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HELD ON MONDAY 9 FEBRUARY 2015**

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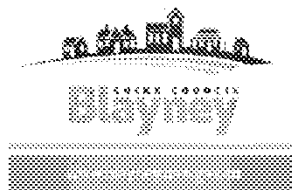
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**Blayney Shire Council****Policy Register****Policy No** 2H**Policy Title** Statement of Business Ethics**Officer Responsible** General Manager**Last Review Date** 09/02/2015**Objectives**

This Statement outlines Council's ethical standards and our expectation that goods and service providers and contractors will comply with these standards in their dealings with Council. This Statement also outlines what goods and services external providers and contractors can expect of the Council.

**Blayney Shire Council****Statement of Business Ethics**

**Introduction**

This statement provides guidance for the private sector when doing business with Blayney Shire Council.

It outlines Council's ethical standards and our expectation that goods and service providers and contractors will comply with these standards in their dealings with Council. This Statement also outlines what goods and services external providers and contractors can expect of the Council.

Council aims to promote integrity and ethical conduct, consistent with the positions of trust they hold and we expect no less of the service providers and contractors that undertake work for us.

This statement is designed to ensure that business relationships between this Council and external private sector service providers and contractors are fair and productive for all.

**Our Key Business Principles**

The principle of best value for money is at the core of Council's business relationships with private sector suppliers of goods and services.

Best value for money does not automatically mean the lowest price. Rather, Council will balance all relevant factors including initial cost, whole-of-life costs, quality, reliability, and timeliness in determining true value for money.

Part of obtaining best value for money also includes ensuring all of our business relationships are honest, ethical, fair and consistent.

Our business dealings will be transparent and open to public scrutiny wherever possible. Given the nature of some of Council's work, there will be times when the details of some business relationships will not be made publicly available.

We are committed to the purchase of all goods, equipment and services through established NSW Government contracts systems, where possible and reasonably practical. Where Council does not use this established system, Council will define the reasons for this action.

**What you can expect of us**

Blayney Shire Council will ensure that all its policies, procedures and practices relating to tendering, contracting and the purchase of goods and services are consistent with best practice and the highest standards of ethical conduct.

Our staff are bound by Council's Code of Conduct. When doing business with the private sector, Blayney Shire Council staff are accountable for their actions and are expected to:

- Use public resources effectively and efficiently
- Deal fairly, honestly and ethically with all individuals and organisations
- Avoid any conflicts of interest (whether real or perceived).

In addition, all Council procurement activities are guided by the following core business principles:

- All potential suppliers will be treated with impartiality and fairness and given equal access to information and opportunities to submit bids
- All procurement activities and decisions will be fully and clearly documented to provide an audit trail and to allow for an efficient performance review of contracts
- Energy efficient equipment, products containing recycled materials and environmentally friendly products will be purchased wherever reasonably possible.
- Tenders will not be called unless Council has firm intention to proceed to contract
- This Council will not disclose confidential or proprietary information.

#### **What we ask of you**

We require all private sector providers of goods and services to observe the following principles when doing business with Council:

- Comply with Council's procurement policies and procedures
- Provide accurate and reliable advice and information when required
- Declare actual or perceived conflicts of interests as soon as you become aware of the conflict
- Act ethically, fairly and honestly in all dealings with Council
- Take all reasonable measures to prevent the disclosure of confidential Council information
- Refrain from engaging in any form of collusive practice, including offering Council employees inducements or incentives designed to improperly influence the conduct of their duties
- Refrain from discussing Council business or information with the media
- Assist Council to prevent unethical practices in our business relationships.
- To ensure the integrity and confidentiality of Council information and commercial in confidence information received from other contractors and suppliers you will not offer to employ or engage in any capacity Council staff while they are employed by Council or within 12 months of ceasing employment.

**Why is compliance important?**

By complying with our statement of business ethics, you will be able to advance your business objectives and interests in a fair and ethical manner. As all Blayney Shire Council suppliers of goods and services are required to comply with this statement, compliance will not disadvantage you in any way.

Complying with this Council's stated principles will also prepare your business for dealing with the ethical requirements of other public sector agencies, should you choose to do business with them.

You should also be aware of the consequences of not complying with the Council's ethical requirements when doing business with Council. Demonstrated corrupt or unethical conduct could lead to:

- Termination of contracts
- Loss of future work
- Loss of reputation
- Matters being referred for criminal investigation.

### Guidance Notes

#### Incentives, gifts, benefits

In general, this Council expects its staff to decline gifts, benefits, travel or hospitality offered during the course of their work. You should refrain from offering any such 'Incentives' to Council staff.

If a gift is accepted, Council requires the staff member to record the gift in the Gifts and Benefits register. (See Gifts and Benefits Policy for procedures)

#### Conflict of Interest

Council staff are required to disclose any potential conflicts of interest. Council extends this requirement to all of our business partners, contractors and suppliers.

#### Confidentiality

All Council information should be treated as confidential unless otherwise indicated.

#### Communication between parties

All communication should be clear, direct and accountable to minimise the risk of perception of inappropriate influence being brought to bear on the business relationship.

#### Use of Blayney Shire Council equipment, resources and information

All Council equipment, resources and information should only be used for its proper official purpose.

Should you have any questions regarding this statement or to provide information about suspect behaviour please contact us:

91 Adelaide Street  
PO Box 62  
Blayney NSW 2799  
Phone: (02) 6368 2104  
Fax: (02) 6368 3290  
Email: [council@blayney.nsw.gov.au](mailto:council@blayney.nsw.gov.au)

#### End of Policy

	Date	Minute
<b>Adopted:</b>	<b>09/02/2009</b>	<b>0902/006</b>
<b>Review History:</b>	<b>09/02/2009</b>	<b>0902/006</b>
	<b>09/02/2015</b>	
<b>Last Reviewed:</b>	<b>09/02/2015</b>	
<b>Repealed:</b>	<b>12/11/2012</b>	<b>1211/014</b>

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
STRATEGIC DIRECTION 1: GROW THE WEALTH OF THE SHIRE			
CSP1.1: A viable agricultural sector with niche opportunities and products coupled with lifestyle.			
1.1.1	Maintain and strengthen partnerships with organisations responsible for natural resource management	Attendance at meetings	Ongoing attendance at meetings during period by Council delegates and representatives. Two Planning Proposals are currently underway. The DCP has been drafted however awaiting potential changes to the Exempt and Complying SEPP prior to advertising. Input of information into Regional Growth Plan. Request for Tender document finalised for Blayney 2020 Masterplan Plan to be advertised January 2015.
1.1.2	Promote sustainable development and protection of our natural resources through the planning system.	Review of LEP and Council	
1.1.3	Ensure planning activities support long term sustainability of agricultural sector.	Support by agricultural sector/landcare groups for planning scheme	
1.1.4	Explore and promote opportunities for Agriculture value adding industries.	Production of a economic development strategy in 2013. Establishment of new industries.	
CSP1.2: A thriving mining industry that supports and works well with the community.			
1.2.1	Manage the development of mining as it develops in the Shire in order to preserve sustainable industrial diversity into the future.	Industry meeting. Policy development.	On-going meetings with current and prospective mining company/s expected to be undertaken in the future. Forward works continue to be prepared, including funding applications where available. Appointment of new General Manager provided opportunity for Council engagement with Cadia, SeaLink, Nestle Purina and local business.
1.2.2	Improve transport linkages across the Local Government Area to support the mining industry.	Development of work plan.	
1.2.3	Build meaningful relationships between the mining industry and community.	Established communication channels. Attendance at meetings. Working relationships and cooperation. Mutual projects.	

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
CSP1.3: A well established, connected and prosperous tourism industry.			
1.3.1	Implement Blayney Shire Tourism Plan	Implementation of plan and targets. Tourism business thriving	On-going meetings with current and prospective mining company/s expected to be undertaken in the future. Collaboration continues with Tourism Orange and Central NSW Tourism on promotional opportunities. Regular updates issued to communication distribution list established, tourism directory being expanded in order to improve communication of events/programs. Meetings held with village committees, a number of event organisers and Town and Villages Committee.
1.3.2	Develop a structure to effectively support and grow tourism and local business.	Structure in place. Productive meetings.	
CSP1.4: Internationally recognised brand for Blayney Shire.			
1.4.1	Work with the community and organisations within the region to develop a recognised brand for the Blayney Shire.	Brand developed	The new Blayney - The Village Shire branding strategy approved by Council in November 2014. Electronic logos updated.
CSP1.5: Sustainable water, energy and transport sectors to support future growth.			
1.5.1	Advocate for increased funding for transportation assets through Federal and State programs	Representations made to relevant agencies	Updated information provided to public during period. Central West RDA Regional Freight Study launched.
1.5.2	Promote sustainable energy development and use within the Shire.	Provision of information.	
CSP1.6: A vibrant local retail and business sector.			
1.6.1	Seek opportunities to build a vibrant local retail and business sector.	Cooperative projects. Opportunities identified and followed up.	Blayney Town Committee established. Council facilitating provision of information on launch of NBN. Ongoing dialogue with Office of Small Business, Dept of Industry and Investment and RDA. Business Investment information added to Council website. Blayney 2020 Masterplan is a key element of upcoming consultancy and will complement brand identification and marketing strategy for Blayney Shire.
1.6.2	Build and retain relationships with government bodies and NGO's to assist small business	Productive relationships. Number of activities.	
1.6.3	Support and encourage the establishment or expansion of local businesses	New businesses. Empowered local business.	
1.6.4	Develop an environment that will attract technology or internet based industry to come to Blayney.	Establishment of technology industries and technologies.	



**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
<b>STRATEGIC DIRECTION 2: A CENTRE FOR SPORTS AND CULTURE</b>			
<b>CSP2.1: Cultural and sporting events are coordinated and resourced.</b>			
2.1.1	Encourage development of a calendar of sport and cultural events.	Information provided on web site and updated by sporting groups.	Tourism and Calendar of Events website maintained, driven by information submitted from event/sporting club organisers.
2.1.2	Engage with key groups and organisations with a view to developing community partnerships for conducting activities and programs.	Participation of organisations.	Councils Event Management Plan available on website. Working through Towns & Villages Committee on engagement on activities. Youth Week funding agreement (\$1,230) finalised with Office of Communities . CentrePoint activities and facilities ongoing during period. Member visits: 6800; 560 Group fitness classes run though period. Learn to swim:
2.1.3	Engage with the Shire youth to facilitate progress and activities across the Shire.	Youth activities held. Meetings of Youth Council.	Term 3 2014 – 176 students enrolled Term 4 2014 – 300 students enrolled Kids Fit and Kids Holiday Programs run with good success. Mixed Sports competitions run in Terms 3 & 4.
2.1.4	Work proactively with the community groups to assist with event management.	Develop Community events guide and policies.	Small schools rotation program ran fortnightly and a number of school visits occurred during the period. Activities run by 3rd parties include Basketball; Martial Arts; Table Tennis; Girl Guides; and Physiotherapy. Promotion of CentrePoint activities and facilities ongoing.
2.1.5	Encourage and facilitate an active and healthy community by developing accessible programs through Centrepoint and local sporting groups.	Develop programs and activities with the community. Maintain facilities in accordance with financial estimates.	Operational program continues in accordance with budget and levels of service. Delivery of showground fencing Stage 1, Showground building upgrades and Napier Oval toilet block, completed within budget allocations.

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
CSP2.2: Strong participation in sporting events and competitions.			
2.2.1	Encourage active participation in sport.	Participation in Regional Sport promotions.	Blayney Sports Council meetings conducted and minutes presented to Council. Shire ovals and sporting facilities well maintained and utilised for sporting programs. Council successful in its funding applications for installation of an electronic scoreboard at King George Oval, kitchen and shower facility upgrades at Lyndhurst Recreation Ground, and completion of new fencing at the Blayney Showground, under various NSW Government programs.
2.2.2	Establish and support a community based representative body for sporting groups.	Report written and council established	
CSP2.3: Blayney Shire - a centre for arts, performance and entertainment.			
2.3.2	Develop partnerships with other arts organisations to help deliver arts and cultural activities	Arts and cultural activities coordinated.	Local Arts and Cultural activities have had busy Spring/Summer. Community Centre used for functions and regional/Council meetings during period. Meetings: 33; Conferences: 9; Other functions: 32; Council related activities / meetings: 50; Unused days: 92 Blayney Shire Library for period are as follows: Visits: 2,479; Issues: 5,549; Membership @31/12/14: 1,674
2.3.3	Encourage the use of the Blayney Shire Community Centre as a facility for arts and culture.	Use of facility.	
2.3.4	Provide library services in the Blayney Shire	Usage of library services	

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
STRATEGIC DIRECTION 3: PRESERVE AND ENHANCE OUR HERITAGE AND RURAL LANDSCAPES			
CSP3.1: Retention of native vegetation with linking corridors.			
3.1.1	Protect and enhance biodiversity, native, vegetation, river and soil health.	Developed strategies for protection	Applied to all applications assessed/determined during period. Village Enhancement Plan Tree Planting project programed and communicated to Town and Villages Committee representatives. Planning work continues for undertaking of Revive! Belubula River at Pound Flat project. Systems to be implemented in Feb. 2015 for planting projects under VEP.
3.1.2	Facilitate the delivery of more planting on Council owned and controlled land.	Compliance with strategy	
CSP3.2: Biodiversity of waterways.			
3.2.1	Adopt and implement the Draft Integrated Water Cycle Management Plan (IWCM) Plan.	Implementation of agreed activities and tasks	IWCM approved by NSW Office of Water.
3.2.2	Enhance the community's understanding of biodiversity issues and work towards positive behavioural change	Research resourced and made available.	
CSP3.3: Heritage sites in the natural and built environment are identified and understood.			
3.3.1	Pursue recognition of heritage items in draft LEP 2012.	Information to public Heritage advice	Undertaken. Planning Proposal being planned.
3.3.2	Identify items of natural heritage in Blayney Shire.	Information to public Heritage advice	
CSP3.4: Sustainable land use practices across the Shire.			
3.4.1	Pursue sustainable land use practices based on the protection and restoration of natural resources, innovative land use policies and government and community partnerships.	Develop partnerships with relevant organisations.	CMA meetings attended and on-going contact maintained during period. Established links with local Landcare group.

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
<b>STRATEGIC DIRECTION 4: DEVELOP AND MAINTAIN SHIRE INFRASTRUCTURE</b>			
<b>CSP4.1: Adequate provision of transport, roads, rail, information and communication technologies and community social assets.</b>			
4.1.1	Manage Local Road Network to agreed service levels.	Performance budget/time/quality. Meeting service levels. Customer request system.	
4.1.2	Manage Regional and State Road Network to agreed service levels.	Service levels provided in accordance with State Government funding.	Routine inspections and maintenance undertaken in accordance with budget limitations. Rehabilitation works completed on Neville and Spring Terrace Roads due to increased heavy vehicle usage, associated with logging operations on Mt Macquarie and gravel haulage for Orange Airport upgrade.
4.1.3	Ensure Ancillary Road facilities are serviceable and in line with current standards e.g. footpaths, cycleways, kerb and gutter, bus stops etc.	Performance budget/time/quality. Meeting service levels. Customer request system.	Maintenance grading continues on unsealed road network as and where required, within budget limitations. Preparation of costing estimates for rehabilitation of load limited bridges underway.
4.1.4	Source road making materials in environmentally responsible manner.	Regulatory compliance	REPAIR Program (2014/15) project, rehabilitation of Hobbys Yards Road (Ch:9.85 - 10.80) completed.
4.1.5	Implement the Blayney Shire Council Asset Management Plans	Quantity and quality of information allocated	Planning underway for Park Street rehabilitation project anticipated for completion in Jan. 2015. Blayney Memorial Gates project completed.
4.1.6	Seek additional grant funding for construction and maintenance of roads and associated facilities	Applications submitted and Grant funds received.	Limited activity in asset inspections on ancillary facilities. Customer complaints continue to be addressed as and when required. Essential Energy (EE) continue to undertake street lighting maintenance. Pricing submission by EE was considered by Australian Energy
4.1.7	Plan for future transport and road infrastructure to service future needs	Projects are 'shovel ready'	Regulator (AER) and EE provided with opportunity to revise submission based upon AER comments. Injury surveys completed quarterly.
4.1.8	Investigate opportunities for stormwater harvesting and reuse	Projects identified and implemented. Successful grant applications.	Crushing operations completed in Cadia and Whites quarries. Further operations programmed in Whites quarry in Feb. 2015. Inspection of hired plant to be undertaken to ensure legislative compliance. Road inspections undertaken on regular basis.

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
4.1.9	Apply the principles of Water Sensitive Urban Design (WSUD) to stormwater management	Completion of WSUD policy. Investigate grant funding.	Assets system software upgrade review undertaken. REPAIR Program (2015/16) funding application submitted for next stage of rehabilitation of Hobbys Yards Road.
4.1.10	Prepare Stormwater Management Plans	Completion of Plans	Fixing Country Roads program funding application submitted on time to accelerate upgrade of Errowanbang Road program. Application for cycleway funding under TfNSW walking and cycling program lodged on time.
4.1.11	Maintain cemeteries in accordance with the community's needs and expectations	Compliance with regulations. Maintain records.	2014/15 capital works program design documentation completed ahead of program. Land negotiations for 2014/15 road realignments completed. Stormwater harvesting/wetland project in Ogilvy Street to be provided with further maintenance and plantings within budget allocation.
4.1.12	Identify surplus Council owned assets for possible sale to be invested in infrastructure reserve.	Assets identified for sale	Further engagement with Local Land Services/Salinity and Water Quality Alliance to be undertaken.
4.1.13	Maintain and improve Council owned building assets	Implementation of Building maintenance program	

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
<b>CSP4.2: Every village has access to water and sewerage services.</b>			
4.2.1	Maintain the availability and quality of water for use in rural areas	Water availability and quality. Operational bores.	All water bores secured on new key system, with notices issued, and applications processed upon receipt.
4.2.2	Ensure Sewerage Treatment Plant are able to meet needs of the Blayney Shire	Maintain to licensing standards	Routine inspections undertaken of sewerage treatment plant in conjunction with EPA and NSW Office of Water (NOW), with inspection for new risk based licensing system to be undertaken in Q3-4 (2014/15).
4.2.3	Provide an effective and safe Sewerage Collection Network for Blayney Shire	Achieve network maintenance	Councillor workshop (Dec.2014) undertaken to consider draft Strategic Business Plan (SBP) for sewer services. Revised document to be presented to Council for consideration in Q3 (2014/15).
4.2.4	Ensure that the disposal of liquid waste in rural areas is carried out in a healthy manner without negative environmental impact.	SMF's (sewerage management facilities) reviewed.	Concillor workshop also consider draft Developer Servicing Plans for Millthorpe and Blayney and scenario for developer charges to be in parity. Council to discuss matter with NOW and identify way forward in light of NOW draft guidelines and unknown timing of approved guidelines. CEEP2 (Centroc) relining works completed.
<b>CSP4.3: Improved access to community and public transport between villages and centres.</b>			
4.3.1	Lobby to improve public transport around the shire	Improved transport services. Greater accessibility across the Shire.	Public Transport services maintained. Transport funding applied to Community Bus project facilitated by Blayney Rotary.
<b>CSP4.4: Integrated medical and aged care facilities across the Shire.</b>			
4.4.1	Advocate for the upgrading of rail infrastructure	Meeting attended.	Regional meetings attended. Discussion with TfNSW representative indicates State Government continues to consider project.
<b>CSP4.5: Sustainable Waste Management.</b>			
4.5.1	Develop and promote programs that increase the participation of the community in recycling and reducing waste going to landfill.	Attendance at Netwaste meetings. Educational material developed. Participation in recycling program.	Meetings attended during period. Solid waste management by JR Richards monitored quarterly.

**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
<b>STRATEGIC DIRECTION 5: DEVELOP STRONG AND CONNECTED COMMUNITIES</b>			
<b>CSP5.1: A diverse and sustainable population in our communities and villages.</b>			
5.1.1	Assist incorporated village committees, progress associations and hall committees.	Active village committees	Council attend and support activities of Town and Villages Committees where possible. Residents pack on website and available from Tourist & Community Information Centre
5.1.2	Promote living in the Blayney Shire	Residents Pack developed.	
<b>CSP5.2: Fit and healthy community members.</b>			
5.2.1	Build partnerships with community groups to increase use of parks and reserves	Interaction with use groups	Staff continue to liaise with stakeholders as and when required, and via Sports Council to consider strategic plans for facilities.
5.2.2	Provide for the implementation of projects, identified in Council's Pedestrian and Access Mobility, Bike Plan to improve community health and fitness	Meetings attended	Application for cycleway and Pedestrian and Access Mobility Plan funding under TfNSW walking and cycling program lodged on time.
<b>CSP5.3: Full and equitable access and strong usage of Information and communication technologies across the Shire.</b>			
5.3.1	Implement programs to build community skills with computer technology, to build community participation and social inclusion amongst older Australians.	Internet access available to community. Program participation.	Information on website. Internet access available at Library. Promotion of Seniors Kiosk ongoing though community demand declining.
<b>CSP5.4: Capable, self sufficient communities engaged in decision making about issues that affect them.</b>			
5.4.1	Develop and implement a community engagement process and policy	Informed communities	Community Engagement Policy remains current.
5.4.2	Develop and implement plans for villages and township	Plans developed. Implementation ongoing as funds become available.	Village Enhancement Plans included into works programs. Council Christmas function recognised and acknowledged Volunteers.
5.4.3	Encourage volunteerism within the Community	Promotion undertaken	

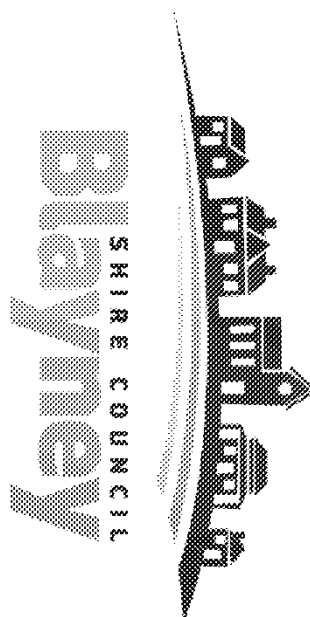
**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
STRATEGIC DIRECTION 6: LEADERSHIP			
CSP6.1: Good governance across our communities.			
6.1.1	Councillors to exhibit leadership on Council and participate in Council and regional communities as well as community organisations.	Attendance to meeting. Councillor presence on relevant committees.	Acting General Manager, Mayor, Deputy Mayor and Chair Central Tablelands Water attended LGNSW State Conference, Coffs Harbour. Council meetings conducted monthly, business papers and minutes made available to public.
6.1.2	Promote resource sharing and collaboration with regional organisations.	Participation in meetings. Resource sharing projects.	Participated in WBC and Centroc activities. Pilot Joint Organisation (JO) launched and Council included in Central West JO. Participated in regional Office of Local Government meetings and workshops in regards to Fit for the Future, Rural Council and JO.
6.1.3	Encourage sound governance practice in community organisations.	Provide assistance and training as requested.	
CSP6.2: Meaningful communication between the Shires communities and Council.			
6.2.1	Identify and engage with Shire Community Groups.	Establish regular communications with Shire Community Groups.	Website and media communications channels utilised to promote Council activities. Acknowledgement process to emails and correspondence in place and ongoing. Activity reports issued to Directors monthly.
6.2.2	Implement Council's Community Engagement Plan	Engagement activities conducted	
6.2.3	Develop communications between Councillors and the community to provide community opinion.	Community satisfaction with communication processes. Available to community.	
6.2.4	Manage a customer request system to assist communications between community and Council.	Response times to requests.	
CSP6.3: A well-run Council organisation.			
6.3.1	Provide a framework for the efficient and effective administration of Council.	Assess Council's position against Better Practice Review.	Process commenced however in abeyance due to constraints in resourcing. Annual report and Financial reports finalised and lodged by required due dates. Fit for the Future workshops conducted for Council and Staff. Participation at regional Local Government sessions.
6.3.2	Maintain a stable and secure financial structure for Council.	Report financial outcomes as required by legislation.	
6.3.3	Support actions for the sustainable future of local government.	Review Destination 2036 outcomes and actions to improve local government.	
6.3.4	Develop strategies that respond to the impact of climate change on the community.	Supply of community information.	



**DELIVERY PLAN PERFORMANCE STATUS REPORT - DECEMBER 2014**

DP Ref.	TASK	MEASURE	COMMENT
<b>CSP6.4: A safe community.</b>			
6.4.1	Provide support for emergency management in Blayney Shire in accordance with SERM Act	Emergencies responded to.	Council resources provided to Millamolong Fire in Nov. 2014.
6.4.2	Undertake regulatory responsibilities for environmental health and animal control.	Regulatory responsibilities are met	Road Safety Officer continues to deliver road safety program, engage in Traffic Committee, and undertake road safety audits or speed zone reviews in conjunction with Roads and Maritime Services.
6.4.3	Educate communities on road and pedestrian safety	Programs delivered	RSO received a Highly Commended award from IPWEA and 3M Diamond Road Safety Award for "Kindy Kits", to be delivered in Blayney Shire in Q4 (2014/15). RSO delivered a variety of road safety papers at various conferences.
6.4.4	Review risk management of council operations.	Plan is implemented and risk managed.	Risk Management Plan Training provided in partnership with WBC Alliance for staff involved.



# **Quarterly Budget Review 2014-2015**

**Period ending  
31 December 2014**

Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

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Blayney Shire Council

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

**Report by Responsible Accounting Officer**

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

It is my opinion that the Quarterly Budget Review Statement for Blayney Shire Council for the quarter ended 31/12/14 indicates that Council's projected financial position at 30/6/15 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: 30/01/2015

Tiffany Iram  
Responsible Accounting Officer

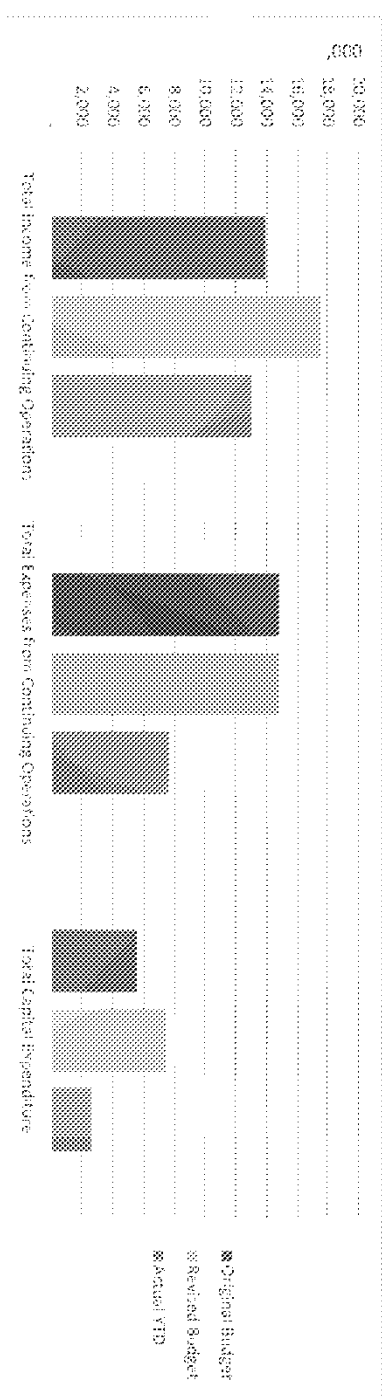
Blayney Shire Council  
PART 1:  
Income & Expenses Budget Review Statement

Quarterly Budget Review Statement  
for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014  
Income & Expenses - Council Consolidated

(\$'000's)

	Original Budget \$ '000	Revised Budget Last Qtr	Variations for this Dec Qtr	Revised Budget Current	Actual YTD figures
Total Income from Continuing Operations	13,904	17,489	363	17,852	13,001
Total Expenses from Continuing Operations	14,785	14,794	312	15,106	7,639
Net Operating Result from Continuing Operations	(881)	2,695	51	2,746	5,362
Total Capital Expenditure Rounding Adjustment	5,527	7,459	(76)	7,383	2,609
Net Movement	(6,408)	(4,764)	129	(4,636)	2,753
Total Restricted Cash Movement	12,444	12,444	129	12,573	12,059



Blayney Shire Council

PART 2:

Income & Expenses Budget Review Statement

Quarterly Budget Review Statement  
for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014

	(Inclusive of Capital Grants & Contributions)				
	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures % of Budget
<b>Income</b>					
Rates and Annual Charges	8,373	9,985	(10)	9,975	9,809 98%
User Charges and Fees	1,309	1,579	324	1,903	939 49%
Interest and Investment Revenues	480	498	-	498	241 48%
Other Revenues	122	184	58	242	150 62%
Grants & Contributions - Operating	2,925	3,005	38	3,043	1,446 48%
Grants & Contributions - Capital	695	2,238	(48)	2,190	359 16%
Net Gain From Disposal of Assets	-	-	-	-	57 0%
<b>Total Income from Continuing Operations</b>	<b>13,904</b>	<b>17,489</b>	<b>363</b>	<b>17,852</b>	<b>13,001</b>
<b>Expenses</b>					
Employee Costs	4,832	4,978	28	5,006	2,383 48%
Borrowing Costs	133	149	-	149	79 53%
Materials & Contracts	3,502	2,771	236	3,007	1,473 49%
Depreciation	4,779	4,844	-	4,844	2,402 50%
Legal Costs	45	45	20	65	65 100%
Other Expenses	1,494	2,007	28	2,035	1,237 61%
<b>Total Expenses from Continuing Operations</b>	<b>14,785</b>	<b>14,794</b>	<b>312</b>	<b>15,106</b>	<b>7,639</b>
<b>Net Operating Result from Continuing Operations</b>	<b>(881)</b>	<b>2,695</b>	<b>51</b>	<b>2,746</b>	<b>5,362</b>
<b>Net Operating Result before Capital Items</b>	<b>(1,576)</b>	<b>457</b>	<b>99</b>	<b>556</b>	<b>4,946</b>

Blayney Shire Council

PART 3:

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2014

Capital Budget - Council Consolidated

(\$'000's)	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>Capital Expenditure</b>						
New Assets						
- Plant & Equipment	863	994	66	1,060	754	71.1%
- Other	500	500	(450)	50	-	0.0%
- Sewer	103	147		147	202	137.4%
Renewal Assets (Replacement)						
- Plant & Equipment	-	-		-	-	0.0%
- Land & Buildings	509	893	308	893	130	14.6%
- Roads, Bridges, Footpaths	2,580	3,894		4,202	1,523	36.2%
- Sewer	660	660		660	-	0.0%
- Other	312	371		371	-	0.0%
<b>Total Capital Expenditure</b>	<b>5,527</b>	<b>7,459</b>	<b>(76)</b>	<b>7,383</b>	<b>2,609</b>	<b>35.3%</b>
<b>Capital Funding</b>						
Rates & Other United Funding	2,066	2,344	86	2,430	2,250	92.6%
Capital Grants & Contributions	695	2,213	(33)	2,180	359	16.5%
Reserves:						
- External Restrictions/Reserves	763	899	(129)	770	-	0.0%
- Internal Restrictions/Reserves	828	828	-	828	-	0.0%
New Loans	1,175	1,175	-	1,175	-	0.0%
<b>Total Capital Funding</b>	<b>5,527</b>	<b>7,459</b>	<b>(76)</b>	<b>7,383</b>	<b>2,609</b>	<b>35.3%</b>
<b>Net Capital Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Quarterly Budget Review Statement  
for the period ending 31/12/14

**Blayney Shire Council**

**PART 4:**

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

**Quarterly Budget Review Statement**

for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014

**Income & Expenses - Council Consolidated** (Inclusive of Capital Grants & Contributions)

	Original Budget \$ '000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	% of Budget
<b>Income</b>						
Governance	-	-	2	2	2	64.90%
Administration	162	237	118	356	231	5.82%
Public Order & Safety	15	16	-	16	1	9.71%
Health	28	20	-	20	2	96.60%
Environment	1,197	1,187	(162)	1,025	990	13.71%
Community Services & Education	18	18	(15)	3	0	49.71%
Housing & Community Amenities	199	212	-	212	105	32.09%
Recreation & Culture	469	764	(73)	691	222	70.38%
Sewer Supplies	1,508	1,551	-	1,551	1,092	92.55%
Mining, Manufacturing & Construction	190	252	-	252	233	28.85%
Transport & Communication	1,609	3,012	485	3,497	1,009	80.35%
Economic Affairs	92	131	8	139	116	89.20%
General Purpose Revenues	8,416	10,088	-	10,088	8,998	-
<b>Total Income from Continuing Operations</b>	<b>13,904</b>	<b>17,489</b>	<b>363</b>	<b>17,852</b>	<b>13,001</b>	
<b>Expenses</b>						
Governance	487	479	-	479	167	34.92%
Administration	3,521	3,579	58	3,637	1,894	51.09%
Public Order & Safety	415	423	-	423	201	47.57%
Health	91	93	-	93	40	43.29%
Environment	1,076	1,130	28	1,158	603	52.08%
Community Services & Education	28	20	-	20	3	15.83%
Housing & Community Amenities	496	439	10	449	229	51.11%
Recreation & Culture	2,440	2,526	12	2,538	1,203	47.41%
Sewer Supplies	1,231	1,082	-	1,082	512	47.30%
Manufacturing & Construction	244	255	-	255	315	123.52%
Transport & Communication	4,444	4,465	177	4,642	2,324	50.07%
Economic Affairs	312	303	27	330	147	44.45%
General Purpose	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>14,785</b>	<b>14,794</b>	<b>312</b>	<b>15,106</b>	<b>7,639</b>	
<b>Net Operating Result from Continuing Operations</b>	<b>(881)</b>	<b>2,695</b>	<b>51</b>	<b>2,747</b>	<b>5,362</b>	
<b>Net Operating Result before Capital Items</b>	<b>(1,576)</b>	<b>457</b>	<b>99</b>	<b>566</b>	<b>4,946</b>	



Blayney Shire Council  
PART 4A:  
**Income & Expenses Budget Review Statement (By Function/Activity - Detailed)**

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014  
**Income & Expenses - Council Consolidated**  
(Excludes Capital Grants & Contributions)

	Operating Income						Operating Expenditure					
	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>Governance</b>												
Council	-	-	2	2	2	122.1%	487	479	-	479	167	34.9%
<b>Administration</b>												
Corporate Services	62	85	107	192	173	90.2%	2,261	2,267	46	2,333	1,150	49.3%
Engineering & Works	68	116	-	116	36	31.0%	1,156	1,157	-	1,157	660	57.0%
Environmental	-	4	12	16	10	64.4%	235	265	12	277	138	49.9%
Other Support Services	32	32	-	32	12	37.5%	(131)	(130)	-	(130)	(53)	40.8%
	162	237	118	355	231	65.0%	3,521	3,579	58	3,637	1,895	52.1%
<b>Public Order &amp; Safety</b>												
Rural Fire Service	-	-	-	-	-	0.0%	300	300	-	300	138	46.0%
Animal Control	8	9	-	9	2	22.2%	73	82	9	82	39	47.6%
Emergency Services	7	7	-	7	(1)	-14.3%	42	41	-	41	24	58.5%
	15	16	-	16	1	6.3%	415	423	8	423	201	47.5%
<b>Health</b>												
Administration/Food Control	28	20	-	20	2	10.0%	91	93	2	93	40	43.0%
	28	20	-	20	2	10.0%	91	93	2	93	40	43.0%
<b>Environment</b>												
Noxious Plants	-	-	10	10	10	100.0%	66	66	-	66	66	100.0%
Domestic Waste Management	867	867	(10)	857	835	97.4%	629	611	-	611	290	47.5%
Other Waste Management	130	120	10	130	145	111.5%	122	204	-	204	112	54.9%
Street Cleaning	-	-	-	-	-	0.0%	163	163	-	163	66	40.5%
Urban Stormwater Drainage	-	-	28	28	-	0.0%	96	86	28	114	70	61.2%
	997	987	38	1,025	990	96.5%	1,076	1,130	28	1,158	604	52.1%
<b>Community Services &amp; Education</b>												
Child Care	-	-	-	-	-	0.0%	11	10	-	10	-	0.0%
Aged & Disabled	1	1	-	1	1	100.0%	2	1	-	1	-	0.0%
Youth Services	1	1	-	1	-	0.0%	9	3	-	3	-	0.0%
Community Services Administration	-	-	-	-	-	0.0%	6	6	-	6	3	50.0%
	2	2	-	2	1	50.0%	28	20	-	20	3	15.0%

Blayney Shire Council  
PART 4A:  
Income & Expenses Budget Review Statement (By Function/Activity - Detailed)

Budget review for the quarter ended 31 December 2014  
Income & Expenses - Council Consolidated

Quarterly Budget Review Statement  
for the period ending 31/12/14

	Operating Income						Operating Expenditure					
	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>Housing &amp; Community Amenities</b>												
Housing	-	-	-	-	-	0.0%	2	2	-	2	-	0.0%
Town Planning	143	143	-	143	74	51.7%	252	205	10	215	112	52.1%
Street Lighting	16	16	-	16	16	100.0%	117	97	-	97	51	52.6%
Public Cemeteries	40	40	-	40	19	47.5%	40	50	-	50	25	50.0%
Public Conveniences	-	-	-	-	-	0.0%	85	85	-	85	41	48.2%
	<b>199</b>	<b>199</b>	<b>-</b>	<b>199</b>	<b>109</b>	<b>54.8%</b>	<b>496</b>	<b>439</b>	<b>10</b>	<b>449</b>	<b>229</b>	<b>51.0%</b>
<b>Recreation &amp; Culture</b>												
Public Libraries	38	51	-	51	1	2.0%	152	177	18	195	82	42.0%
Public Halls	5	5	-	5	7	140.0%	120	142	-	142	72	50.7%
Sporting Grounds	6	6	-	6	4	66.7%	187	187	-	187	97	51.9%
Blayney Showground	2	2	-	2	1	50.0%	56	98	-	98	46	46.9%
Parks & Gardens	3	58	-	58	43	74.1%	1,032	1,029	(7)	1,022	430	42.1%
Centrepoint Sport & Leisure	410	410	-	410	166	40.5%	887	887	-	887	455	51.3%
Other Cultural Services	-	-	-	-	-	0.0%	6	6	-	6	21	350.0%
	<b>464</b>	<b>532</b>	<b>-</b>	<b>532</b>	<b>222</b>	<b>41.7%</b>	<b>2,440</b>	<b>2,526</b>	<b>12</b>	<b>2,538</b>	<b>1,203</b>	<b>47.4%</b>
<b>Mining Manufacturing &amp; Construction</b>												
Building Control	52	114	-	114	53	46.5%	116	127	-	127	52	40.9%
Quarries & Pits	138	138	-	138	131	94.9%	128	128	-	128	263	205.5%
	<b>190</b>	<b>252</b>	<b>-</b>	<b>252</b>	<b>184</b>	<b>75.0%</b>	<b>244</b>	<b>255</b>	<b>-</b>	<b>255</b>	<b>315</b>	<b>123.5%</b>
<b>Transport &amp; Communication</b>												
Local Roads	802	802	-	802	396	49.3%	3,465	3,508	(126)	3,382	1,741	51.5%
Regional Roads	246	298	-	298	155	52.0%	214	106	75	181	179	99.9%
State Roads	59	202	-	447	144	32.2%	59	159	228	387	75	19.4%
Bridges - Local	-	-	-	-	-	0.0%	312	312	-	312	165	52.9%
Bridges - Regional	62	10	-	10	-	0.0%	52	-	-	-	0	0.0%
Footpaths	-	-	-	-	-	0.0%	77	77	-	77	25	32.5%
Kerb and Gutter	-	-	-	-	-	0.0%	119	119	-	119	45	37.8%
Other Transport and Communication	-	-	-	-	-	0.0%	146	184	-	184	93	50.5%
	<b>1,169</b>	<b>1,312</b>	<b>245</b>	<b>1,557</b>	<b>695</b>	<b>44.6%</b>	<b>4,444</b>	<b>4,465</b>	<b>177</b>	<b>4,642</b>	<b>2,323</b>	<b>50.0%</b>

Blayney Shire Council

PART 4A:

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

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014  
**Income & Expenses - Council Consolidated**  
(Excludes Capital Grants & Contributions)

	Operating Income						Operating Expenditure					
	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>Economic Affairs</b>												
Tourism & Area Promotion	-	-	-	-	-	0.0%	184	184	15	199	72	36.3%
Industrial Development & Promotion	4	4	-	4	60	1500.0%	14	16	-	16	10	64.4%
Real Estate	-	-	-	-	-	0.0%	-	-	-	-	-	0.0%
Initial Units	21	60	8	68	37	54.4%	63	52	12	64	36	55.3%
Other Business	67	67	-	67	19	28.4%	51	51	-	51	28	54.9%
	92	131	8	139	116	83.5%	312	303	27	330	147	44.4%
<b>General Purpose Revenue</b>												
General Purpose Revenues	8,416	10,088	-	10,088	8,998	89.2%	-	-	-	-	-	0.0%
<b>Sewerage Services</b>												
	1,475	1,475	-	1,475	1,092	74.0%	1,231	1,082	-	1,082	512	47.3%
<b>Surplus/(Deficit) From Ordinary Activities Before Capital Amounts</b>	13,209	15,252	411	15,663	12,642	80.7%	14,785	14,794	312	15,106	7,659	50.6%

Blayney Shire Council

PART 5:

**Capital Budget Review Statement - Detailed**

Budget review for the quarter ended 31 December 2014

**Capital Budget - Council Consolidated**

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>ADMINISTRATION</b>						
<b>CORPORATE SUPPORT</b>						
Computer Equipment	78	78	10	88	47	53.1%
Motor Vehicle(s) (Net Cost)	15	15	-	15	-	0.0%
Building Capital Works	170	170	-	170	3	1.8%
Furniture & Fittings	-	-	20	20	-	0.0%
	263	263	30	293	50	17.0%
<b>ENGINEERING AND WORKS</b>						
Motor Vehicles (Net Cost)	24	80	-	80	88	109.7%
Major Plant	567	657	-	657	530	80.7%
Minor Plant	227	227	-	227	-	0.0%
	818	964	-	964	618	64.1%
<b>TOTAL ADMINISTRATION</b>	<b>1,081</b>	<b>1,227</b>	<b>30</b>	<b>1,257</b>	<b>668</b>	<b>53.1%</b>
<b>PUBLIC ORDER &amp; SAFETY</b>						
<b>ANIMAL CONTROL</b>						
Motor Vehicle(s) (Net Cost)	15	-	-	-	-	0.0%
<b>HEALTH</b>						
<b>FOOD CONTROL</b>						
Motor Vehicle(s) (Net Cost)	15	15	-	15	31	205.5%
<b>ENVIRONMENT</b>						
<b>DOMESTIC WASTE MANAGEMENT</b>						
Waste Transfer Station	500	500	(450)	50	-	0.0%

Blayney Shire Council  
**PART 5:  
Capital Budget Review Statement - Detailed**

Budget review for the quarter ended 31 December 2014  
**Capital Budget - Council Consolidated**

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>HOUSING &amp; COMMUNITY AMENITIES</b>						
<b>TOWN PLANNING</b>						
Housing	-	34	-	34	23	68.8%
<b>RECREATION AND CULTURE</b>						
<b>LIBRARY</b>						
Disability & Geographical Grants Purchase	6	55	-	55	-	0.0%
<b>PUBLIC HALLS</b>						
Building Capital Works	3	3	-	3	11	366.7%
<b>SPORTING GROUNDS</b>						
Building Capital Works	108	174	-	174	53	30.5%
Other Capital Works	90	90	-	90	2	2.2%
	198	264	-	264	55	20.8%
<b>CENTREPOINT SPORT &amp; LEISURE</b>						
Building Works	100	-	-	-	-	-
Swimming Pool Assets	-	-	25	25	11	42.3%
Energy Efficiency Program	-	280	-	280	9	3.2%
Swimming Pool Resurfacing	-	40	4	44	-	0.0%
	100	320	29	349	19	5.6%
<b>PARKS &amp; GARDENS - RENEWALS</b>						
Building Capital Works	17	17	-	17	-	0.0%
Other Capital Works	227	227	-	227	11	4.7%
	244	244	-	244	11	4.4%

## Blayney Shire Council

## PART 5:

## Capital Budget Review Statement - Detailed

Budget review for the quarter ended 31 December 2014

## Capital Budget - Council Consolidated

## Quarterly Budget Review Statement

for the period ending 31/12/14

	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>SHOWGROUND</b>						
Building Capital Works	-	49	-	49	34	68.4%
Other Capital Works	-	25	7	32	32	101.4%
	-	74	7	81	66	81.4%
<b>TOTAL RECREATION AND CULTURE</b>	<b>551</b>	<b>960</b>	<b>36</b>	<b>996</b>	<b>162</b>	<b>16.2%</b>
<b>TRANSPORT AND COMMUNICATION</b>						
<b>LOCAL ROADS</b>						
Rehabilitation Program	1,057	1,957	-	1,957	325	16.6%
Reseal Program	621	621	(174)	447	1	0.1%
Heavy Patching	412	412	194	606	600	99.0%
Other Works	2	2	-	2	5	226.2%
	2,092	2,992	20	3,012	930	30.9%
<b>REGIONAL ROADS - RESEAL PROGRAM</b>						
	-	320	48	368	366	99.5%
<b>FOOTPATHS RENEWAL/UPGRADE PROGRAM</b>						
	123	217	240	457	204	44.7%
<b>LOCAL BRIDGES</b>						
	365	365	-	365	23	6.2%
<b>TOTAL TRANSPORT AND COMMUNICATION</b>	<b>2,580</b>	<b>3,894</b>	<b>308</b>	<b>4,202</b>	<b>1,523</b>	<b>36.2%</b>
<b>SEWERAGE SERVICES</b>						
<b>New Assets</b>						
Minor Plant Replacement	103	103	-	103	-	0.0%
	103	103	-	103	-	0.0%

Blayney Shire Council  
PART 5:  
Capital Budget Review Statement - Detailed

Budget review for the quarter ended 31 December 2014  
Capital Budget - Council Consolidated

Quarterly Budget Review Statement  
for the period ending 31/12/14

	Original Budget \$ 000	Revised Budget Last Qtr	Variations for Dec Qtr	Revised Budget Current	Actual YTD figures	%
<b>Asset Replacement/Renewal</b>						
Manhole Rehabilitation Program	100	100	-	100	-	0.0%
Replacement Pumps	20	20	-	20	-	0.0%
Lining/Replace Sewer Main	200	200	(200)	-	-	0.0%
Telemetry Upgrade	140	184	(78)	106	-	0.0%
Milnthorpe Transfer Station Main Investigation	100	100	-	100	-	0.0%
Aeration Tank	100	100	(18)	82	-	0.0%
Blayney Sewer - Energy Efficiency Upgrade	-	-	97	97	-	0.0%
Blayney Sewer - Sewer Lining (CEEP 2)	-	-	200	200	202	101.0%
	660	704	-	704	202	28.7%
<b>TOTAL SEWERAGE SERVICES</b>	<b>763</b>	<b>807</b>	<b>-</b>	<b>807</b>	<b>202</b>	<b>25.0%</b>
<b>OTHER WORKS</b>						
Old Saleyards - Demolition Works	22	22	-	22	-	0.0%
	22	22	-	22	-	0.0%
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>5,527</b>	<b>7,459</b>	<b>(76)</b>	<b>7,383</b>	<b>2,609</b>	<b>35.3%</b>

Blayney Shire Council  
PART 6:

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

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

Budget Variations being recommended include the following material items:

Notes Details	Variations to:	
	Income \$000	Expenditure \$000
1 WorkCover training incentives and increased pipeline lease income from Cadia	107	
2 Gross up maternity leave salaries paid with Centrelink rebates received	12	12
3 Additional funding from NSW Trade & Investment for Weed Control	10	
4 Redistribution of budgeted income from domestic to non domestic waste charges	10 (10)	
5 Reallocation of budgeted income and expenditure from the Office of Environment & Heritage from the cost centre Other Transport & Communication to Urban Stormwater Drainage - Blayney Flood Study	28	28
6 Additional state road funding and expenditure for completion of works on Park St Milthorpe	245	228
7 Increase in temporary staff salaries and associated costs due to relief positions, additional advertising costs and WHS Risk management staff training costs funded from WorkCover training incentives received		46
8 Increase in DA related legal fees		10
9 Internal improvements as part of the Library refurbishment		18
10 Reallocate rural roads maintenance budget to heavy patching works on Neville Rd & Spring Terrace Rd		(126)
11 Increased maintenance expenditure on regional roads including Hobby's Yard Road and Belubula Way		75
12 Village Brochure for regional promotions		15
13 Inala Units unscheduled repairs and maintenance and landscaping improvements	8	12
26 Capital Grants & Contributions - Waste Transfer Station (\$200K) income not anticipated, S.64 Contributions (\$15k), Napier Oval Toilet Block (\$24K) additional funding not available, to be funded via Asset Replacement Reserve. Showground Building Improvements (\$49K) grant funding unavailable, to be funded via Asset Replacement Reserve. RMS funding for Ogilvy & Adelaide St Footpaths \$240K	(48)	
Other non material budget variances		(7)

Total Budget Amendments	363	312
<b>Net Budget Amendments</b>		<b>51</b>



Blayney Shire Council

**PART 7:**

**Quarterly Budget Review Statement**

for the period ending 31/12/14

**Capital Budget Review Statement**

**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Variations to:**

<b>Notes Details</b>	<b>Expenditure \$000</b>
14 Purchase of GIS Mapping Software	10
15 Purchase of lockable rolling compactus for records storage	20
16 Proposed waste transfer station no longer being completed (\$250k from reserve and \$200k anticipated grant funding)	(450)
17 Centrepont Refurbishment - Pool starting blocks, pool covers, pool cleaner, clocks & regrouting of the baby pool	25
18 Reallocate heavy patching budget from reseal program and increased costs on Neville Rd and Spring Terrace Rd	20
19 Hobboys Yards Road resealing work	48
20 Footpath works in Adelaide & Ogilvy Streets (\$240k to be funded by RMS)	240
21 Correct allocation of budgets in Sewer Services	297 (297)
Other non material budget variances	10
<b>Total Budget Amendments</b>	<b>(76)</b>

## Blayney Shire Council

## PART 8:

## Cash &amp; Investments Budget Review Statement

Budget review for the quarter ended 31 December 2014  
Cash & Investments - Council Consolidated

(\$'000's)

Externally Restricted <sup>(1)</sup>

Developer Contributions - General	668
Developer Contributions - Sewer Fund	714
Specific Purpose Unexpended Grants	1,417
Specific Purpose Unexpended Grants - Sewer Fund	4
Sewerage Services	2,885
Rates - Special Variation	46
Rates - Special Variation Mining	144
<b>Total Externally Restricted</b>	<b>5,868</b>

(1) Funds that must be spent for a specific purpose

Internally Restricted <sup>(2)</sup>

Plant & Vehicle Replacement	1,407	1,317	-	1,317	100.0%
Employees Leave Entitlement	564	564	-	564	100.0%
DWM Rehabilitation Reserve	101	101	-	101	100.0%
Blayney Town Works	185	185	-	185	100.0%
Cemeteries	6	6	-	6	100.0%
Construction of Buildings	8	8	-	8	100.0%
Election Reserve	44	44	-	44	100.0%
Golden Gully	23	23	-	23	100.0%
Grant Matching Reserve	51	51	-	51	100.0%
Irada Units	47	81	(4)	77	100.0%
IT Reserve	51	51	-	51	100.0%
Multipurpose Centre	243	199	(29)	170	100.0%
Property Account	457	457	-	457	100.0%
Quarry	350	350	-	350	100.0%
Domestic Waste	-	-	250	250	100.0%
Asset Replacement Reserve	2,426	2,426	(73)	2,353	100.0%
Showground Improvement Fund	6	6	-	6	100.0%
Tourism Promotion Fund	214	214	-	214	100.0%
Local Museums	15	15	-	15	100.0%
<b>Total Internally Restricted</b>	<b>6,198</b>	<b>6,098</b>	<b>144</b>	<b>6,242</b>	
(2) Funds that Council has earmarked for a specific purpose					
<b>Unrestricted</b> (i.e., available after the above Restrictions)	<b>378</b>	<b>514</b>	<b>(129)</b>	<b>385</b>	<b>1,110</b>
<b>Total Cash &amp; Investments</b>	<b>12,444</b>	<b>12,444</b>		<b>12,444</b>	<b>13,169</b>

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Quarterly Budget Review Statement  
for the period ending 31/12/14

Blayney Shire Council

**PART 9:**

**Quarterly Budget Review Statement**

for the period ending 31/12/14

**Cash & Investments Budget Review Statement**

**Investments**

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

**Cash**

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.  
The date of completion of this bank reconciliation is 31/12/14

**Reconciliation Status**

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

**\$ 000's**

Cash at Bank (as per bank statements)

669

Investments on Hand

12,500

**Reconciled Cash at Bank & Investments**

**13,169**

**Balance as per Review Statement:**

**13,169**

Difference:

0

**Notes Details**

**Variations to:**

	<b>Income \$000</b>	<b>Expenditure \$000</b>
22 Allocation of \$ 94 funds held in reserve		15
23 Transfer from the Asset Replacement reserve for building improvements to the Showground and the Napier Oval Toilet Block		49 24
24 Transfer from CentrePoint reserve for additional pool resurfacing & grouting costs, starting blocks, pool covers etc		29
25 Transfer to Domestic Waste Reserve for Waste Transfer Station no longer being completed.	250	
Other non material budget variances		4

Total Budget Amendments	250	121
<b>Net Budget Amendments</b>		<b>129</b>

Blayney Shire Council  
PART 10:

**Key Performance Indicators Budget Review Statement**

Budget review for the quarter ended 31 December 2014

(\$'000's)	Current Projection Amounts 14/15	Indicator 14/15	Actuals Prior Periods 13/14 12/13
------------	--	--------------------	--

The Council monitors the following Key Performance Indicators:

<b>1. Unrestricted Current Ratio</b>			
<u>Current Assets less all External Restrictions</u>	<u>8463</u>		
<u>Current Liabilities less Specific Purpose Liabilities</u>	<u>1774</u>	<u>4.8</u>	<u>4.1</u>
			<u>7.8</u>

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

<b>2. Debt Service Ratio</b>			
<u>Debt Service Costs</u>	<u>354</u>		
<u>Income from Continuing Operations</u>	<u>17852</u>	<u>2.0</u>	<u>4.5</u>
			<u>1.9</u>

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

<b>3. Rates and Annual Charges Coverage Ratio</b>			
<u>Rates and Annual Charges</u>	<u>9875</u>		
<u>Income From Continuing Operations</u>	<u>17852</u>	<u>0.56</u>	<u>0.51</u>
			<u>0.50</u>

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

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

Blayney Shire Council

PART 11:

**Contracts Budget Review Statement**

**Quarterly Budget Review Statement**  
for the period ending 31/12/14

Budget review for the quarter ended 31 December 2014

**Part A - Contracts Listing** - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
NIL						

Blayney Shire Council

**PART 12:**

**Quarterly Budget Review Statement**

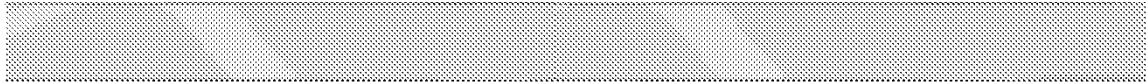
for the period ending 31/12/14

**Contracts Budget Review Statement**

**Comments & Explanations relating to Contractors Listing**

**Notes   Details**

.....  
Nil



Blayney Shire Council  
PART 13:

Quarterly Budget Review Statement  
for the period ending 31/12/14

**Consultancy & Legal Expenses Budget Review Statement**

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	88,412	Y
Legal Fees	65,225	Y

**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**

--

Blayney Shire Council  
PART 14:

Quarterly Budget Review Statement  
for the period ending 31/12/14

### Loans Summary

Budget review for the quarter ended 31 December 2014

#### (A) External Loans

	LOAN DETAILS	Original Principal	Opening Balance 1/7/14	Interest paid to date	Repayments to date	Closing Balance 31/12/14
3	Millthorpe Sewer	300,000	175,621	15,393	191,014	-
4	Blayney Works Depot	600,000	382,435	12,783	27,416	367,802
5	Blayney Works Depot	600,000	400,714	12,085	25,865	386,934
6	Millthorpe Sewer	900,000	751,676	30,352	45,474	736,554
7	Blayney Bridges Program (LHS)	1,000,000	977,653	27,811	66,043	939,421
		<b>3,400,000</b>	<b>2,688,099</b>	<b>98,424</b>	<b>355,812</b>	<b>2,430,712</b>

Less: interest accrued on outstanding repayments to 30 June 2014

(19,301)

Total interest paid for the period ending 31 December 2014

79,123

#### (B) Internal Loans

	LOAN DETAILS	Original Principal	Opening Balance 1/7/14	Interest paid to date	Repayments to date	Closing Balance 31/12/14
1	Community Centre	1,000,000	222,098	4,453	111,049	115,502
		<b>1,000,000</b>	<b>222,098</b>	<b>4,453</b>	<b>111,049</b>	<b>115,502</b>

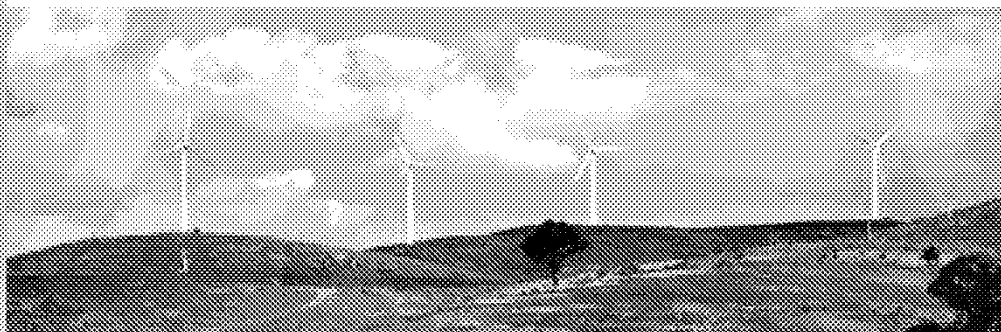




Public Works

**BLAYNEY SHIRE COUNCIL**

## **Strategic Business Plan for Sewerage Services**



**2013/14**



Document Control

Version	Author	Reviewer	Approved for Issue	
			Name	Date
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Final Draft	D. Kumarasinghe	M. Sundaravadivel	M. Pudasaini	15/11/2013
Final	S. Wheeler	M. Sundaravadivel	M. Sundaravadivel	23/1/2015

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## **Acknowledgements**

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

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

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## Abbreviations

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

## Executive Summary

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

## Operating Environment Review

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

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

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

### Current Service Areas

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

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

## **Mission**

Council has adopted the following objective for its sewerage services:

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

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

## **Levels of Service**

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

### **Sewerage**

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

### **Service interruptions**

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

### **Customer care**

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

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

**Summary of Levels of Service Improvements**

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

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

@ - NWI Performance Indicators

\* - Times apply for 95% of incidents

## Principal Issues

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

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

## Objectives and Performance Targets

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

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

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

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

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

### Objectives and Performance Targets

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

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

## Projected Financial Position

The following Table presents the summary of forecast financial position of Council's sewer fund over the next 30 years at five-year intervals. Note all projected values are in 2013/14 dollars.

### Summary of Projected Financial Position

2013/14 \$ (000)	2013/14	2017/18	2022/23	2027/28	2032/33	2037/38	2042/43
Estimated Total Revenue	1,239	1,271	1,364	1,568	1,659	1,737	1,842
Estimated Total Expenditure	1,440	1,707	1,599	1,629	2,112	2,109	2,089
Operating Surplus / (Deficit)	(201)	(436)	(235)	(61)	(454)	(372)	(247)
Acquisition of Assets	231	300	100	28	3,020	120	20
Principal Loan Payments	44	53	66	48	117	142	173
Borrowings Outstanding	933	656	289	0	4,285	3,161	2,030
Cash and Investments	3,472	1,323	1,029	1,877	868	590	821
Total Assets	24,334	22,379	20,063	18,839	22,179	19,426	17,043
Total Liabilities	939	661	294	4	4,289	3,164	2,033



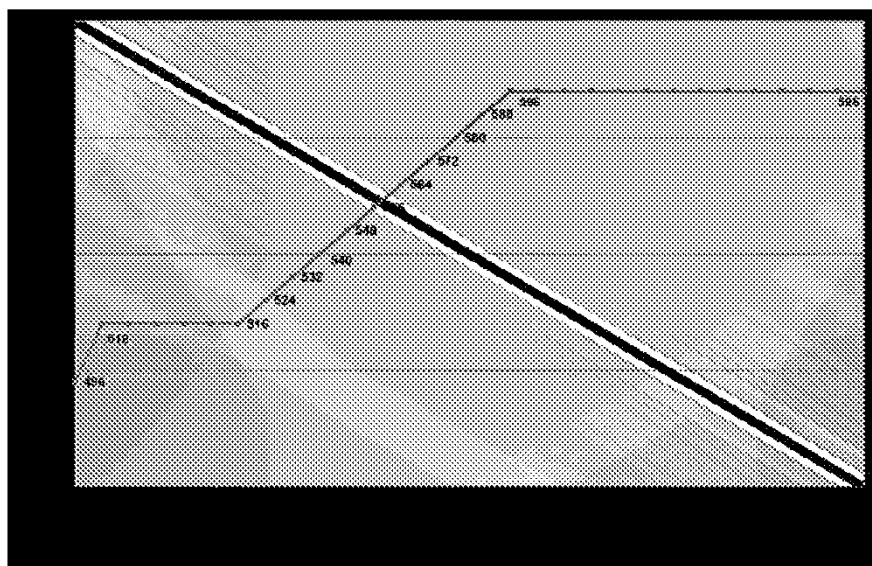
Financial modelling has demonstrated that the typical residential sewerage bill for sewerage services, measured in 2013/14 dollars has to be increased to \$516 p.a. in 2014/15 and can be maintained the same for the next 5 years i.e. till 2019/20. Thereafter, the TRB needs to be increased by \$8 per year to \$596 p.a. in 2029/30 as shown below:

- TRB for 2014/15 - \$516 p.a.
- TRB for 2015/16 to 2019/20 - \$ 516 p.a.
- TRB for 2020/21 - \$ 524 p.a.
- TRB for 2029/30 - \$ 596 p.a.

From 2029/30 onwards, the TRB can be maintained at the same level for the remainder of the forecast period. It should be noted that the financial model considered that residential customers of Millthorpe will also be paying the same level of TRB as for Blayney.

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

#### Typical Residential Sewer Bill



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

New external borrowing of \$4.5 Million will be required for the Blayney STP capacity augmentation works planned to start in 2031/32. The borrowing outstanding at the end of the 30-year forecast period will be \$2,030K.

See Section 12.4 for more financial projection details.



# **1 Introduction**

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## **1.1 Purpose of the Plan**

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

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

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

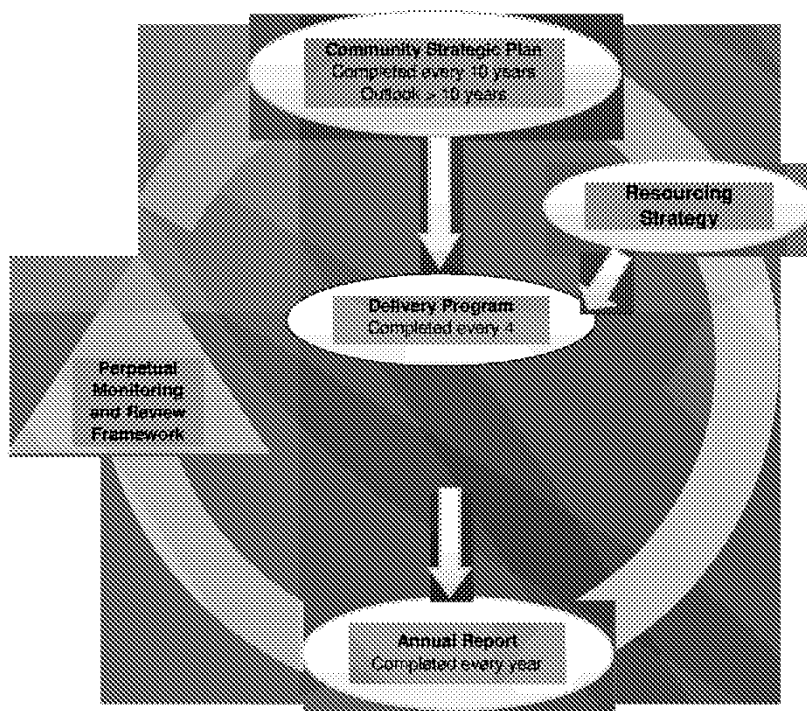
The Strategic Business Plan is required under the NSW Integrated Planning & Reporting (IPR) Framework (Figure 1). The framework is used by State Government agencies to:

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

The main elements of the IPR framework are the:

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

Figure 1 – Integrated Planning and Reporting Framework



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

### 1.3 Benefits of Strategic Business Plans

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

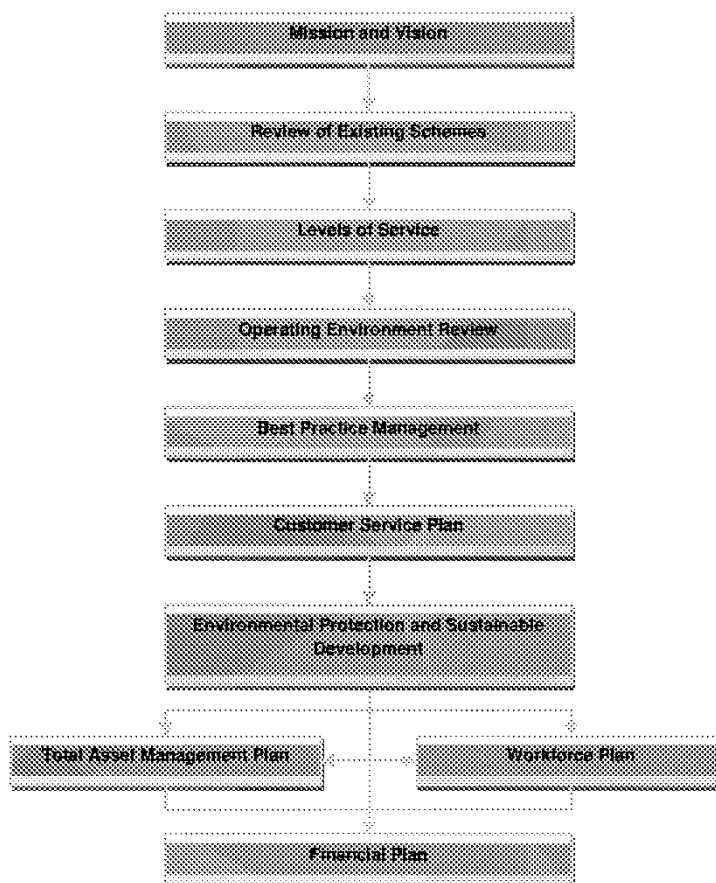
Strategic Business Plans provide many benefits to Council including:

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

## 1.4 Plan Structure

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

Figure 2 – Structure of Plan



## 2 Mission and Vision

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

### 2.1 Corporate Vision

Council's vision is:

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

Council's values are:

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

Blayney Shire strategic outcomes are:

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

### 2.2 Sewerage Objective

Council's corporate objective for sewerage is:

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

## **2.3 Implications of Vision Statements**

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

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

### 3 Existing Schemes

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

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

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

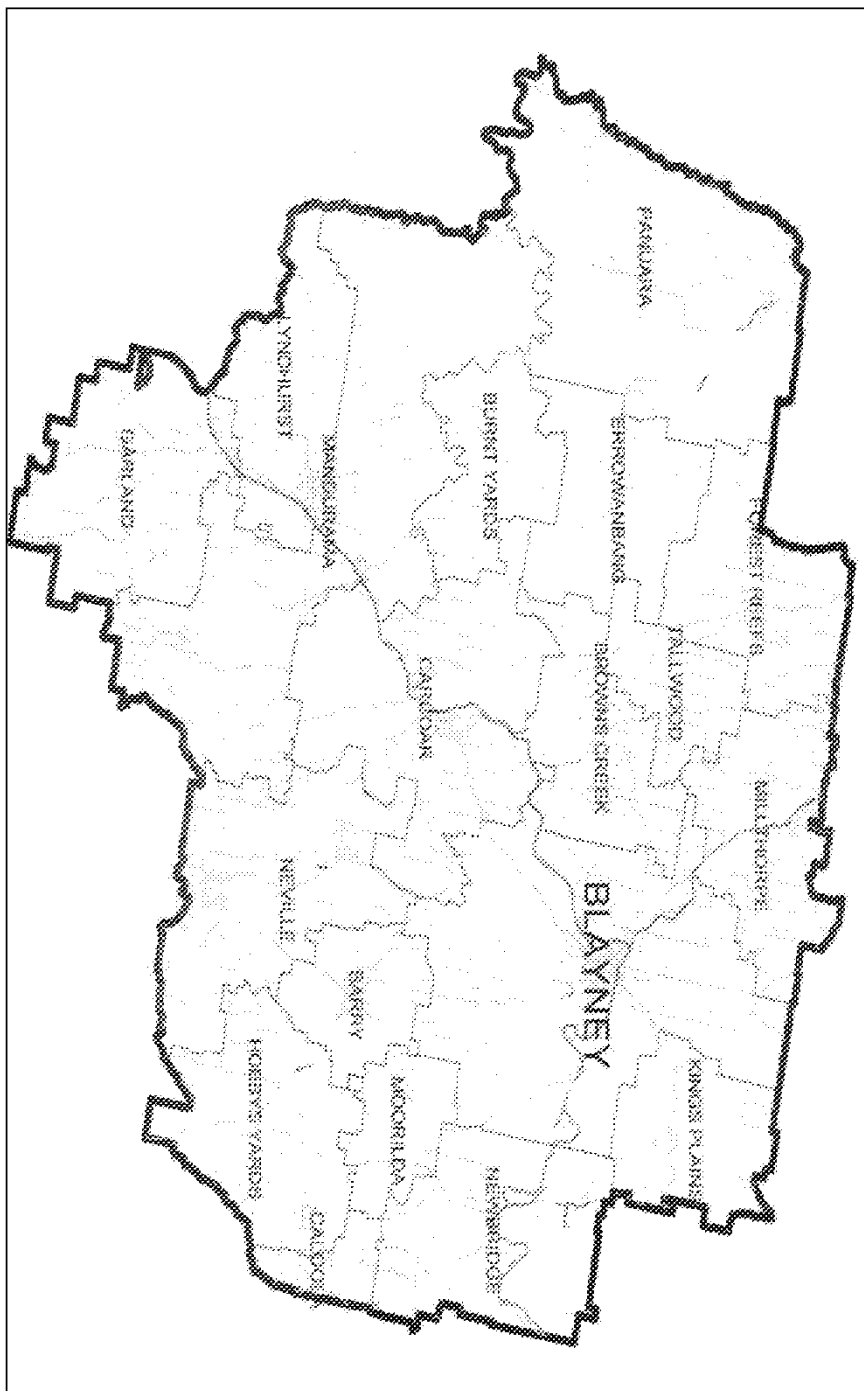
Table 3-1: Communities provided with services

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

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



Figure 3 – Map of Blayney Shire Council



### **3.1 Blayney Sewerage Scheme**

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

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

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

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

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

The service area map of Blayney town sewerage scheme is shown in Figure 4.

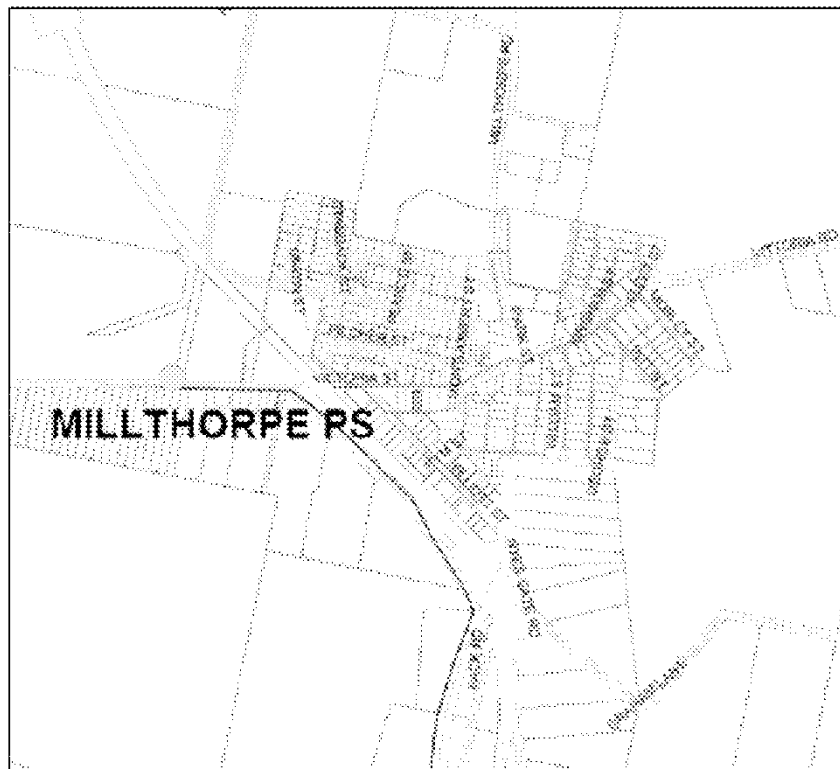
### **3.2 Millthorpe Sewerage Scheme**

Millthorpe sewerage services about 600 people in the village of Millthorpe. The sewer reticulation was commissioned in 2003. The system consists of 9.7 Km of uPVC gravity sewer mains and one pumping station. Collected sewage is pumped to the balancing tank of Blayney STP for treatment. The service area map of Millthorpe sewerage scheme is shown in Figure 5.

Figure 4 - Blayney Town Sewerage Service Area



Figure 5 - Millthorpe Sewerage Service Area



### **3.2.1 Sewerage Assets Summary**

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

In 2012 Council carried out a valuation of the sewerage assets as required by the Division of Local Government, including the inspection of a representative sample of sewer pipes. Estimates of the timing for replacement needs in the medium and long term are based on the nominal lives of the assets combined with the results of the inspections and a general idea of the condition of the assets based on the day to day experience of the maintenance staff. A projection of costs has been made for modelling purposes based on this knowledge and the asset register data.

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

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

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

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

<b>Asset</b>	<b>Current Replacement Cost (\$'000)</b>	<b>Annual Depreciation (\$'000)</b>	<b>Written Down Value (\$'000)</b>
Gravity mains including Trunk mains	14,000	120	10,000
Sewage pumping stations	2,774	51	1,764
Rising mains	5,200	69	4,400
Sewage Treatment Plant	3,840	80	2,610
Buildings, Plant and Equipment including Telemetry			
- Telemetry	61	4	42
- Buildings	338	2	267
- Plant	210	24	163

### 3.2.2 Capital Works Program for Sewerage

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

Table 3-4: Major Sewerage Capital Works

Proposed Capital Work	Year	Justification
Lining/ Replacement of sewer mains	2013 - 2019	Renewal and refurbishment of ageing assets
Manhole rehabilitation program	2014 - 2019	Improved levels of sewerage service and STP performance
Telemetry upgrade	2014/15	Improved scheme operation for better performance
Millthorpe transfer main augmentation	2014 - 2016	Refurbishment of ageing assets

## 4 Levels of Service

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The Levels of Service:

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

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

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

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

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

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

Table 4-1: Levels of Service

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



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

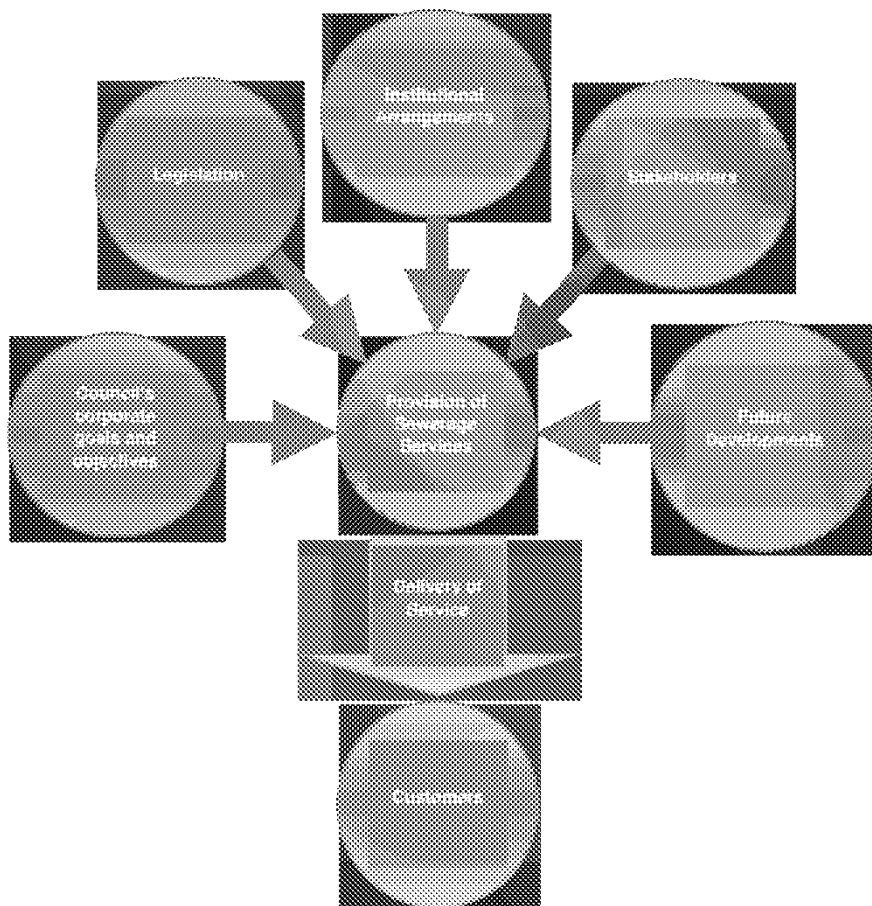
@ - NWI Performance Indicators

\* - Times apply for 95% of incidents

## 5 Operating Environment Review

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

Figure 6 – Operating Environment



## **5.1 Institutional Arrangements**

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

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

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

The definitions of these arrangements are:

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

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

## **5.2 Legislative Framework**

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

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

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

## 5.3 Corporate Policies

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

Table 5-1: Council Corporate Policies

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

## 5.4 Stakeholder Review

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

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

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

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

## **5.5 Future Development**

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

### **5.5.1 Population Growth**

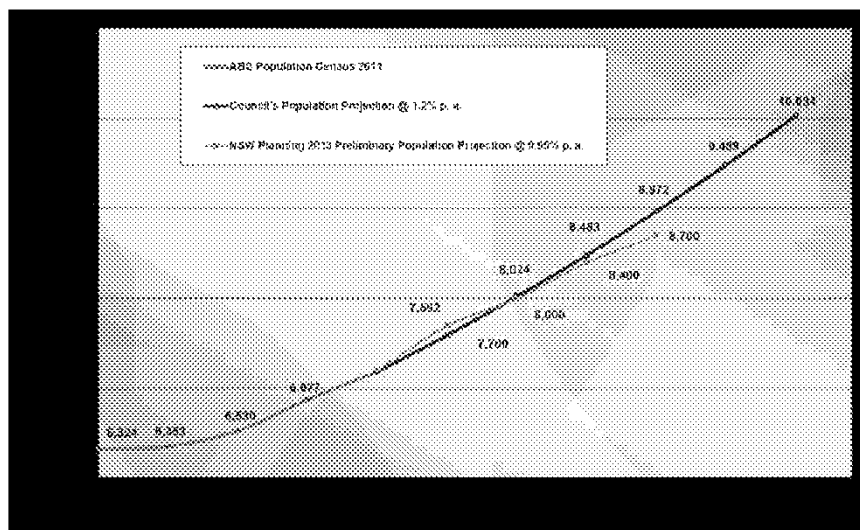
Blayney Shire Council has had a compounding population growth of 0.6% p.a. during the 20-year period between 1991 and 2011 (Based on ABS data – Regional Population Growth, Local Government Areas, NSW - 1991 – 2011, April 2013, Ref. 3218.0).

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

Council has adopted a long term average growth rate of 1.2% p.a. for sewerage services planning purposes (based on data from Central Tablelands Water Joint Integrated Water Cycle Management (IWCM) Detailed Strategy Study, NSW, June 2013)

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

Figure 7 – Blayney Shire Council Population Growth Projections



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

### 5.5.2 Development

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

### 5.5.3 Public Health

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

### 5.5.4 Environment

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

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

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

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

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

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

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

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

## 5.6 Service Provision

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

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

Table 5-2: Future Demands and Responses

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

## 5.7 Service Delivery

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

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

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

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



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

Main advantages of resource sharing are:

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

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

### **5.7.1 Conclusion**

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

Table 5-3: Service Delivery Options

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

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

## 6 Best Practice Management

### 6.1 Compliance Status

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

Table 6-1: Best Practice compliance

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

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

## 6.2 Principal Issues

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

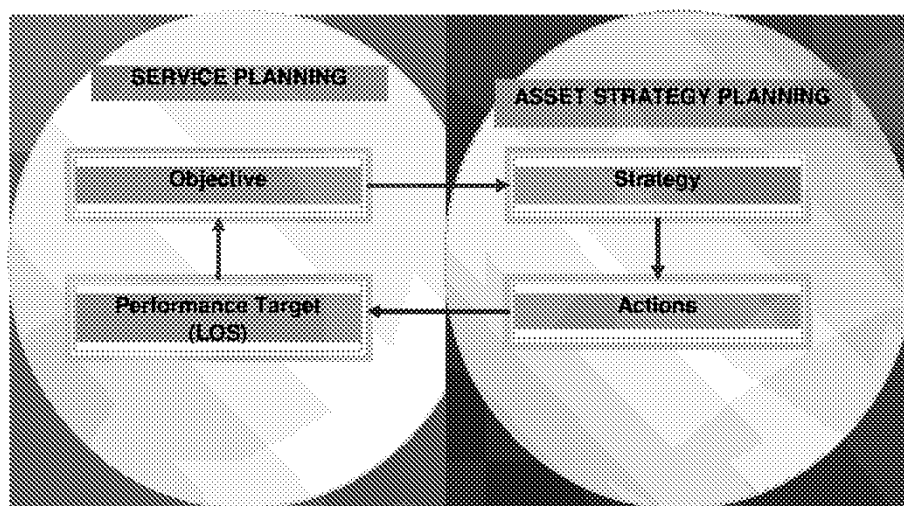
Table 6-2: Principal Issues

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

## 7 Action Planning Overview

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

Figure 8 – Relationship between Service Planning and Asset Strategy Planning



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

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

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

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

Table 7-2: Positions and Responsibilities

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

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

## 7.1 Service Planning

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

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

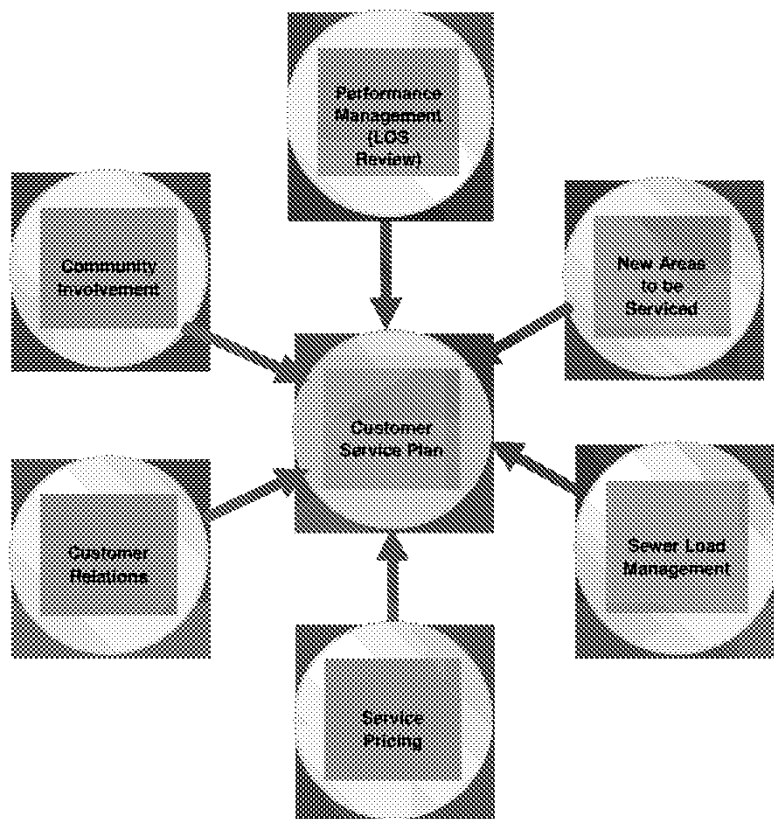
Objective	Levels of Service
Service Performance Management	Sustainability
Area Served	Availability of Service
Sewer Load Management	Discharge – Trade Wastes Failures (Inflow/Infiltration)
Pricing	Availability – user pays Rebates – pensioners
Customer Relations	Interruption advice Complaints/Enquiries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

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

## 8 Customer Service Plan

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

Figure 9 – Components of the Customer Service Plan



## **8.1 Performance Management (Levels of Service Review)**

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

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

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

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

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

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

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

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



Table 8-1: Objective & Actions -- Levels of Service

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

## **8.2 Areas Serviced**

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

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

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

When extending services, Council will:

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

The main issues considered are:

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

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

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

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

Table 8-2: Current and Future Service Areas

TOWNS	Current (2012)		Future (2011)	
	Population	Service	Population Growth	Service
Blayney	2810	Reticulated sewerage	3971	Reticulated sewerage
Millthorpe	737	Reticulated sewerage	1168	Reticulated sewerage
Carcoar	215	Septic tanks	256	Septic tanks
Lyndhurst (including Somers and Garland)	219	Septic tanks	260	Septic tanks
Mandurama (including Errowanbang, Burnt Yards and Gallymont)	496	Septic tanks	590	Septic tanks
Villages of Barry, Neville and Newbridge	305	Septic tanks	305	Septic tanks

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

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

## **8.3 Sewer Load Management**

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

Reducing hydraulic and biochemical loading on the system can:

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

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

### **8.3.1 Inflow and Infiltration Management**

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

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

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

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

The primary strategies for reducing I/I are:

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

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

### **8.3.2 Trade Waste Management**

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

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

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

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

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

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

## 8.4 Pricing

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

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

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

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

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

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

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

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

### 8.4.1 Sewerage Charges

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

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

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

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

Table 8-5: Charges for Blayney Sewerage Services

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



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

Table 8-6: Charges for Millthorpe Sewerage Services

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

#### **8.4.2 Developer charges**

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

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

Current developer charges are shown below.

**Table 8-7: Developer Charges**

<b>Service</b>	<b>Area</b>	<b>2012/2013</b>
Sewer	Blayney	\$2,367
	Millithorpe	\$6,215

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

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

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

## **8.5 Customer Relations**

Council aims to maintain good customer relations through the:

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

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

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

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

Regarding customer relations, Council currently:

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

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

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

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

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

## **8.6 Community Involvement**

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

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

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

Methods that Council uses to consult the community include:

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

The following aspects are considered when undertaking community consultation:

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

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

- Service extension under the LEP
- Section 64 charges review

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

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

Table 8-10: Objectives & Actions – Community Involvement

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

## 9 Environmental Protection and Sustainable Development

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

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

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

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

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

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



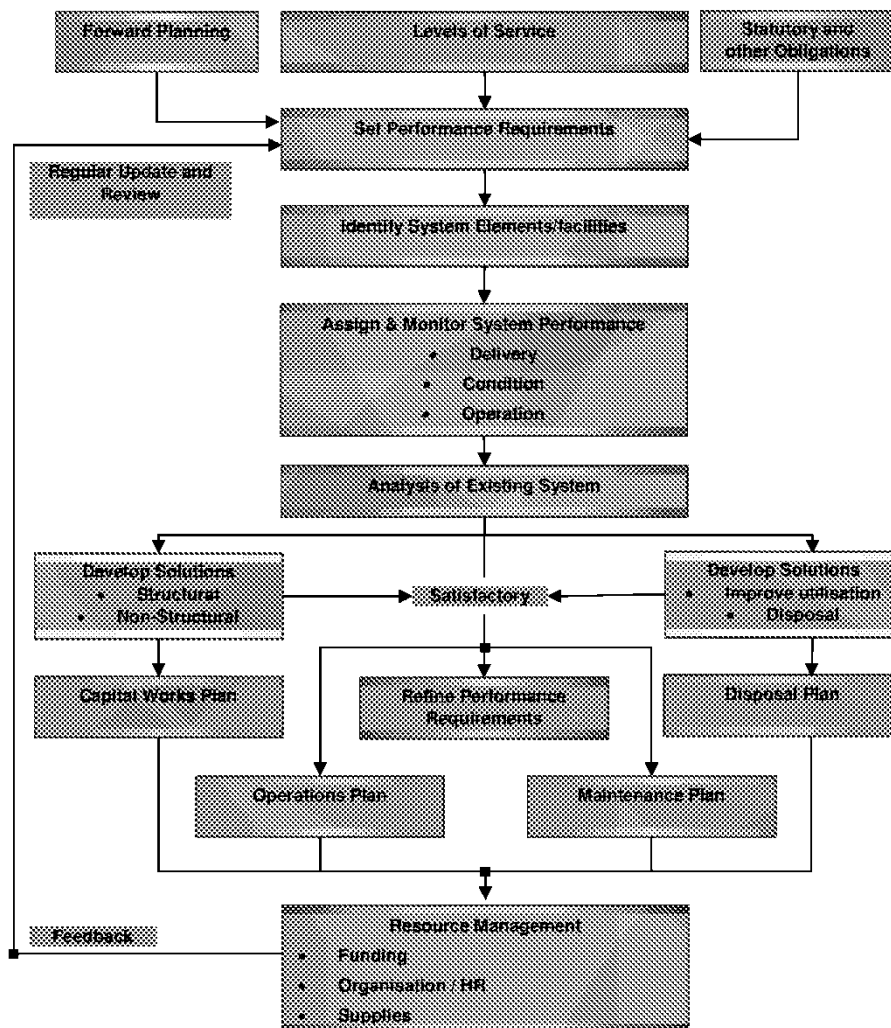
Table 9-2: Objectives & Actions – Environment & Sustainability

<b>Objective</b>					
Manage sewerage in an environmentally responsible manner					
<b>Performance Target</b>					
Comply with all regulatory and licence requirements					
<b>Strategies</b>					
Practice due diligence to ensure compliance with regulatory requirements					
Minimise environmental impacts					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Prepare and implement Bio-solids Management Plan	July 2014	June 2015	OM	10	
<ul style="list-style-type: none"> <li>Regular testing</li> <li>Identify and evaluate options for beneficial reuse</li> </ul>					
Carry out Energy Audit	Started	June 2014	OM	10	
<ul style="list-style-type: none"> <li>Review energy usage</li> <li>Implement audit recommendations</li> <li>Energy saving measures such as VSD pumps, pump operating procedures etc.</li> </ul>					
Implement FIRMP		Ongoing	OM/ RO		NAE
Monitor implementation of LTW Policy		Ongoing	EHO		NAE

## 10 Total Asset Management Plan

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

Figure 10 – Best Practice Asset Management Approach



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

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

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

- Operations;
- Maintenance; and
- Capital Works.

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

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

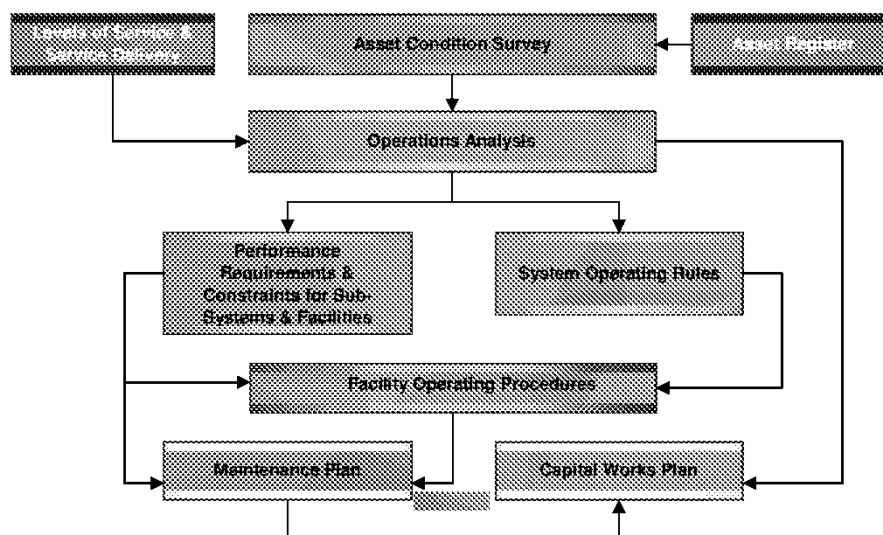
- Maintenance history;
- Maintenance planning;
- Operations management;
- Asset condition rating and values;
- Capital works planning;
- Asset disposals; and
- Customised reporting.

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

## 10.1 Operations Plan

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

Figure 11 -- Operations Flowchart



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

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

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

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

Further operations planning requirements for the Council are:

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

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

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

Main operational issues include the following:

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

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

Work health and safety hazards in sewerage operations include:

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

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

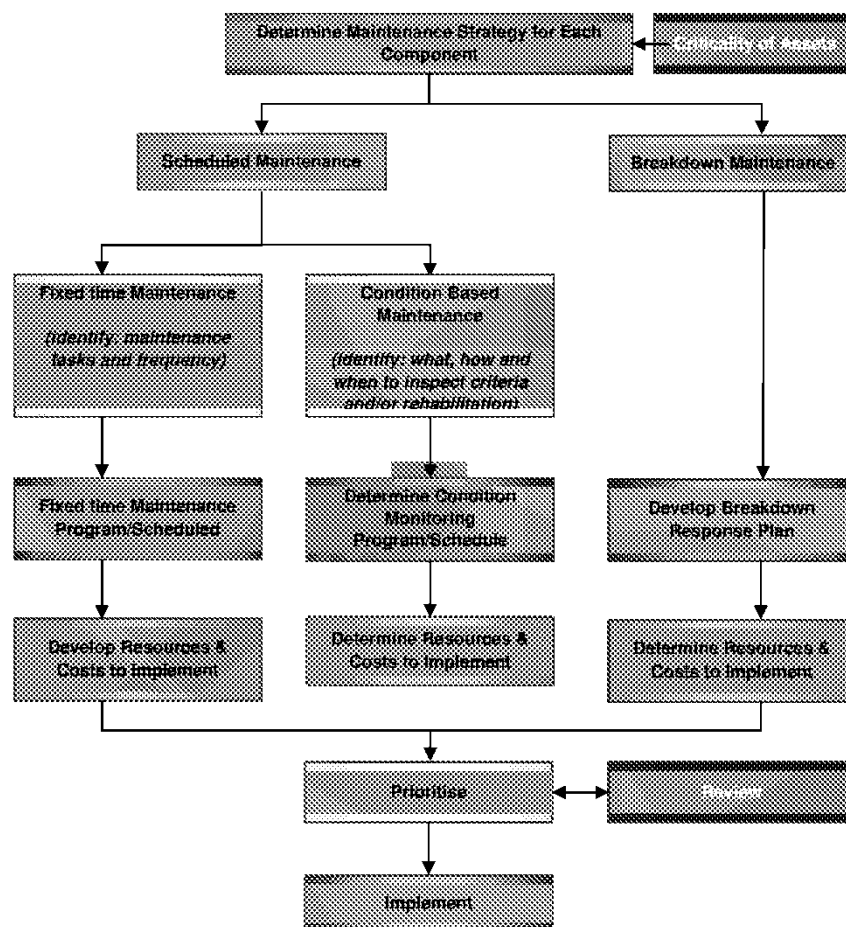
Table 10-1: WHS Performance

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

## 10.2 Maintenance Plan

The Maintenance Plan is to ensure that the Operations Plan's outputs, reliability and availability of the sub-systems, facilities and components are achieved in the most cost effective manner. The most important factor is identification of the risk to system performance from failure of each asset. This leads to a minimum performance standard for each asset.

Figure 12 -- Maintenance Flowchart



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

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

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

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

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

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

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

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

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

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

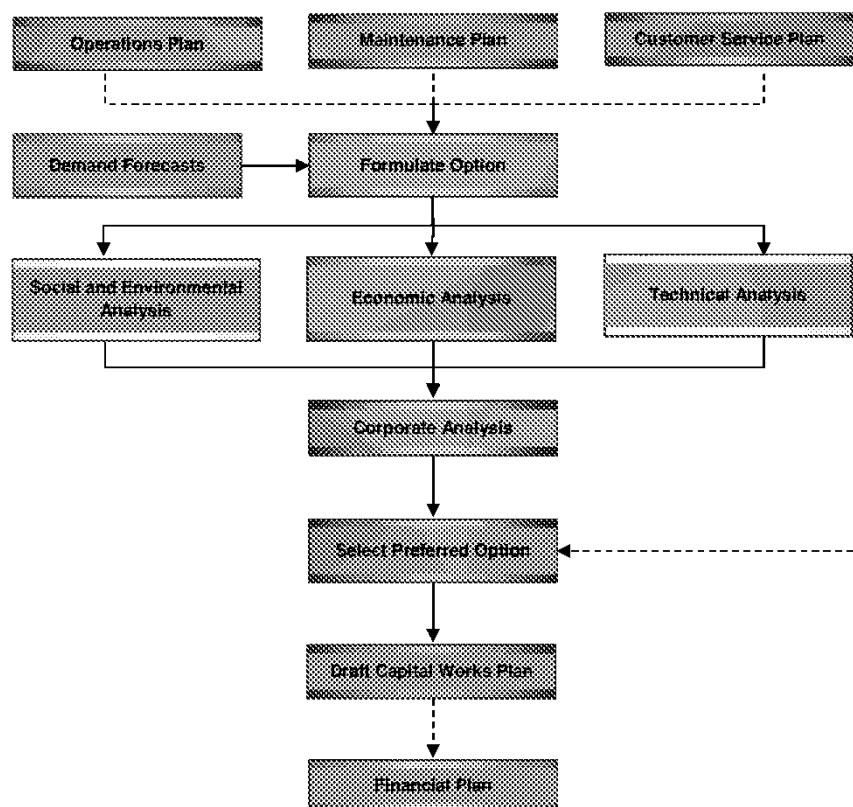
<b>Objective</b>					
Operate and maintain assets to provide agreed levels of service at minimum life cycle costs					
<b>Performance Target</b>					
Prepare an Operations and Maintenance Plans by June 2015					
<b>Strategies</b>					
Continually improve operation and maintenance procedures and Reduce operational risks					
Action	Start	End	Responsible	Cost (\$'000)	
				Implement	Ongoing
Prepare, implement and review sewerage asset management plans based on condition assessments of all assets and compliant with the Best Practice guidelines	June 2014	Jan 2015	IM	5	
Undertake maintenance cost analysis	Jan 2014 (Annually)	Ongoing	IM/ OM/ MFS		NAE
Maintain an up to date Asset Management System	July 2014	June 2016 (ongoing)	IM/ SSS	20	
Asset revaluation	July 2016	5 yearly	IM/ MFS		20 every 5 years
Prepare Operations Plan - Operations analysis - Updating procedures and practices manuals - Operating Rules	July 2014	June 2015	OM/ SSS	NAE	
Prepare a Maintenance Plan - Predictive maintenance for critical assets - Scheduled maintenance for less critical assets - Breakdown maintenance strategy	July 2014	June 2015	OM/ SSS	NAE	
Review and update operation and maintenance manuals	July 2015 (Annually)	Ongoing	OM/ SSS		NAE
Prepare Business Continuity Plan	July 2014	June 2015	RO/ OM	NAE	
Review and update PIRMP	Jan 2016	Aug 2016	RO/ OM	NAE	
Develop and maintain sewer reticulation model	July 2017	Ongoing	OM	25	3
Review and manage operational procedures for quality assurance and WHS risk management	Dec 2013	Ongoing	RO/OM	2	NAE
Undertake mains cleaning/ root cutting/ foaming program	As required	Ongoing	OM		NAE
Review and update system schematics and maintain engineering records	As required	Ongoing	OM		



### 10.3 Capital Works Plan

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

Figure 13 – Capital Works Flowchart



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

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

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

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

- Augment and upgrade Blayney STP capacity
- Aeration Tank - Variable Speed Drives
- Lining/ Replacement of sewer mains
- Manhole rehabilitation program
- Telemetry upgrade

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

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

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

## 11 Workforce Plan

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

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

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

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

Figure 14 -- Blayney Shire Council Organisational Structure -- Wastewater Services

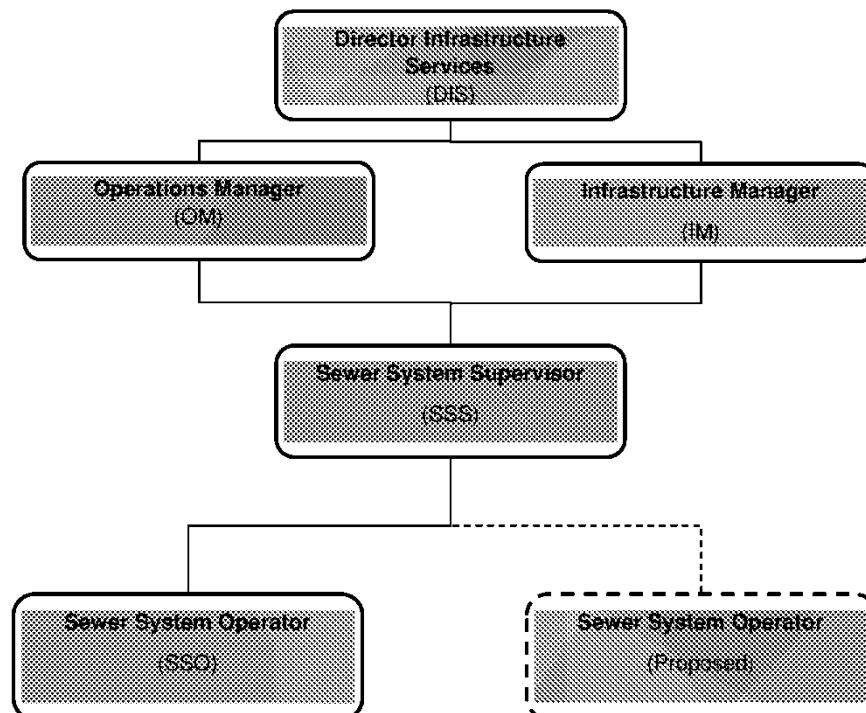


Table 11-1: Objectives & Actions – Human Resources

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

## **12 Financial Plan**

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

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

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

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

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

Capital funds are drawn from the following four sources:

- Developer charges;
- Government grants;
- Annual sewerage charges / cash; and
- Borrowing.

In accordance with the NOW Financial Planning Guidelines, Council will develop its long-term financial models and establish a steady price path. The financial model forecasts will be used in setting up the tariff structure in accordance with the NOW August 2007 Best Practice Management Guidelines.

Council's objectives and actions with respect to financial planning are outlined in the table below.

Table 12-1: Objectives & Actions – Financial Planning

Objective					
Maintain a long-term financial plan to provide full cost recovery for scheme operation and asset replacement at an affordable level of cost to customers					
Performance Target					
Sewerage long-term financial plan in place by March 2014					
Strategies					
Establish long-term, stable sewerage price path through financial planning					
Action	Start	End	Responsible	Cost	
				Implement	Ongoing
Review operations and maintenance expenditure	Annually	Ongoing	OM		NAE
Review capital works programs	Annually	Ongoing	OM		NAE
Review developer charges every five years	5 yearly	Ongoing	DPES/ DIS	Refer to Pricing objective	
Review annual charges annually	Annually	Ongoing	MFS		NAE
Update Financial Plan annually	Annually	Ongoing	MFS		NAE

## **12.2 Financial Planning Process**

The objective of financial planning is to develop full cost recovery models based on life cycle management. It models appropriate funding strategies for the preferred service planning option and projects a price path for residential charges against which to assess affordability in the long term.

By taking a long-term view, financial peaks and troughs can be smoothed to provide the basis for a consistent charging policy and to highlight any current impact of future actions. The new NSW Financial Planning Model (FINMOD Version 4.0), issued by the NSW Office of Water (NOW) in November 2003, has been used for this modelling. A 30-year planning horizon has been adopted as recommended in the NOW Best Practice Guidelines. It is assumed that any government grants will be available as expected by the Council.

In establishing the financial plan a number of scenarios are explored in order to determine the best funding strategy for sewerage. A minimum level of available cash is modelled to reflect risk of variable annual revenues to ensure the robustness of the price path for at least 4 years.

AAS27 reporting for the financial statements requires that all funds be declared as assets under cash and investments in the statement of financial position. Also, assets are valued on the basis of current replacement cost and depreciated according to their remaining lives compared with their expected lives.

All capital works estimates in the text are quoted in real (2013/14) dollars unless specified otherwise. The output data is quoted in real and inflated dollars.

When assessing affordability, note that a \$1 charge now will be equivalent to \$1.80 in 20 years' time, assuming a 3% annual inflation rate.

A summary of the input data and results are included in the following pages. Detailed financial input data and output financial projections are available in the Appendices.

## **12.3 The Financial Model**

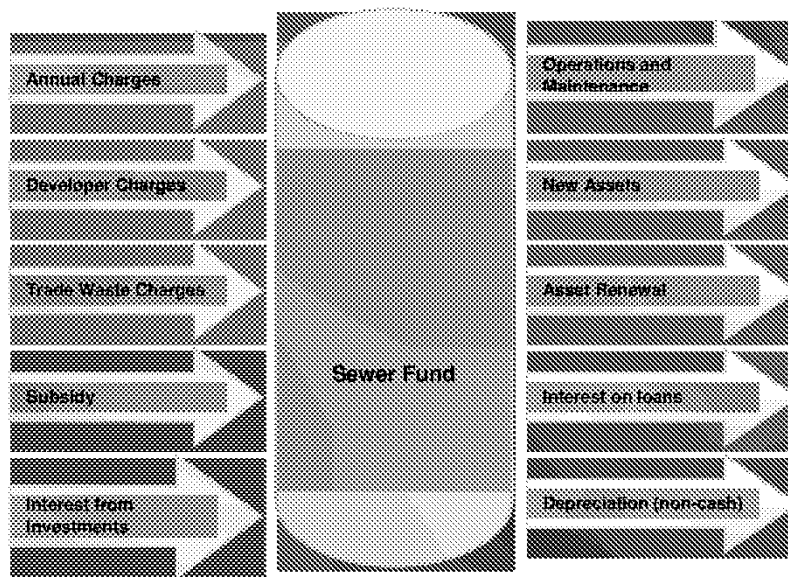
### **12.3.1 Inputs to the Financial Model**

The financial model forecasts income streams to match projected expenditure. The diagram on the right illustrates the main elements, which affect the financial plan.

The financial modelling undertaken in this plan aims to:

- optimise the long term funding strategy,
- meet the demands of the capital works program and other life cycle costs of the system assets,
- ensure a minimum level of cash liquidity, and
- provide a forecast of the typical residential annual charges over the long term.

Figure 15 – Elements of the Financial Model



Input data for the model is sourced from three main areas:

- AAS27 special schedules for past financial performance of the sewerage fund
- Estimates for uncontrollable variables e.g. interest rates, growth, inflation
- Projected capital works, and operations and management expenses

All other criteria being met, the financial plan seeks, after an initial adjustment, to model, in real dollars, the lowest steady level of charging possible. Actual bills will depend on Council's pricing structure but this is indicative of the affordability of the services and shows the performance requirements for long-term stability.

A number of variables and assumptions have to be entered into the model and these are first agreed to by Council. They include:

#### Opening Balances

Council's special accounting schedules are used to establish opening balances and baseline costs for the model. Financial statements for the last two years are compared to try to eliminate 'one off' occurrences from being incorporated as part of a normal trend.

#### Developer Charges

Council is planning to review and adopt a revised level of developer charges in accordance with NOW Best Practice Management Guidelines from January 2014 onwards. For modelling purpose, average revenue of \$45K/year to sewer fund through Section 64 developer charges has been considered.

#### Growth Projections

A customer service growth rate of 1.2% p.a. and has been adopted for the financial projections.



**Inflation**

Average long-term inflation has been assumed as 3.0% per annum.

**Interest Rates**

A borrowing rate of 6.5% p.a. and an investment rate of 5.5% p.a. were used in this analysis

**Annual Revenue Splits**

For sewerage services, residential charges currently account for 78.2% of the sewerage revenue through annual charges. Remaining 21.8% revenue is contributed by non-residential customers.

The same level of revenue split has been used for all the forecast years.

**Performance Measures**

Council's minimum service criteria will have an impact on the level of charges required e.g. minimum cash level is generally assumed to be between 10-20% of annual revenues (excluding restricted revenues). For the financial model, \$250K (2013/14\$) for sewer fund has been considered as minimum cash level.

**Expected Lives of Assets**

The default average life of system assets is based on the weighted average of long-lived structures and shorter-lived mechanical plant. The average life of sewerage assets is currently estimated to be approximately 60 years. The life of assets controls the depreciation, which is a non-cash expense. It directly affects the need for future asset renewal works planned, which is part of the capital works program.

**Grants and Subsidy for Capital Works**

The State Government provides financial assistance to local government sewerage schemes through the Country Towns Water Supply and Sewerage Program. Councils can apply for funding of up to 50% of Improved Level of Service (ILOS) capital works. These days allocation of grant funds works on a priority scoring carried out by NSW Office of Water.

Financial model for sewer fund considered that no grant/ subsidy will be available for any of the capital works identified in the 30-year capital works program.

**Ongoing Recurrent Costs: Management, Operations and Maintenance**

By default, the model increases historical operation and maintenance expenses on a pro rata basis with respect to growth. This has been overridden where Council provided revised estimates i.e. where the action plan requires new initiatives or where new works require additional operating resources.

The capital works plan and projected operations and management expenses also form a significant component of the inputs. These are shown in the section 'Projected Cost Schedules'.

### **Assumptions and Limitations**

The projections of the financial plans are based on past financial performance. Allowance is made for new initiatives, future rate forecasts, and maintenance of sustainable levels of service as identified in the strategic planning process.

The depreciation is shown in the operating statement but this is not a cash item. The financial planning model manages the cash flow but keeps a running tally of cumulative depreciation so that Council can appreciate the potential future liability for maintaining the value in the system and levels of service. By planning ahead and making optimum use of existing assets, a more cost-effective and efficient service should result.

Typical annual residential charge is used as the performance measure representing overall revenue requirements from residential customers. This should not be confused with pricing. Pricing, i.e. distribution of the charges according to consumption or special customer groups, is the subject of a separate revenue planning exercise.

The financial model is not a substitute for normal budgeting (that is, short-term financial planning). The model assumes that all expenses and income occur at the beginning of the year and is therefore not appropriate to track cash flow throughout the year. It is important, however, that the budgeting process is carried out within the framework of the long-term financial plan.

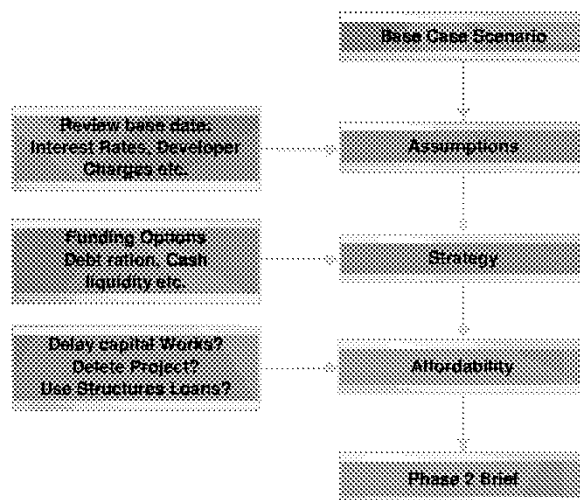
The Capital Works Plan provides a guide for estimation of long-term operation and maintenance costs. It is accepted that the level of confidence in these projections reduces with time but it is important to identify as many future commitments and liabilities as possible.

## **12.3.2 The Modelling Process**

### **12.3.3 Phase 1 – Initial Runs**

The objective of Phase 1 development is to present a first cut model of options for future service provision. Comparison of outcomes enables Council to make decisions as to the preferred model and the most beneficial and practical funding solution for the proposed asset management programs.

Figure 16 -- Phase 1 Review of the Financial Model



### Funding

In considering funding for future options there are three basic options:

- Fund all capital works from revenues.
- Borrow to fund all capital works.
- Fund capital works from a mix of borrowing and revenue

To establish the lowest level of steady rate of typical residential bills in real terms a combination of cash management and borrowing will usually be required. The model outputs demonstrate the required financial management required to keep the plan "on track".

Where capital works costs are low and cash levels are high it may be possible to avoid borrowing but this may also suggest that current charges are too high. Longer period loans spread the cost of works over a longer period, eliminating early peaks in annual charges. Often there may be no choice except to borrow for major projects because collecting sufficient cash in advance is impracticable and would require an unacceptably high level of charges. In the Phase 1 runs of the model, the default loan period used was twenty years.

#### 12.3.4 Phase 2 -- Preferred Model and Sensitivity

After consideration of Phase 1 issues preferred modelling options for sewer fund has been adopted.

While the preferred model reflects the expected performance of the systems, it does not give any indication of the sensitivity of the proposed solution to the basic assumptions used, for example if the conditions prove significantly different in practice, there will be no information about the implications of the difference.

Sensitivity analysis has been carried out if it is perceived that a model variable may change significantly in the future. The value of a sensitivity analysis is that it shows:

- The sensitivity of the results to assumptions (uncontrollable variables); and
- The impact of changing controllable variables.

The guidelines suggest that a number of sensitivities be carried out to test the robustness of the plan. In regard to controllable variables, such as type of loan structure, level of developer charges etc. the model enables Council to make decisions to establish the right management policies.

It is important to demonstrate the impact of the "no subsidy" scenario, which shows the potential benefits of government assistance. Council's expectations for receiving subsidy are included in the final preferred model as being the most realistic future scenario.

With uncontrollable variables, Council is at the mercy of change. The downside risk of an increase in interest rates, or declining growth rates, or rise in energy costs, may be considerable.

### 12.3.5 On-going Review

Over time, changes in model variables can have a significant impact on the model's accuracy and this has implications for Council's forward planning. To maintain currency the model is to be revisited annually.

### 12.3.6 Model Inputs

#### Projected Costs

Projected capital costs are split into three categories (Table 12-2) and the projected recurrent costs include management, operation and maintenance costs as shown in (Table 12-3).

Table 12-2: Categories of Projected Capital Works

Category	Description
Growth Works	Works required to increase the capacity of facilities e.g. to service new subdivisions.
Improved Level of Service Works (backlog works)	Works to provide better public health and environmental standards, better service, higher reliability, or an extension of services to un-serviced existing development. Works in this category may be eligible for Government grants.
Asset Renewal Works	Renewal/replacement of existing assets, which have aged and reached the end of their useful life.

Table 12-3: Categories of Projected Recurrent Costs

Category	Description
Management	Reflects true overheads associated with providing this service. Any cross subsidies with General Fund should be eliminated or explicitly disclosed in the Annual Accounts.
Operations and Maintenance	It is assumed that the current level of costs shown in the Financial Statements reflects a realistic level of expenditure for the current schemes. The projections assume costs increased in proportion to the growth.
Model Cost Overrides	Additional costs are included where specific activities have been identified in future years. This includes new initiatives plus additional costs associated with new Capital Works.

The expected capital and recurrent cost expenditures are presented in Appendix E. A summary of capital works program including subsidies/grants, if any, is presented in Table 12-4. Projections are in real (2013/14) dollars.

Historical and additional input data used for financial forecasts are shown in Appendix F.

**Table 12-4: 30-year Capital Works Program**

<b>2013/14 \$ (000)</b>	<b>Growth and Minor Works</b>	<b>Improved Levels of Service</b>	<b>Asset Renewals</b>	<b>Total Capital Works</b>	<b>Expected Subsidy</b>	<b>Cost to Council</b>
2013/14	0	78	153	231	0	231
2014/15	0	150	590	740	0	740
2015/16	0	350	398	748	0	748
2016/17	0	0	405	405	0	405
2017/18	0	0	300	300	0	300
2018/19	0	0	350	350	0	350
2019/20	0	0	30	30	0	30
2020/21	0	0	10	10	0	10
2021/22	0	0	28	28	0	28
2022/23	0	0	100	100	0	100
2023/24	0	0	20	20	0	20
2024/25	0	0	40	40	0	40
2025/26	0	0	0	0	0	0
2026/27	0	0	170	170	0	170
2027/28	0	0	28	28	0	28
2028/29	0	0	20	20	0	20
2029/30	0	0	50	50	0	50
2030/31	90	60	20	170	0	170
2031/32	2,100	1,400	0	3,500	0	3,500
2032/33	1,800	1,200	20	3,020	0	3,020
2033/34	0	0	58	58	0	58
2034/35	0	0	30	30	0	30
2035/36	0	0	10	10	0	10
2036/37	0	0	105	105	0	105
2037/38	0	0	120	120	0	120
2038/39	0	0	0	0	0	0
2039/40	0	0	83	83	0	83
2040/41	0	0	0	0	0	0
2041/42	0	0	65	65	0	65
2042/43	0	0	20	20	0	20
<b>Total</b>	<b>3,990</b>	<b>3,238</b>	<b>3,223</b>	<b>10,451</b>	<b>0</b>	<b>10,451</b>

## 12.4 Outcomes of Financial Modelling

In line with current NOW guidelines, the financial plan identifies the lowest stable typical residential bill required with maximum utilisation of existing cash reserves. A number of scenarios have been analysed before Council adopting a 'preferred' price paths for the sewerage services. Modelling outcomes of the preferred scenarios and the sensitivity of the model forecasts for the financial parameters identified as important are presented in this section.

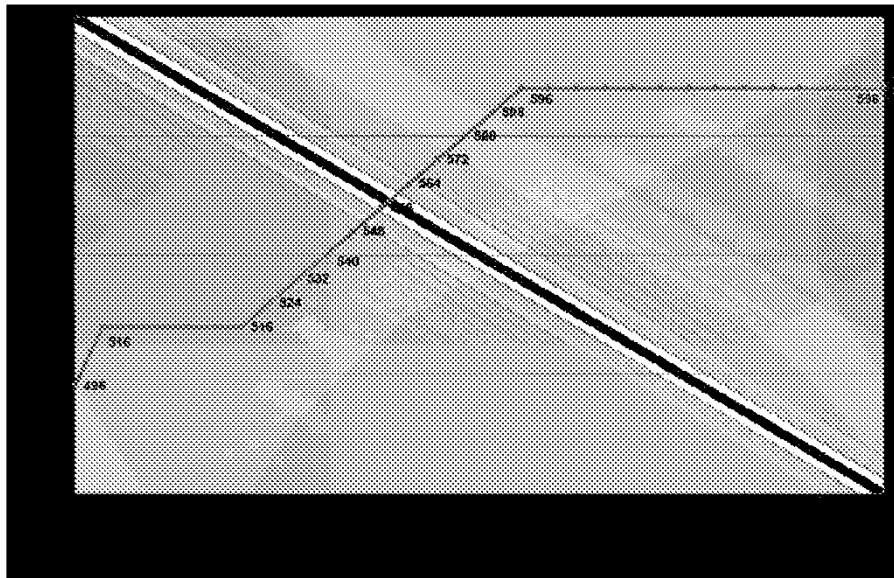
Financial modelling has demonstrated that the typical residential sewerage bill for sewerage services, measured in 2013/14 dollars, has to be increased to \$516 p.a. in 2014/15 and can be maintained the same for the next 5 years i.e. till 2019/20. Thereafter, the TRB needs to be increased by \$8 per year to \$596 p.a. in 2029/30 as shown below:

- TRB for 2014/15 - \$516 p.a.
- TRB for 2015/16 to 2019/20 - \$ 516 p.a.
- TRB for 2020/21 - \$ 524 p.a.
- TRB for 2029/30 - \$ 596 p.a.

From 2029/30 onwards, the TRB can be maintained at the same level for the remainder of the forecast period. It should be noted that the financial model considered that residential customers of Millthorpe will also be paying the same level of TRB as for Blayney.

Note the forecast TRBs are to be adjusted annually for CPI/inflation and the financial model will be reviewed for updating the forecasts after 3 years in accordance with the NOW Best Practice Guidelines.

Figure 17 – Typical Residential Sewerage Bill

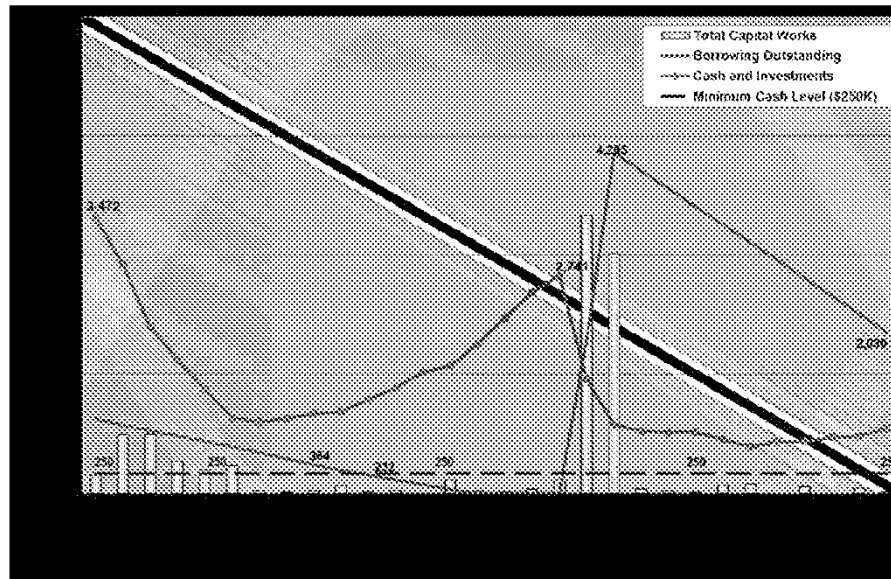


This level of typical residential charges for sewerage services is sufficient to maintain liquidity with a minimum of \$250K of cash in hand over the period.

New external borrowing of \$4.5 Million will be required for the Blayney STP capacity augmentation works planned to start in 2031/32. The borrowing outstanding at the end of the 30-year forecast period will be \$2,030K.

The levels of cash and borrowing outstanding as the planned capital works program is implemented during the forecast period are depicted in the following figure.

**Figure 18 – Cash and Borrowing Projections - Sewerage**



A summary of projected financial results is presented in Table 12-5. Detailed financial projections of Council's 'preferred scenario' for the sewer fund are shown in Appendix G.

**Table 12-5: Projected Financial Results**

2013/14 (\$'000)	Revenue and Expenses			Capital Transactions		Financial Position				System Assets				
Financial Year	Total Revenue	Total Expenses	Operating Result (Before Grants)	Acquisition of Assets	Principal Loan Payments	Cash and Investments	Borrowings	Total Assets	Total Liabilities	Net Assets Contributed	Current Replacement Cost	Less: Accumulated Depreciation	Written Down Current Cost	Typical Residential Bills
2013/14	1,239	1,440	(201)	231	44	3,472	933	24,334	939	23,395	28,043	8,073	19,970	496
2014/15	1,325	1,522	(197)	740	46	2,875	864	23,980	870	23,110	28,193	7,962	20,231	516
2015/16	1,258	1,679	(421)	748	48	2,104	796	23,456	801	22,655	28,543	8,045	20,494	516
2016/17	1,279	1,672	(393)	405	50	1,679	726	22,935	732	22,203	28,543	8,127	20,416	516
2017/18	1,271	1,707	(436)	300	53	1,323	656	22,379	661	21,718	28,543	8,211	20,232	516
2018/19	1,285	1,673	(388)	350	56	948	584	21,858	590	21,268	28,543	8,444	20,099	516
2019/20	1,266	1,675	(409)	30	58	899	512	21,344	517	20,827	28,543	8,397	19,646	516
2020/21	1,258	1,615	(357)	10	61	943	439	20,900	444	20,456	28,543	9,370	19,173	524
2021/22	1,331	1,609	(278)	28	64	1,003	364	20,472	369	20,103	28,543	9,624	18,719	532
2022/23	1,384	1,599	(215)	100	66	1,029	289	20,083	294	19,789	28,543	10,206	18,327	540
2023/24	1,402	1,601	(199)	20	50	1,186	232	19,685	237	19,448	28,543	10,668	17,875	548
2024/25	1,444	1,631	(187)	40	53	1,328	173	19,286	178	19,108	28,542	11,110	17,433	556
2025/26	1,486	1,650	(164)	0	56	1,527	113	18,103	117	18,986	28,542	11,591	16,951	564
2026/27	1,523	1,629	(106)	170	61	1,605	49	18,954	54	18,900	28,542	11,903	16,639	572
2027/28	1,568	1,629	(61)	35	48	1,877	0	18,839	4	18,835	28,543	12,356	16,186	580
2028/29	1,612	1,665	(53)	20	0	2,206	0	18,759	4	18,755	28,542	12,817	15,725	588
2029/30	1,660	1,677	(17)	50	0	2,536	0	18,685	4	18,681	28,542	13,245	15,294	596
2030/31	1,665	1,700	(34)	170	0	2,741	0	18,605	4	18,601	28,662	13,712	14,979	596
2031/32	1,668	1,867	(199)	3,500	51	1,434	1,950	20,286	1,954	18,332	32,192	14,254	17,937	596
2032/33	1,659	2,112	(453)	3,080	117	868	4,285	22,179	4,289	17,890	35,192	14,827	20,265	596
2033/34	1,670	2,111	(441)	58	121	786	4,060	21,595	4,064	17,531	35,191	15,362	19,830	596
2034/35	1,688	2,091	(403)	30	126	766	3,835	21,044	3,838	17,206	35,191	15,924	19,267	596
2035/36	1,705	2,066	(361)	10	131	774	3,610	20,503	3,614	16,889	35,192	16,507	18,685	596
2036/37	1,722	2,110	(388)	105	137	663	3,385	19,958	3,388	16,571	35,192	16,994	18,198	596
2037/38	1,737	2,109	(372)	130	142	590	3,161	19,426	3,164	16,262	35,192	17,466	17,726	596
2038/39	1,756	2,068	(312)	0	148	654	2,936	18,933	2,939	15,994	35,192	18,058	17,134	596
2039/40	1,779	2,082	(303)	83	153	664	2,711	18,459	2,714	15,745	35,192	18,567	16,625	596
2040/41	1,799	2,122	(323)	0	160	710	2,485	17,958	2,488	15,470	35,192	19,159	16,033	596
2041/42	1,819	2,110	(291)	65	166	725	2,256	17,483	2,261	15,222	35,192	19,685	15,507	596
2042/43	1,842	2,089	(247)	20	173	821	2,030	17,043	2,033	15,010	35,192	20,256	14,934	596

### Sensitivity Analysis

In accordance with the NOW Financial Guidelines, the following sensitivities have been modelled to determine the impact of various scenarios on typical residential bill for sewerage services.

**Table 12-6: Sensitivity Analysis Parameters**

Criteria	Preferred Case	Sensitivity
Assessment growth rate	1.2% p.a.	0.5% p.a.
Borrowing Interest Rate	6.5% p.a.	10.0% p.a.
Sec 64 Revenue	\$45 K/year	\$25 K/year

The results of sensitivity analysis are shown graphically in the following pages.



Figure 19 -- Sensitivity of Typical Residential Bills

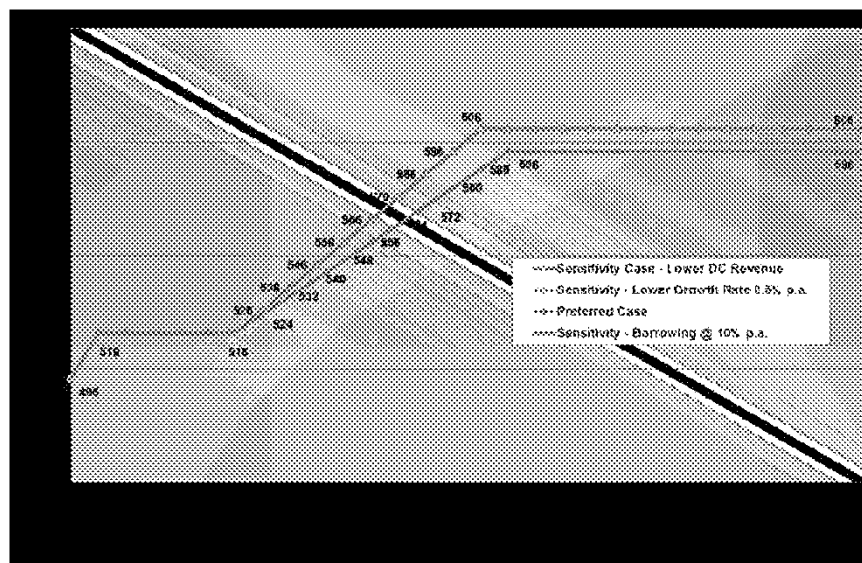


Figure 20 -- Sensitivity of Cash Levels

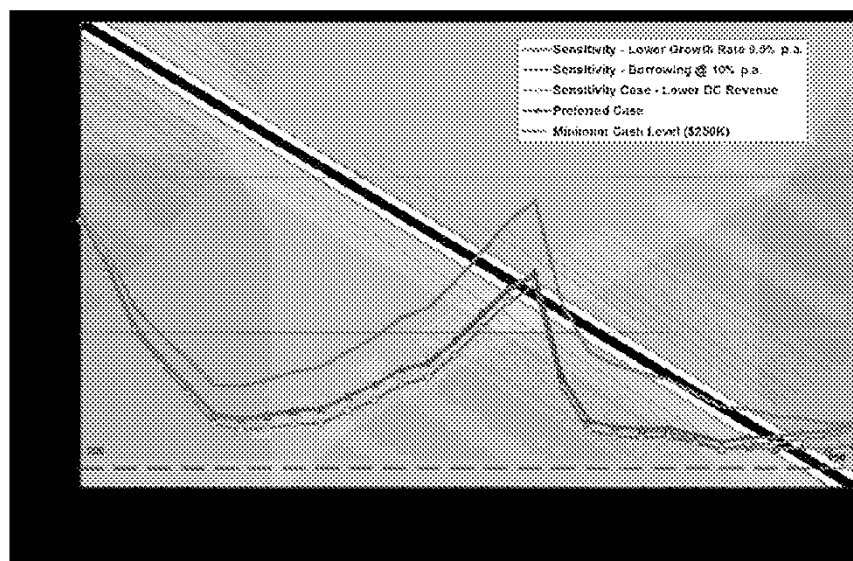
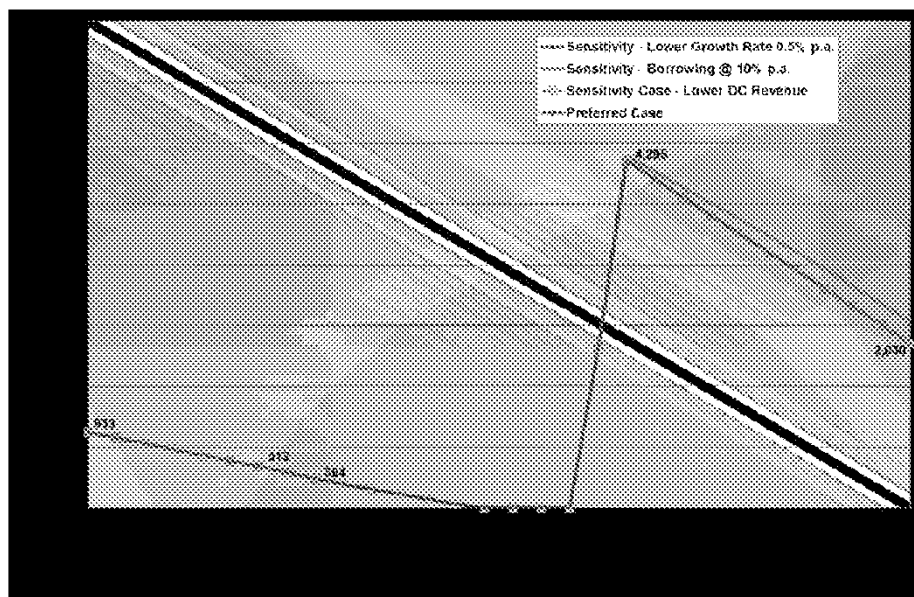


Figure 21 – Sensitivity of Borrowing



Sensitivity analysis indicates that the typical residential sewerage bills will not be affected by higher borrowing interest rates of up to 10% p.a.

Lower assessment (customer) growth rate (0.5% p.a. instead of estimated 1.2% p.a.) and lower se.64 charges revenue will have a slight impact in the order of \$10 /year increase instead of \$8/year of the projected TRB for the preferred scenario during the 10 year period between 2020/21 and 2029/30.

## 13 References

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NSW Planning and Infrastructure 2013, *New South Wales State and Local Government Area Population Projections: 2013 preliminary revision*, Demography Unit, NSW Planning and Infrastructure, Sydney.



## **Appendices**

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## **Appendix A   Inputs for Reporting under IPR Framework**

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The main requirements of the Local Government Integrated Planning and Reporting Framework 2010 for the 10-year Community Strategic Plan, 4-year Delivery Program, Annual Operational Plan and Annual Report are summarised below. Inputs for sewerage services for inclusion in each of these reports are also presented alongside the summaries.

## A.1 Community Strategic Plan

The requirements for the Community Strategic Plan in the IPR framework include:

- To be revised at least every 10 years.
- Give due regard to the State Plan and other relevant state and regional plans.
- Include a community vision statement.

The planning process is generally used to:

- Identify main priorities and aspirations for the future.
- Enable community input on the identification of social, environmental, economic and civic leadership issues.
- Establish strategic objectives and proposed strategies to achieve those objectives that address issues identified above.
- Establish expected levels of service.

### Input to Community Strategic Plan

For sustainable sewerage services the Strategic Business Plan (SBP) for Sewerage will be reviewed and implemented in accordance with the NSW Government's Best Practice Management of Water Supply and Sewerage Guidelines, August 2007.

Major sewerage capital works identified in the current Strategic Business Plan for completion over the next 10 years are shown in the Table below. The justifications for why these works have been planned also are presented in the Table below.

Proposed Capital Work	Year	Justification
Lining/ Replacement of sewer mains	2013 - 2019	Renewal and refurbishment of ageing assets
Manhole rehabilitation program	2014 - 2019	Improved levels of sewerage service and STP performance
Telemetry upgrade	2014/15	Improved scheme operation for better performance
Millthorpe transfer main augmentation	2014 - 2016	Refurbishment of ageing assets

## A.2 Resourcing Strategy

Sets out what Council will do over the next 10 years to address the community's main priorities in the Community Strategic Plan. Council determines its Resourcing strategy from the following:

- Total Asset Management Planning;
- Work Force Planning; and
- Long-term Financial Planning.



**Input to Resourcing Strategy**

"The SBP for Sewerage is the Council's resourcing strategy for sewerage services in which the strategies for Asset Management Planning (AMP), Work Force Planning (WFP) and the Long-term Financial Planning are presented in detail".

Note regarding the AMP and WFP, the SBP details the current status and key outcomes and detailed reference is from the individual planning documents

**A.3 Delivery Program**

- Directly addresses the objectives and strategies of the Community Strategic Plan.
- Identifies principal activities council will undertake.
- Identifies principal activities be undertaken within available resources.
- Provides financial estimates for the 4 year period.
- Considers priorities and expected level of service in the Community Strategic Plan.

**Input to Delivery Program**

"The SBP for Sewerage (Sections 8 to 11) is the Council's delivery program for sewerage services where in the objectives, strategies, activities planned for the next 4 - 5 years including the costs, start and end dates and responsible officer are presented in detail. The financial estimates for the next 4 year period are presented as part of the 30-year financial projections of the Long-term Financial Plan".

**A.4 Operational Plan and Annual Report**

- Operational Plan outlines the activities to be undertaken for the year as part of the Delivery Program and is prepared as a sub-plan of the Delivery Program
- Operational Plan includes Statement of Revenue Policy – fees and charges, pricing methodology, proposed borrowings, and detailed budget for activities to be undertaken in the year.
- Annual Report is a report to the community which outlines council's achievements in implementing the Delivery Program as planned in the Operational Plan.
- Annual Report outlines the effectiveness of the principal activities undertaken in achieving the objectives in the Community Strategic Plan.

**Input to Operational Plan**

"The SBP for Sewerage (Sections 8 to 11) is the Council's operational plan for sewerage services in which all the planned activities for delivery program are presented in detail".



## **Appendix B      Legislation Affecting Sewerage Services**

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## B.1 Legislative Framework

Blayney Shire Council delivers reticulated sewerage services to the Blayney and Millthorpe communities under the authority of the Local Government Act, 1993. Council has embraced the principles underlying this Act as being of benefit to the community it serves. Community consultation and involvement in decision-making has been increased in line with the Act in the last few years.

Several other Acts also affect Council's scheme. These generally fall into three main categories as follows:

Act	General Implications for Council
<b>PRICING</b>	
Local Government Act 1993 Esp. Sections 64 and 428	<ul style="list-style-type: none"> <li>- Determining developer charges: <ul style="list-style-type: none"> <li>o provide a source of funding for infrastructure required for new urban development</li> <li>o provide signals regarding costs of urban development and encourage less costly forms</li> </ul> </li> <li>- Need to be more accountable.</li> <li>- Need for better asset management.</li> </ul>
Environmental Planning and Assessment Act 1979	<ul style="list-style-type: none"> <li>- Determining developer charges.</li> <li>- Requirement for LEP and DCPs</li> <li>- Council control of service approvals.</li> </ul>
Local Government Regulation 2005 (Savings and Transitional)	<ul style="list-style-type: none"> <li>- Determining developer charges</li> <li>- Gives powers to the Independent Pricing and Regulatory Tribunal to inquire into and regulate prices.</li> </ul>
Independent Pricing and Regulatory Tribunal Act 1992	<ul style="list-style-type: none"> <li>- IPART has developed a set of consistent pricing principles to be adopted by local government authorities.</li> <li>- Guidelines for 'user pays' charging system in the water and wastewater industry.</li> </ul>
Water Industry Competition Act 2006	<ul style="list-style-type: none"> <li>- Establishment of third-party access regime for water and sewerage infrastructure to encourage competition</li> <li>- Authorisation of IPART to regulate licensed private network operators to ensure services are delivered in a safe and reliable manner</li> </ul>
<b>ENVIRONMENTAL PROTECTION</b>	
Protection of the Environment Operations Act 1997	<ul style="list-style-type: none"> <li>- Regulating pollution activities and issue of licenses as well as the monitoring of and reporting on waste output.</li> <li>- Council is required to be "duly diligent" in undertaking the scheme operations</li> </ul>
Soil Conservation Act 1938	<ul style="list-style-type: none"> <li>- Conserves soil resources and farm water resources and the mitigation of erosion and land degradation.</li> <li>- Preservation of watercourse environments</li> </ul>
Environmental Planning and Assessment Act 1979	<ul style="list-style-type: none"> <li>- Encourages the proper management of natural and man-made resources, the orderly use of land, the provision of services and protection of the environment.</li> </ul>
Catchment Management Act 1989	<ul style="list-style-type: none"> <li>- Promotes the coordination of activities within catchment areas. Council believes this Act has implications for the</li> </ul>

Act	General Implications for Council
	<ul style="list-style-type: none"> <li>management of river water quality and quantity.</li> <li>Requirement for ongoing management plan.</li> <li>Requirement of Capital Works Plan under Sydney Catchment Authority Regulations.</li> </ul>
<b>HEALTH AND SAFETY</b>	
Public Health Act 2010	<ul style="list-style-type: none"> <li>Prevention of the spread of disease.</li> <li>Effluent disposal methods.</li> </ul>
Work Health and Safety Act 2011 (and Regulations 2011)	<ul style="list-style-type: none"> <li>Council's responsibility to ensure health, safety and welfare of employees and others at places of work.</li> <li>Likely be cost implications</li> <li>Impacts all operations.</li> <li>Note public safety – insurance.</li> </ul>

### **Local Government Act 1993**

The main purpose of the Local Government Act 1993 is to provide the legal framework for an effective, efficient, environmentally responsible, and open system of Local Government in NSW.

The Act is, in the main, administered by the Minister for Local Government, but the Minister for Water has significant powers under the Act for water, sewerage and drainage.

The Act confers service functions on Councils. These include the provision, management and operation of water supply and sewerage works and facilities. The Act provides Councils with broad power to carry out their functions, and a "Council may do all such things as are supplemented or incidental to, or consequential on, the exercise of its functions" (section 23 of the Act).

Some particular parts of the Act relating to water supply and sewerage are:

- Section 64 - developer charges (Under this section of the new Act, a Council may use the relevant provisions of the Water Management Act 2000 to obtain water supply and sewerage developer charges. The provisions of Section 94 of the Environmental Planning and Assessment Act are no longer available to Councils for obtaining water supply and sewerage developer contributions.);
- Section 68 - Council approval of plumbing works;
- Sections 634-651 - water supply, sewerage and drainage offences; and
- Water, Sewerage and Drainage Regulation which cover matters from the "old" ordinance 4.5 and 4.6.

The role of the Minister for Water in regard to water supply, sewerage and drainage is covered in Sections 56-66. The Minister's role is generally along the lines of Part XIV of the 1919 Act, and it includes matters such as construction of works, hand over and vesting of work, approval of dams and treatment works, directions to Councils concerning dams and treatment works, action during emergencies, and the appointment of an administrator.

The NSW Office of Water provides section 60 approvals to council proposals to construct a dam, water or sewage treatment works and for effluent and bio-solids reuse.

The NSW Office of Water carries out section 61 inspections of LWU dams and water and sewage treatment works.

The NSW Office of Water provides concurrence to Council liquid trade waste approvals under section 90(2) of the Act.

Councils issue approval to applications to discharge trade waste to their sewerage system under section 68 of the Local Government Act. Conditions of approval are imposed under clause 32 of the Local Government Regulation 2005.

### **Environmental Planning and Assessment Act 1979**

The Environmental Planning and Assessment (EP&A) Act was enacted in 1979, and amended by the Environmental Planning and Assessment (Amendment) Act (1985). The Act is the principal planning instrument in NSW, and it specifies the environmental considerations required in all development activities. It also governs the procedures of all proposals that have an effect on the environment. Its objectives are to encourage the proper management of natural and man-made resources, the orderly use of land, the provision of services, and the protection of the environment.

The Act is administered by the Minister for Planning.

The Act requires that all proposals, activities, and functions which are investigated, designed, planned, constructed, and operated by Councils should be studied during all stages for their environmental impact on the basis of scale, location, and performance.

Environmental studies are to be undertaken concurrently with the technical or planning investigations. The findings of environmental studies should be reported initially in Reviews of Environmental Factors (REF), which indicate the need for further studies, their extent and depth, and the degree of public or other involvement required. The REF can often be used for consents or approvals. A Council can give consents for a development as prescribed in Local Environmental Plans (LEP) when the Council are the consent authorities (Part IV of the EP&A Act).

An Environmental Impact Statement (EIS) is a comprehensive report compiled from extensive studies. An EIS is required for:

- designated developments (Part IV of the EP&A Act);
- projects which affect the environment significantly (Part V of the EP&A Act); and
- when designated by a State Environmental Planning Policy or in an LEP.

### **Catchment Management Act 1989**

The objectives of this Act are:

- To coordinate policies, programs and activities as they relate to total catchment management;
- To achieve active community participation in natural resource management;
- To identify and rectify natural resource degradation;
- To promote the sustainable use of natural resources; and
- To provide stable and productive soil, high quality water and protective and productive soil and vegetation cover within each of the State's water catchments.

The Act is administered by the Minister for Land and Water Conservation.

### **Soil Conservation Act 1938**

The objective of the Soil Conservation Act is the conservation of soil resources and farm water resources and the mitigation of erosion and land degradation.

The Act is administered by the Minister for Land and Water Conservation.

Under Section 21C of the Act, a Council is required to protect land along prescribed streams and to prevent any destruction of trees and soil erosion on protected land. The

same section of the Act specifies the rules for any person or occupier or any protected land from ringbarking, cutting down, felling, poisoning of, or otherwise destroying, vegetation or trees.

Section 21D of the Act requires that the land owner or occupier must obtain an authority before damaging or destroying trees between the banks or within 20 metres of banks of a prescribed stream. Public Works is responsible for preparing inspection reports for sites downstream of the tidal limit.

Section 22 of the Act outlines requirements for preservation of proclaimed works and catchment areas.

### **Public Health Act 2010**

The Public Health Act 2010 replaced the Public Health Act 1991. The main objectives of the Public Health Act 2010 are:

- to promote, protect and improve public health;
- to control the risks to public health;
- to promote the control of infectious diseases; and
- to prevent the spread of infectious diseases.

The Act recognises the role of local government in protecting public health. Under the Act, a local government authority has the responsibility to take appropriate measures to ensure compliance with the requirements of this Act in relation to public swimming pools and spa pools, regulated systems and premises on which skin penetration procedures are carried out. A local government authority has the responsibility of appointing authorised officers to enable it to exercise its functions under this Act and ensuring that its authorised officers duly exercise their functions under this Act.

Part 3 Division 1 of the Act includes the provisions in respect to safety measures for drinking water.

The Minister for Health has the power to take actions and to issue directions, as the Minister considers necessary:

- to restrict or prevent the use of unsafe water, potable or otherwise, that is likely to be a risk to public health; and
- to bring unsafe water to such a condition that it is no longer unsafe water.

The Director General has the power to direct a supplier of drinking water to carry out testing and produce information in relation to the treatment and quality of drinking water.

The Chief Health Officer has the responsibility for determining the necessity for a boil water advice and additional information or correction or re-traction of such advice, by a supplier of drinking water for the drinking water it supplies. The Chief Health Officer may also prepare advice concerning public health risks or boil water advice, and provide the advice to the drinking water supplier.

According to the Clause 25 of the Act a supplier of drinking water must establish and adhere to a quality assurance program that complies with the requirements prescribe by the regulations. The regulations are yet to be enacted.

### **Independent Pricing and Regulatory Tribunal Act 1992**

The Independent Pricing and Regulatory Tribunal Act establishes the Independent Pricing and Regulatory Tribunal and enables the Tribunal to determine and advise on prices and pricing policy for government monopoly services. A government monopoly service is a service supplied by a government agency (which may include a local

government council) and declared by the regulations, or the Minister, to be a government monopoly service.

The Tribunal conducts investigations and makes reports to the Minister on the determination of the maximum price and on a periodic review of pricing policies for services applied by these agencies specified in Schedule 1 to the Act. Schedule 1 presently includes Sydney Water Corporation, Hunter Water Corporation, Water Supply Authorities, including Gosford City Council, Wyong Shire Council, State Water (Fish River Water Supply) and Essential Energy (Broken Hill).

The Tribunal may also conduct investigations and make reports for any government monopoly service, at the request of the Minister, whether or not it is supplied by a government agency specified in Schedule 1.

#### **Work Health and Safety Act 2011**

This revised Act details Council's responsibilities to ensure health, safety and welfare of employees and others at places of work. All of the scheme's operational activities are impacted on by this Act. This act is administered by the Work Cover Authority.

#### **Protection of the Environment (Operations) Act 1997**

This Act came into effect in July 1998 and consolidated existing legislation to eradicate the duplication of powers and overlapping use of resources. The Act brought together what used to be five separate pieces of legislation:

- Clean Air Act 1961;
- Clean Waters Act 1970;
- Pollution Control Act 1970;
- Noise Control Act 1975; and
- Environmental Offences and Penalties Act 1989.

The POEO Act introduces a holistic approach to protecting the environment, changing from pollution control legislation to environment protection legislation.

The Act enables the NSW Government to set out explicit protection of the environment policies (PEPs) involving environmental standards, goals, protocols and guidelines.

Key features of the Act are as follows:

- Single licensing arrangement relating to air pollution, water pollution, noise pollution and waste management;
- EPA issues licences and is the regulatory authority for scheduled activities specified in Schedule 1 of the Act;
- Local councils are the regulatory authorities for non-scheduled activities except activities undertaken by a public authorities;
- EPA can issue licences to regulate water pollution from a non-scheduled activity therefore becomes the regulating authority;
- Environment protection notices that can be issued by appropriate regulatory authorities;
- The Act includes an offence regime and may involve heavy penalties and or gaol.
- The Act includes civil enforcement provisions for third parties.

The Act is administered by Office of Environment and Heritage.

The POEO Act is a powerful tool for regulation of sewerage and trade waste by local water utilities and facilitating compliance with the utility's conditions of approval for liquid trade waste discharges to the sewerage system.



Councils may issue a penalty notice under section 222 of the Act to a discharger who fails to obtain an approval to discharge trade waste to the council's sewerage system or who fails to comply with the conditions of the council's approval. In addition, section 123 of the Act may be used to sue a discharger causing major damage to the council's sewerage system or to the environment

The legislation also incorporates major regulatory provisions of the Waste Minimisation and Management Act.

#### **Water Industry Competition Act 2006**

The objectives of the Act and supporting regulations are to encourage competition in the water industry and to foster innovative recycling projects and dynamic efficiency in the provision of water and wastewater services.

Increasing competition in the metropolitan water market and water recycling are key actions in the NSW Government's Metropolitan Water Plan and State Plan.

The Act provides for the matters such as:

- the establishment of a new licensing regime for private sector providers of reticulated drinking water, recycled water and sewerage services;
- the establishment of a third-party access regime for water and sewerage infrastructure;
- provisions for a licensed network operator to construct or remove water industry infrastructure; and
- provisions to authorise IPART to undertake regulatory functions in certain parts of the Act.

Key aspects of General Regulation include:

- ensuring new entrants and the public water utilities face similar obligations, where like services are provided;
- strict licensing rules to ensure that drinking water meets Australian standards, that recycled water is 'fit for purpose' and that all services are delivered in a safe, reliable manner with minimal environmental impacts; and
- provisions to prevent retailers from disconnecting small customers for non-payment of debt and to require the implementation of NSW Government social policies, such as pensioner rebates.

## B.2 Other Government Initiatives

Initiative	Purpose
Efficient Operation	The Department of Local Government is concerned that councils generally are well managed.
Efficient Resource Use	The Federal Industry Commission Report on the Australian Water Industry is concerned to ensure efficient use of resources - natural, physical and financial. Its 1992 Report's recommendations were wide-ranging and covered matters such as pricing reforms and structural reforms (e.g. amalgamation of authorities).
Competition Policy	<p>In 1995 the Council of Australian Governments (COAG) ratified the National Competition Policy. Of particular significance to the water and sewerage functions of Council is the application of competitive neutrality to operations. The purpose of this is to have councils <i>"operate under similar competitive pressures to those experienced by the private sector"</i>.</p> <p>The NSW Government has embraced these principles and set in motion a number of policies to increase the efficiency and the competitiveness of this type of business area. (Refer to the <a href="#">NSW Government Policy Statement on the Application of National Competition Policy to Local Government</a>).</p>
Asset Management	The NSW Government, which has ultimate responsibility for water and sewerage in the State, is concerned to ensure that the \$7 billion asset base in water supply and sewerage schemes of country towns under the care of Local Governments is well managed.
Financial Assistance	<p>The NSW Government has been providing grants for the development and improvement of water supply and sewerage schemes in country areas, under the Country Towns Water, Sewerage and Drainage Program, which is now administered by the NSW Office of Water.</p> <p>The Minister responsible for water has made changes to the subsidy provisions. The main changes are the requirement to implement best industry management practices and the withdrawal of subsidies for growth related capital works. These changes are outlined in the publication <a href="#">Country Towns Water Supply and Sewerage Program: Technical and Financial Assistance</a> available to Councils.</p>
Best Practice Management	<p>The NSW Government encourages best practice for all LWUs. The purpose of best practice management is:</p> <ul style="list-style-type: none"> <li>- To encourage the effective and efficient delivery of water supply and sewerage services; and</li> <li>- To promote sustainable water conservation practices and water demand management throughout NSW.</li> </ul> <p>From 1 July 2004, compliance with the six best practice criteria is mandatory for payment of a dividend from the surplus of an LWU's water supply and sewerage businesses and future financial assistance under the Country Towns Water Supply &amp; Sewerage program.</p>

## **Appendix C Stakeholder Review**

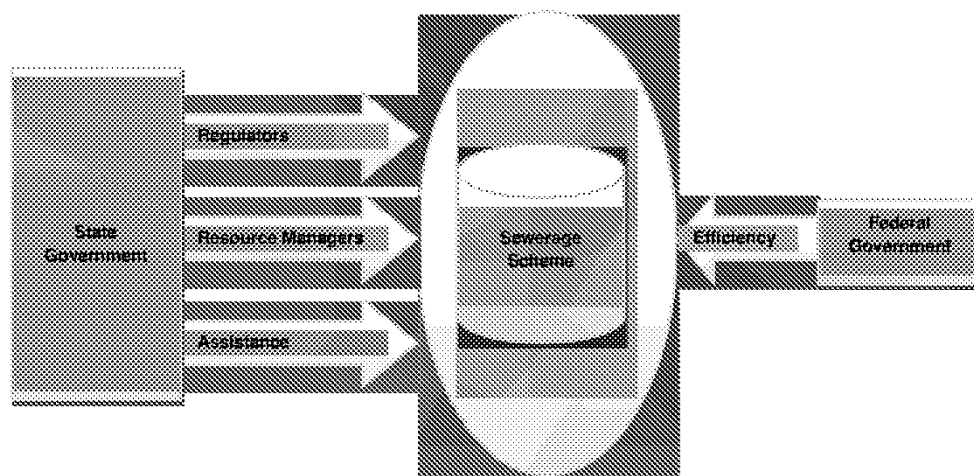
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## C.1 Identification of Stakeholders

Stakeholders are individuals and organisations with an interest and/or equity in the sewerage services provided by Council. Stakeholders may have different expectations, and the extent to which Council meets, or is perceived to meet, these expectations may vary.

### Institutional Stakeholders

A large number of government departments and agencies have interest in, and impact on, the management of the sewerage scheme, as shown in the chart below.



### Local Government

The sewerage undertaking is an integral part of Council's operation. Council has the ultimate responsibility for the development, operations, maintenance and performance of the scheme.

### State Government

The State Government has a significant impact on the sewerage scheme. Various government agencies fill a role in one or more of the following areas.

#### Regulators

These are the agencies that are largely responsible for administering the various acts listed in the preceding section. Of particular significance to the sewerage scheme are the Independent Pricing and Regulatory Tribunal (IPART), which is urging councils to adopt the pricing principles outlined in Pricing Principles for Local Water Authorities, and the Environment Protection Authority (EPA) who regulates environmental protection, issues licenses to discharge effluent and administers the various pollution control acts. Council discharges effluent from sewage treatment plants under license from the EPA.

#### **Resource Managers**

These are the agencies responsible for managing the State's resources, such as water resources, forestry and land.

#### **Assistance**

The State Government has been providing financial and administrative assistance for improvements of water supply and sewerage schemes through the Country Towns Water Supply and Sewerage Program. Under the newly introduced guidelines, assistance is generally available for servicing backlog areas and improving standards, but not for augmentation works required to accommodate growth. This program is administered by the NSW Office of Water.

Other assistance is in the form of services, such as the professional services provided by the NSW Public Works.

#### **Federal Government**

The Federal Government has no direct bearing on the sewerage scheme. Indirectly, the Federal Government is taking the initiative on reforming the way services are delivered to the community by Government agencies in order to improve efficiency.

## **C.2 Stakeholder Analysis**

Stakeholders are individuals and organisations with an interest and/or equity in the sewerage services provided by the Council. Stakeholders may have different expectations, and the extent to which Council meets, or is perceived to meet, these expectations may vary.

The Table next page lists the major stakeholders and their general level of satisfaction with the sewerage operations as perceived by the participants of the Strategic Planning Workshop and the comments of Council regarding the standing of their operations.

Low scores or perception gaps between Council and Stakeholders suggest the need for improvement in service standards and or communication.

Stakeholder	How to judge success?	How does Council rate its service? 1 – Poor 10 – Excellent	How do stakeholders rate the service 1 – Poor 10 – Excellent
<b>GENERAL USERS</b>			
Property Owners/ Ratepayers/ Residents (including pensioners)	<ul style="list-style-type: none"> <li>Value for money</li> <li>Guaranteed levels of service</li> <li>Public health standards met and maintained</li> <li>Guaranteed service</li> <li>Reasonable cost</li> </ul>	8.5	9
Commercial and Industrial customers	<ul style="list-style-type: none"> <li>Quality services</li> <li>Guaranteed service</li> <li>Reasonable cost</li> </ul>	8.5	7 Mainly due to the implementation of a TW policy
<b>OTHER USERS</b>			
Downstream water users	<ul style="list-style-type: none"> <li>Clean water</li> <li>No future interference with their operations</li> </ul>	9.5	9.3
Environmental groups	<ul style="list-style-type: none"> <li>Environmental responsibility</li> <li>Minimisation of wastage</li> <li>Treated effluent quality</li> <li>Environmental sustainability</li> </ul>	9	8
Tourists	<ul style="list-style-type: none"> <li>Quality and quantity of service</li> <li>Aesthetics</li> </ul>	8	8.3
<b>COUNCIL</b>			
Councillors	<ul style="list-style-type: none"> <li>No complaints</li> <li>Good public profile</li> <li>Compliance</li> <li>Business continuity</li> <li>Price</li> </ul>	9	8
Council Employees	<ul style="list-style-type: none"> <li>Recognition for work</li> <li>Safe workplace</li> <li>Competency/training</li> <li>Pride in workplace/ schemes</li> <li>Support and security</li> </ul>	9	8.7
Engineering Services - W & S Section	<ul style="list-style-type: none"> <li>Efficient service</li> <li>Chargeable service</li> <li>Working relationship</li> <li>Timeliness</li> <li>Innovation and technology</li> <li>Informed advice</li> </ul>	8	8.3

Stakeholder	How to judge success?	How does Council rate its service? 1 – Poor 10 – Excellent	How do stakeholders rate the service 1 – Poor 10 – Excellent
<b>GOVERNMENT</b>			
DLG	<ul style="list-style-type: none"> <li>Accountability</li> <li>Financial stability</li> </ul>	9.5	8.5
NOW	<ul style="list-style-type: none"> <li>Efficient operations</li> <li>Performance</li> <li>Best practice management</li> </ul>	9.5	8
OEH /EPA	<ul style="list-style-type: none"> <li>Environmental requirements</li> <li>Effluent and bio-solids disposal</li> <li>Catchment management</li> </ul>	9	8
Others (Dept. of Health, Work Cover, CENTROC, Central West CMA)	<ul style="list-style-type: none"> <li>Receiving water quality</li> <li>Effluent and bio-solids disposal</li> <li>Septic tanks</li> <li>Catchment management</li> <li>OHS</li> </ul>	7.5	8





## **Appendix D    Performance Indicators (TBL Report)**

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## Blayney Shire Council

## TBL Sewerage Performance

2011-12

SEWERAGE SYSTEM - Blayney Council has 1 sewerage treatment system providing advanced secondary treatment. The system comprises 7,000 EP treatment capacity (Undersized Extended Aeration Activated Sludge), 7 pumping stations (1 MLD), 23 km of rising mains and 53 km of gravity foul main network and reticulation. 17% of effluent was recycled.

PERFORMANCE - Residential growth for 2011-12 was 33% which is higher than the statewide median. Blayney Shire Council achieved 100% implementation of Best-Practice requirements. The 2011-12 household water bill was \$479 which was less than the statewide median of \$650 (Indicator 10). The economic cost rate of return was 14% which was less than the statewide median (Indicator 46). The operating cost per property (OPAP) was \$217 which was less than the statewide median of \$410 (Indicator 50). Sewerage odour complaints were less than the statewide median of 0.5 (Indicator 21). Blayney Council reported no public health incidents. Council complied with the requirements of the environmental regulator for effluent discharge. The current replacement cost of foul main assets was \$274 (\$10,100 per assessment), catch and investments were \$39, cost was \$116 and revenue was \$1.18 (excluding capital works grants).

## IMPLEMENTATION OF REQUIREMENTS OF BEST-PRACTICE MANAGEMENT FRAMEWORK

(1) Complete current strategic business plan & financial plan	YES	(20) Pricing - DSP with commercial & residential charges	YES
(2) (20) Pricing - Full Cost Recovery - without any financial cross-subsidy	Yes	(21) Pricing - house trade waste sewer & storm	Yes
(20) Pricing - Assessor's Responsibility Charges	Yes	(22) Complete performance reporting (by 15 December)	YES
(20) Pricing - Assessment Non-Residential Charges	Yes	(23) Integrated water cycle management strategy	YES
(20) Pricing - Assessment Trade Waste Sewer Charges	Yes	(24) Integrated water cycle management strategy	YES
		IMPLEMENTATION OF ALL REQUIREMENTS	100%

## TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS

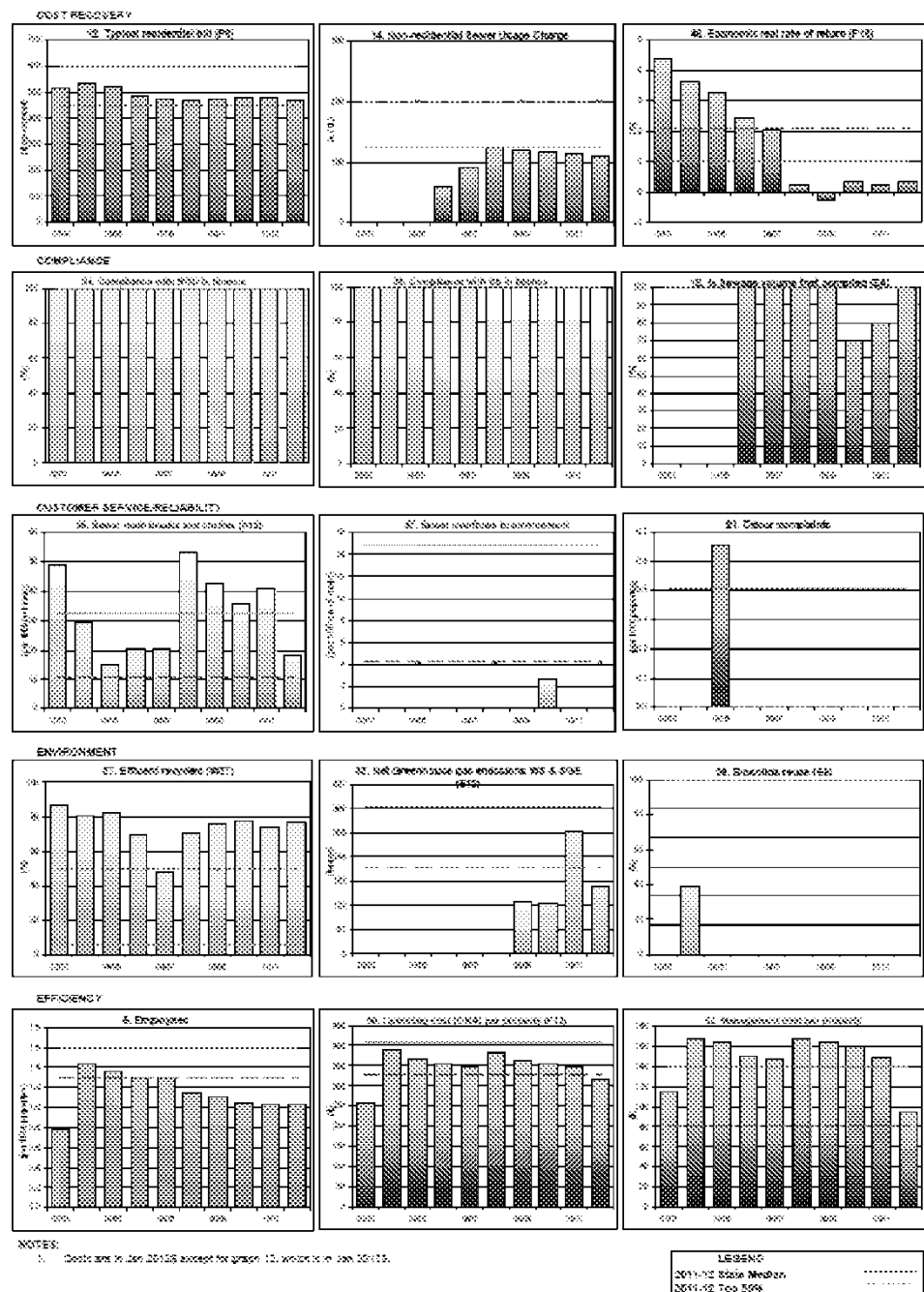
Category	Indicator	Value	Statewide Median	Statewide Minimum	Statewide Maximum
ENVIRONMENT	1. Population served: 3,800	3,800	3,800	3,800	3,800
	2. Number of connected properties: 1,460	1,460	1,460	1,460	1,460
	3. Number of residential connected properties: 1,280	1,280	1,280	1,280	1,280
	4. New residences connected to sewerage (%)	0.0	0.0	0.0	0.0
	5. Properties served per kilometre (%)	0.0	0.0	0.0	0.0
	6. Volume of sewage collected (ML)	245	245	245	245
	7. Renewable expenditure (% of current replacement cost of system assets)	0.0	0.0	0.0	0.0
	8. Employees per 1000 properties	1.2	1.2	1.2	1.2
	9. Replacement of residential sewer infrastructure	0.0	0.0	0.0	0.0
	10. Residential sewer charge for 2011-12 (\$/assessment)	\$255	\$255	\$255	\$255
ECONOMY	11. Residential sewer charge for 2012-13 (\$/assessment)	\$255	\$255	\$255	\$255
	12. Typical residential bill for 2011-12 (\$/assessment)	\$479	\$479	\$479	\$479
	13. Typical residential bill for 2012-13 (\$/assessment)	\$479	\$479	\$479	\$479
	14. Typical residential bill for 2013-14 (\$/assessment)	\$479	\$479	\$479	\$479
	15. Typical residential bill for 2014-15 (\$/assessment)	\$479	\$479	\$479	\$479
	16. Non-residential sewer charge (\$/m³)	\$116	\$116	\$116	\$116
	17. Revenue per property - (see 10)	\$255	\$255	\$255	\$255
	18. Urban properties without reticulated sewerage service (%)	0.0	0.0	0.0	0.0
	19. Percent of sewage treated to a tertiary level (%)	100	100	100	100
	20. Percent of sewage volume treated that was compliant (%)	100	100	100	100
SOCIETY	21. Number of sewerage treatment works compliant at all times	1 of 1	1 of 1	1 of 1	1 of 1
	22. Odour complaints per 1000 properties	0.0	0.0	0.0	0.0
	23. Odour complaints - sewerage per 1000 properties	0.0	0.0	0.0	0.0
	24. Average sewerage interception incidents	0.0	0.0	0.0	0.0
	25. Total sewer loss (ML)	0.0	0.0	0.0	0.0
	26. Volume of sewage collected per property (ML)	0.17	0.17	0.17	0.17
	27. Total recycled water supplied (ML)	0.0	0.0	0.0	0.0
	28. Recycled water (% of effluent recycled)	0.0	0.0	0.0	0.0
	29. Biosolids reuse (%)	0.0	0.0	0.0	0.0
	30. Energy consumption - sewerage (kWh/ML)	0.0	0.0	0.0	0.0
ENVIRONMENTAL	31. Renewable energy consumption (% of total energy consumption)	0.0	0.0	0.0	0.0
	32. Net greenhouse gas emissions - (see 10) & (see 10) (tCO2e per 1000 properties)	0.0	0.0	0.0	0.0
	33. 80% Permissible Discharge (PD) for effluent discharge	0.0	0.0	0.0	0.0
	34. Compliance with 80% PD in licence (%)	100	100	100	100
	35. Compliance with 80% PD in licence (%)	100	100	100	100
	36. Sewer main breaks and cracks (per 100 km of main)	0.0	0.0	0.0	0.0
	37. Sewer overflows (per 100 km of main)	0.0	0.0	0.0	0.0
	38. Sewer overflows reported to environmental regulator (per 100 km of main)	0.0	0.0	0.0	0.0
	39. Non-res & trade waste (% of total age volume)	0.0	0.0	0.0	0.0
	40. Revenue from non-residential plus trade waste charges (% of total revenue)	0.0	0.0	0.0	0.0
ECONOMY	41. Economic cost rate of return - (see 10)	14.0	14.0	14.0	14.0
	42. Return on assets - (see 10)	14.0	14.0	14.0	14.0
	43. Loan payment per property - (see 10)	\$88	\$88	\$88	\$88
	44. Net profit after tax - (see 10) & (see 10)	\$130	\$130	\$130	\$130
	45. Operating cost (\$/ML) per 100 km of main (2010)	\$20	\$20	\$20	\$20
	46. Operating cost (\$/ML) per property (\$/ML) (2010)	\$17	\$17	\$17	\$17
	47. Operating cost (\$/ML) per 100 km of main (2010)	\$17	\$17	\$17	\$17
	48. Management cost per property (\$)	\$6	\$6	\$6	\$6
	49. Treatment cost per property (\$)	\$155	\$155	\$155	\$155
	50. Pumping cost per property (\$)	\$24	\$24	\$24	\$24
ECONOMY	51. Energy cost per property (\$)	\$4	\$4	\$4	\$4
	52. Sewer main cost per property (\$)	\$40	\$40	\$40	\$40
	53. Capital Expenditure per property - (see 10)	\$116	\$116	\$116	\$116
	54. Operating cost (\$/ML) per 100 km of main (2010)	\$20	\$20	\$20	\$20
	55. Operating cost (\$/ML) per property (\$/ML) (2010)	\$17	\$17	\$17	\$17
	56. Operating cost (\$/ML) per 100 km of main (2010)	\$17	\$17	\$17	\$17
	57. Management cost per property (\$)	\$6	\$6	\$6	\$6
	58. Treatment cost per property (\$)	\$155	\$155	\$155	\$155
	59. Pumping cost per property (\$)	\$24	\$24	\$24	\$24
	60. Energy cost per property (\$)	\$4	\$4	\$4	\$4

## NOTES:

1. Col 1 rankings are on a % of LHM basis - best reveals performance compared to similar sized LHM (ie. Col 1 is compared with LHM with 200 to 1,500).
2. Col 2 rankings are on a % of LHM basis - best reveals performance compared to all LHM (ie. Col 2 is compared with all LHM) - see adjustment.
3. Col 3 (Statewide Median) is on a % of connected properties basis - best reveals statewide performance (gives due weight to larger LHM & reduces effect of smaller).
4. Col 4 (National Median) is the median value for the 66 utilities reporting sewerage performance in the National Performance Report 2011-12 ([www.npr.gov.au](http://www.npr.gov.au)).
5. LHM are required to annually review key projections & actions in their Strategic Business Plan and annually update their financial plan. The SBP should be updated when 4 years.
6. Non-residential access charge - \$479, proportional to square of size of service connection. Sewer usage charge - 150 c/m.
7. Non-residential and trade waste when it was 6% of total sewage collected.
8. Non-residential revenue was 8% of revenue from access, usage & trade waste charges, indicating fair pricing of services between the residential and non-residential sectors.
9. Compliance with Total N in Licence was 100%. Compliance with Total P in Licence was 100%.
10. Operating cost (\$/ML) per property was \$17. Components were: management (\$6), operation and maintenance (\$10), energy (\$4) & effluent disposal (\$1).

Blayney Shire Council TBL Sewerage Performance (page 2) 2011-12

(Results shown for 10 years together with 2011/12 Gateway Median and Top 20%)





## **Appendix E      Projected Cost Schedules**

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## E.2 30-year Recurrent Cost Schedule

SENIOR CARE - OPERATIONS - ADULTS - ADULTS AND NEW RESIDENTS - ADULTS AND NEW RESIDENTS - IN-CURRANT AND PREVIOUSLY RESIDENTS

20 YEAR			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
TOTAL			2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
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ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
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ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
ADULTS			1	2	3	4	5	6	7	8	9	10	11																			



## **Appendix F    Financial Input Data**

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Historical Operating Statement

FINMOD  
DEPARTMENT OF  
COMMERCE

	2011/12	2012/13
<b>EXPENSES</b>		
Management Expenses	166	227
Administration	186	227
Engineering and Supervision		
Operation and Maintenance Expenses	433	450
Operation Expenses	367	389
Maintenance Expenses		
Energy Costs	66	77
Chemical Costs		17
Depreciation	400	487
System Assets	400	483
Plant & Equipment		24
Interest Expenses	78	75
Other Expenses	72	
<b>TOTAL EXPENSES</b>	<b>1169</b>	<b>1282</b>
<b>REVENUES</b>		
Rates & Service Availability Charges	995	1050
Residential	917	956
Non-Residential	78	94
Trade Waste Charges		
Other Rates and Charges		
Extra Charges		
Interest Income	205	189
Other Revenues	18	69
Grants	37	16
Grants for Acquisition of Assets	21	
Pensioner Rebate Subsidy	16	16
Other Grants		
Contributions	62	11
Developer Charges	62	11
Developer Provided Assets		
Other Contributions		
<b>TOTAL REVENUES</b>	<b>1317</b>	<b>1314</b>
<b>OPERATING RESULT</b>	<b>148</b>	<b>32</b>
<b>OPERATING RESULT (less Grants for Acq of Assets)</b>	<b>127</b>	<b>32</b>

Printed 23/01/2015

Values in \$'000

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**Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP**  
**Historical Statement of Financial Position**FINMOD  
DEPARTMENT OF  
COMMERCE

	2011/12	2012/13
Cash and Investments	2793	3479
Receivables	977	745
Inventory		
Property, Plant & Equipment	19927	19652
System Assets (1)	19759	19722
Plant & Equipment	164	140
Other Assets		
TOTAL ASSETS	20897	24085
LIABILITIES		
Bank Overdraft		
Creditors	1017	6
Borrowings		977
Provisions		
TOTAL LIABILITIES	1017	983
NET ASSETS COMMITTED	22680	23103
EQUITY		
Accumulated Operating Result	8900	8943
Asset Revaluation Reserve	13780	14160
TOTAL EQUITY	22680	23103
<u>(1) NOTES TO FINANCIAL STATEMENTS</u>		
Current Replacement Cost	26690	27293
Less: Accumulated Depreciation	6827	7561
Written Down Current Cost	19763	19722

# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Base Forecast Data

FINMOD  
DEPARTMENT OF  
COMMERCE

Financial Data	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Inflation Rate - General (%)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Inflation Rate - Capital Works (%)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Borrowing Interest Rate for New Loans (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Investment Interest Rate (%)	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
<b>Number of Assessments</b>																									
Growth Rate (%)	1.19	1.12	1.11	1.09	1.14	1.13	1.12	1.10	1.09	1.08	1.14	1.12	1.10	1.14	1.13	1.12	1.10	1.10	1.13	1.12	1.11	1.14	1.13	1.12	1.11
Residential Assessments	1.19	1.17	1.16	1.15	1.13	1.12	1.11	1.09	1.08	1.06	1.12	1.09	1.04	1.03	1.02	1.01	1.00	0.99	0.98	0.97	0.96	0.95	0.94	0.93	0.92
Non-Residential Assessments	1.19	1.17	1.16	1.15	1.13	1.12	1.11	1.09	1.08	1.06	1.12	1.09	1.04	1.03	1.02	1.01	1.00	0.99	0.98	0.97	0.96	0.95	0.94	0.93	0.92
Total Assessments	1.14	1.13	1.11	1.10	1.14	1.13	1.12	1.10	1.09	1.08	1.13	1.12	1.10	1.09	1.11	1.10	1.09	1.12	1.11	1.10	1.09	1.12	1.10	1.09	1.08
<b>Number of New Assessments</b>																									
Residential	18	18	18	18	18	19	19	18	19	19	20	20	20	21	21	21	21	22	22	22	22	23	23	23	23
Non-Residential	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Total New Assessments	21	21	21	21	22	22	22	22	22	22	23	23	23	24	24	24	24	25	25	25	25	26	26	26	26
<b>Projected Number of Assessments</b>																									
Residential	1810	1628	1646	1654	1663	1702	1721	1740	1756	1779	1789	1819	1838	1850	1891	1902	1923	1945	1967	1989	2011	2034	2057	2080	2103
Non-Residential	256	259	262	265	268	271	274	277	280	283	286	289	292	295	298	301	304	307	310	313	316	319	322	325	328
Total Projected Assessments	1866	1887	1908	1929	1931	1973	1995	2017	2036	2062	2085	2108	2131	2155	2179	2203	2227	2252	2277	2302	2327	2353	2379	2405	2431
<b>Backlog Assessments</b>																									
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Backlog Assessments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Developer Charges / Vacant Assessments (Values in 2013/14 \$)</b>																									
Residential	2438	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500
Non-Residential	2438	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500
<b>Number of Vacant Residential Assessments</b>	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194	194
Average Charge of Vacant Assessments	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
% of Occupied Assessments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Depreciation of Existing Plant and Equipment (Values in 2013/14 \$'000)</b>																									
Current Replacement Cost of System Assets	27965																								
Overwrite	20215																								
Written Down Current Cost of System Assets	475																								
Overwrite	475																								
Annual Depreciation of Existing System Assets																									
Written Down Value of Plant and Equipment	140																								
Overwrite	140																								
Annual Depreciation of Existing Plant and Equipment	20	20	20	20	20	20	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Printed 23/01/2015

Values in \$'000

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Base Forecast Data

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
<b>Existing Loan Payments (Values in Inland \$'000)</b>																									
Existing Loan Payments - Principal (Total:677)	44	47	50	54	58	63	67	72	78	83	64	70	75	84	68	0	0	0	0	0	0	0	0	0	0
Existing Loan Payments - Interest (Total:820)	72	69	66	62	58	53	49	44	38	33	27	21	16	9	3	0	0	0	0	0	0	0	0	0	0
<b>Capital Works Program (Values in 2013/14 \$'000)</b>																									
Sanitised Scheme (Total:228)	78	150	350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	60	1400	1200	0	0	0	0	0
Other New System Assets (Total:398)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2100	1800	0	0	0	0	0
Renewals (Total:229)	153	530	393	405	300	350	30	10	28	100	20	40	0	170	28	20	50	20	0	20	58	30	10	105	120
Total Capital Works (Total:1945)	231	740	748	405	300	350	30	10	28	100	20	40	0	170	28	20	50	170	3500	3020	58	30	10	105	120
Grant For Acquisition of Assets (% of Sanitised Scheme)	0.00	0.00	0.00	0.00	0.00	0.00	50.00	50.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grant For Acquisition of Assets (\$ Totals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Developer Provided Assets (Totals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Plant and Equipment Expenditure / Asset Disposal (Values in 2013/14 \$'000)</b>																									
Plant and Equipment Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from Disposal of Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Written Down Value of Plant and Equipment Disposed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gain/Loss on Disposal of Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Written Down Value of Assets Disposed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gain/Loss on Disposal of System Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Blayne Sewer Fund Financial Model 2013/14 : Preferred Case SBP**  
**Revised/Additional Forecast Data**

**FINMOD**  
**DEPARTMENT OF**  
**COMMERCE**

[illegible]

## Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Revised/Additional Forecast Data

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
New Loan Payment Overrides (Values in inflated \$'000)																									
Standard Loan Payments: Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	79	187	198	212	226	242	256
Standard Loan Payments: Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201	454	443	429	414	400	384
Structured Loan Payments: Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Structured Loan Payments: Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capitalised Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total New Loan Payments: Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	79	187	198	212	226	242	256
Overrides	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201	454	443	429	414	400	384
Total New Loan Payments: Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201	454	443	429	414	400	384
Overrides	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capitalised Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overrides	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



## **Appendix G      Detailed Financial Statements**

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP Operating Statement

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
<b>EXPENSES</b>																									
Management Expenses	330	319	452	457	463	466	472	477	504	489	494	499	527	510	516	521	551	533	539	545	576	557	563	569	601
Administration	255	263	271	274	296	280	283	286	311	292	296	299	325	306	309	312	340	319	323	327	355	334	337	341	371
Engineering and Supervision	35	36	181	183	185	187	189	191	183	195	198	200	202	204	207	208	211	214	216	218	221	223	226	228	230
Operation and Maintenance Expenses	542	637	687	696	699	699	697	616	592	603	605	635	629	630	636	662	645	693	697	691	672	686	700	722	704
Depreciation	438	533	534	550	561	549	550	488	479	490	490	518	501	512	512	542	524	536	535	566	547	560	559	592	572
Maintenance Expenses	5	5	26	5	5	5	5	16	6	6	6	6	17	6	6	6	6	31	6	6	6	6	6	7	7
Energy Costs	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	104	105	106
Chemical Costs	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Depreciation	466	499	504	502	502	507	500	485	483	482	482	482	482	482	481	481	481	484	484	482	482	482	482	482	482
Super Assets	476	479	484	484	484	483	483	483	483	482	482	482	482	482	481	481	481	484	484	482	482	482	482	482	482
Plant & Equipment	20	20	19	19	18	18	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Expenses	72	67	63	58	53	47	42	37	31	26	21	16	12	7	2	0	0	0	129	284	270	265	240	227	212
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>1440</b>	<b>1532</b>	<b>1679</b>	<b>1672</b>	<b>1707</b>	<b>1673</b>	<b>1675</b>	<b>1615</b>	<b>1609</b>	<b>1589</b>	<b>1601</b>	<b>1631</b>	<b>1650</b>	<b>1629</b>	<b>1623</b>	<b>1655</b>	<b>1677</b>	<b>1700</b>	<b>1687</b>	<b>2112</b>	<b>2111</b>	<b>2031</b>	<b>2096</b>	<b>2110</b>	<b>2109</b>
<b>REVENUES</b>																									
Rates & Service Availability Charges	941	1045	1058	1073	1097	1106	1112	1146	1177	1217	1244	1281	1316	1351	1385	1424	1462	1480	1499	1517	1525	1555	1573	1593	1612
Residential	729	783	773	783	794	803	812	856	859	884	909	935	961	987	1013	1040	1067	1080	1094	1107	1121	1135	1148	1163	1177
Non-Residential	218	262	285	290	294	297	300	310	318	327	335	346	355	365	375	385	395	395	400	405	410	414	420	430	435
Trade Waste Charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Sales and Charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra Charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	167	169	128	95	73	54	44	43	44	45	48	54	60	63	70	80	91	97	62	34	27	26	25	23	19
Other Revenues	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Grants	16	17	16	16	15	15	15	15	15	14	14	14	14	14	13	13	13	13	13	13	12	12	12	12	12
Grants for Acquisition of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pensioner Rebate Subsidy	16	17	16	16	15	15	15	15	15	14	14	14	14	14	13	13	13	13	13	13	12	12	12	12	12
Other Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contributions	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
Developer Charges	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
Developer Provided Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL REVENUES</b>	<b>1298</b>	<b>1335</b>	<b>1288</b>	<b>1279</b>	<b>1271</b>	<b>1265</b>	<b>1266</b>	<b>1288</b>	<b>1331</b>	<b>1364</b>	<b>1402</b>	<b>1444</b>	<b>1486</b>	<b>1523</b>	<b>1565</b>	<b>1612</b>	<b>1650</b>	<b>1685</b>	<b>1668</b>	<b>1659</b>	<b>1670</b>	<b>1688</b>	<b>1705</b>	<b>1722</b>	<b>1737</b>
<b>OPERATING RESULT</b>	<b>-201</b>	<b>-187</b>	<b>-381</b>	<b>-384</b>	<b>-436</b>	<b>-408</b>	<b>-409</b>	<b>-317</b>	<b>-278</b>	<b>-235</b>	<b>-189</b>	<b>-187</b>	<b>-154</b>	<b>-105</b>	<b>-52</b>	<b>-52</b>	<b>-17</b>	<b>-14</b>	<b>-189</b>	<b>-454</b>	<b>-441</b>	<b>-403</b>	<b>-390</b>	<b>-388</b>	<b>-372</b>
<b>OPERATING RESULT (less Grants for Acq. of Assets)</b>	<b>-201</b>	<b>-187</b>	<b>-381</b>	<b>-384</b>	<b>-436</b>	<b>-408</b>	<b>-409</b>	<b>-317</b>	<b>-278</b>	<b>-235</b>	<b>-189</b>	<b>-187</b>	<b>-154</b>	<b>-105</b>	<b>-52</b>	<b>-52</b>	<b>-17</b>	<b>-14</b>	<b>-189</b>	<b>-454</b>	<b>-441</b>	<b>-403</b>	<b>-390</b>	<b>-388</b>	<b>-372</b>

Printed 23/01/2015

Values in 2013/14 \$'000

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Cashflow Statement

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
<b>Cashflow From Operating Activities</b>																									
<b>Receipts</b>																									
Receivables and Charges	941	1045	1058	1073	1087	1100	1112	1146	1177	1211	1244	1281	1316	1361	1389	1424	1462	1480	1493	1517	1535	1555	1573	1593	1612
Interest Income	187	169	128	96	73	54	44	43	44	45	48	54	60	63	70	80	91	97	97	92	34	27	26	28	22
Other Revenues	30	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	19
Grants	16	17	16	16	15	15	15	15	15	14	14	14	14	14	13	13	13	13	13	13	12	12	12	12	12
Contributions	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
Total Receipts from Operations	1239	1325	1288	1279	1271	1285	1286	1298	1331	1364	1402	1444	1486	1523	1568	1612	1650	1685	1688	1699	1670	1688	1705	1722	1737
<b>Payments</b>																									
Management	330	319	452	457	483	488	472	477	504	488	494	498	527	510	516	524	551	553	559	545	576	567	563	569	601
Operators (plus WC Inc)	569	654	888	683	698	687	890	646	621	633	635	655	660	662	662	694	678	716	691	724	705	720	734	757	739
Interest Expenses	72	67	63	58	53	47	42	37	31	25	21	16	12	7	2	0	0	0	129	294	270	255	240	227	212
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Payments from Operations	971	1051	1203	1198	1234	1201	1204	1152	1155	1147	1150	1180	1199	1178	1180	1215	1229	1249	1269	1553	1552	1533	1538	1592	1562
Net Cash from Operations	268	274	85	81	37	64	62	136	175	217	252	254	287	345	386	397	422	436	310	106	118	155	166	170	185
<b>Cashflow from Capital Activities</b>																									
<b>Receipts</b>																									
Proceeds from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>																									
Acquisition of Assets	231	740	748	405	300	350	30	10	28	100	20	40	0	170	28	20	50	170	3500	3020	58	30	10	105	120
Net Cash from Capital Activities	-231	-740	-748	-405	-300	-350	-30	-10	-28	-100	-20	-40	0	-170	-28	-20	-50	-170	-3500	-3020	-58	-30	-10	-105	-120
<b>Cashflow from Financing Activities</b>																									
<b>Receipts</b>																									
New Loans Required	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2000	2500	0	0	0	0	0
<b>Payments</b>																									
Principal Loan Payments	44	46	48	50	53	56	58	61	64	66	50	53	56	61	48	0	0	0	51	117	121	126	131	137	142
Net Cash from Financing Activities	-44	-46	-48	-50	-53	-56	-58	-61	-64	-66	-50	-53	-56	-61	-48	0	0	0	1950	2383	-121	-126	-131	-137	-142
TOTAL NET CASH	-7	-512	-701	-374	-315	-342	-26	66	83	50	182	171	231	115	311	377	382	267	-1241	-531	-60	-1	27	-72	-76
Current Year Cash	-7	-512	-701	-374	-315	-342	-26	66	83	50	182	171	231	115	311	377	382	267	-1241	-531	-60	-1	27	-72	-76
Cash & Investments @ Year Start	3479	3387	2805	2053	1638	1290	925	877	920	978	1004	1157	1206	1480	1565	1831	2154	2474	2574	1399	846	767	747	755	666
Cash & Investments @ Year End	3472	2875	2104	1679	1323	948	899	940	1003	1029	1186	1328	1527	1605	1877	2206	2535	2741	1434	888	786	766	774	683	580
<b>Capital Works Funding:</b>																									
Interest Funding for New Works (FNUO)	78	150	350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150	1500	500	0	0	0	0	0
Interest Funding for Renewables	153	590	388	405	300	320	30	10	28	100	20	40	0	170	28	20	50	20	2000	2500	58	30	10	105	120
New Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Works	231	740	748	405	300	350	30	10	28	100	20	40	0	170	28	20	50	170	3500	3020	58	30	10	105	120

Printed 23/01/2015

Values in 2013/14 \$'000

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Statement of Financial Position

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/23	2033/34	2034/35	2035/36	2036/37	2037/38		
Cash and Investments	3472	2875	2104	1679	1323	946	899	543	1003	1029	1186	1328	1527	1605	1877	2206	2556	2741	1434	868	766	766	774	683	590		
Receivables	772	780	789	796	807	817	826	835	845	854	864	873	883	892	902	912	922	932	943	953	964	975	985	996	1006		
Inventories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Property, Plant & Equipment	20090	20325	20571	20472	20269	20117	19646	19173	18715	18337	17875	17433	16957	16539	16186	15725	15254	14979	17937	20955	19830	19287	18665	18198	17726		
System Assets (1)	19670	20231	20494	20416	20232	20089	19546	19173	18719	18337	17875	17433	16957	16539	16186	15725	15254	14979	17937	20965	19830	19287	18685	18198	17726		
Plant & Equipment	120	98	76	56	36	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
TOTAL ASSETS	24034	22984	22464	22349	22388	21882	21371	20852	20565	20220	19824	19634	19351	19136	18865	18646	18752	18653	20314	22186	21579	21038	20444	19876	19322		
LIABILITIES																											
Bank Overdraft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Creditors (1)	6	6	6	6	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4	4	3	3			
Borrowings	933	864	796	726	656	584	512	439	364	289	232	173	113	49	0	0	0	0	1950	4285	4060	3935	3810	3685			
Provisions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
TOTAL LIABILITIES	939	870	801	732	651	590	517	444	369	284	227	178	117	54	4	4	4	4	1954	4289	4064	3938	3814	3688	3164		
NET ASSETS COMMITTED	23395	22314	22663	22217	21736	21292	20854	20508	20197	19936	19688	19457	19243	19082	18861	18641	18748	18649	18360	17996	17515	17159	16830	16488	16158		
EQUITY																											
Accumulated Operating Profit	8742	8332	7748	7185	6556	5986	5432	4982	4582	4236	3933	3651	3397	3209	3089	2942	2853	2769	2503	1389	1489	1060	644	240			
Asset Repatriation Reserve	14659	14782	14915	15052	15182	15306	15422	15526	15615	15690	15754	15806	15846	15873	15892	15899	15895	15880	15857	15808	16016	16109	16186	16248			
TOTAL EQUITY	23395	22314	22663	22217	21736	21292	20854	20508	20197	19936	19688	19457	19243	19082	18861	18641	18748	18649	18360	17996	17515	17159	16830	16488	16158		
(1) NOTES TO FINANCIAL STATEMENTS																											
Current Replacement Cost	28043	28193	28543	28843	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543	29543		
Less: Accumulated Depreciation	6073	7892	8049	8127	8311	8444	8897	8970	8824	10206	10668	11110	11581	11893	12356	12817	13248	13712	14234	14827	15382	15924	16507	16984			
Written Down Current Cost	19970	20231	20494	20416	20232	20089	19546	19173	18719	18337	17875	17433	16957	16539	16186	15725	15254	14979	17937	20965	19950	19287	18685	18198			

Printed 23/01/2015

Values in 2013/14 \$'000

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# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP

## Performance Indicators

FINMOD  
DEPARTMENT OF  
COMMERCE

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Typical Residential Bill	496	516	516	516	516	516	516	524	532	540	548	556	564	572	580	588	596	596	596	596	596	596	596	596	596
Average Residential Bills (\$2013/14)	449	488	469	471	471	472	472	480	488	497	505	514	523	530	539	547	555	555	557	557	557	558	558	559	560
Margin Cost / Assessment (\$2013/14)	177	189	237	237	247	237	236	236	247	236	237	236	248	236	237	237	247	237	237	237	248	237	236	236	247
OMA Cost per Assessment (\$2013/14)	467	505	563	577	591	570	567	543	538	529	527	537	543	529	526	537	537	540	525	537	538	528	531	537	537
Operating Rate Margin (%)	-30.04	-25.82	-38.16	-36.50	-38.12	-34.31	-33.58	-26.74	-22.64	-19.17	-16.73	-16.17	-14.32	-11.08	-8.85	-8.65	-6.67	-7.04	-6.18	-12.55	-12.04	-10.46	-10.44	-10.80	-10.43
Economic Real Rate of Return (%)	-1.57	-1.47	-2.17	-2.11	-2.25	-2.07	-2.09	-1.66	-1.56	-1.38	-1.27	-1.29	-1.25	-0.97	-0.80	-0.84	-0.70	-0.75	-0.73	-1.00	-1.00	-0.90	-0.94	-1.01	-1.01
Debt Service Ratio	0.09	0.09	0.09	0.08	0.08	0.08	0.08	0.08	0.07	0.07	0.05	0.05	0.05	0.04	0.03	0.00	0.00	0.00	0.11	0.24	0.23	0.23	0.22	0.21	0.20
Debt/Equity Ratio	0.04	0.04	0.04	0.03	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.11	0.24	0.23	0.22	0.21	0.21	0.20
Interest Cover	-1.79	-1.83	-5.06	-5.84	-7.28	-7.72	-8.67	-7.57	-7.32	-7.88	-8.44	-10.67	-12.81	-15.11	-26.00	0.00	0.00	0.00	-0.54	-0.60	-0.63	-0.58	-0.62	-0.71	-0.75
Return on capital (%)	-0.59	-0.54	-1.35	-1.46	-1.71	-1.65	-1.71	-1.34	-1.20	-1.03	-0.89	-0.87	-0.79	-0.52	-0.31	-0.28	-0.09	-0.08	-0.34	-0.76	-0.79	-0.70	-0.73	-0.81	-0.83
Cash and Investments (\$2013/14\$200)	3472	2875	2104	1679	1323	948	899	943	1003	1029	1186	1328	1527	1605	1877	2208	2536	2741	1434	868	786	766	774	683	590
Debt outstanding (\$2013/14\$200)	833	854	786	726	656	584	512	439	364	289	232	173	113	49	0	0	0	0	1950	4265	4060	3835	3610	3365	3161
Net Debt (\$2013/14\$200)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	515	3417	3274	3069	2836	2702	2571

**Blayne Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP**  
**STANDARD LOAN PAYMENT SCHEDULE**

FINMOD  
DEPARTMENT OF  
COMMERCE

	Drawdown	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
2031/32	Principal 3120																			79	85	90	96	102	110	115
	Interest																			201	195	191	185	178	172	164
2032/33	Principal 3397																				102	108	115	124	132	140
	Interest																				258	252	244	236	228	220
Total Principal	7117																			79	187	188	212	226	242	256
Total Interest		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201	454	443	429	414	400	384

# Blayney Council Sewer Fund Financial Model 2013/14 : Preferred Case SBP Summary Report of Assumptions and Results

FINMOD  
DEPARTMENT OF  
COMMERCE

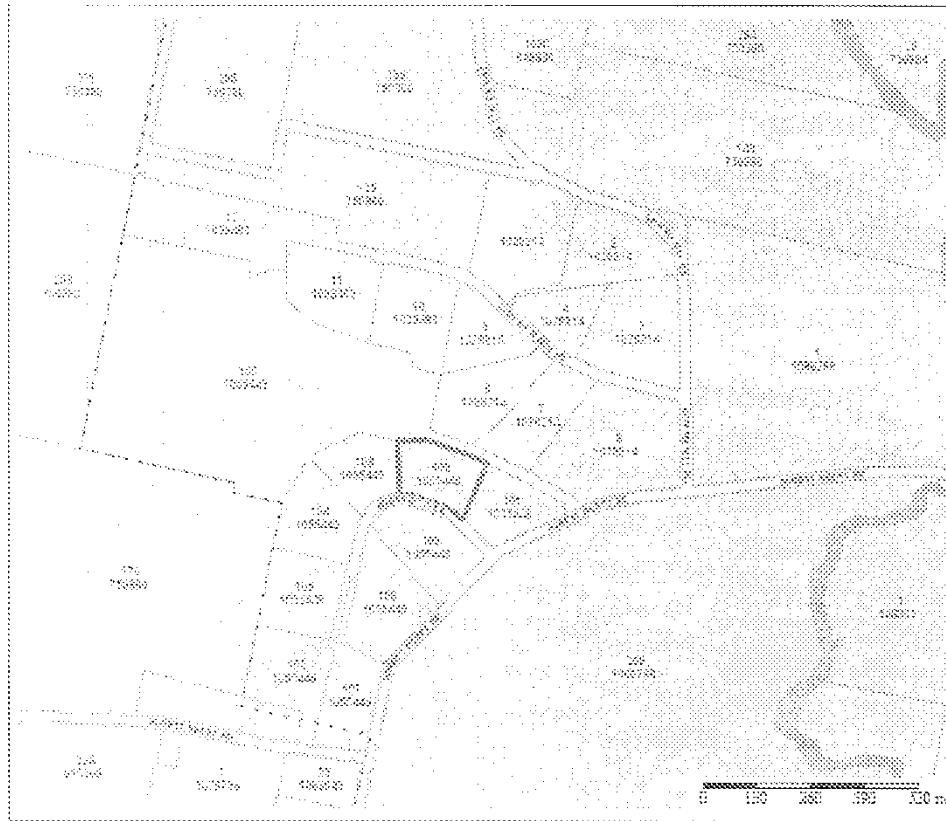
	2013/14	2017/18	2022/23	2027/28	2032/33	2037/38	2042/43
Initiation Rates - General (%)	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Initiation Rates - Capital Works (%)	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Borrowing Interest Rate (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Term of New Loans (years)	20	20	20	20	20	20	20
Investment Interest Rate (%)	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Growth Rate - Residential (%)	1.13	1.14	1.14	1.13	1.12	1.11	1.14
Developer Charges per Assessment - Residential (2013/14 \$)	2,438	4,500	4,500	4,500	4,500	4,500	4,500
Subsidised Scheme Capital Works (\$m)	0.08	0.00	0.00	0.00	1.20	0.00	0.00
Grants on Acquisition of Assets (\$m)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Renewals (\$m)	0.15	0.30	0.10	0.03	0.02	0.12	0.02
Renewals (%)	0.55	1.05	0.35	0.10	0.06	0.34	0.06
Borrowing Outstanding (\$m)	0.93	0.66	0.29	0.00	4.29	3.16	2.03
Major Cost Assessment	177	247	236	237	237	247	237
Debt Equity Ratio	0.04	0.03	0.01	0.00	0.15	0.11	0.07
OMA Cost Per Assessment	467	591	539	526	537	537	528
Economic Real Rate of Return (%)	-1.57	-2.25	-1.38	-0.80	-1.00	-1.01	-0.87
Return on Capital (%)	-0.53	-1.71	-1.03	-0.31	-0.76	-0.83	-0.64
Net Debt (\$m)	0.00	0.00	0.00	0.00	3.42	2.57	1.21
Debt Service Ratio	0.09	0.08	0.07	0.03	0.24	0.20	0.17
Average Residential Bills	449	471	497	539	557	560	562
Typical Residential Bills	469	516	540	580	596	596	596

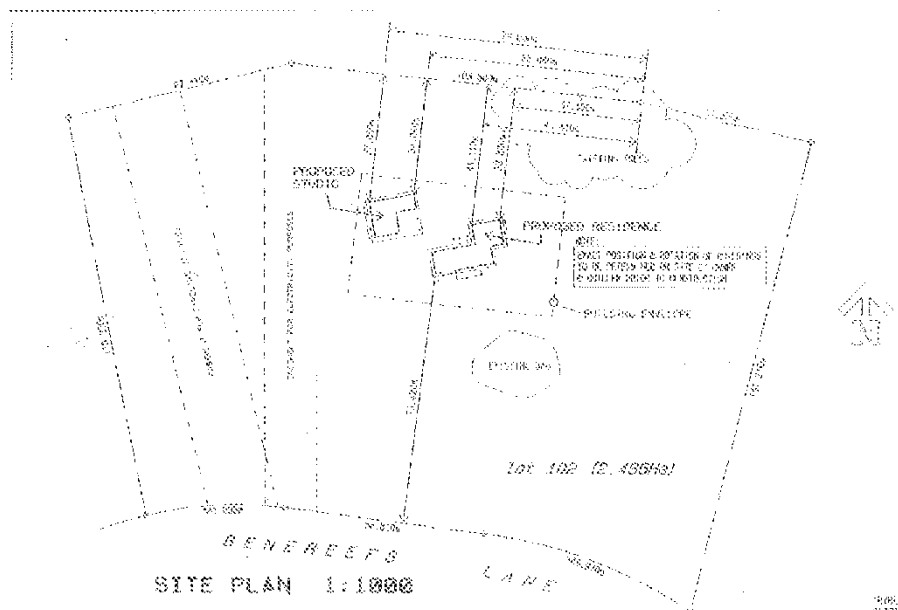
Printed 23/01/2015 Values in 2013/14 \$

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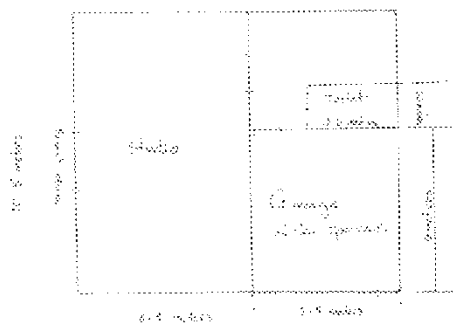


## Plans

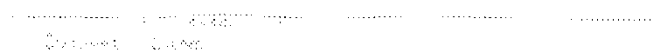
*Location plan*



Site plan



Proposed to be built on the lot 102 (2,436Hq) to be built on the lot 102 (2,436Hq)



Floor plan

**Schedule B  
Conditions of Consent**

**CONDITIONS ISSUED WITH DEVELOPMENT APPLICATION No. 122/2014**

**STATUTORY**

**REASON: To comply with legislative statutory requirements.**

1. Development is to take place in accordance with the attached stamped plans for Development Application No. 122/2014, documentation submitted with the application and subject to the conditions below, to ensure the development is consistent with Council's consent.  
*Note: Any alterations to the approved development application plans must be clearly identified **WITH THE APPLICATION FOR A CONSTRUCTION CERTIFICATE**. The Principal Certifying Authority (PCA) for the project may request an application for modification of this consent or a new application in the event that changes to the approved plans are subsequently made.*
2. The building be maintained in accordance with the requirements of the Building Code of Australia.
3. The approved studio must not be used for any other purpose other than in the approval being a tattoo/art studio. Any proposed change of use to the approved studio shall be only permitted by further application to Council.
4. Copies of all relevant licenses and permits are to be displayed on the premises, and copies provided to Council prior to commencement of operations.
5. Before commencement of operations the development is to be inspected by Council's Senior Health Surveyor prior to issue of a final Occupation Certificate.

**ENVIRONMENTAL**

**REASON: To comply with Council's statutory requirements.**

6. There shall be no burning of waste material, felled trees or other material on the site.
7. The operation of the development is limited to 9.30am to 5.30pm, Monday to Friday.

**HEALTH**

**REASON: To comply with legislative statutory requirements.**

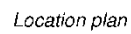
8. The activity is to be managed and operated in a manner that demonstrates compliance to Part 4 of the *Public Health Regulation 2012*.

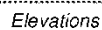
9. All medical waste (excluding sharps) shall be placed in yellow heavy duty plastic bags bearing the Bio-Hazard symbol, prior to disposal.
10. No sharps or other medical waste are to be disposed of via Council's domestic or general commercial waste collection services.
11. All medical waste is to be stored and secured on site prior to collection and must be transported to an approved disposal facility by a licensed contractor.

**ADVICE AND NOTES**

Prior to opening a business that conducts a skin penetration activity must notify Council in writing and obtain a registration pursuant to the *Public Health Regulation 2012* (form attached).

The *Public Health Regulation 2012* will require regular (annual) inspection by Council's Senior health Surveyor.





**Attachment B  
Conditions of Consent**

**CONDITIONS ISSUED WITH DEVELOPMENT APPLICATION No. 126/2014**

**STATUTORY**

**REASON: To comply with legislative statutory requirements.**

1. Development is to take place in accordance with the attached stamped plans for Development Application No. 126/2014, documentation submitted with the application and subject to the conditions below, to ensure the development is consistent with Council's consent.  
*Note: Any alterations to the approved development application plans must be clearly identified **WITH THE APPLICATION FOR A CONSTRUCTION CERTIFICATE**. The Principal Certifying Authority (PCA) for the project may request an application for modification of this consent or a new application in the event that changes to the approved plans are subsequently made.*
2. The developer is to relocate, if necessary, at the developer's cost any utility services.
3. Prior to commencement of any works, a Construction Certificate is to be obtained and where Council is not the PCA, a copy is submitted to Council.
4. Prior to the occupation or use of the building an Occupation Certificate is to be obtained and where Council is not the PCA a copy is submitted to Council.
5. Provide a clearly visible sign to the site stating:
  - a) Unauthorised entry is prohibited;
  - b) Builders name and licence number; or owner builders permit number;
  - c) Street number or lot number;
  - d) Contact telephone number/after hours number;
  - e) Identification of Principal Certifying Authority.
6. The building shall be constructed and maintained in accordance with the requirements of the Building Code of Australia.
7. In the case of residential building work for which the Home Building Act 1989 requires there to be a contract of insurance in force in accordance with Part 6 of the Act, evidence that such a contract of insurance is in force is to be provided by the Principal Certifying Authority before any building work authorised to be carried out by the consent commences.
8. Residential building work within the meaning of the *Home Building Act 1989* must not be carried out unless the principal certifying authority for the development to which the work relates (not being the Council) has given the Council written notice of the following information:

- a) in the case of work for which a principal contractor is required to be appointed:
  - 1. The name of the licence number of the principal contractor, and
  - 2. The name of the insurer by which the work is insured under Part 6 of that Act,
- b) in the case of work to be done by an owner-builder:
  - 1. The name of the owner-builder, and
  - 2. The name of the owner-builder is required to hold an owner-builder permit under that Act, the number of the owner-builder permit.

If arrangements for doing the residential building work are changed while the work is in progress so that the information under this condition becomes out of date, further work must not be carried out unless the principal certifying authority for the development to which the work relates (not being the council) has given the council written notice of the updated information.

#### **ENVIRONMENTAL**

**REASON: To comply with Council's statutory requirements.**

- 9. Prior to the commencement of works, the applicant shall install and maintain adequate sediment and soil erosion controls in accordance with *WBC Guidelines for Engineering Works*.
- 10. There shall be no burning of waste material, felled trees or other material on the site.
- 11. All the required commitments shown on the BASIX Certificate No:572580S dated 3 September 2014 and approved plans, are to be implemented prior to issue of an occupation certificate.
- 12. The on-site sewage management system chosen shall be maintained in accordance with the recommendations of the report by Calare Civil Consulting Engineers, Ref: 20140747 Dated: 29 October 2014.

#### **DRAINAGE**

**REASON: To comply with legislative statutory requirements.**

- 13. All dwelling drainage and plumbing work shall be carried out in accordance with the Plumbing Code of Australia.
- 14. All plumbing and drainage work shall be carried out by a licensed plumber and drainer.
- 15. A works as executed drainage plan drawn to the scale of 1:200 is to be submitted to Council at the time of inspection.



16. All required roof harvested water must be conveyed to the proposed rainwater tank in accordance with Australian Standard 3500.
17. The overflow for the rainwater tank is to be connected to a drainage line and conveyed on site in accordance with Australian Standard 3500 in a manner that is not adversely affecting adjacent land.

#### **WATER STORAGE**

**REASON: To comply with Council's statutory requirements.**

18. On site water storage is to be provided for both domestic and firefighting reserve purposes. Total storage capacity is to be a minimum of 50,000 litres including a minimum 10,000 litres firefighting reserve as recommended by the Bush Fire Council. The following Bush Fire Council recommendations are attached for information.

"Storage capacity as referred to above may be in ground or above ground provided that, with respect to the 10,000 litres reserved for firefighting purposes, the following is observed:-

Where in ground storage is provided, access for pumping water into a fire fighting unit must be provided. In this regard, a standard suction hose is usually 6m in length.

Where above ground storage is provided it is recommended that:

- a. the outlet for domestic supplies is to be located at a level above that of the 10,000 litres reserved for firefighting purposes;
- b. the outlet for firefighting purposes must be fitted with a 65mm Storz (brass/steel) type full flow tap with gate valve;
- c. the outlet in b. above shall be located so as to provide easy access for firefighting units ie. directly where there is vehicle access to the outlet or via plumbing where such direct access is not possible".

#### **CONSTRUCTION**

**REASON: To comply with legislative statutory requirements.**

19. A gravelled footway crossings is to be constructed off Mendham Street, 3 metres wide in accordance with *WBC Guidelines for Engineering Works* is to be undertaken from the edge of and perpendicular to the travelling lane in the public road including a piped culverts or concrete causeway, if appropriate.
20. A 4.0 metre wide all-weather 2WD vehicular access is to be constructed off Mendham Street to the property boundary. This access roadway is to be appropriately formed and contain suitable measures for the prevention of soil erosion, including mitre drains and piped culverts where necessary. All such works are to comply with *WBC Guidelines for Engineering Works*.

21. All road and inter allotment drainage is to be conveyed to a legal point of discharge in accordance with *WBC Guidelines for Engineering Works*.
22. The rural address number must be displayed at the entrance of the property in a prominent position that is visible from the road within fourteen (14) days of being provided by Council.

**AMENITY**

**REASON:** To comply with legislative statutory requirements.

23. Noise generating construction activities are to be restricted to the hours of:-

- Monday to Friday 7am to 6pm
- Saturday 8am to 5pm
- Sundays and Public Holidays Nil

**ADVICE AND NOTES****Inspection Schedule**

The Principal Certifying Authority (Council) is required to ensure all work is carried out in accordance with the consent, Building Code of Australia (BCA), and relevant standards, which is done during inspections at nominated stages of the work. The "Inspection Schedule" lists the mandatory and other required inspections that must be carried out by Blayney Shire Council during construction of the work.

- a. Internal and external sanitary drainage.
- b. Hot and cold water prior to internal lining.
- c. Final inspection at time of completion of all works.

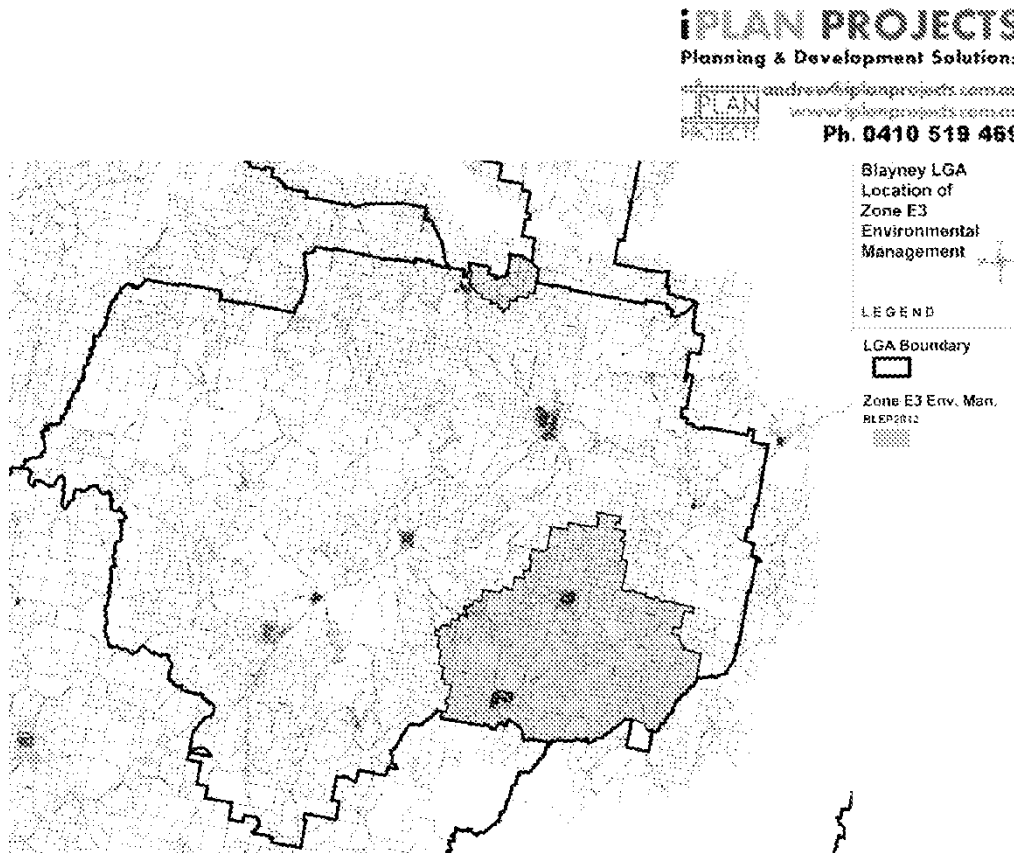
**Notice of Commencement**

Notice of commencement of building works – The attached form needs to be completed and faxed or mailed to Council at least 2 days before any work commences on the site.

**Reference to the Building Code of Australia**

A reference to the *Building Code of Australia* is a reference to that Code as in force on the date the application for the relevant construction certificate is made.

Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW



## Planning Proposal

Proposed Amendment(s) to *Blayney Local Environmental Plan 2012* to amend  
the Planning Controls for the Drinking Water Catchments for  
Lake Rowlands (Blayney LGA) & Suma Park Dam (Orange LGA) including

- Replacement of Zone E3 Environmental Management with Zone RU1 Primary Production
- Other minor amendments to Zone RU1 Primary Production Land Use Table

Prepared on behalf of Blayney Shire Council for submission to the  
NSW Department of Planning & Environment

29 January 2015

Version D

**iPLAN PROJECTS**  
Planning & Development Solutions

Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW

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**Document Control**

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10 October 2014	A	Draft for Internal Discussion	Mark Dicker / Patsy Moppett BSC
17 November 2014	B	Draft for Internal Review	Mark Dicker / Patsy Moppett BSC Gavin Rhodes CTW
22 November 2014	C	Final for Council Review	Mark Dicker BSC Gavin Rhodes CTW
29 January 2015	D	Amended Final for Exhibition	Mark Dicker BSC

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**1. INTRODUCTION**

**1.1. Aim of Amendment**

Blayney Shire Council is applying to amend *Blayney Local Environmental Plan 2012* ('BLEP2012') to change the planning controls relating to what is effectively rural land that is covered by Zone E3 Environmental Management and forms part of two (2) drinking water catchments including:

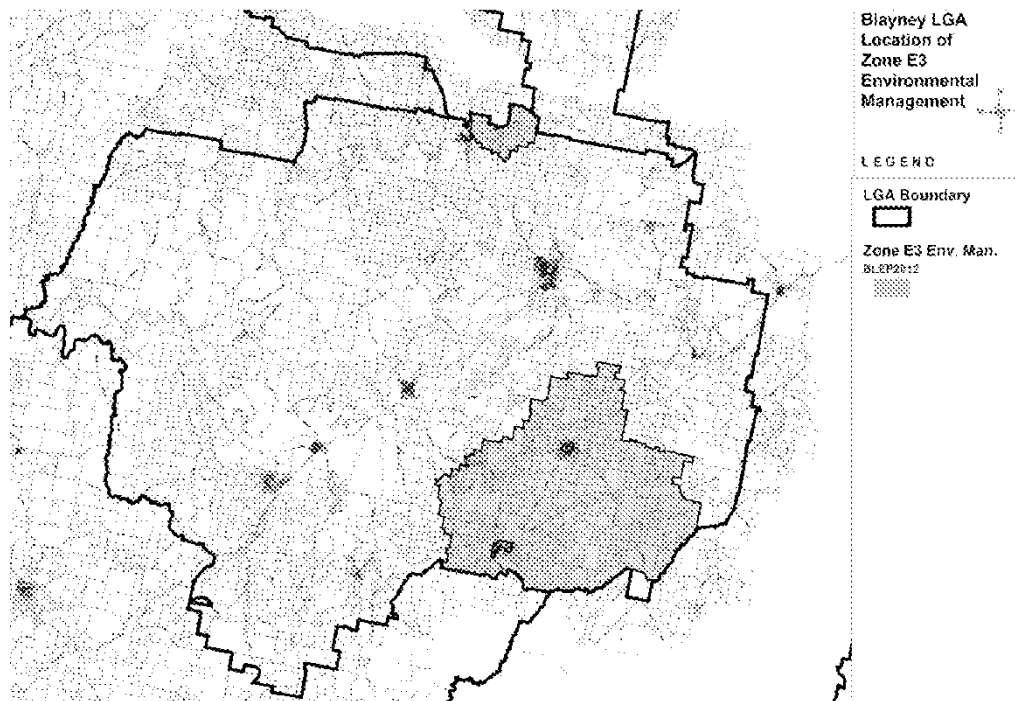
- Lake Rowlands (southern area of Blayney Local Government Area ('LGA')); and
- Suma Park Dam (in Orange LGA but with catchment extending into northern area of Blayney LGA)).

The aim is to replace the existing Zone E3 Environmental Management with Zone RU1 Primary Production.

The brief reasoning for the amendment is that Zone E3 Environmental Management has been found to potentially be overly restrictive in terms of rural land uses and development processes that may be suitable for the rural area, potentially inhibiting economic growth and development when there are other mechanisms in BLEP2012 to achieve the required environmental protections. It is submitted that an improved approach would be to let the market decide what rurally appropriate land uses could be supported and address any site-specific environmental constraints through the development assessment process.

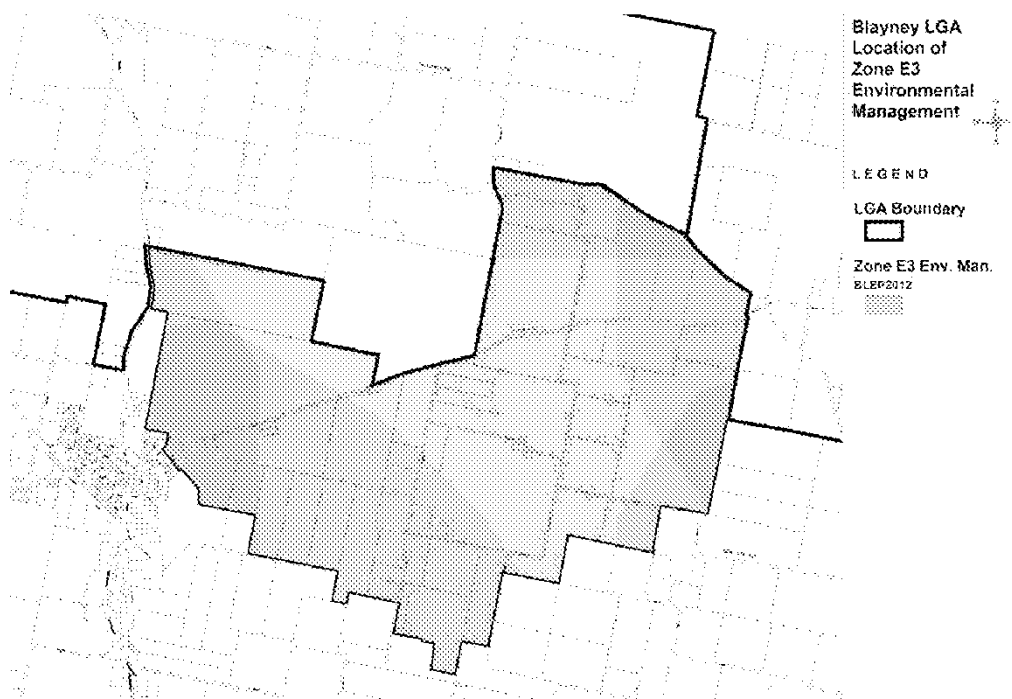
In particular, Zone E3 prohibits a range of rural land uses within the drinking water catchments that may be appropriate subject to a merit based development assessment. There are a range of other controls in BLEP2012 including, but not limited to, *Clause 6.5 – Drinking water catchments*, to provide a suitable level of protection for the drinking water catchments. Also, Zone E3 may impact on the permissibility of exempt and complying development and thereby require a full development application for certain land uses that could otherwise utilise these potentially cheaper and faster processes.

**1.2. Land Description**

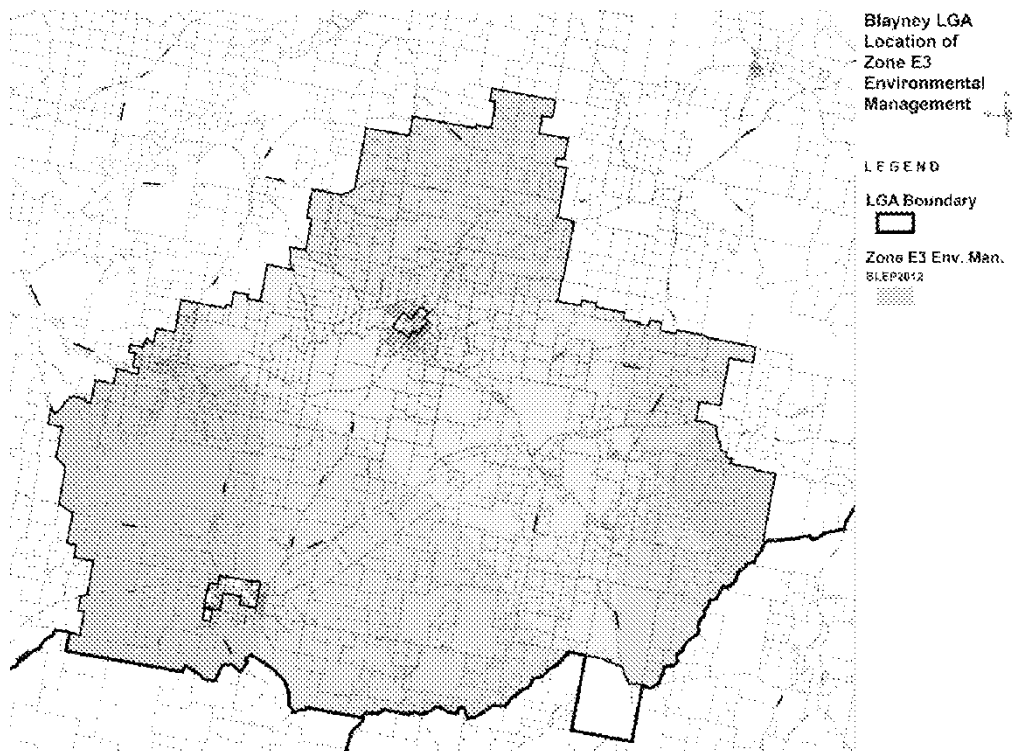


**LOCATION OF THE ZONE E3 / DRINKING WATER CATCHMENTS IN BLAYNEY SHIRE IN BLEP2012 (JAN 2015).**

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**



**LOCATION OF THE ZONE E3 / DRINKING WATER CATCHMENTS IN THE NORTH OF BLAYNEY SHIRE IN BLEP2012 (JAN 2015).**



**LOCATION OF THE ZONE E3 / DRINKING WATER CATCHMENTS IN THE SOUTH OF BLAYNEY SHIRE IN BLEP2012 (JAN 2015) CLEARLY  
EXCLUDING THE VILLAGES OF BARRY & NEVILLE.**

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

The area where Zone E3 applies (the 'subject lands' for the purpose of this Proposal) are illustrated on the map above. Note that whilst Zone E3 to a large extent matches the Drinking Water Catchment Maps – Zone E3 does not apply to the villages of Neville or Barry that are within the drinking water catchment. Please see the detailed maps in the Appendices.

The first catchment is for Lake Rowlands which is the primary drinking water source for a number of local government areas throughout the central west including Blayney, Cabonne, Cowra and Weddin Shires. The catchment for Lake Rowlands is predominantly in the Blayney LGA and covers an area of 20,111ha extending from the southern LGA boundary to north of Barry.

The second catchment is for Suma Park Dam which is the primary drinking water source for the City of Orange. The Suma Park Dam is located in the Orange LGA to the north-east of the city but its catchment extends partially into Blayney LGA to the east of Millthorpe including 1,143ha of land.

**1.3. Intent of Original Use of Zone E3**

The original intent of using Zone E3 Environmental Management for the drinking water catchment was supported by the following factors (with an alternative response to justify this variation suggested):

The Subregional Land Use Strategy (GHD 2008) recommended that Council implement a specific environmental protection zoning for land within the drinking water catchments that would restrict the type and intensity of development in these areas (See Final Strategy, Section 12.3, Strategy 2, p.104).	<b>Response:</b> The Subregional Strategy does not preclude the use of alternative planning tools to achieve the key principles.
The transport and utilities infrastructure (especially in the Lake Rowlands catchment) is weak (i.e. lack of state or regional roads; lack of sewerage reticulation; only low voltage power lines) so the likelihood of rural industries and other commercial ventures was less likely to be economically viable and would require significant upgrades to infrastructure at a high cost.	<b>Response:</b> This is something that the market and merit assessment can decide so increased flexibility is more likely to be economically sustainable.
Zone E3 was being used by Orange City Council for their drinking water catchments (including the catchment for Suma Park Dam) so the use of the zone would increase compatibility in planning outcomes across the LGA boundary.	<b>Response:</b> Other Councils such as Cabonne have not used Zone E3 for the drinking water catchment so consistency is not mandatory if protections in place.
Lake Rowlands is currently used as a drinking water source for four (4) LGAs and is therefore a regionally strategic water source and supply. Other strategic studies suggested that Lake Rowlands may be expanded to increase supply and potentially service a wider area. Its strategic significance was deemed worthy of additional protections through regulation of land uses within the drinking water catchment. See the section below on the Public Health Act and Australian and NSW Guidelines for Drinking Water Management.	<b>Response:</b> The drinking water catchment overlay can provide sufficient protection for existing and future water security.
Suma Park Dam is currently the primary drinking water source for Orange City Council and it is expected that some regulation of land use within that catchment may be necessary. However, this was included in Zone E3 primarily for consistency in planning approach.	<b>Response:</b> The drinking water catchment overlay can provide sufficient protection for existing and future water security.
An alternate suitable zone may have been Zone RU2 Rural Landscape (as this zone was used for the drinking water catchment in Cabonne LGA). However, in Blayney LGA this zone had already been used for the original scenic protection zones in BLEP1998 and had a different focus, objectives, and land use permissibility.	<b>Response:</b> Utilising Zone RU1 Primary Production may be sufficient with the additional overlays in BLEP2012.



**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**1.4. Process Overview**

This Planning Proposal has been prepared in accordance with the requirements of:

- Letter from DPE dated 5/9/14 notifying Blayney Shire of amended procedures for drafting and notifications of local environmental plans;
- The *Environmental Planning & Assessment Act 1979* ('EP&A Act');
- The Department of Planning (October 2012) '*A guide to preparing planning proposals*';
- Planning Circular No. PS12-006 – *Delegations and independent review of plan-making decisions*;
- *Blayney Local Environmental Plan 2012* ('BLEP2012').

A gateway determination under Section 56 of the EP&A Act is requested from the Department of Planning & Environment ('Department') to allow this planning proposal to be placed on public exhibition.

We also request delegation to Council (as the Relevant Planning Authority or RPA) of the power to make this amendment to the *Blayney Local Environmental Plan 2012* recommending that this rezoning is generally consistent with an endorsed strategy (primarily the *Sub-Regional Land Use Strategy 2008*) except for the recommendation in this Strategy to utilise Zone E3 for the drinking water catchments (as it did not consider the use of the drinking water catchment overlay as a suitable alternative).

**We submit that there is sufficient detail in this Planning Proposal to justify a positive Gateway Determination considering the low complexity of the proposed amendment and limited chance of any significant impacts on adjacent land uses, the natural environment and the community.**

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**2. PROPOSED AMENDMENT(S)**

The key amendments (and/or retained planning controls) are as follows:

- a) It is intended to amend the land use zone for all of the lands that are in Zone E3 Environmental Management in BLEP2012 and replace it with Zone RU1 Primary Production. This will amend the following Land Zoning Maps: LZN\_004; LZN\_004A; LZN\_005; LZN\_005B; LZN\_005C; LZN\_007. As a result, the land use permissibility (without consent / with consent / prohibited) of Zone RU1 will apply to these lands (see table below).
- b) Zone E3 will be removed from the Land Use Table in Part 2 of BLEP2012 as there are no other lands utilising this zone;
- c) Any reference to Zone E3 will be removed from the following clauses (if permissible in Standard Instrument):
  - i) Clause 4.1AA – Minimum subdivision lot size for community title
  - ii) Clause 4.1A – Minimum subdivision lot size for strata plan schemes in certain rural and environmental zones
  - iii) Clause 4.2A – Erection of dwelling houses or dual occupancies on land in certain rural and environmental protection zones.
- d) The following minor amendments to land use permissibility will be made to Zone RU1 Primary Production - **Emergency service facilities** – permissible with consent

It is important to note that these amendments will **NOT** affect the following key controls:

- a) There will be no impact on the minimum lot size for subdivision of those lands so no Lot Size Maps will be amended; and
- b) The Drinking Water Catchment Maps that trigger consideration under *Clause 6.5 – Drinking water catchment* will be retained and provide the key protection of the drinking water catchments (in addition to other factors to be considered as part of a merit assessment of any development application). This will meet the requirements of the *Public Health Act 2010* and the 2013 *NSW Guidelines for Drinking Water Management Systems*.

Council have elected to ensure that **intensive plant agriculture** and **intensive livestock agriculture** are permissible **with consent** in Zone RU1 if it were to include the drinking water catchment and would rely on the merit assessment process to ensure that development with consents have appropriate measures in place to protect the catchment and those that are unsuitable are not approved.

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**3. SITE ANALYSIS**

A brief desktop review of known constraints and opportunities has been considered to inform the proposed amendment and determine if there are other factors in addition to the drinking water catchment to consider when removing Zone E3 from these areas.

**3.1. Topography**

**3.1.1. Slope & Gradient**

The Subregional Strategy highlights that there are only very limited areas within the Lake Rowlands catchment and none within the Suma Park catchment where the slope exceeds 18 degrees and there would be a need to avoid significant development to protect against erosion and landslip.

**3.1.2. Scenic Protection**

BLEP2012 utilises Zone RU2 Rural Landscape to define scenic protection areas around the towns of Blayney and Carcoar (outside the catchments) due to the valley setting of these two settlements. No other parts of the Blayney LGA are deemed worthy of protecting for the purposes of scenic protection under the LEP (including the existing Zone E3 / drinking water catchment areas) but merit assessment may still take this into consideration.

**3.2. Water**

**3.2.1. Drinking Water Catchment**

Obviously, the areas in consideration are both drinking water catchments as highlighted and defined on the Drinking Water Catchment Maps in BLEP2012 for both Lake Rowlands and Suma Park Dam (excluding the villages of Neville and Barry). The Suma Park catchment falls within the former Central West Catchment Management Authority and Lake Rowlands falls within former Lachlan Catchment Management Authority (now Central Tablelands Local Lands Services). There is no proposal to amend the drinking water catchments at this time so their protection under Clause 6.5 of BLEP2012 remains.

**3.2.2. Watercourses & Riparian Corridors**

Both drinking water catchments, by their very nature include watercourses. The most significant of these are shown as riparian waterways on the Riparian Lands and Waterways Maps in BLEP2012. This includes, but is not limited to, Coombing Creek which flows past Barry and is fed by a watercourse from Neville before flowing into Lake Rowlands. The ESA Mapping – Sensitive Water Resources (see figure below) shows most of the watercourses are major freshwater habitats with riparian qualities. It also shows that there are some limited areas in the drinking water catchments with very severe stream-bank erosion, these are less significant than in most other areas of the Shire and don't generally involve very severe gully erosion. The issue of stream protection can be addressed by the existing Clause 6.6 Riparian lands and watercourses during any development assessment processes.

**3.2.3. Flooding & Stormwater Management**

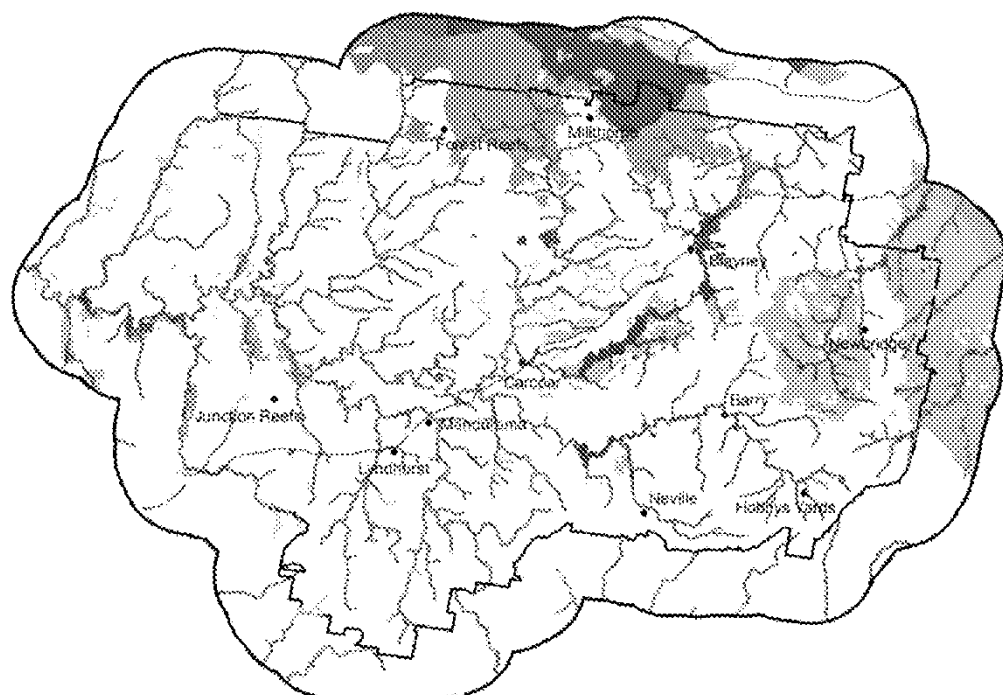
There are no Flood Planning Maps in BLEP2012 for the drinking water catchment areas. There is likely to be intermittent flooding along the watercourses through Neville and Barry and the rural areas but there is no historical evidence of a broad flood plain or other flood hazard that would significantly impact on future land uses or an appropriate zoning of this rural land. Any evidence of flooding can be addressed under Clause 6.1 Flood Planning.

**3.2.4. Groundwater**

The Natural Resource – Groundwater Vulnerability Maps in BLEP2012 (based on the ESA – Sensitive Water Resources Maps see figure below) highlight that there is a high groundwater vulnerability under the majority of the Suma Park catchment to the east of Millthorpe but very little groundwater

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

vulnerability in the Lake Rowlands catchment. A rural zone is unlikely to significantly increase impacts on the groundwater systems. The issue of groundwater vulnerability can therefore be addressed by *Clause 6.4 – Groundwater vulnerability* if required for any development application and is not an absolute prohibition on more intensive agricultural uses or rural industries where alternate water supplies are required/available.



**BLAYNEY LGA**

**Environmentally Sensitive Areas  
- Sensitive Water Resources**

This map was prepared using data is based on information provided by the Department of Water and Energy, Environment and Climate Change and Primary Industries and with consultation with NSW Government agency information.

This map should be used as a guide only and users must be taken into consideration when used with additional information.

**Environmentally Sensitive Areas**

**Water Overlay Data**

Water Source	Data Codes
Vulnerable Riparian Areas	All codes + 40m buffer either side of each bank
Groundwater Vulnerability	High and Moderately High
Stream Buffer	Streambed
State Government - Blayney 2005	21 32 33 34 35 36 37 38

- Legend**
- Local Government Boundary
  - Local Government Area 500m Buffer
  - Major freshwater habitats (40m buffer either side for best & bank stability, protection of riparian vegetation & connectivity of habitat). These areas should be excluded from development.
  - Very severe streambank erosion
  - Very severe gully erosion
  - Reservoir
  - Moderately High Groundwater Vulnerability. Developments with the potential for significant contamination of groundwater sources (such as intensive animal agriculture) would not be considered appropriate in these locations.
  - High Groundwater Vulnerability. Developments with the potential for significant contamination of groundwater sources (such as intensive animal agriculture) would not be considered appropriate in these locations.
  - NSW Highway
  - Town

**DISCLAIMER**

The Department of Water and Energy, Environment and Climate Change and Primary Industries and/or contributors accept no responsibility for the use of data taken or resources made on the basis of the information contained herein or for errors, omissions or inaccuracies presented here. While all data is taken in good faith, users are invited to verify any discrepancies.

**ENVIRONMENTALLY SENSITIVE AREAS – SENSITIVE WATER RESOURCES (STATE GOV. 2008)**

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**3.3. Flora, Fauna & Potential Biodiversity**

The Terrestrial Biodiversity Maps suggests that there are some features of the two drinking water catchments that may contain sensitive biodiversity (see opposite) and trigger Clause 6.3 of BLEP2012. As the ESA – Sensitive Biodiversity Areas mapping shows (see figure below), the majority of the highlighted areas are sensitive because there is less than 30% of that species remaining (orange) with 2-3 pockets of vegetation on over-cleared landscapes (brown) but no specific species are identified for protection. There are some pockets of remnant native vegetation but there is limited connectivity and these generally overlap with the sensitive biodiversity areas.



**BLAYNEY LGA**

**Environmentally Sensitive Areas  
- Biodiversity and Native Vegetation**

This plan was developed using data in accordance with information provided by the Department of Water and Energy & Environment and the Department of Planning and Infrastructure. It is not intended to be used for any other purpose without the approval of the relevant government agency.

This information should be used as a guide only and should not be taken into consideration when used with residential information.

**Environmentally Sensitive Areas  
Biodiversity and native vegetation**

Data Source	Data Codes
Native vegetation mapping	DECC 2010
Wildlands	DECC 2010

**Legend**

- Wetland
- EPC
- <30% Remaining
- <1000 ha Remaining
- Vegetation on Over-cleared Landscapes
- Remnant Vegetation
- Vegetation within 100m of a National Park
- Other Native Vegetation
- Local Government Boundary
- NSW Highway
- Town
- DECC Estate
- Forests NSW

**ENVIRONMENTALLY SENSITIVE AREAS – BIODIVERSITY & NATIVE VEGETATION (STATE GOV. 2008)**

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

However, a rural zone is likely to have a similar effect in terms of future clearing and impacts and these sensitive areas are protected by the retention of the biodiversity overlay in BLEP2012 that does not require the additional protection of Zone E3 (that has little additional benefit/consideration in the development assessment process).

In addition, we have utilised Council's GIS data and the NSW Natural Resource Atlas to confirm there are no known threatened or endangered species (flora or fauna) or ecological communities in the drinking water catchments including no sensitive wetlands or reserves or former DECC estates. Generally the change of zoning is not likely to significantly increase activities that would impact on the Threshold Sustainability Criteria.

### **3.4. Bushfire**

According to the Rural Fire Service (2009) *Bushfire Prone Land Map* there are only small pockets of bushfire prone land to the south and north-east of Neville and very limited pockets to the east of Millthorpe. The change in zoning from environmental to rural is unlikely to significantly increase development on or near bushfire prone land and can be addressed through the development assessment process.

### **3.5. Land**

#### **3.5.1. Historical Land Use(s) & Contamination**

There are no known listed contaminated sites listed in Blayney Shire within the drinking water catchments under the *Contaminated Land Management Act 1997*. The predominant historic use of land in these areas has been for grazing and other agricultural practices and there could be some expectation of chemical use with low level soil contamination. However, the change in zoning from environmental to rural will predominantly result in ongoing rural uses and contamination issues can be dealt with during the development assessment process for any sensitive uses.

#### **3.5.2. Geology & Soils**

As there are very few pockets of land with slope above 18 degrees, landslip is less likely to be an issue. The ESA – Sensitive Land Resource mapping for the Shire suggests that the areas to the east of Millthorpe and around Neville/Barry/Hobbys Yards (i.e. within the drinking water catchments) are relatively free of sensitive land issues such as salt affected land, land capability classes 5-8, karst or soil regolith R4. The NSW Natural Resource Atlas mapping also suggests the areas are not affected by dry-land salinity (this occurs generally to the east and south east of the Shire).

#### **3.5.3. Mineral Potential & Mine Subsidence**

According to the Mineral Resources Audit Map (Aug, 2012) prepared by the former Department of Mineral Resources there are no existing or potential resource areas in the Suma Park catchment near Millthorpe and there is only one known existing extractive industry in the Lake Rowlands catchment known as Gordon's Quarry (NE of Barry). The change of zoning is unlikely to significantly increase development potential (particularly dwelling potential) in or around this industry as a rural zone is proposed and there is no change in the minimum lot size.

### **3.6. Agricultural Potential**

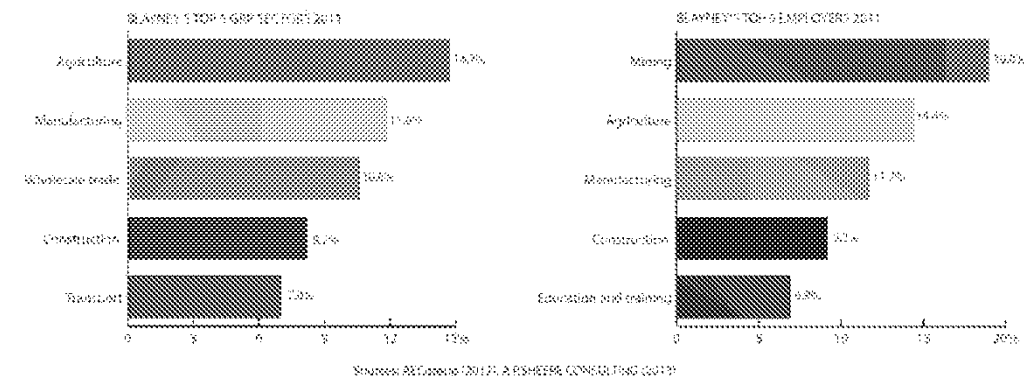
#### **3.6.1. Role of Agriculture in Blayney Shire**

It is important to put this amendment in perspective of the role of agriculture in Blayney Shire. In 2011 (Australian Bureau of Statistics – Region Summary) the Blayney Shire (SA2) had 134,271ha of agricultural land (out of 164,254ha) of which there were 222,498ha sheep, 66,280 meat cattle and 1,021

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dairy cattle – so it was dominated by grazing. Only very limited areas were used for broad-acre crops (2,590ha) and fruit and nuts excluding grapes (32ha). The agriculture, forestry and fishing industry employed the largest percentage (12.8%) of the workforce. The gross value of agricultural production was \$38.2 million dollars.

The CENTROC website summarised the Blayney Regional Overview 2011-2012 and stated that Agriculture (\$34.9 million) was the biggest sector of the economy by gross regional product (see graph excerpt below) and employed the 2<sup>nd</sup> highest number of people in the Shire. It is for these reasons that this review seeks to consider replacing the Zone E3 with Zone RU1 Primary Production in the drinking water catchments.



**BLAYNEY REGIONAL OVERVIEW 2011-2012 (SEE CENTROC WEBSITE).**

### 3.6.2. Agricultural Land Classification

According to the mapping in the Subregional Strategy (Local Profile – Figure 6.8 – Land Capability) most of the land in the drinking water catchments are in Class 2, 3 or 4 areas. Therefore, they have a high to moderate agricultural potential with limited areas suitable for cropping with soil conservation practices but are mostly suited to grazing and pasture improvement.

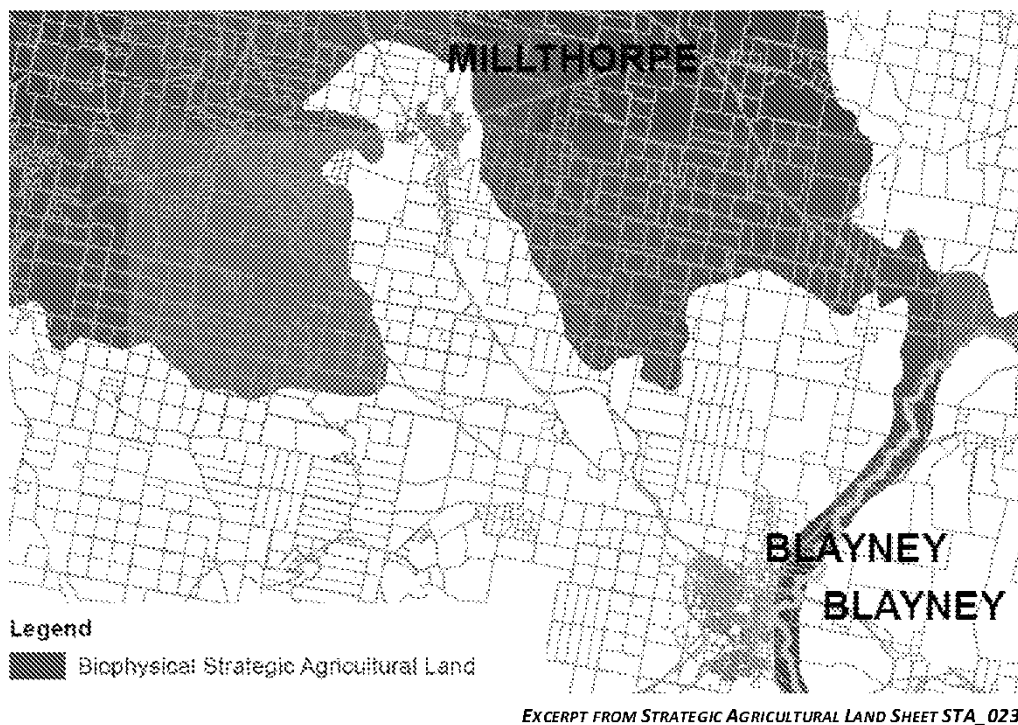
### 3.6.3. Central West Pilot Mapping Project

In 2011-2012 the NSW Department of Primary Industries (DPI) investigated a new process for mapping agricultural lands in a pilot project for the Central West including the Site. It looks at agricultural development potential and resources and implications for land use planning. This study found that the majority of land in the drinking water catchments was potentially important grazing land and medium wool land, with more limited areas important for horticulture and viticulture land. This accords with the land capability classifications above.

### 3.6.4. Biophysical Strategic Agricultural Land Mapping

Biophysical Strategic Agricultural Land (BSAL) is land with high quality soil and water resources capable of sustaining high levels of productivity. The BSAL Mapping is given legal authority by *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007* and is primarily a tool to avoid conflicts between mining and prime agricultural land. Strategic Agricultural Land Map Sheet STA\_023 and STA\_024 covers the Shire and demonstrates that there is biophysical strategic agricultural land to the east of Millthorpe (Suma Park catchment) but the Lake Rowlands catchment is not strategic agricultural land. A rural zoning would therefore be better suited to strategic agricultural land than an environmental zone, particularly where there are no other underlying environmental sensitivities other than the drinking water catchment.

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### 3.7. Culture & Heritage

Whilst there are items of non-indigenous heritage and possibly Aboriginal heritage in these drinking water catchments, the change in zoning from environmental to rural is not expected to significantly increase development potential and with consent required for most new land uses this can be managed during the development assessment process.



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**4. PLANNING IMPLICATIONS**

The following is a comparison between the planning controls (and likely development outcomes) between the use of Zone E3 Environmental Management and Zone RU1 Primary Production for the subject lands.

**4.1. Zone Objectives**

The objectives of both zones are set out as follows:

<b>Zone E3 Environmental Management</b>	<b>Zone RU1 Primary Production</b>
<ul style="list-style-type: none"> <li>To protect, manage and restore areas with special ecological, scientific, cultural or aesthetic values.</li> <li>To provide for a limited range of development that does not have an adverse effect on those values.</li> <li>To protect drinking water catchments from the impacts of development by minimising impacts on the quality and quantity of water entering drinking water storages.</li> </ul>	<ul style="list-style-type: none"> <li>To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.</li> <li>To encourage diversity in primary industry enterprises and systems appropriate for the area.</li> <li>To minimise the fragmentation and alienation of resource lands.</li> <li>To minimise conflict between land uses within this zone and land uses within adjoining zones.</li> <li>To enable function centres, restaurants and appropriate forms of tourist and visitor accommodation to be developed in conjunction with agricultural uses.</li> </ul>

The objectives between Zone E3 and Zone RU1 have significant differences in terms of their focus and the key issues facing land uses in each zone. Zone E3 is focussed on limiting development and protecting the environmental and cultural amenity of the area whilst Zone RU1 seeks to encourage agriculture and appropriate ancillary land uses for economic growth with land use conflicts been the key issue. An additional local objective was added to Zone E3 to protect drinking water catchments because this was the primary role of the zone when BLEP2012 was prepared.

It is submitted that the primary role of the area that forms the drinking water catchment is actually its agricultural role and the drinking water catchment is a secondary (but equally important) role. A review suggests that the intent to limit development in Zone E3 is not appropriate for these rural areas and instead Council should be facilitating development and assessing environmental and social impacts on their merits.

**4.2. Land Uses Permissible without Consent**

Land uses permissible without consent for each zone are as follows:

<b>Zone E3 Environmental Management</b>	<b>Zone RU1 Primary Production</b>
	Building identification signs
Environmental protection works	Environmental protection works
Extensive agriculture	Extensive agriculture
Home occupations	Home occupations

The land uses permissible without consent in Zones RU1 are very similar to Zone E3 with the exception of building identification signs. This is probably an oversight because building identification signs would have no impact on the drinking water catchment and are appropriate in these areas. Therefore, for these land uses Zone RU1 is appropriate.

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**4.3. Land Uses Permissible with Consent**

Land uses permissible with consent for each zone are as follows with our comments (colours – red is significant discrepancy / purple – minor discrepancy / white – same or similar outcomes for important land uses):

<b>Zone E3 Environmental Management</b>	<b>Zone RU1 Primary Production</b>	<b>Impact if Permissible</b>
<b>Agriculture &amp; Terms Outside.</b> This is the area where Zone E3 does not provide the flexibility in agricultural uses that is recommended in the Subregional Strategy. It is submitted that whilst applications for intensive agriculture have a higher potential impact on the drinking water catchment they are likely to be limited in number/size. It is inappropriate to prohibit these uses and a merits assessment is the best way to achieve the desired outcomes. Zone RU1 more flexible.		
Aquaculture	Aquaculture	Same
Extensive Agriculture without consent except dairy (pasture based) with consent	Extensive Agriculture without consent	Similar but dairy (pasture based) relatively low impact
	Intensive livestock agriculture.	Possible need / higher impact
Intensive plant agriculture except turf farming	Intensive plant agriculture	Similar – turf farming unlikely
Animal boarding or training establishments	Animal boarding or training establishments	Same
Farm buildings	Farm buildings	Same
	Forestry	Higher impact?
<b>Residential &amp; Terms Outside.</b> There is no major discrepancy in permissibility for residential uses between the zones and minimum lot size will avoid additional dwelling potential and fragmentation of agricultural lands. No major impacts on drinking water catchment likely.		
Dual occupancies	Dual occupancies	Same
Dwelling houses	Dwelling houses	Same
Home-based child care	Home-based child care	Same
Home businesses	Home businesses	Same
Home occupations (sex services)	Home occupations (sex services)	Same
<b>Tourist and Visitor Accommodation &amp; Terms Outside.</b> There is no major discrepancy in permissibility for tourist uses (except camping grounds which are unlikely).		
Bed and breakfast accommodation	Bed and breakfast accommodation	Same
Farm stay accommodation	Farm stay accommodation	Same
	Camping grounds	Low likelihood / higher impact?
Eco-tourist facilities	Eco-tourist facilities	Same
<b>Commercial Premises &amp; Terms Outside.</b> Business premises and Office premises are prohibited in both Zone RU1 and E3. Retail premises are prohibited except for following. There is a significant discrepancy in permissibility of commercial premises between Zone E3 and RU1. This is another area where Council is seeking increased flexibility for economic growth of businesses that are ancillary to agriculture including cellar door premises, plant nurseries, etc. Most inappropriate commercial premises are not likely to be viable in these areas or can be addressed through a merit based assessment. No major impacts on drinking water catchment likely. Zone RU1 more flexible.		
	Cellar door premises	Low likelihood / low impact
	Restaurants or cafes	Possible need but low economic viability outside villages

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Zone E3 Environmental Management	Zone RU1 Primary Production	Impact if Permissible
	Landscaping material supplies	Possible need but higher impact
	Plant nurseries	Possible demand / low impact
Roadside stalls	Roadside stalls	Same
	Function centres	Low likelihood / economic viability
Veterinary hospitals	Veterinary hospitals	Same
<b>Rural Industries.</b> There is a significant discrepancy in permissibility of rural industries between Zone E3 and RU1. This is another area where Council is seeking increased flexibility for economic growth of rural industries that are associated with agriculture including agricultural produce industries etc. Most inappropriate industries are not likely to be viable in these areas or can be addressed through a merit based assessment even though industrial uses are likely to have a higher potential impact on the drinking water catchment. Zone RU1 more flexible.		
	Ag. produce industry	Possible need / impact depends on use
	Livestock processing	Low likelihood / higher impact
	Sawmill or log process.	Low likelihood / impact
	Stock & sale yards	Low likelihood / low impact
<b>Industries, Heavy industrial storage establishments, storage premises and terms outside storage premises group.</b> All industries (except for home industries) and all storage establishments (heavy or otherwise) are prohibited in both Zone RU1 and Zone E3 (same). The only difference is that depots are permissible with consent in Zone RU1 and not E3 which are generally low impact / can be addressed through merit assessment.		
Home industries	Home industries	Same
	Depots	Possible need / Low impact
<b>Signage.</b> The error of not permitting building identification signs without consent should be fixed. Otherwise same.		
Building identification signs	(without consent)	<b>Should be without consent</b>
Business identification signs	Business identification signs	Same
<b>Recreation.</b> Broadly the permissibility of recreation uses is similar between the zones and major and outdoor recreation facilities have a low likelihood in these areas or could be addressed through merit assessment. No major impacts on drinking water catchment likely.		
Boat launching ramps / Boat sheds	Boat launching ramps / Boat sheds	Same
Water recreation structures	Water recreation structures	Same
Jetties / Moorings	Jetties / Moorings	Same
Recreation areas	Recreation areas	Same
Recreation facilities (major)	Recreation facilities (major)	Low likelihood
Recreation facilities (outdoor)	Recreation facilities (outdoor)	Low likelihood
Environmental facilities	Environmental facilities	Same
Extractive industries	Extractive industries	Same
Industrial training facilities	Industrial training facilities	Possible need / Low impact
<b>Community Infrastructure.</b> Broadly the permissibility of community infrastructure is similar between the zones. Emergency services facilities should be permitted with consent in Zone RU1 (error). Any		

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<b>Zone E3 Environmental Management</b>	<b>Zone RU1 Primary Production</b>	<b>Impact if Permissible</b>
inappropriate uses can be addressed through merit assessment. No major impacts on drinking water catchment likely.		
Cemeteries	Cemeteries	Same
Community facilities	Community facilities	Low likelihood (mostly in village centres)
	Correctional centres	Low likelihood
Emergency services facilities		<b>Error – Should be permissible with consent in RU1</b>
Information and education facilities	Information and education facilities	Possible need / Low impact
	Research stations	Possible need but low likelihood
<b>Infrastructure.</b> Council supports applications for infrastructure where a merit assessment is suitable. The addition of truck depots in Zone RU1 would not be a significant impact on the drinking water catchment. May consider adding 'water reticulation systems' and 'water storage facilities' to Zone RU1.		
Roads	Roads	Same
	Airstrips	Low likelihood
Helipad/Heliport	Helipad/Heliport	Low likelihood
	Truck depots	Possible need / low impact
	Waste or resource management facilities	
	Water supply systems	Possible need
Water reticulation systems	Water reticulation systems are sub-term to water supply systems	Same
Water storage facilities	Water storage facilities is a sub-term to water supply systems	Same
	Water treatment facilities	Low likelihood
Open cut mining	Open cut mining	Same

In conclusion, it can be seen that Zone RU1 is significantly more flexible with regard to agricultural land uses and commercial premises where these can be shown to be ancillary to agriculture and this would suggest that Zone RU1 is the preferred zone for the drinking water catchment land. Potential impacts on the drinking water catchment can be managed through merit assessment.

#### 4.4. Existing Minimum Lot Size & Dwellings

The minimum lot size for subdivision in both Zone E3 Environmental Management and Zone RU1 Primary Production is 100 hectares and will remain at this size so there is no need to amend any Lot Size Maps in BLEP2012 and no impact in terms of additional dwelling potential or fragmentation of agricultural lands. Any new dwellings would need to have approval for any on-site effluent management anyway so there is a low chance of significant impact on the drinking water catchment.

#### 4.5. Drinking Water Catchment Overlay

It is proposed to retain the existing Drinking Water Catchment Maps and *Clause 6.5 – Drinking water catchment* in BLEP2012. This is the primary control that can be used to ensure development will avoid, or minimise/mitigate its impacts on the drinking water catchment if the zoning is changed. However, it must be understood that this may mean that complying development is not available in these areas (see more detail on Exempt and Complying Development below).

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**4.6. Exempt & Complying Development**

*State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* ('SEPP Code') sets out a variety of circumstances when development can be classified as either 'Exempt development' or 'Complying development'.

The key aim of the SEPP Code is to provide streamlined assessment processes (with potential for reduced development costs and processes) for development that complies with state-wide development standards including:

- a) Exempt development that may be carried out without the need for development consent as it is likely to have minimal environmental impact; and
- b) Complying development that offers a fast-track approvals process where development meets the requirements of the SEPP Code and can be assessed by an accredited certifier.

Council supports the use of exempt and complying development where impacts can be appropriately managed. However, historically the complexity of these processes has reduced the use of exempt and complying development paths so people have tended to lodge development applications.

The SEPP Code includes the following and we have highlighted where the relevant sections may be applicable in the rural and environmental zones of the drinking water catchments:

<b>Part 2 - Exempt Development Codes</b> includes the General Exempt Development Code; Advertising and Signage Exempt Development Code; and Temporary Uses and Structures Exempt Development Code. Changing from Zone E3 to Zone RU1 for the subject lands will enable agricultural related development such as 'animal shelters' and 'farm buildings' to be undertaken with as exempt development.	
<b>Complying Development Codes</b>	<b>Comment</b>
1) Part 3 - General Housing Code	Clause 3.1 - Only applies to specific development in Zones R1, R2, R3, R4 or RU5. Only relevant to village of Neville in drinking water catchment but not affected by Zone E3.
2) Part 3A - Rural Housing code	Clause 3A.1 - Only applies to specific development in Zones RU1, RU2, RU3, RU4, RU6 and R5 (No mention of Zone E3) but would apply if a rural zone adopted. Predominantly about new 1-2 storey housing and ancillary structures (See restrictions in drinking water catchment below).
3) Part 4 - Housing Alterations Code	Applies to internal alterations to existing dwellings and ancillary development (in all zones)
4) Part 4A - General Development Code	Applies to bed and breakfast accommodation, home businesses, tent/marqueses/community event booths, stages/platforms etc.
5) Part 5 - Commercial and Industrial Alterations Code	Applies to an internal alteration to a building used for any purpose other than residential, heavy industry, sex services or restricted premises and change of uses.
6) Part 5A - Commercial and Industrial (New Buildings and Additions) Code	Applies to specified development in business, industrial, and special use zones only. Not applicable to Zone E3.
7) Part 6 - Subdivisions Code	Applies to strata subdivision of multi-dwelling housing or a building other than a dual occupancy which is unlikely in Zone E3.
8) Part 7 - Demolition Code	Applies to demolition of a dwelling, ancillary development, swimming pool, industrial building, or a commercial building.
9) Part 8 - Fire Safety Code	Applies to fire sprinkler systems and fire safety systems in specified circumstances.

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The key issue is that the complying development code for rural housing does not apply to Zone E3 Environmental Management so an application for a dwelling and associated structures will always require a development application in this zone.

However, it is important to note that under Division 2 of the SEPP Code development is excluded from being either exempt or complying if it is **located within a drinking water catchment** including:

- 1) *Clause 1.19 – Land on which complying development may not be carried out*
  - a) *Subclause (1) – Specific land exemptions for General Housing Code and Rural Housing Code*
    - i) *Subsection (j) – Unsewered land* [this would include all of the drinking water catchments in Blayney LGA]
      - (1) *Subsection (ii) in any other drinking water catchment identified in any other environmental planning instrument* [this would include BLEP2012].
  - b) *Subclause (4) – Specific land exemptions for Housing Alterations Code and General Development Code* states that complying development must not be carried out on unsewered land:
    - (1) *Subsection (b) in any other drinking water catchment identified in any other environmental planning instrument* [this would include BLEP2012].

Therefore, in Zone RU5 (Neville), Zone R5 (Neville and Barry) and Zone E3 or RU1 in the rural areas complying development is excluded because of the drinking water catchment and these areas being unsewered. This has significant implications because there are no current plans for reticulated sewer in either of these villages.

One future suggestion for the current review of Exempt & Complying Development in the Western Region is that dwellings requiring on-site effluent systems could be managed through the Section 68 approval process for the on-site systems whilst still allowing complying development for the dwelling component ensuring that drinking water catchments are protected from effluent and stormwater where required.

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**5. SUBREGIONAL LAND USE STRATEGY**

**5.1. Background**

Council and the Department of Planning and Environment ('Department') have approved and adopted the GHD (2008) *Subregional Rural and Industrial Land Use Strategy* ('Subregional Strategy'). This is the relevant land use strategy applying to all land outside of the main towns/villages in Blayney LGA including the drinking water catchments. The Subregional Strategy was approved by the NSW Government by letter dated 30 June 2011 from the former NSW Department of Planning & Infrastructure.

**5.2. Strategies and Actions**

The key strategies and actions are set out in the Final Strategy Section 9 – Agriculture and Section 10 – Industry (relevant to Rural industry in particular), and Section 12 – Natural and Scenic Environment (particularly relating to water quality).

**5.2.1. Section 9 – Agriculture**

The objective of Section 9 is to *'protect and promote agriculture in the Sub-Region, having regard to its economic value and contribution to the regional, state and national economies.'* It is for this reason that this Proposal submits that Zone E3 is potentially unduly restrictive on the range of agriculture and ancillary uses that could be permissible in what has traditionally been a rural area (albeit with a drinking water catchment overlay). This Proposal does not propose to affect minimum lot size that may increase fragmentation of rural lands. The following strategies and action (Section 9.3) are relevant:

Strategy	Policy Actions	Comment
1. Provide for the economic growth of the rural area and maintain and enhance rural job opportunities	1.1 Ensure agriculture is given priority in planning and land use decision making. 1.2 Encourage a wide variety of agricultural activities within the agricultural zones. 1.3 Encourage the development of intensive agricultural industries where they can be serviced with necessary infrastructure and in appropriate locations to avoid land use conflicts.	Zone E3 is somewhat restrictive in terms of intensive agricultural land uses and rural industries that could potentially be supported in the drinking water catchments. This contradicts the Strategy recommendations. Zone RU1 is more flexible.
2. Protect agricultural land resources	2.1 Adopt the land use designations in Figure 6.1 including Primary Production / Rural Landscape / Forestry / Rural Small Holdings	BLEP2012 is roughly consistent with Figure 6.1 in the Strategy. However, the Strategy failed to resolve the conflict between use of agricultural zones and environmental zones in the drinking water catchments.
3. Minimise the fragmentation of agricultural land	3.2 Consider including performance-based criteria for minimum lot size with an ancillary dwelling for intensive forms of agriculture as a local provision.	This Proposal does not affect the minimum lot size or fragmentation or dwelling permissibility. No impact.
4. Promote sustainable management of natural resources for primary production	4.1 Ensure planning policy supports efficient and sustainable irrigation practices on farms. 4.3 Investigate with industry the potential for re-use and recycling of waste products... 4.4 Locate and design primary industry and associated land uses to minimise potential	The original intent of using Zone E3 was to limit some uses that <u>may</u> have higher impacts on the drinking water catchment. However, it is possible to meet these recommendations through greater flexibility and merit

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Strategy	Policy Actions	Comment
	hazards, such as chemical spills, particularly onto productive land and watercourses. 4.5 Develop programs with primary industries to address drainage and management of irrigation wastewater to prevent adverse impacts.... 4.8 Create environmentally sensitive area overlays with associated assessment clauses...	assessment processes and programs to educate primary industries to minimise impacts. The use of the drinking water catchment overlay assists with determining impacts. Proposal not inconsistent with Strategy.
5. Protect and enhance forestry resources AND 6. Promote the forestry industry in the sub-region	5.2 Encourage the development of forestry in locations where the impact on water resources is appropriately managed ... 6.1 Encourage State Forests, existing private forestry operators and landowners to expand existing forests or introduce new commercial forestry	Private forestry is prohibited in Zones E3 but permissible with consent in Zone RU1 which would provide more flexibility to assess impacts on catchments. Expansion of forestry is consistent with Zone RU1.
7. Prevent and manage land use conflicts AND 10. Prepare controls for specific land uses 11. Provide guidelines for development associated with viticulture.	7.1 Prepare specific controls for the agricultural land uses and regulate them through the LEP or DCP. 10.1 Prepare specific controls in the LEP and/or DCP for [a range of agricultural and associated land uses]. 11.1 Prepare guidelines and controls on the location of wineries and cellar doors, dwelling houses, tourist facilities and accommodation.	Council submits that an outright prohibition through use of Zone E3 is less appropriate than providing merit controls in the DCP to control key impacts on the drinking water catchment. It is difficult to predict what lands could support these additional uses without impacting agriculture so flexibility is a more sensible way forward.

Overall, the replacement of Zone E3 with Zone RU1 would be broadly consistent with the recommendations as long as there are other controls (like Clause 6.5 of BLEP2012) that would protect natural resources and reduce land use conflicts.

**5.2.2. Section 10 – Rural Industry & Tourism**

The objective of Section 10 is to ‘provide adequate opportunities for employment-generating activities that will support the community and the economy of the Sub-Region’.

**Rural Industries:** The Strategy states ‘[g]iven the importance of rural industries in the Sub-Region, demand for agricultural value-adding and processing industries could emerge. The zoning provisions in the rural area would need to be flexible to accommodate these industries, however development controls would need to be developed to ensure that impacts on surrounding agricultural activities were minimised.’

It is for this reason that this Proposal submits that Zone E3 is potentially unduly restrictive on the range of rural industries that could be suitable to support economic growth in rural areas such as the drinking water catchments.

Unlike standard industrial types, rural industries must often occur in proximity to the primary industries/ agriculture for efficiency. There is potentially sufficient transport and infrastructure in the drinking water catchments to support a wide range of rural industries that would not conflict with the industrial zones in Blayney or quasi-industrial uses in key villages. Broadly, however, the replacement of Zone E3 with Zone RU1 is consistent with allowing flexibility in rural areas as long as impacts are managed in the assessment process.



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Strategy	Policy Actions	Comment
12. Encourage the establishment of enterprises that value-add to the agricultural industry	<p>12.1 Permit rural industries within the Primary Production and Rural Small Holdings zones.</p> <p>12.2 Allow for the development of value-adding activity, such as packing sheds and processing facilities, which complement primary industry in the local area.</p> <p>12.4 Examine opportunities for co-location of intensive primary industries and compatible processing activities to reduce land use conflict and achieve efficiencies ...</p>	The proposal is consistent with have flexibility in the rural zones for compatible rural industries. The only discrepancy is determining whether existing rural areas in drinking water catchments require an environmental zone or are better suited to a rural zone. The recent North Coast review suggests that rural zones are more suited to drinking water catchments.

**Tourism:** The Strategy states '*[t]ourism planning needs to avoid any adverse impacts on agriculture and should concentrate low impact rural tourism, particularly where it includes overnight accommodation, in and around rural towns.*'

Strategy	Policy Actions	Comment
15. Identify land that is appropriate for tourism development	15.5 Encourage sustainable rural tourist facilities in rural zones including farm stays, ecotourism resorts and associated facilities through the development of a DCP	As the land use permissibility between Zones E3 and RU1 is not significantly different for tourism uses then the amendment will have little impact.
17. Promote and enhance those qualities of the region that attract tourists	17.5 Require rigorous site analysis and innovative design for any tourism development in environmentally sensitive areas.	This is something best managed through a DCP and merit assessment controls for tourism land uses.

**Mining:**

Strategy	Policy Actions	Comment
11. Protect known and potential mineral and extractive resources	<p>11.2 Known resources and areas of identified high mineral potential would not be unnecessarily sterilised by inappropriate zoning or development.</p> <p>11.5 Development for the purposes of mines and extractive industries would be permitted in the Primary Production zone.</p>	As the land use permissibility between Zones E3 and RU1 is not significantly different for mining / extractive industry uses then the amendment will have little impact. There is only one known mining location and increased agricultural and rural industries are unlikely to conflict with its ongoing use.

**5.2.3. Section 12 – Natural and Scenic Environment**

The objective of Section 10 is to '*ensure that natural resources, the scenic environment and conservation values are preserved for the benefit of current and future generations*'.

**Water Quality:** The Strategy states that '*[h]ealthy water resources and catchments in the Sub-Region are critical to the wellbeing of both the Sub-Region due to the region's vital role for the agricultural industry. Protection of water quality and quantity is one of the highest priorities for the region and attention must be given to the cumulative impact of land uses and management of these resources. Provision of suitable buffers to development is critical in facilitating appropriate outcomes for natural resources, including groundwater and surface water.*'

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Strategy	Policy Actions	Comment
2. Control development in drinking water catchments	<p><b>2.1 Implement a specific environmental protection zoning for land within the drinking water catchments.</b></p> <p>2.2 Restrict the type and intensity of development permissible in the drinking water catchment.</p> <p>2.3 Develop specific performance criteria based on the most current government endorsed Water Quality and River Flow Objectives, to be applied to all development in the drinking water catchment to further minimise adverse impacts.</p>	<p>This is the core reason why Zone E3 was used in BLEP2012. However, the Strategy was perhaps remiss in not considering the use of the drinking water catchment overlay as a suitable tool to achieve a similar outcome. With that control (and further controls in the DCP) there is the potential to restrict inappropriate development in the catchments and minimise adverse impacts. <b>Council submits that inconsistency with Policy Action 2.1 is not sufficient to refuse this Proposal if the other strategies are addressed.</b></p>
1. Ensure development does not have a detrimental impact on nearby water bodies.	<p>1.1 Development to be located an appropriate distance from waterways.</p> <p>1.4 On-site effluent management is to be in accordance with an adopted DCP for On-Site Sewage Management and the NSW Government's Environment and Health Protection Guidelines.</p> <p>1.6 Identify and map environmentally sensitive waterways.</p>	

The Subregional Strategy recommends that Council implement a specific environmental protection zoning for land within the drinking water catchments and, in particular, the Strategy Area maps suggested in the legend that this would be an 'Environmental Management' zone and Zone E3 is listed as one of the possible zones to be applied to the new local environmental plan in Chapter 15 – Recommendations for LEPs.

However, the Strategy also recommends the use of 'drinking water catchment' overlays and the use of the Standard Instrument Local Provision for drinking water catchment protection. Therefore, it could be argued that this clause meets the objectives for water quality protection set out in the Strategy as an alternative to an environmental zone.

**Biodiversity:** It is not intended that the change in zoning would remove the use of the Terrestrial Biodiversity mapping or the Riparian Corridors and Waterways mapping that trigger additional controls in BLEP2012 to protect these significant resources. However, it is important to note that the two drinking water catchments do not include a significant amount of areas identified as sensitive biodiversity or riparian corridors (see Section on Site Analysis) so the impacts of this proposal are likely to be limited and can be addressed through a merit assessment process.

**Scenic Quality:** The additional permitted land uses in Zone RU1 are primarily for a rural zone and have a low impact (when appropriately designed) on scenic quality.

**Environmental Hazards:** The drinking water catchments do not have any significant flooding or bushfire threats over and above other rural lands so the proposed amendment to Zone RU1 is unlikely to result in inappropriate development in environmental hazard areas.

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**6. NSW NORTHERN COUNCILS ENVIRONMENTAL ZONES REVIEW**

**6.1. Area / Reason for the Review**

The Department of Planning and Environment (DPE) has highlighted that the issue of environmental zoning is currently being reviewed by Councils along the North Coast of NSW. The reason for the review was that there was concern that councils were introducing environmental zones and overlays as they updated their LEPs without evidence of the environmental significance of the land and, in some cases, these zones were being applied to rural and agricultural land which has the potential to limit the use of this land for agricultural purposes.

The review applies to the zoning of land in Ballina, Byron, Lismore, Tweed and Kyogle LGAs. It is an independent review by Parsons Brinckerhoff. The *Northern Councils E Zone Review Interim Report* (30 September 2013) was placed on public exhibition in May/June of 2014 and is under consideration by DPE. DPE has provided preliminary responses to the Interim Report but no formal position has been adopted with regard to environmental zonings.

Whilst the review only applies to those specific LGAs at this time, some of the considerations and principles raised by the Interim Report are relevant to the discussion of the use of Zone E3 in Blayney Shire.

**6.2. Key Recommendations & Criteria**

The relevant consultant's key draft recommendations are as follows (taken from DPE Frequently Asked Questions Sheet:

- a) *Environmental zones should only be applied to those areas which have important environmental values, based on validated ecological evidence;*
- b) *Land that does not meet the criteria should be zoned according to its primary use;*
- c) *Where an environmental value is identified which may not warrant an environmental zone, it should be protected through an environmental overlay on the LEP map which an accompanying clause. The consultant considers environmental values which should be managed in this way are drinking water catchment areas, scenic protection areas, coastal risk areas and terrestrial biodiversity;*
- d) *Extensive agriculture should be permitted without consent on E3 zoned land;*
- e) *Aesthetic values should be removed as an attribute from the E3 zone.*

In effect the consultant is suggesting that on the North Coast drinking water catchment areas are best protected by adopting a drinking water catchment overlay and the DPE has agreed that where this is the only issue then this is appropriate. Where there is cleared land used for agricultural or rural purposes it should be given an appropriate rural zoning if there are not substantial environmentally sensitive areas. The DPE does not support the use of overlays for scenic protection or terrestrial biodiversity.

The consultant has recommended the application of a set of criteria for applying the E3 zone as follows (excerpt from Interim Report, p.77 – see below).

In response, the land in Blayney's E3 zone does not meet criteria 1-2 & 4-6 as it does not contain rainforest; old growth forest; rare, endangered or vulnerable forest ecosystems; coastal foreshore or coastal hazard; or on vegetated land where the vegetation is critical (i.e. to prevent erosion, landslides, flood or drought, etc.).

The only criterion that is partially met is Criteria No.3 – as there are identified riparian corridors through the lands but these do not contain any wetland or estuarine vegetation. The riparian corridors are identified on the Riparian Lands and Waterways Maps and receive protection under Clause 6.6 – Riparian land and watercourses so it may not need an Environmental Zone to protect the riparian outcomes.

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<b>E3 Criteria</b>	
1	Land identified within a validated spatial dataset comprising areas of all types of rainforest other than SEPP 26 mapped areas
2	Land identified within a validated spatial dataset comprising areas of old-growth forest, defined as an ecologically mature forest where the effects of disturbances are now negligible (Commonwealth of Australia 1997)
3	Land identified within a validated spatial dataset comprising areas of riparian, wetland and estuarine vegetation other than SEPP 14 mapped areas
4	Land identified within a validated spatial dataset comprising areas of rare, endangered and vulnerable forest ecosystems based on criteria defined by the Joint ANZECC/MCFFA National Forest Policy Statement Implementation sub-committee (JANIS) (Commonwealth of Australia 1997).
5	Land identified within a validated spatial dataset comprising areas of native vegetation on coastal foreshores and land subject to coastal hazards (as listed under the <i>Coastal Protection Act 1979</i> ), including climate change effects.
6	Land identified within a validated spatial dataset comprising areas of land where strict controls on development should apply. Such land includes those areas of native vegetation where the ecosystem services provided by the vegetation is critical including: <ul style="list-style-type: none"> <li>where the risks of severe erosion and landslides are extremely high (i.e. steep land) and the consequences are potentially catastrophic.</li> <li>where native vegetation that is critical to watershed protection (i.e. when vegetation protects against catastrophic floods or drought and the destruction of fisheries where spawning grounds are protected by mangroves or riparian forests).</li> </ul>

Therefore, it is submitted that the criteria suggested in the Interim Report for the application of an E3 Zone is only partially met but has no significant environmental resource that requires protection and, therefore, the land should be returned to an appropriate rural zone.

### 6.3. Implications of E Zone Review

The Frequently Asked Questions Sheet from DPE suggests that DPE will support the removal of E zones where it can be protected by an alternate overlay, such as the Drinking Water Catchment maps and standard clause. However, there are a number of more detailed matters that have not yet been agreed and the Department is currently reviewing submissions from the exhibition of the Interim Report before it will set out its preferred position.

The Fact Sheet also suggests this position will be applied state-wide and that the Minister for Planning will in the future issue a direction to councils about the criteria that must be used when applying an E2 or E3 zone. This would apply when a council sought to amend their local environmental plans.

Blayney may be taking a small risk in seeking the removal of the E zone before the Department has finalised its position. However, it could be argued that the Blayney LGA has quite a different set of circumstances to the North Coast Councils and should be considered on its own merits and should not have to wait for the North Coast matter to be resolved. Also, there appears to be a relatively clear direction to remove E zones when there is an additional drinking water catchment overlay / protection and no other matters of environmental significance and it is not expected this will change.

It is important to note that any land use zone and/or drinking water catchment overlay only is considered when a development application is lodged for a particular land use, though it may also affect where complying development can occur. If a land use does not require an application then it will not need to address these criteria.

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**7. PUBLIC HEALTH ACT & DRINKING WATER GUIDELINES**

**7.1. Public Health Act 2010 (NSW)**

It is important to note that under the *Public Health Act 2010* there are a number of obligations including but not limited to Clause 25 – Quality assurance programs that states:

- (1) A **supplier of drinking water** must establish, and adhere to, a **quality assurance program** that complies with the requirements prescribed by the regulations.
- (2) The regulations may make provision for or with respect to any of the following:
  - (a) the tests on water and other substances to be carried out by a supplier of drinking water pursuant to this Division,
  - (b) the records to be maintained by a supplier.
- (3) The Chief Health Officer may, by notice in writing, exempt a supplier of drinking water or class of suppliers from subsection (1) if the Chief Health Officer is satisfied that the supplier, or class of suppliers, is subject to other appropriate licensing or other regulatory requirements.

Under Clause 34 of the Regulations it further expands on these requirements by stating:

- (1) For the purposes of section 25 (1) of the Act, a **quality assurance program** must address the elements of the **Framework for Management of Drinking Water Quality** (as set out in the **Australian Drinking Water Guidelines** published by the National Health and Medical Research Council) that are relevant to the operations of the supplier of drinking water concerned.
- (2) A supplier of drinking water must provide the Director-General with a copy of its most recent quality assurance program.
- (3) The Director-General may arrange for the review of a quality assurance program of a supplier of drinking water at any time.

A **supplier of drinking water** includes, amongst other,

- (c) a water supply authority within the meaning of the Water Management Act 2000,
- (d) a local council or a county council exercising water supply functions under Division 2 of Part 3 of Chapter 6 of the Local Government Act 1993,

**7.2. Guidelines**

Section 3.3 of the **Australian Drinking Water Guidelines 2011** (updated Dec 2013) states that 'prevention is an essential feature of effective drinking water quality management. Preventative measures are those actions, activities and processes used to prevent hazards from occurring or reduce them to acceptable levels'. In particular, there should be a 'multiple barrier approach' and 'preventative measures should be applied as close to the source as possible, with a focus on prevention in catchments rather than sole reliance on downstream control'. It then goes on to state on p.28-29:

*Catchment management and source water protection*

Catchment management and source water protection provide the first barrier for the protection of water quality. Where catchment management is beyond the jurisdiction of drinking water suppliers, the planning and implementation of preventive measures will require a coordinated approach with relevant agencies such as planning authorities, catchment boards, environmental and water resources regulators, road authorities and emergency services.

Effective catchment management and source water protection include the following elements:

- developing and implementing a catchment management plan, which includes preventive measures to protect surface water and groundwater.
- ensuring that planning regulations include the protection of water resources from potentially polluting activities, and are enforced;
- promoting awareness in the community of the impact of human activity on water quality.

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Whether water is drawn from surface catchments or underground sources, it is important that the characteristics of the local catchment or aquifer are understood, and the scenarios that could lead to water pollution are identified and managed. The extent to which catchment pollution can be controlled is often limited in practical terms by competition for water and pressure for increased development in the catchment.

Effective catchment management has additional benefits. By decreasing contamination of source water, the amount of treatment and quantity of chemicals needed is reduced. This may lead to health benefits through reducing the production of treatment by-products, and economic benefits through minimising operational costs.

In surface water catchments, preventive measures can include:

- selection of an appropriate source water (where alternatives exist);
- exclusion or limitations of uses (e.g. restrictions on human access and agriculture);
- protection of waterways (e.g. fencing out livestock, management of riparian zones);
- use of planning and environmental regulations to regulate potential water-polluting developments (e.g. urban, agricultural, industrial, mining and forestry);
- use of industry codes of practice and best practice management;
- regulation of community and on-site wastewater treatment and disposal systems;
- stormwater interception.

In addition, the 2013 *NSW Guidelines for Drinking Water Management Systems* reiterates these requirements and requires suppliers of water to prepare a Drinking Water Management System (DWMS) to address risks in their catchments. The document at p.15 states that:

*'catchments can be protected by limiting access by humans and animals, limiting land use to non-polluting types that will not contribute to risk and the use of buffer zones. Development controls can be used to ensure that development within catchments is appropriate. Planning Instruments such as Local Environmental Plans (LEPs) may be used to help protect catchment integrity, for example inclusion of local provisions which restrict land use within catchments to types that will not pose a risk to water quality.'*

The Public Health Unit of NSW Health (representative Marnie Page) has reiterated these regulations and overarching controls at several recent conferences including EDAP (April/May 2014) and the Central West Planners Group (November 2014).

We have not yet determined if the Central Tablelands Water authority has prepared a Drinking Water Management System in accordance with the guidelines to comply with the Public Health Act but it was partly their original direction to include Zone E3 in BLEP2012 and the drinking water catchment overlay. We expect that a full and complete response from CTW prior to or during the public exhibition process will assist in a decision relating to these issues.

### **7.3. Land Use that may Conflict with these Requirements**

Zone E3 permits **intensive plant agriculture** (excluding **turf farming**) with consent but prohibits **intensive livestock agriculture** (which was part of the original reason for Zone E3 to differentiate it from Zone RU1).

It is for these reasons that Council have elected to ensure that **intensive plant agriculture** and **intensive livestock agriculture** are permissible **with consent** in Zone RU1 if it were to include the drinking water catchment and would rely on the merit assessment process to ensure that development with consents have appropriate measures in place to protect the catchment and those that are unsuitable are not approved.

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**7.4. Other Councils**

It is important to note that there are discrepancies between Councils in the region on this issue. A number of Councils have drinking water catchments and do not define / map these areas for the purposes of their LEPs. Many of these have utilised rural zoning for these catchments and generally these permit a wide variety of rural uses including some forms of intensive agriculture (often without consent).

However, differences with Council may relate to the strategic nature of their drinking water catchments, the perceived risk and planning response, appropriate development control using other tools / methods, or less awareness of the changing guidelines/regulations for water suppliers. Whatever the reasons, Blayney Shire Council must form its own opinion (in collaboration with the key stakeholders) on the issue.

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**8. COMPLETED KEY STAKEHOLDER CONSULTATION**

We have already approached a number of the key stakeholders during the preparation of this Planning Proposal (See Appendices for copies of all relevant correspondence) as follows:

**8.1. Department of Planning & Environment (DPE)**

The following key meetings have occurred with officers at DPE:

Date	Department Officers	Comments/Outcomes
16/9/14	Meeting with Erin Strong of DPE Dubbo	Brief overview of the Planning Proposal and relationship to the North Coast review of E Zones. Erin had also previously discussed this with the Director of Environmental Services (Mark Dicker) at Blayney Shire.
2/10/14	Telephone discussion & emails with Noo Porima of DPE Sydney	Arrangement for DPE to prepare the SILEP mapping for the Planning Proposal based on MapInfo files to be provided to the Department.
20/11/14	Telephone discussions with Erin Strong of DPE	Discussions regarding the permissibility with consent of intensive plant agriculture in the drinking water catchment in Zone RU1, particularly, whether there was a method to permit it without consent in Zone RU1 whilst permitting with consent in the catchment with the same zone.
Dec 2014/Jan 2015	Council officers met with DPE representatives	Review of Draft Planning Proposal with concerned citizens and agreement on final amendments to permit Council adoption.

**8.2. Office of Environment & Heritage (OEH)**

The following key meetings have occurred with officers at OEH:

Date	Department Officers	Comments/Outcomes
2/10/14	Email to Erica Baigent. Brief discussion with David Kerring	Email overviewing Planning Proposals and seeking preliminary comments to assist in drafting.
Late Oct	Telephone discussion Erica Baigent, Conservation Officer	Erica reiterated the submission made to Blayney Council during the public exhibition of BLEP2012. This submission is in the Appendices. In summary OEH supported the exclusion of <b>intensive livestock agriculture</b> and <b>intensive plant agriculture</b> and <b>water treatment facilities</b> from the E3 zone which has been applied to the drinking water catchment. Therefore, they are less likely to support the proposed introduction of Zone RU1 with these land uses being permissible with consent.

**8.3. NSW Agriculture**

The following key meetings have occurred with officers at NSW Agriculture:

Date	Department Officers	Comments/Outcomes
2/10/14	Mary Kovac – Resource Management Officer – NSW Agriculture	The broad intent of the proposed rezoning and removal of Zone E3 was not considered a critical issue for NSW Agriculture as a rural zoning was proposed. There would be more flexibility for agricultural uses which is consistent with their charter. For this reason, NSW Agriculture is happy to be notified as part of the public exhibition process and does not need to comment prior to lodgement of the Planning Proposal.



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**8.4. Central Tablelands Water (CTW)**

The following key discussions have occurred with officers at CTW:

<b>Date</b>	<b>Department Officers</b>	<b>Comments/Outcomes</b>
18/11/14	Gavin Rhodes – General Manager of CTW	Meeting with Mr Rhodes explaining the proposed outcomes in the drinking water catchment for Lake Rowlands for which CTW is the responsible water authority. The requirements under the <i>Public Health Act 2010</i> and the <i>2013 NSW Guidelines for Drinking Water Management Systems</i> were highlighted. A copy of the draft Planning Proposal was provided to Mr Rhodes by email on the same date for comment.

**8.5. Central Tablelands Local Land Services (LLS)**

The following key meetings have occurred with officers at OEH:

<b>Date</b>	<b>Department Officers</b>	<b>Comments/Outcomes</b>
2/10/14	Email to Casey Proctor of LLS	Email overviewing Planning Proposals and seeking preliminary comments to assist in drafting. No comment yet received.

**8.6. NSW Health**

The following key discussions on this topic have occurred with officers from NSW Health:

<b>Date</b>	<b>Department Officers</b>	<b>Comments/Outcomes</b>
April/May 2014	Marnie Page, EHO, Public Health Unit	Discussions at the EDAP Conference (Cowra) on how Blayney came to have Zone E3 and a drinking water catchment overlay for its catchments and support for this position.
5 Nov 2014	Marnie Page, EHO, Public Health Unit	Reiteration at the Central West Planners Forum (Parkes) of support for protection of drinking water catchments in Blayney and concerns about removal of any protections as part of this Planning Proposal.

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9. PLANNING PROPOSAL

The layout of this section is in accordance with the requirements of the Department of Planning's document dated October 2012 entitled 'Guide to preparing planning proposals'.

9.1. Part 1 -- Objectives and Intended Outcomes of Proposed Instrument

Part 1 of the planning proposal should be a short, concise statement setting out the objectives or intended outcomes of the planning proposal. It is a statement of what is planned to be achieved, not how it is to be achieved. It should be written in such a way that it can be easily understood by the general community.

The objective of this planning proposal is to make amendments to *Blayney Local Environmental Plan 2012* ('BLEP2012') to facilitate a wider range of land uses (primarily agricultural and rural industrial land uses) in the drinking water catchments of Blayney Shire.

The current Zone E3 Environmental Management is considered overly restrictive in terms of land use permissibility and the existing *Clause 6.5 – Drinking water catchments* and the associated Drinking Water Catchment Maps provide sufficient protection to assess a wider range of agricultural and other land uses on their merits without compromising the importance of protecting the drinking water catchments and drinking water quality.

9.2. Part 2 -- Explanation of Provisions to be included in Proposed Instrument

Part 2 of the planning proposal provides a more detailed statement of how the objectives or intended outcomes are to be achieved by means of amending an existing local environmental plan.

The proposed mechanism(s) to achieve the objective(s) in Part 1 above is to amend *Blayney Local Environmental Plan 2012* (BLEP2012) as follows:

- a) Amend the land use zone for all of the lands that are in Zone E3 Environmental Management in BLEP2012 and replace it with Zone RU1 Primary Production. This will amend the following Land Zoning Maps: LZN\_004; LZN\_004A; LZN\_005; LZN\_005B; LZN\_005C; LZN\_007. As a result, the land use permissibility (without consent / with consent / prohibited) of Zone RU1 will apply to these lands (see table below).
- b) Zone E3 will be removed from the Land Use Table in Part 2 of BLEP2012 as there are no other land utilising this zone and potentially the reference to Zone E3 Environmental Management can be removed from all Land Zoning Maps;
- c) Any reference to Zone E3 will be removed from the following clauses:
  - i) Clause 4.1AA – Minimum subdivision lot size for community title
  - ii) Clause 4.1A – Minimum subdivision lot size for strata plan schemes in certain rural and environmental zones
  - iii) Clause 4.2A – Erection of dwelling houses or dual occupancies on land in certain rural and environmental protection zones.
- d) The following minor amendments to land use permissibility will be made to Zone RU1 Primary Production - **Emergency service facilities** – permissible with consent

An excerpt from BLEP2012 providing a comparison of the objectives and permitted land uses in Zone RU1 and Zone E3 is set out in the above section reviewing the potential planning outcomes.

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**9.3. Part 3 – Justification of Objectives, Outcomes & Process for Implementation**

**Part 3** of the planning proposal provides a justification that sets out the case for the making of the proposed instrument. The overarching principles that guide the preparation of planning proposals are:

- The level of justification should be proportionate to the impact the planning proposal will have;
- It is not necessary to address the question if it is not considered relevant to the planning proposal (as long as a reason is provided why it is not relevant);
- The level of justification should be sufficient to allow a Gateway determination to be made with the confidence that the instrument can be finalised within the time-frame proposed.

As a minimum a planning proposal must identify any environmental, social and economic impacts associated with the proposal. Generally detailed technical studies are not required prior to the Gateway determination.

The Director General has set out the following requirements as matters that must be addressed in the justification of all planning proposals:

**SECTION A**

- 1) *Is the planning proposal the result of any strategic study or report?*
- 2) *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

**SECTION B**

- 3) *Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy?*
- 4) *Is the planning proposal consistent with a council's local strategy or other local strategic plan?*
- 5) *Is the planning proposal consistent with applicable State Environmental Planning Policies?*
- 6) *Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?*

**SECTION C**

- 7) *Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?*
- 8) *Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?*
- 9) *Has the planning proposal adequately addressed any social and economic effects?*

**SECTION D**

- 10) *Is there adequate public infrastructure for the planning proposal?*
- 11) *What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?*

The following justification sets out the case for the amendment to BLEP2012.

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**9.3.1. SECTION A**

**1) Is the planning proposal the result of any strategic study or report?**

This planning proposal has not been initiated by a strategic study or report for the Blayney Shire but does seek to address some of the recommendations of the *Northern Councils E Zone Review Interim Report* (30 September 2013) and is consistent with the principles of the Councils of Blayney, Cabonne and Orange City (2008) *Subregional Land Use Strategy* ('Subregional Strategy') prepared by GHD in 2008 that has been adopted by both Council and the NSW State Government.

Whilst the Subregional Strategy recommended an Environmental Management zone for the drinking water catchments, it perhaps did not consider the potential to utilise a drinking water catchment overlay instead and to meet the recommendations for agriculture that are more suited to the historical use of these lands. Therefore, it could be argued that this Proposal seeks to provide alternate planning controls in BLEP2012 that meet the underlying principles and recommendations of the Strategy.

**2) Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?**

The only two ways that Council could approve the additional land uses (predominantly intensive agriculture and some ancillary commercial premises) would be to either change the zoning or to add these uses as Additional Permitted Uses to BLEP2012. It is our understanding that Additional Permitted Uses are not preferred for this purpose (particularly when Zone E3 would then 'mimic' Zone RU1 with no additional distinction/separation in outcome). In addition, the North Coast E Zone Interim Report suggests that the removal of Zone E3 over drinking water catchments is likely to be the preferred solution by key stakeholders where the drinking water catchment is protected by other controls (such as the drinking water catchment overlay/clause and other environmentally sensitive mapping/clauses).

**9.3.2. SECTION B**

**3) Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy?**

As stated above, the GHD (2008) Subregional Strategy applies to the rural and environmentally zoned lands (outside of key settlements) across the Councils of Cabonne, Blayney and Orange City. The Strategy included a local profile, issues paper and final strategy. The primary recommendations are in Part D – Land Use Strategies in the Final Strategy (July 2008), in particular:

- a) Section 9 – Agriculture;
- b) Section 10 – Industry (including rural industry / tourism etc.);
- c) Section 12 – Natural and Scenic Environment.

The proposed development is consistent with the principles set out in the sections relating to agriculture and industry and with most of the key environmental concerns relating to the drinking water catchments.

However, the Subregional Strategy made the recommendation to include all of the drinking water catchments in Zone E3 Environmental Management – which was somewhat inconsistent / at odds with the recommendations for agriculture and rural industry in the other sections considering that the drinking water catchments are primarily rural rather than environmentally sensitive areas.

Council considers that the inclusion of a range of environmentally sensitive area maps and standard instrument clauses (including but not limited to drinking water catchment maps) meets the environmental principles of the Strategy but offers an alternative set of planning controls to achieve the same outcome.

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As a result, the Proposal can be seen to be consistent with the underlying principles of the Strategy (albeit with a different planning approach) so we submit that the Planning Proposal can be considered under delegation to Council if the Gateway Determination is positive.

**4) Is the planning proposal consistent with a council's local strategy or other local strategic plan?**

The Subregional Strategy addressed above and in Section 5 of this Proposal is the primary strategy that directly addresses rural and environmental areas outside of the key towns/villages in Blayney LGA.

The only other local strategy that has high level objectives for development in Blayney LGA is the *Community Strategic Plan 2025*. Its purpose is to identify the community's main priorities and aspirations for the future and to plan strategies for achieving those goals. The Proposal can be seen to be consistent with these goals and aspirations as there are alternative controls retained in BLEP2012 to protect the natural environment whilst facilitating economic growth by minimising overly prescriptive zoning.

**5) Is the planning proposal consistent with applicable State Environmental Planning Policies?**

The Planning Proposal is consistent with all of the State Environmental Planning Policies as follows:

<b>SEPP No.30 – Intensive Agriculture</b>
One of the reasons for making this proposed change in zoning is to potentially permit intensive livestock agriculture in the drinking catchment if suitable mechanisms to protect the environment and water quality are maintained. This SEPP defines when intensive livestock agriculture will require development consent and consideration of public feedback, pollution, and measures to mitigate potential adverse impacts. Therefore, this SEPP provides additional protections through the development assessment process and supports this proposed amendment.
<b>SEPP No.44 – Koala Habitat Protection</b>
Blayney is a listed LGA to which this SEPP applies. This policy aims to encourage the proper conservation and management of areas of natural vegetation that provide habitat for koalas. The change in zoning will not substantially affect the predominantly rural outcomes that already occur within the drinking water catchments. The biodiversity overlay and control in BLEP2012 will also aid in protecting significant stands of native vegetation through the area. Therefore, the Proposal is consistent with this SEPP.
<b>SEPP No.55 – Remediation of Land</b>
This policy applies to the whole State including the Site. Under Clause 6, contamination and remediation is to be considered in zoning or rezoning proposals. The change from an environmental zone to a rural zone is only expected to increase the permissibility of intensive agricultural uses and some rural industries and associated commercial premises. It is not expected that this change of zoning will result in increased land use conflicts with potentially contaminated lands. This can be addressed as part of any development application for these additional uses as they require consent. If any contamination is found then it will be remediated in accordance with SEPP55 and the relevant guidelines / policies. Therefore, the Proposal is consistent with this SEPP.
<b>SEPP No.62 – Sustainable Aquaculture</b>
Aquaculture is already permitted with consent in Zone E3 so any amendment to Zone RU1 where aquaculture is also permitted with consent will have no impact and will be consistent with this SEPP.
<b>SEPP No.64 – Advertising and Signage</b>
To the extent that this Proposal seeks to amend the permissibility of land uses in Zone RU1 Primary Production to enable building identification signs without consent – it is consistent with objectives of this SEPP to ensure signage is compatible with the amenity and visual character of these areas as building identification signage is generally low impact.
<b>SEPP (Mining, Petroleum Production and Extractive Industries) 2007</b>
This SEPP applies to land identified as having mineral potential. The most relevant map is the Mineral Resource Audit map provided by the former Department of Mineral Resources in 2010. As

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demonstrated in the Site Analysis Section above, there are no existing or potential resource areas in the Suma Park catchment near Millthorpe and there is only one known existing extractive industry in the Lake Rowlands catchment known as Gordon's Quarry (NE of Barry) and the change of zoning is unlikely to significantly increase development potential (particularly dwelling potential) in or around this industry as a rural zone is proposed and there is no change in the minimum lot size. Therefore, the Proposal is consistent with this SEPP.

**SEPP (Infrastructure) 2007**

This SEPP is concerned with appropriate opportunities for infrastructure development throughout the State. The proposed rural zone would not be inconsistent with future infrastructure provision. Neither area is located on a State or Regional Road or a railway line. The primary infrastructure is likely to be water storage and reticulation as part of Lake Rowlands. The change in zoning is unlikely to significantly increase development potential (particularly dwelling potential) so traffic generation is unlikely to require RMS consideration. Therefore, the Proposal is consistent with this SEPP.

**SEPP (Rural Lands) 2008**

This policy aims to facilitate the orderly use and development of rural lands, identify Rural Planning Principles, reduce land use conflicts, and identify State significant agricultural land.

The Rural Planning Principles are as follows:

- (a) the promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas,*
- (b) recognition of the importance of rural lands and agriculture and the changing nature of agriculture and of trends, demands and issues in agriculture in the area, region or State,*
- (c) recognition of the significance of rural land uses to the State and rural communities, including the social and economic benefits of rural land use and development,*
- (d) in planning for rural lands, to balance the social, economic and environmental interests of the community,*
- (e) the identification and protection of natural resources, having regard to maintaining biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land,*
- (f) the provision of opportunities for rural lifestyle, settlement and housing that contribute to the social and economic welfare of rural communities,*
- (g) the consideration of impacts on services and infrastructure and appropriate location when providing for rural housing,*
- (h) ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director-General.*

Again, the change from an environmental to a rural zoning is likely to be consistent with the Rural Planning Principles and is aimed at increasing agricultural opportunities whilst providing appropriate alternative mechanisms to protect natural resources like the drinking water catchment. Therefore, the Proposal is consistent with this SEPP.

**SEPP (Exempt and Complying Development Codes) 2008**

This SEPP is addressed in more detail in Section 4.6 of this Proposal. Changing from Zone E3 to Zone RU1 will enable agricultural related development such as 'animal shelters' and 'farm buildings' to be undertaken as exempt development. Whilst one aim of changing the zoning was to enable more complying development in the drinking water catchment areas, the fact that most development would involve on-site effluent management would preclude it from being complying development under this Code.

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**6) Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?**

The Planning Proposal is consistent with all of the relevant Ministerial Directions as follows:

<p><b>1. Employment &amp; Resources - 1.2 Rural Zones (1 July 2009)</b></p> <p>This direction seeks to protect rural zoned land from being rezoned for another use or increase the permissible density of that land. The variation from environmental zoned land to rural zoned land is consistent with this direction. The agricultural potential of the lands has been addressed also in the Site Analysis Section above.</p>
<p><b>1. Employment &amp; Resources - 1.3 Mining, Petroleum Production and Extractive Industries</b></p> <p>This Planning Proposal has demonstrated that the proposed development will not impact on any known or likely mineral resources in the area according to the former Department of Mineral Resources – Audit Map 2012. This has been addressed also in the Site Analysis Section above.</p>
<p><b>1. Employment &amp; Resources - 1.5 Rural Lands</b></p> <p>The objectives of this direction are to protect the agricultural production value of rural land and facilitate the orderly and economic development of rural lands for rural and related purposes. The key justification for the amendment from an environmental to a rural zone for this land is to achieve these objectives.</p>
<p><b>2. Environment &amp; Heritage - 2.3 Heritage Conservation</b></p> <p>Whilst there are listed heritage items and potential for Aboriginal cultural heritage within the drinking water catchments, the change in zoning to a rural zone is not likely to significantly increase development potential or impacts on heritage or cultural items. This has been addressed also in the Site Analysis Section above.</p>
<p><b>3. Housing, Infrastructure &amp; Urban Development - 3.4 Integrating Land Use and Transport (1 July 2009)</b></p> <p>Objectives of this direction seek to improve access to transport and reduce travel demand. The proposed rural zone will not significantly increase development requiring additional infrastructure and rural uses are appropriate in a rural zone.</p>
<p><b>4. Hazard &amp; Risk - 4.3 Flood Prone Land</b></p> <p>This direction applies to all land that may be flood prone land in accordance with the <i>Floodplain Development Manual 2005</i> and has been addressed also in the Site Analysis Section above. Whilst there is always a chance of flooding along the key watercourses in each catchment, historically this has been minor and is unlikely to significantly affect development potential for rural land uses. Any known flood impacts can be addressed during the assessment process.</p>
<p><b>4. Hazard &amp; Risk - 4.4 Planning for Bushfire Protection</b></p> <p>As stated in the Site Analysis Section above, there are only limited areas of bushfire prone land within both catchments and these are unlikely to significantly affect the development potential of the land for rural and associated uses. Each development application can address site specific issues in accordance with <i>Planning for Bushfire Protection 2006</i>.</p>

**9.3.3. SECTION C**

**7) Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?**

As stated in the Site Analysis Section above, there are no known critical habitats or threatened species, populations or ecological communities, or their habitats within the drinking water catchments – though it is appreciated that there is remnant native vegetation and sensitive biodiversity due to historic vegetation removal in these areas. However, this issue is best addressed through merit assessment of each development application in accordance with the Biodiversity Maps and Riparian Lands and Waterways Maps in BLEP2012.

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**8) Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?**

The key planning outcome of the replacement of Zone E3 with Zone RU1 is that it will potentially permit with consent a range of intensive agricultural land uses, rural industries, and some agriculturally related commercial premises. As these will require development consent, there is the opportunity to ensure that environmental impacts including water for irrigation, effluent management, chemical usage and storage, transport and infrastructure demand, and land use conflicts can be appropriately addressed through the assessment process.

**9) Has the planning proposal adequately addressed any social and economic effects?**

The significant economic benefits of ensuring appropriate flexibility in rural areas to encourage appropriate rural and ancillary land uses is consistent with all major state policy and the Subregional Strategy. The only economic challenges are to ensure that new developments are economically viable, particularly when they are more distant from major infrastructure but zoning should not preclude the possibility of these land uses being considered. From a social perspective, the existing rural communities want Council to consider new more intensive rural developments and address any land use conflicts on a case-by-case basis. Social impacts are likely to be low from the proposed changes in planning tools to achieve similar development outcomes.

**9.3.4. SECTION D**

**10) Is there adequate public infrastructure for the planning proposal?**

Public infrastructure includes a range of infrastructure (e.g. roads), utilities (e.g. water, electricity, gas etc.), access to key services (retail, employment, health etc.) and access to open space and recreation. The proposed amendment from an environmental zone to a rural zone is not expected to significantly increase development potential or reliance on public infrastructure. However, if there are applications for intensive livestock agricultural, rural industries, or ancillary commercial premises the impacts on key infrastructure can be determined and managed through appropriate conditions and contribution plans. For most rural uses the public infrastructure is adequate.

**11) What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?**

Section 10 of this Proposal sets out the consultation to-date with the key NSW Government authorities relevant to this rezoning and proposed development including the Department of Planning & Environment (DPE), Office of Environment and Heritage (OEH), Local Lands Services (LLS), and NSW Agriculture. Their responses are included in Section 7. No Commonwealth authorities are believed to be relevant to this application but this can be determined at the Gateway stage.

**9.4. Part 4 – Maps (where relevant) showing Intent of Planning Proposal**

This Planning Proposal seeks to amend the land use zone for all of the lands that are in Zone E3 Environmental Management in BLEP2012 and replace it with Zone RU1 Primary Production. This will amend the following Land Zoning Maps: LZN\_004; LZN\_004A; LZN\_005; LZN\_005B; LZN\_005C; LZN\_007. No other maps require amendment in BLEP2012. The proposed amendments will be prepared in SILEP format by DPE after a positive Gateway Determination and prior to public exhibition.



**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**9.3. Part 3 - Community Consultation**

**9.3.1. Key Stakeholders**

The key stakeholders for this Site include:

- a) Department of Planning & Environment (Gateway Determination process);
- b) Office of Environment & Heritage (within DPE) relating to environmental and water issues;
- c) Local Land Services (LLS) including the former Lachlan Catchment Management Authority;
- d) Orange City Council and Cowra Council as the adjacent local government authorities.

Additional stakeholders that may need to be notified when the Planning Proposal is on public exhibition include:

- a) The affected land owners;
- b) NSW Department of Primary Industries (NSW Agriculture) – regarding the increased agricultural potential of the land which they are likely to support;
- c) NSW Department of Primary Industries (Office of Water) – regarding treatment of the drainage lines / watercourses and water licencing for intensive agriculture (if required).
- d) NSW Trade & Investment - Crown Lands Division – if any Crown land exists in these areas;
- e) NSW Health – Public Health Unit (re drinking water catchment protection).

**9.3.2. Proposed Notification**

In addition to the previous notification of key stakeholders during the preparation of this Planning Proposal, Council is likely to provide a letter notifying all key stakeholders listed above of the dates that the Planning Proposal is on public exhibition and providing opportunity for further submissions (if required). Council is also expected to provide a letter notifying all relevant land owners in existing Zone E3 that the Planning Proposal is on public exhibition and providing opportunity for further submissions (if required).

**9.3.3. Proposed Public Exhibition & Community Notification**

**Public Exhibition**

Council will provide public notice of a proposed resolution to rezone land and specify a 28 day period during which submissions may be made to Council.

Notice will include:

- a) Notification in the *Blayney Chronicle* newspaper prior to the public exhibition period;
- b) Written notification to all land owners in existing Zone E3(as noted above);
- c) Provision of a copy of the Gateway Determination, Planning Proposal and supporting information at the Council Offices in Blayney.
- d) Any other requirements of the Gateway Determination made by the Department.

**Submissions**

Council will accept public submissions up to the close of the public exhibition period. All public submissions will be reviewed and summarised. The outcomes of any public hearing (if required) will also be considered prior to making a recommendation to Council.

**Public Hearing**

Under Section 57 of the EP&A Act Council must arrange a public hearing in respect of a planning proposal if one is requested by a key stakeholder or member of the public. The public hearing must be presided over by someone who is not a councillor or employee of Council (in the last five years). The presiding person should make a report available to Council on the outcomes of the public hearing.

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**APPENDICES / ANNEXURES**

**1. Completed Application Forms (DPE Requirements)**

- a. Request for Initial Gateway Determination
- b. Attachment 1 – Information Checklist
- c. Attachment 4 – Evaluation Criteria for the Delegation of Plan Making Functions
- d. Council's resolution to send the written Planning Proposal to DPE

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

**2. Key Correspondence / Consultation**

- a. Office of Environment & Heritage

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**



**Office of  
Environment  
& Heritage**

Your reference: 528016  
Our reference: DCC12/13318  
Contact: Erica Bolgent (02) 68836311  
Date: 30 March 2012

Aaron Jones  
General Manager  
Blayney Shire Council  
PO Box 82  
Blayney NSW 2790

Dear Mr Jones

Attention: Leon Rodwell, Director Environmental Services

Thank you for your letter (dated 6<sup>th</sup> February 2012) seeking comment from the Office of Environment and Heritage (OEH) regarding the exhibited Draft Blayney Local Environment Plan 2011 (LEP);

Please note that as of the 29<sup>th</sup> of February 2012, the Environment Protection Authority (EPA) has been re-created as an independent authority. However as part of the transition period for these new arrangements, EPA issues have been considered and included in this response.

The OEH and EPA have the following primary areas of interest relating to strategic land use planning and the preparation of new Local Environmental Plans (LEPs):

1. The impacts of development and settlement intensification on biodiversity, Aboriginal cultural heritage, air, water quantity and quality and noise related issues;
2. Adequate investigation of the environmental constraints of affected land;
3. Avoiding intensification of land use and settlement in environmentally sensitive areas (ESAs);
4. Ensuring that development within a floodplain is consistent with the NSW Government's Flood Prone Land Policy, the principles set out in the Floodplain Development Manual, and applicable urban and rural floodplain risk management plans.

We also understand that draft LEPs must comply with current statutory matters such as the Local Planning Directions under S117 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

We generally support strategic planning proposals which:

- Avoid rural settlement intensification in areas of biodiversity value, Aboriginal cultural heritage value and other environmentally sensitive areas;

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Level 1 48-52 Wingemanna Street, Dubbo NSW  
Tel: (02) 8863 6312 Fax: (02) 8864 0575  
ASN 30 841 367 271  
[www.environment.nsw.gov.au](http://www.environment.nsw.gov.au)

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

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- Include objectives, such as 'no net loss of native vegetation', that will ensure the LEP supports the NSW State Plan via State Natural Resource Management Targets and Catchment Management Authority Action Plans;
- Avoid neighbour conflicts associated with noise, odour, dust and pesticide use; and
- Minimise flood risk to human life, property and the local environment while maintaining floodplain connectivity for environmental benefit.

Specific comments on the exhibited draft LEP are included below.

**Biodiversity and Environmental Protection**

We strongly support the Council's inclusion of the biodiversity overlay and associated clause within the LEP. The inclusion of this clause will help support the view expressed in the Blayney Settlement Strategy that *'There should be no net loss of native vegetation from development' and the intent to 'seek to preserve and enhance the biodiversity of the region and protect existing native vegetation' and 'to setback development from riparian corridors and areas of existing significant vegetation or adopt other controls to minimise the impact of settlement'.*

This clause will also be important in ensuring that the impacts of development on native vegetation are appropriately assessed and mitigated, particularly in parts of the LGA where the LEP has not excluded development intensification within remnant native vegetation. As previously noted, one such instance is at Mandurama, where there will be potential to create additional lots within native vegetation, with little opportunity for future dwellings and associated asset protection zones to be sited to avoid clearing. We remain of the view that a larger MLS should be applied to this area, to further reduce the number of new lots that can be created. We also encourage Council to consider specific controls related to this land within a future Development Control Plan as a secondary measure.

We also support:

- The inclusion of clause 6.6 *'Riparian lands and waterways'*.
- The exclusion of intensive livestock and plant agriculture and water treatment facilities from the E3 zone which has been applied to the drinking water catchment.
- The proposed clause 6.4 to be applied to the drinking water catchment and clause 6.3 relating to stormwater.

However we also note that the LEP is inconsistent with the Rural and Industrial Land Use Strategy developed for the LGA. This Strategy recommended larger minimum lot sizes for rural lands than the 100ha MLS proposed within the LEP. In particular, that Strategy recommended a 200ha MLS for the drinking water catchment.

Our view remains that the MLS within an E3 zone can be variable, but should ensure there is very limited, if any, scope for further subdivision and associated intensification of use or settlement. In accordance with this principle, we support the Rural and Industrial Land Use Strategy recommendation of a 200ha MLS for the drinking water catchment (covered by the E3 zone in the LEP). Reducing the amount of potential subdivision of lots, and therefore new dwellings and associated infrastructure, can reduce the potential for these to impact on water quality, particularly where they may be in close proximity to, and place pressures on, riparian areas.

We also recommend the zoning of Travelling Stock Reserves (TSRs) as E3 at a minimum, particularly those identified as having conservation values. Mapping of TSRs, including identification of EECs and biodiversity conservation value rankings is available from <http://ghworn.net.au/node/65>.

Similarly, we recommend that environmental zonings (E2 preferably, or E3 where appropriate) be applied to other Crown Reserves (eg Public Recreation Reserves) containing remnant native vegetation within the LGA.

**Planning Proposal to amend Planning Controls in the Drinking Water Catchments, Blayney Shire NSW**

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We have also advised previously that if Council approves residential development near the Blayney Sewage Treatment Plant (STP) and residences are impacted by offensive odours from the STP, Council will be in breach of s129 of the *Protection of the Environment Operations Act 1997* and may also be required to undertake expensive augmentation to its STP. We recommended that an adequate buffer be implemented via the LEP rather than being deferred to a future DCP. Whilst it remains preferable that this issue be addressed via appropriate zonings in the first instance, we do view the proposed LEP clause 8.9 'Development in proximity to sewerage treatment plants and waste depots' as a positive step forward in addressing this issue.

**Aboriginal Cultural Heritage**

We have no further comments to make on the extent to which Aboriginal cultural heritage has been addressed by the LEP. We refer Council to our previous submissions (21 December 2009, 1 July 2010 and 20 December 2010) containing advice on planning and assessment for the protection of Aboriginal cultural heritage and encourage Council to implement this advice in future LEP reviews, DCPs and development assessment. However if requested by Council, OEH would be happy to continue to work with Council on this issue during finalisation of the LEP.

**Flooding-related issues**

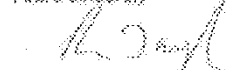
No towns or urban centres (Blayney, Milthorpe, Carcoar, Lyndhurst, Mandurama, Neville, Newbridge and Barry) within the Blayney LGA have a valid Flood Study to determine flood-related planning matters.

In the absence of any specific flood studies, a recommendation has been made in Blayney to adopt a Flood Planning Area (included in the maps), possibly determined from anecdotal evidence and some historic flood marks. Although similar flood planning areas were discussed in the villages other than Blayney during preparation of the Strategy, the maps for the other villages have not been included in the draft LEP. It should be noted that the definitions and subclauses in the LEP Flood Clause cannot be applied in the absence of a Flood Map for villages other than Blayney. Council may need to take appropriate steps towards establishing flood-related controls when it is in a position to carry out the relevant studies.

Any specific questions that may be outstanding regarding flood planning matters should be directed to Siva Varathan, Senior Natural Resources Officer – Floodplain Management, on (02) 6883 6503.

Should you require further information regarding this submission generally, please contact Erica Baigent on (02) 6883 6311.

Yours sincerely



**ROBERT TAYLOR**  
Manager, Environment and Conservation Programs  
Conservation and Regulation Division

**MINUTES OF THE BLAYNEY SHIRE SPORTS COUNCIL MEETING HELD  
ON THURSDAY 20 NOVEMBER 2014, AT THE BLAYNEY COMMUNITY  
CENTRE**

Meeting commenced at 5.30pm.

**PRESENT:**

David Kingham (Chair, Blayney Shire Council), Grant Baker (Blayney Shire Council), Shane Oates (Blayney Shire Council), Trevor Jones ( Harness Racing Club), Rosemary Reid (Senior Tennis) Jodi Spencer (Central West Dressage), Michael Tyrrell (Golf club), Matthew Lewis ( Little Athletics), Peter Wakem (Swimming Club), Rodney Corbett (Junior Soccer) Adam Hornby (Senior League), Lisa Oborn, (Junior League), Karen Webster (Carcoar Pony Club), Hattie Harnett (Carcoar Pony Club) and Cheryl Rutherford (Junior Tennis).

**APOLOGIES:**

Christine Smith (Heritage Schools), Rachel Ellem (Millthorpe Junior Soccer), Bryce Toohey (Rugby Union), Bob Stanbridge (Senior Cricket) and Helen Burton (Show Society).

**RESOLVED:** That the apologies be accepted.

**MINUTES PREVIOUS MEETING (as circulated)**

**RESOLVED:** That the minutes of the previous meeting be accepted. (A Hornby/R Reid).

**BUSINESS ARISING:**

Storage shed roller door at King George Oval has been replaced.

**CORRESPONDENCE:**

As emailed.

**EVENT CALENDAR UPDATE:**

- Blayney to Bathurst (B2B) – 12 April 2015
- Central West Dressage
- Carcoar Pony Club

**GRANT FUNDING UPDATE**

- Royal Agricultural Society Foundation is offering a Community Kitchen Grant. The Showground users will apply.
- Blayney Senior Tennis Club received financial assisting funding from Blayney Council.

**REPORTS**

**Senior Cricket:**

Dakers Oval has damage to its synthetic surface and will cost \$2,000 to repair. The club will apply to the Financial Assistance Fund.

**Junior Cricket:**

Replacing both ends of surface at Napier Oval and is also replacing the

surface at the High School. Club to liaise with Council to arrange for project management and delivery.

**Swimming Club:**

Membership is going well.

**Junior Soccer:**

AGM held recently. New President is Graeme Higham.

**Little Athletics:**

Going well. Membership is about 150.

**Blayney Golf Club:**

Open tournament this weekend; have installed solar panels; looking at putting another bore down; junior program going well – about 20 each week.

**Central West Dressage:**

Pad to be put down soon.

**Senior Tennis:**

Going well

**Show Society:**

Grant application for extension for extension to cattle pavilion unsuccessful. Can show committee go ahead with work? Grant will organise a "Pre D.A." meeting. A development application may not be needed.

**Harness Racing:**

Refurbishment of toilets completed. Next meetings 22 February and late May; in process of gravelling track.

**Junior Tennis:**

Club Championships 14 December. Graffiti on walls. If Council undertakes removal of graffiti, can they please inform Club contact.

**Pony Club:**

Intends putting yards in during January.

**GENERAL BUSINESS**

Bryce Toohey has moved to Cowra and will no longer be part of the Sports Council.

**King George Oval:** Users of King George Oval to meet Thursday, 27 November at 5.30pm at the Community Centre to discuss kitchen upgrade.

- Little Athletics and Rugby Union are using the Southern door of the grandstand which is very heavy and hard to use.
- Adam asked that if there is any money left from grant for seats could it go towards upgrade of canteen.
- Kitchen upgrade to be placed on priority project list.
- Rugby League would like to obtain out of season access to Napier Oval.



They will discuss with Junior Cricket and then make joint request to Council.

- An Emergency helicopter landed while Little Athletics was in progress. Protocols are to be put in place.

**Centrepont:** Request that starting blocks be repaired as part of shutdown. Timing clock also not operational.

**Napier Oval:** Toilets almost finished. Completion date due end of November.

**Showground:** If there are any excess chairs from Bathurst for King George Oval some can go to the showground.

**Blayney Sports Awards:** Inaugural awards presented this week. Sponsorship has been provided by Jim Newman and other local businesses. Recipients for October are: Lochie Hobby, Senior; Sophie Stammers, Junior; Gerry Davis, Veteran; Sue Webb, Volunteer; Blayney Public School Netball, Team award. Awards announced in Blayney Chronicle and 2BS. Next Sports Award meeting 11 December, 5.30pm at the Blayney Bowling Club.

**NEXT MEETING**

Thursday 19 February 2015.

Meeting closed at 6.55pm.

**MINUTES OF THE BLAYNEY SHIRE ACCESS ADVISORY COMMITTEE  
MEETING HELD ON THURSDAY 27 NOVEMBER 2014  
AT THE BLAYNEY SHIRE COMMUNITY CENTRE**

Meeting commenced at 5.50pm.

**PRESENT**

Councillor Shane Oates, Jenny McMahon, Iris Dorsett and Mark Dicker

**APOLOGIES**

Sharon Kearney and Tom Williams

**CONFIRMATION OF PREVIOUS MINUTES**

The minutes of the previous meeting held on 21 August 2014 were confirmed to be a true and accurate record of that meeting (Jenny McMahon/Iris Dorsett).

**DISCLOSURES OF INTEREST**

Nil.

**BUSINESS ARISING FROM PREVIOUS MEETING**

**Commonwealth Bank Review of DA69/2014**

Mark Dicker explained the reasons behind Council proceeding to grant land owners and development consent for the abovementioned application

**Adelaide Street paving condition**

Mark Dicker explained that Councils Infrastructure Services had undertaken a risk assessment for the paving condition of Adelaide Street Blayney during the week ending 30 October 2014. The condition of the paving was considered appropriate with a minor amount of pavers to be repaired and/or replaced.

Discussion then proceeded that it is not just the paved area of Adelaide Street Blayney also concrete condition particularly both sides of Adelaide Street from Hang Sing restaurant to the Heritage Park which requires assessment.

**RECOMMENDED:** That Council assess the condition of the footpath paving both sides of Adelaide Street Blayney from the Hang Sing restaurant to Heritage Park.

**GENERAL BUSINESS**

**Tour of Blayney**

Iris Dorsett advised that Councillors and Senior Council staff were provided with wheel chairs and went on a "tour of the town" approximately 3 years ago to raise awareness of the challenges that mobility devices can encounter in Blayney.

**RECOMMENDED:** That another "tour of the town" is organised for early 2015.

**Access Maps**

Councillor Shane Oates showed the access map on tablet device which has been developed using the google platform.

**Disability Week – November 2014**

Chair Oates showed a draft press release to be issued for International Day of People with Disability (IDPWD). It was discussed to include more information in the press release including committee member names and contact details and circulate to the media.

**RECOMMENDED:** That the Chair amend the press release and arrange for release on Councils social media platforms, website and Blayney Chronicle.

**Liberty Swing**

Jenny McMahon presented the committee a slide show regarding the Liberty Swing. The preferred location is Heritage Park Blayney.

Jenny's initial investigations have shown the cost of the swing would be \$17,000 plus GST (which is paid for by variety). Installation is estimated to be approximately \$10,000 to \$15,000 which would have to be raised as speciality installers are required.

It was discussed if a coalition including; Council, Cadia, Nestle, Blayney Wholesale Foods and charity organisations could be approached to contribute the \$15,000 between them for the required installation.

**RECOMMENDED:** That Council considers when preparing the 2015/16 budget allocating a contribution for the installation of Liberty Swing at Heritage Park Blayney.

**NEW BUSINESS**

• **Napier Street Amenities**

The Committee asked if the new facilities at Napier Street contained accessible facilities. Mark Dicker advised he was quite certain a unisex facility was incorporated into the new facility, but will confirm and advise.

• **Millthorpe Church**

The Committee raised if Council was providing financial assistance to the accessible ramp to be constructed at the Millthorpe Anglican Church. Mark Dicker advised he had no knowledge of this ramp or if Council was providing any funding.

• **Carrington Park Blayney – War Memorial Gates**

The Committee discussed what an exceptional job Council has completed around the War Memorial Gates and staff should be congratulated.

• **Accessible Car Parks**

The Committee raised if Council could assess the paint condition of accessible parks within the Shire and repaint those which are not sufficient.

**FUTURE AGENDA ITEMS**

Nil

**NEXT MEETING**

The next meeting of the Access Advisory Committee will be held on Thursday  
12 February 2015 commencing at 5.45pm.

**MEETING CLOSE**

The meeting closed at 7pm.

**MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES  
COMMITTEE MEETING  
HELD ON THURSDAY 11 DECEMBER 2014  
AT THE BLAYNEY SHIRE COMMUNITY CENTRE**

Meeting commenced at 6.02pm

**PRESENT**

Penny May, Judy Belecky, Don Bell, Kerry Adams, Sally Ryan, Cecily Waters, Cathy Griffiths, Elizabeth Russ, Bill Burdett, Rebecca Price, Rebecca Ryan, Anastasia Webster-Hawes, Tim Weeks, and Anton Franze.

**APOLOGIES**

**RECOMMENDED:** That the apologies received from Narelle Riley, Richard Bloomfield and Alvaro Marques be accepted. (Elizabeth Russ / Cathy Griffiths)

**FORSHADOWED G.B.:**

B2B

Resignation of Blayney Representative T. Kearney.

**DECLARATIONS OF INTEREST**

Nil.

**CONFIRMATION OF MINUTES**

**RECOMMENDED:** That the minutes of the previous meeting held on 11 September 2014 be confirmed to be a true and accurate record of that meeting (Sally Ryan / Elizabeth Russ).

**MATTERS ARISING**

Nil.

**2015 WWI TROOP TRAIN RE-ENACTMENT**

- No further update.
- To remain a future agenda item.

**VILLAGE PLANS UPDATE**

- Report provided by GM on Village Plans and summary provided.
- Request that proposed trees be furnished to committees and consultation occur with program.
- Committees to provide preferences/ideas on signs.
- Banners to be a consistent colour and banners with pictures be developed.
- Quotes will be sought on street banners and hanging.

Future agenda item: Year 2 Village Plan Budget.

**PROGRESS ON TOWNS & VILLAGES SIGNAGE**

- Village signage concepts distributed.

**RECOMMENDATION:** That the Village Signage concepts be endorsed (Sally Ryan / Cathy Griffiths).

**BLAYNEY IGA COMMUNITY CHEST**

- Application lodged on behalf of Community Halls to IGA Community Chest.

**GENERAL BUSINESS**

**B2B**

- Report from Blayney Town Committee Representative on meeting with B2B representatives including small villages.
- No press releases, no neighbourhood consultation – organisers' state people should refer to their website.
- Challenge is how we capitalise on event.
- Committee Representatives to consider how you can capitalise on event.

**RECOMMENDATION:** That Council engage the B2B organisers over lack of neighbourhood consultation; press releases/community awareness; toilet facilities and rubbish collection.

**Clarification to be sought associated with event:** Emergency Evaluation Plan for residents during event and how it is communicated to residents. That a detailed Event Management Plan and a designated warm up area with a Traffic Management Plan be furnished (Elizabeth Russ / Cecily Waters).

**Resignation of A. Kearney**

**RECOMMENDATION:** That the resignation of A. Kearney be noted and that Anastasia Webster-Hawes be appointed as Blayney Town Committee delegate (Kerry Adams / Judy Belecky).

**Carcoar Public School Principal**

- Report noted.

**Neville Showground Trust**

- Radiata Pines are dying in the showground.

**Hobbys Yards Hall**

- Bark chips dumped behind the hall. Not Council – committee is coordinating removal so as to discourage vermin or snakes.

**Tallwood Hall**

- Hall recladded.

Kings Plains

- More homes being built.

Australia Day Ambassador

- Endurance Swimmer – James Pittar

**FUTURE AGENDA ITEMS**

- Year 2 Village Plan Budget
- 2015 Wwi Troop Train Re-Enactment

**NEXT MEETING**

The next meeting of the Blayney Shire Towns and Villages Committee will be held on Thursday 12 March 2015 commencing at 6.00pm.

**MEETING CLOSE**

The meeting closed at 7.58pm.