

CENTRAL TABLELANDS Water



Business Paper

Ordinary Meeting of Central Tablelands Water

9th December 2015

Canowindra



3 December 2015

Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the The Old Vic Inn, Canowindra on Wednesday, 9 December 2015 at 10.30am. Morning tea will be served at 10.00am.

Agenda

1. Public Forum
2. Apologies for non-attendance
3. Leaves of absence granted
4. Confirmation of Minutes - Ordinary Meeting held on 21.10.15
5. Chairman's Minute
6. Councillor Representation
7. Notices of Motion
8. Reports of Staff
9. Adjourn Meeting and proceed into Committee of the Whole
10. Resume Ordinary Meeting & Report of Committee of the Whole
11. Next Meeting – Grenfell 10th February 2016

Yours faithfully

G. Rhodes
General Manager

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HELD ON WEDNESDAY 9 DECEMBER 2015

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01) Financial Matters (FM.BA.1)

(Raelene Mulligan)

RECOMMENDATION:

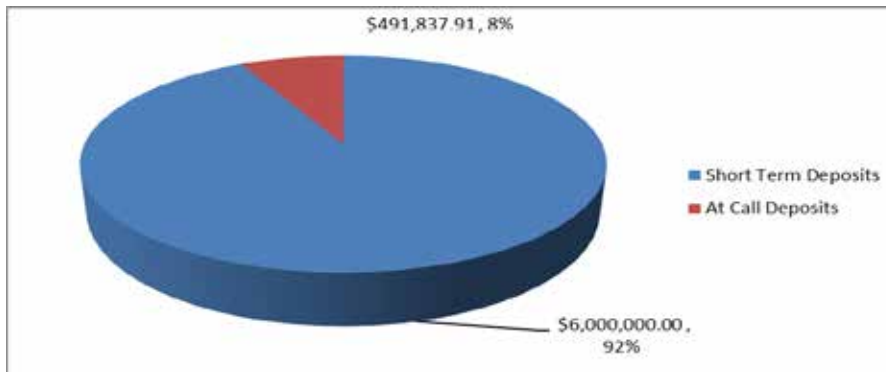
1. That the information be noted.

REPORT**Cash and Investments**

The below investment summary represents Council's total investments as at 31st October 2015 in accordance with clause 212 of the Local Government (General) Regulation 2005.

		Term (Days)	Rate	Maturity Date	% of Portfolio
Short Term Deposits	\$ 6,000,000.00				92.42%
National Australia Bank	\$ 500,000.00	182	2.88%	24/11/2015	7.70%
IMB Treasury	\$ 500,000.00	180	2.80%	7/12/2015	7.70%
Bank of Queensland	\$ 500,000.00	225	2.95%	27/01/2016	7.70%
National Australia Bank	\$ 500,000.00	225	2.95%	26/01/2016	7.70%
Reliance Credit Union	\$ 500,000.00	180	2.85%	2/02/2016	7.70%
Reliance Credit Union	\$ 500,000.00	180	2.85%	26/02/2016	7.70%
Bank of Queensland	\$ 500,000.00	154	2.80%	9/02/2016	7.70%
Reliance Credit Union	\$ 500,000.00	180	2.80%	12/03/2016	7.70%
National Australia Bank	\$ 500,000.00	181	2.85%	15/03/2016	7.70%
Reliance Credit Union	\$ 500,000.00	184	2.80%	21/03/2016	7.70%
National Australia Bank	\$ 500,000.00	152	2.84%	23/03/2016	7.70%
National Australia Bank	\$ 500,000.00	182	2.80%	26/04/2016	7.70%
At Call Deposits	\$ 491,837.91				7.58%
Commonwealth Bank Cheque Account	\$ 41,812.60	At Call	1.85%	N/A	
Commonwealth Bank - BOS Accounts	\$ 450,000.00	At Call	1.90%	N/A	
Reliance Credit Union - Cheque Account	\$ 25.31	At Call	0.00%	N/A	
Total Value of Investment Funds	\$ 6,491,837.91				100%

Cash and Investments By Type



Bank Reconciliation as at 31st October 2015

BANK RECONCILIATION

Balance as per Bank Statement	\$ 491,837.91
Add: Outstanding deposits	\$ 80.00
	\$ 491,917.91
Less: Outstanding Cheques	\$ 564.00
Less: Outstanding Deposits	\$ 186.04
Add: Visa Payment not processed	-\$ 6,219.15
	\$ 497,387.02
Balance as per Cash Book	\$ 497,387.02

GENERAL FUND

(a) Cash Book Balance	\$ 497,387.02
(b) Bank Balance	\$ 491,837.91

The above investments have been secured in accordance with the Act, regulations and Council’s Investment Policy.

Raelene Mulligan

Raelene Mulligan
 Director Finance & Corporate Services

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil.

02) Intentus - Final Management Letter Y/E 30/06/2015 (CM.AU.1)

(Raelene Mulligan)

RECOMMENDATION:

1. That the information be noted.

REPORT

Following completion of the annual financial statements audit for the year ended 30 June 2015, Council's auditors Intentus have issued their final management letter to the General Manager.

The auditors state in the letter that, *“Generally, our audit confirmed that the financial management, procedures and systems have been controlled effectively in a manner relevant to Council’s structure and resources. There is one matter raised during the conduct of our audit which we feel necessary to bring to your attention at this time.”*

The matter raised by the auditors has been addressed by Senior Management.

A copy of the auditor’s final management letter is attached for information.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

- 1 Final Management Letter 2014-2015 6 Pages



11 November 2015

The General Manager
Central Tablelands Water
PO Box 61
BLAYNEY NSW 2799

Dear Gavin

RE: FINAL MANAGEMENT LETTER - YEAR ENDED 30 JUNE 2015

As part of our statutory audit for the year ending 30 June 2015 we advise having completed our final visit to the Council and the audit of Council's annual financial statements.

Scope of Audit

The purpose of our audit is to form an opinion on the financial statements of the Council and our audit procedures have been primarily designed to achieve this purpose.

In order to meet this objective in a cost-effective and efficient manner, our approach will concentrate on areas of materiality and high risk. Consequently, this letter does not necessarily confirm the effectiveness of all internal controls operated by the Council for achieving all management objectives.

In seeking to achieve an efficient audit we have also taken into account, to the relevant extent, the internal control structure, consisting of:

- a) the control environment, incorporating management's policies and procedures;
- b) the information system, incorporating the financial reporting process used to prepare the Council's financial statements; and
- c) internal controls, being those policies and procedures which management has established to provide reasonable assurance that specific organisation objectives will be achieved.

Work Completed in Current Review

The work completed during our final visit for the year ending 30 June 2015 concentrated on the audit of the annual financial statements of the Council. This means that the scope of the work undertaken by us necessarily centres around the actual results presented in the financial statements for the year, rather than the transactional processes involved in producing those results. These transactional processes comprise the focus of our interim reviews.



PO Box 69, Orange NSW 2800
14 Sale St, Orange NSW 2800
Ph: 02 6362 5100

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

Liability limited by a scheme approved under Professional Standards Legislation

Comments and Observations

Generally, our audit confirmed that the financial management procedures and systems have been controlled effectively and in a manner relevant to the Council's structure and resources.

There is one matter raised during the conduct of our audit which we feel necessary to bring to your attention at this time. This matter is detailed in the attached Audit Memorandum.

Review of Matters Previously Reported

Our previous management letter dated 16 September 2014 reported three ongoing matters. As our current visit was not focussed on transactional processes, we will review the actions taken with regards to this issue in our first interim visit in the 2015/16 year.

Acknowledgement

We would like to take this opportunity to extend our thanks to the staff of the Council for their assistance during our visit.

Yours faithfully
intentus

Per:

John O'Malley
Director

ASSESSING THE IMPACT OF RISKS IDENTIFIED

(RISK MATRIX)

When identifying a weakness in control processes we have assigned a risk rating by considering the likelihood and consequence of each risk using the following tables and matrix:

Likelihood of Risk Occurring

Classification	Assessment	Likelihood
Likely	High	High – risk will occur in most circumstances or occurs regularly.
Possible	Medium	Medium – risk has occurred a number of times or is likely to be repeated from time to time.
Unlikely	Low	Low – risk has occurred on an isolated occasion, or risk has not yet occurred, but could occur over time.

Consequence of Risk Occurring

Classification	Assessment	Example of Consequence
Major	High	Would produce a threat to the survival or effective performance of the entity. Regulatory breaches and fraud risks are included in this category.
Medium	Medium	Functions of the entity could be subject to significant review or changes to operations and/or key internal controls are not operating effectively.
Minor	Low	A threat to the efficiency or effectiveness of some aspects of operations, but at a level that can be dealt with internally.

When the likelihood and consequence of a risk is combined, a risk rating can be determined using the following matrix.

		Likelihood		
		1. Unlikely	2. Possible	3. Likely
		Low	Medium	High
3.	Major	High	Medium	High
2.	Medium	Medium	Low	High
1.	Minor	Low	Low	Medium

Status of Issue Resolution

For matters identified in previous visits, we have used the following categories to classify our observations on the completion status of issues.

Status	Example of Consequence
UNRESOLVED	No action has been taken to address the issue identified, or action taken has not proved effective.
ONGOING	Management actions have been taken to address the issue identified, but have not been demonstrated to be fully effective.
COMPLETED	Management have asserted that the issue has been resolved. Upon our next cycle of visits, we will test the action taken and whether it has proved effective.
RESOLVED	Management actions have been reviewed and we have confirmed their appropriateness to address the issue raised.

**AUDIT MEMORANDUM
CENTRAL TABLELANDS WATER
AUDIT FOR THE YEAR ENDED
30 JUNE 2015**

REVIEW OF MATTER PREVIOUSLY REPORTED

Our previous final management letter dated 3 December 2014 reported that:

	Issue (raised in prior audit)	Risk Weighting	Findings (from current audit)	Resolution
1.	Bank confirmations received had former Council employee (Tony Perry) as authorised signatory, who ceased employment with Council during the period. The banks in question are: <ul style="list-style-type: none"> - CBA - NAB - RCU 	MEDIUM	We are pleased to note that the past GM is no longer an authorised bank signatory.	RESOLVED

CURRENT MATTERS

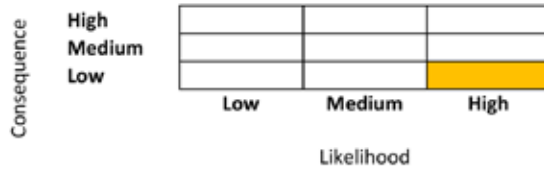
1. FIXED ASSETS – WATER METERS

Risk Weighting: Medium

Justification:

Consequence – LOW

Likelihood – HIGH



Time frame for resolution: As soon as possible

Observation

It was noted that Council maintains ledger account number 550009 which includes all costs incurred in relation to the installation, replacement and general maintenance of water meters. At the end of each period, the balance of this account is capitalised as part of the cost of reticulation mains. There are no assets disposed off in this process.

Implications

When meter replacement and maintenance costs are capitalised without first removing the existing cost from the asset register, the overall cost of reticulation mains will be overstated. Each year this will have a compounding effect in that the overstatement of reticulation mains will increase.

We note that while part of this ledger account will include the cost of new meters installed during the year, we have no way of identifying and separating these amounts from the replacement and maintenance costs.

Recommendations

We recommend that Council either:

- 1) Include an additional charge per unit of reticulation mains to incorporate the cost of installing water meters and any work performed directly on the meters should be expensed; or
- 2) Develop a register of all water meters installed, which would provide Council with the ability to identify any maintenance costs over the period that need to be expensed whilst any new meters installed will be capitalised and included in the register.

Management Comments

03) Audit Committee - October 2015 Meeting Minutes (CM.AU.4)

(Raelene Mulligan)

RECOMMENDATION:

1. That Council receive and note the October 2015 Audit Committee Meeting Minutes.

REPORT

A copy of the October 2015 Audit Committee Meeting Minutes are attached for Council's notation.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

- 1 Audit Committee Minutes - October 2015 3 Pages

**Minutes of the Audit Committee Meeting of Central Tablelands Water Held at
Blayney Community Centre on Thursday 22nd October 2015,
commencing at 11.09am**

PRESENT: Mr Steve Kent (Chair - Independent Member - voting)
Mr Phillip Burgett (Independent Member - voting)
Cr David Somerville (Independent Member - voting)

Gavin Rhodes (General Manager - Observer)
Raelene Mulligan (Director Finance & Corporate Services -
Secretariat)

1. Welcome

The Chair of the Committee Mr Steve Kent welcomed all attendees to the meeting which commenced at 11.09am.

2. Apologies for non-attendance

There were no apologies for non-attendance.

3. Declarations of any Conflicts of Interest

Members declared that they had no conflicts of interest.

4. Confirmation of Minutes – Audit Committee Meeting 22nd July 2015

The Minutes of the Audit Committee Meeting of Central Tablelands Water (CTW), held on 22nd July 2015 were confirmed by the Audit Committee.

5. Results of council elections – including any changes to the committee

The General Manager updated the Audit Committee on the results of the recent Council elections, advising that Cr David Somerville and Cr. Kevin Walker were both re-elected unopposed as Chairman and Deputy Chairman respectively.

6. Annual Financial Statements 2014/2015, including Audit Reports

The Audit Committee noted the Annual Financial Statements.

The General Manager advised that Council's External Auditor; Mr John O'Malley, Partner from Intentus Chartered Accountants, gave a brief overview of Council's Annual Financial Statements for 2014/2015 at the CTW Council meeting on Wednesday, 21st October 2015. Mr O'Malley highlighted that Council's Statement of Performance ratios were favourable, with Council's performance trending positively.

This is Page No. 1 of the Minutes of the Central Tablelands Water Audit Committee Meeting held 22nd October 2015.

The committee noted that Council still has not received the Management Representation letter from Intentus. Once received, the letter will be presented to the committee for review and discussion.

7. Progress made on risk assessment / risk profiling

The Director of Finance and Corporate Services presented an updated implementation schedule for the development of CTW's enterprise risk management framework, along with an amended risk appetite and risk management plan. The Director of Finance and Corporate Services advised that the WBC Alliance Executive Manager, Mrs Donna Galvin will be assisting the Director with the creation of the risk register. This is envisaged to be completed by the end of the year.

Overall the committee was pleased with the progress made with the enterprise risk management framework. The committee discussed the need for a Risk Management Committee to be established, with the General Manager confirming that he intended to formalise a joint WHS and Risk Management committee by the end of 2015.

8. IT Services agreement with Blayney Shire Council

A draft IT Services agreement was presented to the committee, with the General Manager highlighting the importance of formalising a new IT Services Agreement. This was also identified as an item in the external auditor's interim management letter.

The recent changes made to the draft agreement received from Blayney Shire Council included a significant increase in contract service fees, along with the exclusion of specific security and service level agreement measures. The General Manager advised that he is currently in the process of 'testing the market' to ensure that Council will achieve the best possible value for money outcome available regarding IT Services. A decision would be made on the future provider of IT services to CTW by the end of the year.

9. Any major developments/issues since last meeting

Discussion focused on IPART's assessment of Fit for the Future proposals, and what the outcome may mean for CTW. The General Manager and Cr Somervaille both advised the Committee that CTW was not required to submit a Fit for the Future proposal and that at this stage it was business as usual for CTW. The Joint Organisation (JO) Pilot process was also discussed, with Cr. Somervaille advising that he has been heavily involved in the process, particularly with regards to the possible legal structure of the JO's.

The General Manager discussed the motion which CTW presented to the recent LGNSW Annual Conference in Sydney. In summary, the motion articulated the significant importance of Local Government retaining ownership of local water

This is Page No. 2 of the Minutes of the Central Tablelands Water Audit Committee Meeting held 22nd October 2015.

utilities; County Councils being full members of relevant JO's; and the flexibility of JO's to accommodate appropriate regional groupings of local water utilities. The motion was successfully received and moved without debate.

10. Status of prior report recommendations - update

A status of prior report recommendations was presented to the Audit Committee for review. As discussed at Item 8, the General Manager and Director Finance & Corporate Services are currently reviewing CTW's IT Services options. The outcome will be presented to the February 2016 committee meeting.

The Director of Finance and Corporate Services advised that the creation of a procurement policy, along with an overview of Council's internal procurement processes, would take place in December 2015.

11. Any other business

No other business was discussed.

12. Next meeting – Blayney – 17th February 2016

There being no further business, the Chair of the Audit Committee declared the meeting closed at 12.00pm.

04) Code of Conduct Complaints Statistics (GO.PR.1)

(Raelene Mulligan)

RECOMMENDATION:

1. That the Code of Conduct Statistics 2015 Report be received and noted.

REPORT

Following the introduction of the Office of Local Government's Model Code of Conduct on 1 March 2013, Complaints Coordinators must report on a range of complaints statistics to council and to the Office within three months at the end of September each year.

Council's Code of Conduct Statistics 2015 Report is attached for notation.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

- 1 Complaints Statistics Report 2015 4 Pages

Office of Local Government

Model Code of Conduct Complaints Statistics

Reporting Period: 1 September 2014 - 31 August 2015

Date Due: 31 December 2015

To assist with the compilation of the Your Council publication it would be appreciated if councils could return this Report by 30 November 2015

Survey return email address: codeofconduct@olg.nsw.gov.au

Council Name:	Central Tablelands Water
----------------------	--------------------------

Contact Name:	Raelene Mulligan
Contact Phone:	(02) 6391 7200
Contact Position:	Director Finance & Corporate Services
Contact Email:	raelenemulligan@ctw.nsw.gov.au

All responses to be numeric

Where there is a zero value, please enter 0

Enquiries: Performance and Compliance Team
Office of Local Government
Phone: (02) 4428 4100
Enquiry email: olg@olg.nsw.gov.au

Model Code of Conduct Complaints Statistics Central Tablelands Water		
Number of Complaints		
1 a	The total number of complaints received in the period about councillors and the general manager under the code of conduct	0
b	The total number of complaints finalised in the period about councillors and the general manager under the code of conduct	0
Overview of Complaints and Cost		
2 a	The number of complaints finalised at the outset by alternative means by the general manager or Mayor	0
b	The number of complaints referred to the Office of Local Government under a special complaints management arrangement	0
c	The number of code of conduct complaints referred to a conduct reviewer	0
d	The number of code of conduct complaints finalised at preliminary assessment by conduct reviewer	0
e	The number of code of conduct complaints referred back to GM or Mayor for resolution after preliminary assessment by conduct reviewer	0
f	The number of finalised code of conduct complaints investigated by a conduct reviewer	0
g	The number of finalised code of conduct complaints investigated by a conduct review committee	0
h	Number of finalised complaints investigated where there was found to be no breach	0
i	Number of finalised complaints investigated where there was found to be a breach	0
j	Number of complaints referred by the GM or Mayor to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police	0
k	Number of complaints being investigated that are not yet finalised	0
l	The total cost of dealing with code of conduct complaints within the period made about councillors and the general manager including staff costs	\$0

Preliminary Assessment Statistics	
3	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:
a	To take no action <input type="text" value="0"/>
b	To resolve the complaint by alternative and appropriate strategies <input type="text" value="0"/>
c	To refer the matter back to the general manager or the Mayor, for resolution by alternative and appropriate strategies <input type="text" value="0"/>
d	To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police <input type="text" value="0"/>
e	To investigate the matter <input type="text" value="0"/>
f	To recommend that the complaints coordinator convene a conduct review committee to investigate the matter <input type="text" value="0"/>
Investigation Statistics	
4	The number of investigated complaints resulting in a determination that there was no breach , in which the following recommendations were made:
a	That the council revise its policies or procedures <input type="text" value="0"/>
b	That a person or persons undertake training or other education <input type="text" value="0"/>
5	The number of investigated complaints resulting in a determination that there was a breach in which the following recommendations were made:
a	That the council revise any of its policies or procedures <input type="text" value="0"/>
b	That the subject person undertake any training or other education relevant to the conduct giving rise to the breach <input type="text" value="0"/>
c	That the subject person be counselled for their conduct <input type="text" value="0"/>
d	That the subject person apologise to any person or organisation affected by the breach <input type="text" value="0"/>
e	That findings of inappropriate conduct be made public <input type="text" value="0"/>
f	In the case of a breach by the general manager, that action be taken under the general manager's contract for the breach <input type="text" value="0"/>
g	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 <input type="text" value="0"/>
h	In the case of a breach by a councillor, that the matter be referred to the Office for further action <input type="text" value="0"/>
6	Matter referred or resolved after commencement of an investigation under clause 8.20 of the Procedures <input type="text" value="0"/>

Categories of misconduct	
7 The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:	
a General conduct (Part 3)	<input type="text" value="0"/>
b Conflict of interest (Part 4)	<input type="text" value="0"/>
c Personal benefit (Part 5)	<input type="text" value="0"/>
d Relationship between council officials (Part 6)	<input type="text" value="0"/>
e Access to information and resources (Part 7)	<input type="text" value="0"/>
Outcome of determinations	
8 The number of investigated complaints resulting in a determination that there was a breach in which the council failed to adopt the conduct reviewers recommendation	<input type="text" value="0"/>
9 The number of investigated complaints resulting in a determination that there was a breach in which the council's decision was overturned following a review by the Office	<input type="text" value="0"/>

05) Councillor Expenses and Facilities Policy (CM.PO.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council endorse the draft Councillor Expenses and Facilities Policies as presented in the General Manager's Report and place them on public display for a period of 28 days with a view to adoption at the February 2016 meeting of Council.

REPORT

Council is required under Sections 252 and 253 of the *Local Government Act 1993* to adopt a councillor expenses and facilities policy by 30 November each year but must give 28 days public notice prior to adoption in order that submissions may be received.

Whilst Council's full Policy Register is presented for adoption at this meeting, a separate resolution and public notice is required for the expenses and facilities policy.

Accordingly, Council may wish to review the current policies as listed below and resolve to place them on public display for 28 days and, subject to any submissions received, adopt the policies at the February 2016 meeting of Council.

Draft Policy on Payment of Fees to Members: (CM.PO.1)

That:

- (a) Council pay councillors an annual fee based on the maximum fee as determined by the Local Government Remuneration Tribunal;
 - i. In addition to the annual fee, Council reimburse actual expenses incurred to any councillor who:
 - ii. attends a meeting of any committee of Council,
 - iii. attends an inspection within the area in compliance with a resolution of the Council,
- (b) undertakes business of the Council outside of the area in compliance with a resolution of Council.
- (c) Council recompense councillors for travelling expenses at the rates per kilometre allowed at the time by the Australian Taxation Office, for all travelling associated with attendance at Council meetings or other business as specified in (b) above.
- (d) Council allow councillors any reasonable use of facilities to assist in their carrying out of business on behalf of the Council, such use being entirely at the discretion of the General Manager.

Draft Use of Facilities Policy: (CM.PO.1)

That Council will provide:

1. The Chairman with the following facilities:
 - a. An office in the Council's Administrative Building;
 - b. Access to telephone, facsimile, computer tablet and photocopy facilities for Council business purposes;
 - c. Secretarial services for Council business as required;
 - d. Identification badge bearing Council's crest;
 - e. Payment of conference/seminar/workshop registration fees for attendance authorised by Council; and,
 - f. Arrangement and payment of travel in respect of Council commitments.
2. Council will provide the Councillors with the following facilities:
 - a. Access to computer tablet (i-pad), telephone, facsimile, computer tablet and photocopy facilities for Council business as required;
 - b. Secretarial services for Council business as required;
 - c. Identification badge bearing Council's crest;
 - d. Payment of conference/seminar/workshop registration fees for attendance authorised by Council; and,
 - e. Arrangement and payment of travel in respect of Council commitments.
3. Meals and refreshments will be provided to the Chairman and Councillors in conjunction with Council/Committee meetings and other functions/meetings as appropriate.
4. Expenses incurred whilst on approved travel outside the Council area will attract reimbursement according to the following guidelines:
 - a. Meals – where meals are not provided, the total bill for meals should not exceed \$100 per day.
 - b. Accommodation – where travel involves an overnight stay away from home the acceptable maximum expenditure on accommodation is:
 - i. metropolitan areas - \$350.00 per night
 - ii. country areas - \$200.00 per nightprovided that all accommodation is approved prior to travelling, where practicable.
 - c. Other expenditure items:
 - i. taxis, trains and other transport – transport costs necessarily incurred will be met. Hire cars are only to be used if prior approval has been granted.

- ii. Entertainment – these costs would not normally be reimbursable.
 - iii. Other costs – all costs necessarily incurred will be met. Receipts or other evidence of payment should be produced if seeking reimbursement.
5. Where possible prepayment of expenses will be made and cash advances may be made, if preferred, to offset out-of-pocket expenditure.
 6. All claims for reimbursement of expenses incurred are to be submitted on the standard claim form.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil

06) Policy Register (CM.ME.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the updated Policy Register, as presented, excluding the Councillor Expenses and Facilities Policy, be adopted.

REPORT

An updated version of the Policy Register has been delivered to all councillors together with this business paper. The Policy Register was last updated in August 2014.

Any new policies, changes to policies or policy deletions, resolved by Council since August 2014, have been highlighted in the register in red.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil

07) Closing of Office over Christmas - New Year Period (CM.ME.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council note the report.

REPORT

Council has resolved in past years to close the office during the Christmas-New Year period. This closure normally involves three working days and the administration staff have been granted leave for this period in lieu of overtime worked during the previous 12 months.

Under this arrangement, the office will close this year at 12pm on 24 December 2015 and re-open on 4 January 2016. The General Manager has approved this request as it was resolved at the December 2013 Council Meeting that *'Reoccurring events be left to the discretion of the General Manager.'*

As has been the practice in previous years, operational staff work as normal and are rostered on-call over the public holidays to attend to any emergency. Emergency numbers for all locations will be advertised in the local press, on Council's website and on the front door of Council's office during the month of December and until the office re-opens on 4 January 2016.

Closing the office has not caused any problems in previous years and there does not appear to be any reason not to continue this practice. The General Manager has confirmed that the offices at Blayney Shire Council will also be closed for the Christmas close down period.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil

08) WBC Alliance - Executive Manager's Report (CM.AG.6)

(Donna Galvin)

RECOMMENDATION:

1. That the WBC Board Meeting Business Paper and Annual Report be noted.

REPORT

Attached for Council's information is the WBC Board Meeting Business Paper scheduled for 2 December 2015 and the WBC Annual Report 2014/15.

Minutes from the WBC Board Meeting of 2 December 2015 will be circulated once available.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

- 1 WBC Board Meeting Agenda 02.12.15 17 Pages
- 2 WBC Annual Report 20 Pages



WBC STRATEGIC ALLIANCE

ANNUAL GENERAL MEETING

2ND DECEMBER 2015

BLAYNEY COUNCIL CHAMBERS – BLAYNEY

10:30 AM

(Morning Tea provided from 10:00 am)

AGENDA

ITEM 1 – APOLOGIES	2
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ITEM 1 – APOLOGIES

A call for apologies is to be made.

RECOMMENDATION

That any apologies tendered be accepted and the necessary leave of absence be granted.

ITEM 2 - CONFIRMATION OF MINUTES – 11 JUNE 2015

The Minutes of the WBC Board Meeting are attached for information. (*Annexure 1*).

RECOMMENDATION

That the Minutes of the WBC Board Meeting held on 11 June, 2015, be noted.

ITEM 3 – WBC EXECUTIVE MANAGER’S REPORT**Asbestos Management Planning**

Blayney and Cabonne Councils have completed a joint RFQ for asbestos management planning services. In the true spirit of regional collaboration Weddin and Oberon Councils were also part of this process. Two days after the RFQ was advertised Forbes Council rang to see if they could also be involved but we were not able to include them as the RFQ was already in place.

Applications closed on 28 August with 22 applications received and a selection panel was meet on 14 September to make a selection. Acknowledgement to David Kidd (Cabonne Council), Jennie Robson (Blayney Council) and Raelene Mulligan (Central Tablelands Water) who are on this project team.

Sewer Relining Contract

This joint tender between Blayney and Cabonne Councils has been completed and councils are currently finalising contract details with the successful tenderer. Acknowledgement goes to Jonathon Foong (Cabonne Council) and Charlie Harris (Blayney Council) for working on this tender.

Bitumen Reseal Tender

The recent tender between Blayney and Cabonne Councils for bitumen reseal has again highlighted significant savings. In the previous two years there was an estimated saving on joint purchases (due to buying power) of close to \$400,000.

The crude oil market has a significant bearing on the bitumen prices and there is a rise and fall component in the contract. This means that when the price of crude oil moves, the cost to supply bitumen moves accordingly. This can be up or down.

The contract that has just been awarded is for three years, when the previous ones have been only for two years and the quantities that were listed in the schedule have taken into account the large works programme that Cabonne Council will undertake in 2015/2016.

All of these things considered, the Operations Managers from Blayney and Cabonne Councils estimate that, as a result of the combined tender, the councils have saved around 6%, or in dollar

terms, **\$775,743 over three years**. Breaking that down, it would be **\$213,459 for Cabonne Council** each year and **\$45,122 for Blayney Council**.

Plus, there is an administrative saving for joint tenders (taking into account that there is only one tender process, not multiple) of **\$19,865**.

Well done to Bob Cohen and Nathan Skelly on this joint tender.

Asset Management

I am currently providing some support to Blayney and Cabonne on the implementation of Asset Finda Software.

Innovation Funds

As previously reported, as part of the State Government's reform process, Government announced in May an Innovations Fund of \$4m would be available for small to medium sized rural and remote councils for projects that "improve the sustainability and efficiency of councils". Blayney will be the only council eligible to apply for the funding (due to population size restrictions) but that will not prevent us putting in collaborative projects that include the Alliance members (and potentially others in our region who may be interested).

The General Managers and I have identified a number of programs that could fit the criteria for this funding around business performance, service reviews, and technology initiatives to achieve efficiencies. I recently checked with OLG that this funding will still form part of the reform package and was advised it will. However, until we know the future of the individual councils I am not proceeding to far with proposals. The original timeframe for applications was up until February next year.

Technology

We held a half-day workshop on 19 August in Cabonne for the IT Managers from the Alliance and also from **Parkes Shire Council**. The purpose was to share ideas and current developments in new technologies, specifically software called **Apponate**. This program is being used by Parkes and Cabonne Councils to automate a number of forms and processes, particularly in offsite field works. The following is a case study of how it has been used at the Molong Water Treatment Plant (thanks to James Allen – IT Support Officer, Cabonne Council, for this article):

The standard process for the team at the Molong WTP (Water Treatment Plant) involved recording different water levels and quantities on paper, and then entering them into a spreadsheet in Infoxpert. This could have any number of things go wrong with it, in the double entering of data (firstly on paper, and then again into a spreadsheet), the damage of the paper itself and many more.

After finding a lot of success with an iPad based system in the Family Day Care department, we suggested a similar method for the Water and Sewer teams.

The iPad based process involves filling out a form with number values, text values and different 'Yes/No' checkboxes, whilst maintaining a similar look and feel to that of the paper system. Once the form is completed, it is uploaded to the cloud and then pushed to the Cabonne servers in Molong. From here we are able to do a multitude of things with this data, including syncing it to a spreadsheet and running reports.

One iPad was given to the team in Molong to use as a trial to eliminate the paper system. This trial involved using both the paper and digital methods simultaneously, just in case any issues arose. The

trial has been going for three weeks and nothing but positive comments have been made. Currently only two checklists are being used, but as the Water and Sewer team get more confident with the new system, we can enable a further six checklists, with the possibility of creating more at will.

The IT Managers group is keen to advance the use of this technology in a collaborative way – **including Parkes**. There is a great opportunity to work this into a program that would fit with the criteria for the **Innovations Funds** – we may be able to get some dedicated resources for a 1 – 2 year period to take advantage of the efficiencies that could be achieved through use of technologies.

This is a very exciting initiative that could reap significant efficiency improvements for those involved.

Alliance participates in JO Workshop – LG NSW

I participated in a workshop and sat on a panel for an event organised by LG NSW on 11 September. This workshop reviewed the latest thinking around joint organisations and future regional collaboration and discussed the strengths, weaknesses and implications of the current thinking.

We were asked to participate to provide an alternative view from our experience as a long standing, successful, voluntary Alliance. LG NSW covered my costs for the day.

I was also recently invited to participate in a conference as a speaker for the **Municipal Association of Victoria on good practice governance** and the changes to the operation of local government in New South Wales (in very general terms as we still are not clear on what that is). I was not able to participate, however, as I was on leave.

RMS Maintenance Quality System Plans

Councils that wish to participate in the RMS RMCC contracts are required to have Maintenance Quality Systems in place. Some years ago the Alliance councils worked on this collectively which saved a lot of time but also provided consistency across the councils for the RMS and improved the relationship between our councils and the RMS.

These documents and systems are due to be updated and again, we will do this collectively (Blayney and Cabonne Councils). There are four major documents to be overhauled. I have arranged a half-day workshop on 17 September with key staff to start on this review which has subsequently been completed through the efforts of Tony Weekes and Kath Coughlan (Cabonne) and Nathan Skelly (Blayney) and from input from Peter James (Wellington)

Council Specific Work

I am also providing support to the individual councils on council specific activities:-

Wellington Council

I have recently completed a **governance health check** for Wellington Council. This is similar to an internal self-assessment on what policies and procedures council is required to have and to identify any that are either out-of-date or not in place. I am currently in discussions with the General Manager on the next steps for this review.

Blayney Shire Council

I have been working with the Risk Officer to facilitate **risk management workshops** for managers and supervisors on Risk Management and Risk Register. This will also involve implementing the software module within Synergysoft to be used as the Risk Register. We held a workshop for senior staff and management team on 30 September. A further workshop is being held on 16th December to train administrative staff in the management of the risk register.

I am also about to assist with the development and roll out of a **business continuity plan**.

Central Tablelands Water

I have been recently working with CTW to develop a **Risk Register** for the council. This is currently in first draft and I expect to complete this before the end of the year. I have also been asked to assist with a review of policies (similar to the Governance Health Check process for Wellington).

RECOMMENDATION

That the WBC Executive Manager's Report be noted for information.

ITEM 4 – EXIT STRATEGY – WELLINGTON COUNCIL

As requested at the last WBC Board Meeting, the following is a break-up of the financial impact on the member councils of the Alliance as a result of Wellington Council withdrawing formal membership, effective 31 December, 2015. (*Annexure 2*).

Currently, each member council contributes to the wages and expenses for the WBC Executive Manager's position, including travel, workers' compensation, annual leave, long service leave, etc, at a contribution rate of:-

Wellington	30%
Blayney	30%
Cabonne	30%
CTW	10%.

The contribution for Wellington Council for the period 1 July to 31 December, 2015, is \$29,963.

As of 1 January, 2016, Wellington will no longer be a member of the Alliance and therefore, will not be contributing financially. The estimated financial contribution from Wellington for the period 1 January, 2016, to 30 June, 2016, would have been \$29,963.44.

The remaining three councils will need to contribute additional funds for the period 1 January, 2016 – 30 June, 2016, not previously included in their 2015/16 budgets to cover this amount. An agreement will need to be reached about how the three councils will share this cost (ie, what the percentage break-up will be).

Further discussions will need to be held with the remaining member councils once the outcome of Fit for the Future is known as to what the future operating model of the Alliance should be, what impact that has on future costs for current member councils and if new members should be invited to join to share costs.

RECOMMENDATION

That the representatives from Cabonne and Blayney Councils and Central Tablelands Water agree on how to share/apportion the additional cost of \$29,963.44 for the period from 1 January to 30 June, 2016.

ITEM 5 – 2015/16 WORK PRIORITIES - WBC ALLIANCE

The General Managers and WBC Executive Manager met on 30 June to consider the work plan of the WBC Alliance and priorities for the WBC Executive Manager for the period up to the end of December, 2015, whilst Wellington continues to be a financial member of the Alliance, and then for 2016, when the Alliance may reconstitute to a new model/arrangement.

The WBC Executive Manager was on long service leave for six weeks from 6 October to 18 November, 2015. Planning was also done in the context of any potential change in operations that may result from the State Government's Fit for the Future reform program and what impact those final decisions have on the operations of the WBC Alliance from 2016 and the role of the Executive Manager.

August – December 2015 Projects**1. Governance Health Check and Policy Review**

- this work is being done for Wellington Council and Central Tablelands Water;
- involves a review of the councils' current policy registers and policy development, identifying gaps in required policies and policies/procedures that are out-of-date/non-compliant;
- also identifies areas of governance (planning, reporting) where improvements can be made;
- due to be completed by the end of September 2015.

2. Risk Management Framework and Procedures

- Blayney Council and Central Tablelands Water;
- providing assistance to the Risk Officer, Blayney Council, to improve internal implementation of the risk register, working with staff to improve their level of understanding of risk and their responsibilities;
- to develop a simplified risk register;
- involves a series of three workshops, with key staff, over a period to the end of February 2016.

3. Asset Management

- Blayney and Cabonne Councils;
- assist/support implementation of Asset Finda software, co-ordinating joint training;
- co-ordinate meetings with asset and finance staff to identify ways to improve asset management and to prepare for changes to auditing practice relating to Special Schedule 7;

4. Innovation Fund Projects Development

- all councils;
- details of fund outlined in separate report (Item No. 7);
- working with General Managers, Directors and Managers to scope projects that can be nominated for funding under this Innovation Fund. Some current ideas include:-
 - efficiency improvements through technology – a range of processes that could be enhanced through development of remote applications of software solutions;
 - electronic timesheets;
 - business performance framework, including a rolling programme of service reviews;
 - asset management;
 - procurement.
- applications open in November and close in February 2016.

5. IT Solutions

- all councils;
- workshop held on 17 August of IT Managers (including IT Manager from Parkes Council) to share work being done to develop “apps” and tools using technology, particularly for remote access/in-the-field processes;
- will be a rolling development program and a key Innovation Fund Project;
- ongoing to 2016.

6. Implementing Fit For the Future Improvement Plans

- all councils;
- initially identifying common strategies and developing project plans to implement from 2016 once Fit for the Future outcome is known;
- could be expanded to new councils with common strategies;
- service reviews are common to all councils and in the broader CENTROC region and this is a real opportunity for Alliance Councils to be leaders in this area.

7. Administration of the Alliance

- all councils;
- some time is required during August/September to prepare the annual report and business papers for the Annual General Meeting;
- from November to December time will be required to rework the governance arrangements of the Alliance post December, eg new logo, name, memorandum of understanding, operating guidelines, financial management, etc;
- to be completed by December 2015;
- this will also include discussions with potential new partners.

RECOMMENDATION

That the WBC Alliance 2015/16 Work Priorities be noted for information.

ITEM 6 – INNOVATION FUND PROJECTS

As part of the State Government’s reform process, Government announced last year that they would make available around \$4 M for small to medium sized rural and remote councils for projects that “promote the long-term sustainability of small communities”.

Projects which would be considered include ones that focus on:-

- performance improvement;
- service delivery;
- improved governance;
- systems improvement;
- creative use of technology;
- innovative infrastructure;
- capacity building and sharing innovation.

Funds include up to \$150,000 for individual councils or up to \$400,000 for projects involving one or more councils (as long as one of the councils has a population of < 10,000 – which Blayney does).

This is a fantastic opportunity to seek funding to support some of the initiatives outlined in our councils’ Fit for the Future Improvement Plans. The General Managers and WBC Executive Manager are currently considering which projects could be proposed.

Applications do not close until February 2016, but planning is already underway to capitalise on this opportunity. Obviously the final announcements by Government will influence this.

RECOMMENDATION

That the Innovation Fund Projects report be noted for information.

ITEM 7 – MEETING SCHEDULE 2015/16

The WBC Board Meetings are held four times a year, rotating in venue around the Alliance councils. Meetings commence at 10:30 am (coffee provided from 10:00 am). Generally the meetings take about two hours, followed by a light lunch.

The proposed dates and venues for the WBC Board Meetings for 2015/16 are:

<u>DATE</u>	<u>VENUE</u>
2 December 2015	Blayney Shire Council
2 March 2016	Cabonne Council
1 June 2016	Blayney Shire Council
7 September 2016	Cabonne Council

Other meetings are called on an as needs basis. These dates may vary depending on any changes to membership or governance arrangements for the Alliance post January 2016.

RECOMMENDATION

That the Meeting Schedule for 2015/16 be adopted.

ITEM 8 – ROUND TABLE – COUNCIL UPDATES

Each council to provide an update of current priorities, challenges and opportunities affecting their council.

RECOMMENDATION

That the Council Updates be noted for information.

ITEM 9– PRESENTATION ANNUAL REPORT

The Acting General Manager, as current Secretariat of the Alliance, will present the Annual Report for the Alliance for 2014/15. More detail, explaining the calculation of benefits, is attached. (Annexure 3).

RECOMMENDATIONS

1. The report be adopted.
2. A copy be sent to the Minister for Local Government.

ITEM 10 - HANDOVER – CHAIRMAN AND SECRETARIAT ROLES

The Chairman and Secretariat roles for the Alliance will transfer to the Mayor and General Manager of Blayney Shire Council, with acknowledgement and thanks to the outgoing Chair and Secretariat – Rod Buhr (past Mayor) and Anne Jones, (current) Mayor, and Karen Roberts, Acting General Manager, Wellington Council.

Annexure 1

MINUTES
WBC STRATEGIC ALLIANCE
BOARD MEETING
THURSDAY 11 JUNE 2015
WELLINGTON COUNCIL CHAMBERS - WELLINGTON
10:00 AM

PRESENT

Clr Rod Buhr (Chairman)	Wellington Council
Karen Roberts	Wellington Council
Clr Scott Ferguson	Blayney Shire Council
Clr Alan Ewin	Blayney Shire Council
Rebecca Ryan	Blayney Shire Council
Clr Michael Hayes	Cabonne Council
Clr Lachlan MacSmith	Cabonne Council
Andrew Hopkins	Cabonne Council
Clr David Somervaille	Central Tablelands Water
Gavin Rhodes	Central Tablelands Water
Donna Galvin	WBC Alliance Executive Manager

ITEM 1 – APOLOGIES

An apology on behalf of Clr David Grant (Wellington Council) was received.

RESOLVED (Buhr/Hopkins) that the apology be accepted.

ITEM 2 – CONFIRMATION OF MINUTES – 4 MARCH 2015

RESOLVED (Ferguson/Somervaille) that the Minutes of the WBC Board Meeting of 4 March, 2015, be noted.

ITEM 3 – WBC EXECUTIVE MANAGER'S REPORT

Discussed request from Centroc for resources developed by WBC around shared services for Centroc to use in developing a tool kit on shared services.

RESOLVED (Ewin/Rhodes) that any request from non-WBC Alliance members for use of resources considered to be the intellectual property of the WBC Alliance must be approved by the Secretariat and a fee may be considered.

The Executive Manager also advised that two other groupings of councils had contacted the Alliance to seek advice/assistance/resources in establishing their own alliances. The Board discussed the opportunity to charge a reasonable cost recovery fee for such arrangements where the WBC Executive Manager may prepare advice or facilitate workshops.

ITEM 4 – ROUND TABLE – FIT FOR THE FUTURE PROCESS

Each council provided feedback to the Board on how their council response process was managed. Some key common themes:

- Community interest was high with good participation.
- Common actions in improvement plans, such as:
 - improving asset management
 - formalising service levels and cost of service
 - enhanced village plans
 - continuous improvement and business efficiency programs
 - professional development and leadership programs.
- It has been a very resource hungry process for councillors and staff involved.
- It has focussed councils on their performances and the improvement plans provide direction for enhancing councils **if** they are implemented.
- All councils feel confident their proposals will be accepted to remain as standalone councils.

ITEM 5 – WELLINGTON COUNCIL – FUTURE MEMBERSHIP OF WBC ALLIANCE

Clr Buhr advised that, as part of Wellington's Fit for the Future response, Council will be withdrawing membership of the Alliance, effective 31 December, 2015 (pending final approval at the 24 June, 2015, Council Meeting).

This has been a decision made in part due to cost, but also the alignment by State Government for Wellington to be a member of the Orana Joint Organisation and that their potential merger partner was Dubbo.

Clr Buhr hoped that the positive relationship between the Councils would continue despite not being a formal member.

Cabonne, Blayney and Central Tablelands Water expressed strong commitment to the Alliance model and will be keen to continue working together and potentially, with other members beyond December.

RESOLVED (Buhr/Somerville) that:

1. Subject to a formal resolution of Wellington Council on 24 June, 2015, to withdraw membership of the WBC Alliance, effective 31 December, 2015, the Board develop an exit strategy.
2. The Board commences work on developing a new Alliance structure, membership and purpose, to be implemented from 1 January, 2016.

3. A joint media release be prepared for distribution post 1 July, 2015, and that this should highlight the positive outcomes and future commitment to the Alliance.
4. The General Managers (including Wellington) meet soon to agree on key priorities for the July/December period to ensure Wellington receive services from the Alliance up to withdrawing in December.

ITEM 6 - NEXT BOARD MEETING

The next scheduled meeting of the WBC Strategic Alliance Board will be the Annual General Meeting and will be held on Tuesday, 29 September, 2015, at Blayney, commencing at 10:30 am. Chair and Secretariat role will transfer to Blayney Shire Council.

TERMINATION

There being no further business, the meeting was declared closed at 12:15 pm.

Annexure 2



KERMC

17 August 2015

Mr Andrew Hopkins
 General Manager
 Cabonne Council
 PO Box 17
 MOLLONG NSW 2866

Dear Andrew

Re: Wellington Council's Withdrawal from WBC Strategic Alliance

Further to recent discussions at the WBC Board Meeting and then the General Managers' Meeting regarding Wellington Council's intention to withdraw from the WBC Strategic Alliance, effective 31 December, 2015, could you please provide a report outlining:

- the financial commitments on Wellington Council up to 31 December and any outstanding funds that will be due to be finalised prior to that date;
- the financial impact on the remaining member councils from 1 January, 2016.

The WBC Board has requested a report be provided to the September Annual General Meeting regarding this and, as current Secretariat, I will need to submit this report by mid-September. I would therefore appreciate receiving this information by 31 August, 2015.

Yours sincerely

Karen Roberts
 ACTING GENERAL MANAGER

All Communications to be addressed to:
 The General Manager
 PO Box 62 WELLINGTON NSW 2820
 Cnr Nanima Crescent & Warne Street
 Email: mail@wellington.nsw.gov.au
 Website: www.wellington.nsw.gov.au

YOUR COUNCIL - YOUR COMMUNITY

ABN: 57 268 887 231
 Office Hours: 9.00am - 5.00pm
 Casner Hours: 9.30am - 4.00pm

TELEPHONE NUMBERS

Administration: (02) 6840 1708
 Rates Department: (02) 6840 1711
 Technical Services: (02) 6840 1729
 Health, Building & Planning (02) 6840 1723
 Facsimile: (02) 6840 1791

Annexure 3



BENEFITS SUMMARY 2014-15 – EXPLANATORY NOTES

WHAT	KEY CONTACT	SAVING/EFFICIENCY	NOTES
<p>Examples of staff assisting each other:</p> <ul style="list-style-type: none"> - Martin Boyd (Blayne) did interviews for Cabonne - Jennie Robson (Blayne) provided back up support to Cabonne when David Kidd was sick - Director engineering group - Environmental services user group 	<p>numerous</p>	<p>Unable to estimate – included in the “sharing knowledge” category in savings report</p>	<p>Estimating a financial figure on the benefit of staff “helping each other”, sharing ideas etc has always been impossible to estimate yet is one of the most valuable outcomes from the alliance relationships.</p> <p>See note below on how knowledge sharing value is determined.</p>
<p>Cabonne helping Blayne when Operations Manager was on extended leave</p>	<p>Nathan Skelly and Bob Cohen</p>	<p>\$9 600</p>	<p>The Operations Manager, Blayne was on 5 weeks leave during which time Cabonne provided project management and onsite construction supervision to 2 major works programs in Blayne. Allowing that Ops Manager wasn’t back filled assume the saving is from not having to pay contractor to manage – based on salary of employee on leave at \$1920 per week - \$9600 saving.</p>
<p>Asset software RFQ</p>	<p>Richard Minter</p>	<p>\$27 965</p>	<p>\$19 965 as a general amount for savings on joint tenders. As more than one Council purchased there were savings in implementation and training which was held jointly at an estimated saving of \$8000 (need to allow 4 days for training –</p>

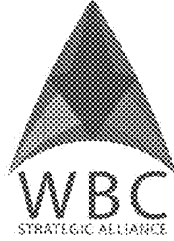
				<p>this is the cost for one lot of 4 days – if it was run separately it would be another 4 days therefore the saving is \$8 000).</p>
Risk management training	Donna Galvin	\$23 700	<p>Alliance sought EOI from 7 providers and selected a company specialising in ERM. Due to our collective approach we were able to broker a much better price – the company offered the training at \$126 pp instead of their standard rate of \$600pp (this represents around a 75% discount and saving of \$23 700) The training was also customised to Councils risk management frameworks – using our templates etc.</p>	
New sealing contract between Cabonne and Blayney	Bob Cohen and Nathan Skelly	<p>Per year over three years collective saving \$258 581 (total of \$775 743 for the 3 years) Plus the one off admin savings of \$19 965 included in this year saving</p>	<p>This is difficult estimate. The crude oil market has a significant bearing on the bitumen prices and there is a rise and fall component in the contract. This means that when the price of crude oil moves, the cost to supply bitumen moves accordingly. This can be up or down. The contract that has just been awarded is for three years, when the previous ones have been only for two years and the quantities that were listed in the schedule have taken into account the large works programme that Cabonne Council will undertake in 2015-2016. All of these things considered, the estimated result of the combined tender, the councils have saved around 6% or in dollar terms \$775,743 over three years. Breaking that down it would be \$213,459 for Cabonne Council each year and \$45,122 for Blayney Council.</p> <p>Plus the administrative savings of joint tender of \$19 965.</p>	
Asbestos plan	Jennie Robson (Blayney)	\$19 965	<p>\$19685 for average administration of tender. Any savings on engagement to be included in 15/16 annual report.</p>	

Media and Promotions officer on secondment Cabonne to Wellington	Karen Roberts	\$10 800	Allowing for 1 day per week over 4 months (up to end Sept) at \$540 a day - \$10 800.
Funding from OLG for merger report for Cabonne	Donna Galvin/Stephen Harding	\$15 000	Cabonne received \$15 000 as part of the funding available for councils to conduct merger business case analysis for Fit for the Future submissions.
WBCEM role in Fit for the Future submission preparations.	General Managers	Not able to be defined in financial terms	<p>The WBCEM provided significant project management, facilitation, and data analysis and report development to the member councils in preparation for FFF. (See story in the Annual report). Whilst it is difficult to estimate a financial benefit some comparisons can be drawn – a facilitator conducting workshops can cost between \$2000 - \$2500 per day – the WBC EM conducted 3 workshops for Cabonne, and 3 for Blayney (say a saving of \$15 000).</p> <p>Wellington outsourced their FFF submission preparation to a consultant at a cost of around \$100k. Blayney utilized the WBCEM to do the same work – say another \$100k saving.</p> <p>Additionally utilizing the WBCEM has the benefits of:</p> <ul style="list-style-type: none"> - Being able to switch and redirect work priorities to respond to this - Knowledge of the internal operation of the member councils and - The exposure and connections the position has within the wider sector. <p>Of note also is that a number of other staff involved either had to postpone their other non-critical work or double up their work efforts for periods during the response period.</p>

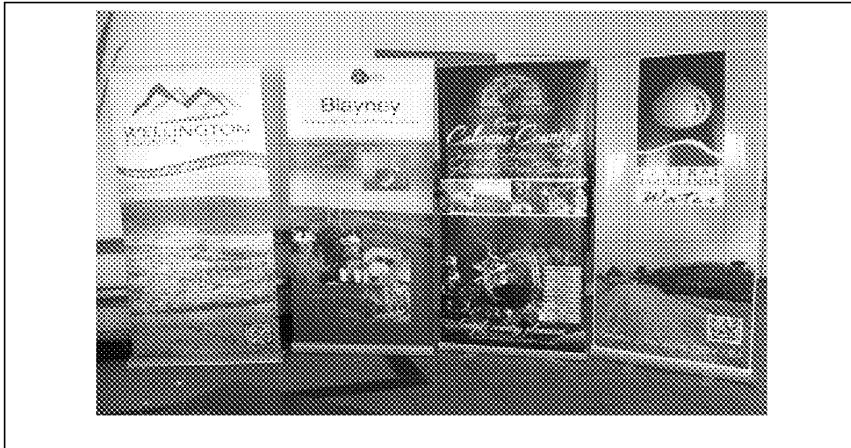
				The conclusion is that having the WBCEM position as a resource to councils during this year in particular has been in the words of one General Manager "invaluable".
Two airfares to Perth IT conference	Donna Galvin	\$3000		As part of the original contract agreements with IT Vision it was agreed that they would provide 1 return airfare per year for attendance at the Annual Conference in Perth. This has not been taken for the last 2 years but was redeemed this year to allow staff from CTW, Blayney and Cabonne to attend.
WHS Training provided in-house	Bryson Rees (Wellington)	\$1400		Blayney 2 days of traffic courses in June (estimated savings from what outside providers would charge for the same course).
Sewer Relining Joint Tender	Jon Foong (Cabonne) and Charlie Harris (Blayney)	\$19 965		Administrative saving on joint tender. Any saving on procurement will be included in 15/16.

How other savings are calculated:

- The **Knowledge Sharing** is a figure that was first calculated in 2010 based on the average number of projects, the average time staff of the Alliance were coming together for meetings/forums and anywhere they were sharing ideas/knowledge. Since then a CPI of 3.5% is applied as a rolling figure.



WELLINGTON BLAYNEY CABONNE
STRATEGIC ALLIANCE
Annual Report 2014-2015





2014/2015 Annual Report

WELLINGTON BLAYNEY CABONNE STRATEGIC ALLIANCE

Annual Report 2014-2015



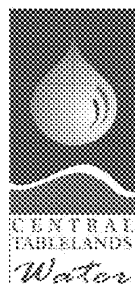
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2014/2015 Annual Report

FROM THE CHAIRMAN

It has been an honour to be the Chairman of the WBC Strategic Alliance for 2014/15. In my role as Mayor of Wellington, I have the opportunity to work with the Mayors and General Managers of the Alliance Councils in a constructive, collaborative and trusting relationship.

This year has been a time of challenge and change. All Councils have had to seriously reflect on their futures – to identify ways to improve their performance, their capacity and sustainability. It has been a time for communities to express their desires for the future of their Councils.

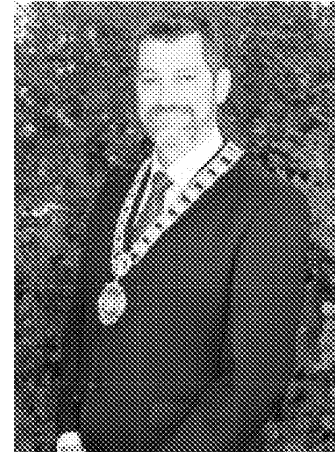
Despite the focus being on Fit for the Future, the Alliance has had another successful year, involved in over twelve projects or initiatives and achieving \$619,506 in savings and efficiencies for the year, taking the overall total since the Alliance began to nearly \$6.5 million. This is an average of \$500,000 a year for the last twelve years – an achievement the member Councils can be very proud of. The Alliance has been an enduring model of co-operation and trust and I wish the member Councils all the very best for whatever the future holds.

Like everything, however, change is inevitable. Wellington's directions have changed over the last two years and, with our decision to focus more on the relationships with our neighbours in the Orana Region of Councils, it is timely for us to break from the Wellington Blayney Cabonne Alliance group. This decision was not taken lightly as we value the benefits derived from being in a strong Alliance with other like-minded councils. We look forward to sharing the valuable learning we have about collaboration with the councils in the Orana Regional Organisation of Councils.

I would like to acknowledge and thank Donna Galvin in her role as WBC Executive Manager. Donna has always been a pleasure to work with and has shown a real commitment to improving the performance of the Alliance Councils. I would also like to thank Karen Roberts, Acting General Manager, Wellington Council, as the current Secretariat of the Alliance.

In handing over the Chairman's role to the Mayor of Blayney, I extend my best wishes to all the Councillors and staff of Blayney, Cabonne and Central Tablelands Water and thank them for the last twelve years of successful partnership, through the WBC Strategic Alliance.

Clr Rod Buhr
Chairman





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FROM THE SECRETARIAT

I have been very pleased to act as the Secretariat for the WBC Alliance after taking up the role of Acting General Manager at Wellington in January this year. I have always been a strong supporter of the Alliance and, in my role as Director of Corporate Services, saw first-hand the benefits and value of the collaborative projects and initiatives the Alliance has achieved.

Like my colleagues in the Alliance Councils, this year has presented some significant challenges in planning for the future of our Councils. Whilst the Fit for the Future process was arduous it did force us to reflect on our strengths and weaknesses and to take time to consider strategies that will enhance our Council's capacity and sustainability. It also reinforced the value of collaboration with the resources of the WBC Alliance and the level of trust and co-operation between the member Councils being beneficial during this last year.



Wellington has had to make the hard decision to withdraw from the Alliance at the end of 2015. This decision partly reflects the financial decisions Council has had to face but also the push from State Government into the Orana Region and the need to develop new alliances and regional relationships with our neighbouring councils to the west.

Wellington has been a significant beneficiary of the Alliance achievements and savings over the last twelve years. Some highlights over this time have been:

- Integrated Planning and Reporting Project.
- Development Application Guide, forms and tool kit.
- IT Tender.
- WBC Internal Audit Guide and Project Management Tool Kit.
- Fleet Management review.
- Shared Strategic Planner (with acknowledgement of the work completed by Andrew Napier).
- Funding for training, climate and environmental programmes.
- Sharing staff and resources, knowledge and ideas.
- Business Continuity and Risk Management joint tenders.

I would like to thank the staff of Wellington Council for their involvement in, and commitment to, Alliance projects and for the trust and generosity of the other member Councils to provide Wellington with support when needed or to share their time and knowledge with each other. I wish Blayney, Cabonne and Central Tablelands Water all the very best in the future.



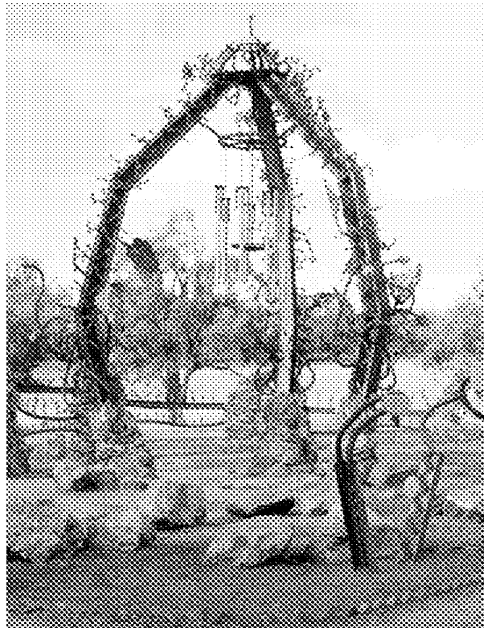
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Finally, I would like to acknowledge the efforts of Donna Galvin, WBC Executive Manager. Donna has been a loyal and strong supporter of Wellington Council and has made a significant contribution to Council in her role with the WBC Alliance. She is held in regard by staff who have worked with her and we will miss her involvement and weekly visits.

2016 will bring new challenges for all councils and I look forward to the new chapter that awaits all councils.

Karen Roberts
Acting General Manager

Wellington Gateway





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EXECUTIVE MANAGER'S REPORT

"May you live in interesting times." That's certainly been the case for Local Government over the last few years. With the announcement of the next stage of the State Government's reform process – Fit for the Future – all councils in New South Wales faced a new challenge to demonstrate their future sustainability and "fitness".



Since October 2014, when Fit for the Future was announced, my focus shifted to supporting the member councils in the preparation of their submissions. This involved detailed project management, facilitation of a number of workshops for both councillors and staff, extensive data collection and analysis, co-ordination of merger business case studies with Cabonne and Orange City Councils and the compilation of the final submissions. This was an intensive and very busy time for the councils and I was very pleased to provide the additional resources they needed to undertake this very large and challenging body of work. It highlighted, again, the value of the Alliance and the collaborative efforts that really benefit the member councils.

I am confident that the councils have submitted strong evidence to support their future sustainability and to continue to meet the needs of their communities at a local level. Our councils have demonstrated over twelve years the value of collaboration, sharing and innovation through the Alliance. I certainly hope that we have the opportunity to continue to build on our strengths and to reshape a new collaborative model in 2016.

The Alliance will embark on its own transformation in 2016 with the withdrawal of Wellington Council from December. This decision was made in the context of the changing regional areas, with Wellington moving more into the Orana Region and in stronger relationships with Dubbo and the other councils in the OROC region.

Wellington Council was a founding member of the Alliance and has been a valued and committed member over the last twelve years. Staff have forged strong relationships with the other councils and these will endure beyond 2016. I will miss visiting Wellington Council and working with the General Manager and staff who have always made me feel very welcome and part of their team.

With Fit for the Future dominating my time for the best part of nine months, there have not been as many joint projects or initiatives completed during the year. Despite this, we were still able to achieve over \$619,506 in savings and efficiencies, taking the cumulative savings to over \$6,408,986, (an average of \$530,000 per year).



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As for the future, we await the outcome of IPART's assessment of our Fit for the Future submissions. In the meantime, we have refocussed our energy back onto projects and initiatives that will strengthen our councils and improve our performance and capacity.

No doubt, 2016 will be a new era for the Alliance but, with the ongoing commitment to collaboration and with a focus on strengthening the member councils' capacity and service delivery, it will be an exciting time to be in Local Government.

Donna Galvin
Executive Manager



*Blayney hosts regional Fit for the Future
Peer Review Workshop*



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HOW DOES THE ALLIANCE WORK?

The WBC Board consists of the Mayor, Deputy Mayor and General Manager from each member council. Meetings are held four times a year, or more frequently if required. The Chairman's role rotates on a twelve monthly basis, with the Secretariat services provided by the council whose Mayor is Chairman of the Board. The role of the Board is to:

1. Identify areas/activities of operations that present strategic alliance opportunities.
2. Raise public awareness of strategic alliance issues for the benefit of local government and the community in general.
3. Provide relevant information to interested organisations and individuals.
4. Promote the desired outcomes of the councils' Strategic Alliance concept in the councils' areas and beyond.

The Board develops an action plan to implement particular projects and reviews the Alliance's operation to ensure the goals are being met. The Alliance will adopt a new two year Operational Plan in early 2016, pending the outcome of the Fit for the Future process. This Plan will include common strategies within the Fit for the Future Improvement Plans of the member councils.

The WBC Alliance Executive Manager is responsible for co-ordinating the Alliance activities and implementing the action plan of the Alliance. The role also includes promotion of the Alliance and seeking grant funding and savings through joint procurement and funding applications.



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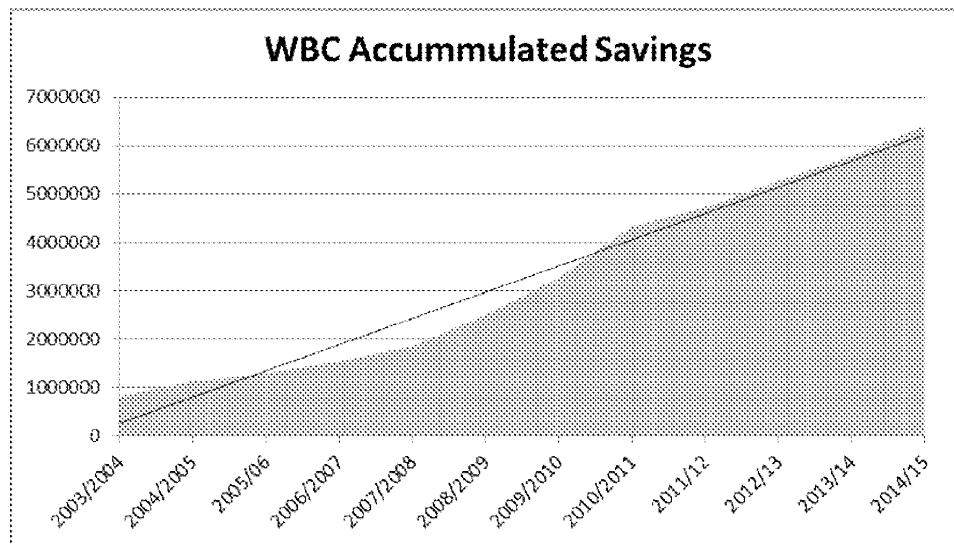
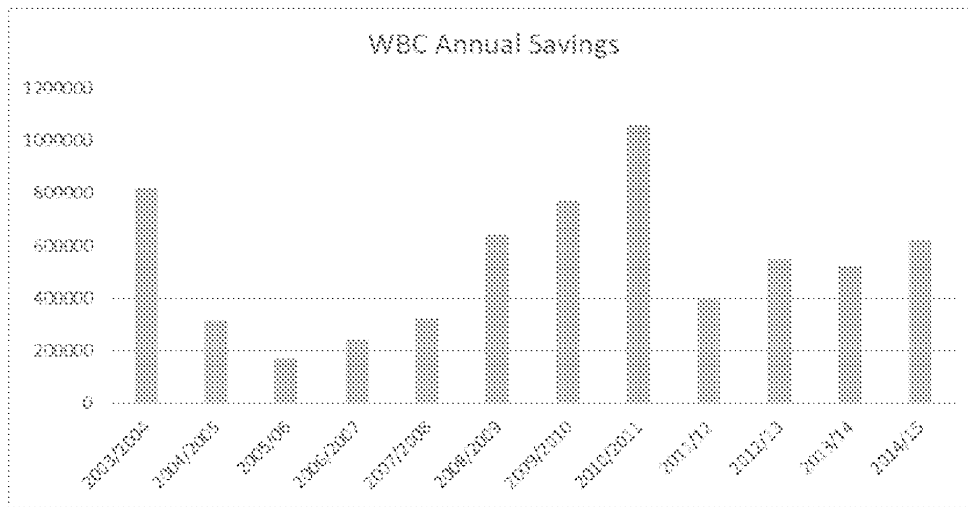
WBC BENEFIT RECORDS ANALYSIS

Description	2011/12	2012/13	2013/14	2014/15
Knowledge Sharing	85300	88285	91375	94573
Blayney Records	7955	8233	8521	8819
Wellington Records	11364	11761	12173	12559
CTW - IT & Software Sharing	24471	25327	26213	27130
CTW/Blayney HR/OHS support	4431	4586	4747	4913
Bize Asset Licence	6587	6817	7056	
WHS services BSC from Wellington	5990	4080		1400
Code of conduct committee		11000		
Milthorpe After School grant	16292	16862	17452	
WebEx meetings	6790	4545	3000	3105
Shared Principal Strategic Planner	88268	44134		
Joint Tender Resealing Cabonne/Blayney	29500	227000	227000	278266
IT Tender and Purchase and Implementation of System	25800	17760	7200	
Integrated Planning and Reporting Project	11500			
Joint Purchase sharefile site	3722	3852	3987	4126
Joint Engagement IAB for Internal Audit	11840	11881	12297	12727
Goods and Service Joint Tender	19000		19665	20353
DCP Project - Joint engagement consultant	4000			
Environmental Management Plans developed	15000			
Loan of plant and equipment Cabonne and Blayney	3000	3360	20684	
Business Continuity Planning	2475			
Prospective Councillor Information Sessions	8500			
Shared Services Project	25000			
Speaker Fees - WBC EM	2000			
Joint Tender Truck & Dog		7000		
Joint engagement Fleet Reviewer Consultants		27000		
Joint Tender Reseal	29500	227000	227000	278266
Internal development WBC website		10925		
Cabonne purchase gravel from Blayney		12187		20000
Dept Planning Funding			50500	
Probono legal advice to SS Project			6400	
Joint engagement Groupwork consultants			2000	
Joint Purchase AssetFinda				27965
Joint Risk Management training				23700
Asbestos Management Plan EOI – administrative saving				19965
Sewer Relining Tender - administration savings				19965
Media Relations Officer Secondment – Cab/Well				10800



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Description	2011/12	2012/13	2013/14	2014/15
2 return airfares Perth donated by IT Vision				3000
Cabonne Project management covering leave for Blayney				9600
Cabonne funding FFF				15000
Roads Benchmarking Project - Well/Cabonne				1500
Annual Total (\$'s)	393785	546595	520269	619506
Accumulated Total (\$'s)	4647579	5194174	5714443	6333949





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PROMOTION, INVOLVEMENT, LEADERSHIP IN THE SECTOR

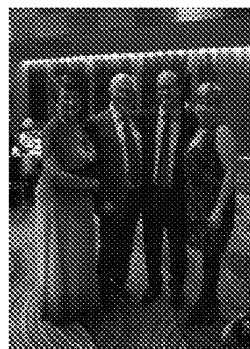
Presentations/promotions and acknowledgements:

- LG Professionals Conference.
- CENTROC GMAC and Forum.
- Advice to two different groups of councils on Alliance operations and collaborative models. (Hawkesbury, Penrith and Blue Mountains and Snowy River, Bombala and Cooma).
- Participated in OLG Fit for the Future Bootcamp.

Leadership and participation in the future of our sector:

- Consultations by IPART on Fit for the Future submissions.
- CENTROC Joint Organisation Pilot/Model Project.
- LG Act Review consultancies and submissions.
- Facilitator and Presenter at LGNSW Regional Collaboration Workshop.
- Blayney hosted OLG Fit for the Future Peer Review Workshop.
- Finalist in LG Professionals' Excellence Awards in the category "Partnerships for Growth".

*Donna Galvin, David Somerville, Gavin Rhodes
and Rebecca Ryan at the LG Professionals
Excellence in LG Awards – April 2015*





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PROJECTS, INITIATIVES, COLLABORATION

Despite the focus being on Fit for the Future over the last twelve months, a number of valuable outcomes have been achieved by staff working together in the Alliance.

Grader Operator Workshop

In March, a one-day Operator Workshop was hosted by Cabonne Council. Twelve staff from Wellington, Blayney and Cabonne attended to learn more about soil conditioning and testing and the operation of new satellite technology for grader operations. The staff had a nice barbecue lunch and time to share ideas and tell a few yarns. Thanks to Bob Cohen, Mick Fitzgerald and Kath Coughlin from Cabonne for organising the day.



Asset Management Software

The Directors of Engineering/Technical Services worked together on a joint tender for the purchase of specialist asset management software. The tender process was managed by Cabonne Council on behalf of Wellington and Blayney. The successful provider was Asset Finda. By conducting a joint tender and through reductions offered by the provider in joint training and implementation, this initiative achieved an estimated \$27,000 in savings. Thanks to Richard Minter from Cabonne Council who led this project.

Risk Management

The Risk Officers from Blayney and Cabonne – Jennie Robson and David Kidd – have been working collaboratively on a range of risk functions and processes throughout the year. This has included joint training for staff (achieving significant discounted pricing from the selected provider) and, just recently, a joint Request for Quotation for the engagement of suppliers to develop Asbestos Management Plans, inspections and registers for council-owned buildings and structures. This also included the Councils of Oberon and Weddin – expanding the collaborative efforts and benefits to more councils in the region.

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Joint Tenders

A number of joint tenders have been completed during the year, including Sewer Relining Contract, Suppliers List, Bitumen Reseal, as well as the aforementioned Assets and Asbestos Management. Based on costings provided by LG Procurement NSW, it is estimated that a single tender process costs close to \$20,000 to administer. We calculate that for each joint tender we save at least this amount in running one tender for three councils, instead of three tenders for individual councils.

One significant joint tender this year was between Blayney and Cabonne Councils for the provision of bitumen emulsion. A three year contract has been awarded with the overall savings (due to discounts on pricing due to larger purchase amounts) estimated at over \$775,000 for the three years, or an annual saving of \$213,459 for Cabonne Council and \$45,122 for Blayney Council.

Help is on the Way

One of the most valuable aspects of the Alliance is the willingness of staff to help other councils when needed. There have been a number of examples this year where this has occurred:

- Dale Jones, Media and Communications Officer at Cabonne Council is currently working one day a week for Wellington Council whilst their Media Officer is on maternity leave.
- Cabonne Council works teams provided additional staff and equipment for Blayney Council in January for major works in Millthorpe. Cabonne Council staff also helped with some project management and supervision of jobs whilst Blayney's Operation Manager, Nathan Skelly, was on extended leave. Thanks to Tony Weeks, Bob Cohen and Surendra Sapkota and staff from Cabonne Council and Ian Evans and Henry Smith from Blayney Council.
- Martin Boyd, Human Resources Manager from Blayney Council, co-ordinated some interviews and provided support to Cabonne Council whilst their Human Resources Manager was on leave.
- Jennie Robson, Risk Officer, Blayney Council, provided some remote support to Cabonne Council when their Risk Officer was on extended sick leave.

Thanks to all the staff involved. A telephone call here and there to Alliance colleagues goes on all the time – the immeasurable benefit of strong co-operative relationships.



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FIT FOR THE FUTURE

Announced in October 2014, councils had to submit detailed evidence against a range of seven financial indicators and ten scale and capacity criteria to the State Government by 30 June, 2015.

Each council established internal project teams to assist in the development of submissions with the WBC Executive Manager providing project management expertise.

Councils were required to consult with their communities as part of the process.

Cabonne Council worked with Orange City Council to explore the value and cost of a merger between the two councils, with the evidence demonstrating very little net benefit would be gained from such a merger.

This was a very busy and challenging time for councils to complete their submissions, consult with communities and develop future improvement strategies.

Councils were required to assess their compliance against seven financial benchmarks up to the year 2019/20. This table shows councils' comparison against the seven indicators:

Measure (2019/2020)	Blayney	Cabonne	Wellington
Operating Performance Ratio (> or = to break even over 3 years)	Yes (0.035)	Yes (8.5%)	Yes (5.2%)
Own Source Revenue Ratio (> 60% average over 3 years)	Yes (73.12%)	Yes (67%)	Yes (64.7%)
Buildings and Infrastructure Asset Renewal Ratio (> than 100% average over 3 years)	Yes (122.5%)	Yes (111.8%)	Yes (100%)
Infrastructure Backlog Ratio (> than 2%)	Yes (1.68%)	Yes (1.69%)	Yes (0%)
Asset Maintenance Ratio (> 100% over 3 year average)	Yes (112.69%)	Yes (147%)	Yes (100%)
Debt Service Ratio (> 0% & less than or equal to 20% average over 3 years)	Yes (1.61%)	Yes (0%)	Yes (0.2%)
Real Operating Expenditure Per Capita (a decrease)	Yes (decreasing)	Yes (1.8)	Yes (1.054)

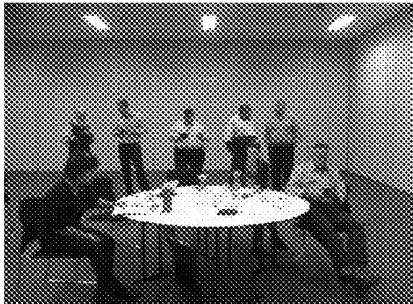


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Whilst it is difficult to estimate exactly the time spent by staff in the preparation of submissions, it is estimated over 7,000 hours were spent across the three member Councils (based on average time per project team member, time of General Manager and WBC Executive Manager). At an hourly rate of an average of \$75, (including on-costs), this is about \$175k per council.

Multiply this amount across 145 councils that had to respond and it exceeds \$25 million. And this does not include costs for the engagement of consultants which a number of councils did, well in excess of \$100,000 per contract.

In determining the benefits summary for 2014/15 (refer Pages 9 and 10), the value of the work completed by the WBC Executive Manager was considered. However, it was difficult to allocate a specific dollar value on this work. However, there is no doubt that having this role certainly saved the member councils from engaging additional consultancies or resources to undertake this complex and demanding project.



Blayney staff prepare for Fit for the Future submissions



Cabonne staff consulted on Fit for the Future



Newbridge community consultation meeting – 26 May 2015



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FAREWELL TO WELLINGTON – A WALK DOWN MEMORY LANE

As this will be the last year Wellington will be a member of the WBC Alliance, it is timely to include some photographs and acknowledge some of the current staff from Wellington Council who have contributed so much to the WBC Alliance projects, events and our success.

Thanks to the following staff who have been part of the Alliance projects or have helped the WBC Executive Manager in her role:

Karen Roberts
Darren Whiteley
David King
Jennifer Shaddock
Anne Hyde
Liz Rich
Linda Lyons
Marj Coon
Jacqui Sullivan
Darren Honnery
Ross Palmer

Paul Miller
Donna Hurst
Chris Toynton
Sandra Melhuish
Alan Bell
Peter James
Bryson Rees
Robyn Brien
Helen Cullen
Tom McInnes
Karen Powyer

Wellington Tribute



David Babicci & Alan Bell chat with ex GM Cabonne Council, Graeme Fleming – 2010 Forum



Mei Wall (ex HR Manager) & Karen Roberts – Wellington 2009 Forum



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*Peter James & Ross Palmer
- 2008 Forum*



*Evan Webb (Cabonne) with Paul Miller
in Adelaide – IT Tender Project*



*Bryson Rees
- 2008 Forum*



*Donna Hurst, Jan Van der Meer
& Karen Powyer – 2010 Forum*



*Winners 2011 Alliance Challenge for IT Project
Ashley Albury, Paul Miller & Anne Jones
(Wellington), Evan Webb (Cabonne) &
Gavin Rhodes (CTW)*



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*Sandra Melhuish & Vicky Duffield
with DA Kit Project*



*Marj Coon EA to Wellington GM
received a thank you from then
Mayor Anne Jones – 2011 Forum*



*Staff of the inaugural 2008 Staff Forum -
Eric Poga, Jan Van der Meer, Peter James & Owen Johns*



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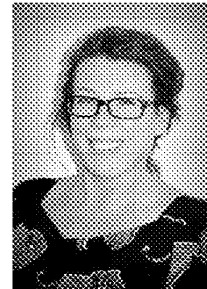
NEW LEADERSHIP

Rebecca Ryan was appointed as the new General Manager of Blayney Shire Council in September, 2014. Rebecca had previously been the Director of Corporate Services for Warrumbungle Shire Council and has over fourteen years' experience in local government. Rebecca is passionate about local government and serving local communities. As a Board Member of LG Professionals NSW, Rebecca is well respected in the sector as a strong leader and advocate of local government.



Central Tablelands Water's new General Manager, Gavin Rhodes, brings a new era to the water authority after the retirement, in 2014, of long-term General Manager, Tony Perry. Gavin was previously the Finance and Administration Manager for Central Tablelands Water and has also worked at Orange City and Cabonne Councils. Gavin's expertise in financial management provides Central Tablelands Water with sound fiscal leadership and, with a strong cohesive team, Central Tablelands Water's future is strong.

Karen Roberts took up the role of Acting General Manager at Wellington Council in January this year with the sudden resignation of the previous General Manager, Michael Tolhurst. Karen has been the Director of Corporate Services at Wellington for six years and has been a constant and reliable leader over the last few years of high turnover in the General Manager and Director roles at Wellington, this being the third time she has acted in the role. Despite significant staffing and financial challenges, Karen is providing stable and strong leadership in a period of immense changes and challenges at Wellington Council.



09) Maintenance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*a) Meter Reading*

The second meter read for the 2015/16 financial year commenced in Blayney on 8th October, finalised with the TM'C' rurals on 29th October.

b) Meter Change Program

The meter change program continued throughout the County area with twelve metres being replaced due to consumption.

c) Service Replacement Program

Council Staff completed ten full services over the past two months.

d) Hydrant Maintenance

Hydrant maintenance was carried out in Grenfell, Quandialla, Eugowra, Millthorpe, Blayney, Trajere and Cudal during the past two months.

e) Reservoir Maintenance

A scour line was relocated on the Cargo reservoir after being found to cross private property.

f) Reticulation Flushing

Town flushing has been carried out in North West Blayney.

g) Reticulation Maintenance

A 50 metre section of main has been relocated in Mitchell Street, Blayney after being found to cross private land. A 20 metre section of main has been replaced under a driveway in Kiewa St, Manildra.

h) Filtration Plant Maintenance

Four sludge lagoons have been cleaned and placed back into operation at Carcoar.

No.3 filter cell at Blayney has been refurbished with damaged nozzles being replaced along with garnet, sand and filter coal, this now completes the filter refurbishment, the water produced now far exceeds the Health Departments stringent guidelines of <0.2 NTU turbidity. The megapac dosing line has been relocated some 50 metres further down the raw waterline to enhance mixing.

i) Council's meter technician has commenced entering GPS coordinates of trunk mains into our mapping systems; this will ensure future locations are accurate.

j) *Staff Training*

Two staff members completed Chemcert training during November.

One staff member attended a Drinking Water Management workshop.

One staff member completed a WH&S Certificate.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil

10) Performance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*k) Main breaks*

The main failures recorded during the past two months are listed in the table below.

Location		Date	Size	Comment
Blayney	Adelaide Street	18.11.15	150mm	DNR
Carcoar	Icely Street	22.11.15	100mm	Split Length
Millthorpe	Unwin Street	01.11.15	100mm	Split Length
Grenfell	Brickfield Road	17.11.15	100mm	Split Length
TM'P'	Somers	13.11.15	100mm	DNR
TM'C'	Gooloogong	10.11.15	225mm	B/R

l) Service Complaints and Requests

- A summary of service complaints and requests received for the last two months are as follows:

BLAYNEY	17
BURST METER	2
DIRTY WATER COMPLAINT	5
HYDRANT LEAKING	1
LEAKING METER	4
LEAKING SERVICE	4
MAIN BREAK	1
CANOWINDRA	8
DIRTY WATER COMPLAINT	1
LEAKING METER	1
LEAKING SERVICE	3
MAIN BREAK	2
MAINTENANCE - GENERAL	1
CARCOAR	1
MAIN BREAK	1
CUDAL	1
LEAKING METER	1
EUGOWRA	8

LEAKING METER	1
LEAKING SERVICE	5
METER NOT SHUTTING OFF	1
NO WATER COMPLAINT	1
GRENFELL	7
LEAKING METER	3
LEAKING SERVICE	2
NO WATER COMPLAINT	1
PATHCOCK FAILURE	1
LYNDHURST	1
HYDRANT LEAKING	1
MANILDRA	4
LEAKING METER	1
LEAKING SERVICE	1
MAIN BREAK	2
MILLTHORPE	7
LEAKING METER	2
LEAKING SERVICE	1
MAIN BREAK	1
METER NOT SHUTTING OFF	1
PATHCOCK FAILURE	1
QUALITY COMPLAINT	1
QUANDIALLA	3
LEAKING SERVICE	2
NO WATER COMPLAINT	1
Grand Total	57

m) Lake Rowlands

The level of Lake Rowlands has decreased from 100% (13.10.2015) to its present level of 98.5% (1.12.2015) 347 megalitres was discharged from Lake Rowlands during the past two months.

n) New Water Services

During the past two months there have been six new domestic water services connected to Councils mains.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

Attachments

Nil

11) Questions on Notice

(Gavin Rhodes)

No questions on notice were received.

Attachments

Nil

- 12) **Water Leakage - Account 711020008 (CR.EQ.1)**
Water Leakage - Account 9101100007 (CR.EQ.1)
General Manager's Contract (GO.CO.4)

(Gavin Rhodes)

RECOMMENDATION:

1. That, as this matter deals with items that are subject to the affairs of an individual, Council consider it in Committee of the Whole and that in terms of Section 10A (2) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

Attachments

Nil

13) Proceed to Committee of the Whole

(Gavin Rhodes)

RECOMMENDATION:

1. That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

Council should exclude the press and public at this point, for confidential discussion on the items referred to Committee

Attachments

Nil

14) Report of the Committee of the Whole

(Gavin Rhodes)

RECOMMENDATION:

1. That the recommendations of the Committee of the Whole be adopted.

Attachments

Nil

**Minutes of the Ordinary Meeting of Central Tablelands Water held at Blayney
Shire Council, on Wednesday, 21 October 2015,
commencing at 10.30am**

<u>Present</u>	Cr. David Somerville	(Chairman)	Blayney
	Cr. Kevin Walker	(Deputy Chairman)	Cabonne
	Cr. Geoff Braddon OAM		Blayney
	Cr. Anthony Durkin		Cabonne
	Cr. Alan Griffiths		Weddin
	Cr. Geoffrey McClelland		Weddin
	Gavin Rhodes	(General Manager)	
	Darrell Sligar	(Director Operations & Technical Services)	

APOLOGIES

Nil

CONFIRMATION OF MINUTES

15/073 RESOLVED:

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 19 August 2015, being minute numbers 15/053 to 15/072 inclusive, be confirmed.

(Cr. Durkin/Cr. McClelland)

Councils Auditor, Mr John O'Malley a Partner with Intentus Chartered Accountants, presented his findings of the 2014/2015 Financial Statements.

CHAIRMAN'S MINUTE

The government's intentions regarding reform of the Local Government sector are becoming clearer with the release yesterday of the IPART report and the government's response.

Significantly for CTW, each of its three constituent councils has been found to be "unfit" and has 30 days to respond with their proposals. The preferred option for all three is a merger with neighbours.

So the next 12 months will be a dynamic time not only for our constituent councils but also, therefore, for CTW itself.

The one positive aspect of the reform process from CTW's own point of view is that it seems our campaign to impress upon the government the importance of leaving the county council structure in tact seems to have found critical support. It was backed by the other water county councils and by a resolution passed recently at the LGNSW annual conference. I thank deputy chair Cr Walker for moving that motion in my absence. There is no mention of county councils in yesterday's government response to the IPART report. Unfortunately our regional organisation, CENTROC, is not so

supportive of the county council model, although it is supportive of CTW itself retaining its full membership of the regional organisation.

The one aspect not yet finalised is the relationship between the proposed new Joint Organisations and water county councils, local water utilities and regional water alliances. It was the subject of the paper I gave at the recent LGNSW Water Management conference, urging that any reform to regional water supply be dealt with as a separate matter, unrelated to the current reform of the LG sector.

15/074 RESOLVED:

That the Chairman's Minute, as read, be accepted and the contents therein be noted and endorsed.

(Cr. Durkin/Cr. McClelland)

DISCLOSURES OF INTEREST

The General Manager reported the following Disclosure of Interest forms had been submitted:

Councillor/Staff	Interest	Item	Pg	Report	Reason
Cr. Geoff McClelland	Pecuniary	13	45	Committee of the Whole - Deferment of Section 64 Development Charges.	(01 & 02) Agent for sale of properties. (03) Family relative.

01) ELECTION OF CHAIRMAN AND DEPUTY CHAIRMAN (GO.CO.2)

15/075 RESOLVED:

That Council adopt the ordinary voting system for election of Chairman and Deputy Chairman.

(Cr. McClelland/Cr. Griffiths)

Proceedings in Brief:

The General Manager advised that he had received one nomination for the position of Chairman, namely Cr. David Somerville, and called for any further nominations. No further nominations were received.

Cr. David Somerville was declared duly elected as Chairman.

The General Manager advised that he had received one nomination for the position of Deputy Chairman, namely Cr Kevin Walker, and called for any further nominations. No further nominations were received.

Cr. Kevin Walker was declared duly elected as Deputy Chairman.

02) COUNCIL COMMITTEES (GO.CO.2)**15/076 RESOLVED:**

That Council confirm the Audit Committee comprise of the Chairman (or delegate), two (2) external independents, the General Manager as an observer, and the Director Finance and Corporate Services assuming the role of Secretariat to the Audit Committee (responsible for the coordination of the audit committee, functions and processes).

(Cr. McClelland/Cr. Griffiths)

03) MEETING TIMES AND DATES (GO.CO.2)**15/077 RESOLVED:**

1. That Council hold its ordinary meetings on the 2nd Wednesday of alternate months, as follows:

Wednesday	9 th December 2015	-	Canowindra
Wednesday	10 th February 2016	-	Grenfell
Wednesday	13 th April 2016	-	Blayney
Wednesday	8 th June 2016	-	Canowindra
Wednesday	10 th August 2016	-	Grenfell
Wednesday	12 th October 2016	-	Blayney

2. Council consider the Draft Operational Plan and Budget at the April ordinary meeting each year.

(Cr. Griffiths/Cr. Durkin)

04) STRATEGIC BUSINESS PLAN (FM.PL.2)**15/078 RESOLVED:**

That, following the statutory period of public exhibition, Council formally adopt the draft 2015 Strategic Business Plan, as endorsed at the August 2015 meeting of Council.

(Cr. Walker/Cr. Durkin)

05) INTENTUS - INTERIM AUDIT MANAGEMENT LETTER Y/E 30/06/2015 (CM.AU.1)**15/079 RESOLVED:**

That the information be noted.

(Cr. Durkin/Cr. McClelland)

06) ANNUAL FINANCIAL STATEMENTS - 30/06/2015 (FM.FR.1)**15/080 RESOLVED:**

That the audited financial reports for the year ended 30 June 2015, together with the auditor's report, be received and noted.

(Cr. Durkin/Cr. McClelland)

07) FINANCIAL MATTERS (FM.BA.1)**15/081 RESOLVED:**

That the information be noted.

(Cr. Durkin/Cr. Griffiths)

08) QUARTERLY BUDGET REVIEW STATEMENT - 30TH SEPTEMBER 2015 (FM.FR.1)**15/082 RESOLVED:**

That the budget review statement for the quarter ended 30th September 2015 be accepted, and the variations therein be adopted.

(Cr. McClelland/Cr. Griffiths)

09) LOCAL GOVERNMENT NSW ANNUAL CONFERENCE 2015 (GR.LR.2)**15/083 RESOLVED:**

That Council note the report.

(Cr. Durkin/Cr. Griffiths)

10) MAINTENANCE OF COUNCIL'S SYSTEMS (WS.MO.4)**15/084 RESOLVED:**

That the information be noted.

(Cr. Braddon/Cr. McClelland)

11) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)**15/085 RESOLVED:**

That the information be noted.

(Cr. Braddon/Cr. McClelland)

12) QUESTIONS ON NOTICE

No questions on noticed were received prior to the meeting.

The General Manager advised Council that for succession planning purposes, the recruitment process for the position of Director Operations

and Technical Services would commence next month. This will allow for a smooth transition and handover period with less likelihood of disruption to operations when CTW's current Director Operations and Technical Services intends to retire later next year.

Cr. Walker enquired about rebates given to preschools on the CTW supply network within the Cabonne area. The General Manager advised Cr Walker that he would provide a list of rebates given to preschools on the CTW supply network.

- 13) **DEFERMENT OF SECTION 64 DEVELOPER CHARGES (WS.AG.1)**
DEFERMENT OF SECTION 64 DEVELOPER CHARGES (WS.AG.1)
DEFERMENT OF SECTION 64 DEVELOPER CHARGES (WS.AG.1)

15/086 **RESOLVED:**

That, as this matter deals with items that are subject to the affairs of an individual, Council consider it in Committee of the Whole and that in terms of Section 10A (2) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

(Cr. Walker/Cr. Durkin)

Cr. McClelland declared an interest in the reports of the Committee of the Whole, and left the meeting at 11.35am.

- 14) **PROCEED TO COMMITTEE OF THE WHOLE**

15/087 **RESOLVED:**

That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

(Cr. Walker/Cr. Griffiths)

REPORT OF THE COMMITTEE OF THE WHOLE

REQUEST FOR DEFERRED PAYMENT OF SECTION 64 CHARGES (WS.AG.1)

RECOMMENDATION:

Council approve the deferment of Section 64 Developer Charges for the subdivision at McDonalds Lane, Canowindra, on the condition that the owner provides Council with a letter agreeing to pay the full Section 64 Developer Charge applicable at the date of sale of each allotment.

(Cr. Braddon/Cr. Walker)

**REQUEST FOR DEFERRED PAYMENT OF SECTION 64 CHARGES
(WS.AG.1)**

RECOMMENDATION:

Council approve the deferment of Section 64 Developer Charges on Lots 118, 119, 124, 125, 129 and 130 Huckel Close, Grenfell, on the condition that the owner provides Council with a letter agreeing to pay in full the Section 64 Developer Charges applicable at the date of sale of each allotment.

(Cr. Walker/Cr. Braddon)

**REQUEST FOR DEFERRED PAYMENT OF SECTION 64 CHARGES
(WS.AG.1)**

RECOMMENDATION:

Council approve the deferment of Section 64 Developer Charges on the proposed subdivision on Huckel Close, Guy Crescent and Walsh's Lane, Grenfell, on the condition that the owner provides Council with a letter agreeing to pay the full Section 64 Developer Charges applicable at the date of sale of each allotment.

(Cr. Braddon/Cr. Griffiths)

RECOMMENDATION:

That as the deliberation of the Committee is concluded, the Council reconvene the Ordinary Meeting.

(Cr. Braddon/Cr. Griffiths)

15) REPORT OF THE COMMITTEE OF THE WHOLE

15/088 RESOLVED:

That the recommendations of the Committee of the Whole be adopted.

(Cr. Braddon/Cr. Griffiths)

Next Meeting: The next meeting of Central Tablelands Water will be held in Canowindra on 9th December 2015.

There being no further business, the Chairman declared the meeting closed at 11.40am.