

# CENTRAL TABLELANDS *Water*



**Business Paper**

**Ordinary Meeting of Central Tablelands *Water***

**17 April 2019**

**Grenfell**



12 April 2019

## Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the Weddin Shire Council Chambers, Grenfell on Wednesday, 17 April 2019 at 10.30am. Morning tea will be served at 10.00am.

### Agenda

1. Public Forum
2. Apologies for non-attendance
3. Confirmation of Minutes - Ordinary Meeting held on 13 February 2019
4. Disclosures of interests
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 – Canowindra – 1 May 2019

Yours faithfully

G. Rhodes  
**General Manager**

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**HELD ON WEDNESDAY 17 APRIL 2019**

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**01) MODEL CODE OF CONDUCT POLICY AND PROCEDURES (GO.PR.1)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation.

**RECOMMENDATION:**

1. That Council adopt the 2018 Model Code of Conduct and Procedures as issued by the Office of Local Government.
2. That Council adopt the Centroc panel of conduct reviewers determined in 2016 as Council's panel of conduct reviewers.

**REPORT**

The Office of Local Government (Circular No 18-44/18 December 2018) has advised Councils that a new Model Code of Conduct and Procedures for the Administration of the Code has been prescribed under the *Local Government (General) Regulation 2005* and is required to be adopted by 14 June 2019.

The main changes to the Model Code of Conduct as outlined in the circular from the Office of Local Government are as follows:

- the pecuniary interest provisions previously contained in the LGA and Regulation have now been included in the Model Code of Conduct.
- new standards relating to discrimination and harassment, bullying, work health and safety, behaviour at meetings, access to information and maintenance of council records.
- new rules governing the acceptance of gifts including mandatory reporting.
- a new ongoing disclosure requirement for councillors and designated persons requiring disclosure of new interests in returns of interests within three months of becoming aware of them.
- councillors will be required to disclose in their returns of interests whether they are a property developer or a close associate of a property developer.

The main changes to the Procedures as outlined in the circular from the Office of Local Government are as follows:

- the role of the general manager in the receipt and initial management of code of conduct complaints about councillors.
- the ability of complainants, who are unhappy with decisions of the council, to misuse councils' codes of conduct by repackaging routine complaints as "code of conduct complaints"
- the lack of recourse against members of the public who inappropriately disclose information about complaints they have made under a council's code of conduct.

In accordance with the Procedures, Council must by resolution establish a panel of conduct reviewers. This can be achieved by entering into an arrangement with one or

more other councils to share a panel of conduct reviewers including through a joint organisation or another regional body associated with the councils. The term of the panel is for up to 4 years. Centroc appointed a panel in July 2016 that is due for expiry in June 2020. It is proposed that Council adopt the panel determined by Centroc.

Training for the new Model Code of Conduct is currently being arranged for all CTW staff and will also be organised for those CTW Councillors who have not undertaken the training through their constituent councils.

Copies of the new Model Code of Conduct and Procedures have been distributed with this business paper for review by Council.

### **BUDGET IMPLICATIONS**

Allocation for training to be incorporated in 19/20 budget.

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**02) DEMAND MANAGEMENT REPORT (WS.AG.1)****Author:** General Manager

**IP&R Link:** Strategic Priority 1 – Provide a high quality and reliable drinking water supply – 1.1 – Service provision through fit for purpose infrastructure – 1.3 Best practice asset management – 1.4 – Mitigate environmental impacts on service delivery – 1.5 – Efficient use of water.

**RECOMMENDATION:**

That Council adhere to its Water Restrictions Policy and ensure preparedness to implement applicable level water restrictions if and when policy triggers are reached, or if the Bureau of Meteorology rainfall forecasts change significantly.

**REPORT**

As the current drought period continues in the region and throughout New South Wales, the level of Lake Rowlands as of 12 April is at 54% of capacity.

CTW prudently implemented Level 2 Water Restrictions on 1 January 2019 leading into the peak summer demand period when Lake Rowlands was at 68% capacity, even though the trigger for Level 2 restrictions is set at 60%.

Now leading into the low demand period of winter, whereby invariably water consumption is decreased, the Senior Management Team (SMT) in consultation with CTW's Water Quality Manager and Water Network Manager have undertaken a review of current water supply levels, demand and future long term rainfall forecasts for the catchment.

With water supply demand already decreasing by approximately 25% since the cooler Autumn period, it is anticipated that further significant reductions in demand will follow during Winter. CTW's SMT and managers will continue to closely monitor the water supply levels, demand and Bureau of Meteorology's (BOM) long term rainfall forecasts, prior to recommending the implementation of Level 3 Water Restrictions.

The Bureau of Meteorology (BOM) climate outlook for the period May to July 2019 (as at 12/4/19) have forecasted the following rainfall in the Blayney area:

<b>Rainfall (mm)</b>	<b>Chance (%)</b>
50	100
100	93
150	47
200	31
250	12
300	6
400	0

Based on the current level of Lake Rowlands and the forecasted rainfall listed above in the Blayney area, it is recommended at this stage that Council adheres to its current Water Restrictions policy and ensure preparedness to implement applicable water restrictions, if and when policy triggers are reached or BOM rainfall forecasts change significantly.

The SMT and Managers will continue to closely monitor the level of Lake Rowlands, water supply demand and future BOM rainfall forecasts.

### **BUDGET IMPLICATIONS**

Operational Plan 2018/2019

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**03) CUSTOMER SATISFACTION SURVEY (CR.EQ.1)**

**Author:** General Manager

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.1.2 Undertake customer survey – 2.1.3 Review and action customer survey feedback.

**RECOMMENDATION:**

1. That the information be noted.
2. That Senior Management review the results of the customer satisfaction survey and provide Council with an action plan to address identified areas for improvement.

**REPORT**

In accordance with Council's Integrated Planning and Reporting (IP&R) Delivery Program, the General Manager engaged Micromex Research to conduct a customer satisfaction survey. Micromex Research were engaged in 2012 to undertake the previous customer satisfaction survey for CTW. Micromex Research are highly experienced in conducting customer satisfaction surveys throughout the local government industry.

The objectives of the survey include the following:

- Identify the community's satisfaction with CTW's services
- Determine the community's views and opinions of a broad range of water usage related issues
- Provide CTW with performance benchmarks for future trend analysis and performance measurements and compare against previous results.

It is pleasing to note that overall satisfaction with the performance of Central Tablelands Water and its operations was identified as very high.

Micromex Research's part summary of the key findings was:

- *Overall satisfaction with the delivery of water services is high, with 84% of respondents 'satisfied' or 'very satisfied' and 9% 'somewhat satisfied'*
- *Dissatisfaction levels are identified as extremely low (7%)*
- *Satisfaction is identified as high for 'the general delivery of water services', 'maintenance of water infrastructure', and 'water quality of the town water supply', whilst it is moderately high for 'investments in future water infrastructure and delivery', 'information and education about water conservation', and 'value for money for your water services.'*
- *Support for options for the future security and reliability of water in the local area (i.e. enlargement of Lake Rowlands, regional water security (pipelines), increase groundwater supply and provide additional water storage is strong and has strengthened over the last 7 years.*



- *65% of customers were at least 'somewhat supportive' of moderate increases to their water bill to assist in funding works.*
- *A low percentage of respondents (25%) had contacted CTW in the last 12 months with the predominant form of contact being 'phone' (80%)*
- *Overall satisfaction with the way the contact was handled was identified as high, with 77% of respondents 'satisfied' or 'very satisfied' and 8% 'somewhat satisfied'*
- *Dissatisfaction levels of 15% are identified as low*

The findings of this survey will enable management to identify areas for improvement of Council's service delivery to its consumers and plan the actions that need to be taken to progress in those areas.

A full copy of Micromex Research's detailed report has been provided to Council with this business paper.

### **BUDGET IMPLICATIONS**

Supplementary vote of \$16,000 will be included in the March 2019 Quarterly Budget Review Statement.

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**04) PROPOSED CHANGE OF COUNCIL MEETING DATES (GO.CO.1)****Author:** General Manager**IP&R Links:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation - Strategy Priority 3 – Regional leadership and collaboration.**RECOMMENDATION:**

That Council:

1. Approve the proposal to hold an extraordinary meeting on 1 May 2019, and
2. Authorise the change of date for the June Council meeting from 12 June 2019 to 19 June 2019.

**REPORT**

As Council is aware, CTW is currently reviewing and updating its Development Servicing Plan (DSP) and drafting the budget for the 19/20 financial year. The draft DSP is required to be audited under the current 2016 DSP Guidelines. The audit is expected to be completed by late April. The draft budget will be finalised following the outcomes of the Budget Workshop scheduled after the April Council meeting.

To ensure CTW is able to meet its public exhibition requirements regarding the draft DSP and budget, the Senior Management Team (SMT) propose the following schedule of meetings:

<u>Event/Meeting</u>	<u>Venue</u>	<u>Original Date</u>	<u>Proposed Date</u>
May Extraordinary Meeting (Draft Development Servicing Plan, Draft Budget, Draft Code of Meeting Practice) (10.30am-1pm)	Canowindra		1 May 2019
June Council Meeting (adopt Budget and DSP)	Canowindra	12 June 2019	19 June 2019

The extraordinary meeting planned for 1 May will allow for the draft DSP, Budget and Code of Meeting Practice to be placed on public display for the legislated period of time being 30 business days and 28 days respectively.

The June Council meeting is proposed to be delayed by a week (12 June to 19 June) to allow the SMT to report on any public submissions regarding the budget or DSP.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**05) SAFE & SECURE WATER PROGRAM UPDATE (GR.SL.2)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.2.7 – Secure grant funding where available to support delivery and development of services and infrastructure.

Strategic Priority 3 – Regional leadership and collaboration – 3.1.1 Work closely with Central West JO (through Water Alliance) for regional water security – 3.1.2 – Participate in opportunities for resource, expertise and knowledge sharing with Central West JO – 3.1.4 – Develop a regional water security strategy.

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**RECOMMENDATION:**

That Council note the report.

**REPORT**

As previously reported, the NSW Government announced in June 2017 the Safe and Secure Water Program (SSWP) targeting water and sewerage projects in regional NSW to ensure infrastructure meets contemporary standards for water security, public health, environmental and safety outcomes into the future. The SSWP provides co-funding to successful applicants for water and sewerage infrastructure.

**12 ML Carcoar Water Treatment Plant Reservoir and Trunk Main K**

The Senior Management Team (SMT) resubmitted the 12 ML reservoir application on 1 April 2019 for consideration at the next SSWP Technical Review Panel (TRP) meeting. The application included further reservoir sizing information aligning with CTW's strategic infrastructure planning framework. The SMT was assisted by water industry experts Hunter H2O for the resubmission.

CTW now awaits the recommendations of the SSWP TRP for this application. It is understood that the next SSWP TRP meeting is scheduled for late April 2019.

**Scoping Study - Lithgow to Kings Plains Water Transfer Pipeline**

A steering committee has been established for this important regional water security project with meeting dates yet to be confirmed.

Preliminary work has commenced on this scoping study by Geolyse. It is estimated that 23% of the scoping study is now complete.

**Feasibility Study - Caragabal Water Supply**

Due to the prolonged drought and the current dire water supply issues at Caragabal, CTW are continuing to advocate for government funding to undertake a feasibility study to potentially provide a reliable potable water supply to the village of Caragabal.

Feasibility study proposals were requested and received from four (4) water industry experts. These proposals will form the basis of funding being sought through the SSWP.

As the SSWP funding guidelines have recently changed, the General Manager has been consulting with the SSWP Manager regarding the applicable funding stream to apply through in a bid to secure funding for this important project.

This advocacy is being undertaken in collaboration with Ms Steph Cooke (Member for Cootamundra), Weddin Shire Council, and Caragabal community members.

### **BUDGET IMPLICATIONS**

Operational Plan 2018/19

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**06) COUNCIL RESOLUTIONS UPDATE REPORT (GO.CO.1)**

**Author:** General Manager

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.5.5 Good governance in place with timely management of council meetings.

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**RECOMMENDATION:**

That Council note the Council Resolutions Update Report to February 2019.

**REPORT**

The General Manager is responsible for ensuring that Council's resolutions, policies and decisions are implemented in a timely and efficient manner, progress monitored and variances reported.

The General Manager provides the management oversight in relation to all information progressing from appropriate staff to Council for consideration via the Business Paper.

After a Council meeting, each resolution is allocated to the General Manager or responsible officer to action in accordance with the Council resolution. The Senior Management Team (SMT) then discuss the progress of these resolutions at fortnightly SMT meetings.

Council have requested a Resolutions Update Report at each Council meeting.

The Council Resolutions Update Report includes Council Resolutions to February 2019.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Council Resolutions Update table 4 Pages

**COUNCIL RESOLUTIONS UPDATE**

Council Resolutions Update – Meeting held 17 April 2019					
Resolution Ref.	Date of Meeting	Subject	Responsible Officer	Decision	Action Taken/Status
17/046	14/6/17	Innovation Fund	GM	<p>That Council:</p> <ol style="list-style-type: none"> <li>1. Endorse the Blayney Alliance Regional Renewable Energy Action Plan Project application developed by Blayney Shire Council in partnership with Central Tablelands Water and submitted under Round 2 of the NSW Government's Innovation Fund, and;</li> <li>2. Approve the financial co-contribution of \$20,000 towards the Blayney Alliance Regional Renewable Energy Action Plan Project if the funding application is successful.</li> </ol>	<p>Letter sent to Blayney Shire Council on 14/6/17 advising BSC of Councils' resolution to partner and contribute towards the Energy Renewable application for the Innovation Fund.</p> <p>The funding application was successful in receiving partial funding. CTW's contribution was revised to \$13k in total with \$23k being allocated towards energy efficient projects. CTW have undertaken an Energy Audit of all CTW's sites with the report expected by the end of April 2018. Ref 18/007.</p> <p>1/6/18 - Skillset Environment to present Energy Audit presentation at CTW Council meeting 13/6/18.</p> <p>3/8/18 – Energy Audit Report received from Skillset Environment. The report will be presented to Council at the October meeting.</p> <p>10/10/18 – Renewable Energy Action Plan to be tabled at Oct Council meeting. SMT to meet with Skillset Environment on 18 Oct to further discuss potential energy saving options for CTW.</p> <p>27/11/18 – SMT are considering a proposal from Skillset Environment to</p>

					<p>assist with the potential installation of on-site energy generation at the CTW sites of Lake Rowlands, Carcoar Water Filtration Plant and Blayney Water Filtration Plant.</p> <p>12/4/19 - This has been superseded by Council resolution 18/103.</p> <p><b>Action transferred to 18/103.</b></p>
17/052	14/6/17	Late Item – NBN Co Ltd – Amended Lease Agreement – Carcoar Reservoir	GM/DOTS	That Council authorise the Chairman and General Manager to sign and execute under Council's Common Seal the amended lease agreement between Council and the NBN Co Ltd for the telecommunications facility on the roof of Carcoar Reservoir, in a form satisfactory to Senior Council staff.	<p>13/2/18 - Awaiting final lease agreement from solicitors containing "third party infrastructure" conditions as per the NSW Water Directorate recommendation.</p> <p>31/5/18 &amp; 17/7/18 – Follow up emails sent to solicitor regarding progress of lease.</p> <p>19/7/18 - GM spoke with solicitor's secretary to follow up.</p> <p>8/8/18 – Solicitor emailed seeking final review of third party infrastructure checklist points to be included in lease. GM and DOTS are reviewing.</p> <p>5/12/18 – GM met with solicitor to discuss outstanding legal matters. The lease and pipeline project property easements are expected to be completed by the end of the year.</p> <p>7/2/19 – Third party infrastructure requirements sent to solicitor to finalise NBN Lease.</p>
17/088	18/10/17	Proposed Boundary Readjustment	DOTS/GM	1. That Council approve the proposed boundary readjustment in principle;	13/11/17 – DOTS advised Mr Whitehead of Council's resolution.



				<p>2. That a plan of the proposed boundary readjustment be reported to Council once completed, for endorsement, and</p> <p>3. Council to contribute \$3,000 towards the cost of the boundary adjustment and Mr Whitehead to contribute \$3,000 for the cost of the land.</p>	<p>14/12/17 – Mr Whitehead replied to DOTS accepting Council's in principle support to the boundary adjustment.</p> <p>15/12/17 – DOTS resigned from CTW. New DOTS appointed in February 2018, commenced March 2018.</p> <p>27/4/18 – GM &amp; DOTS liaising with Mr Whitehead regarding proposed boundary adjustment.</p> <p>10/8/18 – DOTS is continuing to liaise with Mr Whitehead regarding boundary adjustment.</p> <p>7/12/18 – DOTS is following up on this matter as a priority now that a major capital works project is nearing final completion.</p> <p>12/4/19 – DOTS has been liaising with the Mr Whitehead to finalise this matter.</p>
18/057	8/8/2018	Central Tablelands Water Rebranding Project	GM	That Council approve funding of \$7,000 for Stage 1 (Market Research) to include an estimate of cost for the overall branding project.	<p>25/9/18 – The Chairman &amp; SMT attended Rebranding Briefing meeting at CTW office facilitated by Adloyalty. A Branding Workshop is scheduled for 17 Oct with constituent councils invited to attend.</p> <p>7/12/18 – Awaiting branding costing estimate.</p> <p>13/2/19 – Report being presented to February Council meeting for consideration.</p> <p>18/3/19 – Presentation by Adloyalty to the Chairman and SMT regarding proposed new logos. GM sent an email to all CTW Councillors requesting feedback regarding their preferred logo from the new logo options.</p>

					3/4/19 – Adloyalty were advised of 2 preferred options from the feedback received from those Councillors who responded. These 2 logos were then sent to all CTW staff via an online survey facilitated by Adloyalty. The results of this survey are yet to be received.
18/079	10/10/2018	Safe & Secure Water Program Update	GM  SMT	<p>3. General Manager be given delegated authority to establish a steering committee for the Lithgow to Kings Plains Water Transfer Pipeline scoping study, and</p> <p>4. That Council support CTW Senior Management in preparing and submitting an expression of interest and detailed application for a water supply feasibility study at Caragabal, under the Safe &amp; Secure Water Program in consultation with Weddin Shire Council, Caragabal Water Scheme Incorporated and the Caragabal community.</p>	<p>7/12/18 – GM is finalising Terms of Reference for the steering committee.</p> <p>8/2/19 – Preliminary work has commenced on the scoping study by Geolyse.</p> <p>7/12/18 – SMT are currently developing the EOI and detailed submission.</p> <p>11/2/19 – Advocacy meeting to be held with WSC, CTW, Caragabal community members and DOI Regional Water manager at Caragabal.</p> <p>12/4/19 – Request for feasibility study proposals were issued to 4 water industry experts. These proposals have been received and will form the basis for a request for funding through the SSWP.</p>
18/098	12/12/2018	75 Year Silver Jubilee of Central Tablelands County Council	GM	That Council authorise the General Manager to plan an official function to commemorate the 75 Year Jubilee of the proclamation of Central Tablelands County Council in 2019.	<p>13/12/18 – GM has commenced initial planning of the official function with SMT and administration staff.</p> <p>21/3/19 – Function date of 31 May proposed and agreed by Councillors. The Jubilee will also coincide with the new CTW website and rebranding launch.</p>

18/103	12/12/2018	Renewable Energy Action Plan	GM	That Council note the report and resolve to undertake further research on the potential costs and benefits of on-site energy generation at the CTW sites of Lake Rowlands, Carcoar Water Filtration Plant and Blayney Water Filtration Plant.	21/3/19 - SMT investigating the potential costs and benefits of on-site energy generation at the CTW sites in consultation with renewable energy professionals. Also investigating potential grant funding opportunities for renewable energy projects, including studies.
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**07) FINANCIAL MATTERS (FM.BA.1)**

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation - Key Result Area 2.3 Improving Performance and Managing Risk – 2.3.1 monitoring of organisational and operational performance is regular, accessible and understandable

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**RECOMMENDATION:**

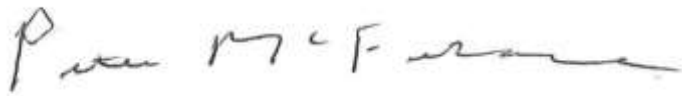
That the information in relation to Council's investments as at 31 March 2019 be noted.

**REPORT**

**Cash and Investments**

The investment summary below represents Council's total investments as at 31 March, 2019 in accordance with clause 212 of the Local Government (General) Regulation 2005 and Section 625 of the Local Government Act 1993.

The below investments have been made in accordance with the Local Government Act 1993, the Local Government General Regulation 2005 and Councils Investment Policy.



Peter McFarlane  
Responsible Accounting Officer

		Credit Rating	Term (Days)	Rate	Maturity Date	% of Portfolio
<b>Short Term Deposits</b>	<b>\$ 6,700,000.00</b>					<b>83.33%</b>
ME Bank - Curve Securities	500,000	BBB+	183	2.70%	21/05/19	6.22%
BOQ - Curve Securities	500,000	BBB+	182	2.73%	23/05/19	6.22%
BOQ - Curve Securities	700,000	BBB+	182	2.75%	4/06/19	8.71%
Commonwealth Bank	600,000	AA-	124	2.39%	29/07/19	7.46%
Reliance Bank	500,000	Unrated	182	2.75%	9/08/19	6.22%
AMP - Curve Securities	500,000	A	182	2.80%	28/08/19	6.22%
Reliance Bank	500,000	Unrated	214	2.75%	4/10/19	6.22%
Reliance Bank	500,000	Unrated	183	2.75%	12/09/19	6.22%
NAB - Rim Securities	500,000	AA-	218	2.70%	5/09/19	6.22%
AMP - Curve Securities	500,000	A	212	2.80%	4/04/19	6.22%
BOQ - Curve Securities	800,000	BBB+	182	2.68%	23/04/19	9.95%
ME Bank - Curve Securities	600,000	BBB+	92	2.63%	11/06/19	7.46%

<b>At Call Funds</b>	<b>\$ 1,339,852.79</b>					<b>16.67%</b>
Commonwealth Bank General Account	\$ 347,571.16	AA-	At Call	1.30%	N/A	
Commonwealth Bank - BOS Account	\$ 992,224.81	AA-	At Call	1.40%	N/A	
Reliance Credit Union - Cheque Account	\$ 56.82	Unrated	At Call	0.00%	N/A	
<b>Total Value of Investment Funds</b>	<b>\$ 8,039,852.79</b>					<b>100%</b>

90 Day BBSW for August 2018	1.77%
Average Rate on Term Deposits	2.70%
Margin over 90 day BBSW	0.93%
Average Term - Short Term Deposits (days)	178

<b>Portfolio by Credit Rating</b>	<b>Amount \$</b>	<b>%</b>
AA-	\$ 2,439,795.97	30.35%
A	\$ 1,000,000.00	12.44%
BBB+	\$ 3,100,000.00	38.55%
Unrated	\$ 1,500,056.82	18.66%
<b>Total</b>	<b>\$ 8,039,852.79</b>	<b>100.00%</b>

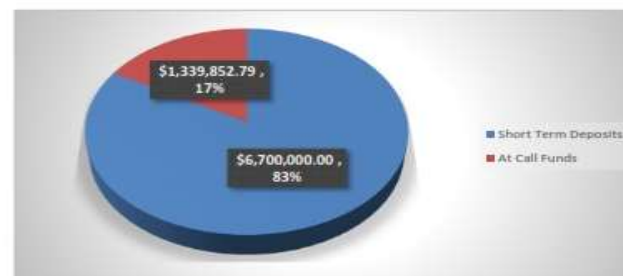
#### BANK RECONCILIATION

Balance as per Bank Statement	\$ 350,757.94
Less: Deposits not receipted	\$ 5,282.12
	\$ -
Add: Outstanding Deposits	\$ 2,095.34
Balance as per Cash Book	\$ 347,571.16

#### GENERAL FUND

(a) Cash Book Balance	\$ 1,339,852.79
(b) Bank Balance	\$ 1,339,852.79

<b>Short Term Deposits</b>	<b>\$ 6,700,000.00</b>
<b>At Call Funds</b>	<b>\$ 1,339,852.79</b>



**Investment Commentary**

There has been a significant lowering of term deposit rates over the last two months. The deposit rates offered by financial institutions have followed a drop in the 90 day Bank Bill Swap Rate (BBSW) by up to 30 basis points over the course of this calendar year.

This reflects a number of factors which are impacting on the economic outlook in Australia. These include external factors such as fears about declining growth in the Chinese economy together with low consumer demand due to slow wage growth and falling property prices in the major capital cities particularly Sydney and Melbourne.

There is also additional uncertainty being created by the Federal Election which will occur on the 18 May, 2019. The outcome of that election will have a significant impact on the shape of economic policy over the next 3 years.

Council has responded to this decline in rates by moving investments where necessary to minimise the loss of return. It is important however to continue to diversify investments so as to minimise the risk associated with placements with a single financial entity. Council continues to diversify across a range of institutions ranging from the highest rating of AA- to those which are unrated. This provides a suitable balance between rate of return and preservation of capital.

The investment outlook indicates that it will remain challenging over the course of this calendar year with some financial analysts predicting two cuts in the cash rate during that period. Whilst this is possible, there is a view that such a move will provide little stimulus to the economy due to the high level of personal debt that exists.

It is important to note that as Trunk Main K Stage 3 is under construction, the level of investment funds will decrease significantly by the end of the 2018/19 financial year.

**BUDGET IMPLICATIONS**

Council's investment returns are on track to increase above budget in 2018/19. This will be considered as part of the March 2019 Quarterly Budget Review. This has come about due to higher average funds invested due to the delay in commencing Trunk Main K Stage 3 to allow the outcome of the Safe and Secure Funding application to be determined.

**POLICY IMPLICATIONS**

Council's investment policy requires that at least \$1 million dollars or 10% of the value of total investments, whichever is greater, be available within 7 days to minimise any liquidity risk.

**ATTACHMENTS**

Nil

**08) AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES AND ADDITION TO CHARTER (CM.AU.1)**

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation 2.3 - Improving Performance and Managing Risk – 2.3.4 Implement internal audit processes for governance and compliance management

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**RECOMMENDATION:**

1. That Council note the Audit, Risk and Improvement Committee meeting minutes dated 31 October 2018.
2. That the Chairperson of the Audit, Risk and Improvement Committee receive a \$250 increase in fees per meeting to \$750.
3. That Council amend the Central Tablelands Water Audit, Risk and Improvement Committee Charter to include a list of additional responsibilities for the Chairperson to recognise the additional accountabilities of the role.
4. That the 2018 Annual Committee Report be received.

**REPORT**

The adopted minutes of the Internal Audit, Risk and Improvement Committee (ARIC) Meeting held on 31 October, 2018 are attached for Council's information.

There was a further Committee Meeting on 21 February, 2019 however those minutes are yet to be adopted by the Committee. They will be presented to Council after adoption.

At the 21<sup>st</sup> February, 2019 ARIC meeting a new Chairperson, Mr Phillip Burgett was duly elected. At that meeting a request was made for consideration of an additional fee for the Chairperson's role commensurate with increased responsibilities of the role. It was suggested that a fee of \$750 per meeting be paid which is an additional \$250 above the existing independent member's fee of \$500 per meeting.

To ensure consistency in relation to this matter, discussions were held with the Cabonne and Blayney Councils. Blayney Shire provided extensive data to suggest that an additional fee for the Chairperson was paid by a number of Councils. However, the quantum of the additional fee varied widely between Councils.

Cabonne Council resolved to pay the additional fee of \$250 per meeting at their Council Meeting on 26 March, 2019. Blayney Council and Central Tablelands Water (CTW) were still researching and considering the matter at that time.

It was agreed between Blayney Council and CTW that the additional fee of \$250 be paid provided that the Charter be amended to reflect the additional responsibilities and accountabilities of the position. This approach is consistent with how the positions of Mayor of a general purpose council or Chairperson of a county council are remunerated under the Local Government Act 1993.

It was agreed that the Charter of both the Blayney Shire and CTW be amended to include the following responsibilities of the Chairperson. These responsibilities have been determined as follows:

- Approval of draft meeting minutes;
- Input into Committee agenda;
- Driving the completion of audit program.
- Suggestions for changes/improvements to Charter.
- Timely completion of annual Committee Report.
- Initiation of a periodic review of the effectiveness of the ARIC against its Charter at least once every two (2) years

Cabonne Council have determined that they will not be changing the Charter to incorporate these additional responsibilities for the Chairperson.

The next meeting of the ARIC is scheduled for the 20 June, 2019.

### **BUDGET IMPLICATIONS**

Council has a 2018/19 adopted budget of \$20,000 that covers the cost of the committees meeting costs and the conduct of at least one internal audit project engagement.

The additional \$250 Chairpersons fee will add \$750 per year to the operating costs of the Committee. This should be able to be met from the existing budget allocation.

### **POLICY IMPLICATIONS**

As outlined in the report.

### **ATTACHMENTS**

1. Minutes of Committee Meeting 31 October 2018
2. 2018 Committee Annual Report
3. Amended ARIC Charter incorporating Chairpersons Responsibilities.



Audit Committee Meeting – 31<sup>st</sup> October 2018

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**Minutes of the Audit, Risk and Improvement Committee Meeting of Central Tablelands Water held at Blayney Community Centre on Wednesday 31<sup>st</sup> October, 2018 commencing at 11.20am**

<b>PRESENT:</b> Mr Steve Kent	(Chair - Independent Member – voting – by Conference Call)
Mr Phillip Burgett	(Independent Member - voting)
Cr David Somervaille	(Council Chairman - voting)
Gavin Rhodes	(General Manager - Observer)
Peter McFarlane	(Director Finance & Corporate Services - Secretariat)
Noel Wellham	(Director of Operations and Technical Services – Observer)

**1. Welcome**

The Chair of the Committee Mr Steve Kent welcomed all attendees to the meeting which commenced at 11.20am. The commencement of the meeting was delayed from the planned 11.00am start, whilst a conference line to the Chairman was established.

**2. Apologies for Non-attendance**

Apologies were noted from Ms Karen Taylor – NSW Audit Office and John O'Malley Intentus Chartered Accountants.

The apologies were noted.

**3. Declarations of any Conflicts of Interest**

Mr Burgett declared an interest in item 11 as he had submitted an expression of interest for a position as an independent member of the new Audit, Risk and Improvement Committee. No other declarations were received. The Committee noted the declaration of interest. Mr Burgett stayed in the meeting during consideration of item 11 but did not participate in the discussion.

**4. Confirmation of Minutes – Audit , Risk and Improvement Committee Meeting 12<sup>th</sup> July 2018**

The minutes of the above meeting were adopted by the Committee.

**5. Major Developments since last previous meeting**

A list of major developments which had occurred and impacted upon Central Tablelands Water since the last meeting was presented.

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Audit Committee Meeting – 31<sup>st</sup> October 2018

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- An Update on Safe and Secure funding applications for Trunk Main K, 12ML reservoir at Carcoar Water Filtration Plant and scoping study for the Lithgow to Kings Plains pipeline was provided.
- Work was continuing on the major HR projects being the review of the salary system and the organisation structure.
- Work on the development of the new Asset Management system using intramaps as the core software has continued with the water infrastructure figures at the 30 June, 2018 being calculated using that system.
- Work is progressing slowly on the replacement of the roof on the Canowindra reservoir that was severely damaged in a storm event in December, 2017. A contractor has been appointed to undertake the work. The expected completion date is unknown at this stage.
- The Blayney Office will transition to the NBN on 30 October, 2018.
- A WH & S self-audit organised through StateCover have indicated some areas that require prompt attention by Council. A consultant has been engaged to investigate and review the audit outcomes and recommend corrective measures by Council.
- Council received funding from the NSW Government Innovation Fund in conjunction with Blayney Shire Council and an energy audit was conducted. A renewable energy action plan will be developed and considered by Council.
- The State Government had announced that 850K in funding had been approved for a study into the business case for the Lake Rowlands to Carcoar Pipeline.
- Council has been approached to assist the Caragabal community with an application for funding under the Safe and Secure Water program to undertake a feasibility study into establishing a water supply scheme.

The report on recent developments were noted by the Committee.

**6. Audit Management Letter – Issued 25 July, 2018**

Mr Kent noted that the letter consisted of housekeeping matters. Mr McFarlane advised that most recommendations had been implemented with the exception of the development of an IT security policy and the finalisation of financial delegations. The aim being to formulate an IT Security Policy by 30 June, 2019. Mr Rhodes advised that a draft financial delegation hierarchy had been prepared and was to be presented to Council in 2019.

The Committee noted the contents of the Management letter and actions taken.

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This is Page No. 2 of the Minutes of the Central Tablelands Water Audit Risk and Improvement Committee Meeting held 31<sup>st</sup> October, 2018.

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**7. Financial Statements 2017/18**

Mr McFarlane advised that the draft statements were distributed to Committee members in early October, 2018. At the time of the meeting the Audit Reports were yet to be issued but were expected shortly from the NSW Audit Office.

It was noted that subsequent to the draft accounts being prepared, the Auditor requested that Management consider impairing the Trunk Mains D and F plus some pump stations that will no longer be used when the Orange to Carcoar pipeline is commissioned on 30 November, 2018. The impairment amount was \$1.314M. Council had previously been of the view that as the impairment had not occurred at balance date then the impairment was not required to be booked. After discussions with the Auditor it was decided that impairment standard (AASB 136) required the impairment to be recorded at the time it was known that the event adversely affecting the asset was to occur.

The Committee noted the report on the 2017/18 Financial Statements.

**8. External Audit Arrangements 2018/19 and beyond**

Advice had been received from the Auditor General of New South Wales that following an open tender process, Intentus Chartered Accountants had been appointed as Council's auditor for a term of 3 years commencing the year ended 30 June, 2019 with an option to extend for a further two years.

This appointment was noted by the Committee.

**9. Business Continuity Plan (BCP) Update**

The update to changes to the draft BCP were noted. It was noted that work on the documentation of manual recovery processes was ongoing. Fourier technologies being Council's managed IT provider were to provide further details regarding their disaster recovery plans.

The update to changes to the draft BCP were noted.

**10. Internal Audit Program – WHS Review**

An audit questionnaire by StateCover of Council's Workplace Health and Safety practices indicated some areas required immediate improvement. Mr Wellham advised that specialist risk consultants, Hibbs and Associates were engaged to complete a comprehensive audit of Council's sites and provide recommendations for action. Mr Wellham advised that Hibbs and Associates have just issued their report and recommendations. Mr Wellham advised that he will distribute a copy of the Hibbs scoping document and recommendations together with a copy of the StateCover audit questionnaire outcomes to the Committee members. Mr Kent advised that a

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strategic audit program for the next 3 years be developed to address the high risk areas identified in the risk register.

This report was noted by the Committee.

**11. Expressions of Interest (EOI) – Independent Committee Members**

It was noted that an expression of interest process was underway to choose new independent members pursuant to the new Charters adopted by each Council. The selection process was being undertaken by a panel that included Mr Rhodes and Mr Somerville representing Council. The selection process is expected to be finalised by end of November, 2018. The selected candidates will hold office for the balance of this Council term being until September, 2020. Mr Kent advised that he did not submit an EOI due to other commitments.

This was noted by the Committee.

**12. Note of Appreciation – Current Independent Members**

As Mr Kent had not submitted an EOI for the new Committee, both Councillor Somerville and Mr Rhodes expressed appreciation of his past service and wished him well in the future.

This was noted by the Committee.

**13. Any Other Business**

Mr Kent noted that the Chairman's annual report on the Committee's activities was yet to be completed. Mr Kent indicated that this will be prepared for tabling at the next meeting.

This was noted by the Committee.

**14. Next Meeting**

The next meeting date will be set in consultation with Blayney and Cabonne Councils. Any selected dates will need to be suitable to the new independent Committee Members.

There being no further business, the Chair declared the meeting closed at 12.35pm.



## Central Tablelands Water – Audit, Risk & Improvement Committee Annual Report to Council - 2018

The retiring Chairperson (Steve Kent) of the Central Tablelands Water Audit, Risk & Improvement Committee (Committee) has sought my assistance to provide a report on the activities of the Committee up to the time that constituent councils were dissolved for the local government elections in September 2017 and the transition period since the election to 31 December 2018.

This report as required under the Committee Charter covers the activities of the Committee for the period 1 January 2017 – 31 December 2018,

### **Purpose of Report**

The Committee Charter adopted by Council requires that the Committee report at least annually on its activities however the personal circumstances of the retiring Chair delayed a more timely submission of this report with the consequence that this report covers a two (2) year period of the Committee's activities. The report provides background to the Committee's membership, activities during the period and areas for development in the year to come. This report is consistent with the format and content suggested by the 2011 Victorian Local Government publication *Audit Committees - A Guide to Good Practice for Local Government* which has been the template for previous reports.

Prior to its presentation to Council, the report was reviewed and endorsed by the Members of the Committee at the meeting on 21 February, 2019.

### **Background / Introduction**

The Committee, initially established as an Audit Committee held its inaugural meeting on 28 September 2011.

The Committee conducts its activities in accordance with its Charter which is based on guidelines issued by the Department of Premier & Cabinet, Division of Local Government in October 2008 and revised in 2010. The Committee Charter is complemented by an Internal Audit Charter. The Committee Charter sets out the roles and responsibilities of the Committee, its authority, membership and the tenure of its members, the operation of its meetings, how decisions are made and its reporting responsibilities. It is reviewed, and amended as necessary on an annual basis.

Membership of the Committee comprises one Councillor and two Independent Members.

*Central Tablelands Water Audit Committee 2018 Annual Report*

To improve communication, co-ordination and co-operation across the three Councils of Blayney, Cabonne and Central Tablelands Water, the same two (2) Independent Committee Members were appointed to each Council's Committee.

Since the last report there have been no changes in the Committee's Independent Members during the period covered by this Report however it should be noted that expressions of interest were called in the second half of 2018 for the purpose of making permanent appointments to the Committees for the Councils elected in 2017 which was determined by the respective Councils in November and December 2018 ahead of the first Committee meetings in 2019.

A list of Committee meeting dates and attendances by Committee members is set out in Table below.

### **Committee Membership**

The Committee was comprised of the following members for the period covered by this report:

#### *Independent members (voting):*

- Mr Steve Kent (Chairperson) and
- Mr Phillip Burgett

#### *Councillor members (voting):*

Councillor David Somerville

Mr Steve Kent is an experienced internal audit, risk management and consulting professional with considerable local and state government internal audit experience. He works as a Risk Advisory Principal for BDO.

Mr Phillip Burgett is a highly experienced professional accountant and external auditor with considerable experience in local government. He retired in June 2011 after a lengthy career as a Partner with the Bathurst based professional accounting firm Morse Group.

During the period, the Committee was attended by and received support from:

- Mr Gavin Rhodes, General Manager and,
- Mr Peter McFarlane (Current) and Mrs Raelene Mulligan to June 2017), Director Finance & Corporate Services
- Mr Noel Wellham, Director of Operations and Technical Services (commenced March 2018)

### **Meetings of the Committee**

The Table below sets out the meetings of the Committee held during the reporting period and the attendance of Committee Members at these meetings.

*Central Tablelands Water Audit Committee 2018 Annual Report*



Meeting Date	Steve Kent	Phillip Burgett	Councillor David Somerville
27 March 2017	✓	✓	✓
30 October 2017	✓	✓	X
27 April 2018	✓	✓	✓
12 July 2018	✓	✓	✓
31 October 2018	✓	✓	✓

Councillor Kevin Walker attended the 30 October 2017 meeting as the Alternate Member for Councillor David Somerville.

The Director Operations and Technical Services (Noel Wellham) attended the 27 April 2018 and 31 October 2018 meetings.

### Role of the Committee

As highlighted in the previous report, the role of the Committee in the period covered by this report can be summarised as being to oversight risk, compliance, external accountability and internal control in Council. It does this by:

- examining and commenting on Council's risk management framework and practices;
- reviewing internal control mechanisms;
- reviewing financial reporting and controls in Council including meeting with Council's external auditors;
- monitoring legislative compliance including compliance with policies and guidelines issued by the Office of Local Government; and
- supporting an active program of internal audit by authorising an annual and strategic internal audit program, as well as overseeing progress with the implementation of the recommendations of completed internal audit reports.

### Achievements During the Reporting Period

The operation of the Committee in this period has been characterised by a number of key activities. These are separately commented on below:

#### *Internal Audit*

During the period covered by this report, no internal audits have been undertaken. This is explained by CTW Management placing greater priority on the development of a comprehensive Risk Management Framework (RMF) and Business Continuity Plan (BCP). These projects were subject to progress reviews and status reports to each of the meetings and should be finalised and adopted by Council in the first half of 2019.

It was also agreed that once completed, the RMF was to be used to inform the development of a new three (3) year Strategic Internal Audit Plan.

The Committee progressed the development of the Strategic Internal Audit Plan during 2018 and has confirmed that Council's budget only allows no more than two (2) major reviews each year, the resourcing for which needs to be matched to skills required for the particular review area. The Committee has placed a high priority in identifying high risk areas of the operations in the Enterprise Risk Register to be reviewed in 2018-'19 and have a longer term Strategic Internal Audit Plan in place by 30 June 2019.

#### *Risk Management*

The Committee has continued to promote the need for an RMF to assist Council's decision making, risk mitigation and identifying areas for possible review / internal audit.

This has included the development of:

- An RMF document;
- Risk Management Policy;
- Risk Appetite Statement.
- Risk Management Plan ; and
- Enterprise Risk Register (ERR).

The proposed joint WHS and Risk Management Committee that was to be formed has not been established as a key part of the governance framework due to key staff turnover and limited resources to justify the need for an additional forum when regular executive team meetings cover these issues but it is noted that the proposal remains under consideration by the General Manager.

#### *External Audit and Annual Financial Statements*

During the period under review, the Auditor General of New South Wales (AO) was appointed external auditor of CTW for the 2016-'17 financial year, retaining the services of Intentus Chartered Accountants as its contracted agent to conduct the external audit. This arrangement had a transition period to the 30 June 2018 and has been confirmed in a multi-year contract with Intentus for financial years commencing on 1 July 2018.

The Committee considered the Client Service Plan prepared by the AO for both years covered by this report has reviewed the external auditor's management letters for both years and Council's management responses. The Committee noted that there were no significant findings in the letters and decided it was not necessary to formally meet with Council's external auditor although the Committee appreciated the availability of the AO to participate in Committee meetings.

The 2017 and 2018 Annual Financial Statements for Council were considered by the Committee.



In 2017 an extension was requested and granted for the lodgement of the audited financial statements due to key staff changes but the 2018 audited financial statements were lodged by the due date (31 October 2018). It is noted that Council does not have any dedicated staff resources assigned to undertake financial reporting. The completion of the annual Financial Statements and oversight of the audit engagement is undertaken by the Director of Finance and Corporate Services.

#### *Status of Internal Audit Report Recommendations*

Whilst it is an important function of the Committee to ensure follow-up and completion of agreed response to audit findings, in view of the earlier comments relating to the Internal Audit Program, no reports on the status of internal audit were required to be presented to the Committee.

#### *Committee Charter*

The Committee Charter was reviewed extensively and amended in conjunction with the Councils of Blayney and Cabonne during the June quarter of 2018. These amendments were driven significantly by the amendments put forward in the Local Government Amendment (Governance and Planning) Act 2016 No 38. One of the major changes being the change in name to Audit, Risk and Improvement Committee to reflect the foreshadowed changes in Committee functions. The amended Charter was adopted by the Committee at the 12 July 2018 meeting. The revised Charter was adopted by Council at the meeting held on 8 August 2018.

#### **Expectations for 2019**

Limited and changing resources within CTW has made progressing a number of key initiatives as outlined in this report slower than the Committee would have liked however the General Manager and Director of Finance & Corporate Services are committed to governance improvement around risk management and internal audit as is witnessed by the progress over this period.

The Committee understands that changes to the organisation structure to include a part time Executive Support and Governance Officer is expected to assist the General Manager and Director of Finance and Corporate Services to undertake governance and enterprise risk management improvements.

The objectives for the Committee in 2019 will be:

- Finalisation, adoption and testing of the BCP

- Review of the outcomes and actions arising from the WHS Audit conducted by Hibbs and Associates.
- Instigate an internal audit review in the remaining months to 30 June 2019
- Oversee the development of a two (2) year Strategic Audit Plan for adoption by 30 June 2019 for implementation in 2019 – 20 (end of term of current committee).
- Review and finalise the Enterprise Risk Register by 31 December, 2019 with the assistance of the new PT Governance position
- Providing ongoing support and guidance to Management in respect of fine tuning risk and governance frameworks within CTW.
- Oversee CTW business improvement initiatives developed by management in striving to achieve its mission to be "an Independent Regional Water Authority providing a quality water supply – reliably and sustainably".

**Recommendation:** That Council receives and notes this report.

Phillip Burgett

**Independent Member - Central Tablelands Water Audit, Risk and Improvement Committee**



## **CENTRAL TABLELANDS WATER AUDIT, RISK AND IMPROVEMENT COMMITTEE CHARTER**

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*

### **1. OBJECTIVE**

The objective of the Audit Committee (Committee) is to provide independent assurance and assistance to the council of Central Tablelands Water on risk management, control, governance, improvements and external accountability responsibilities.

### **2. AUTHORITY**

The Council authorises the Committee, within the scope of its roles and responsibilities, to:

- After consultation with the General Manager, obtain any information it needs from any employee or external party (subject to their legal obligations to protect information).
- Discuss any matters with the external auditor or other external parties (subject to confidentiality considerations).
- Request the attendance of any employee or councillor at Committee meetings.
- Obtain external legal or other professional advice considered necessary to meet its responsibilities.

### **3. COMPOSITION AND TENURE**

The Committee structure will consist of the following:

#### **Members (voting)**

- Councillor (other than the Chairman)
- Two independent external members (not members of the Council) who have relevant experience or qualifications.

#### **Attendee (non-voting)**

- General Manager
- Director of Finance and Corporate Services/Secretariat of the Committee

#### **Invitees (non-voting) for specific Agenda items**

- Representatives of the external auditor
- Representatives of the internal auditor
- Other officers may attend by invitation as requested by the Committee.
- The independent external members will be appointed for the elected term of the Council, after which they will be eligible for extension or re-appointment following a formal review of their performance by the Chairman and General Manager. Council will develop Key Performance Indicators for independent external members that shall form the basis of performance review.

*Central Tablelands Water Audit, Risk and improvement Committee Charter*

- The maximum number of terms an independent external member can sit on the committee without the need for further nominations is 2 terms.
- In the case of a vacancy arising on the committee of an independent external member, the Council is to appoint another independent external member as soon as is practicably possible, but no later than one month prior to the next meeting, so that there are always two independent external members on the committee.

The members of the Committee, taken collectively, will have a broad range of skills and experience relevant to the operations of Central Tablelands Water. At least one member of the Committee shall have accounting or related financial management experience, with understanding of accounting and auditing standards in a public sector environment. Experience and knowledge of the Local Government sector is desirable but not essential to be an independent external member of the Committee.

#### **4. ROLES AND RESPONSIBILITIES**

The Committee has no executive powers, except those expressly provided by the Council. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the Council and the General Manager as defined by the Local Government Act 1993, as amended.

The responsibilities of the Committee may be revised or expanded by the Council from time to time. The Committee's responsibilities are:

##### **Risk Management**

- Review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud.
- Review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- Review the impact of the risk management framework on its control environment and insurance arrangements; and
- Review whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically.

##### **Internal Control framework**

- Review whether management has adequate internal controls in place, including over external parties such as contractors and advisors;
- Review whether management has in place relevant policies and procedures, and that these are periodically reviewed and updated;
- Progressively review whether appropriate processes are in place to assess whether policies and procedures are complied with;
- Review whether appropriate policies and procedures are in place for the management and exercise of delegations; and

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*



- Review whether management has taken steps to embed a culture which is committed to ethical and lawful behavior.

#### **External Accountability**

- Satisfy itself the annual financial reports comply with applicable Australian Accounting Standards and the Local Government Code of Accounting Practice and Reporting, including all relative legislative requirements and supported by appropriate management sign-off on the financial statements and the adequacy of internal controls.
- Review the external audit opinion, including whether appropriate action has been taken in response to audit recommendations and adjustments.
- To consider contentious financial reporting matters in conjunction with Council's management and external auditors.
- Review the processes in place designed to ensure financial information included in the annual report is consistent with the signed financial statements.
- Satisfy itself there are appropriate mechanisms in place to review and implement, where appropriate, relevant State Government reports and recommendations.
- Satisfy itself there is a performance management framework linked to organisational objectives and outcomes.

#### **Internal Audit**

- Act as a forum for communication between Council, General Manager, senior management, internal audit and external audit.
- Review the internal audit coverage and internal audit plan, including consideration of the risk management plan to inform internal audit priorities, and approve the plan.
- Consider the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved internal audit plan.
- Review all audit reports and consider significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of better practices.
- Monitor the implementation of internal audit recommendations by management.
- Periodically review the Internal Audit Charter to ensure appropriate organisational structures, authority, access and reporting arrangements are in place.
- Periodically review the performance of internal audit.

#### **External Audit**

- Act as a forum for communication between the Council, General Manager, senior management, internal audit and external audit.
- Provide input and feedback on the external audit coverage proposed by the External Auditor, and provide feedback on the external audit services provided.
- Review all external plans and reports in respect of planned or completed external audits, and monitor the implementation of audit recommendations by management.
- Consider significant issues raised in relevant external audit reports and better practice guides, and ensure appropriate action is taken.

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*

**Compliance**

- Oversee Council's compliance arrangements including legislative compliance and :
- Determine if management has appropriately considered legal and compliance risks as part of risk assessment and management arrangements.
- Review the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies.

**Fraud and corruption prevention**

- Oversee Council 's fraud and corruption prevention arrangements and:
- Review and discuss with management their philosophy with respect to business ethics and corporate conduct, its written Code of Conduct and the programme it has in place to monitor compliance with that code.
- Monitor the level of and issues raised in relation to Public Interest Disclosures, customer complaints, and internal and external conduct investigations (for example by the Independent Commission Against Corruption).
- Review Council's assessment of the level of exposure to fraud and corruption.
- Review management's strategies and controls to manage fraud and corruption risks.

**Business Improvement**

Oversee Council's business improvement activities by:

- Reviewing the overall approach and arrangements in place that support management implementing a successful culture of continuous improvement to drive productivity and efficiency gains;
- Monitoring business improvement initiatives, programmes , projects etc. including :
  1. Organisational reviews.
  2. Service delivery reviews.
  3. Strategic plans.
  4. Development of performance criteria / data requirements and the collection of data for performance reporting against such criteria.
- Reviewing the annual performance of Council against its documented key performance criteria and providing advice to the General Manager on the adequacy of Council's performance against the documented criteria;
- Reviewing Council's community survey results and providing advice to the General Manager on the adequacy of Council's performance in terms of community satisfaction; and
- Identifying and recommending to the General Manager Council activities, services, business processes, systems etc. that may benefit from a review, through the Committee's exercise of its functions.

### Accountability

The key requirements are:

- The Committee is accountable for ensuring that it meets the requirements as set out in this Charter;
- All members are accountable to ensure that they abide by the Council Code of Conduct at all times;
- All members are accountable to ensure that they act in accordance with the conflicts of interest section of this Charter;
- All members of the Committee are individually accountable for:
  - Understanding the relevant legislative and regulatory requirements appropriate to Council;
  - Contributing the time needed to study and understand the papers provided;
  - Applying good analytical skills, objectivity and good judgment;
  - Expressing opinions frankly, ask questions that go to the fundamental core of issues, and pursue independent lines of enquiry.
- Acting honestly and in good faith;
- Actively participating in the work of the Committee;
- Performing their duties in a manner that engenders public trust in the integrity, objectivity, and impartiality of the Committee;
- Conducting the business of the Committee with the care, diligence and skill appropriate to the role;
- Declaring any change in employment status; and
- Complying with the Committee's Charter.

### Transparency

- The Committee will provide advice to Management on the public disclosure of records relating to the internal audit function, consistent with relevant legislation (such as The Privacy and Personal Information Protection Act 1998 and the Government Information (Public Access) Act 2009), including the redaction of any sensitive information;
- Due to the inherent risks associated with the disclosure of potentially sensitive and/or confidential information, the Committee will give due consideration to each item presented at a Committee meeting on a merit (case by case) basis;
- In some instances, the Committee may recommend the non-release, or delayed release, of a particular report, at least until such time as the findings contained within it are sufficiently managed so as not to jeopardise Council's financial, legal safety or other risks;
- The Committee may seek input or advice from Council's nominated GIPA and PPIPA specialists in relation to any public disclosures; and
- The Committee will ensure that generally, all agendas and minutes of Committee meetings will be made publicly available subject to privacy and confidentiality considerations.

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*



### RESPONSIBILITIES OF MEMBERS

Members of the Committee are expected to:

- Understand the relevant legislative and regulatory requirements appropriate to the council of Central Tablelands Water;
- Contribute the time needed to study and understand the information provided;
- Apply good analytical skills, objectivity and good judgment; and
- Express opinions frankly, ask questions that go to the fundamental core of issues, and pursue independent lines of enquiry.

In addition to the above, the Chairperson shall have the following additional responsibilities:

- Approval of draft meeting minutes;
- Input into Committee agenda;
- Driving the completion of audit program.
- Suggestions for changes/improvements to Charter.
- Timely completion of annual Committee Report.
- Initiation of a periodic review of the effectiveness of the ARIC against its Charter at least once every two (2) years.

### 5. REPORTING

At the first Committee meeting after 30 June each year, the Committee will provide a report of:

- The performance of Internal Audit for the financial year as measured against agreed key performance indicators;
- The approved Internal Audit Plan of work for the previous financial year showing the current status of each audit;
- The Committee may, at any time, consider any other matter it deems of sufficient importance to do so. In addition, at any time an individual Committee member may request a meeting with the Chair of the Committee.

### 6. MEETINGS

The audit committee should meet a minimum of 3 times per year to meet its obligations), for the following reasons:-

1. Create and adopt an audit schedule for the following 12 months;

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*

2. Review completed audits;
3. Review developments that have impacted Council's operations during the course of the year;
4. Consider results and agree to action plans and monitor and review ongoing actions;
5. Consider legislative or regulatory changes to review the impact upon Council.
6. Report actions and update.

The need for any additional meetings will be decided by the Chair of the Committee, though other Committee members may make requests to the Chair for additional meetings.

A forward meeting plan, including meeting dates and agenda items, will be agreed by the Committee each year. The forward meeting plan will cover all Committee responsibilities as detailed in this Charter.

### **7. ATTENDANCE AT MEETINGS AND QUORUMS**

A quorum will consist of a majority of Committee members, including at least one independent member. Meetings can be held in person, by telephone, video or web conference.

A person/team conducting the internal audit will be invited to attend each meeting unless requested not to do so by the Chair of the Committee. The Committee may also request the Director of Finance and Corporate Services or the Secretariat of the Audit Committee as appointed or any other employees to participate for certain agenda items, as well as the external auditor.

### **8. SECRETARIAT**

As Council does not have the resources and needs to support a dedicated internal auditor position, role of Secretariat to the Committee will be undertaken by a nominated staff member of Council.

The Secretariat is the link between the Committee and the day to day operations and staff of the Council. They act as coordinator for the internal audit function.

The Secretariat will ensure the agenda for each meeting and supporting papers are circulated, at least one week before the meeting, and ensure minutes of the meetings are prepared and maintained. Minutes shall be approved by the Chair and circulated to each member within 30 days of the meeting being held.

### **9. CONFLICTS OF INTEREST**

Committee members must declare any conflicts of interest at the start of each meeting or before discussion of a relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted.

Where members or invitees at Committee meetings are deemed to have a real or perceived conflict of interest, it may be appropriate they be excused from Committee deliberations on the issue where the conflict of interest may exist. The final arbiter of such a decision is the Chair of the Committee.

*Central Tablelands Water Audit, Risk and Improvement Committee Charter*

### 10. INDUCTION

New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities. Training and professional development opportunities for Committee Members will be advised if available.

### 11. ASSESSMENT ARRANGEMENTS

The Chair of the Committee will initiate a review of the performance of the Committee at least once every 2 years. The review will be conducted on a self-assessment basis (unless otherwise determined by the Chair), with appropriate input from management and any other relevant stakeholders, as determined by the Chair.

### 12. REVIEW OF AUDIT COMMITTEE CHARTER

At least once every Council term the Committee will review this Committee Charter. The Council will approve any changes to the Charter.

<b>Adopted:</b>	<b>Council Meeting</b>	<b>Date:17/4/2019</b>
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**09) COPYRIGHT AGENCY LICENCING (LS.CN.1)**

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation 2.3 - Improving Performance and Managing Risk – 2.3.2 Manage the risk management framework.

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**RECOMMENDATION:**

1. That Council note the licence agreement with the Copyright Agency.
2. That Council note the benefits and risk mitigation provided by the agreement.

**REPORT**

Many Councils use both printed and digital material sourced from many reference points for purposes including promotion, public documents and emails. It is noted that under the Copyright Act 1968, unlike State and Federal Agencies, Councils are not considered to be part of the Crown and are therefore not covered by government statutory licencing provisions. That is, there is no exemption provided in the Copyright Act for Local Councils. This exposes Council to potential risks if they seek to use that material as part of their day to day functions and activities.

Following considerable research and work into this matter by Centroc, Central Tablelands Water has joined most Centroc Councils into a licencing agreement with the Copyright Agency to mitigate any risk of inadvertent copyright breaches by Council and their staff.

The Copyright Agency is a publisher based membership organisation that has been formed to monitor and pursue copyright breaches in relation to material that has been created and is the property of its members. The licencing fees paid to the Agency are distributed to its members. This is similar in principle to licences paid to the Australian Performing Rights Association in respect of licences paid for the use of music.

Pursuant to the licence agreement, Central Tablelands Water and its staff are protected from inadvertent copyright breaches through the use of published material in its day to day operations including links on its web page or facebook page. By having the licence agreement, Council does not have to seek permissions and negotiate copyright agreements with individual publishers or their agents.

The most recent high profile case of copyright breach involved the placement of links on the Strathfield Council website to newspaper articles without seeking authority to do so from the newspaper publisher or its agent. Strathfield Council reached a settlement with the relevant publisher, "The Australian", and also issued a public apology.

It is important that Councils have good governance around copyright issues so that the risk associated with any breaches is minimised. Central Tablelands Water has achieved this through the licence with the Copyright Agency.

A copy of the Copyright Risk and Compliance Guide prepared for Local Government has been distributed to all Councillors. It outlines in more detail the issues and obligations of Local Government in relation Copyright matters.

A copy of the Copyright Agency licencing agreement can be provided to the Councillors upon request.

### **BUDGET IMPLICATIONS**

The annual licence fee will be met from Council's Corporate Sundries vote. The annual licence fee is calculated based upon the number of indoor Full Time Equivalent staff engaged by Council.

### **POLICY IMPLICATIONS**

As outlined in the report.

### **ATTACHMENTS**

Nil

## **10) REGIONAL WATER SECURITY PIPELINE PROJECT UPDATE (WS.AM.1)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

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### **RECOMMENDATION:**

That the information be noted.

### **REPORT**

In 2015, Central Tablelands Water (CTW) agreed to proceed with the Regional Water Security Pipeline Project. The project aims to improve water security and contingency through the connection of CTW and Orange City Council (OCC) water systems.

Practical Completion has been granted to the contractor as at 30<sup>th</sup> November 2018.

OCC and CTW are managing the 12 month warranty period.

As part of this project, CTW has now started a separable portion of works associated with securing 300 metres of 375mm ductile pipework identified as a high risk for Trunk Main 'A'. Work is expected to be completed by June 2019.

### **BUDGET IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**11) TRUNK MAIN K RENEWAL (WS.AM.1)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

---

**RECOMMENDATION:**

That the information be noted.

**REPORT**

Trunk Main K supplies Grenfell with water from the Central Tablelands Water (CTW) system. Built in 1946, Trunk Main K stretches across 34 kilometres from Gooloogong to Grenfell. The pipeline is cast iron, and while the main has reliably delivered water to the town of Grenfell for the last 70 years, there are some areas of the pipeline that are beginning to fail. The Capital Works budget for replacement of Trunk Main K is \$6,182,364 extending across the 2015/16 – 2018/19 financial years.

Stage 1 construction of 12.6km pipeline between McDonald's Lane pump station and Grenfell North reservoir, was completed in June 2017.

Stage 2 construction 7.2km of the Trunk Main K Project was completed in May 2018.

Stage 2a construction of 2.8km of the Trunk Main K Project pipeline was completed in December 2018. This completes the PVC Class 20 section of the pipeline.

Flushing and disinfecting of the new sections of pipeline into Grenfell North reservoir has been placed on-hold due to Level 2 Water restrictions being applied across the CTW supply network.

Stage 3 construction of approx.14km of 300mm ductile iron pipeline commenced 1<sup>st</sup> April 2019.

**BUDGET IMPLICATIONS**

Capital Budget 2018/19

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil



**12) LAKE ROWLANDS DAM SAFETY UPGRADE (WS.SP.4)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

In 2013, Council engaged consultants GHD to undertake the Lake Rowlands Safety Upgrade Options Study and prepare a report for the NSW Dams Safety Committee (DSC).

Following deliberation with GHD and another independent consultant engineer with dam expertise, Council submitted its recommendation for Option 1b of this study to DSC.

In February 2015, DSC noted Option 1b was in line with DSC's risk based approach and requested CTW submit and undertake a program to ensure these works would be completed by March 2021.

In February 2019, Council has re-engaged consultants GHD to conduct a review of the upgrade proposals and revision of cost estimate.

GHD advised that the review has concluded and anticipate the revised cost estimate to be available early May 2019.

Council will use this revised cost estimate to apply for project funding.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**13) CANOWINDRA RESERVOIR ROOF REPLACEMENT (WS.AM.1)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

In December 2017, a severe storm damaged and removed the roof structure covering the Canowindra Town reservoir.

Jardine Lloyd Thompson Pty Ltd, the Council insurer, accepted Johns Lyng Group (JLG) as principal contractor for the design and construction of the replacement roof.

JLG advised the installation for the new roof structure will be undertaken between the 13<sup>th</sup> ⇔ 17<sup>th</sup> April 2019, subject to weather conditions.

Operational staff have maintained constant daily sampling of the water and inspections within the reservoir, to ensure the quality of the drinking water continues to meet strict NSW Department of Health drinking water guidelines and CTW's Drinking Water Management System.

**BUDGET IMPLICATIONS**

Funded from insurance claim proceeds.

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**14) MAINTENANCE OF COUNCIL'S SYSTEMS (WS.MO.4)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.2 Develop and deliver maintenance program. 1.1.4 Undertake regular water meter replacement program.

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

- a) *Meter Reading*  
The fourth meter read for the 2018/19 financial year commenced 9<sup>th</sup> April as per the meter reading schedule.
- b) *Meter Change Program*  
The meter change data for this period was not available at the time of writing this report.
- c) *Water Filtration Plants*  
Both Blayney and Carcoar Water Treatment Plants operations have continued unabated.
- d) *Pump Stations*  
Cleaning of Pump Stations listed under general maintenance has continued throughout the CTW supply network over the past 3 months.
- e) *Drinking Water Quality*  
No reportable incidences of exceeding our Critical Control Points for delivery of drinking water from our Water Treatment Plants.
- f) *Trunk Mains*  
Ongoing inspections continue to be carried out on Trunk Mains and Rural supplies during the previous three months.
- g) *Hydrants*  
Ongoing inspections and maintenance requirements have continued to be carried out on hydrants throughout all towns (including Quandialla) on the CTW supply network during the previous three months.
- h) *Rural Scheme renewals*  
Trunk Main 'P' - Somers Lane. Laying of approximately 2km of 100mm Blue PVC pipeline had commenced 1<sup>st</sup> April and is on target to be completed by mid May 2019.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**15) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)****Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.1.4 Establish service levels and monitor and report on performance.

**RECOMMENDATION:**

That the information be noted.

**REPORT***a) Main Breaks*

	Location	Date	Size / Type	Comment
Blayney	Osman St	23/02/2019	150mm AC	R&RP
Blayney	Charles St	05/03/2019	100mm AC	R&RP
Canowindra	Traves Ln	06/02/2019	80mm AC	DNR
Canowindra	Cranky Rock Rd	08/02/2019	150mm Steel	R&RP
Canowindra	Belubula Way	12/02/2019	225mm Steel	Weld
Canowindra	Wenz Ln	23/02/2019	100mm AC	DNR
Canowindra	Belubula Way	27/02/2019	225mm Steel	Weld
Canowindra	Mines Ln	03/03/2019	100mm AC	DNR
Canowindra	Tilga St	07/03/2019	80mm AC	R&RP
Canowindra	Belubula Way	18/03/2019	225mm Steel	R&RP
Canowindra	Nyrang Ck	27/03/2019	75mm PVC	DNR
Cargo	Misty Cl	15/02/2019	100mm AC	DNR
Cudal	The Escort Way	28/02/2018	58mm AC	DNR
Gooloogong	Gooloogong Rd	12/03/2019	200mm Steel	R&RP
Grenfell	Graham St	14/03/2019	100 uPVC	DNR
Mandurama	Gold St	16/02/2019	100mm AC	DNR
Mandurama	Mandurama Rd	28/02/2019	100mm AC	DNR
Manildra	Old Orange Rd	07/02/2019	100mm AC	DNR
Manildra	Orange St	02/03/2019	100mm AC	DNR
Manildra	Old Orange Rd	08/03/2019	100mm AC	DNR
Millthorpe	Victoria St	26/02/2019	100mm AC	DNR

*b) Service Requests*

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>BLAYNEY</b>	<b>23</b>	<b>16</b>	<b>28</b>	<b>22</b>	<b>1.55%</b>	<b>1422</b>
BURST METER	0	0	0	2	0.14%	
CHECK METER READING	2	0	2	0	0.00%	
DIRTY WATER COMPLAINT	2	0	0	0	0.00%	
HYDRANT LEAKING	1	0	0	0	0.00%	
LEAKING METER	10	7	6	8	0.56%	
LEAKING SERVICE	5	2	5	4	0.28%	
LOW PRESSURE COMPLAINT	0	1	2	0	0.00%	
MAIN BREAK	2	0	3	2	0.14%	
MAINTENANCE - GENERAL	0	1	2	1	0.07%	
METER NOT SHUTTING OFF	0	2	2	3	0.21%	
NO WATER COMPLAINT	0	2	0	0	0.00%	
PATHCOCK FAILURE	0	1	4	0	0.00%	
QUALITY COMPLAINT	1	0	2	0	0.00%	
STOP VALVE FAILURE	0	0	0	2	0.14%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>CANOWINDRA</b>	<b>24</b>	<b>19</b>	<b>31</b>	<b>24</b>	<b>2.17%</b>	<b>1108</b>
CHECK METER READING	0	0	1	0	0.00%	
CUSTOMER DAMAGED METER	0	1	0	0	0.00%	
LEAKING METER	7	1	8	5	0.45%	
LEAKING SERVICE	7	9	15	6	0.54%	
LOW PRESSURE COMPLAINT	1	0	0	1	0.09%	
MAIN BREAK	1	3	2	9	0.81%	
MAINTENANCE - GENERAL	5	2	0	2	0.18%	
METER NOT SHUTTING OFF	0	2	3	0	0.00%	
NO WATER COMPLAINT	2	1	2	1	0.09%	
QUALITY COMPLAINT	1	0	0	0	0.00%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>CARCOAR</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0.74%</b>	<b>135</b>
HYDRANT LEAKING	0	0	1	0	0.00%	
LEAKING SERVICE	0	2	1	0	0.00%	
LOW PRESSURE COMPLAINT	0	1	0	0	0.00%	
MAIN BREAK	0	0	1	0	0.00%	
MAINTENANCE - GENERAL	1	0	0	0	0.00%	
NO WATER COMPLAINT	0	1	0	1	0.74%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>CARGO</b>	<b>3</b>	<b>7</b>	<b>0</b>	<b>3</b>	<b>1.88%</b>	<b>160</b>
CHECK METER READING	0	1	0	0	0.00%	
LEAKING SERVICE	2	2	0	0	0.00%	
MAIN BREAK	0	4	0	1	0.63%	
NO WATER COMPLAINT	0	0	0	2	1.25%	
METER NOT SHUTTING OFF	1	0	0	0	0.00%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>CUDAL</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>1.80%</b>	<b>222</b>
LEAKING METER	1	1	1	2	0.90%	
LEAKING SERVICE	2	2	0	0	0.00%	
LOW PRESSURE COMPLAINT	0	1	0	0	0.00%	
MAIN BREAK	0	1	0	1	0.45%	
PATHCOCK FAILURE	0	0	0	1	0.45%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>EUGOWRA</b>	<b>18</b>	<b>6</b>	<b>10</b>	<b>4</b>	<b>1.05%</b>	<b>381</b>
CHECK METER READING	0	0	0	1	0.26%	
HYDRANT LEAKING	1	0	0	0	0.00%	
LEAKING METER	6	5	2	0	0.00%	
LEAKING SERVICE	6	1	6	1	0.26%	
LOW PRESSURE COMPLAINT	0	0	0	1	0.26%	
MAIN BREAK	0	0	1	0	0.00%	
MAINTENANCE – GENERAL	2	0	0	1	0.26%	
METER NOT SHUTTING OFF	1	0	0	0	0.00%	
NO WATER COMPLAINT	1	0	1	0	0.00%	

PATHCOCK FAILURE	1	0	0	0	0.00%	
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ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>GRENFELL</b>	<b>15</b>	<b>3</b>	<b>13</b>	<b>21</b>	<b>1.62%</b>	<b>1299</b>
CHECK METER READING	0	0	0	4	0.31%	
CUSTOMER DAMAGED METER	1	0	0	0	0.00%	
DIRTY WATER COMPLAINT	0	1	2	2	0.15%	
HYDRANT LEAKING	0	0	1	0	0.00%	
LEAKING METER	3	2	4	3	0.23%	
LEAKING SERVICE	4	0	3	4	0.31%	
LOW PRESSURE COMPLAINT	2	0	0	1	0.08%	
MAIN BREAK	0	0	0	2	0.15%	
MAINTENANCE – GENERAL	2	0	0	2	0.15%	
METER NOT SHUTTING OFF	0	0	1	1	0.08%	
NO WATER COMPLAINT	1	0	2	0	0.00%	
PATHCOCK FAILURE	2	0	0	1	0.08%	
QUALITY COMPLAINT	0	0	0	1	0.08%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>LYNDHURST</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1.22%</b>	<b>164</b>
LEAKING METER	1	1	0	1	0.61%	
LEAKING SERVICE	0	0	1	0	0.00%	
LOW PRESSURE COMPLAINT	0	0	1	1	0.61%	
METER NOT SHUTTING OFF	2	0	0	0	0.00%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>MANDURAMA</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>4.50%</b>	<b>111</b>
CHECK METER READING	0	0	0	1	0.90%	
DISCONNECTION OF WATER	1	0	0	0	0.00%	
LEAKING METER	1	1	0	0	0.00%	
LEAKING SERVICE	1	1	0	1	0.90%	
LOW PRESSURE COMPLAINT	0	0	2	0	0.00%	
MAIN BREAK	1	0	0	2	1.80%	
MAINTENANCE – GENERAL	0	0	0	1	0.90%	



ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>MANILDRA</b>	<b>2</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>1.41%</b>	<b>283</b>
HYDRANT LEAKING	1	0	0	0	0.00%	
LEAKING METER	0	2	1	0	0.00%	
LEAKING SERVICE	0	2	1	1	0.35%	
MAIN BREAK	1	3	1	3	1.06%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>MILLTHORPE</b>	<b>3</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>1.30%</b>	<b>463</b>
BURST METER	0	0	1	0	0.00%	
CHECK METER READING	1	0	0	0	0.00%	
CUSTOMER DAMAGED METER	0	2	0	0	0.00%	
CUSTOMER DAMAGED SERVICE	1	1	0	0	0.00%	
LEAKING METER	0	0	1	2	0.43%	
LEAKING SERVICE	1	1	1	1	0.22%	
LOW PRESSURE COMPLAINT	0	0	0	1	0.22%	
MAIN BREAK	0	0	0	1	0.22%	
MAINTENANCE - GENERAL	0	2	1	1	0.22%	
METER NOT SHUTTING OFF	0	0	1	0	0.00%	
QUALITY COMPLAINT	0	1	0	0	0.00%	

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total Meters
	2016	2017	2018	2019	% of Total meters	
<b>QUANDIALLA</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.03%</b>	<b>97</b>
HYDRANT LEAKING	1	0	0	0	0.00%	
LEAKING SERVICE	0	0	0	1	1.03%	
NO WATER COMPLAINT	1	0	1	0	0.00%	

<b>TOTAL ACROSS CTW TOWNSHIPS</b>	<b>101</b>	<b>77</b>	<b>99</b>	<b>97</b>	<b>1.66%</b>	<b>5845</b>
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Notes:

1. Comparison years use data from the same period ie February to April
2. It is CTW target to keep the total service activities across all townships below 5%.

c) *Lake Rowlands*

The level of Lake Rowlands has decreased from 67% (06.02.19) to its present level of 54% (12.04.19).

d) *New Water Services*

Since 6<sup>th</sup> February 2019 there have been five (5) new domestic water services connected to Council's mains.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**16) QUESTIONS ON NOTICE**

(General Manager)

No questions on notice were received.

**ATTACHMENTS**

Nil

**17) WEDDIN SHIRE COUNCIL – SALE OF LAND FOR UNPAID RATES (FM.DB.1)**  
**WATER LEAKAGE – ACCOUNT 291220002 (CR.EQ.1)**  
**GENERAL MANAGER'S CONTRACT (GO.CO.4)**

(General Manager)

**RECOMMENDATION:**

1. That, as these matters deal with items that are subject to the affairs of an individual, Council consider those matters in the 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

**18) PROCEED TO COMMITTEE OF THE WHOLE**

(General Manager)

**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

19) **REPORT OF THE COMMITTEE OF THE WHOLE**

(General Manager)

**RECOMMENDATION:**

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

**ATTACHMENTS**

Nil