



QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE

BUSINESS PAPER ORDINARY COUNCIL MEETING 26 JUNE 2024

Notice is hereby given in accordance with the provisions of the *Local Government Act 1993*, and pursuant to Clause 3.3 of Council's Code of Meeting Practice that an **Ordinary Council Meeting** will be held in the "Koreelah Room", Council Administration Building, 247 Rouse St, Tenterfield NSW, on **Wednesday 26 June 2024** commencing at **9.30 am**.

Hein Basson
General Manager

COMMUNITY CONSULTATION – PUBLIC ACCESS

Community Consultation (Public Access) relating to items on this Agenda can be made between 9.00 am and 9.30 am on the day of the Meeting. Requests for public access should be made to the General Manager no later than COB on the Monday before the Meeting.

Section 8 of the Business Paper allows a period of up to 30 minutes of Open Council Meetings for members of the Public to address the Council Meeting on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of five (5) minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone or in person prior to close of business on the Monday prior to the day of the Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit two (2) speakers in support and two (2) speakers in opposition to a recommendation contained in the Business Paper. If there are more than two (2) speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- Personnel matters concerning particular individuals (other than Councillors);
- Personal hardship of any resident or ratepayer;
- Information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
 - Prejudice the commercial position of the person who supplied it, or
 - Confer a commercial advantage on a competitor of the Council; or
 - Reveal a trade secret;
- Information that would, if disclosed prejudice the maintenance of law;
- Matters affecting the security of the Council, Councillors, Council staff or Council property;
- Advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- Information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- Alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- On balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of order and may be expelled.

CONFLICT OF INTERESTS

What is a "Conflict of Interests" - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.

Non-pecuniary - a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Local Government Act (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness

A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in Section 448 of the Local Government Act.

Who has a Pecuniary Interest? - A person has a pecuniary interest in a matter if the pecuniary interest is the interest of:

- The person, or
- Another person with whom the person is associated (see below).

Relatives, Partners

A person is taken to have a pecuniary interest in a matter if:

- The person's spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. "Relative", in relation to a person means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person's spouse;
- (b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter

However, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or
 - (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Participation in Meetings Despite Pecuniary Interest (S 452 Act)

A Councillor is not prevented from taking part in the consideration or discussion of, or from voting on, any of the matters/questions detailed in Section 452 of the Local Government Act.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in S451 of the Local Government Act apply (particularly if you have a significant non-pecuniary interest)

Disclosures to be Recorded (s 453 Act)

A disclosure (and the reason/s for the disclosure) made at a meeting of the Council or Council Committee or Sub-Committee must be recorded in the minutes of the meeting.

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## ORDER OF BUSINESS

### Community Consultation (Public Access)

1. Opening & Welcome
2. Civic Prayer & Acknowledgement of Country
3. Apologies
4. Disclosure & Declarations of Interest
5. Confirmation of Previous Minutes
6. Tabling of Documents
7. Urgent, Late & Supplementary Items of Business
8. Mayoral Minute
9. Recommendations for Items to be Considered in Confidential Section
10. Open Council Reports
  - Our Community
  - Our Economy
  - Our Environment
  - Our Governance
11. Reports of Delegates & Committees
12. Notices of Motion
13. Resolution Register
14. Confidential Business
15. Meeting Close

## **CLOSED COUNCIL**

### **Confidential Reports**

#### **(Section 10A(2) of The Local Government Act 1993)**

Where it is proposed to close part of the Meeting, the Chairperson will allow members of the public to make representations to or at the meeting, before any part of the meeting is closed to the public, as to whether or not that part of the meeting should be closed to the public.

The Chairperson will check with the General Manager whether any written public submissions or representations have been received as to whether or not that part of the meeting should be closed to the public.

The grounds on which part of the Council meeting may be closed to public are listed in Section 10A(2) of the Local Government Act 1993 and are as follows:

- (a) personnel matters concerning particular individuals others than Councillors,
- (b) the personal hardship of any resident or ratepayer,
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business,
- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law,
- (f) matters affecting the security of the council, councillors, council staff or council property,
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
- (h) during the receipt of information or discussion of information concerning the nature and location of a place or an item of Aboriginal significance on community land.
- (i) alleged contraventions of any code of conduct requirements applicable under section 440.

Section 10A(3) of the Act provides that Council, or a Committee of the Council of which all the members are councillors, may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public.

Section 10B(3) of the Act provides that if a meeting is closed during discussion of a motion to close another part of the meeting to the public (as referred to in section 10A(3) of the Act,) the consideration of the motion must not include any consideration of the matter or information to be discussed in that other part of the meeting (other than consideration of whether the matter concerned is matter referred to in section 10A(2) of the Act).

Section 10B(1) of the Act provides that a meeting is not to remain closed to the public during the receipt of information or the discussion of matters referred to in section 10A(2):

- (a) except for so much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security, and
- (b) if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret – unless the Council or committee concerned is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

For the purpose of determining whether the discussion of a matter in an open meeting would be contrary to the public interest section 10B(4) of the Act states it is irrelevant that:

- (a) a person may interpret or misunderstand the discussion, or
- (b) The discussion of the matter may:
  - (i) cause embarrassment to the Council or committee concerned, or to councillors or to employees of the council, or
  - (ii) cause a loss of confidence in the Council or committee.

#### **Resolutions passed in Closed Council**

It is a requirement of Clause 253 of the Local Government (General) Regulation 2005 that any resolution passed in Closed Council, or Committee be made public as soon as practicable after the meeting has ended. At the end of Closed Council or Committee meeting, the Chairperson will provide a summary of those resolutions passed in Closed Council or Committee.

# AGENDA

## COMMUNITY CONSULTATION (PUBLIC ACCESS)

### WEBCASTING OF MEETING

This meeting will be recorded for placement on Council's website and livestreamed on Council's YouTube Channel for the purposes of broadening knowledge and participation in Council issues and demonstrating Council's commitment to openness and accountability.

All speakers must ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms or mentioning any private information.

No other persons are permitted to record the meeting, unless specifically authorised by Council to do so.

### 1. OPENING & WELCOME

#### 2. (A) OPENING PRAYER

*"We give thanks for the contribution by our pioneers, early settlers and those who fought in the various wars for the fabric of the Tenterfield Community we have today.*

*May the words of our mouths and the meditation of our hearts be acceptable in thy sight, O Lord."*

#### (B) ACKNOWLEDGEMENT OF COUNTRY

*"Tenterfield Shire Council would like to acknowledge the Ngarabal people, the traditional custodians of this land that we are meeting on today, and also pay our respect to the Jukembal, Bundjalung, Kamilaroi, Githabul and Wahlubul people of our Shire, and extend our respect to all people."*

### 3. APOLOGIES

### 4. DISCLOSURES & DECLARATIONS OF INTEREST

### 5. CONFIRMATION OF PREVIOUS MINUTES

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### 7. URGENT, LATE & SUPPLEMENTARY ITEMS OF BUSINESS

## **8. MAYORAL MINUTE**

## **9. RECOMMENDATIONS FOR ITEMS TO BE CONSIDERED IN CONFIDENTIAL SECTION**

## **10. OPEN COUNCIL REPORTS**

### **OUR COMMUNITY**

### **OUR ECONOMY**

### **OUR ENVIRONMENT**

### **OUR GOVERNANCE**

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**14. CONFIDENTIAL BUSINESS**

**CONFIDENTIAL**

|                |                                                                                 |
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| (ITEM COM4/24) | TENTERFIELD WAR MEMORIAL BATHS - EXTENSION OF<br>CONTRACT WITH CURRENT SUPPLIER |
|----------------|---------------------------------------------------------------------------------|

That above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2) (c) of the Local Government Act, 1993, as the matter involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

|                 |                                                                               |
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| (ITEM GOV41/24) | FACILITATION OF ANNUAL PERFORMANCE REVIEW OF<br>GENERAL MANAGER AND DIRECTORS |
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That above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2) (d(i)) (d(ii)) (d(iii)) of the Local Government Act, 1993, as the matter involves commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; AND commercial information of a confidential nature that would, if disclosed (ii) confer a commercial advantage on a competitor of the Council; AND commercial information of a confidential nature that would, if disclosed (iii) reveal a trade secret.

**15. MEETING CLOSED**



**(ITEM MIN8/24) CONFIRMATION OF PREVIOUS MINUTES**

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**REPORT BY:** Elizabeth Melling, Executive Assistant & Media

**RECOMMENDATION**

**That the Minutes of the following Meeting of Tenterfield Shire Council:**

- **Ordinary Council Meeting – 22 May 2024**

**As typed and circulated, be confirmed and signed as a true record of the proceedings of these meetings.**

**ATTACHMENTS**

- |                                                                              |             |
|------------------------------------------------------------------------------|-------------|
| <b>1</b> Unadopted Minutes - Ordinary Council Meeting- Wednesday 22 May 2024 | 14<br>Pages |
|------------------------------------------------------------------------------|-------------|

|                      |                                                                                       |
|----------------------|---------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the General Manager</b>                                                  |
| <b>Submitted by:</b> | Elizabeth Melling, Executive Assistant & Media                                        |
| <b>Reference:</b>    | <b>ITEM GOV42/24</b>                                                                  |
| <b>Subject:</b>      | <b>ADDITIONAL COUNCIL MEETING TO CONSIDER TENDERS OUTSIDE OF THE CARETAKER PERIOD</b> |

### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                      |                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b> | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

### **SUMMARY**

The purpose of this report is to advise Council that there will need to be an additional Council meeting to consider two Tenders prior to Council entering the "Caretaker" period, prior to the Local Government Elections on Saturday 14 September 2024. Council is planning ahead to avoid the need to make these types of decisions during the caretaker period and is proposing an additional meeting be held on Wednesday 14 June 2024 – 9.00am.

### **OFFICER'S RECOMMENDATION:**

#### **That Council:**

**Acknowledge that an Additional Council Meeting will need to be held on Wednesday, 14 August 2024 at 9.00 am to enable the consideration of two tenders prior to entering the 2024 Local Government Election - Caretaker period, which commences on 16 August 2024.**

### **BACKGROUND**

Councils must comply with special arrangements in the lead up to elections, known as the caretaker period. This is in accordance with the NSW *Local Government (General) Regulations 2021* (Sect 393B).

The caretaker period is the period of four weeks preceding the date of the 2024 NSW Local Government election, which is from Friday, 16 August to Friday, 13 September 2024 (inclusive).

During this period, Councils are expected to assume a "caretaker" role during election periods to ensure that major decisions are not made which would limit the actions of an incoming Council.

Council staff will have two tenders open and close throughout June and July 2024. The timely awarding of these Tenders will ensure Council projects stay on time.

### **REPORT:**

Councils are expected to assume a "caretaker" role during election periods to ensure that major decisions are not made which would limit the actions of an incoming Council.

Our Governance No. 42 Cont...

### **Local Government (General) Regulations 2021**

*393B Exercise if council functions during caretaker period.*

- (1) *The following functions of a council must not be exercised by the council, or the general manager or any other delegate of the council (other than a Joint Regional Planning Panel, the Central Sydney Planning Committee or a local planning panel), during a caretaker period—*
- (a) ***entering a contract or undertaking involving the expenditure or receipt by the council of an amount equal to or greater than \$150,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger),***
- (b) *determining a controversial development application, except where—*
- (i) *a failure to make such a determination would give rise to a deemed refusal under the [Environmental Planning and Assessment Act 1979](#), section 8.11(1), or*
- (ii) *such a deemed refusal arose before the commencement of the caretaker period,*
- (c) *the appointment or reappointment of a person as the council's general manager (or the removal of a person from that position), other than—*
- (i) *an appointment of a person to act as general manager under section 336(1) of the Act, or*
- (ii) *a temporary appointment of a person as general manager under section 351(1) of the Act.*
- (2) *Despite subsection (1), such a function may be exercised in a particular case with the consent of the Minister.*
- (3) *In this section—*

***caretaker period*** means the period of 4 weeks preceding the date of an ordinary election.

***controversial development application*** means a development application for designated development for which at least 25 persons have made a submission during community consultation.

***designated development*** means designated development within the meaning of the [Environmental Planning and Assessment Act 1979](#), section 4.10.

***local planning panel*** has the same meaning as in the [Environmental Planning and Assessment Act 1979](#).

Staff are seeking Council's agreement that an additional meeting is required in August 2024, prior to the start of the "Caretaker" period on Friday 16 August 2024 to avoid delay in appointing successful tenders for two projects.

Council will have two open tenders to consider:

- (1) Project Management staff resources tender;
- (2) Long Gully Construction tender.

Both of these tenders open and close across the June/July 2024 period.

Normally, Council has a Councillor Workshop on the second Wednesday of the month. Having an Additional Council Meeting on this day, may therefore not inconvenience Councillors. It may be possible to still have a Workshop after the Council Meeting on the day.

Our Governance No. 42 Cont...

**THE COUNCIL IMPLICATIONS:**

- 1. Community Engagement / Communication (per engagement strategy)**  
Nil.
- 2. Policy and Regulation**
  - Local Government (General) Regulations 2021
- 3. Financial (Annual Budget & LTFP)**  
Nil.
- 4. Asset Management (AMS)**  
Nil.
- 5. Workforce (WMS)**  
Nil.
- 6. Legal and Risk Management**  
Nil.
- 7. Performance Measures**  
Nil.
- 8. Project Management**  
Nil.

**Hein Basson**  
**General Manager**

|                               |                                                  |
|-------------------------------|--------------------------------------------------|
| Prepared by staff member:     | Elizabeth Melling, Executive Assistant & Media   |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                     |
| Department:                   | Office of the General Manager                    |
| Attachments:                  | <b>1</b> Pre-Election Guide for Council 11 Pages |

|                      |                                                                                               |
|----------------------|-----------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                                                  |
| <b>Submitted by:</b> | Erika Bursford, Manager Customer Service, Governance & Records                                |
| <b>Reference:</b>    | <b>ITEM GOV43/24</b>                                                                          |
| <b>Subject:</b>      | <b>POLICY UPDATES - LEGISLATIVE COMPLIANCE AND FRAUD AND CORRUPTION CONTROL POLICIES 2024</b> |

|                                                               |                                                                                                                                                                                                                         |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                                                                                         |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>                                          | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |
| <b>CSP Delivery Program</b>                                   | Promote and support community involvement in Council decision making process.                                                                                                                                           |

## SUMMARY

The purpose of this report is to update two existing Council policies, being the Legislative Compliance Policy, and the Fraud and Corruption Prevention Policy.

## OFFICER'S RECOMMENDATION:

**That Council adopts the updated:**

- (1) Tenterfield Shire Council Legislative Compliance Policy, and**
- (2) Tenterfield Shire Council Fraud and Corruption Control Policy.**

## BACKGROUND

Council policies are instruments that communicate decisions and directions for pursuing Council's specific goals. Regular reviews of Council policies are required, to maintain currency of these decisions and directions, and to ensure policies are delivering the outcomes desired from such policies. Feedback from Council's auditors during the preliminary audit in March and April 2024 has indicated that they consider Council's previously adopted Legislative Compliance and Fraud and Corruption Prevention policies from 2022 are not up to date.

## REPORT:

Two policies have been updated:

### 1. Legislative Compliance Policy

The policy has been reviewed and updated for a change of software system during financial year 2023/2024 from Hunter Councils Legislative Compliance and Delegations Databases to RelianSys Delegations+ and Compliance modules. Administrative changes have also been made, such as changes of position names.

### 2. Fraud and Corruption Control Policy

The policy now combines the policy, fraud control plan and fraud control integrity framework in one document. While there is not a model fraud and corruption

Our Governance No. 43 Cont...

control policy, fraud prevention framework and fraud prevention plan, Council has been kindly assisted by Glen Innes Severn Shire Council's Manager of Governance. The Glen Innes Fraud and Corruption Control Policy, adopted by them in April 2024, has been used as a guide to update the policy for Tenterfield Shire Council.

### **COUNCIL IMPLICATIONS:**

#### **1. Community Engagement / Communication (per engagement strategy)**

Council is required under the NSW Local Government Act to have a Legislative Compliance Policy and a Fraud and Corruption Prevention/Control Policy adopted and in place. Adoption by Council gives immediate effect to both policies.

#### **2. Policy and Regulation**

As detailed in each policy.

#### **3. Financial (Annual Budget & LTFP)**

Nil.

#### **4. Asset Management (AMS)**

Nil.

#### **5. Workforce (WMS)**

Nil.

#### **6. Legal and Risk Management**

Nil.

#### **7. Performance Measures**

Nil.

#### **8. Project Management**

Nil.

**Roy Jones**  
**Acting Chief Corporate Officer**

|                               |                                                                                                                                                                                                                     |          |                                        |         |          |                                              |          |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------------------------|---------|----------|----------------------------------------------|----------|
| Prepared by staff member:     | Erika Bursford, Manager Customer Service,<br>Governance & Records                                                                                                                                                   |          |                                        |         |          |                                              |          |
| Approved/Reviewed by Manager: | Roy Jones, Acting Chief Corporate Officer                                                                                                                                                                           |          |                                        |         |          |                                              |          |
| Department:                   | Office of the Chief Corporate Officer                                                                                                                                                                               |          |                                        |         |          |                                              |          |
| Attachments:                  | <table> <tr> <td><b>1</b></td> <td>TSC Legislative Compliance Policy 2024</td> <td>4 Pages</td> </tr> <tr> <td><b>2</b></td> <td>TSC Fraud and Corruption Control Policy 2024</td> <td>19 Pages</td> </tr> </table> | <b>1</b> | TSC Legislative Compliance Policy 2024 | 4 Pages | <b>2</b> | TSC Fraud and Corruption Control Policy 2024 | 19 Pages |
| <b>1</b>                      | TSC Legislative Compliance Policy 2024                                                                                                                                                                              | 4 Pages  |                                        |         |          |                                              |          |
| <b>2</b>                      | TSC Fraud and Corruption Control Policy 2024                                                                                                                                                                        | 19 Pages |                                        |         |          |                                              |          |

|                      |                                                                                                                                           |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the General Manager</b>                                                                                                      |
| <b>Submitted by:</b> | Hein Basson, General Manager; Roy Jones, Acting Chief Corporated Officer; Erika Bursford, Manager Customer Service, Governance & Records. |
| <b>Reference:</b>    | <b>ITEM GOV44/24</b>                                                                                                                      |
| <b>Subject:</b>      | <b>TENTERFIELD SHIRE COUNCIL - BUDGET REPORT<br/>2024/2025</b>                                                                            |

|                                                               |                                                                                                                                                      |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                      |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>                                          | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |

## SUMMARY

The purpose of this report is for Council to adopt the updated 2024/25 Annual Budget (Operational and Capital Budget) for inclusion in the Delivery Program 2024/25 to 2027/28.

## OFFICER'S RECOMMENDATION

### That Council:

- (1) **Notes the staff responses contained in the annexure to the report on the written submission received from a community member, and that these responses be send to the particular resident with Council's thanks and appreciation for the time and effort taken to prepare this submission.**
- (2) **Adopts the updated Annual Budget for the 2024/25 Financial Year as distributed under separate cover with the Business Paper for inclusion in Council's 2024/25 Operational Plan and Delivery Programme for 2024/25 to 2027/28.**
- (3) **Notes and ratifies the changes made to the draft 2024/25 Budget as are highlighted and explained within the body of the report; resulting in an operating deficit for the General Fund of \$3.513million (before capital income and contributions).**
- (4) **Notes that the 2024/25 Budget provides for a maximum number of 82 full time equivalent (FTE) staff and that the development of a revised organisation structure will officially be pursued by the General Manager in consultation with the Council as soon as is practically possible – acknowledging that the timing is awkward with the general local government elections that are scheduled for 14 September 2024, and the Council caretaker period starting on 16 August 2024.**
- (5) **Confirms its resolution adopted at the Ordinary Council Meeting held on 27 March 2024 for a Special Rate Variation (SRV) application to the Independent Pricing and Regulatory Tribunal (IPART) to be prepared for an SRV to be implemented for the 2025/26 Financial Year onwards**

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**to address the current and ongoing future operating deficits and associated inability of Council to adequately address the maintenance and renewal of its infrastructure assets.**

- (6) Commences as soon as is possible with the preparation of an updated suite of Integrated Planning and Reporting Framework (IPRF) documents and SRV-application, noting that community consultation is an intrinsic process associated with these preparation actions, and that Centium consultancy firm has been engaged to facilitate the community consultation processes and assist Council staff with the preparation of the SRV-application and the IPRF-suite of documents.**
- (7) Determines a proposed percentage increase for the SRV and the proposed implementation period before the community consultation regarding the SRV commences, and that the Councillor Workshop that is scheduled for 10 July 2024 be earmarked for initial information presentations by staff in this regard.**
- (8) Approves and ratifies the actions already taken by the Director of Infrastructure Services to engage professionals to do a detailed asset condition assessment of its sealed roads network – to enable Council to use this robust asset management data to further inform the development of Council’s Long Term Financial Plan (LTFP) over the next 10 years, and to use this reliable data to inform its decision-making pertaining to rate increases for the SRV-application to IPART.**
- (9) Confirms its previously stated position that Council is currently not in a financial position to take up and service any further financial borrowings by way of loans.**
- (10) Approves the revised charges pertaining to the swimming pool and the development approval processes and that these fees and charges be put on public exhibition for a period of 28 days seeking written submissions from the public (except for those charges that have been changed in accordance with the State Government’s prescribed charges) and in the instance of no submissions being received, for the development approval charges to be approved and implemented as from 1 August 2024 (except for those charges that have been changed in accordance with the State Government’s prescribed charges, which charges will take effect from 1 July 2024), and the swimming pool fees and charges as from 1 October 2024 when the swimming season opens.**
- (11) Approves the newly implemented Interment Services Levy by the State Government that Council as cemetery operator needs to pay to Cemeteries and Crematoria NSW (CCNSW) as part of Council’s 2024 List of Fees and Charges, and for these charges to be passed onto the funeral directors operational within its area of jurisdiction; further that Council communicates and explains this new charge to all funeral directors by way of written communication, as well as to residents through its social media outlets.**



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## **BACKGROUND**

On 27 March 2024 the Draft Budget for 2024/25 was endorsed by Council and included in Council's Delivery Program for 2024/25 to 2027/28 and placed on public exhibition for 28 days seeking written public comment, in accordance with Council resolution 48/24.

One submission has been received from a community member and is attached, with the staff responses, as an **Annexure** to this report.

Council staff have further refined the Annual Budget as new financial information regarding Council's infrastructure asset's network (including depreciation), impact of legal advice regarding donations from externally restricted funds, and changes within Workforce Development (as part of the Financial Sustainability Strategy) have impacted the updated 2024/25 Budget.

This report is now presented for Council to adopt the updated 2024/25 Annual Budget for inclusion in the Delivery Program 2024/25 to 2027/28.

## **REPORT:**

### **Updated 2024/25 Budget Overview**

The Council budget comprises of the General Fund, Water Fund, Stormwater Fund, Sewer Fund and Waste Fund. This is referred as the Consolidated Council Budget.

In comparison to the 2024/2025 exhibited draft budget the total consolidated expenditure was \$35.052M (Including Capital Expenditure). The updated consolidated expenditure is \$36.943M (Including Capital Expenditure).

The General Fund in isolation had an **operating deficit** of **\$1.295M** (before capital income) compared to the updated **operating deficit** of **\$3.513M** (before capital income). The cash **deficit** of **(\$237K)** has increased to a cash **deficit** of **(\$928K)** within the General Fund.

The major contributing factors impacting the increase in operating deficits are:

### **Asset Infrastructure Depreciation Expenses –**

As part of the independent revaluation process for the 2024/2025 financial year for infrastructure assets, it is estimated that depreciation expense will increase by:

- Bridges Depreciation increased from \$1,082,956 to \$1,111,038 – Increase of \$28,082
- Regional Roads Depreciation increased from \$905,656 to \$1,612,768 – Increase of \$707,112
- Urban Street Depreciation increased from \$283,765 to \$336,282 – Increase of \$52,517
- Rural Roads Depreciation increased from \$1,716,831 to \$2,704,443 – Increase of \$987,612

### **Rural Fire Fighting Assets –**

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Council had initially allocated depreciation expense of \$344,866 to recognise RFS assets in the 2024/25 Financial Year. However, several Councils continue to not recognise RFS assets and with an impending inquiry into NSW Rural Fire Service assets and premises currently pending a decision by the NSW Parliament, it is deemed in the best interest for Council to not recognise RFS-assets and depreciation costs as part of its 2024/2025-Budget – acknowledging that this step will result in a qualified audit report.

This resulted in Council reducing the depreciation expense by \$344K and using these funds to partly fund a Financial Sustainability Strategy which will be managed to achieve Council's financial sustainability in the medium to longer term.

### **Financial Sustainability Strategy-**

In addition to the above \$344K, Council has further added \$250K to this strategy to ensure the requirements of initiatives and strategies are being met and operational effectiveness and efficiencies are improved going forward.

### **Legal Advice Regarding Inter-Fund Donations -**

Council on 22 May 2024 was provided legal advice from the Legal Officer of Local Government New South Wales regarding the inability of Council to transfer funds as donations from its Water, Waste and Sewer Funds (externally restricted funds), totaling \$75,000, to contribute towards Council's Community Contributions (General Fund).

This resulted in reducing the total Community Contributions budget from \$86,000 to \$11,000 for the updated 2024/2025-Budget.

### **Workers Compensation Premiums –**

Council received an updated estimate regarding its Workers Compensation Premium for the forthcoming financial year, and this results in an increase of approximately \$86,000 to its operational expenditure.

### **Rental Income from Commercial Properties**

On 22 May 2024 Council resolved (resolution 74/24) to accept the Salvation Army Australia Territory – Tenterfield branch's offer to lease the building at 157 Rouse Street, Tenterfield for an amount of \$30,000 from 1 July 2024 – with monthly lease payments to commence from 1 October 2024 for a period three years (with the option to extend this lease period by a further two periods of three years each). This income figure now forms part of the updated budget for 2024/2025.

Council also resolved (resolution 75/24) to accept Ten FM Committee's offer to renew its lease at 142 Manners St, Tenterfield for a rental fee of \$250.00 per week starting 1 June 2024 and terminating on 30 June 2025. This income figure now forms part of the updated budget for 2024/2025.

### **Approach to 2024/25-Budget**

Council's management team continues to attempt to minimize expenditure and improve efficiencies. There is a particular focus on infrastructure, particularly roads and bridges, following the damage to the road network caused by severe flooding in 2022.

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The original Draft 2024/25-Budget has been considered and framed around five (5) main principles:

1. Maintaining current community assets and levels of service;
  2. Maintaining a workforce of 82 Full Time Equivalent (FTE) persons;
  3. A focus on maintaining Council's roads and bridges network;
  4. Ensuring that any new assets are community focused and grant funded;
  5. Providing a framework for future asset infrastructure maintenance and replacement.
- To achieve these principles, it was proposed that:

- a rate increase of 5.7% (IPART CPI advice) be implemented;
- increases of 5% in Water Access and Usage charges be implemented;
- 5% in sewerage charges be implemented; and
- 7% increase in waste management charges be implemented.

These increases, along with a 2.5% increase in Council's list of fees and charges are outlined in the Statement of Revenue Policy in a separate report elsewhere in the Business Paper.

#### Commentary regarding this 2024/25-Budget approach

As newly appointed General Manager, I am concerned about some of these above-mentioned principles and increases in sewer and waste management charges. My concerns, in broad terms, are as follows:

It is impossible to maintain current service levels with inadequate resources – both human and financial.

In the interest of achieving financial sustainability, Council should not necessarily maintain or retain all its current assets; where possible, Council should consider divesting itself from some of its assets.

In the interest of achieving financial sustainability, Council should not be accepting and pursuing the acquiring or creation of any new assets – regardless of whether they are community focused and grant funded – as Council's depreciation costs and ongoing maintenance and renewal costs for these assets will increase, which Council cannot afford.

Increases of 5% in sewerage charges and 7% in waste management charges seem to be excessive, given that the sewer reserve fund has a positive balance of \$7,393,379 and the waste reserve fund a positive balance of \$10,213,660 (both as at 30 April 2024).

Council's water, sewer, and waste charges are expensive compared to other similar sized Councils in the State, and other neighbouring Councils. Unfortunately, the water reserve fund only has a positive balance of \$2,027,060 – and the proposed increases in water access and user charges are potentially best left alone for the 2024/25-financial year – although Council's water charges are comparatively very high.

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The main motivation for my concern in this regard is that the overall rates and charges invoice for Tenterfield ratepayers is inflated by high user charges for the services of water, sewer and waste. This situation is undesirable and unrealistic given the dilemma that Council's General Fund currently finds itself in – where a rate increase by way of a Special Rate Variation (SRV) is inevitable. In my opinion, Council should seriously consider not increasing the sewer and waste charges (or reducing the annual percentage increase to below CPI) for a period of time in the future whilst an SRV is being implemented – to ease the financial impact on ratepayers.

I am fully supportive of Council maintaining a focus on its roads and bridges network, providing a framework for future asset infrastructure maintenance and renewal, and the IPART-allowed 5.7% rate increase.

### **Rates and Charges**

- General rates are proposed to increase by 5.7%. The various rates in the dollar and yields are outlined in the Statement of Revenue Policy for 2024/2025.
- Council will need to consider lodging an application for a SRV with IPART for the 2025/2026 financial year.
- Water and Sewerage access charges are proposed to increase by 5% and these are outlined in the Statement of Revenue Policy for 2024/2025.
- Waste Management charges are proposed to increase by 7% and these are outlined in the Statement of Revenue Policy for 2024/2025.

### **Investment Income**

The 2024/2025 budget has continued to benefit from the increased interest rates currently being offered by the various banks and Approved Deposit Institutions (ADI's).

The increased rates have meant that the 2024/2025-Budget bottom line has benefited and cushioned the impact of expenditure increases in other service areas.

The consolidated *Interest on Investment* income contained in the 2024/2025 Draft Budget is \$1.005m compared to \$120k in the original 2023/2024 adopted Budget.

However, Council can expect the figure of \$1.005m to reduce in future years as unexpended grant funds are utilised for completion of projects and capital works. In addition, it is forecast that interest rates will potentially decrease slightly in future years.

For these reasons, it is anticipated that future income from interest on investments will be around \$800k, a decrease of \$200K. The figure of \$800k is a conservative one as Council looks to improve its level of Internal Restrictions in its General Fund.

### **Capital Works Expenditure**

The updated 2024/25-Budget provides for the following capital expenditure inclusions:

|                                 | \$      |
|---------------------------------|---------|
| Library Services                | 20,705  |
| Finance and Technology          | 20,000  |
| Parks Gardens and Open Space    | 68,000  |
| Buildings and Amenities         | 90,000  |
| Swimming Complex                | 25,000  |
| Asset Management and Resourcing | 100,000 |
| Stormwater and Drainage         | 50,628  |

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|                           |                            |
|---------------------------|----------------------------|
| Transport Network         | 3,522,576                  |
| Plant Fleet and Equipment | 500,000                    |
| Waste Management          | 174,105                    |
| Water Supply              | 432,179                    |
| Sewerage Services         | <u>701,168</u>             |
|                           | <b><u>\$ 5,704,361</u></b> |

The draft capital expenditure on exhibition had a total value of \$5,860,243. The \$155,882.00 reduction is primarily due to movements in:

- 1) A decrease in the Waste Management budget by \$70,000.
- 2) An increase of the Building and Amenities budget by \$25,000.
- 3) A decrease in the Plant and Fleet budget of \$110,882.

### **Grants**

Council has made a concerted effort to attract grant funding for many of its operational and capital expenditure areas. Without these grants, Council would not be able to renew many of its assets and/or provide the level of service expected by the community.

The Long-Term Financial Plan (LTFP) worksheet for 2024/2025 to 2033/2034 highlights the importance and need for substantial Operational and Capital grant funding to help sustain Council's financial viability into the future.

The following capital expenditures have been identified, but not funded, in the updated Budget and grant funding will need to be sought to facilitate completion of these identified projects:

**Federation Park** - Renewal of Floodlights to new technology - **\$300,000**

**Shirley Park** - Renewal of Floodlights to new technology - **\$200,000**

**Community Hall Drake** - Replace tiles in bathroom - **\$62,000**

**Tenterfield Dam** - Purchase of safety buoys - **\$50,000**

**Federation Park** - Amenities block - kitchen renewal - **\$104,000**

**Federation Park** - Amenities block - canteen roller door renewal - **\$19,500**

**Federation Park** - Amenities block - replace guttering and downpipes - **\$6,500**

**Swimming Pool** - Replacement - **\$15 million**

As was conveyed to Councillors as information at the Councillor Workshop that was held on Wednesday, 12 June 2024, Council currently has approximately \$87million worth in grant funding (including Disaster Recovery Funding Arrangements (DRFA) monies) to expend over the next two to three years.

Although it is positive to have access to this amount of grant funding, a local government institution the size of Tenterfield Shire Council does not have the structure, systems or resources to deal with the proper administration and management of this number and size of the various funding arrangements, as well as the execution of the projects. Since the new Director of Infrastructure Services has been appointed, he has been able to develop a structured approach to getting these numerous projects being pursued in an appropriate administrative manner – adhering to sound governance and probity principles.

Because of the above-mentioned burden on Council's limited resources, staff is not currently able to pursue any additional grant funding – including those where a co-

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contribution from Council is required. Frankly, it might be deemed irresponsible for Council to at present pursue any further grant funding opportunities, as the organisation system is already overwhelmed trying to deal with the existing approved grants.

Obviously, as time progresses and staff get a better handle on the expenditure and execution of all the projects that have already been funded, things will change, and new grant funding opportunities will be able to be pursued again – as they should.

**Long Term Financial Plan (LTFP) and the need for an SRV**

For the purposes of the LTFP, rate increases of 2.5% have been assumed for 2025/2026 onwards – in line with the directive from IPART for Councils to use this percentage rate. Industry standards have been used in the forecasting of other income and expenditures and a conservative zero percent increase has been factored in for operational and capital grants.

Using these assumptions, the LTFP shows the operating result for the General Fund from continuing operations including capital grants and contributions is predicted to decline from an operating deficit of **(\$3,512,699)** in 2024/2025, to an operating deficit of **(\$4,025,934)** in 2033/2034. These figures are based on Council continuing to apply the IPART Rate Peg amount only, with no SRV factored in. (This deterioration should also be viewed as being highly optimistic, as the spreadsheet-based software used to do the LTFP, makes provision for a straight-line decrease in depreciation rates over the 10 years, which arguably does not reflect a realistic scenario, but is illusorily required by the accounting standards.)

The projections (in millions) from 2025/2026 onwards, based on no SRV being factored in are as follows:

**No SRV Model - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>(2,915)</b>       | <b>(2,632)</b>       | <b>(2,840)</b>       | <b>(2,946)</b>       | <b>(3,020)</b>       | <b>(3,255)</b>       | <b>(3,237)</b>       | <b>(3,653)</b>       | <b>(4,026)</b>       |

As is evident from the above table, the projected result (before capital grants) accumulated across the 10-year period for the General Fund is a **deficit** of approximately **\$32.037 million** and demonstrates that Council will need to take immediate action to ensure its long-term financial sustainability. This significant deficit will lead to insufficient spending on infrastructure maintenance and renewal, leading to a rapid decline in asset condition each year, and increasing the asset maintenance and renewal backlog. Under this scenario, it is estimated that Council’s cash deficit will average approximately \$2.23 million each year for 10 years; resulting in no funds being available for plant replacement, asset maintenance and renewal, employee leave entitlements, and frankly employee salaries and wages. It is the equivalent of a private company trading insolvently.

Council relies heavily on grant funding for its operations and should these sources decline, Council will be faced with further hard decisions regarding the services and levels at which these services are being provided.

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The bottom line is that Council really has no option other than to apply for an SRV to come into effect from 2025/2026 onwards.

Three SRV scenarios were presented to Council as part of the Draft Budget and Long-Term Financial Plan on 27 March 2024. These scenarios were based on an increase of 6.5%, 8.5% and 10.5%, inclusive of the 2.5% IPART estimated rate peg cap. Considering the new financial information, the operating result for each scenario is presented below:

### **6.5% SRV Model - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (2,622)              | (2,020)              | (1,881)              | (1,610)              | (1,274)              | (1,064)              | (564)                | (913)                | (1,218)              |

Under this scenario, Council will continue to have an operating deficit each year of approximately \$1.67 million accumulating to approximately \$16.68 million over ten years. As is evident, this scenario does not allow for any capacity to deal with asset backlogs or future cost shifting. It does not address the current forecast operating deficit at all. It is estimated that Council's cash deficit will average approximately \$700K each year for 10 years – again resulting in no funds being available for plant replacement, asset maintenance and renewal, employee leave entitlements and day-to-day operating expenses.

### **8.5% SRV Model - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (2,476)              | (1,706)              | (1,374)              | (883)                | (297)                | 195                  | 1,017                | 707                  | 443                  |

Under this scenario, Council will continue to have an operating deficit each year until the 2029/2030 financial year. As is evident from the above table, Council will start to achieve a balanced budget in the 2030/2031 financial year and progress towards relatively small operating surpluses in the ensuing years. However, the projected result (before capital grants) accumulated across the 10-year period for the General Fund is a significant deficit (**\$7.89 Million over the ten-year period**) which does not allow Council to set aside any reserves for asset renewal and maintenance, plant replacement, and employee leave entitlements. Therefore, this scenario does not allow for any capacity to deal with asset backlogs or future cost shifting. Frankly, it does not provide adequate funding for the ongoing maintenance and renewal of Council's assets during the first five years.

### **10.5% SRV Model - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (2,330)              | (1,385)              | (848)                | (115)                | 755                  | 1,578                | 2,783                | 2,517                | 2,299                |

Under this scenario, Council will continue to have an operating deficit each year until the 2028/2029 financial year. As is evident from the above table, Council will start to

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achieve a small surplus in 2029/2030 and progress towards a slightly larger operating surpluses in ensuing years. The projected result (before capital grants) accumulated across the 10-year period is essentially a minor cash surplus, not allowing Council to set aside sufficient reserves for asset renewal and maintenance, plant replacement and employee leave entitlements.

Again, this scenario does not allow for any capacity to deal with asset backlogs or future cost shifting.

The SRV-scenarios discussed above (and as originally presented as part of the Draft 2024/25-Budget) clearly show that, with the updated financial information refined and added since March 2024, none of the scenarios will lead to a financial sustainable outcome for Council. Instead, these scenarios will lead to a significant deterioration Council’s asset condition due to a lack of adequate maintenance and renewal provisions -especially on Council’s roads and bridges. It is also clear that reduction in services and significant reductions in service levels will be required.

Therefore, Council staff have considered the following new scenarios, which will be discussed in more detail with Councillors during the preparation period of the SRV-application.

**SRV Model 20% year 1, 15% year 2 and 10% year 3 (including rate peg)**  
**Accumulative 51.80% over 3 years - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (1,635)              | (222)                | 387                  | 361                  | 370                  | 219                  | 325                  | (2)                  | (284)                |

Under this scenario, Council will continue to have an operating deficit until the 2026/2027 financial year. This results in a total accumulative loss of \$5.4 Million over three years – which includes the \$3.5million deficit of the 2024/25 financial year which is not reflected in the above table. As is evident from the above table, Council will start to achieve a small surplus in the 2027/2028 financial year and progress towards operating surpluses till 2031/2032, with losses again estimated from 2032/2033 onwards. The projected result (before capital grants) accumulated across the 10-year period for the General Fund is essentially a minor cash surplus budget, but still representing an accumulated operating deficit of \$3.99 Million over the same period, therefore not allowing Council to set aside sufficient reserves for asset renewal and maintenance, plant replacement and employee leave entitlements.

**SRV Model 30% year 1, 15% year 2 and 10% year 3 (including rate peg)**  
**Accumulative 64.45% over 3 years - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (903)                | 619                  | 1,312                | 1,309                | 1,342                | 1,216                | 1,346                | 1,045                | 789                  |

Under this scenario, Council will continue to have an operating deficit for the 2025/2026 financial year. This results in a total accumulative loss of \$4.41 Million over two years – which includes the \$3.5million deficit of the 2024/25 financial year which is not reflected in the above table. As is evident from the above table, Council will start to



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achieve a small surplus in 2026/2027 and keep on achieving small operating surpluses for the rest of the 10-year period. The projected result (before capital grants) accumulated across the 10-year period is essentially minor cash surplus annual budgets; allowing Council to set aside essential but insufficient reserves for asset renewal and maintenance, plant replacement and employee leave entitlements.

**SRV Model 30% year 1, 20% year 2 and 10% year 3 (including rate peg)**  
**Accumulative 71.60% over 3 years - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (903)                | 1,095                | 1,836                | 1,846                | 1,892                | 1,779                | 1,924                | 1,637                | 1,396                |

Under this scenario, Council will continue to have an operating deficit for the 2025/2026 financial year. This results in a total accumulative loss of \$4.41 Million over two years – which includes the \$3.5million deficit of the 2024/25 financial year which is not reflected in the above table. As is evident from the above table, Council will start to achieve a still small surplus budget in 2026/2027 and keep on achieving relatively small surpluses for the rest of the 10-year period. The projected result (before capital grants) accumulated across this 10-year period is essentially a modest surplus budget allowing Council to set aside some reserves for asset renewal and maintenance, plant replacement and employee leave entitlements. However, these modest amounts might be insufficient to fund any asset backlogs or to cater for any other eventualities. More robust asset management data will better inform Council's position regarding its true asset backlog situation into the future.

**SRV Model 30% year 1, 25% year 2 and 20% year 3 (including rate peg)**  
**Accumulative 95.00% over 3 years - General Fund Operating Result**

| Estimated<br>2025/26 | Estimated<br>2026/27 | Estimated<br>2027/28 | Estimated<br>2028/29 | Estimated<br>2029/30 | Estimated<br>2030/31 | Estimated<br>2031/32 | Estimated<br>2032/33 | Estimated<br>2033/34 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$'000s              |                      |                      |                      |                      |                      |                      |                      |                      |
| (903)                | 1,570                | 3,547                | 3,600                | 3,690                | 3,623                | 3,813                | 3,573                | 3,381                |

Under this scenario, Council will continue to have an operating deficit for the 2025/2026 financial year. This results in a total accumulative loss of \$4.41 Million over two years. – which includes the \$3.5million deficit of the 2024/25 financial year which is not reflected in the above table. As is evident from the above table, Council will start to achieve a surplus budget in 2026/2027 and progress towards operating surpluses for the rest of the 10-year period. The projected result (before capital grants) accumulated across the 10-year period, is operating surplus budgets; allowing Council to set aside hopefully sufficient reserves for asset renewal and maintenance (depending on the asset backlogs which will be informed by more robust asset data in future years). Council should further be in a position to set aside adequate reserves to fully fund plant replacements and employee leave entitlements. Depending on Council's asset backlog situation, improvements to Council's asset infrastructure could potentially be carried out by developing project specific reserves.

Viewed objectively, this scenario is the only one that really allows for some capacity for Council to deal with some asset backlogs, whilst also catering for the ongoing maintenance and renewal of its assets.

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### Changes to Fees and Charges:

In view of the new financial information (primarily increased depreciation costs after the mandated revaluation of assets) and the associated increase in the operating deficit, Council revisited the fees and charges for the swimming pool. In the draft fees and charges the use of the swimming pool was deemed to become a free service provided to the users – except the “Hire of Pool - Out of Hours” and the “Amended Booking Approval/Cancellation Fee”.

The new proposed fees and charges for the Swimming Pool are as follows:

| Swimming Pool                                                                   | Unit                         | GST | Fee 23/24            | Advertised Draft Fee 24/25 (incl GST) | Proposed Fee 24/25 (incl GST)  |
|---------------------------------------------------------------------------------|------------------------------|-----|----------------------|---------------------------------------|--------------------------------|
| Single Admission                                                                | Per person                   | Y   | \$4.50               | Free                                  | \$2.00                         |
| Children - aged 3 years and under                                               | Per child                    | Y   | Free                 | Free                                  | Free                           |
| Season Family                                                                   | Per family                   | Y   | \$415.00             | Free                                  | \$220.00                       |
| Season Family 3 Month Pass                                                      | Per family                   | Y   | \$220.00             | Free                                  | \$110.00                       |
| Season Single                                                                   | Per person                   | Y   | \$190.00             | Free                                  | \$100.00                       |
| Season Single 3 Month Pass                                                      | Per person                   | Y   | \$105.00             | Free                                  | \$60.00                        |
| School Hire                                                                     | Per child                    | Y   | \$2.20               | Free                                  | \$2.00                         |
| Spectator Admission                                                             | Per person                   | Y   | \$2.20               | Free                                  | Free                           |
| Gym entry only                                                                  | Per person                   | Y   | \$4.50               | Discontinued from 18 Sep 24           | \$5.00                         |
| Gym and Swim                                                                    | Per person                   | Y   | \$7.00               | Discontinued from 18 Sep 24           | \$7.00 (to be paid separately) |
| Lane Hire                                                                       | Per hour                     | Y   | Pool entry + \$15.00 | Free                                  | Pool entry + \$15.00           |
| Hire of Pool Out of Hours-bookings to be made directly with the pool contractor | Per hour, per pool attendant | Y   | \$145.00             | \$200.00                              | \$80.00                        |
| Amended Booking Approval/Cancellation Fee                                       | Per booking change           | Y   | \$15.00              | \$15.00                               | \$15.00                        |

In addition to the above swimming pool fees, Council staff have also had to amend other fees and charges, as discussed below:

### Development Approval:

#### Building Information Certificate

Fees associated with Building Information Certificates (BIC) were previously prescribed under the now repealed Environmental Planning and Assessment Regulation 2000. Until such time as legislation prescribes fees associated with BIC's, Council may charge a fee

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for its regulatory functions under section 608 of the *Local Government Act 1993*. The fees for a BIC have been updated to be consistent with Full Operating Cost Recovery.

| Building Information Certificate                                  | Unit           | GST | Fee 23/24                                                                        | Advertised Draft Fee 24/25 (incl GST)                                            | Final Fee 24/25 (incl GST)                                                       |
|-------------------------------------------------------------------|----------------|-----|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Dwellings (Inclusive of initial inspection)                       | Per dwelling   | N   | \$250.00                                                                         | \$250.00                                                                         | \$300.00                                                                         |
| Not exceeding 200 square meters                                   | Per building   | N   | \$250.00                                                                         | \$250.00                                                                         | \$300.00                                                                         |
| Exceeding 200 square meters but not exceeding 2,000 square meters | As assessed    | N   | \$250.00 plus an additional 50 cents per m2 for each square meter over 200m2     | \$250.00 plus an additional 50 cents per m2 for each square meter over 200m2     | \$300.00 plus an additional 50 cents per m2 for each square meter over 200m2     |
| Exceeding 2,000 square meters)                                    | As assessed    | N   | \$1,165.00 plus an additional 75 cents per m2 for each square meter over 2,000m2 | \$1,165.00 plus an additional 75 cents per m2 for each square meter over 2,000m2 | \$1,200.00 plus an additional 75 cents per m2 for each square meter over 2,000m2 |
| Additional Inspection prior to issue of building certificate      | Per inspection | N   | \$90.00                                                                          | \$90.00                                                                          | \$100.00                                                                         |
| Copy of Building Certificate                                      | Per copy       | N   | \$13.00                                                                          | \$13.00                                                                          | \$20.00                                                                          |

The following fees have been adjusted to reflect a small percentage increase in line with all other development fees.

### Complying Development

| Complying Development                                | Unit            | GST | Fee 23/24 | Advertised Draft Fee 24/25 (incl GST) | Final Fee 24/25 (incl GST) |
|------------------------------------------------------|-----------------|-----|-----------|---------------------------------------|----------------------------|
| Complying Development value up to \$5,000            | Per application | Y   | \$110.00  | \$110.00                              | \$113.00                   |
| Complying Development value from \$5,001 to \$50,000 | Per application | Y   | \$220.00  | \$220.00                              | \$225.00                   |

### Construction Certificate

| Construction Certificate                                            | Unit            | GST | Fee 23/24 | Advertised Draft Fee 24/25 (incl GST) | Final Fee 24/25 (incl GST) |
|---------------------------------------------------------------------|-----------------|-----|-----------|---------------------------------------|----------------------------|
| Development value up to \$5,000                                     | Per development | Y   | \$120.00  | \$120.00                              | \$123.00                   |
| Development value from \$5,001 to \$50,000                          | Per development | Y   | \$240.00  | \$240.00                              | \$246.00                   |
| Amended Construction Certificate (minor modification)               | Per development | Y   | \$85.00   | \$85.00                               | \$87.00                    |
| Other amended construction certificates (significant modifications) | Per development | Y   | \$250.00  | \$250.00                              | \$256.00                   |

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The following fees have been adjusted to reflect changes in legislative fees as per the *Environmental Planning & Assessment Act 1979*.

### Development Application

| Development Application                                                                                                                                              | Unit            | GST | Fee 23/24                                                                                                    | Advertised Draft Fee 24/25 (incl GST)                                                                        | Final Fee 24/25 (incl GST)                                                                                   | Fee (incl GST) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------|
| Change of use or development that does not involve erection of a building, the carrying out of work, the subdivision of land or the demolition of a building or work | Per application | N   | \$285.00                                                                                                     | \$285.00                                                                                                     | \$371.00                                                                                                     |                |
| New Dwellings < \$100,000 estimated cost basic fee only applies                                                                                                      | Per development | N   | \$571.00                                                                                                     | \$571.00                                                                                                     | \$592.00                                                                                                     |                |
| Up to \$5,000.00 (Also Applies to Advertising Signs)                                                                                                                 | Per development | N   | \$138.00                                                                                                     | \$138.00                                                                                                     | \$144.00                                                                                                     |                |
| \$5,001.00 to \$50,000.00                                                                                                                                            | Per application | N   | \$212, plus \$3.00 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$5,000         | \$212, plus \$3.00 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$5,000         | \$220, plus \$3.00 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$5,000         |                |
| \$50,001.00 to \$500,000.00                                                                                                                                          | Per application | N   | \$442, plus \$3.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$50,000        | \$442, plus \$3.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$50,000        | \$459, plus \$3.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$50,000        |                |
| \$500,001.00 to \$1,000,000.00                                                                                                                                       | Per application | N   | \$2,190, plus \$1.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$500,000     | \$2,190, plus \$1.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$500,000     | \$2,272, plus \$1.64 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$500,000     |                |
| \$1,000,001.00 to \$10,000,000.00                                                                                                                                    | Per application | N   | \$3,281, plus \$1.44 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$1,000,000   | \$3,281, plus \$1.44 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$1,000,000   | \$3,404, plus \$1.44 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$1,000,000   |                |
| More than \$10,000,000.00                                                                                                                                            | Per application | N   | \$19,917, plus \$1.19 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$10,000,000 | \$19,917, plus \$1.19 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$10,000,000 | \$20,667, plus \$1.19 for each \$1,000 (or part of \$1,000) by which the estimated cost exceeds \$10,000,000 |                |

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### Modification of Consent

| Modification of Consent                                                                                      | Unit            | GST | Fee 23/24                                                                                 | Advertised Draft Fee 24/25 (incl GST)                                                     | Final 24/25 GST)                                                                          | Fee (incl GST) |
|--------------------------------------------------------------------------------------------------------------|-----------------|-----|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------|
| Section 4.55(1) Modification Application (formerly S96(1))                                                   | Per application | N   | \$89.00                                                                                   | \$89.00                                                                                   | \$92.00                                                                                   |                |
| Section 4.55(1A) (Formerly Section 96 (1A) or 96AA (1)) – where proposal is of minimal environmental impact. | Per application | N   | \$809.00 or half of the original fee for development application, whichever is the lesser | \$809.00 or half of the original fee for development application, whichever is the lesser | \$839.00 or half of the original fee for development application, whichever is the lesser |                |

### Advertising

| Advertising                                                | Unit            | GST | Fee 23/24  | Advertised Draft Fee 24/25 (incl GST) | Final 24/25 GST) | Fee (incl GST) |
|------------------------------------------------------------|-----------------|-----|------------|---------------------------------------|------------------|----------------|
| Advertised – Designated Development                        | Per development | N   | \$2,220.00 | \$2,220.00                            | \$2,890.00       |                |
| Advertised Development                                     | Per development | N   | \$250.00   | \$250.00                              | \$300.00         |                |
| Prohibited Development                                     | Per development | N   | \$1,105.00 | \$1,105.00                            | \$1,438.00       |                |
| Integrated Development                                     | Per development | N   | \$1,105.00 | \$1,105.00                            | \$1,438.00       |                |
| Other than the above, Designated, Advertised or Prohibited | Per development | N   | \$1,105.00 | \$1,105.00                            | \$1,438.00       |                |

### Concurrence Authority

| Concurrence Authority                | Unit            | GST | Fee 23/24 | Advertised Draft Fee 24/25 (incl GST) | Final 24/25 GST) | Fee (incl GST) |
|--------------------------------------|-----------------|-----|-----------|---------------------------------------|------------------|----------------|
| Concurrence Authority Processing Fee | Per development | N   | \$140.00  | \$140.00                              | \$183.00         |                |

### Integrated Development

| Integrated Development                | Unit            | GST | Fee 23/24 | Advertised Draft Fee 24/25 (incl GST) | Final 24/25 GST) | Fee (incl GST) |
|---------------------------------------|-----------------|-----|-----------|---------------------------------------|------------------|----------------|
| Integrated Development Processing Fee | Per development | N   | \$176.00  | \$176.00                              | \$183.00         |                |

### Cemeteries

On 31 May 2024, Council staff was notified by the State Government (Cemeteries and Crematoria New South Wales (CCNSW)) regarding the implementation of an Interment Services Levy.

The interment services levy (the levy) is a levy on interment services to fund the cost of CCNSW as the regulator to deliver better outcomes for customers and the community, and to support industry to meet the new licensing standards.

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### Who pays the levy?

The interment services levy is a levy on cemetery and crematorium operators. Operators have to pay the levy to CCNSW. **The levy is not paid directly by customers. Operators may choose to pass this onto the customer and reflect the levy in the price of their services.** Given Council's financial position, it is suggested for Council not to absorb this levy but to pass it onto the funeral directors. Operators need to ensure that funeral directors are provided with up-to-date prices, so that the funeral directors know what to charge the customer. Funeral directors do not make payments directly to CCNSW.

### When does the levy begin?

For operators that provided 50 or more interment services in 2022/23, the levy will apply from 1 July 2024. For operators who provided fewer than 50 interment services in 2022/23, the levy will apply from 1 July 2025.

Tenterfield Shire Council processed more than 50 interment services in 2022/2023, hence the levy will be applied to Council from 1 July 2024.

The additional levy has been updated in Council's list of fees and charges, as is reflected below:

### Cemeteries Lawn and Monumental

| Cemeteries Lawn and Monumental                                        | Unit              | GST | Fee 23/24 | Advertised Draft Fee 24/25 (incl GST) | Final 24/25 GST) | Fee (incl |
|-----------------------------------------------------------------------|-------------------|-----|-----------|---------------------------------------|------------------|-----------|
| Cemeteries and Crematoria NSW Interment Services Levy - Ash Interment | Per Ash interment | Y   | Nil       | Nil                                   | \$63.00          |           |
| Cemeteries and Crematoria NSW Interment Services Levy - Burial        | Per Burial        | Y   | Nil       | Nil                                   | \$156.00         |           |

Councillors are requested to please refer to Council's updated fees and charges document for a detailed breakdown of all fees and charges applicable for the 2024/2025 financial year.

### Loan Borrowings and Use of Overdraft Facility

No loan borrowings are proposed for 2024/25 and the use of Council's overdraft facility should only be used as a last resort for emergency cash requirements.

### COUNCIL IMPLICATIONS:

#### 1. Community Engagement / Communication (per engagement strategy)

The draft 2024/25-Budget has been advertised for public comment, and one written submission has been received – which is attached to this report as an Annexure, together with responses prepared by staff.

#### 2. Policy and Regulation

Council needs to adhere to many State Government policies and regulations as far as its finances are concerned; its General Ledger needs to be designed in such a way as to facilitate financial information to be extracted for purposes of annual

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financial statement in a format that meets the prescribed accounting standards. Council also need to meet strict financial performance indicators, as mentioned in point seven (Performance Measures) below.

Council is also constrained by the NSW Government's rate capping policy that had been in place since 1978. Typically, for the vast majority of the 45 years that this policy had been in place, the Independent Pricing and Regulatory Tribunal (IPART) had not been giving the true Consumer Price Index (CPI) and inflation percentages through to the local government sector – hamstringing this sector to keep track with cost rises as rate increases were capped at percentages lower than CPI.

The construction industry's cost rises are generally speaking higher than "normal" CPI, as the cost of steel and cement, to name only two examples, have risen by much higher percentages than other commodities – certainly within the last number of years. A significant portion of Council's General Fund revenue (rates and charges) is spent on its roads infrastructure, where construction materials are being used.

Therefore, the compounding effect of this rate capping policy of the State Government has eroded Councils' ability to raise adequate revenues to keep up with increasing costs. This is certainly also true for Tenterfield Shire Council. Many other Councils have already implemented Special Rate Variations (SRVs), as long as 10 years ago, and some have had to implement a second round of SRVs or is in the process of planning to do so again. Tenterfield Shire Council has only gone down this road for the first time a couple of years ago. The percentage increase sounded high at the time, but there was (and still is) a massive "backlog" in revenue to recoup because of the erosion in Council's revenue raising ability over the 45-year period.

Coupled with the above-discussed rate capping policy of the State Government, it was also the policy of this Government for local government institutions' water, sewer and waste funds to be separated from its General Fund, with no restriction on Council's capacity to annually raise fees and charges pertaining to these services. If these mentioned services entities were well managed, they would (or ideally should) be in a good financial position to adequately cater for the required maintenance and renewal activities to keep the assets associated with the delivery of these services current and fit for purpose.

Separating the water, sewer and waste "funds" from the General Fund, always carried the inherent risk of Councils developing a narrow focus and only viewing and managing these mentioned funds in isolation, and not holistically. Therefore, Council's sewer and waste reserve funds may over time be found to be healthy, but its General Fund totally unhealthy. Unfortunately, this is exactly the case.

For Council to now address its General Fund's health and increase the rates revenue stream – which in isolation from the other funds should be quite possible to do if residential and farmland rates are compared with other similar sized and neighbouring Councils – becomes challenging if a holistic approach is being adopted, as the overall rates and charges bill of Council's residents is high in comparison with other comparable Councils, potentially impacting on the ability of ratepayers to absorb increased rates. These higher bills are because of Council's water, sewer and waste charges being comparatively high. It would be

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necessary for Council to adopt a holistic and strategic approach to matters going forward; questioning the high fees and charges of its water, sewer and waste services, and potentially coming up with strategies to lower the cost structures associated with the provision of these services into the future. Such a strategy could result in a lower overall rates and charges invoice for individual ratepayers.

Stating the blatantly obvious, this is an undesirable position that Council currently finds itself in. But there is no way around it – the only way is through it, which means pain in the short to medium term for all involved. Council has no option other than to pursue an SRV for the 2025/26 financial year onwards.

### **3. Financial (Annual Budget & LTFP)**

As per the Delivery Program and Operational plan, as well as the extensive commentary in the body of this report.

### **4. Asset Management (AMS)**

Some comments were made on asset management in the body of the report. Without proper asset management principles and processes being implemented, which will lead to advanced asset management plans in IPWEA terms, Council will not have access to robust and reliable information to inform its strategic and long-term financial planning. Therefore, it is important for Council to pursue the resourcing of its asset management section, and in the short term appoint external professionals to conduct a thorough condition assessment on Council's sealed road network – as a deliberate start to work towards implementing a sound asset management regime. This information about Council's sealed road network will already contribute to more clarity and certainty in financial projections pertaining to the Long-Term Financial Plan.

### **5. Workforce (WMS)**

Some workforce-related aspects were discussed in the body of the report. The 2024/25-Budget provides for the funding of 82 FTE-positions. Although this number of staff had been arrived at prior to the new General Manager starting, this number is arguably not sustainable in the medium to long term, considering that the NSW Office of Local Government's industry average for Group 10 Councils (similar sized rural Councils) is 120, and Council's own workforce represented a count of 112 a few years ago.

### **6. Legal and Risk Management**

It is clear from the report that if Council does not take the necessary action to increase its revenues as far as the General Fund is concerned, it will be unable to keep functioning as a local government entity into the future. This constitutes a significant risk.

Council is also responsible to provide a safe workplace to its employees. The question needs to be asked whether a staffing component of 82 can adequately fulfill the requirements of the *Workplace Health and Safety Act 2011* and leave sufficient capacity in its management and supervisory structures to diligently exercise the necessary and required duty of care in terms of this legislation. Again, this situation constitutes a significant risk.

### **7. Performance Measures**

The NSW Office of Local Government has various financial performance measures, which forms a part of Council's annual financial statements, and is



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annually audited. Councillors are being provided with monthly financial performance reports to keep track of expenditure levels and Council's financial position. The current annual budgeting process and development of a Long-Term Financial Plan clearly shows that Council will not be meeting the financial performance measures for the 2024/25 financial year and onwards, unless appropriate action is taken.

### **8. Project Management**

The whole budgeting exercise was a project in its own right. It is unfortunate that both the Director of Infrastructure Services and General Manager joined Council at a stage when the Draft 2024/25-Budget had already been approved for public exhibition. It took these newly appointed staff a good couple of months to get their heads around the intricacies of Council's financial position – and it is, with respect, ongoing. However, as a team, we have tried our best.

### **Hein Basson General Manager**

|                               |                                                                                                                                          |            |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Prepared by staff member:     | Hein Basson, General Manager; Roy Jones, Acting Chief Corporate Officer; Erika Bursford, Manager Customer Service, Governance & Records. |            |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                                                                                             |            |
| Department:                   | Office of the General Manager                                                                                                            |            |
| Attachments:                  | <b>1</b> Delivery Program Operational Plan<br>Community Comment - April 2024                                                             | 2<br>Pages |
|                               | <b>2</b> TSC Operational Plan 2024 2025 -<br>Community Feedback                                                                          | 4<br>Pages |

|                      |                                                                                                                     |
|----------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                                                                        |
| <b>Submitted by:</b> | Erika Bursford, Manager Customer Service, Governance & Records                                                      |
| <b>Reference:</b>    | <b>ITEM GOV45/24</b>                                                                                                |
| <b>Subject:</b>      | <b>TENTERFIELD SHIRE COUNCIL OPERATIONAL PLAN<br/>2024/2025 INCLUDING STATEMENT OF REVENUE POLICY<br/>2024/2025</b> |

|                                                               |                                                                                                                                                      |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                      |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>                                          | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |
| <b>CSP Delivery Program</b>                                   | Provide sound and inclusive decisions using the Community Engagement Strategy to guide our interactions.                                             |

### SUMMARY

The purpose of this Report is for Council to adopt the Tenterfield Shire Council Operational Plan 2024/2025, including Statement of Revenue Policy, Fees and Charges and Annual Budget, following public exhibition for community comment for 28 days, from 28 March 2024 to 24 April 2024.

### OFFICER'S RECOMMENDATION:

#### That Council:

- (1) Adopts the Tenterfield Shire Council updated Operational Plan 2024/2025.**
- (2) Adopt the following updated documents as part of the Tenterfield Shire Council Operational Plan 2024/2025:**
  - (a) Tenterfield Shire Council updated Annual Budget for 2024/2025**
  - (b) Tenterfield Shire Council updated Statement of Revenue Policy for 2024/2025, and**
  - (c) Tenterfield Shire Council updated Fees and Charges for 2024/2025.**
- (3) In accordance with the provisions of Sections 494 & 535 of the Local Government Act 1993, makes, fixes and levies the rates for the year ending 30 June 2025 for the following rating categories:**

#### Farmland:

**A Farmland rate of 0.234433 of a cent in the dollar (shown as 0.234433% on rates notice) on the current land values of all rateable land in the Local Government Area being Farmland, with a base rate of \$580.00 per annum (the total revenue collected from this base amount represents 23.80% of the total revenue collected from this category of land);**

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**Residential – Tenterfield:**

**A Residential – Tenterfield rate of 0.498446 of a cent in the dollar (shown as 0.498446% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$445.00 per annum (the total revenue collected from this base amount represents 45.62% of the total revenue collected from this category of land);**

**Residential – Tenterfield (Urban):**

**A Residential – Tenterfield rate of 0.448210 of a cent in the dollar (shown as 0.448210% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$445.00 per annum (the total revenue collected from this base amount represents 21.92% of the total revenue collected from this category of land);**

**Residential – Urbenville:**

**A Residential – Urbenville rate of 0.649359 of a cent in the dollar (shown as 0.649359% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$395.00 per annum (the total revenue collected from this base amount represents 44.65% of the total revenue collected from this category of land);**

**Residential – Jennings:**

**A Residential – Jennings rate of 0.838352 of a cent in the dollar (shown as 0.838352% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$395.00 per annum (the total revenue collected from this base amount represents 45.81% of the total revenue collected from this category of land);**

**Residential – Drake:**

**A Residential – Drake rate of 0.988153 of a cent in the dollar (shown as 0.988153% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$395.00 per annum (the total revenue collected from this base amount represents 46.25% of the total revenue collected from this category of land);**

**Residential – Other:**

**A Residential – Other rate of 0.368185 of a cent in the dollar (shown as 0.368185% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$203.00 per annum (the total revenue collected from this base amount represents 23.21% of the total revenue collected from this category of land);**

**Business – Tenterfield:**

**A Business – Tenterfield rate of 1.586269 of a cent in the dollar (shown as 1.586269% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$786.00 per annum (the total revenue collected from this base**

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**amount represents 33.19% of the total revenue collected from this category of land);**

**Business – Urbenville:**

**A Business – Urbenville rate of 0.619597 of a cent in the dollar (shown as 0.619597% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$361.00 per annum (the total revenue collected from this base amount represents 43.79% of the total revenue collected from this category of land);**

**Business – Jennings:**

**A Business – Jennings rate of 0.475948 of a cent in the dollar (shown as 0.475948% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$361.00 per annum (the total revenue collected from this base amount represents 42.50% of the total revenue collected from this category of land);**

**Business – Drake:**

**A Business – Drake rate of 0.926204 of a cent in the dollar (shown as 0.926204% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$361.00 per annum (the total revenue collected from this base amount represents 44.59% of the total revenue collected from this category of land);**

**Business – Other:**

**A Business – Other rate of 0.506845 of a cent in the dollar (shown as 0.506845% on rates notice) of the current land values of all rateable land within this category, with a base rate of \$388.00 per annum (the total revenue collected from this base amount represents 23.44% of the total revenue collected from this category of land);**

**Mining:**

**A Mining rate of 2.146022 of a cent in the dollar (shown as 2.146022% on rates notice) on the current land values of all rateable land in the Local Government Area where the dominant use is for a coal mine or metalliferous mine, with a base rate of \$632.00 per annum (the total revenue collected from this base amount represents 41.78% of the total revenue collected from this category of land).**

- (4) In accordance with the provisions of Section 552 of the Local Government Act 1993, Council makes, fixes and levies a Water Supply Availability Charge on all land rateable to the Water Supply Charge and other water charges for the year ending June 2025, as follows:**

- (a) Residential - \$746.00 per property and/or connection per annum;**

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- (b) Residential Strata - \$561.00 per property and/or connection per annum;**
  - (c) Mt Lindesay Private Line - \$930.00 per property and/or connection per annum;**
  - (d) Rural Other - \$746.00 per property and/or connection per annum;**
  - (e) Non Residential - Meter connection: 20mm - \$746.00 per property and/or connection per annum;**
  - (f) Non Residential - Meter connection: 25mm - \$746.00 per property and/or connection per annum;**
  - (g) Non Residential - Meter connection: 32mm - \$746.00 per property and/or connection per annum;**
  - (h) Non Residential - Meter connection: 40mm - \$1,125.00 per property and/or connection per annum**
  - (i) Non Residential - Meter connection: 50mm - \$1,750.00 per property and/or connection per annum;**
  - (j) Non Residential - Meter connection: 80mm - \$4,490.00 per property and/or connection per annum;**
  - (k) Non Residential - Meter connection: 100mm - \$7,015.00 per property and/or connection per annum;**
  - (l) Non Residential - Meter connection: 150mm - \$15,775.00 per property and/or connection per annum;**
  - (m) Voluntary & Charitable Organisations - \$143.00 per property and/or connection per annum;**
  - (n) Services installed solely for the purpose of firefighting - No Charge.**
- (5) In accordance with Section 502 of the Local Government Act, makes, fixes and levies a stepped tariff for the charge for water consumed by Residential customers (to be by measure of metered water consumption) at the rate of \$6.20 per kilolitre for water consumption between nil (0) and 450 kiloliters per annum, and \$9.60 per kilolitre for water consumed over 450 kilolitres per annum.**
- (6) In accordance with Section 502 of the Local Government Act, that Council makes, fixes and levies a stepped tariff for the charge for water consumed by Rural/Mt Lindesay customers (to be by measure of metered water consumption) at the rate of \$6.20 per kilolitre for water consumption between nil (0) and 450 kilolitres per annum, and \$9.60 per kilolitre for water consumed over 450 kilolitres per annum.**
- (7) In accordance with Section 502 of the Local Government Act, makes, fixes and levies a stepped tariff for the charge for water consumed by Non-Residential customers (to be by measure of metered water consumption) at the rate of \$6.20 per kilolitre for water consumption between nil (0) and 1,000 kilolitres per annum, and \$9.60 per kilolitre for water consumed over 1,000 kilolitres per annum.**
- (8) In accordance with Section 502 of the Local Government Act 1993, makes, fixes and levies a minimum water consumption account**

Our Governance No. 45 Cont...

**charge of \$25.00 for each of the six (6) monthly billing periods. Further, that if at the time of reading a water meter it is found to be damaged or has stopped, an account will be issued based on the previous two corresponding water bills.**

**(9) In accordance with the provisions of Section 501(1) and 502 of the Local Government Act 1993, makes, fixes and levies a Sewerage Service Availability Charge of \$1,460.00 on all Residential land in the Tenterfield and Urbenville Town Areas and is:**

- (a) connected to the Council's sewer main, or**
- (b) not connected to the Council's sewer main but any part of the property is no more than 75 metres from the Council's sewer main; and**
- (c) land from which sewerage can be discharged into the sewers of Council for the year ending June 2025.**

**Further, that in respect of Residential Flat Buildings a Sewerage Availability Charge will be made equal to the number of residential flats multiplied by the service charge for a single connection**

**(11) In accordance with the provisions of Sections 501(1) and 552 of the Local Government Act 1993, Council makes, fixes and levies Annual Access Charges for Commercial and Non-Residential Sewerage for the year ending June 2025, as follows:**

**A Sewerage Access Charge will be incurred proportional to the customer's water connection diameter plus a pay-for-use charge based on the water used, calculated in accordance with the following connection options and the formula following subparagraph "k" below:**

- (a) Non Residential - Meter connection: 20mm - \$1,460.00 per occupancy per property per annum;**
- (b) Non Residential - Meter connection: 25mm - \$1,460.00 per occupancy per property per annum;**
- (c) Non Residential - Meter connection: 32mm - \$1,890.00 per occupancy per property per annum;**
- (d) Non Residential - Meter connection: 40mm - \$2,940.00 per occupancy per property per annum;**
- (e) Non Residential - Meter connection: 50mm - \$4,585.00 per occupancy per property per annum;**
- (f) Non Residential - Meter connection: 80mm - \$11,735.00 per occupancy per property per annum;**
- (g) Non Residential - Meter connection: 100mm - \$18,335.00 per occupancy per property per annum;**
- (h) Non Residential - Meter connection: 150mm - \$41,260.00 per occupancy per property per annum;**
- (i) Voluntary & Charitable Organisations - \$281.00 per occupancy per property per annum;**
- (j) Services installed solely for the purpose of firefighting - No Charge.**

Our Governance No. 45 Cont...

**(k) The formula to calculate Non-Residential Sewerage Charges is:**

**AC +SDF x (C+UC)**

**Where:**

**AC = Access Charge**

**SDF = Sewerage Discharge Factor (determined by type/use)**

**C = Customers Annual Water Consumption in kilolitres**

**UC = Sewerage Usage Charge**

**(12) Makes, fixes and levies a Sewerage Usage Charge of \$3.50 per kilolitre in 2024/2025.**

**(13) Makes, fixes and levies Trade Waste Annual Charges for the year ending June 2025, as follows:**

**(a) Non-Residential Trade Waste Fee: Category 1 - \$204.00 per property per annum**

**(b) Non-Residential Trade Waste Fee: Category 2 - \$204.00 per property per annum**

**(c) Non-Residential Trade Waste Fee: Category 3 - \$974.00 per property per annum**

**(14) Makes, fixes and levies Trade Waste Usage Charges for the year ending June 2025, as follows:**

**(a) Non-Residential Trade Waste Usage Charge: Compliant - \$2.30 per kilolitre**

**(b) Non-Residential Trade Waste Usage Charge: Non-Compliant - \$23.50 per kilolitre**

**(15) In accordance with section 501 of the Local Government Act 1993 makes, fixes and levies the Waste Management Facility Charge of \$321.00 per property per annum for the year ending June 2025.**

**(16) In accordance with sections 496 and 501 of the Local Government Act 1993 makes, fixes and levies Waste Collection Charges for the year ending June 2025, as follows:**

**(a) Residential Waste Collection: 120L Bin - \$517.00 per service per annum**

**(b) Residential Waste Collection: 240L Bin - \$665.00 per service per annum**

**(c) Non-Residential Waste Collection: 120L Bin - \$517.00 per service per annum**

**(d) Non-Residential Waste Collection: 240L Bin - \$665.00 per service per annum**

**(17) In accordance with sections 496 and 501 of the Local Government Act 1993 makes, fixes and levies Recycling Collection Charges for the year ending June 2025, as follows.**

Our Governance No. 45 Cont...

- (a) **Residential Recycling Collection - \$98.50 per service per annum**
  - (b) **Non-Residential Recycling Collection - \$98.50 per service per annum**
  
- (18) In accordance with section 496A of the Local Government Act 1993 makes, fixes and levies Stormwater Management Charges for the year ending June 2025, for properties within the Tenterfield, Urbenville and Jennings town areas where there is a structure.**
  - (a) **Residential – \$25.00 per annum**
  - (b) **Residential Strata Title Per Unit - \$12.50 per annum**
  - (c) **Non-Residential: <350m square - \$25.00 per annum**
  - (d) **Non-Residential: 350m square-1200m square - \$50.00 per annum**
  - (e) **Non-Residential: 1200m square-5000m square - \$221.00 per annum**
  - (f) **Non-Residential: >5000m square - \$357.00 per annum**
  
- (19) Provides three (3) waste vouchers that will be issued with the annual rate notices. Under amendments to NSW Treasury laws and regulations, Council is extending the expiry date for vouchers. Vouchers for 2024/2025 will be current for three (3) financial years, up to and including 2026/2027 financial year. Previously issued vouchers for 2023/2024 will remain valid for two (2) financial years, up to and including 2025/2026. Previously issued vouchers for 2022/2023 will remain valid up to and including 2024/2025 financial year.**
  
- (20) Borrowings:**  
**Nil borrowings – subject to service level reductions and further amendments proposed in the amended Operational Plan for 2024/2025.**
  
- (21) In accordance with the provisions of Section 566(3) of the Local Government Act 1993, determines that the extra interest charges on overdue rates and charges will be levied at the maximum rate allowable and as advised by the Office of Local Government on a daily simple interest basis for the financial year ending 30 June 2025.**
  
- (22) In accordance with the provisions of Section 405(6) of the Local Government Act 1993, places a copy of its adopted Operational Plan 2024/2025 on its website within 28 days.**
  
- (23) Community contributions and donations:**

**That In accordance with the provisions of Section 356 of the Local Government Act 1993 Council adopt the individual allocation of community contributions / donations to a total of \$85,000 as detailed below.**



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| <b>No</b> | <b>Organisation</b>                                             | <b>Project</b>                                            | <b>Amount<br/>\$</b> |
|-----------|-----------------------------------------------------------------|-----------------------------------------------------------|----------------------|
| <b>1</b>  | <b>Drake Primary School</b>                                     | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>2</b>  | <b>Jennings Public School</b>                                   | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>3</b>  | <b>St Joseph's Convent Schools</b>                              | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>4</b>  | <b>Sir Henry Parkes Memorial Primary School</b>                 | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>5</b>  | <b>Tenterfield High School</b>                                  | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>6</b>  | <b>Urbenville Public School</b>                                 | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>7</b>  | <b>Woodenbong Public School</b>                                 | <b>Presentation Night</b>                                 | <b>150.00</b>        |
| <b>8</b>  | <b>Drake Primary School</b>                                     | <b>Learn to Swim – contribution to transport</b>          | <b>550.00</b>        |
| <b>9</b>  | <b>Urbenville Public School</b>                                 | <b>Learn to Swim – contribution to transport</b>          | <b>550.00</b>        |
| <b>10</b> | <b>Westpac Helicopter Rescue Service</b>                        | <b>Helicopter Rescue Service – Annual Contribution</b>    | <b>2,000.00</b>      |
| <b>11</b> | <b>Liston Hall Committee</b>                                    | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>12</b> | <b>Bolivia Hall Committee</b>                                   | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>13</b> | <b>Legume Hall Committee</b>                                    | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>14</b> | <b>Drake Hall Committee</b>                                     | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>15</b> | <b>Urbenville Hall Committee</b>                                | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>16</b> | <b>Steinbrook Hall Committee</b>                                | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>17</b> | <b>Sunnyside Hall Committee</b>                                 | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>18</b> | <b>Mingoola Hall Committee</b>                                  | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>19</b> | <b>Torrington Hall Committee</b>                                | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>20</b> | <b>Tenterfield Highlander Pipe Band</b>                         | <b>Annual contribution to assist with operating costs</b> | <b>500.00</b>        |
| <b>21</b> | <b>Urbenville Community</b>                                     | <b>Bus Registration Costs</b>                             | <b>850.00</b>        |
| <b>22</b> | <b>Tenterfield Seniors Week Committee</b>                       | <b>Seniors Week Activities</b>                            | <b>1,000.00</b>      |
|           | <b>Total External organisations Contributions and Donations</b> |                                                           | <b>11,000.00</b>     |

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## **BACKGROUND**

In accordance with the *NSW Local Government Act 1993*, as part of the NSW State Government Integrated Planning and Reporting framework, Council must prepare a number of plans that detail how Council intends to deliver services and infrastructure in the short and long term. These plans are to be based on priorities that have been identified through community engagement in the planning process and established in a Community Strategic Plan.

Council must have a Delivery Program, detailing the principal activities it will undertake to achieve the objectives of the Community Strategic Plan. The Operational Plan identifies the individual actions and activities that will be then undertaken in a specific year, to achieve the commitments made in the Delivery Program.

## **REPORT:**

Section 8C of the Local Government Act 1993 provides the following principles for Integrated Planning and Reporting that apply to Councils:

- a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.*
- b) Councils should identify strategic goals to meet those needs and aspirations.*
- c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.*
- d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.*
- e) Councils should regularly review and evaluate progress towards achieving strategic goals.*
- f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.*
- g) Councils should collaborate with others to maximize achievement of strategic goals.*
- h) Councils should manage risks to the local community or area or to the council effectively and proactively.*
- i) Councils should make appropriate evidence-based adaptations to meet changing needs and circumstances.*

Council's current Delivery Program 2022/2026 incorporates the Community Strategic Plan and an annual Operational Plan that communicates to the residents of Tenterfield Shire the priorities for that year. The exhibited Operational Plan 2024/2025 details the actions and programs to be undertaken to support the Delivery Program and the Community Strategic Plan.

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## **FEES AND CHARGES**

There have been several changes to the Fees and Charges for 2024/2025 and some of these include reduction of fees for not-for-profit groups using the Tenterfield School of Arts Complex. Fees have been applied for access and use of the Tenterfield Swimming Pool.

The major change to these fee areas has been based on the community advice as to costs to utilise the School of Arts for not-for-profit groups and a need to encourage greater use.

Updated Fees and Charges for 2024/2025 have been provided, as part of the Delivery Program and Operational Plan review.

## **COUNCIL IMPLICATIONS:**

### **1. Community Engagement / Communication (per engagement strategy)**

The draft Operational Plan 2024/2025 was on public exhibition for a period of 28 days, from 28 March 2024 to 24 April 2024, for community review and comment. One submission was received from the community on 26 April 2024, and is attached to the Annual Budget report 2024/2025.

### **2. Policy and Regulation**

- Local Government Act 1993
- NSW Local Government (General) Regulations 2021
- NSW Local Government Integrated Planning and Report Guidelines 2021.

### **3. Financial (Annual Budget & LTFP)**

The Operational Plan 2024/2025 includes Council's detailed annual financial budget, along with the Council's Statement of Revenue Policy, which includes the rates, fees and charges for the financial year 2024/2025. The Long-Term Financial Plan is also included.

### **4. Asset Management (AMS)**

Asset management implications in the delivery of the Operational Plan activities will need to be provided for in the budget for 2024/2025 and subsequent years, where identified.

### **5. Workforce (WMS)**

Nil.

### **6. Legal and Risk Management**

In accordance with the *NSW Local Government Act 1993, Sections 405 and 406*, Council publicly exhibited the draft Operational Plan 2024/2025 for 28 days, for public review and community comments, from 28 March 2024 to 24 April 2024.

### **7. Performance Measures**

Nil.

### **8. Project Management**

Nil.

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**Hein Basson**  
**General Manager**

Prepared by staff member: Erika Bursford, Manager Customer Service, Governance & Records; Penny Robertson, Revenue Officer; Jessica Wild, Management Accountant; Roy Jones, Acting Chief Corporate Officer; Lee Sisson, Governance Officer; Penny Chisholm, Revenue Officer.

Approved/Reviewed by Manager: Hein Basson, General Manager

Department: Office of the Chief Corporate Officer

Attachments:

|          |                                                   |             |
|----------|---------------------------------------------------|-------------|
| <b>1</b> | TSC Delivery Program & Operational Plan 2024-2025 | 82<br>Pages |
| <b>2</b> | TSC Long Term Financial Plan 2024-2034            | 61<br>Pages |
| <b>3</b> | TSC Statement of Revenue Policy 2024-2025         | 29<br>Pages |
| <b>4</b> | TSC Fees & Charges 2024/2025                      | 58<br>Pages |

|                      |                                                                                                                                                                   |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                                                                                                                      |
| <b>Submitted by:</b> | Roy Jones, Acting Chief Corporate Officer                                                                                                                         |
| <b>Reference:</b>    | <b>ITEM GOV46/24</b>                                                                                                                                              |
| <b>Subject:</b>      | <b>ACCEPTANCE OF A QUALIFIED OPINION FROM THE NSW AUDIT OFFICE FOR THE FINANCIAL STATEMENTS 30 JUNE 2024 - REGARDING RECOGNITION OF RURAL FIRE SERVICE ASSETS</b> |

|                                                               |                                                                                                                                                                    |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                                    |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan. |
| <b>CSP Strategy:</b>                                          | Council is a financially sustainable organisation, delivering value services to the Community.                                                                     |
| <b>CSP Delivery Program</b>                                   | Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.                                                  |

## SUMMARY

The purpose of this Report is to inform Council regarding the implied intention of the Audit Office of New South Wales to issue a qualified audit opinion to Tenterfield Shire Council if Rural Fire Service (RFS) Assets are not recognised in Council's Financial Statements.

## OFFICER'S RECOMMENDATION:

- (1) That Council notes its submission to the Public Accounts Committee – Legislative Assembly into NSW Rural Fire Service assets and operations, and the fact that 61 other NSW Councils and Joint Organisations have also lodged submissions with this Committee.**
- (2) That Council adopts a firm position on the issue of Rural Fire Service assets, being that the Rural Fire Service Act 1997 should be amended to make it clear that control of all assets rests with the Rural Fire Service itself and not Council; therefore, all assets relating to activities of the Rural Fire Service should be reflected on its Balance Sheet and the necessary depreciation costs should be reflected in their Income Statements as an expense item.**
- (3) That Council adopts an Acceptance of a Qualified Opinion from the Audit Office of New South Wales for the 30 June 2024-Financial Statements.**

## BACKGROUND

The Audit Office of New South Wales provided Council with a Final Management Letter for the final phase of the 2022/2023 audit on 16 February 2024.

The letter provides information on matters of governance interest identified as a result of conducting the audit, unresolved matters from previous audits and matters the Auditor is required to communicate under the Australian Auditing Standards.

An outstanding issue from the previous year "matter not resolved by management" was:

Our Governance No. 46 Cont...

Non recognition of Rural Fire – Fighting equipment and building in the financial statements.

On 27 July 2022 Council had resolved 157/22 (4) that Council adopts an acceptance of a Qualified Opinion from the Audit Office of New South Wales for the Financial Statement 30 June 2022.

In December 2023 the Code of Accounting Practice and Financial Reporting was updated for New South Wales and for Council to follow for the 2023/24 financial year. This report highlights the changes made in the new code and actions taken by Council.

**REPORT:**

Over the past several years a number of NSW Councils have had a difference of opinion to the Audit Office of New South Wales regarding the treatment of Rural Fire Service Assets. The Audit Office, without any supportive technical justification or reason, requires Rural Fire Service assets to be recognised in their financial statements by local Councils. The NSW Audit Office believes Local Councils control NSW RFS Assets and therefore should record these assets in their financial statements.

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

In the 2020 NSW Audit Office Report on Local Government (tabled to the NSW Parliament on 27 May 2021), the NSW Audit office report states: “In 2017, we recommend that OLG should address the different practices across the Local Government sector in accounting for rural firefighting equipment’. ‘In 2019-20, 68 councils did not record rural firefighting equipment in their financial statements worth \$119 million”.

In the 2021 NSW Audit Office Report on Local Government (tabled to NSW Parliament on 22 June 2022), the report states

“Sixty-eight councils (2020: 68 councils) did not record rural firefighting equipment in their financial statements worth an estimated \$145 million (2020: \$119 million). The NSW Government has confirmed these assets are not controlled by the NSW Rural Fire Service and are not recognised in the financial records of the NSW Government. We recommended that consistent with the OLG's role to assess council's compliance with legislative responsibilities, standards or guidelines, OLG should intervene where councils do not recognise rural firefighting equipment. Councils should perform a full asset stocktake of rural firefighting equipment, including a condition assessment for 30 June 2022 financial reporting purposes”.

Further on (pg.11) the report states: “In 2020–21, 68 (2019–20: 68) councils did not record rural firefighting equipment in their financial statements estimated to be \$145 million (2019–20: \$119 million). Forty-one councils recognise this equipment in their financial statements with a total value of \$162.8 million, highlighting the inconsistent recognition practices across the local government sector”.

Our Governance No. 46 Cont...

### **Tenterfield Shire Council – Specific Management Letter Observations – Financial Year 30 June 2023.**

For the financial year 30 June 2023 Council were allowed to make its own assessment on the recognition of RFS assets. An extract from the 2023 Local Government Code of Accounting Practice and Financial Reporting states the following:

#### **Rural Fire Services (RFS) assets**

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

The NSW Government has confirmed its view that these assets are not controlled by the NSW Rural Fire Services or the State.

Councils need to assess whether they control any rural firefighting equipment in accordance with Australian Accounting Standards and recognise in their financial statements any material assets under their control and state the relevant accounting policy in relation to the treatment.

Council, based on a detailed analysis followed by the resolution in July 2022, reached the firm conclusion that RFS assets were not controlled by Council.

However, the new Code of Accounting Practice issued in December 2023, has been updated with an additional clause (24) accompanying Rural Firefighting Equipment, and states the following.

#### **Rural firefighting equipment**

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

23. The NSW Government has confirmed its view that these assets are not controlled by the NSW Rural Fire Services or the State.

24. Councils should recognise material rural firefighting equipment in their financial statements. Councils derive benefits from the rural firefighting equipment's service potential on the basis they have delegated their legal responsibilities for bushfire prevention, under Part 4 Bush Fire Prevention of the RF Act, to prevent the transmission of fire from council landholdings (particularly asset protection zones) to private land holdings through the District Service Agreements with the RFS.

On 20 February 2024 the Public Accounts Committee – Legislative Assembly called for a Parliamentary Committee inquiry into NSW Rural Fire Service assets and operations (Attachment 1 – Media Release – Public Accounts Committee – Legislative Assembly – 20 February 2024).

An extract of the Media Release for 20 February 2024 states:

"The NSW Rural Fire Service (the NSW RFS) plays a critical role in protecting the people of NSW from the dangers of bushfires. With the bushfire season underway, the Public Accounts Committee is inquiring into the effectiveness of the NSW RFS's asset management and operations.

In particular, the parliamentary committee will examine the arrangements for the assets, premises and funding of the NSW RFS.

These assets and premises include:

- the Red Fleet;

Our Governance No. 46 Cont...

- firefighting aircrafts and equipment;
- buildings and fire control centres; and
- information systems and communication equipment used for operating emergency services, and more.

'We understand that many firefighting assets are 'vested' with councils to operate and maintain. This inquiry will be looking at the current arrangements between the NSW RFS and councils and whether they are effective and fit for purpose', said Mr Jason Yat-Sen Li, Committee Chair."

The Terms of Reference that the Public Accounts Committee will inquire and report on (Attachment 2, Terms of Reference) are quoted below for the ease of reference of Councillors:

1. The mechanisms for:
  - a. Funding Rural Fire Service assets and premises;
  - b. Maintaining Rural Fire Service assets and premises;
  - c. Accounting for the ownership of Rural Fire Service assets and premises;
  - d. Operational management, including the control of assets and premises, risks, and impacts to local government, and the ability to effect a response to emergencies;
2. Whether the following arrangements between Councils and the Rural Fire Service are fit for purpose:
  - a. Service agreements;
  - b. The division of responsibilities for bushfire management and hazard reduction;
  - c. Upkeep of assets;
  - d. The provision of insurance;
  - e. Provision of land and construction management for RFS premises;
  - f. Bushfire Management Committees;
3. The appropriate role for local authorities in the provision of emergency services;
4. The sustainability of local government contributions to emergency service provision;
5. Any other related matters.

As of 14 June 2024, a total of 78 submissions have been submitted to the committee of which 61 belong to NSW Councils.

Tenterfield Shire Council has also submitted its response to the inquiry (Attachment 3- Assets, Premises and Funding of The NSW Rural Fire Service, Submission No 59.)

In view of the above pending inquiry, it is recommended that Council await the outcome of this inquiry and not recognise Rural Fire Service assets for the financial year 2023/2024.

## **COUNCIL IMPLICATIONS:**

### **1. Community Engagement / Communication (per engagement strategy)**

Nil.

### **2. Policy and Regulation**

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards



Our Governance No. 46 Cont...

- Office of Local Government Circulars

### 3. Financial (Annual Budget & LTFP)

It is estimated the additional depreciation Council will incur will be approximately \$360K each year. This figure has been incorporated in Council LTFP commencing from FY 2025/2026.

### 4. Asset Management (AMS)

Nil

### 5. Workforce (WMS)

Nil.

### 6. Legal and Risk Management

The preparation, audit and review of Council's Financial Statements ensure compliance with:

- The Local Government Act 1993, (as amended) and the Regulations made there under;
- The Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board;
- The Local Government Code of Accounting Practice and Financial Reporting.

### 7. Performance Measures

Nil.

### 8. Project Management

Nil.

**Hein Basson**  
**General Manager**

|                               |                                                                                                                                                                                                                                                                                                                         |                                                         |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Prepared by staff member:     | Roy Jones. Acting Chief Corporate Officer                                                                                                                                                                                                                                                                               |                                                         |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                                                                                                                                                                                                                                                                            |                                                         |
| Department:                   | Office of the Chief Corporate Officer                                                                                                                                                                                                                                                                                   |                                                         |
| Attachments:                  | <ol style="list-style-type: none"> <li>Attachment 1 - Inquiry announcement - Assets, premises and funding of the NSW Rural Fire Service</li> <li>Attachment 2 - Terms of Reference - Assets, premises and funding of the NSW Rural Fire Service</li> <li>Attachment 3 - Tenterfield Shire Council Submission</li> </ol> | <p>1<br/>Page</p> <p>1<br/>Page</p> <p>13<br/>Pages</p> |

|                      |                                                |
|----------------------|------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>   |
| <b>Submitted by:</b> | Lee Sisson, Governance Officer                 |
| <b>Reference:</b>    | <b>ITEM GOV47/24</b>                           |
| <b>Subject:</b>      | <b>MONTHLY OPERATIONAL REPORT FOR MAY 2024</b> |

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                      |                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b> | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

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**SUMMARY**

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that demonstrates staff accountabilities and actions taken against Council's 2023/2024 Operational Plan.

**OFFICER'S RECOMMENDATION:**

**That Council:**

**Notes the status of the Monthly Operational Report for May 2024.**

**Roy Jones**  
**Acting Chief Corporate Officer**

|                               |                                                                   |
|-------------------------------|-------------------------------------------------------------------|
| Prepared by staff member:     | Lee Sisson, Governance Officer                                    |
| Approved/Reviewed by Manager: | Roy Jones, Acting Chief Corporate Officer                         |
| Department:                   | Office of the Chief Corporate Officer                             |
| Attachments:                  | <b>1</b> Monthly Operational Report - May 2024 <b>48</b><br>Pages |

|                      |                                                          |
|----------------------|----------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>             |
| <b>Submitted by:</b> | Roy Jones, Acting Chief Corporate Officer                |
| <b>Reference:</b>    | <b>ITEM GOV48/24</b>                                     |
| <b>Subject:</b>      | <b>FINANCE &amp; ACCOUNTS - PERIOD ENDED 31 MAY 2024</b> |

#### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                             |                                                                                                                                                      |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>        | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |
| <b>CSP Delivery Program</b> | Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.                                    |

#### **SUMMARY**

The purpose of this Report is for the Responsible Accounting Officer to provide, in accordance with Clause 212 of the Local Government (General) Regulation 2005 a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The Report must be made up to the last day of the month immediately preceding the meeting.

Addition financial information on Water Leakage, 603 Certificates, and financial business units is presented for Councillor and community information.

#### **OFFICER'S RECOMMENDATION:**

**That Council notes the Finance and Accounts Report for the period ended 31 May 2024.**

#### **BACKGROUND**

In accordance with Clause 212 of the Local Government (General) Regulation 2005 the Responsible Accounting Officer must provide a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The Report must be made up to the last day of the month immediately preceding the meeting.

Addition financial information on Water Leakage, 603 Certificates, and financial business units is presented for Councillor and community information.

#### **REPORT:**

A reconciliation of cash books of all funds has been carried out with the appropriate bank statements. A certified schedule of all Council's investments showing the various amounts invested is shown as an attachment to this report.

##### (a) Reconciliation of Accounts

A reconciliation of the cash books of all funds have been carried out with the appropriate bank statements as of 31 May 2024.

Cash Book Balances on this date were as follows: -

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|                        |                  |        |
|------------------------|------------------|--------|
| General (Consolidated) | \$ 29,734,221.00 | Credit |
| General Trust          | \$69,074.00      | Credit |

(b) Summary of Investments

Attachment to this report is a certified schedule of all Council's investments as of 31 May 2024 showing the various invested amounts and applicable interest rates.

### Concealed Water Leakage Concession Policy Update

For the month of May, no concession was granted under Council's Concealed Water Leakage Concession Policy.

### 603 Certificates

During the sale of a property a 603 Certificate is usually requested to identify if there are any outstanding or payable fees to Council by way of rates, charges or otherwise in respect of a parcel of land. There were 38 applications for 603 Certificates in May 2024.

In the calendar year to date, there have been 127 applications compared to 86 applications for the same period last year.

### Cash and Investments – Detailed Analysis of External Restrictions

| <b>RESTRICTED CASH ANALYSIS</b>                                                | <b>AS AT 31 MAY<br/>2024</b> | <b>AS AT 30 JUNE<br/>2023</b> |
|--------------------------------------------------------------------------------|------------------------------|-------------------------------|
|                                                                                |                              |                               |
| <b>TOTAL CASH &amp; INVESTMENTS</b>                                            | <b>\$42,804,480</b>          | <b>\$34,891,004</b>           |
|                                                                                |                              |                               |
| <b>EXTERNALLY RESTRICTED CASH</b>                                              | <b>\$36,895,931</b>          | <b>\$28,078,266</b>           |
|                                                                                |                              |                               |
| <b><i>INCLUDED IN GRANT RELATED (EXCL DEVELOPER CONTRIBUTIONS)</i></b>         | <b>\$14,906,724</b>          | <b>\$9,285,089</b>            |
| GRANT-RELATED - <i>GENERAL</i> (EXCL DEVELOPER CONTRIBUTIONS AND RFS RESERVES) | \$14,798,176                 | \$8,670,754                   |
| GRANT-RELATED - <i>WATER</i> (EXCL DEVELOPER CONTRIBUTIONS)                    | \$2,703                      | \$168,056                     |
| GRANT-RELATED - <i>SEWER</i> (EXCL DEVELOPER CONTRIBUTIONS)                    | -                            | -                             |
| GRANT-RELATED - <i>WASTE</i> (EXCL DEVELOPER CONTRIBUTIONS)                    | \$105,845                    | \$446,279                     |
| GRANT-RELATED - <i>STORMWATER</i> (EXCL DEVELOPER CONTRIBUTIONS)               | -                            | -                             |
| BRUXNER WAY WIDENING                                                           | -                            | -                             |
|                                                                                |                              |                               |
| <b><i>INCLUDED IN DEVELOPER CONTRIBUTIONS</i></b>                              | <b>\$1,241,218</b>           | <b>\$870,032</b>              |
| DEVELOPER CONTRIBUTIONS - GENERAL                                              | \$936,505                    | \$651,144                     |
| DEVELOPER CONTRIBUTIONS - WATER                                                | \$121,100                    | \$94,296                      |
| DEVELOPER CONTRIBUTIONS - SEWER                                                | \$81,182                     | \$53,994                      |
| DEVELOPER CONTRIBUTIONS - WASTE                                                | \$94,962                     | \$63,921                      |
| DEVELOPER CONTRIBUTIONS - STORMWATER                                           | \$7,469                      | \$6,677                       |
|                                                                                |                              |                               |
| <b><i>INCLUDED IN RFS RESERVES</i></b>                                         | <b>\$132,029</b>             | <b>\$111,166</b>              |

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|                                                                                                  |                     |                     |
|--------------------------------------------------------------------------------------------------|---------------------|---------------------|
| RFS RESERVES                                                                                     | \$132,029           | \$111,166           |
| <b>INCLUDED IN CASH AT BANK AND INVESTMENT LEFTOVERS (AFTER GRANT RELATED, DC AND RFS ABOVE)</b> | <b>\$20,615,960</b> | <b>\$17,811,979</b> |
| WATER                                                                                            | \$1,481,096         | \$1,210,136         |
| SEWER                                                                                            | \$7,540,384         | \$6,763,527         |
| WASTE                                                                                            | \$10,487,058        | \$8,464,494         |
| STORMWATER                                                                                       | \$1,038,348         | \$991,481           |
| TRUST FUND                                                                                       | \$69,074            | \$382,341           |
| <b>INTERNAL RESTRICTIONS</b>                                                                     | <b>\$2,100,000</b>  | <b>\$5,500,000</b>  |
| PLANT AND VEHICLE REPLACEMENT                                                                    | \$400,000           | -                   |
| EMPLOYEES LEAVE ENTITLEMENTS                                                                     | \$200,000           | -                   |
| SPECIAL PROJECTS – INFRASTRUCTURE FLOOD DAMAGE                                                   | \$1,500,000         | <b>\$5,500,000</b>  |
| <b>UNRESTRICTED FUNDS</b>                                                                        | <b>\$3,808,549</b>  | <b>\$1,312,738</b>  |

**Further Financial Reporting**

Presented below are operating statements of various business units.

**Library Services Operating:**

| Library Services                         | 23/24 Full Year Budget | Amendments to Budget for September QBR | Amendments to Budget for March QBR | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) | Budget Remaining (Review 3 budget) |
|------------------------------------------|------------------------|----------------------------------------|------------------------------------|--------------------------------------------------------------|-------------------|---------------------------------|------------------------------------|
| <b>Operating Income</b>                  |                        |                                        |                                    |                                                              |                   |                                 |                                    |
| Library Operating Subsidy Income         | 25,871                 | 40,840                                 | 0                                  | 66,711                                                       | 66,711            | 100.00%                         | 0                                  |
| Library Sundry Income                    | 0                      | 0                                      | 0                                  | 0                                                            | 792               | 0.00%                           | 792                                |
| Library Fees & Charges Income            | 6,242                  | 0                                      | 0                                  | 6,242                                                        | 974               | 15.61%                          | 5,268                              |
| <b>TOTAL OPERATING INCOME</b>            | <b>32,113</b>          | <b>40,840</b>                          | <b>0</b>                           | <b>72,953</b>                                                | <b>68,478</b>     | <b>93.87%</b>                   | <b>6,060</b>                       |
| <b>Operating Expenditure</b>             |                        |                                        |                                    |                                                              |                   |                                 |                                    |
| Library Wages & Administration Expenses  | 390,382                | 128,344                                | (100,000)                          | 418,726                                                      | 313,915           | 74.97%                          | 104,811                            |
| Library Resources (Books, DVDs, etc)     | 25,910                 | 0                                      | 0                                  | 25,910                                                       | 21,033            | 81.18%                          | 4,877                              |
| Database Subscriptions                   | 3,152                  | 0                                      | 0                                  | 3,152                                                        | 3,041             | 96.49%                          | 111                                |
| Contribution to Regional Library Service | 9,726                  | 0                                      | 0                                  | 9,726                                                        | 9,336             | 95.99%                          | 390                                |
| Electricity                              | 22,051                 | 10,000                                 | 0                                  | 32,051                                                       | 17,419            | 54.35%                          | 14,632                             |
| Telephone & Communications               | 9,040                  | 0                                      | 0                                  | 9,040                                                        | 5,340             | 59.07%                          | 3,700                              |
| Cleaning                                 | 19,038                 | 0                                      | 0                                  | 19,038                                                       | 11,016            | 57.86%                          | 8,022                              |
| Rates & Charges                          | 2,192                  | 0                                      | 0                                  | 2,192                                                        | 2,118             | 96.62%                          | 74                                 |
| Insurance                                | 5,512                  | (5,000)                                | 0                                  | 512                                                          | 166               | 32.49%                          | 346                                |
| Building & Asset Maintenance             | 35,010                 | (25,086)                               | 0                                  | 9,924                                                        | 3,283             | 33.08%                          | 6,641                              |
| Building Operations                      | 7,538                  | 0                                      | 0                                  | 7,538                                                        | 3,839             | 50.93%                          | 3,699                              |
| IT & Software                            | 22,901                 | 2,000                                  | 0                                  | 24,901                                                       | 17,158            | 68.90%                          | 7,743                              |
| Rental of Premises                       | 525                    | 0                                      | 0                                  | 525                                                          | 0                 | 0.00%                           | 525                                |
| Depreciation                             | 64,627                 | (12,171)                               | 0                                  | 52,456                                                       | 24,851            | 47.38%                          | 27,605                             |
| <b>TOTAL OPERATING EXPENDITURE</b>       | <b>617,604</b>         | <b>98,087</b>                          | <b>(100,000)</b>                   | <b>615,691</b>                                               | <b>432,515</b>    | <b>70.25%</b>                   | <b>183,176</b>                     |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b> | <b>(585,491)</b>       | <b>(57,247)</b>                        | <b>100,000</b>                     | <b>(542,738)</b>                                             | <b>(364,037)</b>  |                                 | <b>(177,116)</b>                   |

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**Livestock Saleyards Operating:**

| Livestock Saleyards                      | 23/24 Full Year Budget | Amendments to Budget for September QBR | Amendments to Budget for December QBR | Amendments to Budget for March QBR | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) | Budget Remaining (Review 3 budget) |
|------------------------------------------|------------------------|----------------------------------------|---------------------------------------|------------------------------------|--------------------------------------------------------------|-------------------|---------------------------------|------------------------------------|
| <b>Operating Income</b>                  |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Saleyard Dues Income                     | 46,818                 | 0                                      | 0                                     | 12,000                             | 58,818                                                       | 79,402            | 135.00%                         | 20,584                             |
| WHS Surcharge Income                     | 17,167                 | 0                                      | 0                                     | 4,000                              | 21,167                                                       | 28,428            | 134.30%                         | 7,261                              |
| Agents Licence Fees Income               | 13,109                 | 0                                      | 0                                     | 0                                  | 13,109                                                       | 13,118            | 100.07%                         | 9                                  |
| Sundry Income - Saleyards                | 2,722                  | 0                                      | 0                                     | 3,000                              | 5,722                                                        | 6,200             | 108.35%                         | 478                                |
| <b>TOTAL OPERATING INCOME</b>            | <b>79,816</b>          | <b>0</b>                               | <b>0</b>                              | <b>19,000</b>                      | <b>98,816</b>                                                | <b>127,148</b>    | <b>128.67%</b>                  | <b>28,332</b>                      |
| <b>Operating Expenditure</b>             |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Operation Costs                          | 25,821                 | 0                                      | 15,000                                | 0                                  | 40,821                                                       | 40,642            | 99.56%                          | 179                                |
| Saleyards Asset Maintenance              | 45,286                 | 0                                      | 0                                     | 0                                  | 45,286                                                       | 36,562            | 80.74%                          | 8,724                              |
| Depreciation - Saleyards                 | 78,561                 | 3,962                                  | 0                                     | 0                                  | 82,523                                                       | 41,262            | 50.00%                          | 41,261                             |
| <b>TOTAL OPERATING EXPENDITURE</b>       | <b>149,668</b>         | <b>3,962</b>                           | <b>15,000</b>                         | <b>0</b>                           | <b>168,630</b>                                               | <b>118,466</b>    | <b>70.25%</b>                   | <b>50,164</b>                      |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b> | <b>(69,852)</b>        | <b>(3,962)</b>                         | <b>(15,000)</b>                       | <b>19,000</b>                      | <b>(69,814)</b>                                              | <b>8,682</b>      |                                 | <b>(21,832)</b>                    |

**Theatre and Museum Operating**

| Theatre & Museum Complex                         | 23/24 Full Year Budget | Amendments to Budget for September QBR | Amendments to Budget for December QBR | Amendments to Budget for March QBR | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) | Budget Remaining (Review 3 budget) |
|--------------------------------------------------|------------------------|----------------------------------------|---------------------------------------|------------------------------------|--------------------------------------------------------------|-------------------|---------------------------------|------------------------------------|
| <b>Operating Income</b>                          |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Cinema Income                                    | 96,757                 | (91,096)                               | 0                                     | 0                                  | 5,661                                                        | 5,675             | 100.25%                         | 14                                 |
| Theatre Income                                   | 31,212                 | (30,314)                               | 0                                     | 0                                  | 898                                                          | 1,407             | 156.66%                         | 509                                |
| Museum Income                                    | 20,808                 | (17,533)                               | 0                                     | 0                                  | 3,275                                                        | 3,493             | 106.67%                         | 218                                |
| Museum Advisory Services Income                  | 9,364                  | 0                                      | 0                                     | 0                                  | 9,364                                                        | 10,455            | 111.65%                         | 1,091                              |
| Café Rent Income                                 | 9,693                  | 3,556                                  | 0                                     | 0                                  | 13,249                                                       | 13,248            | 100.00%                         | 1                                  |
| Café Utilities Reimbursement Income              | 3,849                  | 0                                      | 0                                     | 0                                  | 3,849                                                        | 3,164             | 82.21%                          | 685                                |
| M&G NSW 2023 Skills Development Grant Income     | 0                      | (4,000)                                | 0                                     | 0                                  | (4,000)                                                      | (4,000)           | 100.00%                         | 0                                  |
| <b>TOTAL OPERATING INCOME</b>                    | <b>171,683</b>         | <b>(139,387)</b>                       | <b>0</b>                              | <b>0</b>                           | <b>32,296</b>                                                | <b>33,443</b>     | <b>103.55%</b>                  | <b>2,518</b>                       |
| <b>Operating Expenditure</b>                     |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Theatre & Museum Wages & Administration Expenses | 218,371                | (176,934)                              | 0                                     | 0                                  | 41,437                                                       | 40,693            | 98.20%                          | 744                                |
| Cinema Operations                                | 53,434                 | (50,192)                               | 11,000                                | 0                                  | 14,242                                                       | 9,797             | 68.79%                          | 4,445                              |
| Theatre Operations                               | 29,291                 | (20,555)                               | 0                                     | 0                                  | 8,736                                                        | 8,736             | 100.00%                         | 0                                  |
| Museum Operations                                | 8,350                  | (525)                                  | 0                                     | 0                                  | 7,825                                                        | 2,992             | 38.23%                          | 4,833                              |
| Museum Advisory Services                         | 21,013                 | 0                                      | 0                                     | 0                                  | 21,013                                                       | 14,636            | 69.65%                          | 6,377                              |
| Arts North West Membership                       | 6,030                  | 0                                      | 0                                     | 0                                  | 6,030                                                        | 5,527             | 91.66%                          | 503                                |
| School of Arts Building Operations               | 5,269                  | 0                                      | 0                                     | 0                                  | 5,269                                                        | 4,492             | 85.26%                          | 777                                |
| Cleaning                                         | 22,050                 | 0                                      | 0                                     | 0                                  | 22,050                                                       | 20,928            | 94.91%                          | 1,122                              |
| Fire Monitoring and Inspections                  | 5,778                  | 0                                      | 5,000                                 | 0                                  | 10,778                                                       | 8,366             | 77.62%                          | 2,412                              |
| Security Monitoring                              | 3,257                  | 0                                      | 0                                     | 0                                  | 3,257                                                        | 3,227             | 99.09%                          | 30                                 |
| Insurance                                        | 13,230                 | 0                                      | 0                                     | 0                                  | 13,230                                                       | 14,504            | 109.63%                         | (1,274)                            |
| Building & Asset Maintenance                     | 14,043                 | 0                                      | 0                                     | 0                                  | 14,043                                                       | 8,012             | 57.05%                          | 6,031                              |
| Promotions                                       | 3,152                  | (1,739)                                | 0                                     | 0                                  | 1,413                                                        | 1,470             | 104.04%                         | (57)                               |
| Volunteer Expenses                               | 2,692                  | (2,557)                                | 0                                     | 0                                  | 135                                                          | 135               | 99.73%                          | 0                                  |
| Depreciation                                     | 20,934                 | (705)                                  | 0                                     | 0                                  | 20,229                                                       | 9,791             | 48.40%                          | 10,438                             |
| <b>TOTAL OPERATING EXPENDITURE</b>               | <b>426,894</b>         | <b>(253,207)</b>                       | <b>16,000</b>                         | <b>0</b>                           | <b>189,687</b>                                               | <b>153,306</b>    | <b>80.82%</b>                   | <b>36,381</b>                      |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b>         | <b>(255,211)</b>       | <b>113,820</b>                         | <b>(16,000)</b>                       | <b>0</b>                           | <b>(157,391)</b>                                             | <b>(119,863)</b>  |                                 | <b>(33,864)</b>                    |

**Waste Management Operations**

| Waste Management                                            | 23/24 Full Year Budget | Amendments to Budget for September QBR | Amendments to Budget for December QBR | Amendments to Budget for March QBR | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) | Budget Remaining (Review 3 budget) |
|-------------------------------------------------------------|------------------------|----------------------------------------|---------------------------------------|------------------------------------|--------------------------------------------------------------|-------------------|---------------------------------|------------------------------------|
| <b>Operating Income</b>                                     |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Annual Charges Income                                       | 2,961,928              | 0                                      | 0                                     | 0                                  | 2,961,928                                                    | 3,098,186         | 104.60%                         | 136,258                            |
| User Charges Income                                         | 314,493                | 0                                      | 0                                     | 0                                  | 314,493                                                      | 305,223           | 97.05%                          | 9,270                              |
| Interest & Other Income                                     | 45,630                 | 0                                      | 80,000                                | 50,000                             | 175,630                                                      | 174,848           | 99.55%                          | 782                                |
| Operating Grants & Subsidies Income                         | 59,676                 | 0                                      | 0                                     | 0                                  | 59,676                                                       | 0                 | 0.00%                           | 59,676                             |
| <b>TOTAL OPERATING INCOME</b>                               | <b>3,381,727</b>       | <b>0</b>                               | <b>80,000</b>                         | <b>50,000</b>                      | <b>3,511,727</b>                                             | <b>3,578,257</b>  | <b>101.89%</b>                  | <b>205,987</b>                     |
| <b>Operating Expenditure</b>                                |                        |                                        |                                       |                                    |                                                              |                   |                                 |                                    |
| Management & Administration                                 | 498,669                | 0                                      | 0                                     | 0                                  | 498,669                                                      | 445,452           | 89.33%                          | 53,217                             |
| Operations - Domestic & Commercial Waste Collection         | 262,967                | 68,000                                 | 0                                     | 0                                  | 330,967                                                      | 308,009           | 93.06%                          | 22,958                             |
| Operations - Trade Waste Collection                         | 47,534                 | 10,000                                 | 0                                     | 0                                  | 57,534                                                       | 44,643            | 77.59%                          | 12,891                             |
| Operations - Recycling Services                             | 297,970                | 0                                      | 0                                     | (50,000)                           | 247,970                                                      | 191,493           | 77.22%                          | 56,477                             |
| Operations - Transfer Station - Tenterfield                 | 235,297                | 40,000                                 | 10,000                                | 10,000                             | 295,297                                                      | 261,190           | 88.45%                          | 34,107                             |
| Operations - Transfer Station - Urbenville, Liston & Legume | 140,713                | 45,000                                 | 5,000                                 | 0                                  | 190,713                                                      | 157,163           | 82.41%                          | 33,550                             |
| Operations - Transfer Station - Drake                       | 115,894                | 4,000                                  | 0                                     | 0                                  | 119,894                                                      | 92,582            | 77.22%                          | 27,312                             |
| Operations - Transfer Station - Torrington                  | 53,013                 | 0                                      | 0                                     | 15,000                             | 68,013                                                       | 52,671            | 77.44%                          | 15,342                             |
| Operations - Boonoo Boonoo Landfill                         | 90,883                 | 97,000                                 | 16,000                                | 25,000                             | 228,883                                                      | 188,437           | 82.33%                          | 40,446                             |
| Interest on Loans                                           | 138,577                | 0                                      | 0                                     | 0                                  | 138,577                                                      | 138,577           | 100.00%                         | (0)                                |
| Depreciation                                                | 1,024,634              | (93,852)                               | 0                                     | 0                                  | 930,782                                                      | 172,816           | 18.57%                          | 757,966                            |
| <b>TOTAL OPERATING EXPENDITURE</b>                          | <b>2,906,151</b>       | <b>170,148</b>                         | <b>31,000</b>                         | <b>0</b>                           | <b>3,107,299</b>                                             | <b>2,053,034</b>  | <b>66.07%</b>                   | <b>1,054,265</b>                   |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b>                    | <b>475,576</b>         | <b>(170,148)</b>                       | <b>49,000</b>                         | <b>50,000</b>                      | <b>404,428</b>                                               | <b>1,525,223</b>  |                                 | <b>(848,278)</b>                   |

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### **COUNCIL IMPLICATIONS:**

**1. Community Engagement / Communication (per engagement strategy)**

Nil.

**2. Policy and Regulation**

- Investment Policy (Policy Statement 1.091)
- Local Government Act 1993
- Local Government (General) Regulation 2005
- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government Circulars

**3. Financial (Annual Budget & LTFP)**

Nil.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Nil.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

**Hein Basson  
General Manager**

Prepared by staff member: Roy Jones, Acting Chief Corporate Officer  
Approved/Reviewed by Manager: Hein Basson, General Manager  
Department: Office of the Chief Corporate Officer  
Attachments: **1** Investment Report - 31 May 2024 1 Page

|                      |                                                                      |
|----------------------|----------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the General Manager</b>                                 |
| <b>Submitted by:</b> | Elizabeth Melling, Executive Assistant & Media                       |
| <b>Reference:</b>    | <b>ITEM GOV49/24</b>                                                 |
| <b>Subject:</b>      | <b>ANNUAL REMUNERATION FOR COUNCILLORS AND THE MAYOR - 2024-2025</b> |

#### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                                 |                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>                | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>            | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |
| <b>Delivery Plan Action:</b>    | Deliver continuous improvements in Council's business, processes and systems.                                                                        |
| <b>Operational Plan Action:</b> | Ensure adequate and effective internal controls are in place for all financial management and purchasing functions.                                  |

#### **SUMMARY**

The purpose of this Report is to address the recent determination of the NSW Local Government Remuneration Tribunal which handed down an increase in the fees payable to Councillors and the Mayor of 3.75% for the 2024/2025 financial year.

The increase applies to both the minimum and maximum allowable rates for both Councillors and the Mayor. Council is required to determine at which rate it sets fees for both Councillors and the Mayor within the minimum and maximum allowable amounts for the upcoming financial year. In the past, Tenterfield Shire Council have applied the "maximum" allowable amount for both Councillors and Mayor.

#### **OFFICER'S RECOMMENDATION:**

##### **That Council:**

- (1) Notes the Report and Determination of the NSW Remuneration Tribunal 29 April 2024.**
- (2) Sets the level of fees payable to all Councillors at \$13,520 per annum effective from 1 July 2024 to 30 June 2025.**
- (3) Sets the additional fee payable to the Mayor at \$29,500 per annum effective from 1 July 2024 to 30 June 2025.**

#### **BACKGROUND**

The full report of the Local Government Remuneration Tribunal (the Tribunal) is attached to this Report.

The Local Government Remuneration Tribunal is required to report to the Minister for Local Government by 1 May each year as to its determination of categories and the maximum and minimum amounts of fees to be paid to Mayors, Councillors, and Chairpersons and Members of County Councils.



Our Governance No. 49 Cont...

The Tribunals annual review commenced in October 2023 when it wrote to all Councils and the President of Local Government NSW inviting submissions regarding fees and categories. The Tribunal received 19 written submissions, of which 18 were from individual Council's and one was from Local Government NSW (LGNSW).

For the 2023 review the Tribunal undertook an extensive examination of the categories, criteria, and allocation of councils into each of the categories. Statistical and demographical data coupled with population data sourced from the Australian Bureau of Statistics (ABS), released 26 March 2024 for the 2022/23 financial year.

LGNSW requested the Tribunal increase fees by at least 10% in order to:

- Reverse the fee erosion which occurred under the NSW Public Sector Wages Policy.
- Mitigate economic pressures and the rising cost of living.
- Ensure that Councillors and Mayors receive fair and reasonable remuneration for the work they perform.
- Address the historic undervaluation of the work performed by elected representatives in local government in New South Wales.

It was also suggested that the low level of remuneration poses a barrier to encouraging participation and diversity of candidates within communities.

In accordance with section 239 of the *Local Government Act 1993*, the categories of general-purpose Councils are determined as follows:

| <b>Metropolitan</b>   | <b>Non-metropolitan</b>                                       |
|-----------------------|---------------------------------------------------------------|
| • Principal CBD       | • Major Regional City                                         |
| • Major CBD           | • Major Strategic Area                                        |
| • Metropolitan Major  | • Regional Strategic Area                                     |
| • Metropolitan Large  | • Regional Centre                                             |
| • Metropolitan Medium | • Regional Rural                                              |
| • Metropolitan Small  | • Regional Large                                              |
|                       | • <b>Rural</b> ( <i>Tenterfield, Glen Innes, Kyogle etc</i> ) |

Tenterfield Shire Council is classified in the **Rural (38)** category.

Council can choose to set their fees at either the maximum rate prescribed for the category or a lesser rate above the minimum for the category. Previously Tenterfield Shire Council has resolved to set the Councillor fee and the Mayoral fee at the upper level of the respective categories.

#### **REPORT: Ranges**

The Tribunal has determined the following range for the rural category for the 2024/25 financial year:

|                 |                      |
|-----------------|----------------------|
| All Councillors | \$10,220 to \$13,520 |
| Mayor           | \$10,880 to \$29,500 |

In the 2023/24 financial year the Councillor remuneration range was set as follows:

|                 |                      |
|-----------------|----------------------|
| All Councillors | \$9,850 to \$13,030  |
| Mayor           | \$10,490 to \$28,430 |

Our Governance No. 49 Cont...

### Calculations

In the 2023-2024 financial year (*Current year*) Councillor remuneration was set as follows:

|                 |                                                                        |
|-----------------|------------------------------------------------------------------------|
| All Councillors | \$13,030 x 10 ( <i>Full twelve (12) months and full cohort of 10</i> ) |
| Mayor           | \$28,430                                                               |
| <b>Total</b>    | <b>\$158,730</b>                                                       |

If Council were to apply the maximum annual increase of 3.75% in determining the Councillor and Mayoral fees for 2024-2025, **with 10 Councillors**, the following fees would apply.

|                 |                                                              |
|-----------------|--------------------------------------------------------------|
| All Councillors | \$13,520 x 10 ( <i>Allowing for full Councillor cohort</i> ) |
| Mayor           | \$29,500                                                     |
| <b>Total</b>    | <b>\$164,700</b>                                             |

In addition, as per Council's "*Payment of Expenses and Provision of Facilities to Councillors Policy*" this will continue to be paid as per the Local Government (State) Award amount for the approved travel of Councillors using their own vehicle.

### COUNCIL IMPLICATIONS:

#### 1. Community Engagement / Communication (per engagement strategy)

Nil required.

#### 2. Policy and Regulation

- As determined by the Local Government Tribunal under Sections 239 and 241 of the *Local Government Act 1993*.
- Relates to "*Council's Payment of Expenses and Provision of Facilities to Councillors Policy*".

#### 3. Financial (Annual Budget & LTFP)

The Annual Budget for 2024/2025 has included an increase of 3.75 % for the annual remuneration for Councillors and the Mayor. With the upcoming Local Government Election on 14 September 2024, Councillor numbers have been budgeted for a full cohort of ten (10).

#### 4. Asset Management (AMS)

Nil.

#### 5. Workforce (WMS)

Nil.

#### 6. Legal and Risk Management

Nil.

#### 7. Performance Measures

Nil.

#### 8. Project Management

Nil.

Our Governance No. 49 Cont...

**Hein Basson**  
**General Manager**

Prepared by staff member: Elizabeth Melling, Executive Assistant & Media  
Approved/Reviewed by Manager: Hein Basson, General Manager  
Department: Office of the General Manager  
Attachments:

- 1** Local Government Remuneration Tribunal - Annual Determination 29 April 2024 39 Pages
- 2** Office of Local Government Circular - 2024/2025 Determination of the Local Government Remuneration tribunal 2 Pages

|                      |                                                                                   |
|----------------------|-----------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                                      |
| <b>Submitted by:</b> | Erika Bursford, Manager Customer Service, Governance & Records                    |
| <b>Reference:</b>    | <b>ITEM GOV50/24</b>                                                              |
| <b>Subject:</b>      | <b>APPOINTMENT OF COUNCILLOR OBSERVER - AUDIT, RISK AND IMPROVEMENT COMMITTEE</b> |

|                                                               |                                                                                                                                                                    |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                                    |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan. |
| <b>CSP Strategy:</b>                                          | Council fosters a strong organisational culture which strives for best practice in all operations with a supportive corporate governance framework.                |
| <b>CSP Delivery Program</b>                                   | Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.        |

## SUMMARY

The objective of the Tenterfield Shire Audit, Risk and Improvement Committee (the Committee) is to provide independent assistance to Tenterfield Shire Council (Council) by monitoring, reviewing and providing advice on risk management, control frameworks, governance processes and external accountability responsibilities.

As part of the implementation of the NSW Office of Local Government's Risk Management and Internal Audit Framework for local government, the NSW Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023 (the Regulation) gained royal assent in December 2023, giving effect to the requirements set out for the Committee. Council is now required to appoint a Councillor observer, who does not hold the office of Mayor, to the Committee.

## OFFICER'S RECOMMENDATION:

**That Council appoints one Councillor, who must not be the Mayor, to the Tenterfield Shire Council Audit, Risk and Improvement Committee, as per Section 216C(2) and Section 216C(4) of the NSW Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023.**

## BACKGROUND

The Office of Local Government has developed a framework for Audit, Risk and Improvement Committees which is currently being implemented by Councils across NSW. All elements of the framework, including the amendments to the Regulation related to Audit, Risk and Improvement Committees, must be in place from 1 July 2024.

## REPORT:

The attached excerpt of the Regulation states the composition requirements for an Audit, Risk and Improvement Committee. Council's Committee currently has a Chairperson and two independent, external, Committee members and one Councillor observer, who is also the Mayor of Council. Under the Regulation, the one Councillor

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observer must not be the Mayor. For Council to have a Councillor observer on the Committee, another Councillor, other than the Mayor, will need to be appointed.

### **COUNCIL IMPLICATIONS:**

#### **1. Community Engagement / Communication (per engagement strategy)**

Nil.

#### **2. Policy and Regulation**

- *NSW Local Government Act 1993*
- *NSW Local Government (General) Amendment (Audit, Risk and Improvement) Regulation 2023*
- *Risk Management and Internal Audit Framework for local councils 2023*

#### **3. Financial (Annual Budget & LTFP)**

Nil.

#### **4. Asset Management (AMS)**

Nil.

#### **5. Workforce (WMS)**

Nil.

#### **6. Legal and Risk Management**

Nil.

#### **7. Performance Measures**

Nil.

#### **8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                                                                                                                       |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Prepared by staff member:     | Erika Bursford, Manager Customer Service,<br>Governance & Records                                                                     |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                                                                                          |
| Department:                   | Office of the Chief Corporate Officer                                                                                                 |
| Attachments:                  | <b>1</b> Local Government General Amendment ARIC Regulation 2023 excerpt - Section 216C <span style="float: right;">1<br/>Page</span> |

|                      |                                                                                                         |
|----------------------|---------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the General Manager</b>                                                                    |
| <b>Submitted by:</b> | Elizabeth Melling, Executive Assistant & Media                                                          |
| <b>Reference:</b>    | <b>ITEM GOV51/24</b>                                                                                    |
| <b>Subject:</b>      | <b>TENTERFIELD CHAMBER OF TOURISM, INDUSTRY AND BUSINESS - TENTERFIELD TOURISM GROUP PLAN 2024/2025</b> |

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#### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                      |                                                                                                                                                   |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Economy</b> - Develop Tenterfield Shire's economic base into a robust and growing economy that supports employment and business opportunities. |
| <b>CSP Strategy:</b> | Develop and facilitate a diversified and growing economy that is a balance of all economic contributors.                                          |

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#### **SUMMARY**

This report is to present to Council the Tenterfield Chamber of Tourism, Industry and Business – Tenterfield Tourism Group – Action Plan under the funding agreement between Tenterfield Chamber of Tourism, Industry and Business (TCTIB) and Tenterfield Shire Council. The Tenterfield Tourism Group is required to report to Council 14 days prior to each payment date a written action plan outlining the expected services to be performed and expenditure for which the funds will be used.

#### **OFFICER'S RECOMMENDATION:**

##### **That Council:**

- (1) Notes with thanks the report dated 17 June 2024 from the Tenterfield Tourism Group for the period 1 January 2024 to 31 March 2024.**
- (2) Approves the \$50,000 provided in the 2024/25-Budget to be paid to the Tenterfield Tourism Group on 1 July 2024.**
- (3) Approves the unexpended monies provided to the Tenterfield Tourism Group for the 2023/24 financial year to be carried forward to the 2024/25 financial year to be expended on the actions and projects identified in the report received from this Group.**

#### **BACKGROUND**

Tenterfield Shire Council entered into a funding Agreement with the Tenterfield Chamber of Industry, Tourism and Business on 3 October 2023 to provide and execute an annual plan for tourism in the Tenterfield region.

#### **REPORT:**

This report is to present to Council the Tenterfield Chamber of Tourism, Industry and Business – Tenterfield Tourism Group – Action Plan under the funding agreement between Tenterfield Chamber of Tourism, Industry and Business (TCTIB) and Tenterfield Shire Council. The Tenterfield Tourism Group is required to report to Council 14 days prior to each payment date a written action plan outlining the expected services to be performed and expenditure for which the funds will be used.

#### **COUNCIL IMPLICATIONS:**

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**1. Community Engagement / Communication (per engagement strategy)**

Nil.

**2. Policy and Regulation**

Nil.

**3. Financial (Annual Budget & LTFP)**

As per Council's 2023/2024 budget.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Nil.

**7. Performance Measures**

As per the executed agreement between Tenterfield Shire Council and Tenterfield Chamber of Tourism, Industry and Business.

**8. Project Management**

Nil.

**Hein Basson  
General Manager**

Prepared by staff member: Elizabeth Melling, Executive Assistant & Media

Approved/Reviewed by Manager: Hein Basson, General Manager

Department: Office of the General Manager

Attachments: **1** Tenterfield Tourism Group - Plan 2024/2025 **6** Pages

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**(ITEM RC7/24) TENTERFIELD SHIRE COUNCIL LOCAL TRAFFIC COMMITTEE MEETING MINUTES - THURSDAY 13TH JUNE 2024**

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**REPORT BY:** James Paynter, Manager Works

The Tenterfield Shire Council Local Traffic Committee met on Thursday 13 June 2024.

The draft minutes of the meeting are attached for the information of Council.

### **RECOMMENDATION**

#### **The Council:**

**(1) Receives and notes the unconfirmed Minutes of the Tenterfield Shire Council Local Traffic Committee Meeting held on Thursday, 13 June 2024.**

**(2) Adopts the following recommendations from the Local Traffic Committee**

**(3) MANNERS STREET BUS STOP**

**TfNSW representatives to discuss the new location of the Manners Street Bus Stop with Council's Director of Infrastructure and Manager Works.**

**(4) NEW ENGLAND HIGHWAY – INTERSECTION OF OLD BALLANDEAN ROAD AND BRUXNER WAY**

**The plan submitted by Mayor Bronwyn Petrie provided by a local bus operator to be provided to TfNSW.**

**(5) GENERAL BUSINESS**

**(a) That the Committee raise no objection to the proposed Untamed Border Run on 22<sup>nd</sup> June 2024 subject to NSW Police approval being obtained and standard conditions of compliance including traffic management and safety, as well as public liability insurance being held.**

**(b) That the committee approve the grids on Razorback Creek Road (application and payment has been provided) and standard procedure for grid approval is carried out.**

**(c) If the Liston Tea House is to open again Council is to assess the on-site parking and parking issues on Mount Lindesay Road. Clarify if any parking conditions are in place with the business approval from**



Report of Committee No. 7 Cont...

**the Planning department. Future parking studies to include Liston through Road, Mount Lindesay Road.**

- (d) Council arranges for staff do more maintenance vegetation clearing on approaches to Herding Yard Creek bridge. Determine if any preliminary work for grant applications has been done for bridge replacement to two lane bridge.**
- (e) TfNSW to assess if the intersection of Scott and Miles Street fits into the guidelines of Give Way sign or Stop Sign. Once advice is received from TfNSW, Council will install the appropriate measure and line marking as resources allow.**

#### **ATTACHMENTS**

- 1** Tenterfield Local Traffic Committee Minutes - Thursday 13 June 2024 4 Pages
- 2** Plan - New England Highway 1 Page

**(ITEM RC8/24) REPORT OF COMMITTEES & DELEGATES - COUNTRY MAYORS ASSOCIATION - THURSDAY 13 & FRIDAY 14 JUNE 2024**

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**REPORT BY:** Mayor Bronwyn Petrie

**RECOMMENDATION**

**That the report of the Country Mayors Association of NSW meeting from 13<sup>th</sup> to 14<sup>th</sup> June 2024 be received and noted.**

**ATTACHMENTS**

|                                                                                            |             |
|--------------------------------------------------------------------------------------------|-------------|
| <b>1</b> Country Mayors Association Inc - Kempsey Roads and Transport Conference June 2024 | 17<br>Pages |
|--------------------------------------------------------------------------------------------|-------------|

|                      |                                                |
|----------------------|------------------------------------------------|
| <b>Department:</b>   | <b>Office of the General Manager</b>           |
| <b>Submitted by:</b> | Elizabeth Melling, Executive Assistant & Media |
| <b>Reference:</b>    | <b>ITEM RES5/24</b>                            |
| <b>Subject:</b>      | <b>COUNCIL RESOLUTION REGISTER - MAY 2024</b>  |

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                             |                                                                                                                                                                                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>        | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |
| <b>CSP Delivery Program</b> | Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.                                                             |

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**SUMMARY**

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that outlines all Resolutions of Council previously adopted and yet to be finalised.

**OFFICER'S RECOMMENDATION:**

**That Council notes the status of the Council Resolution Register to May 2024.**

**Hein Basson**  
**General Manager**

Prepared by staff member: Elizabeth Melling, Executive Assistant & Media  
 Approved/Reviewed by Manager: Hein Basson, General Manager  
 Department: Office of the General Manager  
 Attachments: **1** May 2024 - Actions Register 27 Pages