



**Central
Tablelands
Water**

Business Paper

**Ordinary Meeting of
Central Tablelands Water**

12 October 2022

Grenfell



Friday, 7 October 2022

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, 12 October 2022 commencing at 11.30am.

Morning tea will be provided from 11.15am.

Agenda

1. Opening Meeting
2. Acknowledgement of Country
3. Recording of Meeting Statement
4. Apologies and Applications for a Leave of Absence by Members
5. Confirmation of Minutes from Previous Meeting(s)
6. Matters Arising from Previous Meetings
7. Disclosures of Interests
8. Public Forum
9. Chairperson's Minute
10. Councillor Representation
11. Notices of Motion
12. Reports of Staff
13. Questions on Notice
14. Confidential Matters
15. Late Reports
16. Conclusion of the Meeting

Yours faithfully

A handwritten signature in dark ink, appearing to read "G. Rhodes".

G. Rhodes
General Manager

ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land. I would also like to pay respect to their people both past and present and extend that respect to other Aboriginal Australians who are present.

RECORDING OF MEETING STATEMENT

In accordance with the Central Tablelands Water Code of Meeting Practice, this meeting will be audio recorded and will be uploaded to Council's website within 2 weeks after the meeting. The audio recording will allow members of the public to listen to the proceedings of the Council meetings. The objective of this service is to eliminate geographic and other access barriers for the community wishing to learn more about Council's decision making processes. By speaking at the Council Meeting you agree to be audio recorded. Please ensure that if and when you speak at this Council Meeting that you ensure you are respectful to others and use appropriate language at all times. Whilst Council will make every effort to ensure that audio recordings are available, it takes no responsibility for, and cannot be held liable for technical issues beyond its control. Technical issues may include, recording device failure or malfunction, or power outages. Audio recordings are a free public service and are not an official record of Council meetings. Recordings will be made of all Council meetings (excluding confidential items) and published within 2 weeks after the meeting. For a copy of the official public record, please refer to Council's Business Papers and Minutes page on Council's website. Council does not accept any responsibility for any verbal comments made during Council meetings which may be inaccurate, incorrect, defamatory, or contrary to law and does not warrant nor represent that the material or statements made during the meeting are complete, reliable, accurate or free from error. The audio recording is primarily set up to capture the proceedings of the Council meeting and members of the public attending a Council meeting need to be aware they may be recorded as part of the proceedings.

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HELD ON WEDNESDAY 12 OCTOBER 2022

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13. QUESTIONS ON NOTICE

12. REPORTS OF STAFF**12.1) DISCLOSURES BY COUNCILLORS AND DESIGNATED PERSONS (GO.CO.3)****Author:** General Manager**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.3: Continuous Improvement Whilst Managing Risk

RECOMMENDATION:

That the “Disclosures by Councillors and Designated Persons” Returns for the period ending 30 June 2022, as tabled be received.

REPORT

In accordance with Section 440AAB of the Local Government Act 1993, all returns disclosing interests of Councillors and designated persons, for the period 1 July 2021 to 30 June 2022, must be tabled at the first meeting of Council following the last day for lodgement of the returns. This date was 30 September 2022.

Accordingly, a copy of the returns will be tabled at this meeting for each Councillor who held office as at 30 June 2022, as well as the General Manager, Director Finance & Corporate Services, and Director Operations & Technical Services who were all designated persons during that period.

As noted above, this is a requirement of the Local Government Act 1993 under Section 440AAB.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

12.2) REVIEW OF ORGANISATION STRUCTURE (GR.PC.1)

Author: General Manager
IP&R Link: Strategic Priority 1: Provide a high quality and reliable drinking water supply – Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.4: A capable and motivated workforce

RECOMMENDATION:

That Council endorse the organisation structure as presented in the report.

REPORT

As per Section 333 of the Local Government Act 1993, Council must review, and may re-determine, the organisation structure within 12 months after an ordinary election of the council.

The organisation structure that was presented to Council during the recent adoption of the Integrated Planning and Reporting (IP&R) suite of documents in June 2022, ultimately remained unchanged. The only minor change to the organisation structure was reported to Council in August 2022. This minor change has increased Council's Full-time Equivalent (FTE) ratio from 23.4 to 23.6.

This FTE increase was recommended to Council following a review of the Governance & Executive Support Officer position, whereby with the increasing compliance and regulatory requirements placed on Council, the position was now deemed to be a full-time role.

The 22/23 operational budget was adopted based upon an organisation structure of 23.4 FTE, which has now increased to 23.6 FTE. An amendment will be made at the September 2022 Quarterly Budget Review that reflects the additional costs.

Council's organisation structure is provided as an attachment to this report.

BUDGET IMPLICATIONS

Operational Plan 22/23

POLICY IMPLICATIONS

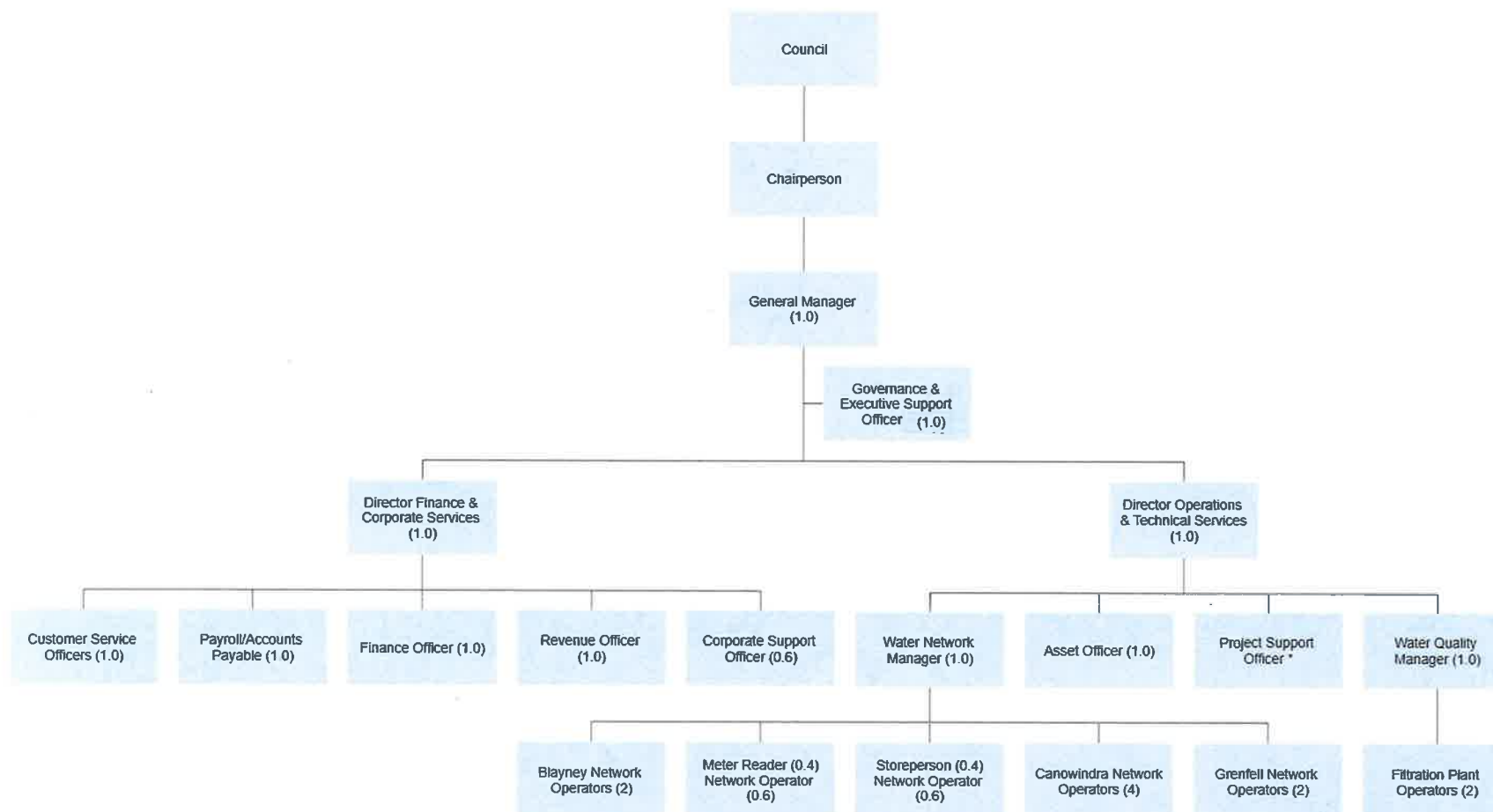
Nil

ATTACHMENTS

1 [↓](#) Central Tablelands Water - Organisation Structure 1 Page



Organisation Chart



*As required – funded through project budget

12.3) BELUBULA WATER SECURITY PROJECT UPDATE (WS.SP.4)**Author:** General Manager**IP&R Link:** Strategic Priority 1: Provide a high quality and reliable drinking water supply – Strategic Priority 3: Regional leadership and collaboration – 3.1: Regional collaboration and partnerships – 3.2: Regional Leadership in the Water Sector – 3.1.6: Continue to be a key delivery partner of the Belubula Water Security Project (BWSP) with Water Infrastructure NSW and WaterNSW.

RECOMMENDATION:

That Council note the Belubula Water Security project update report.

REPORT***Background***

As reported previously, the Steering Committee that had oversight of both the Lake Rowlands to Carcoar Pipeline project (WaterNSW) and the Lake Rowlands Dam Augmentation project (CTW) agreed in principle that combining project delivery and progressing as a single project to investment decision was the best outcome for NSW and the Belubula water users.

Water Infrastructure NSW (WINSW) are responsible for leading the development and delivery of key government water infrastructure projects and programs across the state. Subsequently, a Memorandum of Understanding (MOU) between CTW and WINSW was developed and executed, further solidifying the partnership approach.

To reflect the close alignment between both projects and the partnership between WINSW and CTW, the Lake Rowlands to Carcoar pipeline project and the Lake Rowlands Augmentation project was renamed the Belubula Water Security Project (BWSP).

The BWSP forms part of a broader Lachlan Regional Water Strategy (currently in draft) that will propose a wider portfolio of solutions to improve outcomes in the Lachlan Valley.

Belubula Water Security Project (BWSP) update

Below is an update on the BWSP as provided by the Project Manager from Water Infrastructure NSW (WINSW):

- The project team is continuing to work on the development of the final business case.
- The project is also aware that the draft Regional Water Strategies for the Lachlan and Macquarie-Castlereagh are in development.
- Pending public consultation of the Regional Water Strategies in October 2022, there is potential for a change in service need which the BWSP will need to address.
- Any change in the service need does have implications on the funding contract between NSW and the Commonwealth governments. WINSW is currently working with funding partners to sustain progress in the short term as well as develop a longer term funding strategy.

- The first task for near term funding is to complete a concept design for an augmented Lake Rowlands. An Expression of Interest for this work has been completed and a Request for Tender has been developed.

As WINSW is responsible for delivering the BSWP, further information regarding the project is available on DPE Water's website at: <https://www.dpie.nsw.gov.au/water/water-infrastructure-nsw/regional-projects/belubula-water-security-project>.

BUDGET IMPLICATIONS

The BWSP Final Business Case is to be fully funded by the NSW and Federal Governments.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.4) COUNCIL RESOLUTIONS UPDATE REPORT (GO.CO.1)

Author: General Manager
IP&R Link: Strategic Priority 1: Provide a high quality and reliable drinking water supply – Strategic Priority 2: An efficient, sustainable and customer focused organisation – Strategic Priority 3: Regional leadership and collaboration

RECOMMENDATION:

That Council note the Council Resolutions Update Report to August 2022.

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 August 2022.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

1 [↓](#) Council Resolutions Update to August 2022. 2 Pages

COUNCIL RESOLUTIONS UPDATE

Council Resolutions Update – Meeting held 12 October 2022					
Resolution Ref.	Date of Meeting	Subject	Responsible Officer	Decision	Action Taken/Status
20/015	12/2/20	Water Security – Regional approach to support neighbouring councils	GM	<ol style="list-style-type: none"> 1. Consider the issue of adopting a collaborative approach to the supply of water between networks connected to the CTW supply system at the upcoming drought management workshop in March 2020, and 2. As a matter of urgency, authorize the general manager to negotiate an agreement between CTW, Orange City Council and Cabonne Council to transfer water to Molong for emergency purposes, and report back to Council on the outcome of the agreement. 	<p>16/8/22 – GM & DOTS met with OCC staff (Director Technical Services, Water Strategic Manager and Water Quality Manager) on 5/8/22 to progress the draft WSA. Actions from that meeting are being addressed by attendees prior to a follow up meeting being arranged in the near future.</p> <p>Status: ongoing.</p>
20/097	14/2/20	Centroc Water Grid Pipeline Project	GM/DOTS	That Council endorse Central Tablelands Water's involvement in partnering with Parkes and Forbes Shire Councils in strengthening regional water security through the Centroc Water Grid Pipeline Project, subject to approval of the business case and approval of CTW's financial contribution.	<p>19/8/22 – The draft business case for the Centroc Water Grid Pipeline Project has been submitted to DPE Water for review and comment. Please refer to DOTS Water Security – Drought Update Reports.</p> <p>Status: ongoing</p>

22/048	22/6/22	Levels of Service Report	GM	<p>That Council:</p> <ol style="list-style-type: none"> 1. Note the Level of Service report, and 2. Receive a report at a subsequent meeting on monitoring its achievement against levels of service and industry benchmarks. 	<p>16/8/22 – Following the Council meeting in June, the SMT and Asset Officer have held preliminary discussions regarding how to capture and measure (if possible) data relating to current levels of service. Further discussions are to be held prior to presenting a report to a subsequent meeting of Council.</p> <p>Status: ongoing.</p>
22/067	24/8/22	Request to waive availability charge for community event	GM	<p>That Council waive the availability charge of \$256 on a one-off basis for the Weddin Mountain Muster 2022 event at the Grenfell Showground and fund it from Council's Donations budget.</p>	<p>24/8/22 – The GM advised the Secretary of the Weddin Mountain Muster committee of council's resolution to waive the availability charge for the 2022 event. The Secretary has since advised the GM that unfortunately the event had to be cancelled due to the inclement weather and subsequent consideration of the safety and welfare of all participants, committee and horses. Although the event did not proceed, the Secretary expressed great appreciation of Council's support for the event.</p> <p>Status: Action completed.</p>

12.5) FINANCIAL MATTERS - INVESTMENT REPORT AS AT 30 SEPTEMBER, 2022
(FM.BA.1)

Author: Director Finance & Corporate Services
IP&R Link: – 2.3.1: Manage the risk management framework including the risk register. – 2.2: Sound Financial management – 2.2.1: Review and update long term financial plan (LTFP).

RECOMMENDATION:

That the information in relation to Council's Investments on 30 September 2022 be noted.

REPORT**Cash and Investments**

The investment summary below represents Council's total investments as of 30 September, 2022 in accordance with clause 212 of the Local Government (General) Regulation 2005 and Section 625 of the Local Government Act 1993.

The above investments have been made in accordance with the Local Government Act 1993, the Local Government General Regulation 2005 and Council's Investment Policy.



Peter McFarlane
Responsible Accounting Officer

INVESTMENT COMMENTARY

The Reserve Bank (RBA) has continued to increase the cash rate with now six-monthly increases in succession, taking the rate to 2.60%.

The most recent rate change was a 0.25% increase on 4 October 2022. This is less than the 0.50% increases in the preceding 4 months.

There are indications that the cash rate will continue to rise with expectations of a rate around 3.0 to 3.5% by the end of the calendar year.

The RBA is very conscious of the need to control inflation that was measured at 6.8% for the year ending 31 August 2022.

It is important to note that the measure of the inflation, Consumer Price Index (CPI) is now reported on a monthly basis to provide a more rapid indicator of the underlying rate of price changes.

The RBA has indicated that more increases in the cash rate are expected in the coming months to reduce demand and place downward pressure on prices. The RBA is aiming for the so called "soft landing" where the economy slows down but still grows modestly without a recession.

Council is now seeing placement opportunities at interest rates in excess of 4.5% for 12-month terms. Such rates were not being offered for 5-year terms as little as 3 months ago.

Council's investment portfolio is strong with a very low risk profile due to the diversification requirements in its investment policy.

The balance of funds on hand on 30 September, 2022 of \$8.97M reflects the inflow of funds related to the payment of the accounts that were billed in August 2022. It is notable that a large portion of these funds on hand are set aside for renewal of Council's substantial water infrastructure network.

BUDGET IMPLICATIONS

Council is on target to exceed its budget for interest revenue in 21/22. This additional revenue being recovered from interest on investments comes at an important time to offset some of the reduced revenue being experienced due to lower water sales

POLICY IMPLICATIONS

Council's investment portfolio continues to operate with a combination of rolling term deposits with a 12-month term supported by a call facility, providing the flexibility to fund any unexpected liquidity requirements. This strategy continues to provide the best balance for the portfolio in the current circumstances.

Council is conscious of the need to balance the requirements for on call monies for liquidity purposes compared to what may be earned on 12-month term deposits. This is more important now given the margin between on-call rates and 12 months rates has widened.

ATTACHMENTS

1 [↓](#) Cash and Investments at 30 September 2022 1 Page

		Credit Rating	Term (Days)	Rate	Maturity Date	% of Portfolio
Short Term Deposits	\$ 8,200,000.00					91.40%
Commonwealth Bank of Australia	600,000	AA-	364	4.28%	16/06/23	6.69%
Commonwealth Bank of Australia	500,000	AA-	365	0.76%	7/02/23	5.57%
AMP - Curve Securities	500,000	BBB	365	1.00%	28/02/23	5.57%
Unity Bank/Reliance Credit Union	500,000	Unrated	365	3.95%	4/08/23	5.57%
Macquarie Bank - Curve Securities	400,000	A+	367	0.40%	17/10/22	4.46%
ME Bank - Curve Securites	500,000	BBB+	367	1.35%	27/03/23	5.57%
AMP - Curve Securities	500,000	BBB	365	1.00%	3/11/22	5.57%
Bank of QLD - Curve Securities	500,000	BBB+	367	0.67%	31/10/22	5.57%
Macquarie Bank - Curve Securities	600,000	A+	365	4.04%	22/08/23	6.69%
MyState - Curve Securites	500,000	BBB	365	1.10%	15/03/23	5.57%
ME Bank - Curve Securites	500,000	BBB+	365	1.05%	10/03/23	5.57%
Macquarie Bank - Curve Securities	600,000	A+	0	2.50%	At Call	6.69%
ME Bank - Curve Securities	500,000	BBB+	365	2.90%	5/05/23	5.57%
Commonwealth Bank of Australia	500,000	AA-	365	4.20%	15/09/23	5.57%
AMP - Curve Securities	500,000	BBB	367	4.65%	25/09/23	5.57%
Macquarie Bank - Curve Securities	500,000	A+	365	1.60%	28/03/23	5.57%
At Call Deposits	\$ 771,893.86					8.60%
Commonwealth Bank - General Account	\$ 365,792.30	AA-	At Call	2.20%	N/A	
Commonwealth Bank - BOS Account	\$ 406,074.74	AA-	At Call	2.35%	N/A	
Reliance Credit Union - Cheque Account	\$ 26.82	Unrated	At Call	0.00%	N/A	
Total Value of Investment Funds	\$ 8,971,893.86					100%

Average Rate on Term Deposits

90 Day BBSW for March 2022	3.0631%
Average Rate on Term Deposits	2.2156%
Margin over 90 day BBSW	-0.8475%

Average Term - Short Term Deposits (days)	343
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Long Term Credit Rating

	Amount \$	%
AA-	\$ 2,371,867.04	26.44%
A+	\$ 2,100,000.00	23.41%
BBB+	\$ 2,000,000.00	22.29%
BBB	\$ 2,000,000.00	22.29%
Unrated	\$ 500,026.82	5.57%
Total	\$ 8,971,893.86	100.00%

BANK RECONCILIATION

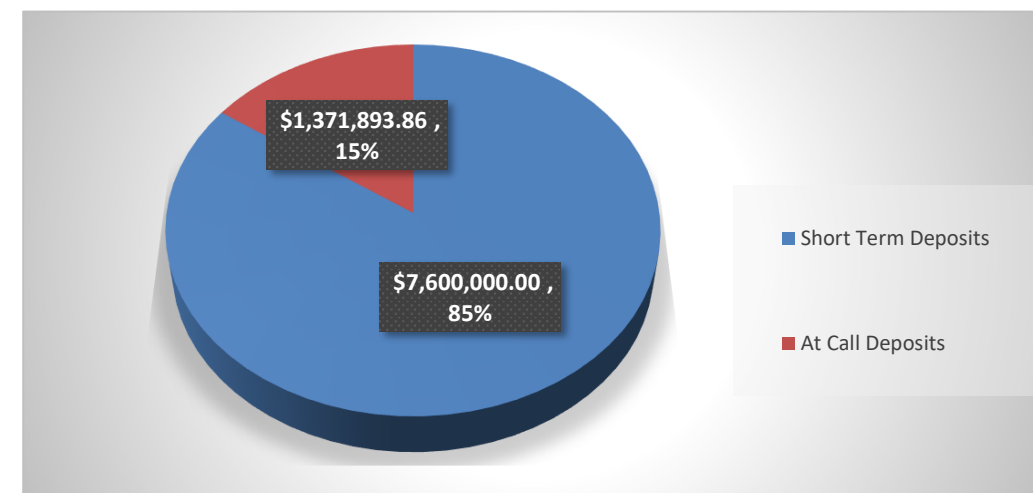
Balance as per Bank Statement	\$	345,175.41
Add: Visa card purchases processed October 2022	\$	18,288.23
Eftpos transactions 30/09/2022 deposited 04/10/2022	\$	804.92
Cash receipting 30/09/2022 deposited 04/10/2022	\$	1,523.74

Balance as per Cash Book	\$	365,792.30
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GENERAL FUND

(a) Cash Book Balance	\$	771,893.86
(b) Bank Balance	\$	771,893.86

Short Term Deposits	\$	7,600,000.00
At Call Deposits	\$	1,371,893.86



12.6) FINANCIAL STATEMENT CERTIFICATES 2021/22 (FM.FR.1)

Author: Director Finance & Corporate Services
IP&R Link: Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.2.1: Review and update long term financial plan (LTFP).

RECOMMENDATION:

1. That Council's Financial Reports be referred to audit in accordance with Section 413(1) of the Local Government Act 1993.
2. That Council notes that the Annual Financial Reports have been compiled in accordance with:
 - a) The Local Government Act 1993 (as amended) and the regulations made thereunder;
 - b) The Australian Accounting Standards and Professional pronouncements; and
 - c) The Local Government Code of Accounting Practice and Financial Reporting.
3. That Council endorses the Annual Financial Reports as fairly presenting the Council's operating result and financial position for the year, and that the Financial Reports accord with Council's accounting and other records.
4. That Council states that it is not aware of any matter that would render this report false and misleading in any way.
5. That Council, in accordance with Section 413 (2) (c) of the Local Government Act 1993 authorises the Chairman, the Deputy Chairman, the General Manager and the Responsible Accounting Officer to sign the required Statements relating to the General Purpose Financial Report and the Special Purpose Financial Report.
6. That Council delegates to the General Manager the authority to issue the Financial Statements upon receipt of the Auditor's Reports.
7. That Council endorse the internal restrictions as listed in Note C1-3 of the General Purpose Financial Statements.

REPORT

Section 413 (2) (c) of the Local Government Act 1993, requires Council to prepare Financial Reports and to refer those reports for audit within four (4) months after the end of the financial year (s416 (1)).

Council has completed a draft set of financial statements for 2021/22 and a copy has been distributed to Councillors.

These reports have been compiled with the support of Mr John Stuart of John Stuart and Associates who has assisted with the collation and formatting process.

A full copy of the draft accounts were forwarded to members of the Audit Risk and Improvement Committee (ARIC). The ARIC members have not referred any issues back to Council for action.

As the financial statements are only in draft form (unaudited), a full commentary regarding the result will not be presented until after the audit has been completed.

It should be noted, that the draft operating loss before capital of \$463K is less than that estimated at the March Quarterly Budget Review of \$974K. This improved result is attributable to lower than expected depreciation and lower employee benefits and on-costs.

As part of the Financial Reports, Council is required to present a statement of its opinion on the reports in accord with Sec 413 of the Local Government Act 1993. A copy of the form of the Councillors and Management Statements are attached for both the General Purpose Financial Report and the Special Purpose Financial Report.

Council's Responsible Accounting Officer and General Manager are also required to endorse the certificates along with the Council members. Both the General Manager and Responsible Accounting Officer will be signing the certificates at the conclusion of the meeting.

Council is also asked to endorse the listing of internal restrictions shown at Note C1-3. These restrictions have been reconciled after the determination of the cash and investment balances at 30 June, 2022.

Council retains an unrestricted cash balance of \$500K to provide working capital for any unplanned operational requirements.

Any transfer from internally restricted funds requires the endorsement of Council through either the adopted budget, through the quarterly budget review process (QBRs) or a resolution voting the funds by Council.

Once the auditor has completed the audit and has submitted their report, Council must fix a date for a meeting at which the auditor's report will be presented and give public notice of the date. This date must be at least seven (7) days after the date on which notice is given, but not more than five (5) weeks after the auditor's reports are given to Council.

The General Manager will also authorise lodgement of the accounts with the Office of Local Government upon receipt of the Audit reports. The Auditor will attend Council at the meeting on 14th December 2022 to present the Audit Reports to Council.



BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- | | | |
|----------|---|---------|
| 1 |  Statements by Councillors and Management 2022 | 2 Pages |
| 2 |  Internal Restrictions at 30 June 2022 | 1 Page |

Central Tablelands Water

General Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 12 October 2022.

Cllr David Somerville
Chairperson
12 October 2022

Cllr Andrew Rawson
Deputy Chairperson
12 October 2022

Gavin Rhodes
General Manager
12 October 2022

Peter McFarlane
Responsible Accounting Officer
12 October 2022

Central Tablelands Water

Special Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial Reporting*,
- the NSW Office of *Water Best-Practice Management of Water and Sewerage Guidelines*.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 12 October 2022.

Cllr David Somervaille
Chairperson
12 October 2022

Cllr Andrew Rawson
Deputy Chairperson
12 October 2022

Gavin Rhodes
General Manager
12 October 2022

Peter McFarlane
Responsible Accounting Officer
12 October 2022

C1-3b Internal allocations

\$ '000	2022	2021
Cash, cash equivalents and investments not subject to external restrictions	8,521	7,317
Less: Internally restricted cash, cash equivalents and investments	(8,021)	(6,817)
Unrestricted and unallocated cash, cash equivalents and investments	500	500
Internal allocations		
At 30 June, Council has internally allocated funds to the following:		
Plant and vehicle replacement	671	491
Infrastructure replacement	6,200	5,300
Employees leave entitlement	558	478
Development reserve	482	488
Consultancy	110	60
Total internal allocations	8,021	6,817

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

12.7) AUDIT RISK AND IMPROVEMENT COMMITTEE (ARIC) (CM.AU.1)

Author: Director Finance & Corporate Services
IP&R Link: – 2.3: Continuous Improvement Whilst Managing Risk – 2.3.1: Manage the risk management framework including the risk register.

RECOMMENDATION:

That Council receive and note the Audit Risk and Improvement Committee Chairperson's Report for the year ended 30 June 2022.

REPORT

The ARIC Charter requires that the Chairperson prepare a report regarding the Committee's activities annually.

At the ARIC Committee meeting held on 23 August 2022, the Chairperson's Annual Report was submitted.

At that meeting the committee resolved "*that the Committee endorse and present the draft Annual Report to Council*".

It is noted that due to the Local Government Elections being held on 4 December 2021 and the need to form a new Committee resulted in a significant impact on availability of Committee members over the course of the 21-22 year. The final meeting of the former Committee was held on 16 November 2021 and the first meeting of the new Committee was 18 May 2022.

It was notable that Cabonne Council withdrew from the previous three Council common committee structure at the end of the previous Council term and was replaced by Upper Macquarie County Council (UMCC). This arrangement provides economies of scale that benefits Central Tablelands Water, Blayney Shire Council and UMCC.

Despite the significant work done to date to review the format of the risk register, this remains an ongoing priority for the new Committee.

Some work was also done in respect of the recommendations from the Fraud Health Check review that was undertaken in early 2021. There is still follow up work to be done to complete the implementation of some recommendations in relation to the review.

During the 21/22 year an internal audit plan was developed with project management, record keeping and drinking water quality management being highlighted as projects for the period from 2022 to 2024. Work on the Project Management Audit is currently underway.

Council received an unqualified audit report from the NSW Audit Office in respect of the 20/21 financial year with all statements and reports being lodged by the due dates.

The work of the committee was also impacted by the resignation of the Governance and Executive Support Officer in September 2021. Council is currently recruiting a permanent replacement for that role. This has resulted in the secretarial support for the Committee now being performed by the Director of Finance and Corporate Services.

CTW has had an ARIC in place for over a decade and given the small size of Council this is a significant achievement with many NSW Councils currently not having an ARIC.

This is Page No. 19 of the Agenda presented to the Ordinary Meeting of Central Tablelands County Council held at Grenfell on 12 October 2022

It is noted that one of the first changes will be that the Committee will be required to have three independent members which will require an additional member to be added to the existing Committee structure. This will result in an increase in the level of costs of conducting Committee meetings and will require additional secretarial work in supporting an additional member.

The new ARIC and Risk Management guidelines are yet to be released by the Office of Local Government, but it has been noted that compliance with the new guidelines has now been brought forward to 30 June 2024 from the 30 June 2027 date previously indicated.

BUDGET IMPLICATIONS

An amount of \$11,354 has been spent in 21/22 on the one committee meeting held to date, plus 50% of the Project Management Review Fee.

\$11,006 remains unspent in the approved ARIC budget of \$22,360.

POLICY IMPLICATIONS

Section 428A of the Local Government Act 1993 outlines the requirements and duties of the ARIC. Section 23A of the Local Government Act apply to the new OLG guidelines that are to be released shortly.

ATTACHMENTS

- 1 [↓](#) ARIC - Chairperson's Annual Report - 21-22 5 Pages



Central Tablelands Water – Audit, Risk and Improvement Committee

Annual Report to Council - 2022

Introduction

On behalf of the Audit, Risk and Improvement Committee ('Committee' or 'ARIC'), I present the ARIC report for Central Tablelands Water (CTW) covering the 1 July 2021 – 30 June 2022 year.

The ARIC is an independent assurance forum that provides oversight and assistance to improve the risk management, governance and compliance, internal control and external accountability of Central Tablelands Water.

The ARIC operates in accordance with its Charter which is complemented by an Internal Audit Charter. The ARIC 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. The Charter is subject to formal review biennially. The Charter is also amended as necessary to reflect evolving regulatory guidance issued by the Office of Local Government.

Role of the Committee

The Committee seeks to achieve the objectives outlined in the Charter by:

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

Purpose of Report

This report provides background to the Committee's membership, activities during the period and areas for development in the year to come.

Prior to its presentation to Council, the report was reviewed and endorsed by the Members of the ARIC.

Central Tablelands Water Audit Committee 2021 – '22 Annual Report

Committee Membership

Membership of the ARIC comprises one Councillor, a nominated alternate Councillor and two Independent Members appointed by Council.

At the start of the year, the Committee was comprised of the following members:

Independent Members:

- Phillip Burgett (Chair)
- Donna Rygate

Councillor Member:

- Councillor David Somervaille (voting)

The Committee is now comprised of the following members:

Independent Members:

- Donna Rygate (Chair)
- Ron Gillard

Councillor Member:

- Councillor Marlene Nash (voting)

Independent Member Profiles

Donna Rygate is an experienced independent chair/director, business leader and skilled problem solver with a solid track record of positive transformation of organisations. She currently holds various board, panel, statutory and committee chair and/or member roles. From 2014 to 2018 Donna was Chief Executive of Local Government NSW. She previously worked in chief executive, senior executive, policy, communications, governance and operational roles in the NSW public sector for more than 25 years. Donna has an Economics degree with Honours in Government and Public Administration and a Masters degree in Planning, and is a graduate of the Australian Institute of Company Directors course. She is currently enrolled in the Juris Doctor program at Macquarie University. Donna was made a Fellow of the Institute of Public Administration in 2012. Currently Donna is chair of five local government audit committees, a member of one local government audit committee, a member of one Commonwealth Government audit committee, and a member of three State Government audit committees.

Ron Gillard has attained a broad range of commercial experience in the Australian manufacturing and investment sectors, as well as from participating in significant business ventures in Australia, the US and Europe. Since commencing his management consulting business in 2005, he has also held a number of honorary executive positions on boards and/or committees for not-for-profits, community organisations, and other institutions. At various times during this same period, Ron has been appointed as an Independent Member to ARICs of twelve regional councils, three of which were amalgamated in 2016. He is currently the Chair of three and member of further four. Ron holds a Masters Degree in Commerce.

During the year, the ARIC was supported and informed through reports to each meeting by:

- Gavin Rhodes, General Manager
- Peter McFarlane, Director Finance & Corporate Services
- Noel Wellham, Director of Operations and Technical Services
- Bernadina Smith, Executive and Governance Support Officer

Central Tablelands Water Audit Committee 2021 – '22 Annual Report

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. There were fewer ARIC meetings in 2021/22 than usual because of the timing of the local government elections at the end of 2021.

Meeting Date	Phillip Burgett/ Donna Rygate	Donna Rygate/ Ron Gillard	Cr David Somerville / Cr Marlene Nash	Cr Alternate
27 August 2021	✓	✓	✓	NOT REQUIRED
18 May 2022	✓	✓	✓	NOT REQUIRED

Committee Performance Assessment

The Committee last completed a 'self-assessment' at the end of the 2020/21 financial year.

Committee Activities in the Reporting Period

Internal Audit

CTW has an annual budget allocation for no more than two (2) major internal audits and is committed to complete at least one (1) review each year. Resourcing for each internal audit is matched to the skills and experience required to satisfy the agreed scope.

The following internal audit was commissioned during the reporting period:

- Review of Carcoar Water Treatment Plant Reservoir Bulk Earthworks Contract

This audit was not completed before the end of the financial year, and at the ARIC's May 2022 meeting management was strongly encouraged to expedite the matter which had been deferred due to a number of factors.

Risk Management

The CTW Enterprise Risk Register (ERR) is a base working record of the CTW risk exposures that can be further improved to inform management decisions.

The ERR should be reviewed bi-annually by management and newly identified risks, eliminated risks, changes in ratings of risks and those risks that are outside tolerance are to be formally reported to the ARIC. If specific events occur which immediately impact the risk profile of CTW the ERR is to be updated and a report provided to the Committee.

During the year the ARIC received a report on the action plan to ensure a robust reporting of unethical behaviour in the workplace.

External Audit and Annual Financial Statements

The Auditor General of New South Wales (AO) is the appointed external auditor of CTW but retains the services of Intentus Chartered Accountants as its contracted agent to conduct the external audit.

Both the Audit Office Director and Contract Agent were active contributors to the activities of the ARIC, attending meetings in person and online as appropriate.

Central Tablelands Water Audit Committee 2021 – '22 Annual Report

The Committee considered the Annual Engagement Plan provided by the AO at its May 2022 meeting.

Status of Prior Report Recommendations

The ARIC keeps the status of past report recommendations arising from internal audit reports and external audit management letters under review.

The Year Ahead in 2022/23

The primary focus of the Committee in 2022/23 will be in the following specific areas:

- Internal Audit – Whilst CTW has undertaken some internal reviews it still lacks a strategic internal audit program with a long-term lens on the critical operations of Council. Consistent with available resources and influenced by key areas of risk as identified by the organisation and emerging risks in the local government sector which may impact Council, management should develop a multi-year Internal Audit Plan.
- Risk Management – CTW's risk management framework and associated procedures must continue to improve to facilitate effective management of business and financial risks.
- Fraud and Corruption Prevention – ARIC will continue to oversight reporting of relevant incidents.
- Business Improvement – Work with management to develop an approach, including effective reporting of actions.
- Compliance and Accountability – The Committee needs a better understanding of how CTW monitors legislative compliance across its operations and a reporting mechanism is required.

Committee's Report Card

RESPONSIBILITY	COMPLIANCE
Risk Management	ON-TRACK
Internal Control Framework	ON-TRACK
External Accountability	ON-TRACK
Compliance	NEEDS ATTENTION
Internal Audit	NEEDS ATTENTION
External Audit	ACHIEVED

Fraud and Corruption Prevention	ON-TRACK
Business Improvement	NEEDS ATTENTION
Accountability	ACHIEVED
Transparency	ACHIEVED

Recommendation: That the ARIC 2021/22 Annual Report be endorsed and presented to Council in accordance with the Charter.

Donna Rygate

Independent Chair – Central Tablelands Water Audit, Risk and Improvement Committee

12.8) POLICY REVIEW - DRAFT CONCEALED LEAKS POLICY (CM.ME.1)

Author: Director Finance & Corporate Services
IP&R Link: Strategic Priority 3: Regional leadership and collaboration – 2.2: Sound Financial management

RECOMMENDATION:

That Council:

1. Note the report, and
2. Endorse the draft Concealed Leaks Policy, and place on public display for a period of 28 days.

REPORT

Council is required to review all public policies within 12 months of the most recent Local Government election.

The Concealed Leaks Policy (CLP) is required to be applied by Council on a regular basis in response to applications for relief. Many applications are received after a high read notice has been issued by Council or a larger than expected water account is received.

The CLP policy was subject to major review in 2020 where changes were made as follows:

1. Non-residential connections were excluded from the policy.
2. The financial hardship criteria were removed.
3. Evidence provided that the leak was repaired within 7 days.
4. Residential properties that were vacant for more 6 months were excluded.
5. Accounts that were 6 months in arrears without an approved payment plan were excluded.
6. Government agencies including schools and hospitals are excluded.
7. Leaking appliances were not eligible as concealed leaks.

The draft policy attached maintains these eligibility criteria, however, additional wording has been added to provide more clarity for both council officers in assessing the claims and consumers when they request that they wish to make an application.

BUDGET IMPLICATIONS

Relief under the concealed leaks policy when granted is funded from Council's water sales revenue.

POLICY IMPLICATIONS

The changes to the policy as proposed in the draft document will improve clarity regarding the eligibility of property owners under this policy. This will make it easier to communicate with consumers regarding eligibility for relief under the policy.

ATTACHMENTS

- 1 [!\[\]\(d27108a7e74860dfc560bbe498136a6f_img.jpg\)](#) Draft Concealed Leaks Policy 10 Pages



**Central
Tablelands
Water**

Concealed Leaks Policy

DRAFT

DOCUMENT CONTROL

Document Title		Concealed Leaks Policy			
Policy Number		CTW-PR044			
Responsible Officer		Director Finance and Corporate Services			
Reviewed by		General Manager			
Date Adopted		May 2020			
Adopted by		Council			
Review Due Date		December 2024			
Revision Number		3			
Previous Versions	Date	Description of Amendments	Author	Review/ Sign Off	Minute No: (if relevant)
1	12/10/16				16/079
2	13/5/20				20/029

Purpose

The purpose of this Policy is to outline how Central Tablelands Water (CTW) will apply water account adjustments in relation to higher than usual water consumption caused by undetected water leakages.

Policy Statement

Council provides potable water to the boundary of a property; water that has subsequently passed through a meter service connection becomes the responsibility of that property owner. The property owner is fully responsible for maintaining water plumbing located on their property.

This policy is not intended to provide full compensation to customers for water charges as a consequence of an undetected water leak on their property. As an act of good faith and the interest of good public relations, CTW provides a means by which an adjustment to their water account can be obtained, subject to the provisions of this policy being met.

This policy is only available for residential service connections, no relief under this policy will be provided to non-residential consumers.

Customers should not rely on CTW to notify of water leaks, but should monitor their water consumption by actively monitoring their water meter and undertake visual inspections where possible of their water supply plumbing.

Policy Objectives

The property owner (as listed on the water account) is responsible for the reticulation, use and payment of all water which passes through their water meter. The property owner, whether residential or non-residential, is responsible for the maintenance and repair of their internal plumbing.

If a property is rented, it is the owner's responsibility to make an application under the policy, not the tenant. Any payment arrangements between the tenant and owner in respect of water charges has no bearing upon the assessment of the application. Failure by the tenant to notify the owner of a concealed leak is a matter between the owner and the tenant.

CTW has no obligation to grant an allowance on water accounts affected by leaks in private plumbing. It will only consider, at its absolute discretion, applications for water account adjustments due to undetected water leakage which are made in writing.

The Director of Finance and Corporate Services is responsible for the administration of this policy. The General Manager will ultimately determine and approve all allowances relating to applications for adjustments up to 1,000 kilolitres (kL). Any adjustments over 1,000 kL will be directed to Council for determination. The General Manager will determine and approve all allowances relating to applications from CTW staff and councillors in accordance with the eligibility criteria of this policy.

Policy Scope

CTW will apply an adjustment to the customer's water account in accordance with the criteria and rules set out in this policy and related documentation.

This policy applies to customers as per Appendix A where a concealed leak has occurred on the property, resulting in excessive water use. (excessive water use is determined by looking at consumption for the same quarterly period for the 3 preceding years)

This policy applies to concealed leaks only and does not apply to water loss from:

- Leaking taps, toilet cisterns, hot water systems or other water appliances;
- Faulty plumbing or human error resulting in the filling of a rainwater tank;
- Property sprinkler or other irrigation systems; or
- Swimming pools, spas, ponds and other outdoor water features, or their related fittings.

A leak is considered to be concealed if it is in a place where a reasonable person would not have been able to observe that water loss was occurring. This includes but is not limited to pipes located under slabs of concrete or in any remote location where it would be not possible to observe evidence of the leak.

Unless expressly stated otherwise in the eligibility criteria outlined in this policy, any customer seeking an adjustment to a water account must apply in writing to CTW and must be the water account holder for that property.

Should an application for relief under the concealed leaks policy be unsuccessful, Council will consider requests for a payment arrangement including extended time for payment or waiving interest charges. Interest will not be charged for any time period spent by Council in assessing the application.

All approved adjustments will be applied to the water account for the property where the concealed leak occurred; monetary refunds will not be issued.

Eligibility Criteria

In the case of a water leak on the property, a customer will be eligible for an adjustment to their water account charges if they meet **all** of the following criteria:

1. The leak was concealed as per definition and applicability criteria above;
2. The water service connection is classified as a residential service.
3. The customer took action to permanently repair the leak within 7 calendar days of becoming made aware of the leak.
4. The CTW account holder completes the Concealed Water Leakage Allowance Application form (Annex B) and submits this together with a licenced plumber's invoice to support the application. It should be noted that all pipe work repair, in accordance with the *Plumbing and Drainage Act 2002* and related plumbing standard AS/NZS 3500, should be completed by a licenced plumber. Where the customer

completes the repair, they should arrange for a licenced plumber to check the repair to ensure compliance with relevant legislation and plumbing standards.

5. Applications will not be considered in respect of any property that has been vacant for more than 6 months.
6. Applications will not be considered where the owner has had a previous approved application with respect to the current property.
7. Any applications where the leak occurred more than 30 days prior to the application will not be considered.
8. If an account is in arrears for over 6 months, without an approved payment arrangement in place, no relief is available under this policy.
9. Non-residential connections and government agencies are not eligible for relief under this policy.

Where the leak has occurred within a community title scheme (CTS) the application for an adjustment must be submitted as follows:

- Where the CTS is individually sub-metered and the sub-meters have been approved to be read and billed by CTW, and the leak occurred on private property, i.e. the leak consumption registered on the individual sub-meter, the property owner must submit the required documentation.
- Where the CTS is individually sub-metered, and the sub-meters have been approved to be read and billed by CTW, and the leak occurred on common land, the body corporate must submit the required documentation.
- Where the CTS is not individually sub-metered, or the sub-meters have not been approved to be read and billed by CTW, the body corporate acting on behalf of all property owners must submit the required documentation.

In relation Strata title arrangements, the Body Corporate would be expected to apply for relief under this policy in respect of concealed leaks in common areas. Individual owners within the Strata complex would be expected to apply in respect of concealed leaks affecting their individual properties.

The rebate amount will be provided as per Appendix A, the amount rebated will also be determined by the policy in place at the date of rebate application. The amount of the rebate applied will be at the usage rate at the time the leak was identified.

Appendix A details the maximum period/s for when an account can be adjusted and the period/s should include the period in which the leak was repaired and if the leak was not repaired within 7 calendar days, then the period in which the customer was notified of a potential water leak or high water consumption.

Not-for-profit Organisations and Associations

Where the leak occurred on not-for-profit property, the application must be made by the appropriate administrator for that not-for-profit organisation or association.

Not-for-profit organisations or associations may be requested to provide evidence of a not-for-profit status with a rebate application. Approval for a rebate is at the discretion of the General Manager and will be reviewed on a case-by-case basis.

It is important to note that only residential connections operated by a Not for Profit Organisation are eligible for relief under this policy.

Roles and Responsibilities

The General Manager and Director of Finance and Corporate Services are responsible for ensuring the implementation of this Policy.

Annex A – Concealed Leak Rebate

Customer Type	CTW water usage rebate % offered above average*	Maximum period for which a rebate can be applied	Frequency at which rebate can be applied for by property owner/s at the subject property for the water usage component of the rebate
Residential properties only^	50%	Two billing quarters	Once

^ Residential properties include rural residential connections but not rural connections.

* 50% of the difference between the average 3 corresponding periods and the actual water used. Where prior period usage data is not available for 3 previous corresponding periods then the most recent available usage data will be used.

The average daily consumption for approved dialysis and medical customers shall include annual allowances as per CTW policy.

Annex B – Concealed Leak Allowance Application**Concealed water leakage allowance application****Owner Details:**

Owners Surname/s:	
Owners full Given Names:	
Phone Number - Business Hours:	Home:

Property Details:

Customer Account Number:
Property Address:

Leakage Details:

Where did the leak occur? (provide an explanation; underground, was it visible?)		
What caused the leakage? (corrosion, faulty installation, tree roots etc.)		
Date leakage detected:		
How was the leakage detected? (notified by CTW, found it when driving past etc.)		
Please attach any further information that will assist us with the application (application for hardship etc.)		
Information Attached?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Have you applied for a leakage allowance previously?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Repair Details:

Date repaired:

Did a licensed plumber repair the leak?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If yes, please attach a copy of the plumbers invoice, along with an explanation from the plumber regarding the concealed leakage and return with your application		

Declaration

By signing this application, I declare that the information is true and correct. I confirm that I have read the criteria for applying for a concealed leakage concession.

Signature:	Date:
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Criteria for Financial Relief Due to Concealed Water Leaks

1. CTW has no obligation to adjust water accounts affected by leakage in private plumbing. It will consider applications for water leakage allowances due to undetected water leaks in the following circumstances:
 - i. The undetected water leak was in a location that was not readily visible or apparent (e.g. below ground, under a concrete slab, in a wall cavity etc.)
 - ii. The undetected leak was repaired by a licenced plumber in a timely and effective manner to minimise water loss. Repairs must be completed within 7 days of a water account being issued or the customer becoming aware of a possible leak via notification by CTW or otherwise.

A customer is deemed to be notified by CTW of a possible water leak:

 - On the day a customer receives a "Higher Than Normal Usage" card via mail or similar notification by a CTW representative
 - On the day a CTW staff member telephones the property owner (or managing agent).
2. This policy applies to concealed leaks upon residential property only and does not apply to water loss from:
 - Leaking taps, toilet cisterns, hot water systems or other water appliances;
 - Faulty plumbing or human error resulting in the filling of a rainwater tank;
 - Property sprinkler or other irrigation systems; or
 - Swimming pools, spas, ponds and other outdoor water features, or their related fittings.
3. All requests for undetected water leakage allowance must be in writing and provide the following information:
 - i. A statement from the property owner clearly outlining:
 - the date and circumstances leading to the leak being detected;
 - the date the leakage was repaired by a licenced plumber;
 - the cause of the leakage;
 - the reason why the leakage was not readily visible or apparent; and
 - ii. A statement signed by the licenced plumber who repaired the leak, clearly explaining why the leak was undetected by the customer and certifying that the repairs comply with AS/NZS 3500
4. An application for undetected water leakage allowance may be declined if it is found that:
 - i. the customer failed or neglected any visible or obvious defects in their private water service;

- ii. the customer ignored or failed to investigate any visible signs of leakage including soaking or dampness in walls, consistently wet grass or damp patches in lawns or running toilets;
 - iii. the customer failed to repair and or renew the faulty pipework, fittings and fixtures for which they are responsible;
 - iv. any documentation or statements received are found to be misleading or false;
 - v. the undetected leakage was caused by wilful, accidental or negligent damage to the customers internal plumbing
5. If an application for water leakage allowance is not approved, the customer will be advised in writing and granted a further 28 days from the date of the advice to either pay the account in full or enter into a suitable payment arrangement.
 6. If an application for a leakage allowance is approved, the customer will be advised in writing that payment of the adjusted account will be due 28 days from the date of the advice.
 7. A water leakage allowance will be granted on a “one off” basis. However, the allowance can be applied over two consecutive billing periods where there is evidence that the leak may have affected the consumption charges over more than one billing cycle. Requests for reduction in water charges for subsequent water leaks will not be considered.
 8. Where a leakage allowance is granted, the following will apply:
 - i. the water account for the period will be adjusted based on the average consumption for the period that the undetected leakage occurred
 - ii. the average consumption will be calculated by averaging three (3) previous corresponding billing periods (i.e. if the water account in question was issued in May, the three (3) previous corresponding May water accounts will be averaged)
 - iii. the leakage allowance is applied to the billing period/s in which the undetected leakage occurred up to a maximum of two (2) consecutive billing periods.

Office Use Only

Date received -

Account Number:		Letter received from Plumber:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Pensioner:	Yes <input type="checkbox"/> No <input type="checkbox"/>			
Approved:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Signed General Manager:		
Total Credit:		Journal Number:		
Customer Notified:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Journal Processed:		

12.9) WATER SECURITY - DROUGHT IMPACT UPDATE (WS.AM.1)**Author:** Director Operations & Technical Services**IP&R Link:** Strategic Priority 1: Provide a high quality and reliable drinking water supply – 1.1.1: Deliver capital works program based on asset management data.**RECOMMENDATION:**

That Council note the information in the report.

REPORT

Central Tablelands Water (CTW) continues to welcome ongoing rainfalls in its Lake Rowlands Dam (LRD) catchment area.

In following with NSW State Government directions, CTW continues to develop its drought resilience opportunities through continuance of the below projects:

1. **Woodstock Pump Station** - CTW awaits agreement with Cowra Shire Council (CSC) to undertake “Wet” commissioning tests to prove the operation of the new pump station to reverse the flow of Trunk Main H and transfer potable water from CSC’s Woodstock Reservoir into CTW’s Trunk Main C. The “Wet” commissioning has been postponed until CTW staff have completed this quarter’s meter reading activities.
2. **Centroc Water Grid Pipeline** - CTW, in conjunction with Parkes and Forbes Shire Councils, awaits feedback from DPE Water on the Centroc Water Grid Pipeline project’s draft final business case.

BUDGET IMPLICATIONS

Project		Woodstock Pump Station		
Approved Budget		\$806,703 (includes \$63,886 contingency)		
Project End date		Nov 2022		
Revised Budget	Expenditure to date	Projected (*)	Total	Remaining Funds (**)
\$806k	\$658k	\$62k	\$720k	\$86k

Note: (*) Projected costs include 1-2 weeks of commissioning.

(**) Remaining funds will be available for CTW’s 12ML reservoir project.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.10) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)

Author: Director Operations & Technical Services
IP&R Link: Strategic Priority 1: Provide a high quality and reliable drinking water supply – Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.1.3: Review and update levels of service and report on performance.

RECOMMENDATION:

That Council note the information.

REPORT

FROM 12/08/2022 to 30/9/2022

a) Main Breaks

Location		Date	Size / Type	Comment
Canowindra	Red Lane	17/08/2022	100mm AC	R&RP
Canowindra	Red Lane	21/08/2022	100mm AC	DNR
Canowindra	Tilga St	12/08/2022	100mm	DNR
Canowindra	Nyrang Creek System	20/08/2022	80mm PVC	DNR
Carcoar	Trunk Main A	05/09/2022	375mm DI	R&RP
Cudal	Main St	15/07/2022	130mm	DNR
Mandurama	Copper St	24/09/2022	100mm PVC	R&RP



DNR

PIPE FAIL

WELD

Notes

1. CTW Mains (Trunk & Retic) Break score of 7/573km == 1.22/100km.
 Rolling Value across 12mths = 9.25/100km which is slightly higher than the 2017-18 NSW State Median benchmark of 9.0 breaks/100km.

b) Service Activities and Requests

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
BLAYNEY	13	17	6	9	0.61%	1471
BURST METER	0	0	0	0	0.00%	
CHECK METER READING	2	1	0	0	0.00%	
DIRTY WATER COMPLAINT	0	2	0	0	0.00%	
LEAKING METER	5	5	2	6	0.41%	
LEAKING SERVICE	0	3	1	2	0.14%	
LOW PRESSURE COMPLAINT	1	0	0	0	0.00%	
MAIN BREAK	2	0	1	0	0.00%	
MAINTENANCE - GENERAL	0	2	0	0	0.00%	
METER NEW / REPLACEMENT	1	4	2	0	0.00%	
METER NOT SHUTTING OFF	2	0	0	0	0.00%	
PATHCOCK FAILURE	0	0	0	1	0.07%	
QUALITY COMPLAINT	0	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
CANOWINDRA	9	27	15	14	1.23%	1138
BURST METER	1	0	0	0	0.00%	
CHECK METER READING	2	1	0	0	0.00%	
LEAKING HYDRANT	0	1	1	2	0.18%	
LEAKING METER	0	8	5	2	0.18%	
LEAKING SERVICE	1	3	4	2	0.18%	
LOW PRESSURE COMPLAINT	1	0	1	0	0.00%	
MAIN BREAK	1	1	2	1	0.09%	
MAINTENANCE - GENERAL	0	12	0	3	0.26%	
METER NEW / REPLACEMENT	2	0	1	0	0.00%	
METER NOT SHUTTING OFF	0	0	0	3	0.26%	
NO WATER COMPLAINT	1	0	1	1	0.09%	
PATHCOCK FAILURE	0	0	0	0	0.00%	
RESTORATION WORK	0	1	0	0	0.00%	
Total Complaints = 1						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
CARCOAR	1	4	1	0	0.00%	134
HYDRANT LEAKING	0	0	0	0	0.00%	

LEAKING METER	1	0	0	0	0.00%	
LEAKING SERVICE	0	0	0	0	0.00%	
MAIN BREAK	0	2	1	0	0.00%	
MAINTENANCE - GENERAL	0	1	0	0	0.00%	
METER NOT SHUTTING OFF	0	0	0	0	0.00%	
METER - SPECIAL READING	0	1	0	0	0.00%	
QUALITY COMPLAINT	0	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
CARGO	0	0	3	1	0.61%	164
LEAKING SERVICE	0	1	1	1	0.61%	
METER NOT SHUTTING OFF	0	0	1	0	0.00%	
NO WATER COMPLAINT	0	0	1	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
CUDAL	2	1	2	5	2.17%	230
LEAKING METER	1	0	1	2	0.87%	
LEAKING SERVICE	0	1	1	2	0.87%	
HYDRANT LEAKING	0	0	0	1	0.43%	
PATHCOCK FAILURE	1	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
EUGOWRA	2	14	11	9	2.31%	390
DIRTY WATER COMPLAINT	0	1	0	0	0.00%	
HYDRANT LEAKING	0	0	1	0	0.00%	
LEAKING METER	0	3	8	3	0.77%	
LEAKING SERVICE	0	8	1	2	0.51%	
MAIN BREAK	1	1	0	0	0.00%	
MAINTENANCE – GENERAL	0	1	0	3	0.77%	
METER NOT SHUTTING OFF	0	0	1	1	0.26%	
METER NEW / REPLACEMENT	1	0	0	0	0.00%	

Total Complaints = 0

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	

GRENFELL	9	15	16	6	0.45%	1347
BURST METER	0	0	0	0	0.00%	
CHECK METER READING	1	4	4	0	0.00%	
DIRTY WATER COMPLAINT	1	1	0	0	0.00%	
LEAKING METER	1	3	6	3	0.22%	
LEAKING SERVICE	2	2	4	1	0.07%	
MAIN BREAK	0	0	0	0	0.00%	
MAINTENANCE – GENERAL	3	1	0	0	0.00%	
METER NEW / REPLACEMENT	0	1	0	0	0.00%	
METER NOT SHUTTING OFF	1	2	1	1	0.07%	
NO WATER COMPLAINT	0	0	1	1	0.07%	
PATHCOCK FAILURE	0	0	0	0	0.00%	
QUALITY COMPLAINT	0	1	0	0	0.00%	
Total Complaints = 1						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
LYNDHURST	5	1	2	0	0.00%	156
CHECK METER READING	1	0	0	0	0.00%	
LEAKING METER	1	1	1	0	0.00%	
LEAKING SERVICE	1	0	1	0	0.00%	
MAIN BREAK	1	0	0	0	0.00%	
MAINTENANCE – GENERAL	1	0	0	0	0.00%	
QUALITY COMPLAINT	0	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
MANDURAMA	4	5	0	1	0.75%	134
CHECK METER READING	1	3	0	0	0.00%	
HYDRANT LEAKING	0	0	0	0	0.00%	
LEAKING SERVICE	0	0	0	0	0.00%	
MAINTENANCE – GENERAL	3	1	0	1	0.75%	
PRV ISSUE/MAINTENANCE	0	1	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
MANILDRA	1	1	2	4	1.43%	280
HYDRANT LEAKING	0	1	1	0	0.00%	

LEAKING METER	1	0	0	1	0.36%	
LEAKING SERVICE	0	0	0	2	0.71%	
MAIN BREAK	0	0	0	1	0.36%	
MAINTENANCE - GENERAL	0	0	0	0	0.00%	
NO WATER COMPLAINT	0	0	1	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
MILLTHORPE	1	16	1	4	0.87%	459
BURST METER	0	0	0	0	0.00%	
CHECK METER READING	1	1	1	1	0.22%	
DIRTY WATER COMPLAINT	0	3	0	0	0.00%	
HYDRANT LEAKING	0	1	0	0	0.00%	
LEAKING METER	0	1	0	0	0.00%	
LOW PRESSURE COMPLAINT	0	1	0	0	0.00%	
MAIN BREAK	0	2	0	0	0.00%	
LEAKING SERVICE	0	0	0	1	0.22%	
MAINTENANCE - GENERAL	0	1	0	2	0.44%	
METER - SPECIAL READING	0	1	0	0	0.00%	
QUALITY COMPLAINT	0	4	0	0	0.00%	
RESTORATION WORK	0	1	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES				THIS PERIOD		Total Meters
	2019	2020	2021	2022	% of Total meters	
QUANDIALLA	0	0	2	0	0.00%	100
LEAKING METER	0	0	1	0	0.00%	
LEAKING SERVICE	0	0	1	0	0.00%	
Total Complaints = 0						

TOTAL ACROSS CTW TOWNSHIPS	47	101	61	53	0.88%	6003
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Notes:

1. Comparison values listed each year use data from the period covering the same months of the year i.e. August to October
2. Total Meters is the number of meters connected to consumers.
3. CTW complaint rolling value score across 12mths == 14.32%, mostly attributed to water discolouring issues in Blayney township at the beginning of 2022, resulting in a vastly higher than the 2017/18 NSW State median of 5.0 complaints/1000 connections.

4. CTW Total Service Activities and Requests score == 0.88%, which is below CTW benchmark of 5% across all townships.

c) *Lake Rowlands*

The current level of Lake Rowlands Dam is 105% (6.10.22) with the Dam's scour valve fully shut.

d) *Water Services*

Since 12th August 2022, there have been an additional six (6) new domestic water services connected to, and zero (0) water meters disconnected from, Council's mains.

e) *Water transfer through CTW ⇔ OCC pipeline*

No water has been transferred to, or from, Orange using this pipeline.

BUDGET IMPLICATIONS

Nil.

POLICY IMPLICATIONS

Nil.

ATTACHMENTS

Nil.

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

Author: Director Operations & Technical Services
IP&R Link: Strategic Priority 1: Provide a high quality and reliable drinking water supply – 1.1.2: Review, update and implement existing maintenance program. – 1.1.4: Undertake regular water meter replacement program. – 1.5: Efficient use of water

RECOMMENDATION:

That Council note the information in the General Report.

REPORT**GENERAL REPORT**

- a) *Meter Reading*
The second meter read for the 2022-23 financial year commenced on 4th October in accordance with CTW's meter reading schedule.
- b) *Meter Change Program*
There have been ninety five (95) water meter changes since the previous reporting period.
- c) *Water Filtration Plants*
Blayney Water Treatment Plant (BWTP) and Carcoar Water Treatment Plant (CWTP) has maintained its full operational performance.
- d) *Pump Stations*
Cleaning of pump stations listed under general maintenance has continued throughout our network over the past months.
- e) *Drinking Water Quality*
There have been no reportable incidences of exceeding CTW's Critical Control Points for the delivery of drinking water from CTW's Water Treatment Plants.
- f) *Trunk Mains*
Ongoing inspections continue to be hampered due to the persistent wet weather conditions.
- g) *Hydrants*
Ongoing inspections and maintenance requirements have continued throughout all towns on the CTW supply network during the previous three months.
- h) *Rural Scheme renewals*
No renewals have been undertaken for this 2022-23 financial year.
- i) *Reticulation main renewals*
Wet weather and meter reading activities have hampered the progress of the reticulation mains renewal program for Millthorpe and Canowindra townships.

BUDGET IMPLICATIONS

Nil.

POLICY IMPLICATIONS

Nil.

ATTACHMENTS

Nil.

13. QUESTIONS ON NOTICE

(General Manager)

No questions on notice were received.

ATTACHMENTS

Nil