances made		(40)	-
(14,532)	Net cash flows from investing activities		(13,915)	(13,017)
Cash flows from financing activities				
<i>Receipts:</i>				
500	Proceeds from borrowings		-	-
<i>Payments:</i>				
(624)	Repayment of borrowings		(602)	(576)
-	Principal component of lease payments		(21)	(30)
(124)	Net cash flows from financing activities		(623)	(606)
(584)	Net change in cash and cash equivalents		(1,367)	111
4,649	Cash and cash equivalents at beginning of year		3,665	3,554
4,065	Cash and cash equivalents at end of year	C1-1	2,298	3,665
13,500	plus: Investments on hand at end of year	C1-2	18,000	17,000
17,565	Total cash, cash equivalents and investments		20,298	20,665

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Blayney Shire Council

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Blayney Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 29 August 2022. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2005 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- i. estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- ii. estimated tip remediation provisions – refer Note C3-5
- iii. employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.

Council has made provision for some receivables but based on the effectiveness of Council's debt recovery actions to date and deemed it highly likely that these receivables will not be recoverable.

- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

continued on next page ...

Page 11 of 98

A1-1 Basis of preparation (continued)

- Sewerage service

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council have been excluded.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

Volunteer services

Council engages the use of volunteers through the Blayney Shire Arts & Craft Inc. in its Visitor Information Centre which is manned during business hours of the adjoining coffee shop. It is located next door to Council which provides much of the same information available as well as at various other locations throughout the Blayney Shire. Information about Council's services and upcoming events are available on both Facebook and Council's website and therefore Council would be unlikely to employ the services if they were not provided by volunteers.

Council also participates in tree planting with schools and community groups on an ad hoc basis.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2022 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

For example the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

Council does not expect any material impact from the above amendments and to its classification of liabilities as current or non-current.

This standard has an effective date for the 30 June 2024 reporting period.

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 -2020 and Other Amendments

This Standard amends a number of standards as follows:

continued on next page ...

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A1-1 Basis of preparation (continued)

- AASB 1 to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences,
- AASB 3 to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations,
- AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability,
- AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset,
- AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making and
- AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Council does not expect any material impact from the above amendments.

This standard has an effective date for the 30 June 2023 reporting period.

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2022.

B Financial Performance
B1 Functions or activities
B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Functions or activities										
1. Public Infrastructure and Services	12,073	8,037	10,575	10,447	1,498	(2,410)	9,877	5,747	329,475	292,267
2. Local Governance and Finance	12,482	11,255	3,075	3,006	9,407	8,249	2,735	1,926	34,715	34,485
3. The Local and Visitor Economy	172	219	424	444	(252)	(225)	15	62	607	436
4. Community, Sport, Heritage and Culture	2,739	2,196	3,131	3,624	(392)	(1,428)	2,678	2,111	25,291	20,336
5. The Natural Environment	2,043	1,849	2,451	2,348	(408)	(499)	8	58	2,876	2,601
Total functions and activities	29,509	23,556	19,656	19,869	9,853	3,687	15,313	9,904	392,964	350,125

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

1. Maintain and Improve Public Infrastructure and Services

Public infrastructure and services are the bones that support a community. Council Functions included are Engineering Services, Plant Operations, Local, Regional and State Roads, Bridges, Footpaths, Sewerage Operations, Stormwater Drainage, Public Cemeteries and Public Conveniences.

2. Build the Capacity and Capability of Local Governance and Finance

To achieve our preferred future we will all need to work together. Council functions included are Governance, Corporate Services, Public Order & Safety, Health and Food Control, Public Halls and Community Centres, Real Estate and General Purpose Revenues.

3. Promote Blayney Shire to grow the Local and Visitor Economy

Ensuring that industry, agriculture and mining exist in harmony working together and collaborating for regional economic growth of the region. Council functions included are Tourism, Industrial and Economic Development and Private Works.

4. Enhance facilities and networks that supports Community Sport, Heritage and Culture

Preserving our history while being productive and innovative we will enhance and develop our sporting and recreational assets so that the facilities are modern and have regional standing. Council functions included are Public Libraries, Swimming Pool and Leisure Centre, Sporting Grounds, Parks and Showgrounds, Rural Fire Services, Youth, Family and Aged and Disabled Services.

5. Protect our Natural Environment

Encourage sustainable land use practices and protect the biodiversity and health of our waterways. Council Functions include Environmental Services, Noxious Plant Management, Domestic and Other Waste Management, Street Cleaning, Town Planning and Building Control.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2022	2021
Ordinary rates		
Residential	2,048	1,942
Farmland	2,267	2,218
Mining	2,902	2,848
Business	373	376
Less: pensioner rebates (mandatory)	(86)	(87)
Rates levied to ratepayers	7,504	7,297
Pensioner rate subsidies received	48	48
Total ordinary rates	7,552	7,345
Special rates		
Mining special rate	1,687	1,656
Rates levied to ratepayers	1,687	1,656
Total special rates	1,687	1,656
Annual charges		
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>		
Domestic waste management services	939	928
Sewerage services	1,340	1,261
Waste management services (non-domestic)	288	263
Less: pensioner rebates (mandatory)	(65)	(66)
Annual charges levied	2,502	2,386
Pensioner subsidies received:		
– Sewerage	14	14
– Domestic waste management	22	22
Total annual charges	2,538	2,422
Total rates and annual charges	11,777	11,423

Council has used 2020 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

\$ '000	Timing	2022	2021
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Sewerage services	2	217	243
Total specific user charges		217	243
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Building regulation	2	481	322
Private works – section 67	2	114	119
Section 10.7 certificates (EP&A Act)	2	21	23
Section 603 certificates	2	20	22
Other	2	13	6
Total fees and charges – statutory/regulatory		649	492
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Cemeteries	2	91	61
Room/facility hire	2	56	46
Leaseback fees – Council vehicles	2	87	86
CentrePoint Sport & Leisure	2	–	49
Quarry revenues	2	313	222
Transport for NSW works (state roads not controlled by Council)	2	–	60
Waste disposal tipping fees	2	153	226
Other	2	13	1
Total fees and charges – other		713	751
Total other user charges and fees		1,362	1,243
Total user charges and fees		1,579	1,486
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		1,579	1,486
Total user charges and fees		1,579	1,486

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

B2-3 Other revenues

\$ '000	Timing	2022	2021
Legal fees recovery – other	2	24	14
Diesel rebate	2	75	74
Insurance claims recoveries	2	90	34
Recycling income (non-domestic)	2	143	20
Sale of land for overdue rates	2	8	–
Energy Savings Certificates	2	79	–
Insurance rebates	2	22	22
Other	2	39	80
Total other revenue		480	244
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		480	244
Total other revenue		480	244

Accounting policy for other revenue

Where the revenue is earned the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Timing	Operating 2022	Operating 2021	Capital 2022	Capital 2021
General purpose grants and non-developer contributions (untied)					
Current year allocation					
Financial assistance	2	1,537	1,355	-	-
Payment in advance - future year allocation					
Financial assistance	2	2,364	1,452	-	-
Amount recognised as income during current year		3,901	2,807	-	-
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Sewerage services	1	-	-	-	366
Bushfire and emergency services	2	68	97	188	100
Environmental programs	1	58	188	-	-
Local Roads & Community Infrastructure	2	321	558	-	-
Library	2	78	77	36	173
Recreation and culture	1	-	36	2,441	1,008
Transport (other roads and bridges funding)	1	47	2	5,424	2,149
Transport (roads to recovery)	2	537	806	-	-
Transport for NSW contributions (regional roads, block grant)	2	340	340	-	-
Stronger Country Communities	1	-	-	443	543
Other specific grants	2	175	316	45	4
Total special purpose grants and non-developer contributions – cash		1,624	2,420	8,577	4,343
Non-cash contributions					
Drainage	2	-	-	158	-
Recreation and culture	2	-	-	1	11
Roads and bridges	2	-	-	464	-
Sewerage (excl. section 64 contributions)	2	-	-	242	-
Total other contributions – non-cash		-	-	865	11
Total special purpose grants and non-developer contributions (tied)		1,624	2,420	9,442	4,354
Total grants and non-developer contributions		5,525	5,227	9,442	4,354
Comprising:					
- Commonwealth funding		4,760	4,209	837	647
- State funding		732	1,018	7,647	3,428
- Other funding		33	-	958	279
		5,525	5,227	9,442	4,354

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B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G3					
Cash contributions						
s7.11 – contributions towards amenities/services		2	–	–	154	195
s64 – sewerage service contributions		2	–	–	92	32
Sewerage Services - Future Infrastructure Subsidy		2	–	–	100	96
Total developer contributions – cash			–	–	346	323
Total developer contributions			–	–	346	323
Total contributions			–	–	346	323
Total grants and contributions			5,525	5,227	9,788	4,677
Timing of revenue recognition for grants and contributions						
Recognised over time (1)			936	1,113	8,484	4,075
Recognised at a point in time (2)			4,589	4,114	1,304	602
Total grants and contributions			5,525	5,227	9,788	4,677

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B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Unspent grants and contributions				
Unspent funds at 1 July	266	54	3,103	853
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-	-	-
Add: Funds received and not recognised as revenue in the current year	729	266	2,118	3,103
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	-	(54)	-	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(266)	-	(2,752)	(853)
Unspent grants at 30 June	729	266	2,469	3,103

Unexpended grants as at 30 June 2022 include funding received to construct roads and community infrastructure under the Federal Government's Local Roads and Community Infrastructure Program and the State Government's Resources for Regions Rounds 7 and 8, Stronger Country Communities Round 4 and Fixing Country Bridges Round 2.

Contributions

Unspent funds at 1 July	-	-	1,863	1,543
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-	365	338
Add: contributions received and not recognised as revenue in the current year	-	-	-	-
Add: contributions recognised as income in the current period obtained in respect of a future rating identified by Council for the purpose of establishing a rate	-	-	-	-
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	-	-	-	(18)
Unspent contributions at 30 June	-	-	2,228	1,863

Unexpended contributions as at 30 June 2022 include contributions levied under s7.11 Developer Contributions, s64 Contributions, and Sewerage Services Future Infrastructure Subsidy.

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grants and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

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B2-4 Grants and contributions (continued)

As at 30 June 2022 Council did not have any grant funding within the scope of AASB 15.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

B2-5 Interest and investment income

\$ '000	2022	2021
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	8	3
– Cash and investments	102	135
Total interest and investment income (losses)	110	138

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

B2-6 Other income

\$ '000	Notes	2022	2021
Rental income			
Rental income		133	130
Total rental income	C2-2	133	130
Net share of interests in joint ventures and associates using the equity method			
Associates		63	231
Total net share of interests in joint ventures and associates using the equity method	D2-3	63	231
Total other income		196	361

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2022	2021
Salaries and wages	5,717	5,688
Travel expenses	–	1
Employee leave entitlements (ELE)	1,031	979
ELE on-costs	(2)	6
Superannuation	699	686
Workers' compensation insurance	143	136
Fringe benefit tax (FBT)	84	82
Training costs (other than salaries and wages)	120	139
Protective clothing	25	33
Other	43	30
Total employee costs	7,860	7,780
Less: capitalised costs	(693)	(656)
Total employee costs expensed	7,167	7,124

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme Active Super, however sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

\$ '000	Notes	2022	2021
Raw materials and consumables		2,656	2,168
Contractor and consultancy costs		167	188
Audit Fees	F2-1	83	87
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	128	135
Advertising		57	40
Bank charges		24	22
Cleaning		4	4
Electricity and heating		321	342
Insurance		454	425
Postage		13	14
Printing and stationery		31	36
Street lighting		457	128
Subscriptions and publications		343	345
Telephone and communications		54	44
Valuation fees		32	32
Water charges		94	76
Other expenses		177	171
Legal expenses:			
– Legal expenses: planning and development		8	99
– Legal expenses: debt recovery		22	15
– Legal expenses: other		10	9
Expenses from leases of low value assets		–	8
Total materials and services		5,135	4,388
Total materials and services		5,135	4,388

Accounting policy

Expenses are recorded on an accruals basis as the Council receives the goods or services.

B3-3 Borrowing costs

\$ '000	Notes	2022	2021
(i) Interest bearing liability costs			
Interest on leases		-	1
Interest on loans		<u>247</u>	<u>272</u>
Total interest bearing liability costs		<u>247</u>	<u>273</u>
Total interest bearing liability costs expensed		<u>247</u>	<u>273</u>
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	C3-5	<u>(100)</u>	<u>(11)</u>
Total other borrowing costs		<u>(100)</u>	<u>(11)</u>
Total borrowing costs expensed		<u>147</u>	<u>262</u>

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2022	2021
Depreciation and amortisation			
Plant and equipment		1,081	1,029
Office equipment		103	84
Furniture and fittings		16	13
Land improvements (depreciable)		133	349
Infrastructure:	C1-7		
– Buildings – non-specialised		49	44
– Buildings – specialised		545	709
– Roads		3,113	3,058
– Bridges		313	316
– Footpaths		121	118
– Stormwater drainage		174	173
– Sewerage network		511	518
– Swimming pools		94	94
– Other open space/recreational assets		147	122
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-7	14	14
– Quarry assets	C3-5,C1-7	39	18
– Other remediation assets	C3-5,C1-7	4	–
Intangible assets	C1-8	45	45
Right of use assets	C2-1	20	31
Total gross depreciation and amortisation costs		6,522	6,735
Total depreciation and amortisation costs		6,522	6,735
Impairment / revaluation decrement of IPPE			
Intangible assets	C1-8	–	5
Total gross IPPE impairment / revaluation decrement costs		–	5
Total IPPE impairment / revaluation decrement costs charged to Income Statement		–	5
Total depreciation, amortisation and impairment for non-financial assets		6,522	6,740

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

\$ '000	Notes	2022	2021
Impairment of receivables			
Other		(116)	6
Total impairment of receivables	C1-4	(116)	6
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		33	38
– NSW fire brigade levy		303	302
Donations, contributions and assistance to other organisations (Section 356)		207	236
– Contributions to Central West Libraries		162	173
– Contribution to Upper Macquarie County Council		96	88
Total other		801	837
Total other expenses		685	843

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

B4 Gains or losses

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2022	2021
Infrastructure, property, plant and equipment			
	C1-7		
Proceeds from disposal		904	560
Less: carrying amount of assets sold/written off		<u>(850)</u>	<u>(1,100)</u>
Gain (or loss) on disposal		54	(540)
Gain (or loss) on disposal of real estate assets held for sale			
	C1-5		
Proceeds from disposal		-	796
Less: carrying amount of assets sold/written off		<u>-</u>	<u>(768)</u>
Gain (or loss) on disposal		-	28
Net gain (or loss) from disposal of assets		54	(512)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 27/06/2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----	
Revenues				
User charges and fees	1,575	1,579	4	0% F
Other revenues	276	480	204	74% F
Council installed LED bulbs across the street lighting network generating energy savings certificates totalling \$79k. Additional recycling revenues were received following disposal of scrap metal at the waste facility.				
Operating grants and contributions	4,601	5,525	924	20% F
Council received advance payment of 75% of the 2022/23 financial assistance payment resulting in an additional \$788k of operating grants and contributions received in 2021/22.				
Capital grants and contributions	8,162	9,788	1,626	20% F
Council received an allocation of \$5.03m in grant funding under Resources for Regions Round 8. Whilst the majority of works are programmed for 2022-23 Council completed advanced works on road safety projects, specifically Hobbys Yards Road.				
Interest and investment revenue	175	110	(65)	(37)% U
Interest and investment returns were lower than anticipated. Interest rates increased towards the latter part of the financial year but remain locked in at much lower rates until maturity in 2022/23.				
Net gains from disposal of assets	-	54	54	∞ F
Other income	171	196	25	15% F
Share of interest in Joint Ventures including Central Tablelands and Upper Macquarie County Council was higher than forecast.				
Expenses				
Borrowing costs	255	147	108	42% F
Remeasurement adjustment due to a substantial increase in the discount rate used in the measurement of long term provision for remediation and restoration liabilities.				
Other expenses	887	685	202	23% F
Recovery of a significant receivable totalling \$116k that was impaired in 2018.				
Net losses from disposal of assets	351	-	351	100% F
Budgeted write off on disposal of infrastructure related assets including deferred until 2022/23 after delays in commencement of scheduled renewal works. Profit on sale was realised and included in operating income following sale of operational land in Frappe Street and Council's fleet replacement program.				

Statement of cash flows

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B5-1 Material budget variations (continued)

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----	
Cash flows from operating activities	14,072	13,171	(901)	(6)% U
Cash flows from investing activities	(14,532)	(13,915)	617	(4)% F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2022	2021
Cash assets		
Cash on hand and at bank	1,798	3,665
Cash equivalent assets		
– Short-term deposits	500	–
Total cash and cash equivalents	2,298	3,665

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	2,298	3,665
Balance as per the Statement of Cash Flows	2,298	3,665

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Debt securities at amortised cost				
Long term deposits	17,500	500	16,500	500
Total	17,500	500	16,500	500
Total financial investments	17,500	500	16,500	500
Total cash assets, cash equivalents and investments	19,798	500	20,165	500

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

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C1-2 Financial investments (continued)

Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Fair value through other comprehensive income – equity instruments

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in the Other Comprehensive Income Statement.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2022	2021
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	20,298	20,665
Cash, cash equivalents and investments not subject to external restrictions	7,201	8,017
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	3,198	3,369
External restrictions – included in liabilities	3,198	3,369
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	1,033	867
Developer contributions – sewer fund	1,196	996
Sewer fund	5,802	5,659
Voluntary planning agreements	284	195
Rates – special variation mining	753	570
Domestic waste management	831	992
External restrictions – other	9,899	9,279
Total external restrictions	13,097	12,648

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2022	2021
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	7,201	8,017
Internal allocations		
At 30 June, Council has internally allocated funds to the following:		
Plant and vehicle replacement	1,137	918
Employees leave entitlement	1,086	1,007
Asset reserve – transport	–	227
Centrepoint	–	163
Election reserve	51	95
Environmental projects – Belubula River	27	27
Financial assistance grant	1,364	1,452
I.T reserve	324	254
King George Oval	–	218
Property account	1,462	1,517
Property account - borrowings	1,026	1,173
Quarry remediation	219	219
Village enhancement program	106	140
Carryover works	318	66
Total internal allocations	7,120	7,476

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

Council's unrestricted cash and balance of internal allocations is lower than anticipated, impacted by a substantial increase in contract assets as disclosed in Note C1-6. Council has had to borrow funds from the following Internal Allocations until the relevant payment milestones for grant funded projects is received in 2022/23:

- Financial assistance grant
- King George Oval
- CentrePoint

C1-4 Receivables

\$ '000	2022		2021	
	Current	Non-current	Current	Non-current
Rates and annual charges	160	-	141	-
Interest and extra charges	29	-	31	-
User charges and fees	765	-	257	-
Private works	20	-	2	-
Accrued revenues				
- Interest on investments	60	-	44	-
Deferred debtors	20	20	-	-
Government grants and subsidies	1	-	3	-
Net GST receivable	212	-	225	-
Total	1,267	20	703	-
Less: provision for impairment				
Other debtors	-	-	(116)	-
Total provision for impairment – receivables	-	-	(116)	-
Total net receivables	1,267	20	587	-

\$ '000	2022	2021
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	116	110
+ new provisions recognised during the year	-	6
- previous impairment losses reversed	(116)	-
Balance at the end of the year	-	116

Accounting policy

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

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C1-4 Receivables (continued)

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
(i) Inventories at cost				
Real estate for resale	479	-	509	-
Stores and materials	103	-	145	-
Trading stock	795	-	874	-
Total inventories at cost	1,377	-	1,528	-
Total inventories	1,377	-	1,528	-

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
- Purchases and other costs	-	-	38	-
Accounting policy				

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

C1-6 Contract assets and Contract cost assets

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Contract assets	2,345	-	550	-
Total contract assets and contract cost assets	2,345	-	550	-

Contract assets

Other	2,345	-	550	-
Total contract assets	2,345	-	550	-

Accounting policy

Contract assets

Contract assets represent work completed by council in advance of grant funding being provided.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	Asset movements during the reporting period										At 30 June 2022			
	At 1 July 2021	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ⁽¹⁾	Additions new assets	Carrying value of disposals	Depreciation expense	Wip transfers	Adjustments and transfers	This from/for real estate assets (C1-5) (R/R)	Revaluation increments to City (R/R)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	5,366	-	5,366	8,319	1,322	-	-	(3,772)	(27)	-	-	11,208	-	11,208
Plant and equipment	13,516	(7,230)	6,286	-	699	(539)	(1,081)	-	-	-	-	13,236	(7,871)	5,365
Office equipment	962	(621)	341	-	101	(37)	(103)	-	-	-	-	1,002	(700)	302
Furniture and fittings	480	(352)	128	-	51	-	(16)	-	-	-	-	531	(368)	163
Land:														
- Operational land	1,051	-	1,051	-	-	(62)	-	-	-	30	207	1,226	-	1,226
- Community land	6,919	-	6,919	-	-	-	-	-	-	1,311	-	8,230	-	8,230
- Land under roads (post 30/6/08)	26	-	26	-	-	-	-	-	-	5	-	31	-	31
Land improvements - non-depreciable	2,500	-	2,500	-	96	-	-	284	-	523	-	3,403	-	3,403
Land improvements - depreciable	5,223	(1,179)	4,044	-	110	(7)	(133)	28	20	422	-	5,938	(1,454)	4,484
Infrastructure:														
- Buildings - non-specialised	2,207	(756)	1,451	2	-	-	(49)	-	-	205	-	2,546	(937)	1,609
- Buildings - specialised	29,045	(11,124)	17,921	22	-	(161)	(545)	516	-	1,286	-	32,443	(13,404)	19,039
- Roads	202,968	(33,439)	169,529	1,507	464	(37)	(3,113)	2,432	-	17,471	-	229,135	(40,882)	188,253
- Bridges	29,806	(8,706)	21,100	-	-	-	(313)	-	-	2,247	-	33,028	(9,994)	23,034
- Footpaths	8,666	(2,606)	6,060	486	113	(2)	(121)	271	-	614	-	10,487	(3,066)	7,421
- Major earthworks (non-depreciable)	12,610	-	12,610	-	-	-	-	-	-	1,364	-	13,974	-	13,974
- Stormwater drainage	17,279	(3,862)	13,417	371	158	-	(174)	9	-	1,430	-	19,689	(4,478)	15,211
- Sewerage network	32,488	(13,133)	19,355	56	255	(1)	(511)	16	-	5,747	-	32,847	(7,930)	24,917
- Swimming pools	4,432	(230)	4,202	-	-	-	(94)	-	-	3	-	4,466	(355)	4,111
- Other open space/recreational assets	5,631	(1,502)	4,129	21	14	(4)	(147)	216	(20)	386	-	6,403	(1,808)	4,595
Restatement, rehabilitation and restoration assets (refer Note C3-5):														
- Tip assets	281	(196)	85	-	-	-	(14)	-	-	-	-	281	(210)	71
- Quarry assets	258	(101)	157	-	505	-	(39)	-	-	-	-	763	(140)	623
- Other remediation assets	97	-	97	-	-	-	(4)	-	(17)	-	-	80	(4)	76
Total infrastructure, property, plant and equipment	381,811	(85,037)	296,774	10,784	3,888	(850)	(6,457)	-	(44)	30	33,221	430,947	(93,601)	337,346

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2020					Asset movements during the reporting period					At 30 June 2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ⁽¹⁾	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	3,009	-	3,009	-	-	-	-	2,357	-	-	5,366	-	5,366
Plant and equipment	13,826	(7,183)	6,643	-	860	(188)	(1,029)	-	-	-	13,516	(7,230)	6,286
Office equipment	878	(538)	340	-	85	-	(84)	-	-	-	962	(621)	341
Furniture and fittings	470	(339)	131	-	10	-	(13)	-	-	-	480	(352)	128
Land:													
- Operational land	989	-	989	-	-	-	-	-	62	-	1,051	-	1,051
- Community land	5,002	-	5,002	-	-	-	-	-	(62)	1,979	6,919	-	6,919
- Land under roads (post 30/6/08)	16	-	16	10	-	-	-	-	-	-	26	-	26
- Land improvements - non-depreciable	118	-	118	-	-	-	-	-	-	-	-	-	-
- Land improvements - depreciable	6,864	(3,276)	3,588	357	133	(15)	(349)	6	(272)	1,855	5,223	(1,179)	4,044
Infrastructure:													
- Buildings - non-specialised	2,207	(707)	1,500	-	-	-	(44)	-	(5)	-	2,207	(756)	1,451
- Buildings - specialised	28,506	(10,509)	17,997	551	78	(17)	(709)	28	(7)	-	29,045	(11,124)	17,921
- Roads	199,347	(30,723)	168,624	2,427	96	(794)	(3,058)	2,236	(2)	-	202,968	(33,439)	169,529
- Bridges	29,806	(8,390)	21,416	-	-	-	(316)	-	-	-	29,806	(8,706)	21,100
- Footpaths	8,471	(2,528)	5,943	2	213	(23)	(118)	26	17	-	8,666	(2,606)	6,060
- Major earthworks (non-depreciable)	12,610	-	12,610	-	-	-	-	-	-	-	12,610	-	12,610
- Stormwater drainage	17,302	(3,694)	13,608	7	-	(14)	(173)	4	(15)	-	17,279	(3,862)	13,417
- Sewerage network	32,217	(12,501)	19,716	-	-	(19)	(518)	-	-	176	32,488	(13,133)	19,355
- Swimming pools	4,432	(136)	4,296	-	-	-	(94)	-	-	-	4,432	(230)	4,202
- Other open space/recreational assets	5,216	(1,511)	3,705	142	94	(30)	(122)	-	(243)	583	5,631	(1,502)	4,129
Restatement, rehabilitation and restoration assets (refer Note C3-5):													
- Tip assets	281	(182)	99	-	-	-	(14)	-	-	-	281	(196)	85
- Quarry assets	258	(83)	175	-	-	-	(18)	-	-	-	258	(101)	157
- Other remediation assets	-	-	-	-	97	-	-	-	-	-	97	-	97
Total infrastructure, property, plant and equipment	371,825	(82,300)	289,525	3,496	1,666	(1,100)	(6,659)	4,657	-	5,189	381,811	(85,037)	296,774

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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C1-7 Infrastructure, property, plant and equipment (continued)

Accounting policy

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every 5 years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Sewerage network assets are indexed at each reporting period in accordance with the NSW Rates Reference Manual issued by Crown Lands and Water (CLAW).

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	30
Office furniture	10 to 20	Benches, seats etc.	25 to 50
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	15 to 150
Other plant and equipment	5 to 15	Buildings: other	15 to 150
Sewer assets		Stormwater assets	
Dams and reservoirs	20 to 80	Pits	100
Bores	20 to 40	Pipes	70 to 100
Reticulation pipes: PVC	70	Culverts	100
Reticulation pipes: other	45 to 170	Flood control structures	80 to 100
Pumps and telemetry	10 to 60		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	15 to 25	Other infrastructure	14 to 100
Sealed roads: structure	45 to 200	Swimming pools	15 - 80
Unsealed roads	15 to 200	Other open space/recreational assets	15 to 100
Bridge: concrete/steel	100	Land improvements depreciable	10 to 100
Bridge: other	50	Land improvements non depreciable	infinite
Bulk earthworks	infinite		
Kerb, gutter and footpaths	25 to 200		

The useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

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C1-7 Infrastructure, property, plant and equipment (continued)

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Whilst not recognised there are 27 vehicles located across the 11 RFS Brigades in the Blayney LGA. The estimated replacement value of these assets is \$6.86m however the majority are significantly aged with only 7 trucks estimated to be <10 years old. The written down value estimated, based on historical cost or estimated historical cost where acquisition costs not provided by the RFS, is \$674k with an estimated annual depreciation of \$181k per annum based on the current fleet.

In addition, the Canobolas Zone holds a number of shared assets with an estimated replacement value of \$4.77m, an estimated WDV of \$393k (Blayney 92k) and annual depreciation of \$120k (Blayney \$28k).

C1-8 Intangible assets

Intangible assets are as follows:

\$ '000	2022	2021
Software		
Opening values at 1 July		
Gross book value	604	595
Accumulated amortisation	(521)	(478)
Net book value – opening balance	83	117
Movements for the year		
Purchases	16	16
Amortisation charges	(45)	(45)
Gross book value written off	–	(7)
Accumulated amortisation charges written off	–	2
Closing values at 30 June		
Gross book value	620	604
Accumulated amortisation	(566)	(521)
Total software – net book value	54	83
Total intangible assets – net book value	54	83

Accounting policy

IT development and software

Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll, and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility, and where the Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including fleet and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Buildings

Council does not lease any land and buildings.

Vehicles

Council leases equipment with lease terms of 5 years; the lease payments are fixed during the lease term and there is generally no renewal option.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 1 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage. Usage charges have been expensed to the income statement.

Extension options

Council does not include any options in any current leases.

(a) Right of use assets

\$ '000	Plant & Equipment	Total
2022		
Opening balance at 1 July	40	40
Depreciation charge	(20)	(20)
Balance at 30 June	21	21
2021		
Opening balance at 1 July	72	72
Depreciation charge	(31)	(31)
Balance at 30 June	40	40

(b) Lease liabilities

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Lease liabilities	19	2	20	21
Total lease liabilities	19	2	20	21

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C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2022					
Cash flows	19	2	–	21	21
2021					
Cash flows	20	21	–	41	41

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2022	2021
Interest on lease liabilities	1	1
Depreciation of right of use assets	20	31
Expenses relating to low-value leases	–	8
	21	40

(e) Statement of Cash Flows

Total cash outflow for leases	20	40
	20	40

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

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C2-1 Council as a lessee (continued)

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E (refer Note C1-7) in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

- Pipeline rental
- Coffee shop - Visitor Information Centre
- Telecommunications towers
- Public halls & Sporting Facilities (Casual)
- Blayney Multi Services Outlet
- Blayney Men's Shed - Carpark
- Blayney Golf Club

\$ '000	2022	2021
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(ii) Assets held as property, plant and equipment

Council provides operating leases on Council buildings and land for the purpose of tourism and economic affairs, the table below relates to operating leases on assets disclosed in C1-7.

Lease income (excluding variable lease payments not dependent on an index or rate)	133	130
Total income relating to operating leases for Council assets	133	130

(ii) Maturity analysis of contractual lease income

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	135	33
1-2 years	147	34
2-3 years	130	36
3-4 years	124	29
4-5 years	128	16
> 5 years	1,715	118
Total undiscounted lease payments to be received	2,379	266

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

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C2-2 Council as a lessor (continued)

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2022		2021	2021
	Current	Non-current	Current	Non-current
Goods and services – operating expenditure	644	–	621	–
Accrued expenses:				
– Borrowings	27	–	30	–
– Other expenditure accruals	51	2	51	2
Security bonds, deposits and retentions	504	–	578	–
Prepaid rates	296	–	253	–
Total payables	1,522	2	1,533	2

Current payables not anticipated to be settled within the next twelve months

\$ '000	2022	2021
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	380	158
Total payables	380	158

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2022		2021	2021
		Current	Non-current	Current	Non-current
Unexpended capital grants (to construct Council controlled assets)	(i)	3,198	–	3,369	–
Total contract liabilities		3,198	–	3,369	–

Notes

(i) Council has received funding to construct assets including sporting facilities, roads, bridges and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

C3-2 Contract Liabilities (continued)

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2022	2021
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	3,369	853
Other	–	130
Total revenue recognised that was included in the contract liability balance at the beginning of the period	3,369	983

Significant changes in contract liabilities

Council received significant grant funding in advance to construct Council controlled assets from Resources for Regions Round 8, Stronger Country Communities Round 4 and Local Roads and Community Infrastructure Phase 3. Projects funded by these programs were not scheduled to substantially commence until 2022/23.

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Loans – secured ¹	629	5,972	602	6,601
Total borrowings	629	5,972	602	6,601

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

(a) Changes in liabilities arising from financing activities

\$ '000	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	7,203	(602)	–	–	–	–	6,601
Lease liability (Note C2-1b)	41	(20)	–	–	–	–	21
Total liabilities from financing activities	7,244	(622)	–	–	–	–	6,622

\$ '000	2020		Non-cash movements				2021
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	7,779	(576)	–	–	–	–	7,203
Lease liability (Note C2-1b)	72	(31)	–	–	–	–	41
Total liabilities from financing activities	7,851	(607)	–	–	–	–	7,244

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C3-3 Borrowings (continued)

(b) Financing arrangements

\$ '000	2022	2021
Total facilities		
Bank overdraft facilities ¹	50	50
Credit cards/purchase cards	40	40
Total financing arrangements	90	90
Drawn facilities		
– Credit cards/purchase cards	9	9
Total drawn financing arrangements	9	9
Undrawn facilities		
– Bank overdraft facilities	50	50
– Credit cards/purchase cards	31	31
Total undrawn financing arrangements	81	81

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C3-4 Employee benefit provisions

\$ '000	2022		2021	
	Current	Non-current	Current	Non-current
Annual leave	500	–	504	–
Long service leave	1,728	72	1,750	73
ELE on-costs	102	3	102	3
Total employee benefit provisions	2,330	75	2,356	76

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2022	2021
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,631	1,795
	1,631	1,795

Accounting policy

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

C3-5 Provisions

\$ '000	2022		2021	
	Current	Non-Current	Current	Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	1,338	–	952
Sub-total – asset remediation/restoration	–	1,338	–	952
Total provisions	–	1,338	–	952

Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
2022		
At beginning of year	952	952
Changes to provision:		
– Revised discount rate	(136)	(136)
Unwinding of discount	35	35
Additional provisions	504	504
Amounts used (payments)	(1)	(1)
Unused amounts reversed	(16)	(16)
Total other provisions at end of year	1,338	1,338
2021		
At beginning of year	879	879
Changes to provision:		
– Revised discount rate	(24)	(24)
Unwinding of discount	13	13
Additional provisions	97	97
Amounts used (payments)	(13)	(13)
Total other provisions at end of year	952	952

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate Council's tips and quarries.

Accounting policy

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

Asset remediation – tips and quarries and other remediation assets

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production

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C3-5 Provisions (continued)

rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

Other reserves

Council does not hold any additional reserves.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the sewer column is restricted for use for these activities.

D1-1 Income Statement by fund

\$ '000	General 2022	Sewer 2022
Income from continuing operations		
Rates and annual charges	10,423	1,354
User charges and fees	1,356	223
Interest and investment revenue	76	34
Other revenues	461	19
Grants and contributions provided for operating purposes	5,511	14
Grants and contributions provided for capital purposes	9,355	433
Net gains from disposal of assets	38	16
Other income	196	-
Total income from continuing operations	27,416	2,093
Expenses from continuing operations		
Employee benefits and on-costs	6,909	258
Materials and services	4,334	801
Borrowing costs	111	36
Depreciation, amortisation and impairment of non-financial assets	5,954	568
Other expenses	683	2
Total expenses from continuing operations	17,991	1,665
Operating result from continuing operations	9,425	428
Net operating result for the year	9,425	428
Net operating result attributable to each council fund	9,425	428
Net operating result for the year before grants and contributions provided for capital purposes	70	(5)

D1-2 Statement of Financial Position by fund

\$ '000	General 2022	Sewer 2022
ASSETS		
Current assets		
Cash and cash equivalents	1,649	649
Investments	11,151	6,349
Receivables	1,231	36
Inventories	1,377	-
Contract assets and contract cost assets	2,345	-
Other	128	-
Total current assets	17,881	7,034
Non-current assets		
Investments	500	-
Receivables	20	-
Infrastructure, property, plant and equipment	310,878	26,468
Investments accounted for using the equity method	30,108	-
Intangible assets	54	-
Right of use assets	21	-
Total non-current assets	341,581	26,468
Total assets	359,462	33,502
LIABILITIES		
Current liabilities		
Payables	1,510	12
Contract liabilities	3,198	-
Lease liabilities	19	-
Borrowings	570	59
Employee benefit provision	2,330	-
Total current liabilities	7,627	71
Non-current liabilities		
Payables	2	-
Lease liabilities	2	-
Borrowings	5,616	356
Employee benefit provision	75	-
Provisions	1,338	-
Total non-current liabilities	7,033	356
Total liabilities	14,660	427
Net assets	344,802	33,075
EQUITY		
Accumulated surplus	157,421	10,127
Revaluation reserves	187,381	22,948
Council equity interest	344,802	33,075
Total equity	344,802	33,075

D2 Interests in other entities

\$ '000	Council's share of net assets	
	2022	2021
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Associates	30,108	29,835
Total net share of interests in joint ventures and associates using the equity method – assets	30,108	29,835
Total Council's share of net assets	30,108	29,835

Interests in associates

Net carrying amounts – Council's share

\$ '000	Place of business	Nature of relationship	2022	2021
Central Tablelands Water	Blayney	Associate	29,812	29,544
Upper Macquarie County Council	Bathurst	Associate	296	292
Total carrying amounts – material associates			30,108	29,836

Upper Macquarie County Council

Council is a member of Upper Macquarie County Council which is a single purpose local government authority, established by the Governor under Section 387 of the Local Government Act 1993, as the control authority for biosecurity weed threats in the areas of Bathurst Regional Council, Blayney Shire Council, Lithgow City Council and Oberon Council.

Central Tablelands Water

Council is a member of Central Tablelands Water County Council, a water supply authority constituted under NSW Local Government Legislation. The county area embraces the Shires of Blayney, Cabonne and Weddin.

The following information is provided for associates that are individually material to the Council. Included are the amounts as per the individual associates' financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

Details

	Principal activity	Measurement method
Central Tablelands Water	Water supply	Equity
Upper Macquarie County Council	Weeds Council	Equity

Relevant interests and fair values

	Proportion of voting power	
	2022	2021
Central Tablelands Water	33%	33%
Upper Macquarie County Council	25%	25%

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D2-1 Interests in associates (continued)

Summarised financial information for associates

\$ '000	Central Tablelands Water		Upper Macquarie County Council	
	2022	2021	2022	2021
Statement of financial position				
Current assets				
Cash and cash equivalents	1,292	1,615	1,450	1,327
Other current assets	7,212	6,301	171	123
Non-current assets	82,927	83,099	44	75
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	512	616	–	–
Other current liabilities	1,450	1,328	467	333
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	23	430	14	26
Net assets	89,446	88,641	1,184	1,166
Statement of comprehensive income				
Income	7,445	7,600	1,653	1,728
Interest income	59	120	3	7
Depreciation and amortisation	(2,622)	(2,803)	(38)	(42)
Interest expense	(49)	(83)	–	–
Other expenses	(4,659)	(4,243)	(1,600)	(1,556)
Profit/(loss) from continuing operations	174	591	18	137
Profit/(loss) for period	174	591	18	137
Other comprehensive income	631	710	–	–
Total comprehensive income	805	1,301	18	137
Share of income – Council (%)	33%	33%	25%	25%
Profit/(loss) – Council (\$)	58	197	5	34
Total comprehensive income – Council (\$)	268	434	5	34
Summarised Statement of cash flows				
Cash flows from operating activities	3,095	3,224	133	246
Cash flows from investing activities	(2,886)	(3,141)	(10)	(26)
Cash flows from financing activities	(532)	(497)	–	–
Net increase (decrease) in cash and cash equivalents	(323)	(414)	123	220
Reconciliation of the carrying amount				
Opening net assets (1 July)	88,641	87,340	1,166	1,069
Profit/(loss) for the period	174	591	18	137
Other adjustments to equity	631	710	–	(40)
Closing net assets	89,446	88,641	1,184	1,166
Council's share of net assets (%)	33%	33%	25%	25%
Council's share of net assets (\$)	29,812	29,544	296	292

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D2-1 Interests in associates (continued)

In addition to the joint ventures and associates disclosed individually above, Council has interests in a number of individually immaterial joint ventures and associates that have still been accounted for using the equity method.

Accounting policy

Interests in associates are accounted for using the equity method where the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If Council's share of losses of an associate equals or exceeds its interest in the associate, Council discontinues recognising its share of further losses.

Council's share in the associates gains or losses arising from transactions between itself and its associate are eliminated.

Adjustments are made to the associates accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2022	Carrying value 2021	Fair value 2022	Fair value 2021
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	2,298	3,665	2,298	3,505
Receivables	1,287	587	1,287	587
Investments				
– Debt securities at amortised cost	18,000	17,000	18,000	17,000
Total financial assets	21,585	21,252	21,585	21,092
Financial liabilities				
Payables	1,524	1,535	1,515	1,375
Loans/advances	6,601	7,203	5,040	6,360
Total financial liabilities	8,125	8,738	6,555	7,735

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and measure at amortised cost investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) **at fair value through profit and loss** or (ii) **at fair value through other comprehensive income** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance team manages the cash and investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and the Ministerial Investment Order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether their changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.

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E1-1 Risks relating to financial instruments held (continued)

- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

\$ '000	2022	2021
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	23	35
Impact of a 10% movement in price of investments		
– Equity / Income Statement	230	386

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council quarterly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

E1-1 Risks relating to financial instruments held (continued)

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

\$ '000	Not yet overdue rates and annual charges			Total
	Not yet overdue	< 5 years	≥ 5 years	
2022				
Gross carrying amount	–	160	–	160
2021				
Gross carrying amount	–	141	–	141

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2022						
Gross carrying amount	2,618	343	203	244	64	3,472
2021						
Gross carrying amount	778	113	22	3	196	1,112
Expected loss rate (%)	2.60%	0.00%	0.00%	0.00%	56.40%	11.76%
ECL provision	20	–	–	–	111	131

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E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2022							
Payables	0.00%	504	–	–	–	504	1,524
Borrowings	3.78%	–	851	2,649	4,710	8,210	6,601
Total financial liabilities		504	851	2,649	4,710	8,714	8,125
2021							
Payables	0.00%	578	–	–	–	578	1,535
Borrowings	3.82%	–	851	2,888	5,322	9,061	7,203
Total financial liabilities		578	851	2,888	5,322	9,639	8,738

Loan agreement breaches

There have been no breaches to loan agreements throughout the financial year.

E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurement hierarchy							
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2022	2021	2022	2021	2022	2021
Infrastructure, property, plant and equipment	C1-7						
Plant and equipment		-	-	5,365	6,286	5,365	6,286
Office equipment		-	-	302	341	302	341
Furniture and fittings		-	-	163	128	163	128
Operational land		-	-	1,226	1,051	1,226	1,051
Community land		-	-	8,230	6,919	8,230	6,919
Land under roads (post 30/06/08)		-	-	31	26	31	26
Land improvements - non depreciable		-	-	3,403	2,500	3,403	2,500
Land improvements - depreciable		-	-	4,484	4,044	4,484	4,044
Buildings – non-specialised		-	-	1,609	1,451	1,609	1,451
Buildings – specialised		383	349	18,656	17,572	19,039	17,921
Roads		-	-	188,253	169,529	188,253	169,529
Bridges		-	-	23,034	21,100	23,034	21,100
Footpaths		-	-	7,421	6,060	7,421	6,060
Major earthworks		-	-	13,974	12,610	13,974	12,610
Stormwater		-	-	15,211	13,417	15,211	13,417
Sewerage network		-	-	24,917	19,355	24,917	19,355
Swimming Pools		-	-	4,111	4,202	4,111	4,202
Open space/recreation assets		-	-	4,595	4,129	4,595	4,129
Tip assets		-	-	71	85	71	85
Quarry assets		-	-	623	157	623	157
Other remediation assets		-	-	76	97	76	97
Total infrastructure, property, plant and equipment		383	349	325,755	291,059	326,138	291,408

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

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E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Plant and Equipment – Major plant (graders, loaders trucks etc.), fleet vehicles (cars, utes etc.) and minor plant (chainsaws, mowers etc.)

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Purchase price, useful lives (current replacement cost)

Plant and Equipment are valued at cost but are disclosed at fair value.

Office Equipment – Computers, servers

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Purchase price, useful lives (current replacement cost)

Office Equipment is valued at cost but is disclosed at fair value.

Furniture and Fittings – Desks, chairs, air conditioners, cupboards

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Purchase price, useful lives (current replacement cost)

Furniture and Fittings are valued at cost but are disclosed at fair value.

Operational Land – Industrial land, quarries and rural fire service land

Valuation Techniques: 'Market approach'

Inputs Used (Level 3): Land area, rate per square metre, zoning restrictions, geographical location - sales of comparable land

Council's Operational Land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions,
- Planning and other constraints on development, and
- The potential for alternative use.

With regard to the above Australis Asset Advisory Group analysed sales of similar properties as a basis of comparison in order to arrive at fair value. Indexation was applied to the fair value of each parcel consistent with the increase in the VG valuation.

Community Land – Parkland, sporting grounds, reserves, land under public buildings (halls & community centres)

Valuation Techniques: 'Market approach adjusted for restrictions'

Inputs Used (Level 3): The NSW Valuer General's valuations (as at 30 June 2021)

Council's community land is land intended for public access and use, or where other restrictions applying to the land create some obligation to maintain public access (such as a trust deed, or dedication under section 94 of the Environmental Planning and Assessment Act 1979). This gives rise to the restrictions in the Act, intended to preserve the qualities of the land.

Community Land:

- Cannot be sold
- Cannot be leased, licensed, or any other estate granted over the land for more than 21 years
- Must have a plan of management

In relation to the valuing of Community Land the Office of Local Government has authorised the use of the NSW Valuer General's valuations as a sufficient basis to represent fair value for the revaluation of community land under clause 31 of AASB 116.

Depreciable Land Improvements – Gardens/softfall areas, cricket pitches, other depreciable assets.

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Dimensions and specifications, unit rates, useful lives and asset condition.

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E2-1 Fair value measurement (continued)

Depreciable Land Improvements were valued as at 30 June 2021.

Valuations are based on dimensions, specifications and unit rates derived from indexed historical costs and from industry rates such as the 'Rawlinson's Australian Construction handbook'. A spatial information system and 7.5cm aerial imagery were used to accurately calculate asset dimensions.

Council officers undertook onsite inspections to verify asset location, type and to establish condition ratings for each asset to calculate the remaining life/fair value of each asset.

Council has indexed Depreciable Land Improvements by the annual ABS Producer Price

Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Non Depreciable Land Improvements – Bores, wetlands and earthworks.

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Dimensions units rates and useful lives.

Non Depreciable Land Improvements were valued as at 30 June 2021.

Valuations are based on dimensions and unit rates derived from indexed historical costs and from industry rates such as the 'Rawlinson's Australian Construction handbook'. A spatial information system and 7.5cm aerial imagery were used to accurately calculate asset dimensions.

Council has indexed Non Depreciable Land Improvements by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Buildings (Specialised/Non Specialised) – Community halls, toilet blocks, council offices, library, multipurpose centre, works depot

Valuation Techniques: 'Cost approach & Market approach'

Inputs Used (Level 2 and Level 3): Market approach, Unit rates, useful life, asset condition

Council's buildings were valued at fair value on 30th June 2018 in accordance with Australian Property Institute's (API) Code of Professional Practice, TPP 14-01 Valuation of Physical Non-Current Assets at Fair Value and Australian Accounting Standard (including AASB13) and the NSW Department of Local Government Guidelines. 'Fair value' is the best estimate of the price reasonably obtainable in the market at the date of valuation.

Council's Specialised Buildings were valued by Australis Asset Advisory Group as at 30 June 2018. The methodology adopted by Australis Asset Advisory Group is on an individually assessed (asset-by-asset) basis to determine which method is most appropriate.

Council has indexed Buildings (Specialised and Non Specialised) by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Open Space/Recreational Assets – Fencing, shadesails, other recreational furniture

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Dimensions, specifications, unit rates, useful life and asset condition.

Open space/recreational assets were valued as at 30 June 2021.

Valuations are based on dimensions, specifications and unit rates derived from indexed historical costs and from industry rates such as the 'Rawlinson's Australian Construction handbook'. A spatial information system and 7.5cm aerial imagery were used to accurately calculate asset dimensions.

Council officers undertook onsite inspections to verify asset location, type and to establish condition ratings for each asset to calculate the remaining life/fair value of each asset.

Council has indexed Open Space / Recreational Assets by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Roads – Road surface, pavement, formation, major earthworks

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E2-1 Fair value measurement (continued)

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition

Council's road infrastructure assets were last valued in-house on 30 June 2020. As per Paragraph 43 of AASB116, Council's roads infrastructure assets were segmented and componentised into the following categories (each representing a significant part of the overall asset):

- Road Surface
- Pavement Base Layer
- Pavement Sub Base Layer
- Formation including Minor Culverts
- Roadside Furniture (crash barriers & signs)

GPS logged to establish the length and extent of the network. Road terminuses (extent of Council maintenance activities) were taken as the measure of asset length. Recent works have been included from Works as Executed plans.

Seal widths (sealed roads) and running surface width (unsealed roads) were verified using aerial imagery and random field testing. Pavement widths are assumed to be equal to the seal width / running surface width, which was confirmed by random sampling of a range of road classifications across the Shire.

Formation widths for sealed and unsealed roads were established by random sampling in the field and from aerial imagery analysis of a range of road classifications and were demonstrated to be double the width of the pavement for sealed roads and 1.4 times the width of the surface for unsealed roads. Formation depth varies according to the Class of road, with urban areas assumed to be a greater depth, as urban roads tend to be on flood plains. Formation costs allow for the installation of drainage blankets over 20% of the road length and for 1.2 minor culverts per kilometre (based on the average number per kilometre across the Shire).

Unit rates for formation, pavement and sealing were based on recent Council works and validated against Rawlinson's Australian Construction handbook. Unit rates are assumed to be for an undulating topography, as this represents the majority of road corridors in the Shire. The slightly steeper grades are assumed to be countered by the substantially longer corridors of flat to slightly undulating topography.

Condition Assessment data was obtained from laser survey undertaken by the Australian Road Research Board (ARRB) in 2019/20 (sealed roads) and assessment by Council officers utilising the UnsealedRoads.com assessment methodology (unsealed roads). Condition data was used as a substitute for date of construction data to establish remaining lives. This was due to Council not having complete road construction / rehabilitation / initial sealing data.

Roadside furniture including crash barriers and signs were collated from the ARRB survey for sealed roads and by Council staff for unsealed roads. An average unit rate by length categories was applied to crash barriers (including guard rail and wire rope) to account for variations in the value of the various 'end treatments' used on guard rail. Condition ratings are per item, collated by Council staff using a standard Condition Rating Guide. Unit rates for signs are based on an assumed Type B size sign with one post, to provide an average cost, to account for multiple posts and multiple sign faces on a single post. The unit rate reflects the cost of recent council works. Condition ratings were supplied by ARRB for sealed road signs and by Council staff for unsealed roads.

Council has indexed all Road asset sub classes by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Bridges – Concrete bridges, Timber Bridges, Bridge sized culverts

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimension and specifications (concrete/timber).

Council defines a bridge as a structure with a road centreline length of 6m or more and has inspected all Bridges and Major Culverts utilising a standardised Bridge Measurement Guide to determine the split between Bridges and Major Culverts, resulting in transfers into and out of the Bridge Asset Class.

Condition assessment for bridges was undertaken by professional bridge engineering companies for Timber bridges (Level 3 inspections) and by an experienced bridge 'ganger' for concrete bridges and other Council staff using Culvert Condition Assessment Guide for Culvert style bridges (Level 1 inspections, based on observed defects), but does not include core sampling or tensile testing of any components. Bridges constructed in the last 5 years have been assumed to be in Condition 1.

Bridge values were determined on the basis of a square metre (of deck) rate, based on a number of bridges Council has had built in the last five years.

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E2-1 Fair value measurement (continued)

Council has indexed Bridges by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Footpaths – Footways including cycleways

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimensions and specifications (concrete/bitumen/pavers).

Footpaths assets lengths, widths and extents were verified using 7.5cm aerial imagery and field inspection. Condition Assessments were undertaken of the entire network by Council staff utilising a standardised Condition Assessment Guide. These inspections are undertaken 6 monthly in the Blayney and Millthorpe CBDs and annual across the full network.

Unit Rates for footpaths are derived from recent Council works, as Council has constructed significant lengths of footpath in recent years.

Council has indexed Footpaths by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Stormwater Drainage - includes pits and pipes

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimensions and specifications

Council's register was developed using a combination of field observation and aerial imagery. The level of capture is estimated to be around 85% to 95%, as by its nature Urban Stormwater drainage is difficult to locate and Council does not have complete records of drainage installed. Pipe sizes have been estimated in some instances, as it is not possible to access all pipes.

Condition assessment was undertaken by Council staff using a standardised Condition Assessment Guide, with the condition of most pipes assumed from the condition of associated pits, due to a lack of accessibility.

Unit Rates for stormwater pits, pipes were derived from the Office of Water; NSW reference Rates Manual; Valuation of Water Supply, Sewerage and Stormwater Assets, Reinforced Concrete Box Culverts from recent council works and concrete lined drains from Rawlinsons Australian Construction Handbook. As with Kerb and Gutter, these rates do not take into account any allowance for the removal of existing (failed) stormwater assets.

Council has indexed Stormwater Drainage by the annual NSW Water and Sewer Reference Rate of 5.73% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Major Earthworks – (transport asset class only)

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, dimensions and specifications

Major Earthworks have been captured through field surveys and Works as Executed plans for more recent works. Bulk earthworks do not include earthworks for buildings and within Parks and Gardens, as these are accounted for within those asset classes, where applicable.

Council has verified the extent of some of its major earthworks through the use of Drone Survey, resulting in changes in some existing estimates. The condition of major earthworks is assumed to be 1, as these are a very long life assets, which are not depreciated.

The Unit Rates for Major Earthworks are derived from recent Council works and have been compared with rates from the Rawlinsons Australian Construction Handbook.

Council has indexed Major Earthworks by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Major Culverts – Pipe Culverts, Reinforced Concrete Box Culverts

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset dimensions, asset condition

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E2-1 Fair value measurement (continued)

The location and condition of all Major Culverts has been verified by an extensive review by Council Officers, utilising standardised Condition Inspection Guides. Culverts of 450mm or less have not been valued separately due to their cost (purchase price and installation cost) and have been allowed for in the cubic metre rate for road formation.

Major Culverts have been normalised to align with Modern Engineering Equivalent Replacement Asset (MEERA) to standardise culvert sizes and interpolation was used to account for nonstandard sizes. They are valued as single, double, triple or quad pipes / box culverts. Major Culverts do not include Bridge size (6m+ along road centre line) culverts, as these were valued in the Bridge Register.

Unit rates for culverts are derived from recent Council works and include materials (contract rates), excavation and nonlinear variation for multi cell culverts.

Council has indexed Major Culverts by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Kerb and Gutter – highback concrete, rollback concrete, median and 'splitter islands', bluestone and riverstone

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset dimensions, asset condition

The Kerb and Gutter asset register was developed using 7.5cm Aerial imagery for Blayney and the Villages. This data was verified with an inspection program to determine the accuracy and materials used. The bulk of Council's kerb and gutter network is concrete ('high back' or 'roll back'), however some kerb and gutter is constructed from bluestone or river stone. Median and 'splitter islands' are included in this asset sub class.

Condition assessment for Kerb and Gutter was collated by Council staff using a standardised Condition Assessment Guide.

Unit Rates were established on 'First Principles' and verified against a tender that Council had recently submitted for kerb and gutter works. Unit rates for the bluestone and river stone kerbs and gutters was also established on 'First Principles' and verified against recent 'reconstruction' works in Carcoar.

Unit rates for kerb and gutter are all based on 'Greenfields' costs and do not include any allowance of the removal of existing failed sections.

Council has indexed Kerb and Gutter assets by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Sewerage Network – Sewer pipes, pump stations, treatment plant, telemetry system, manholes

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimensions and specifications

Council's Sewer Assets were valued by AUSTRALIS Asset Advisory Group as at 30 June 2022, based on current unit rates. These rates will be indexed annually in accordance with the Office of Water's NSW Reference Rates. Australis conducted a physical inspection of the ground-level facility assets in the system such as treatment plants, pumping stations and effluent reuse reservoir. Condition assessments of the Gravity Main Network were supplied by Council to Australis, being a combination of in-house and contractor inspections from 2017 to 2022, utilising the WSAA Conduit Inspection and Reporting Code for the differing age groupings of the pipe network.

The asset register was built using Council GIS data with modifications made to achieve the correct level of componentisation and to collect additional details regarding material and capacities of the assets. Council has further componentised the Sewer pipe network into a pipe and a conduit component to account for the contemporary practice of relining of pipes. It is anticipated that pipes can be relined at least twice generating an extension of the useful life of the conduit component.

Swimming Pools

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimensions and specifications

Council's swimming pools were valued at fair value on 30th June 2018 in accordance with Australian Property Institute's (API) Code of Professional Practice, TPP 14-01 Valuation of Physical Non-Current Assets at Fair Value and Australian Accounting Standard (including AASB13) and the NSW Department of Local Government Guidelines. 'Fair value' is the best estimate of the price reasonably obtainable in the market at the date of valuation.

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E2-1 Fair value measurement (continued)

Council's swimming pools were valued by Australis Asset Advisory Group. The methodology adopted by Australis Asset Advisory Group is on an individually assessed (asset-by-asset) basis to determine which method is most appropriate.

The value of the Pool assets has been substantially revised as at 30 June 2020, following a major upgrade to the CentrePoint Sport and Leisure Centre over the previous two financial years. This has been based on actual costs.

Council has indexed Swimming Pool assets by the annual ABS Producer Price Index of 5.6% during the 2022 financial year to account for material increases in costs due to the high inflation experienced in 2021/22 financial year.

Tip, Quarry & other remediation Assets – Reinstatement, rehabilitation and restoration

Valuation Techniques: 'Cost approach'

Inputs Used (Level 3): Unit rates, useful life, dimensions and specifications

It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill, quarry and other remediation sites. Closure of the landfill and quarry sites will involve a wide range of activities including final capping of the landfill waste and site re-vegetation, monitoring of landfill gas, revision of the surface water management system and leachate management infrastructure to suit post-closure operation.

Valuations are based on actual timing of costs and future environmental management requirements.

Fair value measurements using significant unobservable inputs (level 3)

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

\$ '000	Fair value (30/6/22) 2022	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Plant & Equipment	5,365	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Office Equipment	302	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Furniture & Fittings	163	Cost Approach	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining Useful Life
Operational Land	1,226	Market Approach	<ul style="list-style-type: none"> • Price per square metre
Community Land	8,230	Market Approach - adjusted for restrictions	<ul style="list-style-type: none"> • NSW Valuer Generals Valuation (Unimproved Capital Value)
Land under roads - (post 30/06/2008)	31	Market Approach	<ul style="list-style-type: none"> • Price per square metre
Land Improvements - non depreciable	3,403	Cost Approach	<ul style="list-style-type: none"> • Unit Rates
Depreciable Land Improvements	4,484	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful life
Buildings – Specialised	1,609	Cost Approach & Market Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful life
Buildings – Non Specialised	18,656	Cost Approach & Market Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful life
Open Space/Recreation Assets	4,595	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Condition • Useful life
Roads	188,253	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Conditions • Useful Life

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E2-1 Fair value measurement (continued)

\$ '000	Fair value (30/6/22) 2022	Valuation technique/s	Unobservable inputs
Bridges	23,034	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Conditions • Useful Life
Footpaths	7,421	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Conditions • Useful Life
Major Earthworks	13,974	Cost Approach	<ul style="list-style-type: none"> • Unit Rates
Stormwater Drainage	15,211	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Asset Conditions • Useful Life
Sewerage Network	24,917	Cost Approach	<ul style="list-style-type: none"> • Unit Rates • Useful Life
Swimming Pools	4,111	Cost Approach	<ul style="list-style-type: none"> • Asset Conditions • Unit Rates • Asset Conditions • Useful Life
Waste facility, quarries & other remediation assets	770	Cost Approach	<ul style="list-style-type: none"> • Discounted Future Cash Flow

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E2-1 Fair value measurement (continued)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Operational Land		Community Land		Depreciable land improvements		Building specialised	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	1,051	989	6,919	5,002	4,044	3,588	17,572	17,640
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	207	–	1,311	1,979	422	596	1,252	–
Other movements								
Transfers from/(to) another asset class	–	62	–	(62)	20	(272)	–	(7)
Other adjustments and transfers	30	–	–	–	–	–	–	–
Purchases (GBV)	–	–	–	–	138	496	538	657
Disposals (WDV)	(62)	–	–	–	(7)	(15)	(161)	(17)
Depreciation and impairment	–	–	–	–	(133)	(349)	(545)	(701)
Closing balance	1,226	1,051	8,230	6,919	4,484	4,044	18,656	17,572

\$ '000	Buildings non-specialised		Open space/recreation assets		Roads		Bridges	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	1,451	1,500	4,129	3,705	169,529	168,624	21,100	21,416
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	205	–	386	583	17,471	–	2,247	–
Other movements								
Transfers from/(to) another asset class	–	(5)	(20)	(243)	–	(2)	–	–
Other adjustments and transfers	–	–	–	–	–	–	–	–
Purchases (GBV)	2	–	251	236	4,403	4,759	–	–
Disposals (WDV)	–	–	(4)	(30)	(37)	(794)	–	–
Depreciation and impairment	(49)	(44)	(147)	(122)	(3,113)	(3,058)	(313)	(316)
Closing balance	1,609	1,451	4,595	4,129	188,253	169,529	23,034	21,100

\$ '000	Footpaths		Major earthworks		Stormwater		Sewerage network	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	6,060	5,943	12,610	12,610	13,417	13,608	19,355	19,716
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	614	–	1,364	–	1,430	–	5,747	176
Other movements								
Transfers from/(to) another asset class	–	17	–	–	–	(15)	–	–
Other adjustments and transfers	–	–	–	–	–	–	–	–
Purchases (GBV)	870	241	–	–	538	11	327	–
Disposals (WDV)	(2)	(23)	–	–	–	(14)	(1)	(19)
Depreciation and impairment	(121)	(118)	–	–	(174)	(173)	(511)	(518)
Closing balance	7,421	6,060	13,974	12,610	15,211	13,417	24,917	19,355

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E2-1 Fair value measurement (continued)

\$ '000	Plant and equipment		Office equipment		Furniture and fittings		Swimming pools	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	6,286	6,643	341	340	128	131	4,202	4,296
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	-	-	-	-	-	-	3	-
Other movements								
Other adjustments and transfers	-	-	-	-	-	-	-	-
Purchases (GBV)	699	860	101	85	51	10	-	-
Disposals (WDV)	(539)	(188)	(37)	-	-	-	-	-
Depreciation and impairment	(1,081)	(1,029)	(103)	(84)	(16)	(13)	(94)	(94)
Closing balance	5,365	6,286	302	341	163	128	4,111	4,202

\$ '000	Land improvements - non depreciable		Land under roads - (post 30/06/2008)		Remediation, rehabilitation & restoration		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	2,500	118	26	16	339	274	291,059	286,159
Recognised in other comprehensive income – revaluation surplus	523	1,855	5	-	-	-	33,187	5,189
Transfers from/(to) another asset class	-	527	-	-	-	-	-	-
Other adjustments and transfers	-	-	-	-	(17)	-	13	-
Purchases (GBV)	380	-	-	10	505	97	8,803	7,462
Disposals (WDV)	-	-	-	-	-	-	(850)	(1,100)
Depreciation and impairment	-	-	-	-	(57)	(32)	(6,457)	(6,651)
Closing balance	3,403	2,500	31	26	770	339	325,755	291,059

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:

For each FV hierarchy transfer into or out of level 3, please reference and list the details and reasons for the change here.

As non specialised buildings there were able to be valued using market analysis.

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

* For 180 Point Members, Employers are required to contribute 7% of salaries for the year ending 30 June 2022 (increasing to 7.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40 million for 1 July 2021 to 30 June 2022, apportioned according to each employer's share of the accrued liabilities as at 30 June 2020. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

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E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2022 was \$ 93,130.37. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2021.

The amount of additional contributions included in the total employer contribution advised above is \$48,008.06. Council's expected contribution to the plan for the next annual reporting period is \$70,764.60.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2022 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,620.5	
Past Service Liabilities	2,445.6	107.2%
Vested Benefits	2,468.7	106.2%

* excluding member accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 0.16%

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2022

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

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E3-1 Contingencies (continued)

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

F People and relationships
F1 Related party disclosures
F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	2022	2021
\$ '000		
Compensation:		
Short-term benefits	953	942
Post-employment benefits	78	73
Other long-term benefits	67	33
Total	1,098	1,048

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
2022						
Catering	1	6	-	Paid on invoice	-	-
Donations & Financial Assistance Grants	2	7	-	Paid on completion of works	-	-
Supply of water	3	104	-	Payable by instalment date	-	-
Supply of materials and consumables	4	25	-	Paid on invoice	-	-
2021						
Catering	1	7	-	Paid on invoice	-	-
Donations & Financial Assistance Grants	2	1	-	Paid on completion of works	-	-
Supply of water	3	97	-	Payable by instalment date	-	-
Supply of materials and consumables	4	-	-	Paid on invoice	-	-

continued on next page ...

F1-1 Key management personnel (KMP) (continued)

- 1 Catering for training and meetings of Council were supplied by related parties of a number of KMP's
- 2 Council have donated funds to local not for profit organisations for community projects where a number of KMP's are members
- 3 A KMP is the Chair of a joint organisation (County Council) who supplies water to Council Facilities
- 4 Council has procured materials and consumables from a supplier who is a related party of a KMP of Council.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2022	2021
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	26	27
Councillors' fees	83	85
Other Councillors' expenses (including Mayor)	19	23
Total	128	135

F2 Other relationships

F2-1 Audit fees

\$ '000	2022	2021
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	46	41
Remuneration for audit and other assurance services	46	41
(ii) Non-assurance services		
Remuneration advice	3	-
Remuneration for non-assurance services	3	-
Total Auditor-General remuneration	49	41
Non NSW Auditor-General audit firms		
(ii) Non-assurance services		
Internal Audit	34	43
Other assurance services	-	3
Remuneration for non-assurance services	34	46
Total remuneration of non NSW Auditor-General audit firms	34	46
Total audit fees	83	87

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

\$ '000	2022	2021
Net operating result from Income Statement	9,853	3,687
Add / (less) non-cash items:		
Depreciation and amortisation	6,522	6,735
(Gain) / loss on disposal of assets	(54)	512
Non-cash capital grants and contributions	(865)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Revaluation decrements / impairments of IPP&E direct to P&L	–	5
Unwinding of discount rates on reinstatement provisions	(101)	(11)
Share of net (profits)/losses of associates/joint ventures using the equity method	(63)	(231)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(544)	57
Increase / (decrease) in provision for impairment of receivables	(116)	6
(Increase) / decrease of inventories	121	(85)
(Increase) / decrease of other current assets	(65)	(10)
(Increase) / decrease of contract asset	(1,795)	28
Increase / (decrease) in payables	23	117
Increase / (decrease) in accrued interest payable	(3)	(2)
Increase / (decrease) in other accrued expenses payable	–	2
Increase / (decrease) in other liabilities	(31)	372
Increase / (decrease) in contract liabilities	(171)	2,383
Increase / (decrease) in employee benefit provision	(27)	85
Increase / (decrease) in other provisions	487	84
Net cash flows from operating activities	13,171	13,734

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2022	2021
---------	------	------

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	–	1,320
Road infrastructure	1,341	–
Total commitments	1,341	1,320

These expenditures are payable as follows:

Within the next year	1,341	1,320
Total payable	1,341	1,320

Sources for funding of capital commitments:

Future grants and contributions	1,132	660
Unexpended grants	128	660
Internally restricted reserves	81	–
Total sources of funding	1,341	1,320

Details of capital commitments

Council entered into one contract in November 2021 and two contracts in February 2022 for the replacement of the Boondaroo, Leabeater Street and Lucan Road Bridges funded in part under the Natural Disaster funding and Fixing Country Bridges program. Delays in the availability of contractors, the long lead time for commencement compounded with the rising cost of materials has resulted in delays in commencement of these projects. The projects are scheduled to commence in early 2022/23.

G3 Statement of developer contributions as at 30 June 2022

G3-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2021	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2022	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
Local infrastructure fund	867	154	-	11	-	-	1,032	-
\$7.11 contributions – under a plan	867	154	-	11	-	-	1,032	-
Future Sewerage Infrastructure Contributions	97	101	-	2	-	-	200	-
S64 contributions	899	92	-	6	-	-	997	-
Total contributions	1,863	347	-	19	-	-	2,229	-

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G3-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2021	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2022	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
CONTRIBUTION PLAN NUMBER – Local infrastructure fund								
Local infrastructure fund	867	154	-	11	-	-	1,032	-
Total	867	154	-	11	-	-	1,032	-

G3-3 Contributions not under plans

Future Infrastructure Subsidy								
Sewerage services	97	101	-	2	-	-	200	-
Total	97	101	-	2	-	-	200	-

G3-4 S64 contributions

S64 contributions								
Sewerage services	899	92	-	6	-	-	997	-
Total	899	92	-	6	-	-	997	-

G4 Statement of performance measures

G4-1 Statement of performance measures – consolidated results

\$ '000	Amounts	Indicator	Indicators		Benchmark
	2022	2022	2021	2020	
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	<u>(168)</u>	(0.86)%	(3.74)%	(4.96)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	<u>19,604</u>				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	<u>14,079</u>	47.90%	57.54%	56.42%	> 60.00%
Total continuing operating revenue ¹	<u>29,392</u>				
3. Unrestricted current ratio					
Current assets less all external restrictions	<u>11,293</u>	4.67x	3.86x	4.71x	> 1.50x
Current liabilities less specific purpose liabilities	<u>2,418</u>				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	<u>6,501</u>	8.44x	7.26x	5.31x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<u>770</u>				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	<u>189</u>	1.58%	1.46%	2.84%	< 10.00%
Rates and annual charges collectable	<u>11,957</u>				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	<u>20,298</u>	15.97 months	17.23 months	12.72 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	<u>1,271</u>				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

G4-2 Statement of performance measures by fund

	General Indicators ³		Sewer Indicators		Benchmark
	2022	2021	2022	2021	
\$ '000					
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}					
Total continuing operating revenue excluding capital grants and contributions ¹	(0.91)%	(3.77)%	(0.30)%	(3.40)%	> 0.00%
2. Own source operating revenue ratio					
Total continuing operating revenue excluding capital grants and contributions ¹					
Total continuing operating revenue ¹	45.54%	55.77%	78.64%	75.61%	> 60.00%
3. Unrestricted current ratio					
Current assets less all external restrictions					
Current liabilities less specific purpose liabilities	4.67x	3.86x	99.07x	96.84x	> 1.50x
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹					
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	8.04x	6.93x	16.64x	13.98x	> 2.00x
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding					
Rates and annual charges collectable	1.44%	1.38%	2.66%	2.13%	< 10.00%
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits					
Monthly payments from cash flow of operating and financing activities	11.05 months	12.13 months	103.80 months	136.83 months	> 3.00 months

(1) - (2) Refer to Notes at Note G6-1 above.

(3) General fund refers to all of Council's activities except for its sewer activities which are listed separately.

H Additional Council disclosures (unaudited)

H1-1 Council information and contact details

Principal place of business:

91 Adelaide Street
Blayney NSW 2799

Contact details

Mailing Address:

PO Box 62
Blayney NSW 2799

Opening hours:

9:30am to 4:00pm
Monday to Friday

Internet: www.blayney.nsw.gov.au

Email: council@blayney.nsw.gov.au

Officers

General Manager
M.Dicker

Responsible Accounting Officer

T.Irlam

Public Officer

A. Franze

Auditors

Auditor General New South Wales
Level 19 Tower 2 Darling Park
201 Sussex Street
SYDNEY NSW 2000

Elected members

Mayor

Cr. S.J. Ferguson

Deputy Mayor

Cr. D Somerville

Councillors

Cr. A Ewin
Cr. C Gosewisch
Cr. J Newstead
Cr. M Pryse Jones
Cr. B Reynolds



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Blayney Shire Council

To the Councillors of Blayney Shire Council

Qualified Opinion

I have audited the accompanying financial statements of Blayney Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter described in the 'Basis for Qualified Opinion' section of my report:

- 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 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My qualified opinion should be read in conjunction with the rest of this report.

Basis for Qualified Opinion

Non recognition of rural fire-fighting equipment

As disclosed in Note C1-7 to the financial statements, the Council has not recognised rural fire-fighting equipment as assets within 'Infrastructure, property, plant and equipment' in the Statement of Financial Position at 30 June 2022. In my opinion, these assets are controlled by the Council and should be recognised as assets in accordance with AASB 116 'Property, Plant and Equipment'.

Australian Accounting Standards refers to control of an asset as being the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Rural fire-fighting equipment is controlled by the Council as:

- these assets are vested in the Council under section 119(2) of the *Rural Fires Act 1997* (Rural Fires Act), giving the Council legal ownership
- the Council has the ability, outside of emergency events in section 44 of the Rural Fires Act, to prevent the NSW Rural Fire Service from directing the use of the rural fire-fighting equipment by either not entering into a service agreement, or cancelling the existing service agreement that was signed on 28 February 2018
- the Council has specific responsibilities for fire mitigation and safety works and bush fire hazard reduction under Part 4 of the Rural Fires Act. The Council obtains economic benefits from the rural fire-fighting equipment as these assets are used to fulfil Council's responsibilities
- in the event of the loss of an asset, the insurance proceeds must be paid into the New South Wales Rural Fire Fighting Fund (section 119(4) of the Rural Fires Act) and be used to reacquire or build a similar asset, which is again vested in the Council as an asset provided free of charge.

While Council has undertaken procedures to confirm the fair value of this equipment, including assets vested in it during the year, it has not recognised these assets in the financial statements. When these assets are vested, no financial consideration is required from the Council and as such these are assets provided to Council free-of-charge.

The effect of the non-recognition is:

- rural fire-fighting equipment assets are understated by \$765,000 in the Statement of Financial Position and related notes as at 30 June 2022
- 'Accumulated surplus' is understated by \$765,000 in the Statement of Changes in Equity and Statement of Financial Position
- 'Depreciation, amortisation and impairment for non-financial assets' expense in the Income Statement is understated by \$208,000 for the year ended 30 June 2022. 'Depreciation, amortisation and impairment of non-financial assets' expense is recognised over the useful lives of these assets, which is offset by 'Grants and contributions provided for capital purposes' income recognised at the point the assets are vested as an asset received free of charge
- the 'Operating performance' ratio in Note G4-1 'Statement of performance measures – consolidated results' is (0.86)% instead of (1.92)%
- the 'Operating performance' ratio for general fund in Note G4-2 'Statement of performance measures by fund' is (0.91)% instead of (2.07)%.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations'
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Karen Taylor
Delegate of the Auditor-General for New South Wales

21 October 2022
SYDNEY



Cr Scott Ferguson
Mayor
Blayney Shire Council
PO Box 62
Blayney NSW 2799

Contact: Karen Taylor
Phone no: 02 9275 7311
Our ref: D2221520/1695

21 October 2022

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2022
Blayney Shire Council**

I have audited the general purpose financial statements (GPFS) of the Blayney Shire Council (the Council) for the year ended 30 June 2022 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed a modified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2022 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

Non recognition of rural fire-fighting equipment

The Council has not recognised rural fire-fighting equipment as assets within 'Infrastructure, property, plant and equipment' in the Statement of Financial Position at 30 June 2022. In my opinion, these assets are controlled by the Council and should be recognised as assets in accordance with AASB 116 'Property, Plant and Equipment'.

Australian Accounting Standards refers to control of an asset as being the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Rural fire-fighting equipment is controlled by the Council as:

- these assets are vested in the Council under section 119(2) of the *Rural Fires Act 1997* (Rural Fires Act), giving the Council legal ownership
- the Council has the ability, outside of emergency events in section 44 of the Rural Fires Act, to prevent the NSW Rural Fire Service from directing the use of the rural fire-fighting equipment by either not entering into a service agreement, or cancelling the existing service agreement that was signed on 28 February 2018.
- the Council has specific responsibilities for fire mitigation and safety works and bush fire hazard reduction under Part 4 of the Rural Fires Act. The Council obtains economic benefits from the rural fire-fighting equipment as these assets are used to fulfil Council's responsibilities
- in the event of the loss of an asset, the insurance proceeds must be paid into the New South Wales Rural Fire Fighting Fund (section 119(4) of the Rural Fires Act) and be used to reacquire or build a similar asset, which is again vested in the Council as an asset provided free of charge.

While Council has undertaken procedures to confirm the fair value of this equipment, including assets vested in it during the year, it has not recognised these assets in the financial statements. When these assets are vested, no financial consideration is required from the Council and as such these are assets provided to Council free-of-charge.

This has resulted in the audit opinion on the Council's 30 June 2022 GPFS to be modified.

Refer to the Independent Auditor's report on the GPFS.

INCOME STATEMENT

Operating result

	2022	2021	Variance
	\$m	\$m	%
Rates and annual charges revenue	11.8	11.4	↑ 3.5
Grants and contributions revenue	15.3	9.9	↑ 54.5
Operating result from continuing operations	9.9	3.7	↑ 167.6
Net operating result before capital grants and contributions	0.07	(0.99)	↑ 107.1

The Council's operating result from continuing operations (\$9.9 million including depreciation and amortisation expense of \$6.5 million) was \$6.2 million higher than the 2020–21 result.

The net operating result before capital grants and contributions (\$0.07 million) was \$1.06 million higher than the 2020–21 result (\$0.99 million deficit).

Rates and annual charges revenue (\$11.8 million) increased by \$0.35 million (3.5 per cent) in 2021–22. This was the result of the approved rate pegging general variation of 2.0 per cent plus an increase to sewerage charges revenue compared to the prior year.

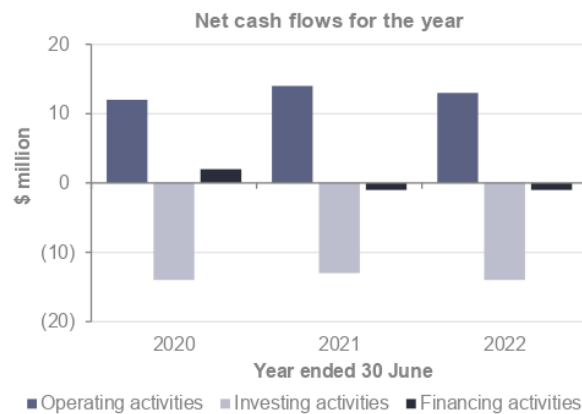
Grants and contributions revenue (\$15.3 million) increased by \$5.4 million in 2021–22. This was mainly due to:

- receiving 75 per cent of 2022-23 financial year allocation of financial assistance grants in advance (\$0.9 million increase)
- increase funding for works on roads and bridges
- increased funding for recreation and culture including the replacement of the roof at the Centrepoint facility and the upgrade of amenities at King George Oval
- reduced activity in areas such as Roads to Recovery.

STATEMENT OF CASH FLOWS

Cash payments for materials and services during the year were \$1.0 million higher than the previous year, resulting in lower cashflows from operating activities.

Payments for infrastructure, property, plant and equipment were \$3.9 million higher than the previous year, though this was largely offset by a \$3.5 million net outflows for term deposits.



FINANCIAL POSITION

Cash and investments

Cash and investments	2022	2021	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	20.3	20.7	Externally restricted balances included sewer fund and unexpended grants.
Restricted and allocated cash and investments:			Balances are internally allocated due to Council policy or decisions for forward plans including work programs
• External restrictions	13.1	12.6	
• Internal allocations	7.1	7.5	

Debt

At 30 June 2022, Council had:

- external borrowings of \$6.6 million (2021: \$7.2 million), are secured against Council's general rating income
- access to a \$50,000 bank overdraft facility, unused at 30 June 2022, and \$40,000 credit card facility, unused \$31,000 at 30 June 2022.

PERFORMANCE

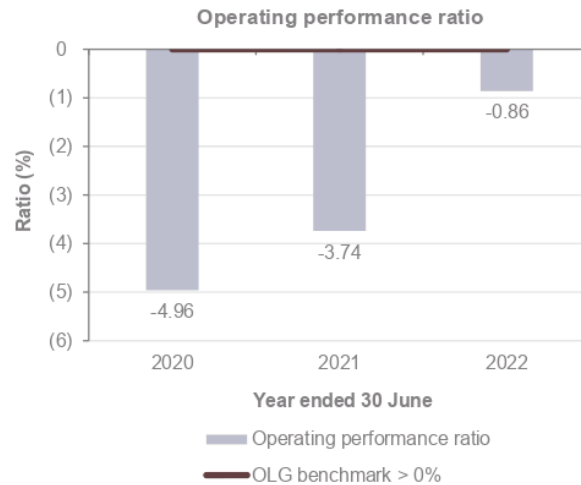
Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

Council is below benchmark but improving.

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

The high level of grants and contributions received by Council during the year have seen this ratio continue to remain below the benchmark set by the OLG. Council's own source operating revenue has remained consistent in terms of dollar value.

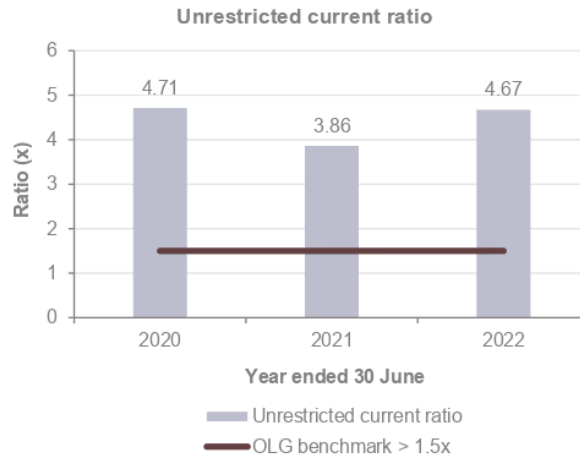
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

Council continues to exceed the OLG benchmark.

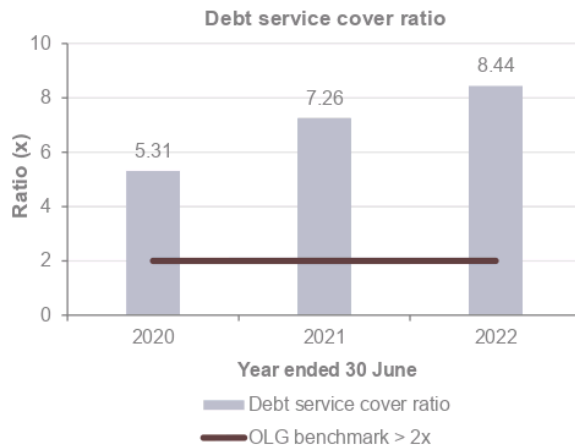
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

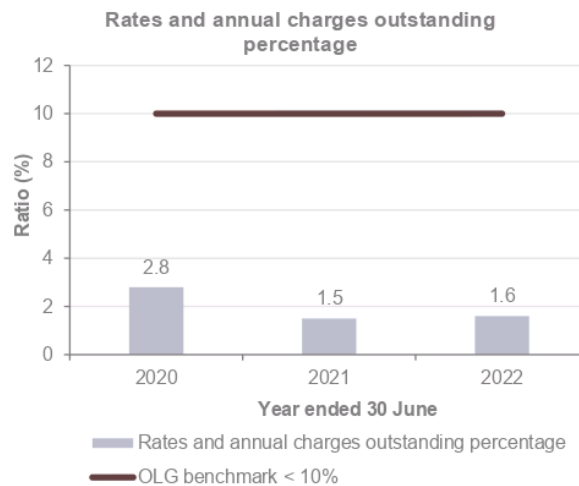
Council continued to exceed the benchmark. No new borrowing was drawn in the 2022 financial year.

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



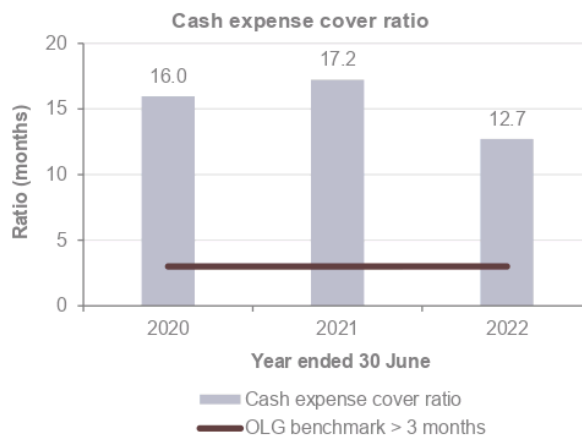
Rates and annual charges outstanding percentage

Council has continued to effectively manage its recovery, maintaining a ratio which is well below the benchmark for rural councils. The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



Cash expense cover ratio

Council continues to exceed the benchmark. This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



Infrastructure, property, plant and equipment renewals

Council has renewed \$10.8 million of infrastructure assets in the 2021–22 financial year compared to \$3.5 million in the 2020–21 financial year. Roads infrastructure was the main asset class renewed during both financial years. A further \$3.9 million was spent on new assets during the 2021–22 financial year.

OTHER MATTERS

Legislative compliance

My audit procedures identified a material deficiency in the Council's financial statements that will be reported in the Management Letter. Rural fire-fighting equipment was not recognised in the financial statements.

Except for the matter outlined above, the Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Karen Taylor
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Blayney Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022



Blayney Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2022

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Blayney Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 29 August 2022.



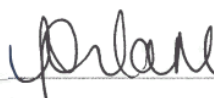
Cr. S.J. Ferguson
Mayor
29 August 2022



Cr. D. Somerville
Deputy Mayor
29 August 2022



M. Dicker
General Manager
29 August 2022



T. Irlam
Responsible Accounting Officer
29 August 2022

Blayney Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2022

\$ '000	2022	2021
Income from continuing operations		
Access charges	1,354	1,270
User charges	145	174
Liquid trade waste charges	78	71
Interest and investment income	34	51
Grants and contributions provided for operating purposes	14	14
Net gain from the disposal of assets	16	-
Other income	19	6
Total income from continuing operations	1,660	1,586
Expenses from continuing operations		
Employee benefits and on-costs	258	295
Borrowing costs	36	40
Materials and services	801	707
Depreciation, amortisation and impairment	568	573
Loss on disposal of assets	-	19
Other expenses	2	6
Total expenses from continuing operations	1,665	1,640
Surplus (deficit) from continuing operations before capital amounts	(5)	(54)
Grants and contributions provided for capital purposes	433	493
Surplus (deficit) from continuing operations after capital amounts	428	439
Surplus (deficit) from all operations before tax	428	439
Surplus (deficit) after tax	428	439
Plus accumulated surplus	9,699	9,260
Closing accumulated surplus	10,127	9,699
Return on capital %	0.1%	(0.1)%
Subsidy from Council	938	322
Calculation of dividend payable:		
Surplus (deficit) after tax	428	439
Less: capital grants and contributions (excluding developer contributions)	(433)	(493)
Surplus for dividend calculation purposes	-	-

Blayney Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2022

\$ '000	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	649	1,446
Investments	6,349	5,209
Receivables	36	27
Total current assets	7,034	6,682
Non-current assets		
Infrastructure, property, plant and equipment	26,468	20,673
Total non-current assets	26,468	20,673
Total assets	33,502	27,355
LIABILITIES		
Current liabilities		
Payables	12	14
Borrowings	59	55
Total current liabilities	71	69
Non-current liabilities		
Borrowings	356	415
Total non-current liabilities	356	415
Total liabilities	427	484
Net assets	33,075	26,871
EQUITY		
Accumulated surplus	10,127	9,699
Revaluation reserves	22,948	17,172
Total equity	33,075	26,871

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993 (Act)*, the *Local Government (General) Regulation 2005 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Blayney Sewerage Service

Sewerage reticulation and treatment system servicing the town of Blayney, which has been established as a Special Rate Fund

b. Millthorpe Sewerage Service

Sewerage reticulation and treatment system servicing the town of Millthorpe, which has been established as a Special Rate Fund

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

continued on next page ...

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Note – Significant Accounting Policies (continued)

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$692,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

continued on next page ...

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Note – Significant Accounting Policies (continued)

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council’s business activities on the Income Statement.

The rate of return is calculated as follows:

$$\frac{\text{Operating result before capital income + interest expense}}{\text{Written down value of I,PP\&E as at 30 June}}$$

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.66% at 30/6/22.

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2022 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Blayney Shire Council

To the Councillors of Blayney Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Blayney Shire Council's (the Council) Declared Business Activity, sewerage, which comprise the Statement by Councillors and Management, the Income Statement of the Declared Business Activity for the year ended 30 June 2022, the Statement of Financial Position of the Declared Business Activity as at 30 June 2022 and the Significant accounting policies note.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's Declared Business Activity as at 30 June 2022, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Karen Taylor
Delegate of the Auditor-General for New South Wales

21 October 2022
SYDNEY

Blayney Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2022



Blayney Shire Council

Special Schedules

for the year ended 30 June 2022

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Blayney Shire Council

Permissible income for general rates

\$ '000	Notes	Calculation 2021/22	Calculation 2022/23
Notional general income calculation ¹			
Last year notional general income yield	a	9,079	9,302
Plus or minus adjustments ²	b	31	37
Notional general income	c = a + b	9,110	9,339
Permissible income calculation			
Or rate peg percentage	e	2.00%	2.50%
Or plus rate peg amount	i = e x (c + g)	182	233
Sub-total	k = (c + g + h + i + j)	9,292	9,572
Plus (or minus) last year's carry forward total	l	6	(5)
Less valuation objections claimed in the previous year	m	-	(1)
Sub-total	n = (l + m)	6	(6)
Total permissible income	o = k + n	9,298	9,566
Less notional general income yield	p	9,302	9,566
Catch-up or (excess) result	q = o - p	(4)	1
Plus income lost due to valuation objections claimed ⁴	r	1	1
Less unused catch-up ⁵	s	(2)	(1)
Carry forward to next year ⁶	t = q + r + s	(5)	1

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts or the rate peg balance amounts will be deducted if they are not caught up within ten years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for when setting the rates in a future year.
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT
Special Schedule – Permissible income for general rates
Blayney Shire Council

To the Councillors of Blayney Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Blayney Shire Council (the Council) for the year ending 30 June 2023.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2022'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Karen Taylor
Delegate of the Auditor-General for New South Wales

21 October 2022
SYDNEY

Blayney Shire Council

Report on infrastructure assets as at 30 June 2022

Asset Class	Asset Category	Estimated cost			2021/22 Required maintenance ^a \$ '000	2021/22 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring to the to satisfactory standard \$ '000	Estimated cost to bring to the to bring assets agreed level of service set by Council \$ '000	2021/22 Required maintenance ^a \$ '000					2021/22 Actual maintenance \$ '000	1	2	3	4	5
Buildings	Buildings	1,327	497	365	301	20,648	34,989	79.0%	13.0%	4.0%	2.0%	2.0%		
	Sub-total	1,327	497	365	301	20,648	34,989	79.0%	13.0%	4.0%	2.0%	2.0%	2.0%	
Roads	Sealed roads	610	165	1,455	545	139,819	162,590	84.0%	14.0%	2.0%	0.0%	0.0%		
	Unsealed roads	4,215	1,152	348	1,420	28,705	38,596	59.0%	14.0%	16.0%	9.0%	2.0%		
	Bridges	1,959	423	94	18	23,034	33,028	44.0%	37.0%	13.0%	6.0%	0.0%		
	Footpaths	357	133	112	93	7,421	10,487	35.0%	35.0%	26.0%	2.0%	2.0%		
	Major earthworks (non depreciable)	-	-	-	-	13,974	13,974	100.0%	0.0%	0.0%	0.0%	0.0%		
	Kerb & Gutter	781	201	149	268	11,366	16,529	29.0%	49.0%	17.0%	4.0%	1.0%		
	Roadside Furniture	267	145	27	3	1,912	2,969	42.0%	46.0%	3.0%	1.0%	8.0%		
	Culverts	337	96	76	329	6,451	8,451	72.0%	17.0%	7.0%	3.0%	1.0%		
	Sub-total	8,526	2,315	2,261	2,676	232,682	286,624	71.1%	19.2%	7.0%	2.3%	0.5%		
	Sewerage network	Sewerage network	220	39	367	671	24,917	32,847	81.0%	10.0%	8.0%	1.0%	0.0%	
Sub-total		220	39	367	671	24,917	32,847	81.0%	10.0%	8.0%	1.0%	0.0%		
Stormwater drainage	Stormwater drainage	164	46	94	3	15,211	19,689	64.0%	30.0%	5.0%	1.0%	0.0%		
	Sub-total	164	46	94	3	15,211	19,689	64.0%	30.0%	5.0%	1.0%	0.0%		
Open space / recreational assets	Swimming pools	-	-	123	64	4,111	4,466	100.0%	0.0%	0.0%	0.0%	0.0%		
	Other	28	6	299	389	4,595	6,403	46.0%	28.0%	25.0%	0.0%	1.0%		
Sub-total	28	6	422	453	8,706	10,869	68.2%	16.5%	14.7%	0.0%	0.6%			
Total – all assets		10,265	2,903	3,509	4,104	302,164	385,018	72.2%	18.3%	6.9%	2.0%	0.6%		

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

- 1 Excellent/very good No work required (normal maintenance)
- 2 Good Only minor maintenance work required
- 3 Satisfactory Maintenance work required
- 4 Poor Renewal required
- 5 Very poor Urgent renewal/upgrading required

Blayney Shire Council

Report on infrastructure assets as at 30 June 2022

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2022	Indicator 2022	Indicators		Benchmark
			2021	2020	
Buildings and infrastructure renewals ratio					
Asset renewals ¹	<u>10,784</u>	212.83%	113.41%	231.26%	>= 100.00%
Depreciation, amortisation and impairment	<u>5,067</u>				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	<u>10,265</u>	3.28%	4.02%	4.08%	< 2.00%
Net carrying amount of infrastructure assets	<u>313,372</u>				
Asset maintenance ratio					
Actual asset maintenance	<u>4,104</u>	116.96%	113.82%	100.19%	> 100.00%
Required asset maintenance	<u>3,509</u>				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>2,903</u>	0.75%	0.84%	1.28%	
Gross replacement cost	<u>385,018</u>				

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Blayney Shire Council

Report on infrastructure assets as at 30 June 2022

<p>Buildings and infrastructure renewals ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>231.26</td> </tr> <tr> <td>2021</td> <td>113.41</td> </tr> <tr> <td>2022</td> <td>212.83</td> </tr> </tbody> </table> <p>Benchmark: — >= 100.00%</p>	Year	Ratio %	2020	231.26	2021	113.41	2022	212.83	<p>Buildings and infrastructure renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on result</p> <p>21/22 ratio 212.83%</p> <p>This ratio has increased substantially over the previous year. This is due to Council completing major renewal works on the CentrePoint Sport and Leisure Centre (swimming pool) roof and works on Panuera and Hobbits Yards Roads. Council is achieving substantially above the target of 100% with continued investment in renewals works, including significant road and other works.</p>	<p>Ratio achieves benchmark</p>
Year	Ratio %										
2020	231.26										
2021	113.41										
2022	212.83										
<p>Asset maintenance ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>100.19</td> </tr> <tr> <td>2021</td> <td>113.82</td> </tr> <tr> <td>2022</td> <td>116.96</td> </tr> </tbody> </table> <p>Benchmark: — > 100.00%</p>	Year	Ratio %	2020	100.19	2021	113.82	2022	116.96	<p>Asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop backlog growing.</p>	<p>Commentary on result</p> <p>21/22 ratio 116.96%</p> <p>Council's performance on this ratio has continued to improve over the 2021/22 financial year, with increased expenditure on maintenance activities across the Transportation, Sewer and Open Space and Other Recreational asset classes. This means Council is investing sufficient funds to address the growth in the infrastructure backlog and is reflected in the continued decline in the Infrastructure Backlog Ratio.</p>	<p>Ratio achieves benchmark</p>
Year	Ratio %										
2020	100.19										
2021	113.82										
2022	116.96										
<p>Infrastructure backlog ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>4.08</td> </tr> <tr> <td>2021</td> <td>4.02</td> </tr> <tr> <td>2022</td> <td>3.28</td> </tr> </tbody> </table> <p>Benchmark: — < 2.00%</p>	Year	Ratio %	2020	4.08	2021	4.02	2022	3.28	<p>Infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on result</p> <p>21/22 ratio 3.28%</p> <p>Council has continued to reduce the infrastructure backlog ratio through renewal works on condition 4 and 5 assets. The dollar value of the infrastructure backlog was reduced from \$0.9 million in 2020 to \$0.6 million in 2021/22. This ratio has reduced substantially since 2019, reflecting the fact that prior to the 2020 financial year, Council was using condition 2 as the measure of a satisfactory standard.</p>	<p>Ratio achieves benchmark</p>
Year	Ratio %										
2020	4.08										
2021	4.02										
2022	3.28										
<p>Cost to bring assets to agreed service level</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>1.28</td> </tr> <tr> <td>2021</td> <td>0.84</td> </tr> <tr> <td>2022</td> <td>0.75</td> </tr> </tbody> </table>	Year	Ratio %	2020	1.28	2021	0.84	2022	0.75	<p>Cost to bring assets to agreed service level</p> <p>This ratio provides a snapshot of the proportion of the outturning renewal works needed to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on result</p> <p>21/22 ratio 0.75%</p> <p>This ratio refers to the cost for Council to bring assets to condition 3 or better, against the value of all infrastructure assets. The ratio has been substantially reduced over recent years and is now at 0.75%, compared to 0.84% in 2020/21 and substantially below the 2.14% in 2019. This reflects a substantial reduction in Council's backlog of assets in condition 4 and 5.</p>	<p>Ratio is outside benchmark</p>
Year	Ratio %										
2020	1.28										
2021	0.84										
2022	0.75										



Blayney Shire Council Register of Delegations

Section 377 Local Government Act 1993 Register of Delegations to the General Manager

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MAYOR

Pursuant to the Local Government Act and Regulations, and any expressed policy or direction of Council, that Council in accordance with the provisions of Section 377 of the Local Government Act 1993 and every other enabling statutory power, delegates to the person who occupies the position of Mayor, to perform on behalf of Council the following powers, authorities, duties or functions.

1. Council Seal

Authorise the Mayor to be the necessary witness to documents requiring Council's seal.

2. Media Relations

To make media statements or releases on behalf of Council.

3. Policy Making

To exercise in cases of necessity, the policy-making functions of the governing body of the Council between meetings of the Council.

4. Correspondence

To sign correspondence on behalf of the Council.

5. Urgent Works

To authorise any work which is deemed urgent at a cost not exceeding \$5,000 provided that such expenditure is reported to the Council at its next Ordinary Meeting.

6. Complaints Against the General Manager

The Mayor shall have the power to investigate substantive written complaints against the General Manager and shall, if warranted, report to the next Ordinary meeting of Council.

DEPUTY MAYOR

1. Council Seal

Authorise the Deputy Mayor to be the necessary witness to documents requiring Council's seal.

2. In the absence of the Mayor

In the absence of the Mayor and subject to compliance with the requirements of the Local Government Act 1993, and any expressed policy or direction of the Council, the Council pursuant to the provisions of Section 377 of the Act, and every other enabling statutory power, delegates to the person who occupies the position of Deputy Mayor to exercise and perform on behalf of the Council the powers, authorities, duties and functions of the Mayor including the powers, authorities, duties and functions which the council has delegated by this Instrument to the Mayor.

BLAYNEY SHIRE COUNCIL TRAFFIC COMMITTEE

1. Pursuant to the delegation of powers from the Roads and Maritime Services, the authority for regulation of traffic and traffic control signs on public roads. This authority is limited to the powers, authorities, duties and functions that are specified in the ~~Roads and Maritime Services~~Transport for NSW Instrument of Delegation to Council, from the ~~Roads and Maritime Services~~Transport for NSW. Refer the following link for more information: https://roads-and-maritime-services.transport.nsw.gov.au/business-industry/partners-suppliers/lgr/downloads/information/committees/traffic_committees.html

GENERAL MANAGER

The General Manager's powers to act on behalf of Council are given through power of attorney, his/her employment contract and delegations made by Council pursuant to Section 377 of the Local Government Act (1993).

Contracts

The General Manager is employed under contract that is performance based.

The legislative requirements for Council to have a contract with the General Manager results in delegations being included under schedule B of the contract of employment as well as by resolution under the Local Government Act 1993.

Delegation

Pursuant to the provisions of the Local Government Act 1993, and any expressed policy or direction of Council, that Council in accordance with the provisions of Section 377 of the Local Government Act, 1993 and every other enabling statutory power, delegates to its General Manager authority to exercise and to perform on behalf of the Council, all necessary powers, authorities, duties and functions. ~~These, including include~~ but are not limited to:

Corporate and Executive Powers

1. To carry on the regular services and operations of the Council within the sums voted by the Council for expenditure thereon and in accordance with any resolution of Council.
2. To carry on the regular services, functions and operations of the Council in accordance with Local Government Act 1993, and other Legislation, Regulations and or policies of the Council.
3. To authorise any action necessary to comply with any policy or code of Council, any statutory requirements of the Local Government Act or Ordinance or any other law, rule or regulation affecting Council.
4. To obtain legal advice from Council's Solicitors or Counsel where necessary.
5. To institute, conduct and defend legal proceedings with respect to Council's activities in all Courts, and instruct and engage Council's Solicitors and Counsel where necessary.
6. Be authorised to respond to notices in respect of such applications to the Independent Liquor & Gaming Authority for Liquor licences for functions.
7. Authorise action to be taken in connection with any complaints or requests received.
8. Provide interpretation, counsel and advice on applicable Statutes, and Council's existing and proposed policies; and on statutory limitations during the deliberative and decision making process and provide to the Mayor, individual Councillors and senior staff, a common source of statutory and policy interpretation.

9. To affix the seal of Council to a document.
10. To prepare and lodge applications for grants provided such action is consistent with Council's Strategic & Business Plan or Council Policy.
11. To authorise any works which is deemed urgent, provided that such expenditure is reported to the Council at its next Ordinary meeting, where funds have not been voted by Council.
12. Control communications internally and externally.
13. Rearrange and reorganise staff in all departments.
14. Sign legal contracts where Council has approved the making of that Contract.
15. Internal and external projection and promotion of Council's mantle of dignity, together with its image of efficiency and effectiveness.
16. To approve/refuse public access to Council books or documents which are required to be produced for any legal proceedings.
17. Be authorised to perform all necessary activities, to serve any notices or orders, undertake inspections, issue or refuse license and permits, to exercise the power of entry, to appoint appropriate staff as an authorised officer, authorised person, authorised Council employee, [enforcement officer](#) or impounding officer as the case may be, to exercise the functions of those positions under the following acts and associated regulations and to implement the provisions as relating to the operation of Council of the following Acts and associated regulation, including but not limited to:
 - (i) Companion Animals Act 1998
 - (ii) Community Land Development Act 1989 [and Community Land Development Act 2021](#)
 - (iii) Conveyancing Act 1919
 - (iv) ~~Crown Lands Act 1989~~ [Crown Lands Management Act 2016](#)
 - (v) Environmental Planning and Assessment Act, 1979 as amended
 - (vi) Food Act 2003 and Food Regulation 2015
 - (vii) Government Information (Public Access Act) 2009
 - (viii) Fire [Brigades and Rescue NSW Act 1989](#)
 - (ix) ~~Impounding Act, 1993 as amended~~ [Public Spaces \(unattended Property\) Act 2021](#)
 - (x) Interpretation Act 1987
 - (xi) Interstate Road Transport Act 1985
 - (xii) Land Acquisition (Just Terms Compensation) Act 1991
 - (xiii) Library Act 1939
 - (xiv) Local Government Act 1993
 - (xv) ~~Native Title Act 1993, as amended~~ [Native Title \(New South Wales\) Act 1994](#)
 - (xvi) Noxious Weeds Act, 1993 as amended
 - (xvii) Workplace Health & Safety Act 2011

- (xviii) Ombudsman Act 1976
- ~~(xix)~~ Protection of Environment Operations Act 1997; [Protection of the Environment Operations \(General\) Regulation 2022](#); Protection of the Environment Operations (Waste) Regulation 2014; Protection of the Environment Operations (Clean Air) Regulations, 2010 and related legislation [2021 and related legislation Protection of the Environment Operations \(Noise Control\) Regulation 2017](#); and [Protection of the Environment Operations \(Underground Petroleum Storage Systems\) Regulation 2019](#).
- ~~(xix)(xx)~~ Public Health Act 2010 and [Public Health Regulation 2012 and Public Health Regulation 2022](#)
- ~~(xx)(xxi)~~ Recreation Vehicles Act, 1983
- ~~(xxi)(xxii)~~ Roads Regulation ~~2008~~[2018](#)
- ~~(xxii)(xxiii)~~ Roads Act 1993
- ~~(xxiii)(xxiv)~~ Roads Transport (General) Act 2005
- ~~(xxiv)(xxv)~~ Rural Fires Act 1997
- ~~(xxv)(xxvi)~~ Local Lands Services Act 2013
- ~~(xxvi)(xxvii)~~ ~~Strata Schemes (Freehold Development) Act 1973~~ [Strata Schemes Development Act 2015](#)
- ~~(xxvii)~~ ~~Strata Schemes (Leasehold Development) Act 1986~~
- (xxviii) State Emergency and Rescue Management Act 1989
- (xxix) State Emergency Service Act 1989
- (xxx) Swimming Pools Act 1992 and [Swimming Pools Regulation 2008](#).
- (xxxi) Transport Administration Act 1988
- (xxxii) ~~Tobacco Advertising Prohibition Act 1992~~ [Public Health \(Tobacco\) Act 2008](#)
- ~~(xxxiii)~~ ~~Transport Administration Act 1988~~
- ~~(xxxiv)(xxxiii)~~ Unclaimed Money Act 1995

Corporate Services/Administration

- 101 To determine the matters which are to be included in the business papers, subject to the inclusion of the following items whenever they arise:
- (a) Reports on matters that cannot be determined under delegated authority;
 - (b) Reports required to be submitted under any Act or Ordinance;
 - (c) Reference to any deputation's which the Council has agreed to receive;
 - (d) Matters requiring a determination of Policy;
 - (e) Reports directed by Council to be submitted;
 - (f) Matters essential for the Council's information;
 - (g) Matters requiring a vote;
 - (h) Matters or decisions of a potentially contentious nature, or involving a significant variation of Council's policy or standard practice relating to Development Applications.
- 102 Have charge of the records of Council, except as otherwise specifically provided, and be responsible for the recording, filing and safe keeping of such records.
- 103 Keep accurate, permanent records of all properties purchased, leased or sold by, or in the possession of Council. Sign contracts for the sale and purchase price of land where Council has approved the sale or purchase price.
- 104 Authority to terminate any lease or rental agreement on any Council owned property where the terms of the lease have been breached, and accounts fall into arrears.
- 105 Sign all applications addressed to the Registrar General to record the Council as the registered owner of resumed land.
- 106 Authority to establish, maintain, alter or terminate leaseback agreements with employees.
- 107 To approve payment of expenses for elected members.
- 108 Authorise such employees time off for fighting fires within the boundaries of the Blayney Shire without loss of pay if properly called out by the Fire Brigade or the Bush Fire Brigade, where employees of the Council are members of the Blayney Voluntary Fire Brigade or the voluntary bush fire brigade.
- 109 Review Council's exposure to risk on a continuing basis and effect any changes by way of insurance, retention or transfer to protect Council's interest.
- 110 To determine levels of public liability insurance required in accordance with Council's adopted policy.
- 111 The authority to exercise and perform on behalf of Council, all powers, authorities, duties, functions and matters in relation to Strategic Defence Initiatives applying to:
- (a) Public roads;
 - (b) Footpaths;
 - (c) Carparks;
 - (d) Parks, reserves, recreational facilities, gardens and cemeteries;
 - (e) Solid Waste Disposal Depot;

- (f) Council owned and managed public buildings and facilities;
 - (g) Floodplain Management.
- 112 Be authorised to offer a reward for information leading to the conviction of people found vandalising Council property, and further, that Council, without exception, takes all legal steps available to it to prosecute people found vandalising Council property.
- 113 Authority to appoint alcohol and drug testing officers.
- 114 To adopt on behalf of Council the Publication Guide requested under Section 20 of the Government Information (Public Access) Act 2009.

Finance

- 201 To authorise the payment of salaries and wages of the staff of the Council.
- 202 To authorise the purchase of goods, works and services and to obtain tenders for items over \$150,000250,000.
- 203 To keep accounts of the Council and present to audit in accordance with the requirements made by or under the Local Government Act, 1993 and regulations.
- 204 Determine the categorisation of each parcel of rateable land in accordance with Section 514 of the Local Government Act, 1993.
- 205 Sign cheques and vouchers on behalf of Council
- 206 To authorise the investment of surplus Council funds and sign such application and redemption documents as may be required.
- 207 To determine applications for reductions of rental charges for Council facilities in accordance with Council's policy.
- 208 To determine applications for pensioner rate reduction in accordance with the provisions of Section 575 of the Local Government Act.
- 209 To take action at any time for recovery of unpaid rates and any other amounts owing to Council.
- 210 To approve applications for extension of time to pay accounts.
- 211 To lay information, issue Summonses, swear statements and Affidavits for enforcing Default Judgements and institute any other legal and approved procedure necessary for the recovery outstanding amounts and debts owing to the Council.
- 212 To determine assistance to ratepayers experiencing genuine and substantial hardship.
- 213 To certify that prices and computations on vouchers have been checked and are correct, and as far as able to be ascertained, are fair and reasonable and are in accordance with any quotation/contract under which the goods/services were supplied.
- 214 To determine the amount of bond required to be lodged by developers as surety for completion of works under Council's control.

- 215 To write-off rates or debts which are determined not financially viable to recover to a limit in any one case not exceeding \$1,000,000.
- 216 To authorise Public Liability/Public Indemnity Claims goodwill payments up to \$500
- 217 To sign Section 603 Certificates on behalf of Council.
- 218 To authorise the disposal of surplus materials and goods.
- 219 To sign as the responsible accounting officer the statement of financial position with respect to Budget Review Statements [Local Government (General) Regulation 2005—Part 9 Division 3]in accordance with the Regulation.

Engineering

- 301 To organise and allocate the priority of all construction and maintenance works, subject to any direction of the Council.
- 302 To determine applications for the use of (approve, subject to conditions, or refuse) public roads.
- 303 Be authorised to issue permits for holding of street stalls, processions on roads; holding of meetings in public places; and use of roads during building operations and standing of vehicles in restricted parking areas for any specific purposes and any other Act regulating functions under the control of the Council.
- 304 To sign and issue approval of engineering plans/designs for subdivision and engineering works and related construction certificates.
- 305 To order the removal of obstructions placed illegally on road reserves, footpaths and public places.
- 306 To close roads, or parts thereof, temporarily for repairs or construction.
- 307 To issue/refuse compliance and construction certificates in relation to subdivisions and engineering works.
- 308 Determine the extent and design of works associated with subdivisions and other development applications in accordance with Council Policies and Codes and to determine whether such works have been completed to a satisfactory standard.
- 309 To write to affected landowners seeking an indication on whether they wish the construction of concrete foot paving to be done, upon receipt of such requests for such work, and then arrange a report to Council.
- 310 Grant approval for helicopter touchdowns on Public Reserves in a manner and at a time under such conditions as may be appropriate.
- 311 Authorise the private planting of trees and /or shrubs on footpaths.
- 312 To remove dangerous trees on public works' construction sites under the control of the Council, where such removal is necessary, to allow work to proceed immediately.
- 313 To carry out private works and authorise the hire of Council plant subject to satisfactory arrangements being made for the payment of such works.
- 314
 - i. To purchase new vehicles and dispose of existing vehicles where the standard of the vehicle remains the same;
 - ii. To have the discretion to dispose of vehicles at other than in accordance with Council current accepted practice;

- iii. Obtain trade prices when replacing vehicles; and
 - iv. To have the discretion to dispose of vehicles by either auction, trade-in or public tender.
- 315 To authorise the release of Council plant and other resources to assist firefighting, emergency work, and assist the Local Emergency Management Committee in emergency work.
- 316 Authorise the carrying out of sewer extensions up to 75m per tenement.
- 317 To determine the conditions of use of parks, gardens, reserves and other public places under Council's control.
- 318 To appoint a representative of Council as the Chairperson to the Local Emergency Management Committee in accordance with Section 28 of the State Emergency and Rescue Management Act (1989) as amended.

Planning & Development

- 401 To determine Development Applications, Complying Development Certificates ~~and~~, Construction Certificates ~~and Building Applications~~.
- 402 To determine the fast tracking of Development Applications.
- 403 To issue or refuse to issue ~~compliance, construction~~, subdivision ~~and occupation~~ certificates under Part 4A of the Environmental Planning and Assessment Act 1979.
- 404 To defend appeals against failure or refusal to issue Part 4A certificates.
- ~~405~~ To give notice of intention to serve orders and modify or revoke orders pursuant to Division ~~6 of Part 2A.9.3 of the Environmental Planning and Assessment Act~~.
- ~~406~~ To issue or refuse to issue a complying development certificate.
- ~~407~~ To modify or refuse to modify a complying development certificate.
- ~~408~~405 To vary or extend the lapsing period of a consent in accordance with Section ~~4.3 of the Environmental Planning and Assessment Acts 95 and 95A~~.
- ~~409~~406 To approve or refuse applications to modify development consents.
- ~~410~~407 To refer for comment Development Applications within a Conservation area to the National Trust, where deemed appropriate.
- ~~411~~408 ~~That Council delegate to the General Manager~~ The powers, authorities, duties and functions delegated to Council pursuant to Section 745 of the Local Government Act 1993, as amended in respect to Section 82(3) of that Act in relation to modification of the provisions of Clauses 50 or 51 of the Local Government (General) Regulation 2005.
- ~~412~~409 To ensure that premises used for the preparation, storage and/or sale of food are maintained.
- ~~413~~410 To commence legal proceedings pursuant to the Environmental Planning and Assessment Act 1979, the Local Government Act 1993 and the Food Act 2003.
- ~~411~~ To exercise powers conferred under the Protection of Environment Operations Act 1997; ~~Protection of the Environment Operations (General) Regulation 2022; Protection of the Environment Operations (Waste) Regulation 2014; Protection~~

of the Environment Operations (Clean Air) Regulations; Protection of the Environment Operations (Noise Control) Regulation 2017; and Protection of the Environment Operations (Underground Petroleum Storage Systems) Regulation 2019.

414412 Protection of the Environment Operations (Waste) Regulation 2005¹⁴ and related legislation.

- 417 Sign applications on behalf of Council as applicant and/or owner for works previously approved by Council to be undertaken by Council or on Council's behalf.
- 418 To sign Section 10.7 Certificates.
- 419 To sign and issue Section 121ZP and Section 735A Certificates on behalf of Council.
- 420 To exercise all of the powers of Council in respect of:
- (a) Applications for all those matters listed in Part A of the Table contained in Section 68 of the Local Government Act 1993.
 - (b) The variation of building lines made under Council's Approvals Policy.
 - (c) The variation of Restrictive Covenants created pursuant to Section 88B of the Conveyancing Act 1919, as amended, provided that the subject of the variation complies with the relevant planning instrument.
 - (d) Applications for those matters contained in Items 5 and 6 of Part B of the Table contained in Section 68 of the Local Government Act 1993.
 - i. Applications for all those matters listed in Part C of the Table contained in Section 68 of the Local Government Act 1993.
 - ii. Applications for those matters contained in Items 3, 4, 5 and 6 of Part D of the Table contained in Section 68 of the Local Government Act 1993.
 - iii. Applications for all those matters listed in Part E of the Table contained in Section 68 of the Local Government Act 1993.
 - iv. Applications for all those matters listed in Part F of the Table contained in Section 68 of the Local Government Act 1993.
- 421 Determine applications for the creation of temporary construction zones on public roads restricting public parking in such zones.
- 422 To administer the policy in relation to advertising on light standards.
- 423 To undertake all associated duties to prepare Environmental Planning Instruments and Development Control Plans in accordance with Part 3 of the Environmental Planning and Assessment Act 1979.
- 424 To assume the concurrence of the Director General of the Department of Urban Affairs and Planning for variations of development standards in accordance with State Environmental Planning Policy 1 and Department of Environment and Planning Circular 117.
- 425
 - i. To sign and issue approval of designs for subdivision plans and construction certificates.
 - ii. To sign survey requests/amendments to the Land Titles Office.

iii. To sign property identification reports.

iv. To sign survey plans.

426 To refund unexpended Development Application fees on actual costs basis.

427 Negotiate a Planning Agreement proposed to be entered into under Part 7, Subdivision 2 of the Environmental Planning and Assessment Act and Part 9, Division 1 of the Environmental Planning and Assessment Regulation.

426428 Authority to determine whether a Council activity, which has been the subject of an environmental assessment under part 5, Division 5.1 of the Environmental Planning and Assessment Act, may proceed.

1. Administration – Accounting

Subject	Description	Delegation	S.378 Delegation
1A – <u>Cheque-Payment Signatory</u>	That the General Manager be delegated authority to act as a <u>cheque-payment</u> signatory for Council's bank accounts.	GM	DCS DIS DPES A CFO <u>STPMDA</u>
1B – <u>Authorisation of Invoices Financial Delegation & Authorisation</u>	That the General Manager be delegated authority to <u>obtain quotations and</u> authorise invoices for the <u>purchase and</u> payment of goods and services received by Council, to the limits authorised by the General Manager, in accordance with the Local Government Act 1993 within the votes of expenditure approved by Council	GM	DCS DIS DPES EAGM MHR MIT CFO <u>SH&SBS</u> <u>MA</u> MO MUS&P AO SF RS <u>MPMDA</u> MTC FM PE TP&DE PRJO

Subject	Description	Delegation	S.378 Delegation
1C – Sign Purchase Orders	That the General Manager be delegated authority to obtain quotations and authorise the purchase of goods, works and services to the limits authorised by the General Manager, in accordance with the Local Government Act 1993 and Council's Purchasing Policy, sign orders for the Supply and Delivery of Goods and Services within the votes of expenditure approved by Council.	GM	DCS DIS DPES CFO MIT SH&BS MP MO MA MUS&P SF PE TP&DE PRJO
1D – Recover Outstanding Debts (other than Rates)	That the General Manager be delegated authority to Recover Outstanding Debts (other than Rates).	GM	DCS CFO RO
1E – Write off Debts (other than Rates)	That the General Manager be delegated authority to write off all debts, other than rates, charges and interest, not exceeding \$ 1,000 <u>2,000</u> , and that the General Manager report half yearly on the amounts written-off.	GM	-
1F – Disposal of Assets <\$1,000<u>2,000</u>	To approve disposal of assets that are surplus to requirements in accord with Council's Operational Plan. To approve disposal of assets that are surplus to requirements with a book value of less than \$ 1,000 <u>2,000</u> .	GM	DCS DIS DPES

Subject	Description	Delegation	S.378 Delegation
1G – Disposal of Assets >\$<u>1,0002,000</u>	To approve disposal of assets that are surplus to requirements in accord with Council’s Operational Plan. To approve disposal of assets that are surplus to requirements with a book value of greater than <u>\$1,0002,000</u> pursuant to Council’s Disposal of Assets Policy.	GM	-
1H – Request for Refunds	To approve or refuse all applications for the refund of application fees, booking fees, bonds and deposits for the use of Council facilities.	GM	DCS DIS DPES CFO A
<u>1I – Responsible Accounting Officer</u>	<u>To designate Council’s Responsible Accounting Officer in accordance with Local Government Act and Regulation</u>	<u>GM</u>	<u>CFO</u>

2. Administration – Banking & Investments

Subject	Description	Delegation	S.378 Delegation
2A – Operation of Bank Accounts	That the General Manager be delegated authority to operate <u>and be signatories to Council's</u> Bank Accounts.	GM	DCS DIS DPES CFO A
2B – Investment of Funds	That the General Manager be delegated authority for investment of surplus Council funds in Authorised Securities, sign such application and redemption documents as may be required in accordance with Council's Investment Policy.	GM	DCS CFO A
2C – Bank Guarantees	That the General Manager be delegated authority to accept Bank Guarantees for due performance.	GM	DCS

3. Administration – Councillors

Subject	Description	Delegation	S.378 Delegation
3A – Councillors	That the General Manager be delegated authority to liaise with Councillors and approve attendance at training and development seminars.	GM	-

4. Administration – Authority to Enter Premises

Subject	Description	Delegation	S.378 Delegation
4A – Authority to Enter Premises - LGA	That the General Manager be delegated authority to enter premises and make an inspection in accordance with Part 2, Chapter 8 of the Local Government Act 1993.	GM	DPES SH&SBS BS R RR STWO STO SESO MPMDA OS MUS&P SP&REC CSTPSHBS PE STP TP&DE PRJO
4B – Authority to Enter Premises - EPA	That the General Manager be delegated authority to enter premises and make an inspection, in accordance with Section 119DA of the Environmental Planning and Assessment Act 1979.	GM	DPES SH&SBS R RR MPMDA SESO CSTPSHBS STP

Subject	Description	Delegation	S.378 Delegation
4C – Authorised Officer, Protection of the Environment Operations Act, 1997	That the General Manager be delegated authority to be the authorised officer under the provisions of the Protection of the Environment Operations Act, 1997.	GM	DPES SH&SBS MPMDA R RR SESO CSTPSHBS STP

5. Administration – General

Subject	Description	Delegation	S.378 Delegation
5A – Penalty Notices	That the General Manager be delegated authority to issue a Penalty Notice for an offence under any law that confer regulatory functions on council.	GM	DPES SH&SBS MP R SESO CSTPSHBS STP
5B – Bi-Annual Stocktake	That the General Manager be delegated authority to write off stores and materials to a value not exceeding \$12,000, following a Bi-Annual stocktake	GM	-
5C – Insurance Renewals	That the General Manager be delegated authority to negotiate Council's insurance renewals.	GM	DCS CFO WHS&RC

Subject	Description	Delegation	S.378 Delegation
5D – Orders	That the General Manager be delegated authority to issue any of the following under any law that confer regulatory functions on council; a) Notice of Order b) Order c) Emergency Order d) Revoke any Notice of Order or Order e) Alter any Notice of Order or Order f) Clean up Notice	GM	DPES SH&SBS R MP SESO CSTPSHBS STP
5E – Donations – Delegation to Refuse Requests	That the General Manager be delegated authority, to consider applications for financial assistance, & determine which requests are to be referred to Council for decision.	GM	-
5F – Community Financial Assistance Program	That the General Manager be delegated authority to approve Financial Assistance Program applications pursuant to the Community Financial Assistance policy including applications for up to \$3,000, approval of applications for Junior Sporting Awards and Council fee waivers.	GM	-
5G – Press Statements	That the General Manager be delegated authority to authorise and issue press statements on Council's behalf.	GM	-
5H – Public Liability & Professional Indemnity Claims	That the General Manager be delegated authority to deny or accept liability for public liability and professional indemnity claims up to the excess as determined from time to time by <u>Statewideits Insurer</u> .	GM	-
5I – Motor Vehicle Insurance Claims	That the General Manager be delegated authority to deny or accept liability for motor vehicle insurance claims up to \$1,000.	GM	-

Subject	Description	Delegation	S.378 Delegation
5J – Legal Proceedings	That the General Manager be delegated authority to represent Council as required in any legal or court proceedings.	GM	DCS DPES DIS SESO R RR SH&SBS MP CSTPSHBS STP
5K – Access to Information	That the General Manager be delegated authority to exercise functions under the Government Information (Public Access) Act 2009, and as the officer authorised to: <ul style="list-style-type: none"> i. To be responsible for responding to formal access applications under Part 4 of the Government Information (Public Access) Act ii. To be responsible for responding to applications for an internal review under Part 5 of Government Information (Public Access) Act. 	GM	DCS

Subject	Description	Delegation	S.378 Delegation
5L – Informal release of Information	<p>That the General Manager be delegated authority to exercise functions under the Government Information (Public Access) Act 2009, and as an officer authorised to:</p> <ol style="list-style-type: none"> 1. Informally release information identified as being held by Council and not subject to a 'formal' Access Application. <p><u>Exemptions</u></p> <ol style="list-style-type: none"> 1. Any personal information covered under the Privacy and Personal Information Protection Act 1998; 2. Any information for which a formal access application is required under the Government Information (Public Access) Act 2009; 3. Any information deemed for which it is to be conclusively presumed that there is an overriding public interest against disclosure and is therefore exempt under the provisions of the Government Information (Public Access) Act 2009 - s14 (and Schedule 1); and 4. Exempt documents under interstate FOI legislation - corresponding laws under the provisions of the Government Information (Public Access) Regulation 2009 – s10. 	GM	All staff
5M – Destruction of Records	That the General Manager be delegated authority to authorise the destruction of appropriate Council records in accordance with the Local Government Retention and Disposal Manual.	GM	-

Subject	Description	Delegation	S.378 Delegation
5O – Applications under Privacy and Personal Information Act	To determine applications made under the Privacy and Personal Information Protection Act 1998.	GM	DCS
5P – Internal Reviews under Privacy and Personal Information Act	To determine applications for internal reviews made under the Privacy and Personal Information Protection Act 1998.	GM	-
5Q – Signature of Correspondence	Sign correspondence in relation to the business of Council.	GM	-
5R – Signature of Department Correspondence	Sign standard correspondence in relation to day to day operations of the officers' department with the exception of:- <ul style="list-style-type: none"> • contracts and lease documents • letters of appointment for new employees • letters to employees regarding disciplinary matters and grievances • responses to complaints against staff 	GM	DCS DIS DPES EAGM
5N – Filming on Council Reserves and Property	To approve, approve with conditions as may be appropriate in the circumstances and subject to the payment of charges and fees as determined by Council, or disapprove of applications to use public reserves, beaches, public roads or Council property for filming or photographic purposes.	GM	-

Subject	Description	Delegation	S.378 Delegation
<p>5S – Signature of Department Correspondence</p>	<p>Sign <u>or send</u> standard correspondence (<u>hardcopy or electronic</u>) in relation to day to day operations of the officers' department with the exception of:-</p> <ul style="list-style-type: none"> • correspondence to any Federal or State Minister or Member of Parliament • correspondence or memo advice to Councillors • contracts and lease documents • letters of appointment for new employees • letters to employees regarding disciplinary matters and grievances • responses to complaints against staff 	<p>GM</p>	<p>A AC CFO MTC MHR MA MO MUS&P PO SH&SBS BS MPMDA SESO RO AO WHS&RC RS CSTPSHBS PE STP TP&DE</p>

6. Administration – Rating

Subject	Description	Delegation	S.378 Delegation
6A – Write off Rates & Charges	That the General Manager be delegated authority to Write-Off Rates, Charges and Interest debtors not exceeding \$12,000.	GM	-
6B – Section 603 Certificates	That the General Manager be delegated authority to issue Section 603 Rating Certificates.	GM	DCS CFO RO
6C – Change in Rate Category	That the General Manager be delegated authority to approve or refuse Applications for Change in Rate Category.	GM	DCS CFO
6D – Recovering Outstanding Rates	That the General Manager be delegated authority to recover Outstanding Rates, Charges and Interest.	GM	DCS CFO RO
6E – Rating Certificate	That the General Manager be delegated authority to issue the appropriate Rating Certification under the Local Government Act 1993.	GM	-

7. Administration – Staff

Subject	Description	Delegation	S.378 Delegation
7A – Staff Training, Seminars & Conferences	That the General Manger be delegated authority to approve staff attendance at Training Seminars and Conferences, in accordance with the Staff Training Program and within the approved Budget.	GM	DCS DIS DPES CFO MIT MO MA MUS&P MP STP
7B – Public Officer	That the General Manager be delegated authority to undertake the duties as Public Officer, as prescribed by Section 343 of the Local Government Act 1993.	GM	DCS
7C – Staff	Direct staff within the Manager’s area of operations, in accordance with an organisation structure and resources approved by the Council. Make recommendations to the General Manager in respect of the employment / dismissal of employees within the Director’s area of operation, in accordance with Council’s organisation structure, resources, procedures and adopted policies.	GM	DCS DIS DPES CFO MIT MO MA MUS&P MPMDA CSTPSHBS MDA STP

Subject	Description	Delegation	S.378 Delegation
7D – Complaints Coordinator	That the General Manager be delegated authority to act as Council's Complaints Coordinator for Code of Conduct complaints as required by the Procedures for the Administration of the Code of Conduct.	GM	DCS MHR
<u>7E – Disclosures Coordinator</u>	<u>That the General Manager be delegated authority to deal with reports made by staff, to receive them, assess them, and refer them to the people within the Blayney Shire Council who can deal with them appropriately pursuant to the Public Interest Disclosure legislation.</u>	<u>GM</u>	<u>DCS</u>
<u>7F – Disclosures Officer</u>	<u>To work with the disclosures coordinator, and are responsible for receiving, forwarding and/or dealing with reports made in accordance with the Public Interest Disclosure legislation and policy.</u>	<u>GM</u>	<u>DIS DPES MHR</u>
<u>7G – Native Title Officer</u>	<u>That the General Manager be nominated as Native Title Manager per statutory obligation required under Section 8.8 of the Crown Land Management Act 2016.</u>	<u>GM</u>	<u>DCS</u>

8. Administration – Tenders & Contracts

Subject	Description	Delegation	S.378 Delegation
8A – Tender & Quotations	That the General Manager be delegated authority to open Tenders & Quotations.	GM	DCS DIS DPES CFO SH&SBS MPMDA MO MA MUS&P
8B – Works & Services Contracts	That the General Manager be delegated authority to sign contracts for works and services in accordance with the resolution of Council.	GM	-

9. Plant

Subject	Description	Delegation	S.378 Delegation
9A – Purchase of Motor Vehicles, Plant and Equipment	That the General Manager be delegated authority to purchase Motor Vehicles, Plant and Equipment, within the approved budget allocations.	GM	DIS MO SF SD
9B – Registration of Motor Vehicles	Sign as nominee for vehicle registrations.	GM	DIS MO SF SD

10. Companion Animals

Subject	Description	Delegation	S.378 Delegation
10A – Companion Animals	That the General Manager be delegated authority to act on Council's behalf under all sections of the Companion Animals Act 1998 and regulations.	GM	DPES SH&SBS SESO R RR CSTPSHBS

11. Impounding

Subject	Description	Delegation	S.378 Delegation
11A – Impounding Officer	That the General Manager be appointed Impounding Officer in accordance with Section 5(1) of the Impounding Act 1993. Public Spaces (Unattended Property) Act 2021	GM	DPE SH&SBS SESO R RR CSTPSHBS

12. Emergency

Subject	Description	Delegation	S.378 Delegation
12A – Emergency Incidents	That the General Manager be delegated authority to approve the use of Council Plant, Equipment and Employees in response to Emergency Incidents.	GM	LEMO DIS MO SW SF MUS&P PE
12B – Chairperson of Local Emergency Management Committee	That the General Manager delegate a representative of Council as the Chairperson to the Local Emergency Management Committee in accordance with Section 28 of the State Emergency & Rescue Management Act (1989) as amended.	GM	DIS MO

13. Health

Subject	Description	Delegation	S.378 Delegation
13A – Health Matters	That the General Manager be delegated authority to exercise each of the powers, authorities, duties and functions conferred by the Food Act 2003 and Food (General) Regulations 2010 2015 as amended.	GM	DPES SH&SBS SESO CSTPSHBS
13B – Inspect Regulated Premises	That the General Manager be delegated authority to inspect Regulated Premises, in accordance with the Public Health Act 2010 and Regulations made thereunder.	GM	DPES SH&SBS SESO CSTPSHBS
13C – Issuing of Orders	That the General Manager be delegated authority to issue orders as listed in the Local Government Act and the Public Health Act and Regulations thereunder.	GM	DPES SH&SBS SESO CSTPSHBS

14. Town Planning

Subject	Description	Delegation	S.378 Delegation
<p>14A – Development Application Consent</p>	<p>That the General Manager be delegated authority to;</p> <p>a) Determine any application in accordance with the Environmental Planning and Assessment Act 1979, together with any other relevant Acts, Regulations, applicable LEP, DCP and relevant Council policies, and where no material objections have been received (Delegated approval is permissible if any objection <u>is assessed as not substantive or</u> can be resolved through a condition of consent or lodgement of amended plans).</p> <p>b) <u>Determine any application in accordance with the Environmental Planning and Assessment Act 1979, together with any other relevant Acts, Regulations, applicable LEP, DCP and relevant Council policies where no objections received Determine any development to be Complying Development under any State Environmental Planning Policy and issue a Complying Development Certificate.</u></p> <p>c) Determine any development application which proposes the variation of a standard within a Development Control Plan where the variation is equal to or less than 10% where strict compliance with those standards would, in any particular case, be unreasonable or unnecessary.</p> <p>d) Determine any application for an activity as specified under section 68 of the Local Government Act 1993.</p>	<p>GM</p>	<p>DPES MPMDA SH&SBS BS SESO STP GSTPSHBS*</p> <p>a) & c) only apply to DPES and MDA</p>

14B – Planning 10.7 Certificates	That the General Manager be delegated authority to issue any certificates under Section 10.7 of the Environmental Planning and Assessment Act 1979.	GM	DPES MPMDA CSTPSHBS STP
14C – Subdivision Certificates	That the General Manager be delegated authority to issue Subdivision Certificates.	GM	DPES MDA STP
Subject	Description	Delegation	S.378 Delegation
14D - Environmental Planning Instruments and Development Control Plans	That the General Manager be delegated authority to undertake all associated duties to prepare Environmental Planning Instruments and Development Control Plans in accordance with Part 3 of the Environmental Planning and Assessment Act 1979.	GM	DPES MPMDA CSTPSHBS STP
14E – Heritage Matters	That the General Manager be delegated authority to approve the Local Heritage Assistance Fund applications. That the General Manager be delegated authority to approve the Heritage Advisory service.	GM	DPES MPMDA STP
14F – Use of Footpaths	That the General Manager be delegated authority to approve the use of the footpath area for commercial activities.	GM	DPES MPMDA CSTPSHBS STP
14G – Environmental Planning & Assessment	That the General Manager be delegated authority to issue orders as listed in the Environmental Planning & Assessment Act 1979 as amended.	GM	DPES SH&SBS MPMDA CSTPSHBS STP
14H – Development Application Consent – Exempt Development	That the General Manager be delegated authority to; a) Classify development to be Exempt Development under any State Environmental Planning Policy.	GM	DPES MPMDA SH&SBS CSTPSHBS STP

15. Environment

Subject	Description	Delegation	S.378 Delegation
15A – Blayney Waste Disposal Depot Operation	That the General Manager be delegated authority for the day to day operation of the Blayney Waste Facility and Neville Landfill.	GM	DPES SESO
15B – Waste Minimisation & Management	That the General Manager be delegated authority to exercise the powers and functions under Protection of Environment Operations Act 1997 and Protection of the Environment Operations (Waste) Regulation 2005 2014 .	GM	DPES SH&S SBS SESO CSTPSHBS
15C – Environment Protection	That the General Manager be delegated authority to be the an authorised officer and enforcement officer under the provisions of the Protection of the Environment Operations Act, 1997.	GM	DPES SH&S SBS SESO R RR CSTPSHBS
15D – Clean Air Regulations	That the General Manager be delegated authority to exercise the Powers and Functions under the Protection of the Environment Operations (Clean Air) Regulations, 2002 2021 .	GM	DPES SH&S SBS SESO R RR CSTPSHBS
15E – Waste Contract	That the General Manager be delegated authority for the day to day operation of the Waste Collection Contract	GM	DPES SESO

16. Cemeteries

Subject	Description	Delegation	S.378 Delegation
16A – Exhumations	That the General Manager be delegated authority to supervise Exhumations in accordance with the Public Health Regulation 2012.	GM	DPES SH&SBS SESO CSTPSHBS

17. Playing Fields / Swimming Pool / Reserve

Subject	Description	Delegation	S.378 Delegation
17A – Approve use of Swimming Pools & Reserves	That the General Manager be delegated authority to approve the use of Playing Fields, Swimming Pool and Reserves.	GM	DCS DIS DPES
<u>17B Improvement Notices and Prohibition Orders</u> 17B – <u>Ordering Swimming Pool Closure</u>	<u>That the General Manager be delegated authority to issue improvement notices and prohibition orders under Part 3 of the Public Health Act 2010</u> That the General Manager be delegated authority to issue an Order to Close the Swimming Pool, in accordance with Clause 8 of the Public Health Regulation 2012.	GM	DIS DPESDPES SH&SBSSBS RR SESQSESO CSTPSHBS

Subject	Description	Delegation	S.378 Delegation
<i>17C – Revoking Order to Close Swimming Pool</i>	That the General Manager be delegated authority to revoke an Order to Close a Swimming Pool, in accordance with the Public Health Regulation 2012.	GM	DIS DPES SH&SBS SESO CSTPSHBS
<i>17D – Carnivals and Circuses</i>	That the General Manager be delegated authority to consider, approve or refuse applications for the operation of carnivals, circuses and the like and when approved, impose conditions deemed necessary. That all other applications be referred to Council for consideration on their merits.	GM	SESO

18. Sewerage

Subject	Description	Delegation	S.378 Delegation
18A – Drainage Diagrams	That the General Manager be delegated authority to issue Drainage Diagrams.	GM	DPES SH&SBS SESO MPMDA AO CSTPSHBS STP
18B – Annual Treatment Works Return	That the General Manager be given delegated authority to sign future returns for the Blayney Sewerage Treatment Works.	GM	DIS MUS&P

19. Building

Subject	Description	Delegation	S.378 Delegation
19A – Temporary Occupation of Land	That the General Manager be delegated authority to Consent to applications for temporary occupation of land, <u>in terms of Council policy</u> .	GM	DIS DPES MDA SH&SBS MP CSTPSHBS STP
19B – Issuing of Building Information Certificates	That the General Manager be delegated authority to the Issue of Building <u>Information</u> Certificates in accordance with the Environmental Planning and Assessment Act 1979.	GM	DPES SH&SBS CSTPSHBS BS
19C – Determining Objections	That the General Manager be delegated authority to Determine Objections in accordance with Section 82(3A) of the Local Government Act 1993, in relation to the Local Policy.	GM	DPES SH&SBS CSTPSHBS

Subject	Description	Delegation	S.378 Delegation
19D – Inspection of Regulated Premises	That the General Manager be delegated authority to inspect regulated premises in accordance the Public Health Act 2010.	GM	DPES SH&SBS SESO CSTPSHBS
19E – Swimming Pools Act	That the General Manager be delegated authority to exercise functions under the Swimming Pools Act 1992.	GM	DPES SH&SBS SESO R CSTPSHBSBS
19F – Issue Construction, Compliance, and and Complying Development Certificates -Occupation and subdivision Certificates	That the General Manager be delegated authority to issue certificates in accordance with Part 4A of the Environmental Planning and Assessment Act 1979 and Regulations thereunder	GM	DPES SH&SBS CSTPSHBSBS
19G – Footpath Deposits	That the General Manager be delegated authority to authorise the refund of footpath deposits and to determine road restoration charges.	GM	-DIS
19H – Minor Numerical Variations to Council Policy	That the General Manager be delegated authority to approve minor numerical variations to Council policy where variations are not greater than 10%.	GM	DPES MDA SH&SBS
19I – Plumbing and Drainage Act	That the General Manager be delegated authority to exercise functions under the Plumbing and Drainage Act 20122011 .	GM	DPES SH&SBS BS SESO CSTPSHBS

20. Roads / Streets

Subject	Description	Delegation	S.378 Delegation
20A – Temporary Street Closures	That the General Manager be delegated authority to approve temporary street closures for community functions	GM	DIS MO MA
20B – Traffic Control Signs	That the General Manager be delegated authority to assume all functions in accordance with sections of the Road Transport Act 2013.	GM	DIS MO
20C – Regulation of Traffic by Road Authorities	That the General Manager be delegated authority to assume the functions in accordance with Division 2.4 of Part 8 (Regulation of Traffic by Roads Authorities) in accordance with Roads Act 1993.	GM	DIS MO MA
20D – Breaches under the Roads Act 1993 & Interstate Road Transport Act 1985	That the General Manager be delegated authority to be the Authorised Officer to commence action for breaches under the Roads Act 1993 & Interstate Road Transport Act 1985.	GM	DIS R RR
20E – Impounding Items Risking Public Safety	That the General Manager be delegated authority to be the Impounding Officer under the Impounding Act 1993 . Public Spaces (Unattended Property) Act 2021	GM	DIS DPES SH&BS MO R RR SP&REC SESO CSTPSHBS

Subject	Description	Delegation	S.378 Delegation
20F – Matter Escaping onto Road	That the General Manager be delegated authority to be the authorised officer under the Roads Act 1993.	GM	DIS MO MA
20G – Naming of Public Roads	That the General Manager be delegated authority to approve the use of approved road names in accordance with Council guidelines for the naming of public roads, pursuant to the Roads Act 1993.	GM	DIS MA
20H – Works associated with Subdivision and Development Application	Authority to Determine the extent and design of works associated with subdivisions and other development applications in accordance with Council Policies and Codes and to determine whether such works have been completed to a satisfactory standard.	GM	PE TP&DE

21. Private Works

Subject	Description	Delegation	S.378 Delegation
21A – Private Works	That the General Manager be delegated authority to undertake Private Works in accordance with Council's Policy.	GM	DIS MO SW MUS&P

22. Schedule of Abbreviations

Abbreviation	Position Title	Abbreviation	Position Title
A	Accountant	SW	Supervisor Works
AC	Accounting Officer	PE	Projects Engineer
AO	Administration Officer	PO	Payroll Officer
DCS	Director Corporate Services	PRJO	Projects Officer
BS	Building Surveyor	R	Ranger
CFO	Chief Financial Officer	RO	Revenue Officer
CSTPSHBS	Casual Senior Town Planner & Casual Senior Health Building Surveyor		
DIS	Director Infrastructure Services	WHS&RC	WHS & Risk Coordinator
DPES	Director Planning & Environmental Services	RR	Relief Ranger
EAGM	Executive Assistant to the General Manager	RS	Records Supervisor
FM	Fleet Mechanic	SESO	Senior Environmental Services Officer
GM	General Manager	SBS	Senior Building Surveyor
LEMO	Local Emergency Management Officer	SD	Supervisor Depot
MHR	Manager Human Resources	SF	Supervisor Fleet
MA	Manager Assets	SH&SBS	Senior Health & Building Surveyor
MIT	Manager Information Technology	SP&REC	Supervisor Parks & Recreation
MO	Manager Operations	STO	Sewerage Treatment Operator
MDAP	Manager Development Assessment Planning	STP	Senior Town Planner
MTC	Manager Tourism and Communications	STWO	Sewerage Treatment Works Operator
MUS&P	Manager Urban Services and Projects	TP&DE	Temporary Projects & Development Engineer

Schedule of Purchase Authorisation Limits

Position Title	Purchase Authorisation Limit	Position Title	Purchase Authorisation Limit
<u>Mayor*</u>	\$ 2,000	Manager <u>Development Assessment - Planning</u>	\$ 5,000
Administration Officer	\$ 5,000	Manager Urban Services and Projects	\$ 50,000
General Manager	Unlimited	Manager Tourism & Communications	\$ 5,000
Chief Financial Officer	\$ 25,000 50,000	Projects Engineer	\$ 25,000
Director Corporate Services	\$100,000	Projects Officer	\$ 25,000
Director Infrastructure Services	\$100,000	Temporary Projects and Development Engineer	\$ 25,000
Director Planning & Environmental Services	\$100,000	Records Supervisor	\$ 5,000
Executive Assistant to the General Manager	\$ 5,000	Senior Health & Building Surveyor	\$ 50,000
Fleet Mechanic	\$ 5,000	Supervisor Depot	\$ 35,000
Manager Human Resources	\$ 5,000	Supervisor Fleet	\$ 35,000
Manager Information Technology	\$ 25,000	Supervisor Works	\$ 5,000
Manager Assets	\$ 25,000	WHS & Risk Coordinator	\$ 5,000
Manager Operations	\$ 75,000		

*Per Council Payment of Expenses and Provision of Facilities to Mayor and Councillors Policy

Audit Trail

Amended/Adopted	Minute/Synergy Reference
13/07/2009	MINUTE NO.: 0907/008
9/08/2010	MINUTE NO.: 1008/022
14/02/2011	MINUTE NO.: <i>Power of Attorney motion lost.</i>
20/06/2011	MINUTE NO.: 1106/007
12/11/2012	MINUTE NO.: 1211/012
10/12/2012	MINUTE NO.: 1212/016
13/05/2013	MINUTE NO.: 1305/004
13/05/2013	MINUTE NO.: 1305/007
12/05/2014	MINUTE NO.: 1205/006
15/02/2016	MINUTE NO.: 1602/022
18/04/2016	MINUTE NO.: 1604/009
9/06/2016	NEM/6153 - Per GM approval on operational amendments to delegations
23/06/2016	NEM/6193 - Per GM approval on operational amendments to delegations
24/08/2016	NEM/8310 - Per GM approval - Delegation given to Supervisor Parks & Recreation
7/03/2017	NMCO/7684 - Per GM approval - Delegation to Fleet Mechanic
29/06/2017	NEM/8140 & NEM/8140 - Per GM approval - Endorsed title position and delegation changes to Senior Environmental Services Officer.
21/12/2017	NEM/9074 – Per GM approval – Delegation to Projects Engineer
25/06/2018	MINUTE NO: 1806/012 – Endorsed Title position change from Senior Town Planner to Manager Planning, Community Development and Tourism Projects Officer to Manager Tourism and Communications, CentrePoint Centre Manager to Manager CentrePoint Sport and Leisure and Assistant Revenue Officer to Revenue Officer. Endorsed removal of Trainee Development Officer role.
20/08/2018	MINUTE NO: 1808/010
4/12/2018	Per GM Approval – Delegation given to WHS&RC for Purchase Authorisation Limit
15/4/2019	MINUTE NO: 1904/005

Amended/Adopted	Minute/Synergy Reference
19/05/2020	NMCO/13669 - Per GM approval for amendments to purchase delegation limits.
15/12/2020	NBP/15084 – Manex endorsed amendments to outdated legislation and removal of spending limits for Manager of CentrePoint Sport & Leisure (no longer part of Council) and Projects and Works Coordinator (position not established).
14/04/2020	NEM/15580 – Per GM approval for amendment to include position Temporary Projects and Development Engineer
20/7/2021	NEM/16309 – Per Manex Approval - Supervisor Fleet delegation increased to \$35,000
23/7/2021	NEM/16427 – Changes to position titles as per organisational structure review. Manager Infrastructure to Manager Assets, Manager Water and Waste Water to Manager Urban Services & Projects, Overseer to Overseer & Supervisor Works.
27/9/2021	NEM/16644 – Per Manex Approval – Project Officer delegation spending limit \$25,000
1/10/2021	NEM/16645 – Per GM Approval – Delegation of Project Officer
2/05/2022	NEM/18087 – Per Acting GM Approval – Supervisor Works to have delegation spending limit \$5,000

Appendix
Delegated Responsibilities Grid

(* please refer to delegation 14a for reference of exclusion (*excluding c).

Subject No.	A	AC	AO	CFO	CSTPSHBS	DCS	DIS	DPES	EAGM	FM	GM	LEMO	MHR	MA	MIT	MO	MDAP	MTC	MUS&P	SW	PE	PO	PRJO	R	RO	WHS&RC	RR	RS	SD	SESO	SBS	SF	SH&SBS	SP&REC	STO	STP	STWO	TP&DE		
1A	X			X		X	X	X			X																									X				
1B			X	X		X	X	X	X	X	X		X		X	X	X	X	X			X		X								X	X							X
1C				X		X	X	X			X			X	X	X	X	X	X			X		X																X
1D				X		X					X														X															
1E											X																													
1F						X	X	X			X																													
1G											X																													
1H	X			X		X	X	X			X																													
2A	X			X		X	X	X			X																													
2B	X			X		X					X																													
2C						X					X																													
3A											X																													
4A					X			X			X						X		X	X			X	X										X	X	X	X	X	X	
4B					X			X			X						X																					X		
4C					X			X			X						X																						X	
4A					X			X			X						X																						X	
5A					X			X			X						X																							
5B											X																													
5C				X		X					X																													
5D				X				X			X						X							X															X	
5E											X																													
5F											X																													
5G											X																													
5H											X																													
5I											X																													
5J					X	X	X	X			X						X							X				X							X			X		
5K						X					X																													
5L	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
5M											X																													
5N											X																													
5O						X					X																													
5P											X																													
5Q											X																													
5R						X	X	X	X		X																													
5S	X	X	X	X	X						X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
6A											X																													
6B				X		X					X																X													
6C				X		X					X																													
6D				X		X					X																X													
6E											X																													
7A				X		X	X	X			X			X	X	X	X	X	X																				X	
7B						X					X																													

Subject No.	A	AC	AO	CFO	CSTPSHBS	DCS	DIS	DPES	EAGM	FM	GM	LEMO	MHR	MA	MIT	MO	MDAP	MTC	MUS&P	SW	PE	PO	PRJO	R	RO	WHS&RC	RR	RS	SD	SESO	SBS	SF	SH&SBS	SP&REC	STO	STP	STWO	TP&DE			
7C				X	X	X	X	X			X			X	X	X	X		X																	X					
7D						X					X		X																												
8A				X		X	X	X			X			X		X	X		X															X							
8B						X					X																														
9A							X				X					X													X					X							
9B							X				X					X													X					X							
10A					X			X			X														X				X						X						
11A					X			X			X														X				X							X					
12A							X				X	X				X			X	X	X																				
12B							X				X					X																									
13A					X			X			X																														
13B					X			X			X																														
13C					X			X			X																														
14A					X*			X			X						X																						X		
14B					X			X			X						X																							X	
14C								X			X																														
14D					X			X			X						X																							X	
14E								X			X						X																							X	
14F					X			X			X						X																							X	
14G					X			X			X						X																							X	
14H					X			X			X						X																							X	
15A								X			X																														
15B					X			X			X																													X	
15C					X			X			X														X															X	
15D					X			X			X													X																X	
15E								X			X																													X	
16A					X			X			X																													X	
17A						X	X	X			X																														
17B					X		X	X			X														X															X	
17C					X		X	X			X																													X	
17D											X																														
18A			X		X			X			X						X																							X	
18B							X				X								X																						
19A					X		X	X			X						X																							X	
19B					X			X			X																													X	
19C					X			X			X																													X	
19D					X			X			X																													X	
19E					X			X			X														X															X	
19F					X			X			X																													X	
19G											X																														
19H								X			X																													X	
19I					X			X			X																													X	
20A							X				X			X		X																								X	
20B							X				X					X																									X

Subject No.	A	AC	AO	CFO	CSTPSHBS	DCS	DIS	DPES	EAGM	FM	GM	LEMO	MHR	MA	MIT	MO	MDAP	MTC	MUS&P	SW	PE	PO	PRJO	R	RO	WHS&RC	RR	RS	SD	SESO	SBS	SF	SH&SBS	SP&REC	STO	STP	STWO	TP&DE		
20C							X				X			X		X																								
20D							X				X					X								X		X														
20E					X		X	X			X					X								X		X							X	X						
20F							X				X			X		X																								
20G							X				X			X																										
20H											X										X																			X
21A							X				X					X		X		X																				

Purchase Authorisation Limits

Purchase Limit	AO	GM	CFO	DCS	DIS	DPES	EAGM	FM	MHR	MIT	MA	MO	MDAP	MUS&P	MTC	PE	PRJO	TP&DE	RS	SH&SBS	SD	SF	SW	WHS&RC
Unlimited		X																						
\$5K	X						X	X	X				X		X				X				X	X
\$25K			X							X	X					X	X	X						
\$35K																					X	X		
\$50K			X											X						X				
\$75K												X												
\$100K				X	X	X																		



Disposal of Assets

Policy	3J
Officer Responsible	Director Corporate Services
Last Review Date	9/03/2018 <u>XX/XX/2022</u>

Strategic Policy

Objectives

To ensure when Council has determined an asset will be disposed of that there is adequate consideration of the method of disposal.

1. POLICY:

- a) The “apparent value” of assets shall be determined by the relevant Manager as listed in this policy who has carriage of management of the asset.
- b) “Apparent value” will be determined by the Manager with consideration of the book value, and/ or the replacement value of the asset and/or an assessment of the market value of the asset made by taking into consideration the potential to sell the assets, the perceived value of the asset to a buyer, its life stage and condition, potential for obsolescence and usefulness for future needs.
- c) The Manager should detail the assumptions they use in estimating the asset’s value in preparing their recommendation to dispose of the asset.

2. ASSETS WITH AN APPARENT VALUE OF LESS THAN \$1,000

- a) Assets with an apparent value of less than \$1,000 each will be disposed of using a method that maximises the return to Council;
- b) Assets with an apparent value of less than \$1,000 shall be disposed of by a method determined by the relevant Manager who must document the process of determining the asset disposal methodology and ensure full documentation is placed on Council’s records management system detailing the decision making process and actions taken;
- c) The Manager shall ensure the Chief Financial Officer is aware of the disposal of the asset;
- d) The Manager must be aware and have control of the process of disposal of these assets and be aware and conduct the disposal in light of risk assessment considerations and must ensure no conflict of interest issues are present in the means of disposal chosen.

3. ASSETS WITH AN APPARENT VALUE OF MORE THAN \$1,000

- a) Assets disposal will be assessed on a case by case basis for assets with an apparent value of more than \$1,000 by the relevant Manager and the attached memo will be completed to be considered by the General Manager;
- b) Managers will consider the following in their assessment and formulation of recommendations to dispose of an asset provided in the memo: Market forces and impact on return from the sale of the asset should be considered and commented upon;
- c) Community need for the asset and alternative resources which could be considered to be substitutes should be assessed;

- d) The strategic worth of the asset and its long term benefit to the community should be assessed;
- e) The purchase price and maintenance costs incurred over the lifespan of the asset should be assessed to determine, where possible, a return on investment of a particular asset;
- f) The funds raised from the sale of an asset should be considered as to their use and this must be reflected in the Council's Operational Plan and Delivery Program and include in the recommendation how this will be achieved.

4. METHODS OF DISPOSAL

- a) Assets of significant apparent value (being more than \$150,000) are to be disposed of either by auction or tender;
- b) Real property (land and buildings) disposal methodology will always be determined by Council, via a resolution;
- c) All motor vehicles and plant, except those on novated leases, shall be disposed of via public auction, trade-in or tender processes. Motor vehicles will not be made available to council staff or councillors in private sale arrangements.
- d) For other assets, the Manager who has carriage of the assets will provide to the General Manager a recommended method of disposal which shall be made after assessing the means to maximise the return to Council;
- e) The General Manager will determine the manner of disposal for information technology (IT) assets, office furniture, stores items and scrap materials (including scrap metal) on each occasion disposal is recommended by a Manager;
- f) Where a recommendation for destruction of an asset is made, the Manager will provide the General Manager with the assessment criteria used to determine that the asset has no potential to realise a return for Council and will detail the method of destruction and name of the officer who will be charged with the responsibility of ensuring the asset is destroyed.
- g) If after offering an asset for sale, if no interest in purchasing the asset is shown, the Manager may recommend to the General Manager the asset be dumped and provide the recommended best means for managing the dumping process to ensure environmental management conditions are observed
- h) Dumping or destroying of assets shall be undertaken after consideration of the environmental issues so that any hazardous substances shall be assessed to ensure safe disposal

- i) Assets can only be donated to other organisations if the organisation can:
 - affirm in writing their status as a non-profit organisation;
 - provide written acknowledgement of receipt of the asset;
 - acknowledge Council will not be responsible for any repair or maintenance of the asset;
 - acknowledge that all copyright or licensed content has been removed (for example, software on computers);
 - take responsibility for the timely removal of the asset and any associated costs that arise from the assets removal;
 - acknowledge council's donation to the organisation via a media release that Council approves.

5. PROCEEDS FROM ASSET DISPOSAL

- a) Where not applied to the purchase of replacement vehicles or plant, proceeds of all motor vehicle and plant sales will be restricted for the purpose of Plant Replacement or as approved by Council in approval of such a transfer.
- b) The funds generated from the sale of land and/or buildings will be internally restricted for the purpose of Property Development or as determined by Council in approval of such a transfer.

6. ASSETS CARRIAGE FOR PURPOSES OF DISPOSAL

The following staff are determined to have carriage of assets and are responsible for the assessment and recommendations to dispose of assets:

Motor vehicles and plant items	Director Infrastructure Services
Information technology assets	Manager Information Technology
Real property (land and buildings)	General Manager
Office furniture	Chief Financial Officer
Stores items	Director Infrastructure Services
Scrap metal	Manager Operations

7. DOCUMENTATION OF ASSET DISPOSAL PROCESSES

- a) Documentation detailing decisions made on asset disposal is to be archived in Council's records management system by the relevant Manager;
- b) Receipt of the disposal of materials to a licensed scrap dealer or contracted engineer are to be included in the documentation;
- c) The Finance Department is to be informed by the relevant Manager of the disposal of all assets in order that the assets register can be updated and accounting treatments for disposed assets initiated;

- d) Where a councillor or member of Council's staff or members of the immediate family of a councillor or member of staff purchase an asset, the General Manager is to authorise countersign the documentation that specifies the price.



Memorandum

To: General Manager
 From: [Click here and type name]
 Date: [Click here and type date]
 Subject: Disposal of Assets – Recommended Actions

Asset number(s): (where applicable)	
Asset(s) description:	
Asset type	<input type="checkbox"/> IT asset <input type="checkbox"/> Plant or motor vehicle <input type="checkbox"/> Scrap metal <input type="checkbox"/> Other – specify _____
Reason requesting approval to dispose of asset(s):	<input type="checkbox"/> Technically Obsolete or Inefficient <input type="checkbox"/> Identified as part of asset replacement in Operational Plan <input type="checkbox"/> Unserviceable – Beyond economic repair <input type="checkbox"/> Surplus to current and foreseeable future needs <input type="checkbox"/> Other – specify _____ _____
If failing, cost of repair – attach quotation(s)	
Cost of replacement if required – indicate new vs second hand options assessed – also purchase vs lease options etc. attach quotation(s):	

Recommended method of disposal:	<input type="checkbox"/> Tender – Council resolution will be required and Manager to determine Open or Selective Tendering processes <input type="checkbox"/> Expression of interest <input type="checkbox"/> Public auction <input type="checkbox"/> Destruction - include details of reasons for recommending destruction, method of destruction and officer who will be responsible for the destruction as per policy requirements in an attachment to this memo <input type="checkbox"/> Other – specify _____
General Manager / Director comments - required for assets where the Manager has determined an apparent value >\$1,000	<input type="checkbox"/> Approved <input type="checkbox"/> Rejected Signed: _____ Date: _____
Advice to Finance and Asset sections sent – required for all assets regardless of apparent value – attach advice to Finance and Asset sections to this memo when archiving.	Relevant Manager: _____ Date: _____

NB: A completed memo is to be archived on Council's records management system by the author of this memo along with all quotations and associated documentation relating to the disposal of the asset(s).

End of Policy

Adopted:	15/02/2016	1602/015
Lasted Reviewed:	15/02/2016	1602/015
	19/03/2018	1803/014
Next Review:	19/05/2025	



Pensioner and Hardship Assistance Policy

Policy	5E
Officer Responsible	Chief Financial Officer
Last Review Date	XX/XX/XXXX

Strategic Policy

Objectives

To provide a framework in response to applications from property owners, ratepayers and customers experiencing genuine hardship in meeting their commitment to payment of their rates, annual charges and fees to Council.

Policy Statement

1. Council recognises that ratepayers may experience financial hardship in some circumstances in paying rates, annual charges, and fees. The Local Government Act 1993 provides for the following assistance to ratepayers and customers:
 - Periodical payment arrangements for overdue rates and charges [S. 564];
 - Writing off or reducing interest accrued on rates or charges [S. 564 & 567];
 - Waiving, reducing or deferring the payment of the increase in the amount of rate payable because of hardship resulting from general revaluation of land in the Local Government Area [S. 601];
 - Waiving, or reducing rates, charges and interest of eligible pensioners [S. 575, 582]
 - Waiving or reducing Council fees when the inability to pay is due to hardship [S. 610E]
2. Council will consider each application for assistance on its own merits. A ratepayer may be eligible for consideration for Hardship Assistance in the payment of overdue rates, annual charges, interest, and fees, where:
 - the person is unable to pay due rates, charges fees or accrued interest when due and payable for reasons beyond the persons' control; or
 - payment when due would cause the person hardship.
3. In determining eligibility Council require the request to be made in writing to the General Manager, providing reasonable proof of financial hardship. Council may also request details of assets, income and living expenses, and such other information required to make a valid assessment. Council may also request that the ratepayer attend an interview to assist Council in the understanding of the issues causing hardship.
4. The criteria for assessment will be, but is not limited to
 - the amount of any rate increase when compared to the average rate increase for the rate category,
 - income from all sources,
 - living expenses,
 - reason for financial hardship,
 - length of occupancy.

Assistance to Eligible Pensioners

1. Council will provide a rebate of rates to eligible pensioners who are granted a mandatory pensioner concession under Section 575 of the Local Government Act 1993.
2. Council will provide assistance to eligible pensioners who are experiencing financial difficulties, by offering alternative payment arrangements and reasonable extension to payment timetables. All payment arrangements must:
 - a. pay the balance owing within a reasonable time frame;
 - b. not exceeding two years from the date of the arrangement being made; and
 - c. include future rates and charges which will be levied during the arrangement period.
3. In order to avoid hardship under section 577 of the NSW Local Government Act 1993, Council may extend the pensioner concession to ratepayers who jointly occupy a dwelling and are jointly liable for rates and charges with an eligible pensioner, if it considers proper to do so.

Backdating of Pensioner Rebates

1. Backdating of pensioner rebate claims pursuant to Section 579 of the NSW Local Government Act 1993 is limited to one (1) previous rating year only, or part thereof.
2. Backdating is only to occur where adequate substantiation can be provided to satisfy the essential criteria of the granting of a rates and charges pensioner concession.
3. Claims made beyond one (1) previous rating year must be requested in writing and referred to Council.

Hardship Assistance by Periodical Payment Arrangements

1. Council may enter into a formal agreement with a ratepayer eligible for alternative periodical payment arrangements for due and payable rates, and charges. Council or the ratepayer may initiate a proposal for a periodical payment agreement. In accordance with section 568 of "the Act", payments will be applied towards the payment of rates and charges in the order in which they became due. Council will provide information on the amounts due and payable on relevant notices.
2. Council may also write off or reduce the accrued interest and costs on rates and charges if the person complies with the periodical agreement (section 542(2)). If the ratepayer fails to make the periodical payment in accordance

with the agreement, the payment plan may be cancelled. Full payment of the amount outstanding will be due immediately.

Hardship Assistance by Writing off Accrued Interest and Costs

Council applies interest rates to the maximum allowable under section 566 of "the Act". However Council may write off accrued interest and costs on rates or charges payable by a person under Section 567 of "the Act" and the Local Government (General) Regulation 2005 where:

- the person was unable to pay the rates or charges when they became due for reasons beyond the person's control, or
- the person is unable to pay accrued interest for reasons beyond the person's control, or
- payment of the accrued interest would cause the person hardship.

Hardship Assistance Due to Certain Valuation Changes

Under Section 601 of "the Act", any ratepayer who incurs a rate increase following a new valuation of land values may apply to Council for rate relief, if the new rate payable causes the ratepayer to suffer substantial hardship. [Section 601 (1)]

Council will encourage aggrieved ratepayers to make an appropriate application under the appeal provisions of the NSW Valuation of Land Act 1916. Council may provide assistance, by offering alternative payment arrangements and reasonable extension to payment timetables.

All payment arrangements must:

1. pay the balance owing within a reasonable time frame;
2. not exceed two years from the date of the arrangement being made; and
3. include future rates and charges which will be levied during the arrangement period.

Hardship Assistance Due to Impact of Special Rate Variations

Any ratepayer who incurs a rate increase resulting from the implementation of a special rates variation can apply to Council for Hardship Assistance if the increase in the amount of rates payable would cause them substantial hardship.

Writing off of Rates, Charges and Interest

In the cases where Council determines to write off rates, charges or interest, the General Manager shall write off debts to the maximum amount allowable under Council delegation. Any amount above that may only be approved by a Council resolution.

Privacy and Confidentiality

Council Officers will conduct themselves with courtesy and respect when dealing with ratepayers and shall maintain the privacy and confidentiality of all ratepayers' personal circumstances.

End of Policy

Adopted:	14/11/2011	1111/014
Last Reviewed:	14/11/2011	1111/014
	12/11/2012	1211/014
	14/04/2014	1404/005
	19/02/2018	1802/015
Next Review:	14/09/2025	



Privacy Management Plan

Policy	11C
Officer Responsible	Director Corporate Services
Last Review Date	XX/XX/2022

Strategic Policy

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PREFACE

The *Privacy and Personal Information Protection Act 1998* (the "PPIPA") requires all councils to prepare a Privacy Management Plan outlining their policies and practices to ensure compliance with the requirements of that Act and the *Health Records and Information Privacy Act 2002* (the HRIPA).

In particular, the object of this plan is to inform:

- The community about how their personal information will be used, stored and accessed after it is collected by the Council; and
- Council staff of their obligations in relation to handling personal information and when they can and cannot disclose, use or collect it.

OBJECTIVE

To ensure Council information is used in accordance with the principles of open and transparent government, within the parameters of confidentiality and the Privacy and Personal Information Act, 1998.

PART 1 – INTRODUCTION

The Privacy and Personal Information Protection Act 1998 (“PPIPA”) provides for the protection of personal information and for the protection of the privacy of individuals.

Section 33 of the PPIPA requires all councils to prepare a Privacy Management Plan (the “Plan”) to deal with:

- the devising of policies and practices to ensure compliance by the Council with the requirements of the PPIPA and the Health Records and Information Privacy Act 2002 (“HRIPA”);
- the dissemination of those policies and practices to persons within the Council;
- the procedures that the Council proposes for internal review of privacy complaints;
- such other matters as are considered relevant by the Council in relation to privacy and the protection of personal information held by it.

This Plan has been prepared for the purpose of section 33 of the PPIPA.

PPIPA provides for the protection of personal information by means of 12 Information Protection Principles. Those principles are listed below:

- Principle 1 - Collection of personal information for lawful purposes
- Principle 2 - Collection of personal information directly from individual
- Principle 3 - Requirements when collecting personal information
- Principle 4 - Other requirements relating to collection of personal information
- Principle 5 - Retention and security of personal information
- Principle 6 - Information about personal information held by agencies
- Principle 7 - Access to personal information held by agencies
- Principle 8 - Alteration of personal information
- Principle 9 - Agency must check accuracy of personal information before use
- Principle 10 - Limits on use of personal information
- Principle 11 - Limits on disclosure of personal information
- Principle 12 - Special restrictions on disclosure of personal information

Those principles are *modified* by the Privacy Code of Practice for Local Government (“the Code”) made by the Attorney General. To date there has been no Health Records and Information Privacy Code of Practice made for Local Government.

The Privacy Code has been developed to enable Local Government to fulfil its statutory duties and functions under the *Local Government Act 1993* (the “LGA”) in a manner that seeks to comply with the PPIPA.

This Plan outlines how the Council will incorporate the 12 Information Protection Principles into its everyday functions.

This Plan should be read in conjunction with the Code of Practice for Local Government.

Nothing in this Plan is to:

- affect any matter of interpretation of the Codes or the Information Protection

Principles and the Health Privacy Principles as they apply to the Council;

- affect any obligation at law cast upon the Council by way of representation or holding out in any manner whatsoever;
- create, extend or lessen any obligation at law which the Council may have.

This Plan is designed to introduce policies and procedures to maximise compliance with the PPIPA and the HRIPA.

Where the Council has the benefit of an exemption, it will nevertheless describe procedures for compliance in this Plan. By doing so, it is not to be bound in a manner other than that prescribed by the Codes.

Council collects, stores and uses a broad range of information. A significant part of that information is personal information. This Plan applies to that part of the Council's information that is personal information.

It may mean in practice that any information that is not personal information will receive treatment of a higher standard; namely treatment accorded to personal information where the information cannot be meaningfully or practicably separated.

1.1 What is “personal information”?

“Personal information” is defined in section 4 of the PPIPA as follows:

Personal information is defined to mean information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion. This information can be on a database and does not necessarily have to be recorded in a material form.

1.2 What is not “personal information”

“Personal information” does not include “information about an individual that is contained in a publicly available publication”. Personal information, once it is contained in a publicly available publication, ceases to be covered by the PPIPA.

Section 4A of the PPIPA also specifically excludes “health information”, as defined by section 6 of the HRIPA, from the definition of “personal information”, but includes “health information” in the PPIPA's consideration of public registers (discussed below). “Health information” is considered in Part 4 of this Plan.

Where the Council is requested to provide access or make a disclosure and that information has already been published, then the Council will rely on the provisions of the relevant Act that authorises Council to hold that information and not the PPIPA (for example, section 8 of the Government Information (Public Access) Act 2009 (GIPA Act)).

Council considers the following to be publicly available publications:

- An advertisement containing personal information in a local, city or national newspaper;
- Personal information on the Internet;

- Books or magazines that are printed and distributed broadly to the general public;
- Council Business papers or that part that is available to the general public;
- Personal information that may be a part of a public display on view to the general public.

Information published in this way ceases to be covered by the PPIPA.

Council's decision to publish in this way must be in accordance with PPIPA.

1.3 Policy on Electoral Rolls

The Electoral Roll is a publicly available publication. Council will provide open access to the Electoral Roll in Council's library. Council will refer any requests for copies of the Electoral Roll to the State Electoral Commissioner.

1.4 Application of this Plan

The PPIPA, the HRIPA and this Plan apply, wherever practicable, to:

- Councillors;
- Council employees;
- Consultants and contractors of the Council;
- Council owned businesses; and
- Council committees (including community members of those committees which may be established under section 355 of the LGA).

Council will ensure that all such parties are made aware that they must comply with the PPIPA, the HRIPA, any other applicable Privacy Code of Practice and this Plan.

1.5 Personal Information held by Council

The Council holds personal information concerning Councillors, such as:

- personal contact information;
- complaints and disciplinary matters;
- pecuniary interest returns; and
- entitlements to fees, expenses and facilities.

The Council holds personal information concerning its customers, ratepayers and residents, such as:

- rates records; and
- DA applications and objections; and
- various types of health information (see page 37 for detailed examples).

The Council holds personal information concerning its employees, such as:

- recruitment material;
- leave and payroll data;
- personal contact information;
- performance management plans;
- disciplinary matters;
- pecuniary interest returns;
- wage and salary entitlements; and
- health information (such medical certificates and workers compensation claims).

1.6 Applications for suppression in relation to general information (not public registers).

Under section 739 of the Local Government Act 1993 (“LGA”) a person can make an application to suppress certain material that is available for public inspection in circumstances where the material discloses or would disclose the person’s place of living if the person considers that the disclosure would place the personal safety of the person or their family at risk.

Section 739 of the LGA relates to publicly available material other than public registers. As such, it limits disclosure in those circumstances where an application for suppression is successful. An application for suppression must be verified by statutory declaration and otherwise meet the requirements of section 739. When in doubt, Council will err in favour of suppression.

For more information regarding disclosure of information (other than public registers) see the discussion of IPPs 11 and 12 in Part 3 of this Plan. For information regarding suppression of information on *public registers*, see Part 2 of this Plan.

1.7 Caution as to unsolicited information

Where an individual, a group or committee, not established by Council, gives Council unsolicited personal or health information, then that information should be still treated in accordance with this Plan, the Codes, the HRIPA and the PPIPA for the purposes of IPPs 5-12 and HPPs 5-15 which relate to storage, access, use and disclosure of information.

Note that for the purposes of section 10 of the HRIPA, the Council is not considered to have “collected” health information if the receipt of the information by the Council is unsolicited.

Section 4(5) of the PPIPA also provides that personal information is not “collected” by Council if it is unsolicited.

PART 2 – PUBLIC REGISTERS

A public register is defined in section 3 of the PPIPA:

“...public register means a register of personal information that is required by law to be, or is made, publicly available or open to public inspection (whether or not on payment of a fee).”

A distinction needs to be drawn between “public registers” within the meaning of Part 6 of the PPIPA and “non public registers”. A “non public register” is a register but it is not a “public register” for the purposes of the PPIPA. For example, the register might not be publicly available or it may not contain personal information.

Disclosure in relation to public registers must comply with Part 6 of the PPIPA and the Privacy Code. Personal information cannot be accessed by a person about another person unless the personal information is contained in a public register. Where personal information is contained in a public register, then Part 6 of the PPIPA applies to determine whether access to that information will be given to another person.

Disclosure in relation to all other personal information must comply with the Information Protection Principles as outlined in Part 2 of this Plan and the Privacy Code where it includes personal information that is not published.

The Council holds the following public registers under the LGA: ***

- Section 53 - Land Register
- Section 113 - Records of Approvals;
- Section 449 -450A - Register of Pecuniary Interests;
- Section 602 - Rates Record.

***Note – this is purely indicative. Council may, by virtue of its own practice, hold other Public Registers, to which the PPIPA applies.

Council holds the following public registers under the Environmental Planning and Assessment Act:

- Section 100 – Register of consents and approvals
- Section 149G – Record of building certificates

Council holds the following public register under the Protection of the Environment (Operations) Act:

- Section 308 – Public register of licences held

Council holds the following public register under the Impounding Act 1993:

- Section 30 & 31 – Record of impounding

Members of the public may enquire only in accordance with the primary purpose of any of these registers. The primary purpose for each of these public registers is set out in the sections that follow.

2.1 Public registers, the PPIPA and the HRIPA

A public register generally confers specific rights or privileges, a benefit, or status, which would not otherwise exist. It may be required by law to be made publicly available or open to public inspection, or it is simply made publicly available or open to public inspection (whether or not payment is required).

Despite the exclusion of “health information” from the definition of “personal information” under section 4A of the PPIPA, section 56A of the PPIPA *includes* as “personal information”, “health information” on public registers.

Section 57 of the PPIPA requires very stringent controls over the disclosure of personal information contained in a public register. It provides broadly that where Council is responsible for keeping a public register, it will not disclose any personal information kept in that register unless it is satisfied that the information is to be used for a purpose relating to the purpose of the register or the Act under which the register is kept.

Section 57 (2) provides that in order to ensure compliance with section 57(1), a Council may require any person who applies to inspect personal information contained in the public register to give particulars in the form of a statutory declaration as to the proposed use of that information. (Form at Appendix 1 may be used a guide)

Councils also need to consider the Privacy Code of Practice for Local Government which has the effect of modifying the application of Part 6 of the PPIPA (the “public register” provisions).

If the stated purpose of the applicant does not conform with the purpose for which the public register is kept, access to the information sought will not be given.

Where personal information is contained in a publicly available publication, that information will not be regarded as personal information covered by the PPIPA or as health information for the purposes of part 6 of the PPIPA.

2.2 Effect on section 6 of the GIPA Act

Section 57 of the PPIPA prevails over clause 1(3) of Schedule 1 of the Government Information (Public Access) Regulation 2009 (GIPA Regulation) to the extent of any inconsistency. Therefore:

1. If a register is listed in Schedule 1 of the GIPA Regulation, access must not be given except in accordance with section 57(1) of the PPIPA.
2. If a register is not listed in Schedule 1 of the GIPA Regulation, access must not be given except:
 - (i) if it is allowed under section 57(1) of the PPIPA; **and**
 - (ii) there is no overriding public interest against disclosure of the information under section 6 of the GIPA Act.

Note: Both 1 and 2 are amended with regard to specific public registers in the Privacy Code of Practice for Local Government.

2.3 Where some information in the public register has been published

That part of a public register that is not published in a publicly available publication will be treated as a “public register” and the following procedure for disclosure will apply.

For example, the Register of Consents and Approvals held by Council under section 100 of the Environmental Planning and Assessment Act requires Council to advertise or publish applications for development consent.

When Council publishes the address of the property, it may identify the owner. The personal information that has not been published and any applications not advertised or that have been rejected or withdrawn (and hence also not published) will be treated as a public register under PPIPA.

Council may hold a register under the Contaminated Land Management Act on behalf of the Environment Protection Authority. This is not to be considered a public register of the Council as the statute does not place any obligations on the Council to make this register publicly available as a register of contaminated land. Furthermore, the legislation foreshadows that the Environment Protection Authority may indeed post this list or register on the internet. This may constitute a publication of the information and therefore the PPIPA will not apply.

Registers should not be published on the internet.

2.4 Disclosure of personal information contained in the public registers

A person seeking a disclosure concerning someone else’s personal information from a public register must satisfy Council that the intended use of the information is for a purpose relating to the purpose of the register or the Act under which the register is kept.

In the following section, by way of guidance only, what might be called the “primary” purpose (or “the purpose of the register”) has been specified for each identified register. In some cases a “secondary purpose” has also been specified, by way of guidance as to what might constitute “a purpose *relating to* the purpose of the register”.

2.5 Purposes of public registers

Purposes of public registers under the Local Government Act

Section 53 - Land Register – The primary purpose is to identify all land vested in Council, or under its control. The secondary purpose includes a consideration of public accountability as to the land held by Council. Third party access is therefore a secondary purpose.

Section 113 - Records of Approvals – The primary purpose is to identify all approvals granted under the LGA.

Section 450A - Register of Pecuniary Interests – The primary purpose of this register is to determine whether or not a Councillor or a member of a council committee has a pecuniary interest in any matter with which the council is likely to be concerned. There is a corresponding public accountability purpose and third party access is a secondary purpose.

Section 602 - Rates Record - The primary purpose is to record the value of a parcel of land and record rate liability in respect of that land. The secondary purpose includes recording the owner or lessee of each parcel of land. For example, that a disclosure on a section 603 (of the LGA) rating certificate that a previous owner was a pensioner is considered to be allowed, because the secondary purpose is “a purpose relating to the purpose of the register”.

Purposes of public registers under the Environmental Planning and Assessment Act

Section 100 – Register of consents and approvals – The primary purpose is to identify applications for development consent and other approvals, confirm determinations on appeal and identify applications for complying development certificates.

Section 149G – Record of building certificates – The primary purpose is to identify all building certificates.

Purposes of public registers under the Protection of the Environment (Operations) Act

Section 308 – Public register of licences held – The primary purpose is to identify all licences granted under the Act.

Purposes of the public register under the Impounding Act

Section 30 & 31 – Record of impounding – The primary purpose is to identify any impounding action by Council.

Secondary purpose of all Public Registers

Due to the general emphasis (to be found in the LGA and elsewhere) on local government processes and information being open and accountable, it is considered that a secondary purpose for which all public registers are held by Council includes the provision of access to members of the public. Therefore, disclosure of specific records from public registers would normally be considered to be allowable under section 57 of the PPIPA.

However, requests for access, copying or the sale of the whole or a substantial part of a Public Register held by Council will not necessarily fit within this purpose. Council should be guided by the Privacy Code of Practice for Local Government in this respect. Where Council officers have doubt as to the intended use of the information, an applicant may be requested to provide a statutory declaration so that Council may satisfy itself as to the intended use of the information.

Council will make its assessment as to the **minimum** amount of personal information that is required to be disclosed with regard to any request.

Other Purposes

Persons or organisations who apply to Council to have access to the information contained in any public register for a purpose not related to the purpose of the register, may be given access at the discretion of Council but only in accordance with the Privacy Code of Practice for Local Government concerning Public Registers.

2.6 Applications for access to own records on a public register

A person wishing to have access to a public register to confirm their own details needs only to prove their identity to Council before having access to their own personal information.

2.7 Applications for suppression in relation to a public register

An application for suppression in relation to a public register will be dealt with under PPIPA, rather than section 739 of the LGA.

A person about whom personal information is contained (or proposed to be contained) in a public register, may request Council under section 58 of the PPIPA to have the information removed from, or not placed on the register.

If Council is satisfied that the safety or well-being of any person would be affected by not suppressing the personal information as requested, Council will suppress the information in accordance with the request unless Council is of the opinion that the public interest in maintaining public access to the information outweighs any individual interest in suppressing the information, in accordance with section 58(2) of the PPIPA. ("Well-being" is defined in the Macquarie Dictionary as "the good or satisfactory condition of existence; welfare".)

When in doubt, Council will err in favour of suppression.

Any information that is removed from, or not placed on, that aspect of a public register to be made public may be kept on the register for other purposes. That is, the information may still be used for council functions, but it cannot be disclosed to other parties.

An application for suppression should be made in writing addressed to the General Manager and must outline the reasons for the request. The Council may require supporting documentation where appropriate.

2.8 Other registers

Council may have other registers that are not public registers. The Information Protection Principles, this Plan, any applicable Codes and the PPIPA apply to those registers or databases.

PART 3 – THE INFORMATION PROTECTION PRINCIPLES

3.1 Information Protection Principle 1 – Section 8

Section 8 Collection of personal information for lawful purposes

- (1) *A public sector agency must not collect personal information unless:*
 - (a) *the information is collected for a lawful purpose that is directly related to a function or activity of the agency, and*
 - (b) *the collection of the information is reasonably necessary for that purpose.*
- (2) *A public sector agency must not collect personal information by any unlawful means.*

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from the requirements of this principle.

Council Policy

Council will only collect personal information for a lawful purpose as part of its proper functions. The LGA governs Council's major obligations and functions.

Section 22 of the LGA provides other functions under other Acts. Some of those Acts are as follows:

- Community Land Development Act 1989
- Companion Animals Act 1998**
- Conveyancing Act 1919
- Environmental Planning and Assessment Act 1979
- Fire and Rescue Act 1989
- Fluoridation of Public Water Supplies Act 1957
- Food Act 2003
- Impounding Act 1993
- Library Act 1939
- Protection of the Environment Operations Act 1997
- Public Health Act 2010
- Recreation Vehicles Act 1983
- Roads Act 1993
- Rural Fires Act 1997
- State Emergency Service Act 1989
- Strata Schemes Development Act 2015
- Strata Schemes Management Act 2015;
- Swimming Pools Act 1992

This list is not exhaustive.

Additionally, the exercise by Council of its functions under the LGA may also be modified by the provisions of other Acts. Some of those Acts follow:

- Coastal Management Act 2004;
- Government Information (Public Access) Act 2009;
- Heritage Act 1977;
- State Emergency and Rescue Management Act 1989;
- Unclaimed Money Act 1995.

The circumstances under which Council may collect information, including personal information, are varied and numerous.

Council will not collect any more personal information than is reasonably necessary for it to fulfil its proper functions.

Anyone engaged by Council as a private contractor or consultant that involves the collection of personal information must agree to be bound not to collect personal information by any unlawful means. This will include debt recovery actions by or undertaken on behalf of Council by commercial agents.

**Companion Animals Act

Collection of information under the Companion Animals Act and Council's use of the Companion Animals Register should be guided by the Director General's guidelines, which have been developed with the PPIPA in mind.

Role of the Privacy Contact Officer

In order to ensure compliance with Information Protection Principle 1, internet contact forms, rates notices, application forms of whatsoever nature, or written requests by which personal information is collected by Council; will be referred to the Privacy Contact Officer prior to adoption or use.

The Privacy Contact Officer will also provide advice as to:

1. Whether the personal information is collected for a lawful purpose;
2. If that lawful purpose is directly related to a function of Council; and
3. Whether or not the collection of that personal information is reasonably necessary for the specified purpose.

Any further concerns of a legal nature will be referred to Council's solicitor.

3.2 Information Protection Principle 2 – Direct Collection

Section 9 Collection of personal information directly from individual

A public sector agency must, in collecting personal information, collect the information directly from the individual to whom the information relates unless:

- (a) the individual has authorised collection of the information from someone else, or*
- (b) in the case of information relating to a person who is under the age of 16 years—the information has been provided by a parent or guardian of the person.*

The Privacy Code of Practice for Local Government

The Code makes provision for Council to depart from this principle where indirect collection of personal information is reasonably necessary when an award, prize, benefit or similar form of personal recognition is intended to be conferred upon the person to whom the information relates.

Council Policy

The compilation or referral of registers and rolls are the major means by which the Council collects personal information. For example, the information the Council receives from the Land Titles Office would fit within section 9(a) above.

Other means include forms that customers may complete and lodge with Council for development consent, companion animal registration, applications for specific inspections or certifications or applications in respect of tree preservation orders.

In relation to petitions, the Council will treat the personal information contained in petitions in accordance with PPIPA.

Where Council or a Councillor requests or requires information from individuals or groups, that information will be treated in accordance with PPIPA.

Council regards all information concerning its customers as information protected by PPIPA. Council will therefore collect all personal information directly from its customers except as provided in section 9 or under other statutory exemptions or Codes of Practice. Council may collect personal information from other public sector agencies in respect of specific statutory obligations where it is authorised by law to do so.

Where Council anticipates that it may otherwise need to collect personal information indirectly it will first obtain the authorisation of each individual under section 9 (a) of the PPIPA.

External and related bodies

Each of the following will be required to comply with this Plan, any applicable Privacy Code of Practice, and the PPIPA:

- Council owned businesses
- Council consultants
- Private contractors

- Council committees

Council will seek to contractually bind each of these bodies or persons to comply with the PPIPA.

Where any of the above collect personal information on behalf of Council or in relation to the performance of their activities, that body or person will be required to:

- obtain a written authorisation and consent to that collection; and
- notify those persons in accordance with Information Protection Principle 3 as to the intended recipients and other matters required by that principle.

Council owned businesses, committees and private contractors or consultants must abide by this Plan, the Code and the PPIPA under the terms of their incorporation by Council or by contract.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 2.

Existing statutory exemptions under the Act

Compliance with Information Protection Principle 2 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in very obvious and limited circumstances and legal advice should normally be obtained.

The relevant statutory exemptions follow:

Section 23(2) of the PPIPA permits non-compliance with Information Protection Principle 2 if the information concerned is collected in connection with proceedings (whether or not actually commenced) before any court or tribunal.

Section 24(4) of the PPIPA extends the operation of section 24(1) to councils and permits non-compliance with Information Protection Principle 2 if a council is:

- (i) investigating or otherwise handling a complaint or other matter that could be referred or made to, or has been referred from or made by, an investigative agency; and
- (ii) if compliance might detrimentally affect (or prevent the exercise of) the Council's complaint handling or investigative functions.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 2 where the agency is lawfully authorised or required not to comply with the principle.

- (iii) Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 2 where non-compliance is "necessarily implied" or "reasonably contemplated" under any Act or law.

Section 26(1) of the PPIPA permits non-compliance with Information Protection Principle 2 if compliance would prejudice the interests of the individual concerned.

Further Explanation regarding IPP 2

Where Council cannot collect personal information directly from the person, it will ensure one of the following:

1. Council has obtained authority from the person under section 9(a) of the PPIPA.
2. The collection of personal information from a third party is permitted under an Act or law. (For example, the indirect collection from the Land Titles Office.)
3. The collection of personal information from a parent or guardian is permitted provided the person is less than 16 years of age.
4. The collection of personal information indirectly where one of the above exemptions applies.
5. The collection of personal information indirectly is permitted under the Privacy Code of Practice for Local Government or the Investigative Code of Practice.

The only other exception to the above is in the case where Council is given unsolicited information.

3.3 Information Protection Principle 3 - Requirements when collecting personal information

Section 10 Requirements when collecting personal information

If a public sector agency collects personal information from an individual, the agency must take such steps as are reasonable in the circumstances to ensure that, before the information is collected or as soon as practicable after collection, the individual to whom the information relates is made aware of the following:

- (a) the fact that the information is being collected,*
- (b) the purposes for which the information is being collected,*
- (c) the intended recipients of the information,*
- (d) whether the supply of the information by the individual is required by law or is voluntary, and any consequences for the individual if the information (or any part of it) is not provided,*
- (e) the existence of any right of access to, and correction of, the information,*
- (f) the name and address of the agency that is collecting the information and the agency that is to hold the information.*

The Privacy Code of Practice for Local Government

The Code makes provision for Council to depart from this principle where personal information is collected about an individual for the purpose of conferring upon that person, an award, prize, benefit or similar form of personal recognition without prior or subsequent notification.

Council Policy

Where Council proposes to collect personal information directly from the person, it will inform that person that the personal information is being collected, what is done with that information and who the intended recipients will be.

Council will inform persons if the information is required by law or voluntarily given. Council will also inform individuals which department or section within Council holds their personal information, and of the right to access and correct that information. Council will adapt the general section 10 pre-collection Privacy Notification form as appropriate (See Appendix 2).

The following are examples of application procedures that will require a Privacy Notification Form in accordance with section 10:

- Lodging Development Applications;
- Lodging objections to Development Applications;
- Lodging applications for approval under the LGA;
- Any stamps or printed slips that contain the appropriate wording for notification under section 10 (see Appendix 2); and
- When collecting an impounded item.

In relation to the Privacy Notification Form that may be attached to a Development Application provided to objectors, it could be stated that objectors have a right to remain anonymous if they so choose. However, should they need to substantiate their objections, anonymous objections may be given less weight (or no weight) in the overall consideration of the Application.

Post - Collection

Where Council collects personal information indirectly from another public sector agency in respect of any one of its statutory functions, it will advise those individuals that it has collected their personal information by including a privacy notification form in the next issue of their rates notice, or otherwise by letter. A common example of the collection of information from another public sector agency is the Land Titles Office. Council receives information as to new ownership changes when property is transferred from one owner to the next. Appendix 3 contains a sample Privacy Notification Form that could be used for post-collection.

External and related bodies

Each of the following will be required to comply with Information Protection Principle 3:

- Council owned businesses
- Council consultants
- Private contractors
- Council committees

Council will seek to contractually bind each of these bodies or persons to comply with the Information Protection Principle 3.

Where any of the above collect personal information on behalf of Council or in relation to the performance of their activities, that body or person will be required to notify those persons in accordance with Information Protection Principle 3 as to the intended recipients and other matters required by that principle.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 3.

Existing statutory exemptions under the Act

Compliance with Information Protection Principle 3 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

The relevant statutory exemptions follow:

Section 23(3) permits non-compliance with Information Protection Principle 3 where information is collected for law enforcement purposes. Law enforcement means a breach of the criminal law and criminal law enforcement. This section does not remove the rights of an accused person.

Section 24(4) of the PPIPA extends the operation of section 24(1) to councils and permits non-compliance with Information Protection Principle 3 if a council is:

- (i) investigating or otherwise handling a complaint or other matter that could be referred or made to, or has been referred from or made by, an investigative agency; and
- (ii) if compliance might detrimentally affect (or prevent the exercise of) the Council's complaint handling or investigative functions.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 3 where the agency is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 3 where non-compliance is "necessarily implied" or "reasonably contemplated" under any Act or law.

Section 26(1) of the PPIPA permits non-compliance with Information Protection Principle 3 if compliance would prejudice the interests of the individual concerned.

Section 26(2) of the PPIPA permits non-compliance where the person expressly consents to such non-compliance.

Disclosure of information of research purposes

The disclosure of personal information for research purposes will be allowed only in accordance with any applicable Direction made by the Privacy Commissioner under section 41 of PPIPA or any Research Code of Practice made by the Attorney General as may be in force for the time being.

3.4 Information Protection Principle 4 - Other requirements relating to collection of personal information

Section 11 Other requirements relating to collection of personal information

If a public sector agency collects personal information from an individual, the agency must take such steps as are reasonable in the circumstances (having regard to the purposes for which the information is collected) to ensure that:

- (a) the information collected is relevant to that purpose, is not excessive, and is accurate, up to date and complete, and*
- (b) the collection of the information does not intrude to an unreasonable extent on the personal affairs of the individual to whom the information relates.*

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

Council will seek to ensure that no personal information is collected which is not directly relevant to its proper functions.

Council collects personal information through the various forms that customers may complete and lodge with Council. Before adoption of a new form, a draft form will be reviewed for compliance with Information Protection Principle 4 by the EEO Officer, Council's solicitor, Public Officer or other suitable person. Should Council have any residual doubts, the opinion of the Office of the Privacy Commissioner NSW will be sought.

3.5 Information Protection Principle 5 - Retention and security of personal information

Section 12 Retention and security of personal information

A public sector agency that holds personal information must ensure:

- (a) that the information is kept for no longer than is necessary for the purposes for which the information may lawfully be used, and*
- (b) that the information is disposed of securely and in accordance with any requirements for the retention and disposal of personal information, and*
- (c) that the information is protected, by taking such security safeguards as are reasonable in the circumstances, against loss, unauthorised access, use, modification or disclosure, and against all other misuse, and*
- (d) that, if it is necessary for the information to be given to a person in connection*

with the provision of a service to the agency, everything reasonably within the power of the agency is done to prevent unauthorised use or disclosure of the information.

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

Council may comply with this principle by using any or all of the following or similar documents:

- Records and Archives Services Manual;
- The Council's Policy on Security of and Access to Misconduct Files;
- Council's Internet Security Policy;
- Information Technology Security Policy; and
- General Records Disposal Schedule for Local Government.

Disclosure of information of research purposes

The disclosure of personal information for research purposes will be allowed only in accordance with any applicable Direction made by the Privacy Commissioner under section 41 of PPIPA or any Research Code of Practice made by the Attorney General as may be in force for the time being.

3.6 Information Protection Principle 6 - Information held by agencies

Section 13 Information about personal information held by agencies

A public sector agency that holds personal information must take such steps as are, in the circumstances, reasonable to enable any person to ascertain:

- (a) *whether the agency holds personal information, and*
- (b) *whether the agency holds personal information relating to that person, and*
- (c) *if the agency holds personal information relating to that person:*
 - (i) *the nature of that information, and*
 - (ii) *the main purposes for which the information is used, and*
 - (iii) *that person's entitlement to gain access to the information.*

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

Section 13 of the PPIPA requires a council to take reasonable steps to enable a person to determine whether the council holds personal information about them. If Council holds any information about a person, upon request it will advise them the nature of that information, the main purposes for which it is held, and that person's

entitlement to access. As a matter of practicality, not every item of personal information, however insignificant, will be capable of ascertainment.

Under section 20(5) of the PPIPA, Information Protection Principle 6 is subject to any applicable conditions or limitations contained in the *Government Information (Public Access) Act 2009* ("GIPA Act"). Council must consider the relevant provisions of the GIPA Act.

Any person can make application to Council by completing the appropriate form and submitting it to Council. An example is at Appendix 4.

Where council receives an application or request by a person as to whether council holds information about them, council will undertake a search of its records to answer the enquiry. Council may ask the applicant to describe what dealings the applicant has had with council in order to assist council to conduct the search.

Council will ordinarily provide a response to applications of this kind within 28 days of the application being made. The fee structure is commensurate to that of the Council's GIPA Act rates structure.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 6.

Existing exemptions under the Act

Compliance with Information Protection Principle 6 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 6 where Council is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 6 where non-compliance is "necessarily implied" or "reasonably contemplated" under any Act or law.

Reporting matters

The Council will issue a statement to be included on its Web page (if it has one) and in its Annual Report concerning the nature of personal information it regularly collects, the purpose for which the personal information is used and an individual's right to access their own personal information.

3.7 Information Protection Principle 7 - Access to personal information held by agencies

Section 14 Access to personal information held by agencies

A public sector agency that holds personal information must, at the request of the individual to whom the information relates and without excessive delay or expense, provide the individual with access to the information.

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

Section 14 of the PPIPA requires a council, at the request of any person, to give access to that person to personal information held about them.

Compliance with Information Protection Principle 7 does not allow disclosure of information about other people. If access to information that relates to someone else is sought, the application must be made under the GIPA Act, unless Information Protection Principles 11 and 12 or the Public Register provisions apply.

Where a person makes an application for access under the PPIPA and it is involved or complex, it may be referred, with the written consent of the applicant, as an application under the GIPA Act. However use of the GIPA Act is to be a last resort. The applicant has the right to insist on being dealt with under PPIPA.

Under section 20(5) of the PPIPA, Information Protection Principle 7 is subject to any applicable conditions or limitations contained in the *Government Information (Public Access) Act 2009* ("GIPA Act"). Council must consider the relevant provisions of the GIPA Act.

Customers wishing to exercise their right of access to their own personal information should apply in writing or direct their inquiries to the General Manager, who will make a determination. A sample form is provided at Appendix 5.

Members of staff wishing to exercise their right of access to their personal information should apply in writing on the attached form or direct their inquiries to the Manager of Personnel, who will deal with the application.

In order to comply with the requirement to provide the requested information "without excessive delay or expense", Council will ordinarily provide a response to applications of this kind within 28 days of the application being made.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 7.

Existing exemptions under the Act

Compliance with Information Protection Principle 7 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 7 where Council is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA non-compliance with Information Protection Principle 7 where non-compliance is “necessarily implied” or “reasonably contemplated” under any Act or law.

3.8 Information Protection Principle 8 - Alteration of personal information

Section 15 Alteration of personal information

- (1) *A public sector agency that holds personal information must, at the request of the individual to whom the information relates, make appropriate amendments (whether by way of corrections, deletions or additions) to ensure that the personal information:*
 - (a) *is accurate, and*
 - (b) *having regard to the purpose for which the information was collected (or is to be used) and to any purpose that is directly related to that purpose, is relevant, up to date, complete and not misleading.*
- (2) *If a public sector agency is not prepared to amend personal information in accordance with a request by the individual to whom the information relates, the agency must, if so requested by the individual concerned, take such steps as are reasonable to attach to the information, in such a manner as is capable of being read with the information, any statement provided by that individual of the amendment sought.*
- (3) *If personal information is amended in accordance with this section, the individual to whom the information relates is entitled, if it is reasonably practicable, to have recipients of that information notified of the amendments made by the public sector agency.*
- (4) *This section, and any provision of privacy code of practice that relates to the requirements set out in this section, apply to public sector agencies despite section 25 of this Act and section 21 of the State Records Act 1998.*
- (5) *The Privacy Commissioner's guidelines under section 36 may make provision for or with respect to requests under this section, including the way in which such a request should be made and the time within which such a request should be dealt with.*
- (6) *In this section (and in any other provision of this Act in connection with the operation of this section), **public sector agency** includes a Minister and a Minister's personal staff.*

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

Section 15 of the PPIPA allows a person to make an application to council to amend (*this includes by way of corrections, deletions or additions*) personal information held about them so as to ensure the information is accurate, and, having regard to the purpose for which the information is collected, relevant to that purpose, up to date and not misleading.

Council wishes to have its information current, accurate and complete. Proposed amendments or changes to the personal information held by the Council are welcomed.

If Council declines to amend personal information as requested, it will on request of the individual concerned, place an addendum on the information in accordance with section 15(2) of the PPIPA.

Where there are complaints that are or could be the subject of a staff complaint or grievance, they will be referred to the Manager Personnel in the first instance and treated in accordance with the "Grievance and Complaint Handling Procedures".

Any alterations that are or could be the subject of a customer complaint or grievance will be referred to the General Manager, who will make a determination in relation to the matter.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 8.

Existing exemptions under the Act

Compliance with Information Protection Principle 8 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 8 where Council is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA permits non-compliance with section Information Protection Principle 8 where non-compliance is "necessarily implied" or "reasonably contemplated" under any Act or law.

Procedure

Where information is requested to be amended (either by way of correction, deletion or addition), the individual to whom the information relates, must make a request. That request should be accompanied by appropriate evidence as to the cogency of the making of the amendment, sufficient to satisfy the Council that the proposed amendment is factually correct and appropriate. The Council may require further

documentary evidence to support certain amendments. Council will not charge to process an application to amend a record under s.15.

The Council's application form for alteration under IPP 8 is at Appendix 6 at the end of this Plan.

Where Council is not prepared to amend

If the Council is not prepared to amend the personal information in accordance with a request by the individual the Council may attach to the information in such a manner as is capable of being read with the information, any statement provided by that individual.

Where an amendment is made

If personal information is amended in accordance with this section, the individual to whom the information relates is entitled, if it is reasonably practicable, to have the recipients of that information notified of the amendments made by the Council. The Council will seek to notify recipients of information as soon as possible, of the making of any amendment, where it is reasonably practicable.

State Records Act

The State Records Act does not allow for the deletion of records. However, as a result of section 20(4) of the PPIPA, some deletions may be allowed in accordance with Information Protection Principle 8.

3.9 Information Protection Principle 9 - Agency must check accuracy of personal information before use

Section 16 Agency must check accuracy of personal information before use

A public sector agency that holds personal information must not use the information without taking such steps as are reasonable in the circumstances to ensure that, having regard to the purpose for which the information is proposed to be used, the information is relevant, accurate, up to date, complete and not misleading.

The Privacy Code of Practice for Local Government

The Code makes no provision to depart from this principle.

Council Policy

The steps taken to comply with section 16 will depend on the age of the information, its likelihood of change and the particular function for which the information was collected.

The more significant the information, the greater the necessity that checks to ensure its accuracy and currency be undertaken prior to its use.

For example, each employee's record should be updated when there is any change of circumstances or when the employee's contact details change.

3.10 Information Protection Principle 10 - Limits on use of personal information

Section 17 Limits on use of personal information

A public sector agency that holds personal information must not use the information for a purpose other than that for which it was collected unless:

- (a) the individual to whom the information relates has consented to the use of the information for that other purpose, or*
- (b) the other purpose for which the information is used is directly related to the purpose for which the information was collected, or*
- (c) the use of the information for that other purpose is necessary to prevent or lessen a serious and imminent threat to the life or health of the individual to whom the information relates or of another person.*

The Privacy Code of Practice for Local Government

The Code makes provision that Council may use personal information for a purpose other than the purpose for which it was created in the following circumstances:

- (i) where the use is in pursuance of Council's lawful and proper function/s and Council is satisfied that the personal information is reasonably necessary for the exercise of such function/s; or
- (ii) where personal information is to be used for the purpose of conferring upon a particular person, an award, prize, benefit or similar form of personal recognition.

Explanatory Note

Council may use personal information obtained for one purpose for another purpose in pursuance of its lawful and proper functions. For example, the Rates Record that Council holds under section 602 of the LGA may also be used to:

- notify neighbours of a proposed development;
- evaluate a road opening; or
- evaluate a tree preservation order.

Council Policy

Council will seek to ensure that information collected for one purpose will be used for that same purpose. Where Council may need to use personal information collected for one purpose for another purpose, it will first gain the consent of the individual concerned, unless an exemption applies.

External and related bodies

Each of the following will be required to comply with the Information Protection Principle 10:

- Council owned businesses
- Council consultants;

Section 24(4) of the PPIPA extends the operation of section 24(2) to councils and permits non-compliance with Information Protection Principle 10 if a council is:

- (i) investigating or otherwise handling a complaint or other matter that could be referred or made to, or has been referred from or made by, an investigative agency; and
- (ii) the use of the information concerned for a purpose other than the purpose for which it was collected is reasonably necessary in order to enable the council to exercise its complaint handling functions or any of its investigative functions.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 10 where Council is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 10 where non-compliance is “necessarily implied” or “reasonably contemplated” under any Act or law.

Section 28(3) of the PPIPA permits non-compliance where a disclosure is to be made to a public sector agency under the administration of the Minister for Local Government (e.g., the Department of Local Government) or a public sector agency under the administration of the Premier for the purpose of informing the Minister (or Premier) about any matter within the Minister’s (or Premier’s) administration.

3.11 Information Protection Principle 11 - Limits on disclosure of personal information

Section 18 Limits on disclosure of personal information

- (1) *A public sector agency that holds personal information must not disclose the information to a person (other than the individual to whom the information relates) or other body, whether or not such other person or body is a public sector agency, unless:*
 - (a) *the disclosure is directly related to the purpose for which the information was collected, and the agency disclosing the information has no reason to believe that the individual concerned would object to the disclosure, or*
 - (b) *the individual concerned is reasonably likely to have been aware, or has been made aware in accordance with section 10, that information of that kind is usually disclosed to that other person or body, or*
 - (c) *the agency believes on reasonable grounds that the disclosure is necessary to prevent or lessen a serious and imminent threat to the life or health of the individual concerned or another person.*
- (2) *If personal information is disclosed in accordance with subsection (1) to a person or body that is a public sector agency, that agency must not use or disclose the information for a purpose other than the purpose for which the information was given to it.*

The Privacy Code of Practice for Local Government

The Code makes provision for council to depart from this principle in the circumstances described below:

1. Council may disclose personal information to public sector agencies or public utilities on condition that:
 - (i) the agency has approached Council in writing;
 - (ii) Council is satisfied that the information is to be used by that agency for the proper and lawful function/s of that agency, and
 - (iii) Council is satisfied that the personal information is reasonably necessary for the exercise of that agency's function/s.
2. Where personal information which has been collected about an individual is to be disclosed for the purpose of conferring upon that person, an award, prize, benefit or similar form of personal recognition.
3. Where Council is requested by a potential employer, it may verify that a current or former employee works or has worked for Council, the duration of that work, and the position occupied during that time. This exception shall not permit Council to give an opinion as to that person's suitability for a particular position with any potential employer unless Council is satisfied that the person has provided their consent for Council to provide a reference, which may include an opinion as to that person's suitability for the position for which he/she has applied.

Council Policy

Council will not disclose the information to another person or other body, unless the disclosure is directly related to the purpose for which the information was collected or where the Council has no reason to believe that the individual concerned would object to the disclosure.

Council may disclose personal information to another person or other body where this disclosure is directly related to the purpose for which the personal information was collected and the individual concerned is reasonably likely to have been aware, (or has been made aware in accordance with section 10), of the intended recipients of that information. "Directly related" can mean the disclosure to another person or agency to deliver a service which supplements that of Council or disclosure to a consultant for the purpose of assessing or reviewing the delivery of a program to which the original collection relates.

The council may disclose personal information to another person or other body where this disclosure is necessary to prevent or lessen a serious and imminent threat to the life or health of the individual concerned or another person.

Public Registers

Sections 18 and 57 of the PPIPA should be read in conjunction in regard to Public Registers. Public Registers are discussed further in Part 2 of this Plan.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 11.

Existing exemptions under the Act

Compliance with Information Protection Principle 11 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

Section 23(5)(a) of the PPIPA permits non-compliance with Information Protection Principle 11 where disclosure is made to a law enforcement agency in connection with proceedings for an offence or for law enforcement purposes. *Law enforcement purposes* means a breach of the criminal law and criminal law enforcement. However, Council need not disclose material that it is entitled to refuse in the absence of a subpoena, warrant or other lawful requirement.

Section 23(5)(b) of the PPIPA permits non-compliance with Information Protection Principle 11 where the disclosure is made to a law enforcement agency for the purpose of ascertaining the whereabouts of a person reported to be missing. However, Council need not disclose material that it is entitled to refuse in the absence of a subpoena, warrant or other lawful requirement.

Section 23(5)(c) of the PPIPA permits non-compliance with Information Protection Principle 11 where disclosure is authorised by subpoena, search warrant or other statutory instrument. However, Council need not disclose material that it is entitled to refuse in the absence of a subpoena, warrant or other lawful requirement.

Section 23(5)(d)(i) of the PPIPA permits non-compliance with Information Protection Principle 11 where disclosure is reasonably necessary for the protection of the public revenue. *Protection of the public revenue* could mean a fraud with respect to taxes or other revenue earning processes such as avoidance of stamp duty. However, Council need not disclose material that it is entitled to refuse in the absence of a subpoena, warrant or other lawful requirement.

Section 23(5)(d)(ii) of the PPIPA permits non-compliance with Information Protection Principle 11 where disclosure is reasonably necessary to investigate an offence where there are reasonable grounds to believe an offence has been committed.

Section 24(4) of the PPIPA permits non-compliance with Information Protection Principle 11 if:

- (i) investigating a complaint that could be referred or made to, or has been referred from or made by, an investigative agency, and
- (ii) if the disclosure is to an investigative agency.

(Note: "investigative agency" is defined at s.3 of PPIPA.)

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 11 where Council is lawfully authorised or required not to comply with the principle. Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 11 where non-compliance is “necessarily implied” or “reasonably contemplated” under any Act or law.

Section 26(2) of the PPIPA permits non-compliance where the person expressly consents to such non-compliance.

Section 28(3) of the PPIPA permits non-compliance where a disclosure is to be made to a public sector agency under the administration of the Minister for Local Government (e.g. the Division of Local Government) or a public sector agency under the administration of the Premier for the purpose of informing the Minister (or Premier) about any matter within the Minister’s (or Premier’s) administration.

It is anticipated that a disclosure of personal information for research purposes will be allowed under a s.41 Direction made by the Privacy Commissioner until such time as a Research Code of Practice is made by the Attorney General.

Suppression

Information held by Council may be suppressed such as to disallow disclosure that would otherwise be allowed in the circumstances outlined above. See Part 1 of this Plan for more details about suppression of personal information.

3.12 Information Protection Principle 12 - Special restrictions on disclosure of personal information

Section 19 Special restrictions on disclosure of personal information

- (1) *A public sector agency must not disclose personal information relating to an individual's ethnic or racial origin, political opinions, religious or philosophical beliefs, trade union membership, sexual activities unless the disclosure is necessary to prevent a serious or imminent threat to the life or health of the individual concerned or another person.*
- (2) *A public sector agency that holds personal information must not disclose the information to any person or body who is in a jurisdiction outside New South Wales or to a Commonwealth agency unless:*
 - (a) *a relevant privacy law that applies to the personal information concerned is in force in the that jurisdiction or applies to that Commonwealth agency, or*
 - (b) *the disclosure is permitted under a privacy code of practice.*
- (3) *For the purposes of subsection (2), a **relevant privacy law** means a law that is determined by the Privacy Commissioner, by notice published in the Gazette, to be a privacy law for the jurisdiction concerned.*
- (4) *The Privacy Commissioner is to prepare a code relating to the disclosure of personal information by public sector agencies to persons or bodies outside New South Wales and to Commonwealth agencies.*
- (5) *Subsection (2) does not apply:*
 - (a) *until after the first anniversary of the commencement of this section, or*
 - (b) *until a code referred to in subsection (4) is made,**whichever is the later.*

The Privacy Code of Practice for Local Government

The Code makes provision for Council to depart from this principle in the circumstances described below:

1. For the purposes of s.19(2) only, where Council is requested by a potential employer outside New South Wales, it may verify that a current or former employee works or has worked for Council, the duration of that work, and the position occupied during that time. This exception shall not permit Council to give an opinion as to that person's suitability for a particular position with any potential employer unless Council is satisfied that the person has provided their consent for Council to provide a reference, which may include an opinion as to that person's suitability for the position for which he/she has applied.

Council Policy

Council will not disclose personal information relating to an individual's ethnic or racial origin, political opinions, religious or philosophical beliefs, trade union membership, health or sexual activities unless the disclosure is necessary to prevent a serious or imminent threat to the life or health of the individual concerned or another person.

Public Registers

Sections 19 and 57 of the PPIPA should be read in conjunction in regard to Public Registers. Public Registers are discussed further in Part 2 of this Plan.

Investigative Functions

Where Council is conducting an investigation, it will have regard to any applicable Direction of the Privacy Commissioner under section 41 of the PPIPA that may affect the application of Information Protection Principle 12.

Existing exemptions under the Act

Compliance with Information Protection Principle 12 is also subject to certain exemptions under the Act. If one of those exemptions apply, Council need not comply. The statutory exemption will be relied upon only in limited circumstances and legal advice should normally be obtained.

Section 23(7) of the PPIPA permits non-compliance with Information Protection Principle 12 where the disclosure is necessary to investigate an offence or where there are reasonable grounds to believe an offence has been or may be committed.

Section 25(a) of the PPIPA permits non-compliance with Information Protection Principle 12 where Council is lawfully authorised or required not to comply with the principle.

Section 25(b) of the PPIPA permits non-compliance with Information Protection Principle 12 where non-compliance is "necessarily implied" or "reasonably contemplated" under any Act or law.

Section 26(2) of the PPIPA permits non-compliance where the person expressly

consents to such non-compliance.

Section 28(2) permits non-compliance with Information Protection Principle 12 where, in the case of health information, the consent of the person cannot reasonably be obtained and the disclosure is made by an authorised person to another authorised person. "Authorised person" means a medical practitioner, health worker, or other official or employee providing health or community services who is employed or engaged by a public sector agency.

Section 28(3) of the PPIPA permits non-compliance where a disclosure is to be made to a public sector agency under the administration of the Minister for Local Government (e.g. the Division of Local Government) or a public sector agency under the administration of the Premier for the purpose of informing the Minister (or Premier) about any matter within the Minister's (or Premier's) administration.

It is anticipated that a disclosure of personal information for research purposes will be allowed under a s.41 Direction made by the Privacy Commissioner until such time as a Research Code of Practice is made by the Attorney General.

Suppression

Information held by Council may be suppressed such as to disallow disclosure that would otherwise be allowed in the circumstances outlined above. See Part 1 of this Plan for more details about suppression of personal information.

PART 4 – HEALTH PRIVACY PRINCIPLES

In 2002, most references to ‘health information’ were taken out of the PPIPA and separate legislation was enacted. The HRIPA was enacted to deal with this specific type of personal information. On and from September 2004, various agencies and organisations, including local councils were expected to comply with the HRIPA in their collection and management of health information.

Health information includes personal information that is information or an opinion about the physical or mental health or a disability of an individual. Health information *also* includes personal information that is information or an opinion about:

- a health service provided, or to be provided, to an individual;
- an individual's express wishes about the future provision of health services to him or her;
- other personal information collected in connection with the donation of human tissue; or
- genetic information that is or could be predictive of the health of an individual or their relatives or descendants.

Health information is defined in section 6 of the HRIPA. Local councils will often hold health information by reason of their role in elder care, child care and various types of community health support services. It is therefore very important for councils to be familiar with the 15 Health Protection Principles (“HPP”) set down in Schedule 1 to the HRIPA. Each of these HPPs are considered below.

The following is a non-exhaustive list of examples of the types of health information and circumstances in which councils may collect health information in exercising their functions:

- Tree pruning/removal application where residents approach council for a reconsideration or reassessment of a tree pruning/removal application on medical grounds;
- Issuing of clean up orders which may include recording information about a residents health, GP professional contact details or involvement with mental health services;
- Volunteer programs where volunteers are asked to disclose health conditions which may preclude them from some types of volunteer work;
- Meals on wheels programs where residents may be asked for medical or dietary requirements, e.g. allergies for catering purposes;
- Seniors bus outings where information may be collected on special medical needs;
- Councils may provide respite and social support services collecting information that is consistent with the client intake and referral record system;
- Information on families for the purposes of children's services. e.g. history of illness, allergies, asthma, diabetes, epilepsy etc;
- Physical exercise classes;

- Some councils run Podiatry services;
- Information may be collected through a healthy community program;
- Children's immunization records; and
- Family counsellor/youth support workers records.

HPPs 1-4 concern the collection of health information, HPP 5 concerns the storage of health information, HPPs 6-9 concern the access and accuracy of health information, HPP 10 concerns the use of health information, HPP 11 concerns the disclosure of health information, HPPs 12-13 concern the identifiers and anonymity of the persons to which health information relate, HPPs 14-15 concern the transferral of health information and the linkage to health records across more than one organisation.

Health Privacy Principle 1

Purposes of collection of health information

- (1) *An organisation must not collect health information unless:*
 - (a) *the information is collected for a lawful purpose that is directly related to a function or activity of the organisation, and*
 - (b) *the collection of the information is reasonably necessary for that purpose.*
- (2) *An organisation must not collect health information by any unlawful means.*

Health Privacy Principle 2

Information must be relevant, not excessive, accurate and not intrusive

An organisation that collects health information from an individual must take such steps as are reasonable in the circumstances (having regard to the purposes for which the information is collected) to ensure that:

- (a) *the information is collected is relevant to that purpose, is not excessive and is accurate, up to date and complete, and*
- (b) *the collection of the information does not intrude to an unreasonable extent on the personal affairs of the individual to whom the information relates.*

Health Privacy Principle 3

Collection to be from the individual concerned

- (1) *An organisation must collect health information about an individual only from that individual, unless it is unreasonable or impracticable to do so.*
- (2) *Health information is to be collected in accordance with any guidelines issued by the Privacy Commissioner for the purposes of this clause.*

Health Privacy Principle 4

Individual to be made aware of certain matters

- (1) *An organisation that collects health information about an individual from the individual must, at or before the time it collects the information (or if that is not practicable, as soon as practicable after that time), take steps that are reasonable in the*

circumstances to ensure that the individual is aware of the following:

- (a) the identity of the organisation and how to contact it,*
 - (b) the fact that the individual is able to request access to the information,*
 - (c) the purposes for which the information is collected,*
 - (d) the persons to whom (or the type of persons to whom) the organisation usually discloses information of that kind,*
 - (e) any law that requires the particular information to be collected,*
 - (f) the main consequences (if any) for the individual if all or part of the information is not provided.*
- (2) If the organisation collects health information about an individual from someone else, it must take any steps that are reasonable in the circumstances to ensure that the individual is generally aware of the matters listed in subclause (1) except to the extent that:*
- (a) making the individual aware of the matters would impose a serious threat to the life or health of any individual, or*
 - (b) the collection is made in accordance with guidelines issued under subclause (3).*
- (3) The Privacy Commissioner may issue guidelines setting out circumstances in which an organisation is not required to comply with subclause (2).*
- (4) An organisation is not required to comply with a requirement of this clause if:*
- (a) the individual to whom the information relates has expressly consented to the organisation not complying with it or,*
 - (b) the organisation is lawfully authorised or required not to comply with it, or*
 - (c) non-compliance is otherwise permitted (or necessarily implied or reasonably contemplated) under any Act or any other law including the State Records Act 1998, or*
 - (d) compliance by the organisation would, in the circumstances, prejudice the interests of the individual to whom the information relates, or*
 - (e) the information concerned is collected for law enforcement purposes or,*
 - (f) the organisation is an investigative agency and compliance might detrimentally affect (or prevent the proper exercise of) its complaint handling functions or any of its investigative functions.*
- (5) If the organisation reasonably believes that the individual is incapable of understanding the general nature of the matters listed in subclause (1), the organisation must take steps that are reasonable in the circumstances, to ensure that any authorised representative of the individual is aware of those matters.*
- (6) Subclause (4) (e) does not remove any protection provided by any other law in relation to the rights of accused persons or persons suspected of having committed an offence.*
- (7) The exemption provided by subclause (4) (f) extends to any public sector agency, or public sector official, who is investigating or otherwise handling a complaint or other matter that could be referred or made to an investigative agency, or that has been referred from or made by an investigative agency.*

Council Policy

Council will only collect health information for a lawful purpose that is directly related to Council's activities and is necessary for that purpose (HPP 1)

Council will ensure that the health information is relevant, accurate, up to date and not excessive and that the collection is not unnecessarily intrusive into the personal affairs of the individual (HPP 2).

Council will only collect health information directly from the individual that the information concerns, unless it is unreasonable or impractical for Council to do so. (HPP 3).

Council will tell the person why the health information is being collected, what will be done with it, who else might see it and what the consequences are if the person decides not to provide it. Council will also tell the person how he or she can see and correct the health information.

If Council collects health information about a person from someone else, Council will take reasonable steps to ensure that the subject of the information is aware of the above points (HPP 5).

Health Privacy Principle 5

Retention and Security

(1) *An organisation that holds health information must ensure that:*

- (a) *the information is kept for no longer than is necessary for the purposes for which the information may lawfully be used, and*
- (b) *the information is disposed of securely and in accordance with any requirements for the retention and disposal of health information, and*
- (c) *the information is protected, by taking such security safeguards as are reasonable in the circumstances against loss, unauthorised access, use, modification or disclosure, and against all other misuse, and*
- (d) *if it is necessary for the information to be given to a person in connection with the provision of a service to the organisation, everything reasonably within the power of an organisation is done to prevent the unauthorised use or disclosure of the information.*

Note. Division 2 (Retention of health information) of Part 4 contains provisions applicable to private sector persons in connection with the matters dealt with in this clause.

(2) *An organisation is not required to comply with a requirement of this clause if:*

- (a) *the organisation is lawfully authorised or required not to comply with it, or*
- (b) *non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the State Records Act 1998).*

(3) *An investigative agency is not required to comply with subclause (1)(a).*

Council Policy

Council will store health information securely and protect health information from unauthorised access, use or disclosure. Health information will not be kept for any longer than is necessary and will be disposed of appropriately (HPP 5).

Health Privacy Principle 6

Information about health information held by organisations

- (1) *An organisation that holds health information must take such steps as are, in the circumstances, reasonable, to enable any individual to ascertain:*
 - (a) *whether the organisation holds health information, and*
 - (b) *whether the organisation holds health information relating to that individual, and*
 - (c) *if the organisation holds health information relating to that individual:*
 - (i) *the nature of that information*
 - (ii) *the main purposes for which the information is used, and*
 - (iii) *that person's entitlement to request access to the information.*
- (2) *An organisation is not required to comply with a provision of this clause if:*
 - (a) *the organisation is lawfully authorised or required not to comply with the provision concerned, or*
 - (b) *non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under any Act or any other law (including the State Records Act 1998).*

Health Privacy Principle 7

Access to health information

- (1) *An organisation that holds health information must, at the request of the individual to whom the information relates and without excessive delay or expense, provide the individual with access to the information.*

Note. Division 3 (Access to health information) of Part 4 contains provisions applicable to private sector persons in connection with the matters dealt with in this clause. Access to health information held by public sector agencies may also be available under the Government Information (Public Access) Act 2009 or the State Records Act 1998.
- (2) *An organisation is not required to comply with a provision of this clause if:*
 - (a) *the organisation is lawfully authorised or required not to comply with the provision concerned, or*
 - (b) *non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the State Records Act 1998).*

Health Privacy Principle 8

Amendment of health information

- (1) *An organisation that holds health information must, at the request of the individual to whom the information relates, make appropriate amendments (whether by way of corrections, deletions or additions) to ensure that the health information:*
 - (a) *is accurate, and*
 - (b) *having regard to the purpose for which the information was collected (or is to be used) and to any purpose that is directly related to that purpose, is relevant, up to day, complete and not misleading.*
- (2) *If an organisation is not prepared to amend health information under subclause (1) in accordance with a request by the individual to whom the information relates, the organisation must, if so requested by the individual concerned, take such steps as are reasonable to attach to the information, in such a manner as is capable of being read with the information, any statement provided by that individual of the amendment sought.*

- (3) *If health information is amended in accordance with this clause, the individual to whom the information relates is entitled, if it is reasonably practicable, to have recipients of that information notified of the amendments made by the organisation.*
Note. Division 4 (Amendment of health information) of Part 4 contains provisions applicable to private sector persons in connection with the matters dealt with in this clause.
Amendment of health information held by public sector agencies may also be able to be sought under the *Privacy and Personal Information Protection Act 1998*.
- (4) *An organisation is not required to comply with a provision of this clause if:*
(a) *the organisation is lawfully authorised or required not to comply with the provision concerned, or*
(b) *non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the *State Records Act 1998*).*

Health Privacy Principle 9

Accuracy

An organisation that holds health information must not use the information without taking such steps as are reasonable in the circumstances to ensure that, having regard to the purpose for which the information is proposed to be used, the information is relevant, accurate and up to date, complete and not misleading.

Council Policy

Council will provide details about what health information Council is holding about an individual and with information about why Council is storing that information and what rights of access the individual has (HPP 6).

Council will allow the individual to access his or her health information without reasonable delay or expense (HPP 7).

Council will allow the individual to update, correct or amend his or her health information where necessary (HPP 8).

Council will make sure that the health information is relevant and accurate before using it (HPP 9).

Health Privacy Principle 10

- (1) *An organisation that holds health information must not use the information for a purpose (a **secondary purpose**) other than the purpose (the **primary purpose**) for which it was collected unless:*
- (a) **Consent**
the individual to whom the information relates has consented to the use of the information for that secondary purpose, or
- (b) **Direct relation**
the secondary purpose is directly related to the primary purpose and the individual would reasonably expect the organisation to use the information for the secondary purpose or,
Note: For example, if information is collected in order to provide a health service to the individual, the use of the information to provide a further health service to the individual is a secondary purpose directly related to the primary purpose.

- (c) **Serious threat to health or welfare**
the use of the information for the secondary purpose is reasonably believed by the organisation to be necessary to lessen or prevent:
- (i) *a serious and imminent threat to the life, health or safety of the individual or another person, or*
 - (ii) *a serious threat to public health and safety, or*
- (d) **Management of health services**
the use of the information for the secondary purpose is reasonably necessary for the funding, management, planning or evaluation of health services and:
- (i) *either:*
 - (A) *that purpose cannot be served by the use of information that does not identify the individual or from which the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the use, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
 - (ii) *if the information is in a form that could reasonably be expected to identify individuals, the information is not published in a generally available publication, and*
 - (iii) *the use of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purposes of this paragraph, or*
- (e) **Training**
the use of the information for the secondary purpose is reasonably necessary for the training of employees of the organisation or persons working with the organisation and:
- (i) *either:*
 - (A) *that purpose cannot be served by the use of information that does not identify the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the use, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
 - (ii) *if the information could reasonably be expected to identify individuals, the information is not published in a generally available publication, and*
 - (iii) *the use of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purposes of this paragraph, or*
- (f) **Research**
the use of the information for the secondary purpose is reasonably necessary for research, or the compilation or analysis of statistics, in the public interest and:
- (i) *either:*
 - (A) *that purpose cannot be served by the use of information that does not identify the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the use, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
 - (ii) *if the information could reasonably be expected to identify individuals, the information is not published in a generally available publication, and*
 - (iii) *the use of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purpose of this paragraph, or*
- (g) **Find missing person**
the use of the information for the secondary purpose is by a law enforcement agency (or such other person or organisation as may be prescribed by the regulations) for the purposes of ascertaining the whereabouts of an individual who has been reported to a police officer as a missing person, or

- (h) **Suspected unlawful activity, unsatisfactory professional conduct or breach of discipline**
the organisation:
- (i) has reasonable grounds to suspect that:
 - (A) unlawful activity has been or may be engaged in, or
 - (B) a person has or may have engaged in conduct that may be unsatisfactory professional conduct or professional misconduct under a the Health Practitioner Regulation National Law (NSW), or
 - (C) an employee of the organisation has or may have engaged in conduct that may be grounds for disciplinary action, and
 - (ii) uses the health information as a necessary part of its investigation of the matter or in reporting its concerns to relevant persons or authorities, or
- (i) **Law enforcement**
the use of the information for the secondary purpose is reasonably necessary for the exercise of law enforcement functions by law enforcement agencies in circumstances where there are reasonable grounds to believe that an offence may have been, or may be, committed, or
- (j) **Investigative agencies**
the use of the information for the secondary purpose is reasonably necessary for the exercise of complaint handling functions or investigative functions by investigative agencies, or
- (k) **Prescribed circumstances**
the use of the information for the secondary purpose is in the circumstances prescribed by the regulations for the purposes of this paragraph.
- (2) An organisation is not required to comply with a provision of this clause if:
- (a) the organisation is lawfully authorised or required not to comply with the provision concerned, or
 - (b) non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the State Records Act 1998).
- (3) The Ombudsman's Office, Health Care Complaints Commission, Anti-Discrimination Board and Community Services Commission are not required to comply with a provision of this clause in relation to their complaint handling functions and their investigative, review and reporting functions.
- (4) Nothing in this clause prevents or restricts the disclosure of health information by a public sector agency:
- (a) to another public sector agency under the administration of the same Minister if the disclosure is for the purposes of informing that Minister about any matter within that administration, or
 - (b) to any public sector agency under the administration of the Premier, if the disclosure is for the purposes of informing the Premier about any matter.
- (5) The exemption provided by subclause (1) (j) extends to any public sector agency, or public sector official, who is investigating or otherwise handling a complaint or other matter that could be referred or made to an investigative agency, or that has been referred from or made by an investigative agency.

Council policy

Council will only use the health information for the purpose for which it was collected or for a directly related purpose that the individual to whom the information relates would expect. Otherwise, Council will obtain the individual's consent (HPP 10).

Health Privacy Principle 11

(1) *An organisation that holds health information must not disclose the information for a purpose (a **secondary purpose**) other than the purpose (the **primary purpose**) for which it was collected unless:*

(a) **Consent**

the individual to whom the information relates has consented to the disclosure of the information for that secondary purpose, or

(b) **Direct relation**

the secondary purpose is directly related to the primary purpose and the individual would reasonably expect the organisation to disclose the information for the secondary purpose, or

Note: For example, if information is collected in order to provide a health service to the individual, the disclosure of the information to provide a further health service to the individual is a secondary purpose directly related to the primary purpose.

(c) **Serious threat to health or welfare**

the disclosure of the information for the secondary purpose is reasonably believed by the organisation to be necessary to lessen or prevent:

- (i) *a serious and imminent threat to the life, health or safety of the individual or another person, or*
- (ii) *a serious threat to public health or public safety, or*

(d) **Management of health services**

the disclosure of the information for the secondary purpose is reasonably necessary for the funding, management, planning or evaluation of health services and:

- (i) *either:*
 - (A) *that purpose cannot be served by the disclosure of information that does not identify the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the disclosure, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
- (ii) *if the information could reasonably be expected to identify individuals, the information is not published in a generally available publication, and*
- (iii) *the disclosure of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purposes of this paragraph, or*

(e) **Training**

the disclosure of the information for the secondary purpose is reasonably necessary for the training of employees of the organisation or persons working with the organisation and:

- (i) *either:*
 - (A) *that purpose cannot be served by the disclosure of information that does not identify the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the disclosure, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
- (ii) *if the information could reasonably be expected to identify the individual, the information is not made publicly available, and*
- (iii) *the disclosure of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purposes of this paragraph, or*

- (f) **Research**
the disclosure of the information for the secondary purpose is reasonably necessary for research, or the compilation or analysis of statistics, in the public interest and:
- (i) *either:*
 - (A) *that purpose cannot be served by the disclosure of information that does not identify the individual or from which the individual's identity cannot reasonably be ascertained and it is impracticable for the organisation to seek the consent of the individual for the disclosure, or*
 - (B) *reasonable steps are taken to de-identify the information, and*
 - (ii) *the disclosure will not be published in a form that identifies particular individuals or from which an individual's identity can reasonably be ascertained, and*
 - (iii) *the disclosure of the information is in accordance with guidelines, if any, issued by the Privacy Commissioner for the purposes of this paragraph, or*
- (g) **Compassionate reasons**
the disclosure of the information for the secondary purpose is to provide the information to an immediate family member of the individual for compassionate reasons and:
- (i) *the disclosure is limited to the extent reasonable for those compassionate reasons, and*
 - (ii) *the individual is incapable of giving consent to the disclosure of the information, and*
 - (iii) *the disclosure is not contrary to any wish expressed by the individual (and not withdrawn) of which the organisation was aware or could make itself aware by taking reasonable steps, and*
 - (iv) *if the immediate family member is under the age of 18 years, the organisation reasonably believes that the family member has sufficient maturity in the circumstances to receive the information, or*
- (h) **Finding missing person**
the disclosure of the information for the secondary purpose is to a law enforcement agency (or such other person or organisation as may be prescribed by the regulations) for the purposes of ascertaining the whereabouts of an individual who has been reported to a police officer as a missing person, or
- (i) **Suspected unlawful activity, unsatisfactory professional conduct or breach of discipline**
the organisation:
- (i) *has reasonable grounds to suspect that:*
 - (A) *unlawful activity has been or may be engaged in, or*
 - (B) *a person has or may have engaged in conduct that may be unsatisfactory professional conduct or professional misconduct under a the Health Practitioner Regulation National Law (NSW), or*
 - (C) *an employee of the organisation has or may have engaged in conduct that may be grounds for disciplinary action, and*
 - (j) *discloses the health information as a necessary part of its investigation of the matter or in reporting its concerns to relevant persons or authorities, or*
- (k) **Law enforcement**
the disclosure of the information for the secondary purpose is reasonably necessary for the exercise of law enforcement functions by law enforcement agencies in circumstances where there are reasonable grounds to believe that an offence may have been, or may be, committed, or
- (l) **Investigative agencies**
the disclosure of the information for the secondary purpose is reasonably necessary for the exercise of complaint handling functions or investigative functions by investigative agencies, or

- (m) **Prescribed circumstances**
the disclosure of the information for the secondary purpose is in the circumstances prescribed by the regulations for the purposes of this paragraph.
- (2) *An organisation is not required to comply with a provision of this clause if:*
- (a) *the organisation is lawfully authorised or required not to comply with the provision concerned, or*
 - (b) *non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the State Records Act 1998), or*
 - (c) *the organisation is an investigative agency disclosing information to another investigative agency.*
- (3) *The Ombudsman's Office, Health Care Complaints Commission, Anti-Discrimination Board and Community Services Commission are not required to comply with a provision of this clause in relation to their complaint handling functions and their investigative, review and reporting functions.*
- (4) *Nothing in this clause prevents or restricts the disclosure of health information by a public sector agency:*
- (a) *to another public sector agency under the administration of the same Minister if the disclosure is for the purposes of informing that Minister about any matter within that administration, or*
 - (b) *to any public sector agency under the administration of the Premier, if the disclosure is for the purposes of informing the Premier about any matter.*
- (5) *If health information is disclosed in accordance with subclause (1), the person, body or organisation to whom it was disclosed must not use or disclose the information for a purpose other than the purpose for which the information was given to it.*
- (6) *The exemptions provided by subclauses (1) (k) and (2) extend to any public sector agency, or public sector official, who is investigating or otherwise handling a complaint or other matter that could be referred or made to an investigative agency, or that has been referred from or made by an investigative agency.*

Council Policy

Council will only disclose health information under the following circumstances:

- With the consent of the individual to whom the information relates; or
- For the purpose for which the health information was collected or a directly related purpose that the individual to whom it relates would expect; or
- If an exemption applies (HPP 11).

Health Privacy Principle 12

Identifiers

- (1) *An organisation may only assign identifiers to individuals if the assignment of identifiers is reasonably necessary to enable the organisation to carry out any of its functions efficiently.*
- (2) *Subject to subclause (4), a private sector person may only adopt as its own identifier of an individual an identifier of an individual that has been assigned by a public sector agency (or by an agent of, or contractor to, a public sector agency acting in its capacity as agent or contractor) if:*
 - (a) *the individual has consented to the adoption of the same identifier, or*
 - (b) *the use or disclosure of the identifier is required or authorised by or under law.*
- (3) *Subject to subclause (4), a private sector person may only use or disclose an identifier assigned to an individual by a public sector agency (or by an agent of, or contractor to, a public sector agency acting in its capacity as agent or contractor) if:*
 - (a) *the use or disclosure is required for the purpose for which it was assigned or for a secondary purpose referred to in one or more paragraphs of HPP 10 (1) (c)-(k) or 11 (1) (c)-(l), or*
 - (b) *the individual has consented to the use or disclosure, or*
 - (c) *the disclosure is to the public sector agency that assigned the identifier to enable the public sector agency to identify the individual for its own purposes.*
- (4) *If the use or disclosure of an identifier assigned to an individual by a public sector agency is necessary for a private sector person to fulfil its obligations to, or the requirements of, the public sector agency, a private sector person may either:*
 - (a) *adopt as its own identifier of an individual an identifier of the individual that has been assigned by the public sector agency, or*
 - (b) *use or disclose an identifier of the individual that has been assigned by the public sector agency.*

Council Policy

Council will only give an identification number to health information if it is reasonably necessary for Council to carry out its functions effectively (HPP 12).

Health Privacy Principle 13

Anonymity

Wherever it is lawful and practicable, individuals must be given the opportunity to not identify themselves when entering into transactions with or receiving health services from an organisation.

Council Policy

Council will provide health services anonymously where it is lawful and practical (HPP 13).

Health Privacy Principle 14

Transborder data flows and data flow to Commonwealth agencies.

An organisation must not transfer health information about an individual to any person or body who is in a jurisdiction outside New South Wales or to a Commonwealth agency unless: the organisation reasonably believes that the recipient of the information is subject to a law, binding scheme or contract that effectively upholds principles for fair handling of the information that are substantially similar to the Health Privacy Principles, or

- (a) the individual consents to the transfer, or*
- (b) the transfer is necessary for the performance of a contract between the individual and the organisation, or for the implementation of pre-contractual measures taken in response to the individual's request, or*
- (c) the transfer is necessary for the conclusion or performance of a contract concluded in the interest of the individual between the organisation and a third party, or*
- (d) all of the following apply:*
 - (i) the transfer is for the benefit of the individual,*
 - (ii) it is impracticable to obtain the consent of the individual to that transfer,*
 - (iii) if it were practicable to obtain such consent, the individual would be likely to give it, or*
- (e) the transfer is reasonably believed by the organisation to be necessary to lessen or prevent:*
 - (i) a serious and imminent threat to the life, health or safety of the individual or another person, or*
 - (ii) a serious threat to public health or public safety, or*
- (f) the organisation has taken reasonable steps to ensure that the information that it has transferred will not be held, used or disclosed by the recipient of the information inconsistently with the Health Privacy Principles, or*
- (g) the transfer is permitted or required by an Act (including an Act of the Commonwealth) or any other law.*

Council Policy

Council will only transfer personal information out of New South Wales if the requirements of Health Privacy Principle 14 are met.

Health Privacy Principle 15

Linkage of health records

- (1) An organisation must not:*
 - (a) include health information about an individual in a health records linkage system unless the individual has expressly consented to the information being so included, or*
 - (b) disclose an identifier of an individual to any person if the purpose of the disclosure is to include health information about the individual in a health records linkage system, unless the individual has expressly consented to the identifier being disclosed for that purpose.*
- (2) An organisation is not required to comply with a provision of this clause if:*
 - (a) the organisation is lawfully authorised or required not to comply with the provision concerned, or*
 - (b) non-compliance is otherwise permitted (or is necessarily implied or reasonably contemplated) under an Act or any other law (including the State Records Act 1998), or*
 - (c) the inclusion of the health information about the individual in the health records information system (including an inclusion for which an identifier of the individual is to be disclosed) is a use of the information that complies with HPP 10 (1) (f) or a disclosure of the information that complies with HPP 11 (1) (f).*

(3) *In this clause:*

health record means an ongoing record of health care for an individual.

health records linkage system means a computerised system that is designed to link health records for an individual held by different organisations for the purpose of facilitating access to health records, and includes a system or class of systems prescribed by the regulations as being a health records linkage system, but does not include a system or class of systems prescribed by the regulations as not being a health records linkage system.

Council Policy

Council will only include health information in a system to link health records across more than one organisation if the individual to whom the health information relates expressly consents to the link (HPP 15).

PART 5 – IMPLEMENTATION OF THE PRIVACY MANAGEMENT PLAN

5.1 Training Seminars/Induction

During induction, all employees should be made aware that the performance management system has the potential to include personal information on their individual work performance or competency.

Councillors, all staff of the Council including staff of council businesses, and members of council committees should be acquainted with the general provisions of the PPIPA, the HRIPA and in particular, the 12 Information Protection Principles (IPPs), the 15 Health Privacy Principles (HPPs), the Public Register provisions, the Privacy Code of Practice for Local Government, this Plan and any other applicable Code of Practice.

5.2 Responsibilities of the Privacy Contact Officer

It is assumed that the Public Officer within Council will be assigned the role of the Privacy Contact Officer unless the General Manager has directed otherwise.

In order to ensure compliance with PPIPA and the HRIPA, the Privacy Contact Officer will review all contracts and agreements with consultants and other contractors, rates notices, application forms of whatsoever nature, and other written requests by which personal information is collected by Council, to ensure that Council is in compliance with the PPIPA.

Interim measures to ensure compliance with IPP 3 in particular may include the creation of stamps or printed slips that contain the appropriate wording (see Appendices 2 and 3).

The Privacy Contact Officer will ensure Council in its public areas has special provisions for working with computer screens. Computer screens may require:

- fast screen savers;
- face the computers away from the public; or
- only allow the record system to show one record at a time.

Council's electronic databases should also be reviewed to ensure that they contain procedures and protocols to check the accuracy and currency of personal and health information.

The Privacy Contact Officer will also provide opinions within Council as to:

- (i) Whether the personal or health information is collected for a lawful purpose;
- (ii) If that lawful purpose is directly related to a function of Council; and
- (iii) Whether or not the collection of that personal or health information is reasonably necessary for the specified purpose.

Any further concerns of a legal nature will be referred to Council's solicitor.

Should the Council require, the Privacy Contact Officer may assign designated officers as "Privacy Resource Officers", within the larger departments of Council. In this manner the Council may ensure that the information protection principles are more broadly understood and that individual departments have a greater focus on the information protection principles and are directly applied to Council's day to day functions.

5.3 Distribution of information to the public

Council may prepare its own literature such as pamphlets on the PPIPA, HRIPA or it may obtain and distribute copies of literature available from the Office of the Privacy Commissioner NSW.

PART 6 – INTERNAL REVIEW

6.1 How does the process of Internal Review operate?

Under section 53 of the PPIPA a person (the applicant) who is aggrieved by the conduct of a council is entitled to a review of that conduct. An application for internal review is to be made within **6 months** of when the person first became aware of the conduct.

The application is to be in writing and addressed to Council's Privacy Contact Officer. The Privacy Contact Officer will appoint a Reviewing Officer to conduct the internal review. The Reviewing Officer must not be substantially involved in any matter relating to the application. The Reviewing Officer must be an employee and suitability qualified.

The review must be completed as soon as is reasonably practicable in the circumstances. If the review is not completed within **60 days** of the lodgement, the applicant is entitled to seek external review.

The Council must notify the Privacy Commissioner of an application as soon as practicable after its receipt, keep the Commissioner informed of the progress of the application and inform the Commissioner of the findings of the review and of the action it proposes to take in relation to the application.

The Privacy Commissioner is entitled to make submissions in relation to internal reviews and the council is required to consider any relevant material submitted by the Privacy Commissioner. The Council must provide the Privacy Commissioner with a draft of the council's internal review report to enable the Privacy Commissioner to make a submission.

Council may provide a copy of any submission by Privacy Commissioner's to the applicant.

The Council must notify the applicant of the outcome of the review within **14 days** of its determination. A copy of the final review should also be provided to the Privacy Commissioner where it departs from the draft review.

An internal review checklist has been prepared by the Office of the Privacy Commissioner NSW and can be accessed from its website <http://www.ipc.nsw.gov.au>.

The Privacy Commissioner must be notified of a complaint, briefed on progress and notified of the outcome of an internal review under the PPIPA or HRIPA.

6.2 What happens after an Internal Review?

If the complainant remains unsatisfied, he/she may appeal to the Administrative Decisions Tribunal which hears the matter afresh and may impose its own decision and can make a range of orders including an award of damages for a breach of an information protection principle or a health privacy principle.

PART 7 – OTHER RELEVANT MATTERS

7.1 Contracts with consultants and other private contractors

It is necessary to have specific provisions to protect the Council in any dealings with private contractors.

7.2 Confidentiality

The obligation of confidentiality is additional to and separate from that of privacy. Nevertheless, a duty to withhold information lies at the heart of both concepts. Confidentiality attaches to information per se, personal or health information to the person to whom that information relates.

An obligation of confidentiality exists for all employees whether express or implied as a matter of law.

Information which may be confidential is also likely to have a separate and independent obligation attaching to it in the form of privacy and in that regard, a release for the purposes of confidentiality will not suffice for privacy purposes. Two separate releases will be required and, in the case of privacy, the person to whom the information relates will be required to provide the release.

7.3 Misuse of personal or health information

Section 664 of the LGA makes it an offence for anyone to disclose information except in accordance with that section. Whether or not a particular disclosure is made with lawful excuse is a matter that requires legal opinion from case to case.

7.4 Regular review of the collection, storage and use of personal or health information

The information practices relating to the collection, storage and use of personal or health information will be reviewed by the Council every three (3) years. Any new program initiatives will be incorporated into the review process with a view to ascertaining whether or not those programs comply with the PPIPA.

7.5 Regular review of Privacy Management Plan

When information practices are reviewed from time to time, the Privacy Management Plan will also be reviewed to ensure that the Plan is up to date.

7.6 Further information

For assistance in understanding the processes under the PPIPA and HRIPA, please contact the Council or the Office of the Privacy Commissioner NSW.

PART 8 – APPENDICES

Appendix 1: Statutory Declaration for access under Section 57 of the Privacy and Personal Information Protection Act 1998 to a Public Register held by Council

Statutory Declaration
Oaths Act, 1900, Ninth Schedule

I, the undersigned ⁽¹⁾ (1) insert full name

of ⁽²⁾ (2) insert address

in the State of New South Wales, do solemnly and sincerely declare that:

I am ⁽³⁾ (3) insert relationship, if any, to person inquired about

I seek to know whether ⁽⁴⁾ (4) insert name

is on the public register of ⁽⁵⁾ (5) Applicant to describe the relevant public register

The purpose for which I seek this information is ⁽⁶⁾ (6) insert purpose for seeking information

.....

The purpose for which the information is required is to ⁽⁷⁾ (7) insert purpose

.....

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths Act 1994.

Signature of Applicant

Declared at: _____

in the said State this _____ day of _____ 20 _____

before me. _____

Signature of Justice of the Peace/Solicitor

Name of Justice of the Peace/Solicitor to be printed

Appendix 3: Privacy Notification Form - Section 10 (Post – Collection)

(Addressed to the person from whom information has been collected.)

The personal information that Council has collected from you is personal information for the purposes of the Privacy and Personal Information Protection Act 1998 (PPIPA).

The intended recipients of the personal information are:

- officers within the Council;
- data service providers engaged by the Council from time to time;
- any other agent of the Council; and
- _____ (INSERT NAME OF OTHER INTENDED RECIPIENTS)

The supply of information by you is: Voluntary Not voluntary

If you cannot provide, or do not wish to provide, the information sought, the Council may: _____

Council has collected this personal information from you in order to:

.....
You may make application for access or amendment to information held by Council.

You may also make a request that Council suppress your personal information from a public register. Council will consider any such application in accordance with the PPIPA.

Council is to be regarded as the agency that holds the information. However, if it **is not** Council who holds or controls the information, please state below who does:

(INSERT NAME OF AGENCY WHO HOLDS OR CONTROLS THE INFORMATION)

Enquiries concerning this matter can be addressed to:

Signature

Name to be printed

Date signed / /

Appendix 4: Application under Section 13 of the Privacy and Personal Information Protection Act 1998: To determine whether Council holds personal information about a person.

Personal information held by the Council

I, ⁽¹⁾ _____ (1) insert full name
of ⁽²⁾ _____ (2) insert address
Hereby request the General Manager of ⁽³⁾ _____ (3) insert name of Council

provide the following:

- Does the Council hold personal information about me? Yes No
- If so, what is the nature of that information? _____

- What is the main purpose for holding the information? _____

- Am I entitled to access the information? Yes No

My address for response to this application is:

_____ State: _____ Post Code: _____

Note to applicants

Council **will not** record your address or any other contact details that you provide for any other purpose other than to respond to your application.

As an applicant, you have a right of access to personal information concerning yourself that is held by the Council under section 14 of the Privacy and Personal Information Protection Act 1998 (PPIPA). There is a separate application form to gain access.

The Council may refuse to process this application in part or in whole if:

- there is an exemption to section 13 of the PPIPA; or
- a Code of Practice may restrict the operation of section 14.

Enquiries concerning this matter can be addressed to:

**Appendix 5: Application under section 14 of the Privacy And
Personal Information Protection Act 1998: For access to Applicant's
Personal Information**

Personal information held by the Council

I, ⁽¹⁾ _____ (1) insert full name
of ⁽²⁾ _____ (2) insert address
Hereby request that the ⁽³⁾ _____ (3) insert name of Council

Provide me with:

- (a) access to all personal information held concerning myself; or
- (b) access to the following personal information only (LIST INFORMATION REQUIRED BELOW):

My address for response to this application is:

_____ State: _____ Post Code: _____

Note to applicants

As an applicant, you have a right of access to personal information concerning yourself that is held by the Council under section 14 of the Privacy and Personal Information Protection Act 1998 (PPIPA).

You are entitled to have access without excessive delay or cost.

Council may refuse to process your application in part, or in whole, if:

- the correct amount of fees has not been paid;
- there is an exemption to section 14 of the PPIPA; or
- a Code of Practice may restrict disclosure.

Enquiries concerning this matter can be addressed to:

Appendix 6: Application under section 15 of the Privacy and Personal Information Protection Act 1998: For alteration of Applicant's Personal Information

Personal information held by the Council

I, ⁽¹⁾ _____ (1) insert full name
of ⁽²⁾ _____ (2) insert address
Hereby request that the ⁽³⁾ _____ (3) insert name of Council

alter personal information regarding myself in the following manner:

- I propose the following changes: _____
- The reasons for the changes are as follows: _____
- The documentary bases for those changes is as shown on the attached documents

Note to Applicants :

You have a right to request appropriate amendments are made (whether by way of corrections, deletions or additions) to ensure that the personal information held by the Council:

- (a) is accurate, and
- (b) having regard to the purpose for which the information was collected (or is to be used) and to any purpose that is directly related to that purpose, is relevant, up-to-date, complete and not misleading.

If Council is not prepared to amend the personal information in accordance with a request by you, Council must take such steps as are reasonable to attach to the information in such a manner as is capable of being read with the information, any statement provided by you.

If your personal information is amended, you are entitled under the Privacy and Personal Information Protection Act 1998 (PPIPA), if it is reasonably practicable, to have recipients of that information notified of the amendments made by Council.

Council may refuse to process your application in part, or in whole, if:

- there is an exemption to section 15 of the PPIPA; or
- a Code of Practice may restrict alteration.

Enquiries concerning this matter can be addressed to: _____

End of Policy

	Date	Minute
Adopted:	14/08/2000	452
Last Reviewed:	09/07/2007	07/145
	12/11/2012	1211/014
	08/04/2013	1304/005
	21/05/2018	1805/014
	XX/XX/2022	
Next Review:	16/06/2025	



Unreasonable and Unreasonably Persistent Customer Policy

Policy	2J
Officer Responsible	Director Corporate Services
Last Review Date	XX/XX/2022

Strategic Policy

1. Policy Statement

Council is committed to putting the customer at the heart of everything we do.

Blayney Shire Council is committed to:

- Ensuring that all customers are treated fairly and reasonably.
- Providing guidance, education and training as appropriate for staff and Councillors in dealing with customers.
- Ensuring that Council resources are used efficiently and effectively when dealing with customers.
- That unreasonable requests, persistent behaviour and harassment is reduced.

2. Scope

This policy applies to all dealings with customers by Blayney Shire Council staff and elected members, and in particular those difficult customers who:

- Cannot be satisfied;
- Make unreasonable demands;
- Constantly raise the same issue with different staff; and/or
- Are rude, abusive or aggressive.

This policy is not intended to prevent customers from raising legitimate and important concerns, enquiries or requests, or from pursuing them. However, Blayney Shire Council has a duty to ensure that it provides value for money services for all its residents and local communities. An unreasonable or unreasonably persistent customer can take up a disproportionate amount of time that can hinder the other work of staff. The Council must therefore ensure that it uses its resources wisely and limits the amount of time spent on queries that it considers unreasonable or unreasonably persistent.

Staff working for Council have a right to undertake their work free from all types of discrimination, abuse and harassment. As part of Council's commitment to promoting equality of opportunity and diversity, and to challenging discrimination, Council has a duty to protect the safety and welfare of its staff. We therefore shall not tolerate what we consider to be unacceptable behaviour by unreasonable or unreasonably persistent customers.

We would not normally limit the contact that our customers may have with the Council. However, in accordance with this policy, we may decide to do so if customers behave unreasonably, are unreasonably persistent, if staff experience unacceptable behaviour, staff feel threatened or are harassed both within and outside the workplace.

3. Definitions

For the purposes of this policy unreasonable or unreasonably persistent customers are defined as being those which, because of the frequency or nature of their contact, hinder the Council's consideration of complaints,

enquiries or requests. Officers may recognise one or more of the following indicators as characteristic of unreasonable or unreasonably persistent customers. They make complaints, requests, concerns or enquiries that:

- clearly do not have any serious purpose or value
- are obviously vexatious in nature
- are designed solely to cause disruption or annoyance
- have the effect of harassing the Council or its staff or can otherwise fairly be characterised as obsessive or unreasonable
- take up an unreasonable amount of Officer time and hinder the other work of the Council.

Unacceptable behaviour can include:

- abusive, offensive or threatening behaviour
- behaviour which amounts to bullying or harassment

The following customer actions/behaviours can cause this policy to be invoked:

- unwillingness to comply with Council procedures
- insisting on issues or requests being dealt with in ways which are incompatible with Council procedures or with good practice
- making unreasonable demands of Officers or setting unreasonable timescales for response
- making unreasonable requests in relation to who should deal with their complaint, enquiry or request, or how it should be dealt with
- repeatedly being unwilling to accept documented evidence
- insisting that no response has been received or that the response is unacceptable
- sending a high volume of letters, emails and/or phone calls (sometimes to multiple recipients)
- continuing to add new, or making trivial, complaints, requests or enquiries
- repeatedly complaining or making repeat requests about similar issues after they have already been dealt with
- making many complaints, requests or enquiries about different issues in succession
- refusing to specify the grounds of a complaint, despite offers of assistance with this from Council's staff
- making groundless complaints about the staff dealing with the complaint or request, and seeking to have the staff replaced
- refusing to accept that issues or requests are not within the remit of a procedure despite having been provided with information about the procedures scope; for instance if the customer has been advised that a complaint or request is within the remit of another authority, yet refusing to accept this
- changing the basis of a complaint or request as it proceeds and/or denying statements made at an earlier stage
- introducing trivial or irrelevant new information which the customer expects to be taken into account, or raising large numbers of detailed but unimportant questions and insisting they are all fully answered

- electronically recording meetings and conversations without the prior knowledge and consent of the other persons involved
- adopting a 'scattergun' approach; pursuing complaints or requests with the Council and, at the same time, with a Members of Parliament/ a Councillor/legal services/local police/solicitors/ the Ombudsman
- submitting repeat complaints or requests, with minor variations, after the processes have been completed
- refusing to accept a decision

4. Dealing with matters under this policy

Matters under this policy will be dealt through the Unreasonable and Unreasonably Persistent Customer procedure.

5. General

In all of the situations referred to in this policy, adequate documentary records must be made and maintained on the appropriate Council file.

Where the General Manager determines to limit a customer's access to Council in any of the ways specified in this policy, the General Manager will advise Councillors as soon as possible of the relevant circumstances and the action taken and forward such advice, where appropriate, to the ICAC, Office of Local Government and the NSW Ombudsman for information.

6. Other relevant documents

Unreasonable and Unreasonably Persistent Customer Procedures
2C Complaints Management Policy
Local Government Act 1993
Government Information (Public Access) Act 2009
NSW Ombudsman Publications:

- 'Better Service & Communication Guidelines for Local Government'
- 'Managing Unreasonable Complainant Conduct Practice Manual'

End of Policy

Adopted:	12/05/2014	Minute: 1405/007
Last Reviewed:	12/05/2014	1405/007
	XX/XX/2022	
Next Reviewed:	19/08/2024	



Work Health and Safety Policy

Policy	9A
Officer Responsible	WHS and Risk Coordinator
Last Review Date	XX/XX/2022

Strategic Policy

Purpose

Council is committed to provide a safe and healthy working environment for all our employees, volunteers, contractors, trainees, visitors including Council's elected members, that may be affected by works undertaken by Council, through the elimination or minimisation of risks.

Work Health and Safety Statement

Blayney Shire Council will demonstrate its commitment to Work Health and Safety by:

- Promoting a culture where harm to people through work is unacceptable
- Applying a risk management approach to all specific work related Council activities and initiating controls where risk is identified, monitoring, and recording the same;
- Ensuring compliance with relevant safety legislation, codes of practice and standards wherever possible;
- Conducting inspections of the workplace to identify and control hazards and report these outcomes to the WH&S Committee;
- Ensuring when procuring or using plant, substances, equipment and materials they are used and handled properly, stored and transported without risk to health and safety of personnel;
- Identifying any foreseeable hazards Blayney Shire Council will provide appropriate information, training and resources to control or eliminate the risk;
- Promoting to all levels of management and staff to take responsibility, be accountable and assume authority for the management of work, health and safety within the workplace;
- Consulting with management, employees, volunteers, and contractors on work health and safety issues;
- Provision and circulation of appropriate work, health and safety information;
- Ensuring those injured are assisted in returning to duties in a safe and timely manner;
- Providing an environment where health and safety issues can be discussed openly and freely.
- Council's Work Health and Safety Policy, practices and systems being monitored and reviewed to ensure the achievement of the highest safety standards possible.

Responsibilities

While the obligation for each person is different, all persons must ensure that the way they carry out their work does not interfere with the health and safety of themselves and other persons at the place of work.

Duty Holders

Person conducting a business or undertaking (Council)

Council must ensure, so far as is reasonably practicable, the health and safety of:

- Workers engaged, or caused to be engaged by the person, and
- Workers whose activities in carrying out work are influenced or directed by the person, while the workers are at work in the business or undertaking.

The General Manager has ultimate responsibility for the implementation of Council's WHS Protocol, reviewing overall organisational health and safety performance and health and safety performance review of executive management.

Officer duties

Officers of Council have a duty to exercise 'due diligence' to ensure that Council complies with its duty to reasonably ensure health and safety. Officers are defined as a person who makes, or participates in making decisions that affect the whole or a substantial part of a business or undertaking.

Council shall fulfill these responsibilities through the appointed General Manager, Directors, and Managers who are responsible and accountable for the safety of workers including contractors, volunteers and Council property under their control.

All workers

All workers have responsibility for:

- Taking reasonable care for their own health and safety;
- Taking reasonable care that their acts or omissions do not adversely affect the health and safety of other persons;
- Following all WHS legislation, Council safety requirements and relevant codes of practice;
- Co-operating with management in the support of promotion of Health and Safety in the workplace;
- Not undertaking any task without the relevant induction, training or competency;
- Promptly reporting all hazards, injuries and safety incidents;
- Presenting for work in a fit state that does not prevent them carrying out their duties in a safe and responsible manner.

Compliance with health and safety requirements

Council employees must observe Council's health and safety policies, protocols, procedures and instructions. If a breach occurs, it may be necessary for disciplinary action in accordance with disciplinary procedures under the Local Government (State) Award.

Relevant Documents include

Work Health and Safety Regulation 2017
Occupational Health and Safety Management System (OHMS) (AS/NZIS 4801)
Work Health and Safety Act 2011
Local Government Act 1993
Corporations Act 2001
Blayney Shire Council Health & Safety Committee Constitution
Blayney Shire Council Enterprise Risk Management Policy
and Plan Risk Management Policy

Incident Reporting and Investigation Procedure

Adopted:	08/07/2002	Minute:198
Last Reviewed:	18/06/2007	Minute:131
	11/11/2013	Minute:1311/006
	21/05/2018	Minute: 1805/014
	21/12/2020	Minute: 2012/011
Next Reviewed:	15/04/2025	



Email and Internet Usage Policy

Policy	8A
Officer Responsible	Manager Information Technology
Last Review Date	XX/XX/2022

Strategic Policy

Objective

To provide parameters for the acceptable use of Blayney Shire Council's corporate systems for email/calendars and internet browsing.

PROTOCOLS FOR USE OF COUNCIL RESOURCES FOR INTERNET AND EMAIL

Access

Access to the use of Council resources for internet and email shall be made available to all councillors, staff, and authorised persons (referred hereon as users) who require such access to support the carrying out of official duties and who have access to a device that is connected to the Council network.

Access to individual mailboxes / email addresses shall normally be restricted to the individual and the system administrator user, however, broader access to a mailbox / email address may be organised when such access adds value to the business function and is authorised by the Director or General Manager. Users who are absent due to leave can organise delegated access to their mailbox/email address prior to commencing on that leave after Director or General Manager approval.

Acceptable Usage

The following uses are acceptable and encouraged:

1. Investigations, research and support of vendor's products. This may include the retrieval and distribution of information, technical material, support documentation or promotional material that may assist users in their daily operations. This includes social media sites such as Facebook.
2. Peer group communications including retrieval and distribution of electronic messages, documentation, contributing or participation in group forums.
3. Use of network resources for personal or academic reasons during the Users' own time. Personal use does not extend to any activities that may provide personal commercial gain or interfere with work of other users for the Council.

Unacceptable Usage

The following uses are unacceptable:

1. Conducting activities such as unsolicited distribution of advertising material.
2. Using the network for conducting personal business transactions.
3. Creating, transmitting or knowingly activating a computer virus.
4. Creating or distributing chain letters, personal advertising etc. to individuals or lists of individuals so as to cause a nuisance or congest the Council's network.
5. Using an account owned by another user who is authorised for Internet access to gain unauthorised access to the internet.
6. Allowing unauthorised users to access the internet or email using your login I.D.

7. Personal use of the network for obtaining illegally distributed or unlicensed software including Bit torrent downloads.
8. Sending or requesting messages or documents that are inconsistent with Council's policies.
9. Using the internet to access store or distribute pornographic, racist, sexist, inflammatory or otherwise offensive material.
10. Misrepresenting the Council or uses that are considered malicious or unethical.
11. Performing excessive, unauthorised downloads from the internet.
12. Uses that may violate any Federal or State laws such as copyright infringement.
13. Emails that interfere with the ability by others to conduct Council business.
14. Users will not reveal or publicise confidential material.

Rules for use of Email

1. Email should be treated with the same significance as Council signed letter.
2. User email, that provides evidence of Council's business activities, shall be registered, together with any attachments, in the corporate record keeping system.
3. Email is a business tool. Users must make sure that email is brief, concise and business related and is kept in the system only as long as required.
4. Email should not be assumed to be secure and viewing by third parties may occur. Users should be aware of potential risks involved in sending confidential or sensitive information.
5. .

User email signatures are controlled by Information Technology and are automatically created upon logging into a computer. Email signatures on mobile devices are created manually on a per device basis.

6. Users should not forward someone else's email, without prior consent of the original sender, if it is considered sensitive. Users that receive email incorrectly sent should inform the sender promptly and delete the email.
7. Email is admissible as evidence in court and users must use good judgement and think carefully about the contents.
8. Users should follow email etiquette. Keep the message polite and not write in upper case, as this is considered as "shouting". Only send information that is of value to the receiver and not make it High Priority unless it is truly urgent.
9. Email is subject to the full range of laws applying to other communications, including copyright, breach of confidence, defamation, privacy, contempt of court, harassment and criminal laws.
10. Users are to be conscious that attachments may contain viruses, which may affect the integrity of Council's computer network. Council has installed the necessary anti-virus software on the net to detect any viruses, but Users are to remain aware that new viruses may go

undetected. Accordingly, any suspicious emails received should not be opened and immediately reported to IT for the appropriate action to be taken.

11. Emails relating to business user where required need to be registered in the Corporate Records Management System

Rules for the use of Internet

1. Internet use will be for Council business purposes. Personal use of the Internet is acceptable but should be limited to break times and not contravene any point in "Unacceptable Usage"
2. Users will not upload, download or transmit commercial software or copyrighted materials, without the authority of the owner of the software or material.
3. Council reserves the right to implement internet filtering software to ban access to sites that are considered inappropriate.

Monitoring

Council reserves the right to monitor all internet access and email messages received by and contained within Council's computer system(s) and will do so to support:

- System maintenance
- System management
- Document management
- Investigation of illegal use or wrongdoing
- Council's policies
- Legal requirements
- Any other business purposes.

Monitoring shall be undertaken by the Information Technology. Any use deemed excessive or inappropriate will escalate to the person's Manager, Director or General Manager.

Information Technology or other users should report misuse to their Manager, Director or to the General Manager for appropriate action within Council's standard conditions of employment, HR guidelines and policies.

Any disciplinary action taken will be in accordance with the guidelines set out in Council's Performance Management, Code of Conduct and Disciplinary policy.

Ethics/Personal Use

The internet and email system has been developed to support Council's business function and enhance communication. The Council will allow reasonable personal use and users are encouraged to use good judgment and integrity when they do so.

Related Policies

Council Code of Conduct
Records Management

Legislative Context

Local Government Act 1993
Local Government (General) Regulations 2005
State Records Act 1998 No 17
State Records Regulations 2015
Privacy and Personal Information Protection Act 1998 (NSW)
Privacy and Personal Information Protection Regulation 2014
Government Information (Public Access) Act 2009 No 52
Government Information (Public Access) Regulation 2018
Workplace Surveillance Act 2005 No 47
Workplace Surveillance Regulation 2017

END

Adopted:	Date: 11/02/2002	Minute:636
Last Reviewed:	Date: 14/05/2007	Minute:07/094
Repealed:	Date: 12/11/2012	Minute:1211/014
Adopted:	Date: 08/12/2014	Minute: 1412/005
Last Reviewed:	Date: 20/05/2019	Minute: 1905/012
	XX/XX/2022	
Next Review:	Date: 17/03/2025	



Information Security Policy

Policy	8G
Officer Responsible	Manager Information Technology
Last Review Date	XX/XX/XX

Strategic Policy

PURPOSE

The Information Security Policy provides Blayney Shire Council (BSC) councillors and staff with direction and support and establishes a framework for IT security. The purpose of this Policy is to clearly articulate the information security behaviours and practices that BSC requires councillors and staff to comply with.

Information security is fundamental to the successful operations of Council. As the custodians of information that is politically, commercially or personally sensitive, BSC has a duty of care to protect information from accidental or malicious modification, unauthorised access, loss or release.

This Policy and supporting documents contain information relating to the responsibilities of all users to appropriately protect the information they use and manage as part of their daily roles.

This Policy is written in line with the Information Security Standard ISO/IEC 27001:2013

1. SCOPE

The requirements and expectations outlined in this Policy applies to:

- All BSC councillors, permanent full time, part time, trainee and temporary staff, graduates, contractors, consultants and vendors.
- Anybody authorised to access and make use of any Council's IT systems, networks and / or information
- All third-party suppliers and hosted/managed service providers.

2. POLICY STATEMENT

BSC is committed to ensuring the confidentiality, integrity and availability of the information held. The Information Security Policy articulates the standard Council must operate to, within a security context. Council's security strategy, security improvements register and Information Security Management System (ISMS) enable this standard to be achieved.

Council is committed to maintaining and improving an ISMS to meet our obligations to protect its information assets under international industry standards.

3. ISMS OBJECTIVES

1. **Executive engagement** - Executive management are engaged by, aware of and support information security
2. **Assess threats and vulnerabilities** – The identification and assessment of security threats and vulnerabilities to key assets is undertaken regularly and tracked over time;
3. **Manage Information Security Risks** - Develop and maintain effective security management processes to address identified risks;
4. **Learn from security incidents** - Record, analyse and investigate all reported security incidents and policy breaches to develop improvements to prevent their recurrence;
5. **Cyber vulnerability trend** – Continuous improvement of security of all externally facing systems through a risk-based vulnerability management program;

6. **Project engagement** - Ensure all projects engage Information security during the planning phase at a minimum;
7. **Awareness** - Deliver continual security awareness to staff;
8. **Procurement** – Purchasing decisions consider information security;
9. **ISMS Calendar** – An ISMS calendar is maintained which specifies when key actions must occur;
10. **Induction** – Newly hired staff complete an induction program that identifies their responsibilities for Information security and confidentiality; and
11. **Compliance** with legislative and regulatory obligations

1. POLICY

1.1 Risk Management Process

Risk management is an essential part of an effective approach to information security. The approach to risk management is documented within the Enterprise Risk Management Framework and Policy.

Staff must consider risk in all of their activities. Should staff identify a risk they should raise it with their manager or Manager IT or WHS and Risk Coordinator who will undertake an assessment and process it as per the Enterprise Risk Management Framework and Policy.

Risks are to be documented in the enterprise risk register.

1.2 Management commitment to information security

Background verification checks on all candidates for employment, contractors, and third party users must be carried out in accordance with relevant laws, regulations and proportional to the individual's proposed organisational role.

Newly recruited staff are required to complete an induction program that identifies their responsibilities for information security and confidentiality.

All staff are accountable and required to comply with the Information Security Policy and must ensure Council's facilities, information or information processes will not be knowingly exposed to unacceptable levels of risk.

BSC takes a top down approach to information security by which the most senior levels of the organisation contribute to, review and approve the Information Security Policy. Updates are communicated to all staff to ensure they act in accordance with the Policy. Staff awareness is maintained through appropriate training and communication.

The following Information Security group provides oversight on information security matters

- Audit, Risk and Improvement Committee - Oversight and management of risks and audits to ensure Council meets its responsibilities and to enhance its potential to achieve its vision, objectives and goals.

1.3 Allocation of information security responsibilities

Role	Responsibilities
Executive	<ul style="list-style-type: none"> • Assign overall responsibility for information asset protection and ownership; • Approves policies as appropriate • Ensures BSC develops, implements and maintains an effective information and cyber security plan • Determines BSC's tolerance for security risks using the approved whole-of-government Internal Audit and Risk Management Policy • Appropriately resources and supports BSC cyber security initiatives including training and awareness and continual improvement initiatives to support this policy • Ensures that staff are aware of and adequately comply with Information Security Policies
Manager Information Technology (MIT):	<ul style="list-style-type: none"> • Ensures that all staff, including consultants, contractors and outsourced service providers understand the cyber security requirements of their roles; • Ensures a secure-by-design approach for new initiatives and upgrades to existing systems to ensure compliance with the organisations cyber risk tolerance • Defines and implements a cyber security framework • Attends Audit, Risk and Improvement Committee meetings as an advisor when required • Implements policies, procedures, practices and tools to ensure compliance with this policy. • Establishes training and awareness programs to increase staff cyber security capability • Builds cyber incident response capability • Advises, coordinates and promotes security • Provides information security advice on new projects and initiatives; • Ensures compliance with government and regulatory information security related requirements • Produces technical security risk assessments and recommendations. • Assists to ensure that the risk framework is applied in assessing cyber security risks and setting of risk appetite. • Development of information security policies, procedures and controls • Management of information security incidents and investigations • Ensure that appropriate security, consistent with the policy, is implemented; • Determine access privileges based on roles and approval by relevant department managers/directors • Implement Multifactor authentication where possible

	<ul style="list-style-type: none"> • Implement security standard around Essential 8 • Ensure security breaches or near misses affecting their information assets are investigated; • Assist with business continuity plans and maintain IT disaster recovery plans; • Ensure that security requirements are incorporated into the design, operation and management of information systems • Detect and report on security violation attempts (review & monitoring); • Approve, reject, remove and review system privileges on a timely basis, to reflect user movements, absences, terminations and investigations; • Maintain a proactive approach to ensuring the security of the system for which they are responsible is kept at the highest possible security level. • Ensure that changes to system(s) are appropriately tested and change approval processes are followed • Appropriate escalation of security incidents, breaches, and weakness of which are notified • Manage, maintain and measure Information Security Policy standard and process compliance; • Operate / administer IT security and adhere to the IT Security Policy; • Identify and manage information security improvements. • Respond to security incidents • Maintain and manage vulnerability management and penetration testing programs. • Monitor system/security logs for evidence of unauthorised activity • Report potential, suspected and actual security breaches • The investigation of potential, suspected and actual security breaches
<p>Users: A User is any staff or other authorised person who uses information in the course of daily business activities.</p>	<ul style="list-style-type: none"> • Use and preserve assets' security by adhering to security policies; • Are aware of their responsibilities; • Comply with the requirements of these policies, standards and guidelines; • Report violations or suspected violations of these policies in a timely manner; • Maintain confidentiality of operating system and application passwords • Use information and information resources for responsible and authorised purposes. • Must not disclose information publicly or to unauthorised parties without the approval of a Director or General Manager. • Contract employees (staff) must sign a formal undertaking concerning the need to protect the confidentiality of the Department's information, both during and after contractual employment with the Department

1.4 Segregation of duties

Where practicable, approval and execution duties should be separated to prevent unauthorised access or misuse of information assets. Where this delineation is not controlled or the opportunity for collusion is high, audits and alerts should be implemented in order to monitor these scenarios.

1.5 Awareness

All staff and Councillors are required to participate in Cyber Security training. Management are responsible for ensuring that their staff complete all mandatory information security training.

From time to time, IT may send out security advisories. These advisories will be communicated to staff and Councillors who should remain aware of the information security changes, consider the advice provided and apply it where practical.

1.6 Identification of applicable legislation and contractual requirements

All applicable legal, statutory, contractual, or regulatory requirements must be documented and defined. Specific requirements and responsibilities for controls or other activities related to these legal regulations must then be delegated to the appropriate directorate.

2. RESPONSIBILITIES

2.1 Compliance, monitoring and review

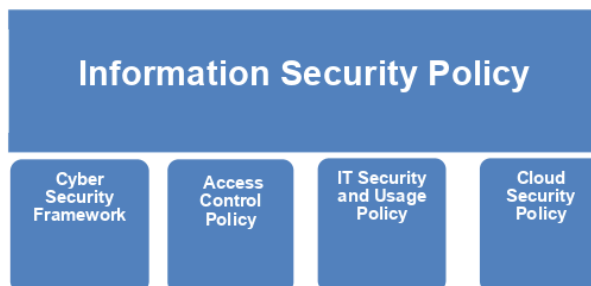
It is the responsibility of the Manager Information Technology to monitor and update this policy annually or more frequently when any significant new information, legislative or organisational change warrants amendments to this document.

Reviews shall incorporate:

- Assessment of opportunities for improvement of the approach to information security;
- Consideration of changes to the organisational environment, business circumstances, relevant laws, legal conditions, or technical environment;
- Changes in external and internal issues that are relevant to the ISMS;
- Results of risk assessments and status of risk treatments;
- Fulfilment of security objectives;
- Results of management reviews of information security;
- Results of independent review of information security;
- Results of security incidents.

3. RELATED LEGISLATION AND DOCUMENTS

This policy aligns with other policies as shown below:



This policy ensures compliance to the NSW Cyber Security Policy.

Compliance to the above supports the intentions of:

Commonwealth

- Electronic Transactions Act 1999
- Electronic Transactions Amendment Act 2011
- Copyright Act 1968
- Cybercrime Act 2001
- Telecommunications (Interception and Access) Act 1979
- SPAM Act 2003
- Privacy Act 1988
- Crimes Act 1914

NSW

- Crimes Act 1900
- Independent Commission Against Corruption Act 1988
- Privacy Amendment (Enhancing Privacy Protection) Act 2012
- Public Finance and Audit Act 1983
- Privacy and Personal Information Protection Act 1998.
- Health Records Information Privacy Act 2002.
- Government Information (Public Access) Act 2009 (NSW).
- State Records Act 1998 (NSW).
- Workplace Surveillance Act 2005

Adopted:	15/02/2021	2102/012
Last Reviewed:	XX/XX/2022	
Next Reviewed:	21/04/2025	



Mobile Device Usage Policy

Policy	7S
Officer Responsible	Manager Information Technology
Last Review Date	XX/XX/2022

Strategic Policy

Objective

Provide parameters for the use of corporate Mobile Devices used for access to Blayney Shire Council's corporate systems such as email/calendars, internet browsing and mobile applications used for Council related business.

Purpose

To provide Councillors and staff, referred hereon as "Users", with guidelines regarding the appropriate use of their Council supplied mobile device.

To provide users with mobile devices for use and to assist them in the performance of their duties.

To ensure that users are accessible, facilitate timeliness of responses to Council's customers and to enhance communications.

To facilitate the effective management and administration of costs of business calls relating to the Council's mobile device resources.

To encourage the standard for acceptable use of mobile device resources in the conduct of its business to safeguard users, protect Council assets and ensure compliance with appropriate legislation.

Definition

A "Mobile Device" for the purposes of this policy will be any device that is reliant on a carrier Mobile Network for the purpose of transmission of voice and/or data traffic. Mobile Devices include but shall not be limited to: Mobile Phones, Smart Phones, Laptops and Tablet devices.

Eligibility

A user will be eligible to have a mobile device if it is deemed necessary to their position, for example, if the employee's duties require them to spend time out of the office and/or to be contactable outside the normal hours of work. All mobile devices are provided at the discretion of the department director or General Manager or in the case of Councillors, the Payment of Expenses and Provision of Facilities policy. Any current employee who requires a replacement mobile device will need to fill in the Mobile Device Application Form on Council's Intranet and then forwarded to their manager and director for approval.

Use

While mobile devices are approved on the basis of business benefits and usage, reasonable personal use of devices is acceptable but users must adhere to the following usage terms:

- The conditions of the Email and Internet Policy must be adhered to.
- The conditions of the Blayney Shire Council's Code of Conduct policy must be adhered to.
- The private usage of devices during business hours must not interfere with the employee's work performance or detract from the employee doing their normal duties.

- Monthly usage details will be accessible to the Manager Information Technology (IT) and Chief Financial Officer for cost management: IT are entitled to query excessive usage costs for mobile devices.
- Loss or theft of the mobile device must be immediately reported to IT. A loan device (if available) will be issued until a permanent replacement is organized. An incident form must also be completed and given to the WHS and Risk Coordinator
- Information stored on the mobile device is not backed up by Council systems, it is the responsibility of the user to backup personal data and to ensure that Council information is stored on Council approved systems for security and backup. Council takes no responsibility for the loss of personal data.
- All mobile devices come data plan deemed appropriate for its usage plan .

Private Use

The approved user is permitted incidental private usage of the mobile device so long it does not incur extra charges in which case the bill will be reviewed and employee will be issued an invoice for reimbursement. This would most likely occur if personal overseas usage has occurred.

Council receives fully itemised records for all mobile devices. Council recognises the users' general rights of privacy, but Council reserves the right to monitor use of mobile devices where it is reasonably justified and/or there are legitimate reasons for doing so. Where Council has concerns, this matter will be referred to the relevant Director or General Manager.

Mobile Devices fitted with location tracking software and remote wipe/remote lock capability will be enabled. The disabling of such features by users may result in disciplinary action.

Hands Free Operation

The use of mobile devices, 'without hands free', whilst driving is unlawful and the incursion of any penalties and fines will be solely at the user's cost.

Responsibility of Users

Users accept full responsibility for using their Council mobile device in an honest, ethical, safe and legal manner and with regard to the rights and sensitivities of other people. Use must be in accordance with Council policies and all relevant federal and state legislation.

Staff are required to:

- Take good care of the mobile device
- Take all reasonable precautions to ensure that the device is not damaged, lost or stolen. Keep mobile devices clean, and in a serviceable condition to the best of their ability, and
- Report all irregularities or faults/damage of the mobile device immediately to the IT Department.

There are some standard procedures that the user should implement as part of their day-to-day operational use of the mobile device:

- Activate the keypad lock to avoid accidental use of the device
- Mobile devices must not be left in open view in unlocked or unattended vehicles.
- Damaged devices should be returned to the IT Department who will arrange for any repairs to be carried out.

Lost or Stolen Devices

-
- Any devices that is lost or stolen: Must be reported to the IT Department immediately after discovering the loss of the mobile device (business hours) or first thing the next business day if discovered after hours
- Will be remotely locked and wiped clean of all data if the device can be tracked.
- Must have an Incident Report completed and provided to WHS and Risk Coordinator

Subject to the circumstances in which the mobile device was lost or damaged, Council will be responsible for replacing the device unless carelessness on the part of the user can be shown as the cause of the loss or damage. In circumstances where it has been shown that the user's carelessness contributed to the loss or damage of the device then the user may be required to contribute to the replacement cost.

Installation of Applications on Mobile Devices

Council currently has accounts for mobile applications devices. IT currently holds the passwords for these accounts. If the user of mobile device requires an application to be installed on the device it must be undertaken by IT and be for business purposes. Justification must also be provided in an email to the IT Manager why the application is required. If the application will incur a cost, then this will be discussed with the user's Director.

Council staff are permitted to login to the Mobile devices with personal app accounts but Council will not be responsible for any charges incurred or if the device becomes faulty and needs to be reset or replaced.

Councillors have personal iTunes accounts linked to their Ipad and are responsible for the upkeep of those accounts. Council does not keep a record personal iTunes login details. Councillors will be provided with 1GB Data plan for their Ipad devices and \$50 iTunes credit for the duration of the council term.

Termination of Employment / Conclusion of Term

On termination of employment or conclusion of term of Council (resignation or where not re-elected), the user must return the mobile device to IT including any associated battery chargers or other accessories supplied by the Council for use with the mobile device.

The mobile device is to be issued to an employee where it is deemed necessary to their job position. When an employee subsequently changes job position within

Council, authorisation by the relevant Director must occur for the mobile device to remain with the employee. Approval will only be given in this circumstance where the use of the mobile device is deemed a necessary requirement of the employee's new job position. If approval is not given the mobile device is to be returned to IT.

Related Polices

Council Code of Conduct
Records Management

Legislative Context

Local Government Act 1993
Local Government (General) Regulations 2005
Workplace Surveillance Act 2005 No 47
Workplace Surveillance Regulation 2012

Adopted:	Date: 08/12/2014	Minute: 1412/006
Lasted Reviewed:	08/12/2014	Minute: 1412/006
	16/04/2018	Minute: 1804/010
	XX/XX/2022	
Next Reviewed:	17/03/2025	



Pathway Hierarchy, Standard and Maintenance Policy

Policy	25H
Officer Responsible	Manager Assets
Last Review Date	XX/XX/2022

Strategic Policy

OBJECTIVES

To ensure that pathways are maintained in compliance with relevant legislative requirements.

To ensure new pathways, or major renewal works consider current access standards, and meet them wherever practicable.

To ensure that the maintenance of pathways is undertaken within the financial constraints and competing interests placed on Council, and in accordance with the limit of funds available as determined in Council's Strategic Plans and Long Term Financial Plan.

To provide clear information on the level of service that Council will provide to maintain pathways defined within the pathway hierarchy.

To establish procedures that provide a simple, systematic and readily usable risk management approach to the maintenance of pathways to minimise potential hazards to pathway users resulting in public liability claims or injuries.

Other objectives consistent with this policy include:

- Supporting movement and place initiatives.
- Treating ratepayers equitably in the allocation of new capital projects and maintenance services.
- Management of road opening permits (for pathway assets).
- Minimising any environmental impacts of pathway construction, or maintenance.

DEFINITIONS

"pathway" a footpath, shared path, or cycleway surfaced with concrete, asphaltic concrete, bitumen seal or pavers, that are:

- Adjacent to the road network,
- Within Blayney Shire Council parks and recreational areas, or
- Within or adjacent to Blayney Shire Council community facilities

"footpath" a formed (1.5m min. width) path set aside for pedestrian traffic. Some older paths may be narrower than 1.5m in width.

"footway" an unobstructed strip (1.5m min. width) along the verge set aside for pedestrian access which has not been formed. Its width is dependent on whether a footpath, bicycle path or shared path is proposed for the street and it generally begins 1.2m from the back of the kerb or edge of carriageway.

"cycleway" a path or road for the exclusive use of cyclists, or cyclists and pedestrians.

"shared path" A formed mixed use (2.5m min. width) path set aside for pedestrian and bicycle access.

"verge" the area between the property boundary and the kerb (or edge of the roadway).

"other pathway assets" covered in this policy, include:

- bridges on pathways.
- kerb / pram ramps.
- tactile indicators and line markings on pathways, and
- barriers, bollards and railings installed on pathways.

SCOPE

The Policy outlines Council's level of service for pathway maintenance activities and details procedures for the management of the pathway network and related infrastructure. In particular, the Policy covers the following areas:

- Pathway hierarchy,
- Pathway renewal and maintenance,
- Construction standards, and
- Selection of new Capital Works

The Policy does not apply to turfed, gravel surfaced or unformed footpaths, boardwalks, walkways or walking trails.

PATHWAY HIERARCHY

Council uses a 3 level hierarchy based on the level and nature of usage of the pathway network within each urban area. The hierarchy is used to determine the inspection frequency and the response time for identified defects. Inspections are used to determine the overall condition of a pathway segment (generally from block to block, or where there is a change in width or material) and also identify individual defects.

The three Hierarchy categories are:

Pathway Hierarchy	Pedestrian Usage	Inspection Frequency	Description
1	High	6 Monthly	Around shopping centres, community facilities and transport nodes (including railway stations)
2	Medium	6 Monthly	Around schools, child care facilities, nursing homes and aged care facilities
3	Low	Annually	General local residential streets

Construction and Renewal Standards:

Wherever practicable, subject to physical and budgetary constraints Council applies the following standards to the construction of new pathways and the renewal of significant sections of existing pathways.

The target New / Renewal Standards are:

Pathway Type	Pathway Width (m)	Grade (Steepness) ¹	Cross fall (Slope)
Shared Path	2.5	5%	2.5%
Footpath	1.5		
Paved	As required		
Kerb / Pram Ramp	As per pathway	12.5% ²	As per road grade

¹ This is only a target, as a grade of 5% or less on pathways within the Blayney Shire is rarely achievable.

² For a maximum length of 1520mm.

Renewal works generally relate to the replacement of significant lengths of an existing pathway, or the replacement of an entire segment. Renewals are generally identified from the condition of the entire segment, based on a 1 (excellent – normal maintenance only) to 5 (very poor – requires major repair / replacement) scale.

Replacement, upgrading, or construction of 'missing' pram / kerb ramps are also considered within the Renewals program.

Construction of additions to the pathway network are detailed in Council's Delivery Program and Long Term Financial Plan. These are informed by:

- The Blayney Shire Council *Active Movement Strategy, 2016*.
- The Blayney Shire Council *Town and Village Community Plans*, and
- Developments resulting in changed usage patterns, such as a new Child Care facility.

In some instances the construction of new pathways can be made possible, as a result of Council successfully applying for grant funding from the Australian or NSW governments. In most instances this will involve 'bringing forward' projects that have already been identified in existing Council plans, particularly the Active Movement Strategy / Long Term Financial Plan.

MAINTENANCE ACTIVITIES

In order to prioritise maintenance activities on the pathway network, Council has adopted a Response Priority Matrix, which has been developed in line with Council's Enterprise Risk Management Policy and Plan and the Statewide Mutual Best Practice Manual. The Response Priority Matrix uses a similar approach to a risk matrix, but in this instance only refers to the priority that Council assigns to the response to an identified maintenance defect.

The actual response time will be determined by the severity of the defect, the hierarchy of the pathway, and the availability of resources. A response may range from spraying with paint to highlight the issue, to replacement of a section of pathway. Multiple defects within a section of pathway would be managed through the renewals program.

For maintenance activities the Priority Response Matrix is shown in Table 1 below:

Table 1: Priority Response Matrix

Defect Severity	High	High	Medium	Medium
		Medium	Medium	Low
	Low	Low	Low	Low
		Hierarchy 1		Hierarchy 3
		Pathway Hierarchy		

The level and nature of usage (the hierarchy), combined with the severity determine the response time for addressing any defects. The types and severity of defects are shown in Table 2 below:

Table 2: Severity Response Matrix

Defect Type	Severity Measure	Hierarchy – Response Priority		
		1	2	3
Trip	>30mm	H	M	M
	20–30mm	M	M	L
	<20mm	L	L	L
Crack	>20mm	M	M	L
	10-20mm	L	L	L
	<10mm	L	L	L
Heaved Joint	>30mm	H	M	M
	20–30mm	M	M	L
	<20mm	L	L	L
Slipperiness	Severe	H	M	M
	Moderate	M	M	L
	Minor	M	M	L
Vegetation Encroachment	>50%	H	M	M
	25-50%	M	M	L
	<25%	L	L	L
Edge Drop-off	>50mm	H	M	M
	25-50mm	M	M	L
	<25mm	L	L	L
Utilities	Lid failed	M	M	M
	Lid missing	H	H	H

Response times, as determined by the Response Priority Matrix are set out in Table 3 below:

Table 3: Priority Response Times

Priority Response Rating	Council Response Timing
H	Repair within 24hours, or make safe within 24 hours and program repairs.
M	Program repair works and monitor through regular inspection program.
L	Monitor through regular inspection program.

Identification of maintenance issues is predominantly through regular inspections (6 monthly for Hierarchy 1 and 2 and annually for Hierarchy 3) by Council's Asset staff, although they can also be identified by:

- Customer Requests System which is reported to the Council's Risk Officer and Assets Officer. An assessment of the defect is undertaken and action is prioritised under the Defect Priority Response Matrix.
- Service requests from staff, which are reported through Supervisors to Assets staff and treated as per a Customer Request from the public, and
- Road Opening Permits are required to be submitted to Council by public utility authorities and trades people. The application requires details on how pedestrians will be managed during the works, through to details on the permanent restoration works.

RELATED DOCUMENTS:

There a number of Council and Guideline documents that impact on Council's role in constructing, renewing, and maintaining pathways, which include, but are not limited to the following:

- *Statewide Mutual Best. Practice Manual – Footpaths (Nature Strips, Medians and Shared Paths)* Version 6, August 2019.
- Australian Standard, *AS1428 – Design for Access and Mobility*.
- Institute of Public Works Engineering Australasia (IPWEA), NSW, Roads & Transport Directorate, *Guide for the Design of Accessible Outdoor Spaces, 2018*.
- *Blayney Shire Council, Community Strategic Plan*.
- AssetFinda Asset register of footpath, shared path and cycleways.
- *Blayney Shire Council, Long Term Financial Plan* (various years).
- *Blayney Shire Council, Delivery Plan* (various Years).
- *Blayney Cabonne Orange Disability Inclusion Plan*.
- *Blayney Shire Council, Active Movement Strategy, and*
- *Various Town and Village Community Plans*.

LEGISLATIVE AND POLICY LINKS

This Policy complies with various provisions of the Civil Liability Act 2002 [NSW] including sections 42, 43 and 45 by ensuring resources allocated to an asset and its maintenance are utilised to meet Council's commitments and in accordance with other relevant Legislation and associated Regulations.

These include, but are not limited to:

- NSW Roads Act 1993,
- Local Government Act 1993,
- Disability Inclusion Act 2014,
- Environmental Planning and Assessment Act 1979,
- Crown Lands Act 1989,
- Civil Liability Act 2002,
- Blayney Shire Council Enterprise Risk Management Policy and Plan,
- Blayney Shire Council Complaints Management Policy,
- Blayney Shire Council Legislative Compliance Policy,
- Blayney Shire Council Work Health and Safety Policy, and
- Blayney Shire Council Asset Management Policy.

IMPLEMENTATION

Appeals to the Policy or its application can only be made by submission to a Council meeting.

End of Policy

	Date	Minute
Adopted:	26/06/2021	2106/011
	XX/XX/2022	
Next Review:	16/06/2025	



Road Hierarchy, Renewal and Maintenance Policy

Policy	25G
Officer Responsible	Director Infrastructure Services
Last Review Date	XX/XX/XX

Strategic Policy

OBJECTIVES

To ensure that roads are maintained in compliance with relevant legislative requirements.

To ensure that local and regional road maintenance is undertaken within the financial constraints and competing interests placed on Council, and in accordance with the limit of funds available as determined in Council's Transportation Asset Management Plan and Long Term Financial Plan.

To provide clear information on the level of service that Council will provide to maintain roads defined within the Road Hierarchy, and the physical point at which Council ceases to maintain roads.

To establish procedures that provide a simple, systematic and readily usable risk management approach to the maintenance of public roads to minimise potential hazards to road users resulting in public liability claims or injuries.

DEFINITIONS

"Crown Road" means a public road that is declared to be a crown road for the purposes of the Roads Act 1993.

"Public road" means:

- a) any road that is opened or dedicated as a public road, whether under the Roads Act 1993 or any other Act or law,
- b) any road that is declared to be a public road for the purposes of the Roads Act 1993, and
- c) any road that complies with Clause 701 of the Local Government Act, 1993.

"Regional roads" are roads defined by the state as performing a function between that of State road and a local road and provide for travel between smaller towns and districts and perform a sub-arterial function within major urban centres. They receive part funding by the State Government.

"road" includes:

- a) the airspace above the surface of the road, and
- b) the soil beneath the surface of the road, and
- c) any bridge, tunnel, causeway, road-ferry, ford or other work or structure forming part of the road.

"carry out road work" includes carry out any activity in connection with the construction, erection, installation, maintenance, repair, removal or replacement of a road work.

"Asset Register" refers to Council's financial register of all fixed assets, including all road related infrastructure.

SCOPE

The Policy outlines Council's level of service for road renewal and maintenance activities and details procedures for the management of the road network, road related infrastructure and activities. In particular, the Policy covers the following areas:

- Road hierarchy,
- Renewal standards,
- Road maintenance and maintenance limits, and
- Acceptance of roads to the financial Road Asset Register.

Other objectives consistent with this policy include:

- Advocating for and facilitating the maintenance and improvement of roads and related infrastructure that are the responsibility of NSW Government agencies,
- Providing access throughout the Shire to facilitate the provision of assistance in times of emergency,
- Protecting and maintaining roadside vegetation and the control of non-native species, particularly noxious weeds in accordance with Blayney Shire Council's Roadside Vegetation Management Plan,
- Minimising any adverse environmental impacts of roads,
- Contribute to effective fire control,
- Providing for the grazing of livestock on rural roads in accordance with the Local Land Services Act 2013 and Roads Act 1993, and
- Treat ratepayers equitably in the allocation of maintenance services.

Road Hierarchy:

Council uses a 6 level road hierarchy based on the Local Government Functional Road Classification (Institute of Public Works Engineering Australasia), which determines the road class based on:

- Regional Road classification,
- Function within the road network,
- Typical traffic volumes,
- Number of heavy vehicles,
- School bus routes, and
- Level of connectivity it provides.

The road classes are shown in Table 1 below.

Renewal Standards:

Council has a set of target renewal standards for each road class. These apply to sealed roads, as it is unlikely Council will renew an unsealed road, other than through the maintenance program.

Table 1:

Road Hierarchy – Target Renewal Standards						
Class	Description	Road Seal Standard			Line Marking	
		Seal Width (m)	Lane Width (m)	Shoulder Width (m)	Centre Line	Fog Line
1	Main Arterial	9.0	3.5	1.0	Yes	Yes
2	Shire Arterial	8.0	3.5	0.5	Yes	Yes
3	Main Collector	7.5	3.25	0.5	Yes	As Req.
4	Collector	7.0	3.0	0.5	As Req.	No
5	Access	6.0	3.0	None	No	No
6	Road Reserve / No dwelling access	No Renewal Standard				

Renewal frequency:

The time intervals for renewal works on sealed roads are based on the life for which each road component is designed and within the limits of Council's finances, as set out in the Transportation Asset Management Plan and Long Term Financial Plan. These targets are indicative, as the need for any renewal works will be assessed based on the condition of the road component on a rolling (approximately) 3-year basis. Unsealed roads are included in the maintenance standards.

Table 2:

Road Hierarchy – Sealed Road Target Renewal Frequency						
Class	Top Surface (Years)			Pavement Base Layer (Years)	Pavement Sub Base Layer (Years)	Formation / Earthworks (Years)
	Spray Seal	Asphalt	Concrete			
1	13	20	80	40	150	Infinite
2	13	25	80	40	150	Infinite
3	15	25	80	45	150	Infinite
4	20	NA	100	60	150	Infinite
5	25	NA	100	75	150	Infinite
6	NA					

Other road assets, including Bridges, Culverts, Urban Stormwater and Kerb and Gutter have varying renewal frequencies and are considered on a case-by-case basis, based on condition, function or capacity. These asset sub classes will be covered in other policies.

Maintenance Activities:

In order to prioritise maintenance activities on the Sealed and Unsealed road network, Council has adopted a Response Priority Matrix, which has been developed in line with Councils Enterprise Risk Management Policy and Plan.

The Response Priority Matrix uses a similar approach to a risk matrix, but in this instance only refers to the priority with which Council assigns to the response to an identified maintenance defect.

The actual response time will be determined by the severity of the defect, the hierarchy of the road, and the availability of resources. A response may range from placement of temporary signage to major repairs.

A major failure of road infrastructure is individually assessed and is treated in accordance with the Risk Rating Matrix within Council’s Enterprise Risk Management Policy and Plan framework. This would illicit an individually prioritised response and would not be managed as a maintenance activity.

For maintenance activities the Priority Response Matrix is shown in Figure 1 below

Figure 1: Priority Response Matrix

Defect Severity	High	Very High	Very High	High	Medium
		Very High	High	Medium	Medium
		High	Medium	Medium	Low
	Low	Medium	Medium	Low	Low
		Class 1			Class 5
		Road Hierarchy / Traffic Volume			

Sealed Road Maintenance:

For the purposes of this Policy, Council accepts the maintenance for the full length of all existing sealed public roads included in its asset register. This does not include that portion of a sealed road that leaves the road reserve, and terminates within private property.

Sealed roads are formally condition assessed on a rolling 3-year (approximately) basis utilising electronic / laser measurement of rutting and cracking. The survey generates a Seal and Pavement condition rating, which is used to develop the ongoing resealing, pavement rehabilitation and heavy patching programs.

In addition to these assessments, Council staff undertake ongoing assessments of the sealed road network and prioritise repairs and maintenance on an as needs basis. Following a customer request, relevant staff will assess any defects and allocate a priority in line with Council's Priority Response Matrix (Figure 1).

Table 3:

Maintenance standards for Sealed Roads			
Class	Inspection Program	Maintenance Intervention Level	Response Priority¹
1	3 Yearly, Staff informal, Customer Request	Surface defect (Pothole)	H
		Edge drop (>150mm depth)	VH
		Delineation (Guide Posts, Linemarking)	M
		Pavement Failure (Shoves >100mm)	VH
		Visibility encroachment (Vegetation)	M
2		Surface defect (Pothole)	H
		Edge drop (>150mm depth)	VH
		Delineation (Guide Posts, Linemarking)	L
		Pavement Failure (Shoves >100mm)	VH
		Visibility encroachment (Vegetation)	M
3		Surface defect (Pothole)	M
		Edge drop (>150mm depth)	H
		Delineation (Guide Posts, Linemarking)	M
		Pavement Failure (Shoves >100mm)	H
		Visibility encroachment (Vegetation)	M
4		Surface defect (Pothole)	M
		Edge drop (>150mm depth)	M
		Delineation (Guide Posts, Linemarking)	L
		Pavement Failure (Shoves >100mm)	H
		Visibility encroachment (Vegetation)	L
5	Surface defect (Pothole)	L	
	Edge drop (>150mm depth)	M	
	Delineation (Guide Posts, Linemarking)	L	
	Pavement Failure (Shoves >100mm)	L	
	Visibility encroachment (Vegetation)	L	

Maintenance standards for Sealed Roads			
Class	Inspection Program	Maintenance Intervention Level	Response Priority ¹
6	NA	Council will not maintain these roads	

¹ Defect response priority is determined with reference to Council's Enterprise Risk Management Policy and Plan.

Unsealed Road Maintenance:

For unsealed roads, it is recognised that condition varies greatly due to traffic type and usage, topography, available construction and maintenance materials and can vary greatly along the length of a road. Over the full road length, various homogenous segments will generally remain in a good level of service with other sections tending to be in a poorer state.

Council undertakes regular inspections of its unsealed road network, as detailed in the Table 4 below. Unsealed roads are assessed for their drivability, profile (shape) and percentage of gravel remaining. Other defects in the road are also recorded and considered in developing an actual response.

Response priorities are determined with reference to Council's Risk Management Policy and Plan.

An Unsealed Class 5 road can be further divided into category A and B segments. Class 5A segments of a road are defined as the road to the point of the second last lawfully continuously occupied residence. Class 5B segments are from the second last to the last lawfully continuously occupied dwelling access, or other facility approved by Council. Council will not maintain roads beyond the last lawfully continuously occupied dwelling access, or other facility approved by Council.

Class 5B segments will be inspected as Class 5 roads as detailed in the Table 4 below. Required maintenance will be determined and programmed following each inspection, will generally be minimal in nature, but sufficient to ensure the road is trafficable. They are not included on a scheduled grading program. These roads / road segments will be maintained on an as needs basis and as Council funding permits.

Council will not maintain Class 6 roads at Council expense and they are not included in Council's Financial Assistance Grant (FAG) calculations or Council's asset register. They include, but are not limited to Crown or Council Road Reserves with no formed road; evidence of vehicular tracks; or evidence of previously formed road structure.

Where a property owner has placed a gate or other barrier over a road on a Crown Road Reserve, Council will deem the road beyond the gate / barrier to be a Class 6 road and will not undertake any inspection or maintenance of that road segment. Where this occurs on a Council owned Road Reserve, Council will require the removal of the gate / barrier at the property owner's

expense, or will consider selling that segment of the road to the property owner.

Council will consider 'closing' and selling or leasing roads to property owners who wish to maintain a road segment at a higher standard than Council is able to maintain within its budgetary constraints.

Table 4:

Maintenance standards for Unsealed Roads			
Class	Inspection Program	Maintenance Intervention Level	Response Priority¹
1	3 monthly, Customer Request	Surface defect (Roughness)	VH
		Edge drop (>150mm depth)	M
		Delineation (Guide Posts, Signs)	L
		Pavement Failure (Rutting, Bogs)	VH
		Visibility encroachment (Vegetation)	L
		Scours (Washout in travelled area)	H
2	N.A	N.A (There are no Class 2 Unsealed Roads)	NA
3	6 monthly, Customer Request	Surface defect (Roughness)	H
		Edge drop (>150mm depth)	M
		Delineation (Guide Posts, Signs)	L
		Pavement Failure (Rutting, Bogs)	H
		Visibility encroachment (Vegetation)	L
		Scours (Washout in travelled area)	M
4	12 monthly, Customer Request	Surface defect (Roughness)	L
		Edge drop (>150mm depth)	H
		Delineation (Guide Posts, Signs)	L
		Pavement Failure (Rutting, Bogs)	M
		Visibility encroachment (Vegetation)	L
		Scours (Washout in travelled area)	M
5A	12 monthly, Customer Request	Surface defect (Roughness)	L
		Edge drop (>150mm depth)	M
		Delineation (Guide Posts, Signs)	L
		Pavement Failure (Rutting, Bogs)	M

Maintenance standards for Unsealed Roads			
Class	Inspection Program	Maintenance Intervention Level	Response Priority ¹
		Visibility encroachment (Vegetation)	L
		Scours (Washout in travelled area)	M
5B		When access not possible	H
6	NA	Council does not maintain these roads	

¹ Defect response priority is determined with reference to Council's Risk Management Policy and Plan.

Acceptance of Roads onto the Road Asset Register:

The asset register has been determined by assessing and measuring all current roads maintained by Council. These include roads that have been constructed by Council or by another party to Council standards and formally handed to and accepted by Council.

They are stored in Council's Asset Management System, which also contains information on some roads that are not maintained by Council. These roads are not included in Council's Financial Assistance Grant (FAG) calculations or included in Council's asset register.

For Council to accept any additional road on to the asset register, the road must meet all of the criteria outlined below:

1. The subject road will be the sole means of access to at least one lawful continuously occupied residence with an approved dwelling consent, or other facility approved by Council. If a residence is able to obtain access from another maintained road, the road may not be included.
2. The road shall be constructed at no cost to Council to the required standard as determined from Council's 'Guidelines for Engineering Works'.
3. The maximum length accepted shall be the distance to the access point of the last lawful continuously occupied residence(s) with a lawful dwelling consent, or other facility approved by Council.
4. The constructed road shall be wholly located within the designated road reserve. Where this is not practical, it may be acceptable to realign the road reserve, with all costs to be met by the applicant.
5. There shall be no timber bridges located on the subject road and any culvert or bridge structures shall comply with the relevant Australian Standards and any provisions within Council's 'Guidelines for Engineering Works'.
6. Where Council accepts the transfer of a Crown Road it shall approach the State Government to have the road reclassified as a public road over the nominated length. If the road is accepted for inclusion to the asset register, all costs for reclassification are to be met by the applicant.

Additions to the asset register will only be considered on a written request to Council or lodgement of a Development Application. In determining a written request or an application, Council will consider the above criteria, Council's financial position, the maintainability of the road including the gradient and the additional road length.

Where Council accepts additional lengths of road in association with a Development Application for a dwelling-house or dwelling envelope the road transfer and construction will be required prior to the release of the subdivision / occupation certificate.

LEGISLATIVE AND POLICY LINKS

This Policy complies with various provisions of the Civil Liability Act 2002 [NSW] including sections 42, 43 and 45 by ensuring resources allocated to an asset and its maintenance are utilised to meet Council's commitments and in accordance with other relevant Legislation and associated Regulations.

These include, but are not limited to:

- NSW Roads Act, 1993,
- Local Government Act 1993,
- Disability Inclusion Act 2014,
- Environmental Planning and Assessment Act 1979,
- Civil Liability Act 2002,
- Blayney Shire Council Enterprise Risk Management Policy and Plan,
- Blayney Shire Council Complaints Management Policy,
- Blayney Shire Council Legislative Compliance Policy,
- Blayney Shire Council Work Health and Safety Policy,
- Blayney Shire Council Asset Management Policy,
- Blayney Shire Council Road and Bridge Naming Policy.

IMPLEMENTATION

Appeals to the Policy or its application can only be made by submission to a Council meeting.

End of Policy

	Date	Minute
Adopted:	20/04/2020	2004/012
	XX/XX/2022	
Next Review:	20/05/2025	



Voluntary Planning Agreements

Policy	18D
Officer Responsible	Director Planning and Environmental Services
Last Review Date	XX/XX/2022

Strategic Policy

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1. Purpose

A planning agreement is a voluntary agreement or other arrangement between a planning authority and a developer, who has:

- sought a change to an environmental planning instrument; or
- made or proposes to make a development application or application for a complying development certificate,

under which the developer is required to:

- dedicate land free of cost;
- pay a monetary contribution;
- provide any other material benefit; or
- provide any combination of the above,

to be used for or applied towards a public purpose.

The purpose of this Policy is to provide a clear framework and sound governance for the negotiation and management of planning agreements in the Blayney local government area.

This Policy applies where a proponent voluntarily proposes a planning agreement referred to under section 7.4 of the Environmental Planning and Assessment Act, 1979.

2. Objectives

The objectives of the Policy are:

- To establish a clear, open, transparent and accountable framework to govern the negotiation, use, management and implementation of planning agreements by Council;
- To ensure that the framework is soundly based upon probity and enables efficient, fair, transparent and accountable negotiations and implementation;
- To promote public trust and confidence in the processes of negotiation, execution and implementation of planning agreements;
- To ensure that Council, Council officers and proponents understand their roles and responsibilities when negotiating, assessing and implementing planning agreements;
- To provide planning flexibility for Council to negotiate fair, reasonable and equitable development contributions by proponents of planning proposals and development applications
- To enhance the range and extent of development contributions towards the optimal delivery of public infrastructure services and facilities in the Council area; and
- To enable innovative approaches to the delivery of public infrastructure, services and facilities.

3. Definitions

In this Policy the following definitions are used:

Act means the Environmental Planning and Assessment Act (as amended) 1979;

Consent - The Development Consent that has initiated the Application;

Council means Blayney Shire Council;

Development application (DA) has the same meaning as in the Environmental Planning and Assessment Act 1979;

Development contribution means the kind of provision made by a developer under a planning agreement being a monetary contribution, the dedication of land free of cost or the provision of a material public benefit, or any combinations of the above;

Explanatory Note means a written statement that provides details of the objectives, nature, effects and merits of a planning agreement or an amendment to, or revocation of, a planning agreement;

Instrument Change means a change to an Environmental Planning Instrument to facilitate development which is the subject of a Planning Agreement;

Material Public Benefits (MPB) - consist of some physical (material) component, other than land dedication or monetary contribution, in settlement of the contributions levied upon the development consent, but does not include works nominated in a contribution plan's Work Schedule or planning agreement;

Planning benefit means a development contribution that confers a net public benefit – that is, a benefit that exceeds the benefit derived from measures that would address the impacts of particular development on surrounding land or the wider community;

Proponent means a person who has sought a change to an Environmental Planning Instrument through the lodgement of a Planning Proposal or who has submitted or proposes to lodge a development application – or, by formal agreement, is a representative of an applicant for such changes;

Public facilities mean public infrastructure, facilities, amenities and services;

Plan - The applicable Section 7.11 contribution plan;

Planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution;

Planning Proposal means a proposed change to the Blayney Local Environmental Plan 2012 – a change to an Environmental Planning Instrument - to enable a development subject of an application to be made permissible and to carry out the development subject of the development application and planning agreement;

Practice Note means the practice notes on development contributions published by the Department of Infrastructure, Planning and Natural Resources on 19 July 2005; Revised Local Development Contributions Practice Note published by Department of Planning and Infrastructure in 2014; and Draft Practice Note on Planning Agreements published in November 2016 by NSW Planning and Environment.

Public includes a section of the public;

Public benefit means the benefit enjoyed by the public as a consequence of development contribution;

Public Purpose includes:

- Provision of, including recoupment of, the cost of public amenities or public services;
- Transport or other infrastructure relating to land;
- Funding of recurrent expenditure relating to the provision of public amenities of public services, transport or other infrastructure;
- Monitoring of the planning impacts of development; and
- Conservation or enhancement of the natural environment;

Regulation means the Environmental Planning and Assessment Regulation 2021;

Surplus value means the value of the developers' provision under a planning agreement more than the sum of the value of public works required to be carried out by the developer under a condition imposed under section 4.17(1) of the Act and the value of development contributions that are or could have been required to be made under section 7.11 or section 7.12 of the Act in respect of the development subject of the Agreement.

Works In Kind (WIK) - is the undertaking of work, or the provision of amenities, services or facilities, or the dedication of land as nominated in the Plan's Work Schedule and includes reference to Contribution Offsets;

WIK Agreement - A formal agreement that must be entered into with Council following Council approval of an Application under this policy;

4. Policy Statement

Council is committed to the equitable and transparent approach to the negotiation, development and management of planning agreements to facilitate the delivery of public infrastructure to meet the needs of the community.

5. Principles

5.1 Guiding Principles

The Council's use of planning agreements will be governed by the following guiding principles:

- Development consent cannot be refused because a planning agreement has not been entered into or the proponent has not offered to enter into one;
- A condition of development consent can only require a planning agreement to be entered into by a proponent strictly in accordance with an offer made by the proponent;
- Planning agreements will not be used to fetter the development assessment process;
- Planning agreements will not improperly fetter the exercise of discretion and the functions of Council under the Act, Regulation or any other Act or law;
- Council will use planning agreements only for a proper planning purpose and a purpose which stands the tests of fairness, reasonableness and equity;
- The interests of individuals or interest groups will not outweigh the public interest when considering, negotiating and finalising a planning agreement;
- Council will not use its statutory position to gain unreasonable public benefits from proponents when considering, negotiating, finalising, executing and implementing planning agreements;
- Council will take appropriate steps to ensure that it avoids any conflict of interest between its role as a planning authority when it has a commercial interest in the outcomes of a planning agreement;
- Council will ensure that planning agreements are based upon sound, reasonable and accountable financial management;
- Council will ensure that all processes and content of a planning agreement are transparent and soundly based upon probity;
- Negotiation of a planning agreement is to be entered into in good faith by all parties; and

The planning agreement reflects the priorities of the community as identified in Council's Community Strategic Plan

5.2 Acceptability Test

Practice Notes issued by the State government sets out an Acceptability Test for assessing whether planning obligations are appropriate under a planning agreement. The Acceptability Test ensures planning agreements:

- Are directed towards proper or legitimate planning purposes, ordinarily ascertainable from the statutory planning controls and other adopted planning policies applying to development;
- Provide for the delivery of infrastructure or public benefits not wholly unrelated to the development.;

- Produce outcomes that meet the general values and expectations of the public and protect the overall public interest;
- Provide for a reasonable means of achieving the desired outcomes and securing the benefits; and
- Protect the community against adverse planning decisions.

5.3 Circumstances in which Council will consider the Negotiation of a Planning Agreement

Council at its complete discretion may consider the negotiation of a planning agreement with a proponent who has voluntarily offered to enter into such an agreement in association with a planning proposal or development application. A planning agreement may be considered for such purposes as to:

- Compensate for the loss of, or damage to, public infrastructure, facilities, amenities, services, resources or environmental assets caused by the proposed development through replacement, substitution, repair or regeneration;
- Meet the demands created by the development for new public infrastructure, amenities and services or when, in Council's opinion an environmental offset represents a planning and public benefit;
- Address deficiencies in existing provision of public infrastructure, amenities, services and facilities which have a connection with the planning proposal / development application. There should also be a clear rationale and public benefit to take this approach;
- Achieve recurrent funding in respect of public infrastructure, amenities, services and / or facilities and for on-going maintenance of land of environmental significance which is to be conserved;
- Prescribe inclusions in the development that meet specific planning and environmental objectives of the Council;
- Clearly secure public benefits for the wider community;
- Enable items in the work schedules of Council's contributions plans to be brought forward and/or when deficiencies and/or omissions in Council's existing Development Contributions Plans can be addressed;
- Not involve any unreasonable financial liabilities for the Council.

5.4 Application of Clause 4.6 Blayney Local Environmental Plan 2012

In relation to submissions seeking to vary development standards in accordance with Clause 4.6 of Blayney Local Environmental Plan 2012, Council will not accept a provision in a planning agreement to justify a variation from applicable development standards in relation to development unless the Council is of the opinion that the subject matter of the proposed planning agreement properly addresses the matters required to be addressed under that Policy in relation to the dispensation sought and there is a resulting urban design or other outcome which leads to improved planning and public benefit.

6. Requirements of a Planning Agreement

6.1 Mandatory Requirements

The mandatory requirements of a planning agreement are prescribed under section 7.4(3) of the Act. All planning agreements must include:

- A description of the land to which the agreement applies.
- A description of:
 - the change to the environmental planning instrument to which the agreement applies; or
 - the development to which the agreement applies.
- The nature and extent of the provisions to be made by the proponent under the agreement, the time or times by which the provision is to be made and the manner by which the provision is to be made.
- In the case of proposed development / planning proposal whether the agreement excludes (wholly or in part) or does not exclude the application of section 7.11, 7.12 or 7.24 of the Act to the development;
- If the agreement does not exclude the application of section 7.11 to the development, whether benefits under the agreement are or are not to be taken into consideration in determining a development contribution under section 7.11.
- A mechanism for the resolution of disputes under the agreement.
- The enforcement of the agreement by a suitable means, such as the provision of a bond or guarantee, in the event of a breach of the agreement by the proponent.

Clause 205(1) of the Regulation provides that an explanatory note must accompany a planning agreement that:

- Summarises the objectives, nature and effect of the proposed agreement, amendment or revocation; and
- Contains an assessment of the merits of the proposed agreement, amendment or revocation, including the impact (positive or negative) on the public or any relevant section of the public.

The Act does not preclude a planning agreement containing other provisions that may be necessary or desirable in particular cases, except as provided by law.

6.2 Contents of a Planning Agreement

6.2.1 Cost and Value Estimations

Council will provide standard and consistent values and costs for capital and recurrent aspects of planning agreements as much as possible.

Council may require the proponent to fund an independent Quantity Surveyor to provide cost estimates to form the basis of planning agreement costs for

capital and recurrent items. Council may use its own values or engage qualified independent persons to determine values.

Where the benefit under a planning agreement is the provision of land for a public purpose, the Council will require a valuation at the proponent's cost and seek to value the benefit on the basis of the estimated amount of compensation to which the proponent would be entitled under the Land Acquisition (Just Terms Compensation) Act 1991 upon the compulsory acquisition of the land.

6.2.2 Recurrent Costs

Council may request proponents, through a planning agreement, to make contributions towards the recurrent costs of public facilities. Where the amenity, service, or public facility primarily serves the development to which the planning agreement relates or neighbouring development, the arrangement for recurrent funding may be in perpetuity.

If the funding of recurrent costs is required to be part of the planning agreement, the planning agreement will include the following matters:

- The specific purpose of the recurrent funding;
- The nature and extent of the recurrent funding
- The time period over which the funding shall be provided;
- Any mechanisms for the indexing of the recurrent funding;
- The heads of consideration for any endowment fund or trust that may be required to be established to manage the recurrent funding;
- The provision of security such as bank guarantee, bond or other form of security to secure the ongoing funding;
- Circumstances in which funding would be renegotiated or revoked; and
- Any other matter relevant to securing the public interest in the achievement of an ongoing public benefit.

6.2.3 Land Dedication

In the case of land identified within a contributions plan, the value of land in that plan will be considered in determining the initial contribution rates.

Land to be dedicated is required to be valued by a suitably qualified expert. Only land required for a specific community benefit and purpose can be considered for dedication. A long term maintenance cost will need to be included and factored into the final valuation to ensure Council minimises the long term financial burden on the community and the organisation.

The land is to be fit for purpose having specific regard to size, accessibility, topography and location.

Council may refuse the dedication of land when the amount proposed to be dedicated exceeds the minimum area required in a relevant plan and/or the burden of maintenance exceeds the long term benefit of the land to the community.

6.2.4 Monetary Contributions

A planning agreement may make provision for monetary contributions other than contributions under an adopted and in force section 7.11 or section 7.12 Contributions Plan. Council's acceptance of such contributions will be based upon alignment with other Council plans, a clearly articulated public purpose, and the matters stated below.

Where a planning agreement provides for monetary contributions, the following matters are to be stated:

- The amount of the monetary contribution;
- The purpose and extent of the monetary contribution;
- When such contributions are to be paid;
- In the case of staged payments, the nature of the staging or the dates at which time payments are to be made;
- Any mechanisms for the indexing of the monetary contribution against inflation over time;
- Details of any security that is to be provided in lieu of the monetary contribution until such time as it becomes due and payable;
- Any obligations on Council for the expenditure of the monetary contributions and related financial reporting; and
- Any other matter relevant to securing the public interest in the management and expenditure of the monetary contributions

6.2.5 Works In Kind and Material Public Benefit

Council, at its discretion, may accept the provision of a material public benefit or works in kind by a proponent in lieu of the payment of development contributions.

6.2.6 Provision of security under a planning agreement

The Council may require a planning agreement to make provision for a security payment of a minimum of 10 percent of the value of the proponent's obligations under the agreement. (Note: the 10% can be applied per stage only if undertaken in accordance with a staged development consent).

The form of security will generally be the unconditional bank guarantee from an Australian Bank in favour of the Council and on terms otherwise acceptable to the Council

A flat rate of \$20,000 may be applied as security if no civil works are included in the planning agreement.

6.3 Pooling of development contributions

Where a proposed planning agreement provides for a monetary contribution by the proponent, the Council may seek to include a provision permitting money paid under the agreement to be pooled with money paid under other planning agreements and applied progressively for the different purposes

under those agreements, subject to the specific requirements of the relevant agreements. Pooling may be appropriate to allow public benefits, particularly essential infrastructure, to be provided in a timely, fair and equitable way.

7. Probity

Public probity is fundamentally important and it will ensure that the negotiation of any planning agreement is fair, transparent and is directed at achieving public benefits in an appropriate manner, free of corruption.

In this regard, Council will:

- Exhibit in accordance with the Act all planning agreements to ensure openness and transparency;
- Ensure appropriate delegations and separation of responsibilities in considering development applications that involve planning agreements including, the need to ensure processes are soundly based upon documented risk management;
- Ensure that there is clarity of roles for councillors, council management and staff;
- Take every step to ensure that conflicts of interest (actual and perceived) are ameliorated to the greatest extent possible through independent assessment by third parties where Council has a commercial interest (.i.e. landowner or proponent).
- Not enter into any contractual arrangement which purports to guarantee outcomes that are subject to separate regulatory processes and/or fetters the discretion of the assessment and determination of applications.

The General Manager is delegated authority to negotiate planning agreements in accordance with this policy and may sub-delegate this function to Council managers and professional officers as appropriate.

Council will ensure that all negotiations with proponents and their representatives are sufficiently documented.

The Council's process for the preparation, negotiation and execution of planning agreements aims to be efficient, predictable, transparent and accountable. The process seeks to ensure that the negotiation of planning agreements runs in parallel with applications for instrument changes or development applications.

When agreed by the parties, the concluded range of public infrastructure, amenities, services and facilities, together with the dedication and on-going management of environmentally significant land will be embodied in a Heads of Agreement to be formally endorsed by the parties. This will be the basis for drafting of the planning agreement.

The elected Council has responsibilities for:

- Setting the Policy which directs negotiations of planning agreements,
- Endorsing a planning agreement for public notification; and

- Endorsing the planning agreement in conjunction with determining the Planning Proposal for referral to the Department of Planning and Environment or determining the relevant development application.

8. Involvement of independent third parties in negotiation process

The Council may at its sole discretion, appoint an independent person to facilitate or otherwise participate in the negotiations or aspects of it, particularly where:

- an independent assessment of a proposed instrument change or development application is necessary or desirable;
- factual information requires validation in the course of negotiations;
- sensitive financial or other confidential information must be verified or established in the course of negotiations;
- facilitation of complex negotiations are required in relation to large projects or where numerous parties or stakeholders are involved; and
- dispute resolution is required under a planning agreement.

9. Public Notification and Engagement

The planning agreement must be negotiated and documented before it is publicly notified as required by the Act and Regulation. The Act states that a minimum period for notification is 28 days.

10. Implementation

10.1 When is a planning agreement required to be executed?

A planning agreement is entered into when it is signed by all of the parties and may include timing and/or staging commitments for the proponent to meet in regard to the completion of works etc.

A planning agreement can be entered into at any time after the agreement is publicly notified in accordance with the Act and Regulation.

10.2 Implementation Agreement

In appropriate cases, the Council may require a planning agreement to provide, prior to commencement of the development the subject of the agreement commences, that Parties enter into an implementation agreement that provides for matters such as:

- the times at which and, if relevant, the period during which, the proponent is to fulfil commitments under the planning agreement;
- the design, technical specification and standard of any work required by the planning agreement to be undertaken by the proponent;
- the manner in which a work is to be handed over to the Council; and
- the manner in which a material public benefit is to be made available for its public purpose in accordance with the planning agreement.

The Council will generally require a planning agreement to provide that the proponent's obligations under the agreement take effect when the first

development consent operates in respect of development that is the subject of the agreement or within an alternative prescribed time frame.

10.3 Monitoring, Review and Enforcement of a Planning Agreement

The Council will monitor the performance of the proponent's obligations under a planning agreement.

The Council will require the planning agreement to contain a provision establishing a mechanism under which the planning agreement is periodically reviewed with the involvement of all parties.

The Council will require the planning agreement to contain a provision requiring the parties to use their best endeavours' to agree on a modification to the agreement having regard to the outcomes of the review.

10.4 Modification or discharge of the proponent's obligations under a Planning Agreement

The Council will generally only agree to a provision in a planning agreement permitting the developer's obligations under the agreement to be modified or discharged where the modification or discharge is linked to the following circumstances:

- the proponent's obligations have been fully carried out in accordance with the agreement;
- the development consent to which the agreement relates has lapsed;
- the performance of the planning agreement has been frustrated by an event beyond the control of the parties;
- other material changes affecting the operation of the planning agreement have occurred
- the Council and the proponent otherwise agree to the modification or discharge of the agreement; or
- The Minister has determined in writing to the parties not to support the planning proposal.

10.5 Assignment and dealings by the proponent

The Council will require every planning agreement to provide that the proponent may not assign its rights or obligations under the agreement nor have any dealing in relation to the land the subject of the agreement unless, in addition to any other requirements of the agreement:

- the proponent has, at no cost to the Council, first procured the execution by the person with whom it is dealing of all necessary documents in favour of the Council by which that person agrees to be bound by the agreement as if they were a party to the original agreement; and
- the proponent is not in breach of this Agreement.

10.6 Notations on Certificates under section 10.7(5) of the Act

The Council will generally require a planning agreement to contain an acknowledgement by the proponent that the Council may, in its absolute discretion, make a notation under s 10.7(5) of the Act about a planning agreement on any certificate issued under s10.7 of the Act relating to the land the subject of the agreement or any other land.

10.7 Registration of planning agreements

The Council will require a planning agreement to contain provisions for registration of the planning agreement on the title of the land pursuant to section 7.6 of the Act. The proponent will undertake the registration at no cost to Council and provide evidence of registration.

10.8 Dispute resolution

The Council will require a planning agreement to provide for mediation of disputes between the parties to the agreement, at their own cost, before the parties may exercise any other legal rights in relation to the dispute.

10.9 Credits and refunds

The Council will determine on a case by case basis generally whether to agree to a planning agreement providing for the surplus value under a planning agreement being refunded to the proponent or offset against development contributions required to be made by the proponent in respect of other development in the Council's area.

10.10 Administration Matters

Three original copies of the planning agreement are required for execution:

1. For the proponent
2. For Council
3. For the Land Titles Office.

The third copy will not be required if the planning agreement is not required to be registered on the title of the land.

Council will provide the proponent with the required paper copies for signature.

The Council will sign and date the required paper copies only after the proponent has signed. Council will then retain one original copy in accordance with the State Records Act 1998. Council will provide the remaining copy / copies to the proponent.

Relevant Legislation

- Environmental Planning and Assessment Act, 1979
- Environmental Planning and Assessment Regulation 2021
- Blayney Local Environmental Plan 2012

Related Policy

- Practice Note: Development Contributions published by the Department of Planning, Industry and Environment February 2021
- Planning Circular PS 11-007: Voluntary Planning Agreements and Development Control Plans – NSW Planning 18 February 2011
- Planning Circular PS-002: Reporting and accounting requirements for infrastructure contributions

Other references

- NSW Mining and Energy Council Roads Calculator and the negotiation framework Schematic

END

Adopted:	20/05/2019	1905/012
Lasted Reviewed:	20/05/2019	1905/012
	XX/XX/2022	
Next Review:	22/04/2025	



Waste Collection Services

Policy	18C
Officer Responsible	Director Planning & Environmental Services
Last Review Date	XX/XX/2022

Strategic Policy

Objective

To provide guidelines for Council's provision of domestic and non-domestic waste collection services within the Blayney Shire Council.

1. INTRODUCTION

1.1 Legislation

Section 496(1) of the Local Government Act 1993 states "A council must make and levy an annual charge for the provision of domestic waste management services for each parcel of rateable land for which the service is available". Section 496(2) also states the circumstances where parcels exempt from rating may also be charged.

1.2 Purpose of the Policy

The purpose of this Policy is to clarify section 496 of the Local Government Act 1993 with reference to the Blayney Shire Council Local Government Area. The aim is to provide clear Policy and guidelines for the provision of waste collection services.

The issues which are to be addressed by this Policy include:

- Compulsory provision of services within a town or village, as is the current status;
- The provision of services between towns and villages to enable occupied rural properties to receive the service;
- Outline which properties must utilise the service;
- Availability of the service to properties willing to take bins to a designated location along the route; and
- That domestically produced waste and recycling is collected, where possible, by Council's contracted service provider, to ensure an environmental improvement in the disposal of domestic waste.

1.3 Land to which the Policy Applies

All land within the Blayney Shire Council local government area is deemed to be affected by this Policy however this policy will clarify where the services are available.

2.0 POLICY

2.1 Availability of Council's Waste Collection Service

- a) Council will charge for and make available the Waste Collection Service to all properties within a town, village, or locality as defined by Council's Local Environmental Plan (as amended) or as nominated when Council sought tender for the provision of these services;
- b) Where the service is provided to a residential property, the full charge is payable;
- c) Where the service is provided to a vacant parcel of land, the vacant land charge is payable;
- d) Where the service is available to a vacant parcel of land which has, for rating purposes, been amalgamated with an adjoining parcel for which a full service is being charged, the vacant land charge is not payable for each parcel of land for which the service is available;
- e) Where the service is available outside of a town or village, and is along a route as agreed with Council's contractor, all properties with an occupiable residence within 250m of the main property gate providing access to the serviced road and are serviced by the route, will be required to utilise the service for the disposal of their domestic waste;
- f) Where a property meets the criteria of point (e) above, but there is no occupiable residence, the vacant land charge will apply. The charge will be applied per rating assessment which is serviced by the route;

2.2 Provision of Bins

- Council's contractor, will provide a bin or bins (depending on the service type) per service as provided;
- If additional services are requested, bins for those services will be provided and additional service charges will be incurred per Council's current Operational Plan
- Where a bin has become broken, damaged, vandalised, or stolen, Council, once notified, will arrange for the contracted service provider to repair and / or replace the bin on the next service day.

3.0 REQUESTS FOR EXEMPTION

- Ratepayers on rural Waste Collection Services runs not currently in receipt of a Domestic Waste Service that have been identified to be included to receive a service may make application for exemption on medical grounds. Such applications will require the applicant to provide substantiation for their claim and provide evidence of how waste is being disposed. The General Manager may determine such requests under delegated authority. Where approval is granted the Annual Domestic Waste Management Availability charge shall still apply and the exemption will be reviewed at change of property ownership.

End of Policy

Adopted:	Date: 14/07/2008	08/191
Lasted Reviewed:	Date: 10/12/2012	1212/004
	18/02/2019	1902/017
	XX/XX/2022	
Next Reviewed:	Date: 17/03/2025	

Disability Inclusion Action Plan

2022-2026



Message from the Mayors

Blayney, Cabonne and Orange Councils are working together to build a strong and equitable community, that is accessible and inclusive of everyone.

We want our region to provide equal opportunity for people with disability so that they may access opportunities as other residents do, whilst enjoying the benefits of living and working in our region.

For these reasons, it is our pleasure to present the Blayney Cabonne Orange Disability Inclusion Action Plan (DIAP) 2022-2026.

The aim of the plan is to ensure that local services, facilities, and programs provided by Councils are as inclusive as they can be.

Consultations have been held across our communities, with a particular focus on identifying priorities through conversations with people with disability, their families, carers, and service providers.

We recognise that the term 'people with disability' does not refer to a readily identifiable group, but to a wider community who may need support to fully participate in our society. This support might be needed for a short time, or throughout their lives.

Three individual action plans have been developed, each focusing on the needs of one local government area. These plans relate to how we:

- develop and construct our environment;
- provide information and services;
- support employment opportunities; and
- promote positive community attitudes and behaviours toward people with disability.

Planning for inclusion and access is a core component of our planning responsibilities, and the DIAP will be aligned with and reported on by the Community Strategic Plans for each Council area.

Blayney, Cabonne, and Orange Councils are pleased to work with the New South Wales Government to improve access and inclusion for people with disability, and look forward to all members of our communities enjoying opportunities to participate in social, economic, and community life.



Cr Scott Ferguson

**Mayor
Blayney Shire Council**



Cr Kevin Beatty

**Mayor
Cabonne Council**



Cr Jason Hamling

**Mayor
Orange City Council**

1 Overview

“to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity.”¹

In 2014 the NSW Government enacted the Disability Inclusion Act (DIA). The DIA mandated the development of disability inclusion action planning across local councils and the development of a Disability Inclusion Action Plan (DIAP) by 1 July 2017. To meet this commitment, Blayney, Cabonne and Orange Councils agreed to a regional approach through a collaborative disability action planning process.

Collectively, the three local government areas committed to providing accessible villages, towns and a city for everyone, regardless of their abilities, then and into the future.

This is being achieved by building on the work currently undertaken by councils through:

- an ongoing dialogue with people with disability
- improved access to public services and facilities
- increased awareness and understanding of access and inclusion issues both within councils and the wider community

Expanding on the achievements from the initial DIAP; Blayney, Cabonne and Orange Councils have again come together to partner in a regional approach to continue making our city, towns and villages accessible to all irrespective of individual abilities.

The Disability Inclusion Action Plan 2022-2026 has set the framework, actions and priorities for Blayney, Cabonne and Orange Councils over the next four years.

Structure of the Disability Inclusion Action Plan

The Disability Inclusion Action Plan documents the planning and consultation process and includes the following sections applicable to all three local government areas:

1. Background – of the process including the statutory framework
2. Demographic Context- for the three areas as well as state and national statistics
3. Developing the Plan – community engagement process undertaken

Sections 4 and 5 have been tailored for the individual councils.

4. Community Strategic Plan - overview of individual council plans identifying the broad objectives that support the Disability Inclusion Action Plan
5. Strategies and Actions – outcomes derived and tailored for each of the councils

¹ United Nations (2006). Convention on right for people with disabilities.

2 Background

The Disability Inclusion Act 2014 defines disability as:

‘The long-term physical, mental, intellectual or sensory impairment which in interaction with various barriers may hinder the full and effective participation in society on an equal basis with others.’¹

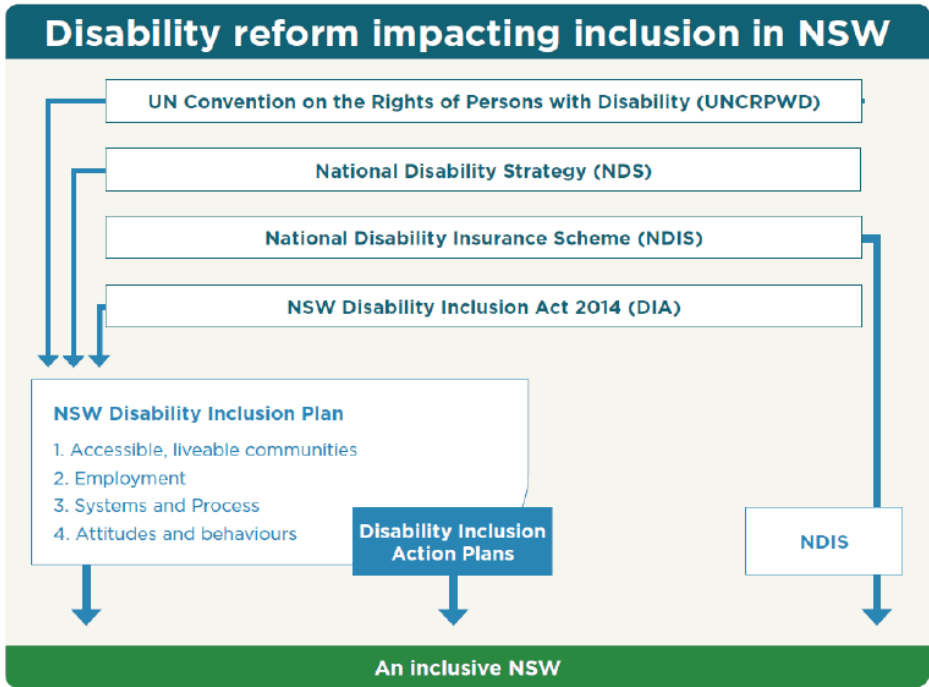
The purpose of the Disability Inclusion Action Plan is to effectively identify actions that deliver on the diverse needs of people with disability in our community.

The rights of people with disability to access services and facilities is fundamental to the disability inclusion process. In 2008, the Australian Government committed to implementing the United Nations (UN) Convention on the Rights of Persons with Disabilities “to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity.”²

Subsequently the Commonwealth Government prepared Australia’s Disability Strategy 2021–2031 which sets out a plan to change the lives of people with disability over ten years.

In 2014 the NSW Government enacted the Disability Inclusion Act (DIA). The DIA requires local councils to prepare disability inclusion action plans to deliver on the diverse needs of people with disability in the community as part of their Integrated Planning and Reporting Framework.

Figure 1: The relationships between the relevant policy and legislative instruments



Source: NSW Disability Inclusion Action Planning Guidelines

² United Nations (2006), Convention on the Rights of Persons with Disabilities

Disability Inclusion Focus Areas

The NSW Disability Inclusion Action Planning Guidelines identify four key outcome areas. These key outcome areas guided the disability inclusion action plan community consultation process and formed the structure for the Disability Inclusion Action Plan. The four key outcome areas are:

1. Attitudes and Behaviours
2. Liveable Communities
3. Employment
4. Systems and Processes

The Disability Inclusion Action Plan has been prepared under the guidelines established by the division of Local Government having regard to the legislative context. The three councils worked closely to develop a consultation strategy that enabled both targeted and broader stakeholder and community engagement.

The plan sets out a series of principles, strategies and actions that will guide Council operations over the next four years. These align with the principles of the DIA, as well as the NSW Government's Disability Inclusion Plan focus areas.

3 Demographic Context

"Disability is a difficult concept to measure because it depends on a person's perception of their ability to perform a range of day-to-day activities."³

This Plan seeks to address all forms of disability, both those reflecting individual limitations and the barriers that our society places which restrict life choices.

Our region, for the purposes of the Disability Inclusion Action Plan is a collective of the three local government areas of Blayney, Cabonne and Orange. The characteristics of the three areas are comparable in that each has an ageing population. However, the number of people identifying as needing assistance with core activities does increase in each local government area alongside an increase in population size.

Core Activity Need for Assistance

	Orange	Cabonne	Blayney
Total Population	43,512	13,766	7,497
Need for Assistance	2,701	685	423
% of Total Population	6.2%	5.0	5.6%

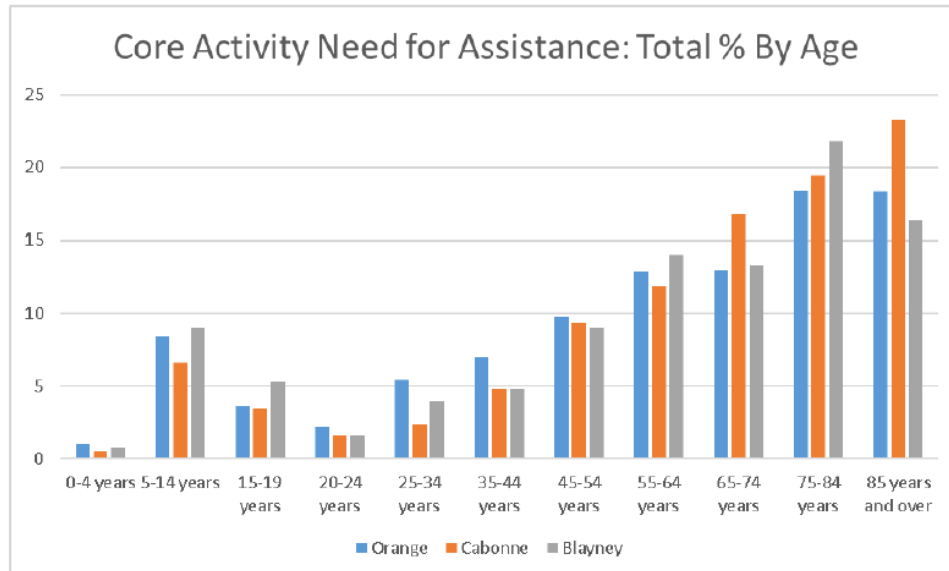
Source: AUSTRALIAN BUREAU OF STATISTICS 2021 Census of Population and Housing

"People with a profound or severe disability are defined as those people needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication, because of a disability, long-term health condition (lasting six months or more) or old age."⁴

³ 2018 Disability, Ageing and Carers, Australia: Summary of Findings. Australian Bureau of Statistics

⁴ Census of Population and Housing: Census Dictionary, 2016

The Core Activity Need for Assistance: Total Percentage By Age graph below shows a generally consistent pattern across the regions for an increase in the need for assistance as we age. The graph also highlights a significant increase in the need for assistance once an individual reaches school age.



Source: Australian Bureau of Statistics General Community Profiles 2016

Whilst the statistics help to understand the prevalence of people who need support in the community, it is acknowledged that the number does not include all people living with and caring for people with disability in the Blayney, Cabonne and Orange communities.

National figures for disability compiled by the Australian Bureau of Statistics in the 2018 Survey of Disability, Ageing and Carers, Australia states:

“The number of people with disability has increased. In 2018, there were 4.4 million people with disability (up from 4.3 million in 2015). Of all people with disability, 1.9 million were aged 65 years and over (up from 1.8 million in 2015):

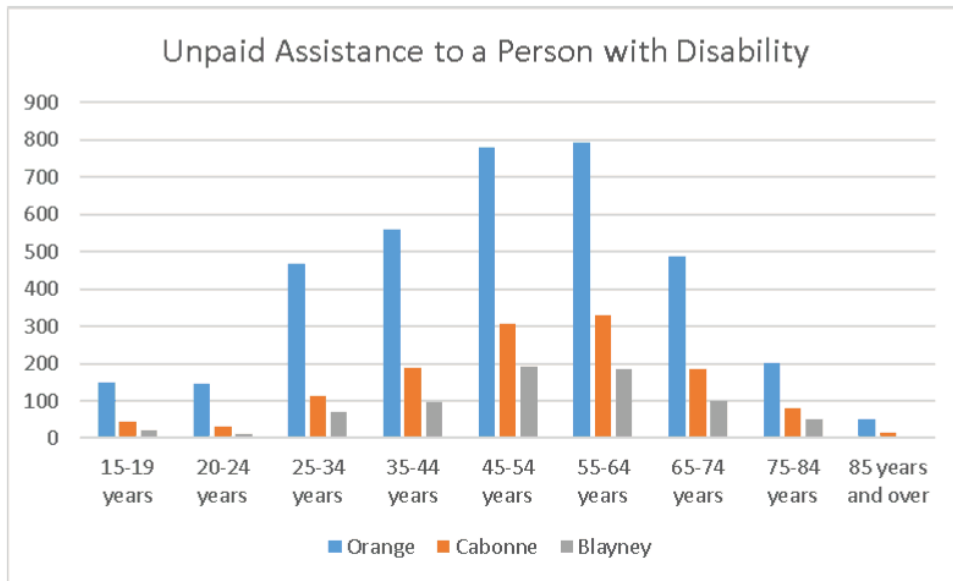
- representing almost half (44.5%) of all people with disability (up from 41.9% in 2015 and 40.7% in 2012); and
- reflecting both an ageing population and increasing life expectancy of Australians.”⁵

“In 2018, of the 4.2 million Australians with disability (living in households), three in five (59.8% or 2.5 million people) needed assistance with at least one activity of daily life.”⁶


The Unpaid Assistance to a person with Disability graph below shows the significant number of local residents who fulfil a caring role in the Blayney, Cabonne and Orange communities

⁵ 2018 Disability, Ageing and Carers, Australia: Summary of Findings. Australian Bureau of Statistics

⁶ 2018 Disability, Ageing and Carers, Australia: Summary of Findings. Australian Bureau of Statistics




Source: Australian Bureau of Statistics General Community Profiles 2016




In 2018 there were **4.4 million Australians with disability.**


5.7% of all Australians had a **profound or severe disability.**




The prevalence of disability **increased with age - one in two people aged 65 years and over** had disability.




Almost **one-quarter** (23.2%) of all people with disability **reported a mental or behavioural disorder as their main condition.**



In 2018, of the 4.4 million Australians with disability, **over half** (53.1% or 2.3 million) **used aids or equipment** because of their condition.



Three in five people living with disability* **needed assistance** with at least one activity of daily life.



* living in households
 ** people of working age (15-64 years) who were living in households.
 Source: 2018 Disability, Ageing and Carers, Australia: Summary of Findings | Australian Bureau of Statistics

An issue for people living with disability is discrimination in both access and employment.

"In 2018, 2.1 million people with disability living in households were of working age (15-64 years). Of these:

- 53.4% were in the labour force, compared with 84.1% of those without disability
- 46.6% were not in the labour force, compared with 15.9% of those without disability."⁷



* living in households

** people of working age (15-64 years) who were living in households.

Source: 2018 Disability, Ageing and Carers, Australia: Summary of Findings | Australian Bureau of Statistics

Statistics demonstrate that we are collectively living longer. It follows that this will result in an increase in the number of people with profound or severe disability who require help with core activities such as mobility, self-care and communication.

The Disability Inclusion Action Plan is not exclusively for the people who identify as living with a disability. The community survey results (discussed in Section 4) clearly demonstrate a wide range of circumstances in which people find themselves either requiring some degree of assistance or appreciating the access facilities available to them.

Breaking down the barriers to inclusion, creating liveable communities, improving access, changing behaviours and attitudes, improving processes and providing meaningful employment are the responsibility of us as a community and will benefit everyone.

⁷ 2018 Disability, Ageing and Carers, Australia: Summary of Findings. Australian Bureau of Statistics

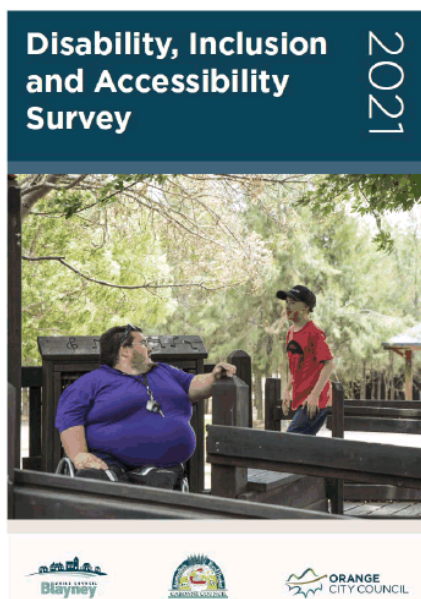
4 Developing the Plan

"I alone cannot change the world, but I can cast a stone across the waters to create many ripples."
Mother Teresa

Community and stakeholder engagement in this process has been key. The ideas and contributions of both individuals and groups were invaluable in informing the strategies and actions in the Disability Inclusion Action Plan. In developing the plan the three councils, over a twelve month period, undertook a range of collective and individual consultation activities with the community. The consultation was both targeted, engaging specific disability related groups and individuals, as well as broad, surveying the wider council communities. The engagement activities both raised awareness of the Disability Inclusion Action Plan process and addressed inclusion across all areas of the councils' operations.

4.1 Community Survey Overview

The Disability, Inclusion and Accessibility survey was published on each councils' web page. The survey was also provided in a hard copy format and drew responses on a range of key areas.



Blayney Shire Council Community Survey

The Disability, Inclusion and Accessibility survey was published on the Blayney Shire Council website, promoted through media, social media and through Council distribution lists to town and village committees.

A total of 28 community surveys were completed online.

A total of 29% of respondents to the online Blayney Shire Council Community survey identified with the statement 'I find it hard to move around'. In the same survey, 25% identified as a carer and 21% identified as an interested community member.

The community survey addressed the four focus areas and sought to get respondents to rank what they consider the most important issues within each of these areas. The top three issues identified in the Blayney Shire Council survey were:

Attitudes and Behaviours

- Train staff on access and inclusion
- Hold public events that are accessible
- Promote the achievements of people with a disability

Work (Employment)

- Provide accessible workplaces
- Provide flexible working times and places
- Educate other staff

Information and understanding (Systems and Processes)

- Provide accessible communication options in the workplace
- Provide hearing loops, touch screens and translation services
- Provide accessible feedback and complaint processors

Liveable Communities

- Provide accessible toilets in all public buildings
- Promote accessible for all design
- Provide wide footpaths

Other Issues

In response to the question 'what worries you when accessing local shops', the top three responses were:

- Steps with no ramps
- Toilets
- Accessible parking

4.2 Community Meetings and Stakeholder Engagement

Councils took the opportunity to broaden consultation across their communities.

Blayney Shire Council

Council undertook targeted community engagement through a number of community groups within the Blayney Shire and members of its Disability Inclusion Working Group. This engagement took a particular focus, while not exclusive, to target the 65+ year demographic found to be deficient in the online survey. The engagement was undertaken through initial discussion and distribution of manual surveys that were taken away by participants and returned to their next meeting. Groups engaged included the Blayney Mens Shed and Blayney Inner Wheel View Club.

The survey addressed the four focus areas and sought respondents to rank what they consider the most important issues within each of these areas. The following top three issues were identified:

Attitudes and Behaviours

- Ensuring public events are accessible
- Involving people with reduced ability in developing communication campaigns regarding inclusion.
- Developing public messages and campaigns that highlight inclusion and recognise the rights and contribution of people with reduced abilities in the community.

Liveable Communities

- Providing accessible toilets in all public buildings.
- Providing continuous accessible paths of travel between facilities and services in town centres and public areas.
- Ensuring community programs and events are accessible through early consideration of venues, transport, toilets, parking.

Work (Employment)

- Designing roles suitable for people with reduced abilities
- Flexible working hours and locations
- Accessible workplaces

Information and understanding (Systems and Processes)

- Ensuring all information is available in different formats for all abilities.
- Access to communication supports such as hearing loops, touch screens, and translation services.
- Knowing that there are ways to provide feedback and mechanisms for inclusion and accessibility e.g. Council access advisory committees.

5. Strategies and Actions

The following tables have been prepared for Blayney. While there is significant duplication between the strategies and action amongst the three local councils, operational differences in terms of organisational structure, capacity and resourcing mean that the three councils have developed different deliverables.

Community attitudes and behaviours					
Strategy	Actions	Responsibility	CSP Action	Outcome	Timeframe
Improve community attitudes and awareness of access issues and disability inclusion.	Promote access awareness and deliver community education around disability inclusion.	ES		A minimum of two promotional items are to be circulated annually.	Annually
	Include features in Council's communications to the community about accessibility in and around the Shire.	ES		Include accessibility in at least one community newsletter/Council notices page annually.	Annually
	Funds are allocated for Council's Access Incentive Scheme to improve access to local businesses and community organisation premises.	PES		Annual funds made available in Council's annual Operational Plan.	Annually
	Promotion and administration of Council's Access Incentive Scheme to improve access to local businesses and community organisation premises with Main Street hospitality outlets prioritised.	PES		Minimum of 2 external advertisements / promotion of program. Minimum of 2 businesses and / or community facilities upgraded each year subject to receipt of applications that satisfy guidelines.	Annually Annually
	Review, update and promote the Missed Business Brochure to local businesses.	CS		Missed Business Brochure updated and promoted to businesses in the Blayney Shire.	Annually
Ensure consultation, support and assistance to local groups and organisations that support and / or advocate on behalf people with a disability.	Work with Disability Inclusion Working Group to advocate for improved access and inclusion for people with disabilities.	CS		The Disability Inclusion Working Group meet at 2 times per annum. Minutes of Working Group reported to Council meeting.	Annually Annually
	Council supports engagement of service providers and advocates through the Blayney Interagency.	CS		Council provides access to a meeting facility and a Council officer in attendance.	Annually

Building Liveable Communities					
Strategy	Actions	Responsibility	CSP Action	Outcome	Timeframe
Plan for connected and accessible pedestrian networks in each township.	Implementation of Active Movement Strategy that leads to the provision of suitable pathways.	IS		Active Movement Strategy reviewed and implementation commenced.	Annually
Increase number of continuous accessible paths of travel in town and village centres and to key destinations per Active Movement Strategy.	Implement projects, that include footpaths, road crossings and kerb ramps, identified in the Active Movement Strategy and apply for Grant funding for any other priority accessibility projects.	IS		Delivery of scheduled priorities identified in the Active Movement Strategy.	Annually
Plan and deliver amenities to enable access for all.	Implement a program to improve our accessible public toilets.	IS		Public toilets meet Access to Premises Standards.	Ongoing
Plan for infrastructure that is accessible for all.	Encourage universal design in planning of new housing, infrastructure and buildings.	PES		Facilities and infrastructure meet Access to Premises Standards.	Ongoing
	Undertake improvement of accessible parking within Blayney Shire.	IS		2018 Blayney Shire audit of accessible car parking audit updated and improvement plan developed. Accessible options investigated including costings for car parks created in or near Gold Street Park Mandurama and within Carcoar.	2023 2025
Increase access and inclusion to Council services and facilities.	A range of online and hard copy resources are provided at the Blayney Library to meet the diversity of needs in community.	CS (CWL)		Inclusive resources including large print books and audio books available for issue.	Ongoing
	Community Centre is available for accessible activities and events.	ES		Concessional access provided subject to compliant application with Community Financial Assistance policy.	Ongoing
	Centrepoin provides access for all.	PES (YMCA)		Concessional entry NSW Companion Card holders.	Ongoing
	Consider the particular needs of children with disability in the design, layout and security of parks and playgrounds.	IS		Playgrounds are safe and inclusive.	Annually

Building Liveable Communities					
Strategy	Actions	Responsibility	CSP Action	Outcome	Timeframe
Increase participation of people with disabilities in events, festivals and activities.	Promote inclusion for events held in the Blayney Shire.	CS		Include and review information about making events accessible in responses to Event Management Applications.	Annually
	Investigate potential solutions for feedback and review of events to assist event organisers to make events more accessible.	CS		Solution for feedback and review of events identified and subject to cost, implemented.	Annually
Creating Meaningful Employment Opportunities					
Strategy	Actions	Responsibility	CSP Action	Outcome	Timeframe
Improve Council employment conditions and opportunities for people with disability.	Establish flexible work practices to encourage an inclusive working environment.	ES		Flexible work practices implemented.	Ongoing
	Provide disability awareness training to staff and Councillors.	ES		Staff and Councillors and have completed training.	Each Council term
Ensure Council recruitment process is accessible for people with a disability.	Review and update the recruitment process to ensure it is accessible for people with a disability.	ES		Review undertaken and improvements made to promote inclusion.	Annually
	Promotion of Council as an Equal Employment Opportunity employer with all vacancies.	ES		Council positions vacant promote Council as an Equal Employment Opportunity employer.	Ongoing
Identify opportunities to procure goods and services from businesses in the region who employ people with a disability.	Review procurement procedure to identify options to procure goods and services from identified businesses.	CS		Procedure reviewed and list developed and used within Council.	2023

Enhancing Systems and Processes to Improve Access					
Strategy	Actions	Responsibility	CSP Action	Outcome	Timeframe
Ensure Council communication and customer service is accessible to all.	Apply access and inclusion principles to Council's communication channels.	ES		Council communication is accessible.	Ongoing
	Information is provided in an easy to read and accessible format.	ES		Promotional material presented in an accessible format.	Ongoing
	Promote Council's implementation of access and inclusion principles and recognise the rights and contribution of people with disability in the community.	ES		Promotion of Disability Inclusion Action Plan is undertaken.	Ongoing
	Ensure website conforms to Web Content Accessibility Guidelines conformance level AA.	CS		Website to conform to Web Content Accessibility Guidelines.	2023
	Council meetings are livestreamed to provide an alternative for attendance at meetings in person.	CS		Council meetings are livestreamed.	Ongoing
Ensure a coordinated approach to disability is adopted and maintained across all departments of Council.	Staff to be familiar with Disability Inclusion Action Plan ensuring a coordinated approach to disability inclusion is maintained across the organisation.	CS		Disability Inclusion Action Plan is promoted on Council Intranet.	Ongoing
		CS		Disability Inclusion Action Plan is circularised for reinforcement and status updates / outcomes.	Semi - Annual
Ensure recognition of the Disability Inclusion Plan in Council's IP&R documentation.	Council's Disability Inclusion Plan is acknowledged in Council's Delivery Program and Annual Operational Plan.	CS		Council's Delivery Program and Annual Operational Plan includes acknowledgement of Council's Disability Inclusion Action Plan.	Annually