



**Central
Tablelands
Water**

Business Paper

**Ordinary Meeting of
Central Tablelands Water**

15 December 2022

Canowindra



Saturday, 10 December 2022

Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the Old Vic Inn, Canowindra on Thursday, 15 December 2022 at 2pm.

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 cursive script, appearing to read "G. Rhodes", is written in dark ink.

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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THURSDAY 15 DECEMBER 2022

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12. REPORTS OF STAFF

12.1) **CENTRAL NSW JOINT ORGANISATION BOARD MEETING HELD 24 NOVEMBER 2022 (CM.CF.3)**

Author: General Manager

IP&R Link: Strategic Priority 3: Regional leadership and collaboration

RECOMMENDATION:

That Council receive and note the Central NSW Joint Organisation Mayoral Report and associated minutes for the meeting held on 24 November 2022.

REPORT

A Central NSW Joint Organisation Board meeting was held on 24 November 2022. The meeting was held online due to the significant flooding events in the region. The Chairman and General Manager represented CTW at the meeting.

From a local water supply authority perspective, the focus of discussions was on the recent devastating floods in the region and the subsequent recovery. Ms Olivia West, from Department of Regional NSW provided an update on the flood response and recovery, and welcomed the following feedback from various Board members:

- Fast track approvals for materials to repair roads,
- Promotion of business recovery,
- Focus on mental health, and
- Advocacy for water utilities disaster relief as well as general purpose councils.

The Board was also updated on strategic water planning and management matters including:

- Continued advocacy for the raising of the Wyangala Dam in the context of the remarkable efforts by Water NSW and proactive communication from the Bureau of Meteorology with recent flooding,
- Endorsement of the CNSWJO Regional Water Loss Management Centres' Project Plan and the Water Utilities Alliance Strategic Plan 2022-2032, and
- Information on a proposed project to Integrate Local Water Utility Strategic Planning with Integrated Planning and Reporting.

A copy of the Mayoral Report and the Minutes are attached to this report for your information.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

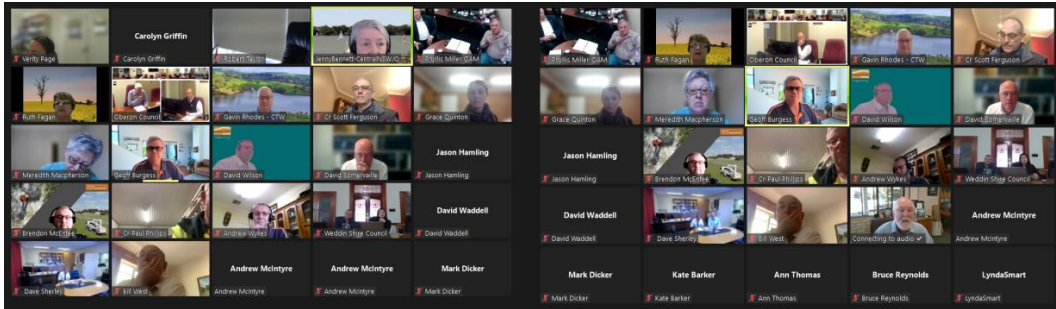
Nil

ATTACHMENTS

- 1 [↓](#) CNSWJO Mayoral report 24 November 2022 11 Pages

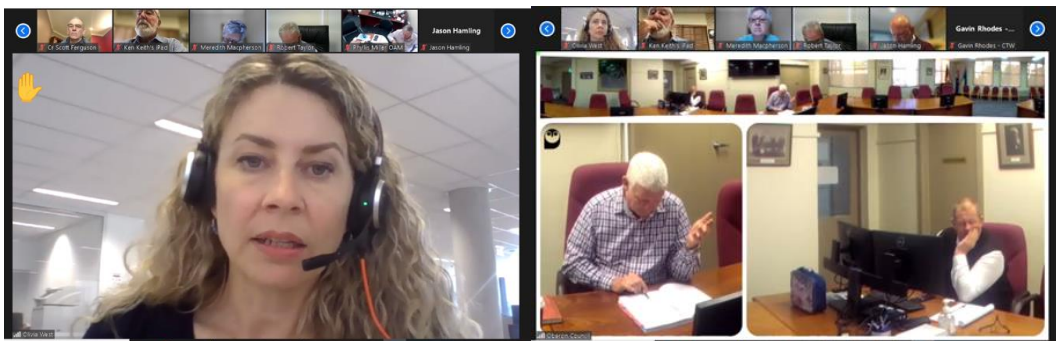
**Report from the Chair
Central NSW Joint Organisation Board meeting
24 November 2022 online**

Recommendations
That Council note the report from the Mayor on the Central NSW Joint Organisation Board meeting 24 November held online and provide feedback on advocacy regarding flooding in region.



Please find following advice from the Central NSW Joint Organisation Board meeting 24 November held online. The CNSWJO Board met online due to the regions flooding impacts. The Deputy Chair Cr Mark Kellam led the meeting and the Chair Cr Kevin Beatty, Mayor of Cabonne attended them meeting for a short time to thank the Mayors and Councils of the region for their great support during the recent tragic flooding disaster.

Essential Energy provided an update from various departments and to give an opportunity to raise ongoing issues Councils are facing. Members gave frank and fearless advice that their service levels need to improve. It was resolved that correspondence be sent to the Premier, Deputy Premier, Treasurer, Minister for Local Government and Opposition Leader Chris Minns, sending copies to the JO Chairs Forum, CMA and Regional Cities.



Ms Olivia West, Director, the Central West Regional Development from Department of Regional NSW gave an update on what has been happening on the ground for the Flood response and recovery and took the below advice from members back to her team.

- Cr Ken Keith - raised the issue of fast tracking approvals for gravel for roads
- Cr Chris Roylance – raised the issue of the need for promotion for business recovery in the Lachlan Valley
- Cr Ken Keith – suggested the need for a mental health focus given it has been major flood, drought, mouse plague, Covid and unprecedented flood in the past 5 years along the Lachlan

- Cr P Miller will share her lifeline contact
- Cr Bill West will share the free psychology service offered with Ms O West
- Cr D Somerville - Advocacy water utilities disaster relief as well as General Purpose Councils where this is not currently the case. Cr D Somerville to provide advice to Ms O West

Key messages for advocacy from flooding as per the briefing note listed below is underway:

1. There should be automatic, well-known processes switched on when natural disaster declarations are made. These should include;
 - a. one source of truth;
 - b. effective and known communication pathways, governance arrangements and messaging;
 - c. a known support package including rates relief and business support tailored to the impacted engine industries of the community; and
 - d. recognition that some natural disasters are much bigger than the local response through Council and the SES and there ought to be pre-planned responses to rapidly escalate.
2. There ought to be known escalation points to support the local effort including use of the military.
3. CNSWJO, through its Disaster Risk Reduction Program, prepare a tool that systematises mutual support between Councils for natural disasters.
4. CNSWJO ensure coordination of a debrief with affected Councils and key agency representatives to inform the above tool where this includes elected representatives.
5. There should be policy and financial recognition of the ongoing and unprecedented road impacts on the safety and economy of this region as a result of the continued La Nina event. This recognition should include;
 - a. Supporting Country Mayors and LGNSW in their advocacy on their State-wide Roads Emergency declaration
 - b. Extension of funding deadlines allowing Councils reprioritisation of resource from other infrastructure funding programs to the roads' effort; and
 - c. An ongoing plan for roads recovery that recognises that this effort will take years.

Review of the CNSWJO Strategy

Under the Local Government Act, CNSWJO must review its strategy each term. The mandated Statement of Strategic Regional Priority is due in December 2022.

The Draft Statement of Strategic Regional Priority Plan (SSRP) was adopted at the October Meeting.

At the November meeting the Draft SSRP two page summary was adopted with the amendment adding a 5.3 for natural disaster road funding as a priority with a report to come back to the February Board on what that will look like at an operational level.

Lithgow Membership with the CNSWJO

The Board have welcomed Lithgow City Council as a full member of the CNSWJO. Mayors from across the region spoke warmly about the importance of Lithgow in this region. Governance steps to advise the Minister for Local Government are underway.

Remuneration for the Chair and or other Mayors in their capacity as Board members for the Central NSW JO

The Board resolved to commence the process to amend the CNSWJO Charter to include a fee for remuneration of the Chair for \$10,000 per annum. Given the growing status of this JO and workload for the Chair, this was well supported. Further

Regional Procurement and Contracts

The Board welcomed a new staff member Ms Grace Quinton to the CNSWJO team in the capacity of Project Officer for the procurement and contract management function.

Water

Please refer to the full report that provides updates on advocacy by the region across multiple fronts in the strategic water planning and management space, including;

- Continued advocacy for the raising of the Wyangala Dam in the context of the remarkable efforts by Water NSW and proactive communication from BOM with recent flooding.
- The Board endorsed the CNSWJO Regional Water Loss Management Centres' Project Plan and the Water Utilities Alliance Strategic Plan 2022-2032.
- Information on a proposed project to Integrate Local Water Utility Strategic Planning with Integrated Planning and Reporting.

Updates on the status of strategic work by the State Government in water planning and management including consultations on the final stages of the Regional Water Strategy development and the Town Water Risk Reduction Program. Please request a power point presentation provided to the Water Utilities Alliance and General Managers.

Regional Asset Management

The Board's approved a proposed Regional Asset Management Improvement Program through members comprising a joint procurement of asset management audits across the JO membership once every Council term (4 yearly) with procurement to be undertaken in early 2023 for audits to be completed by July 2023. Also the development of Asset Management Improvement Plans for each Council informed by the Asset Management Audits; and lastly annual reports by Council's asset management staff to ARICs on progress towards achieving improvements detailed in their Asset Management Improvement Plans to formalise the integration of asset management into the ARIC process.

Regional Submissions

Members have forwarded requests for the JO to lodge submissions, where all advice provided is within existing policy. All are available on the CNSWJO website at <https://www.centraljo.nsw.gov.au/submissions/>

The Board has endorsed submissions for the;

- Review of the IPART methodology for rate peg increases;
- EPA Policy and Action on Climate Change.

Working with the Joint Organisation Network

8 JOs make an application under the Disaster Risk Reduction fund have been successful where a funding deed for \$647,989 is being executed.

An approval was sought for an application be made under the hand of the Chair for the Joint Organisations Net Zero Acceleration (JONZA) of up to \$155,000.

The JONZA grant is designed to support JOs and non-metropolitan Regional Organisations of Councils (ROCs) by funding an internal staff member who is dedicated to progressing net zero outcomes for member Councils.

Value to members

A snapshot of the value to members of the various activities undertaken by the JO for their members in the context of the CNSWJO Strategic Plan follows.

VALUE FOR MEMBERS 2020/2021	FY 19/20	FY 20/21	FY 21/22	FY 22/23
SUBMISSIONS	20	23	16	7
PLANS, STRATEGIES AND COLLATERAL	26	12	3	8
GRANTS SEEKING	3	3	0	2.29m
GRANT FUNDING RECEIVED	\$215k	\$736k	\$735k	\$45k
COMPLIANCE	13	9	11	11
DATA	6	3	1	14
MEDIA INCLUDING SOCIAL MEDIA	13	18	25	7
COST SAVINGS	\$1.87m	\$2.2m	\$2.1m	TBC
REPRESENTATION	147	159	210	38
OPPORTUNITIES COUNCILS HAVE BEEN AFFORDED	35	102	101	37

Savings

The following table shows the savings achieved by member Councils through aggregated procurement and programming. An explanation of the meaning of each column has been reported previously and is available on request. The table reflects savings in the 21/22 financial year.

The cost to members is calculated on a percentage of each CNSWJO staff member and their corresponding workload on procurement and contract management. This figure is updated quarterly in line with the cost savings. The table is currently being updated with current FY data and will be reported to the February 2023 Board meeting.

SAVINGS	Water Utilities Alliance Contracts	HR Contracts	WHS contracts	IT contracts	Supply contracts	Roads/ Transport contracts	Energy contracts	RDOCS contracts	Other contracts	Training	Legal advice re Procurement	Participation in regional procurement	Total
Bathurst	\$3,297	\$29,408	\$1,707	\$0	\$21,012	\$0	\$439,221	\$6,036	\$0	\$1,287	\$433	\$18,000	\$520,401
Blayney	\$3,297	\$1,728	\$0	\$0	\$17,268	\$0	\$49,369	\$770	\$0	\$6,420	\$433	\$17,000	\$96,284
Cabonne	\$3,297	\$10,642	\$372	\$0	\$25,898	\$0	\$57,737	\$698	\$0	\$3,429	\$433	\$22,000	\$124,504
Central Tablelands Water	\$3,297	\$103	\$0	\$0	\$0	\$0	\$19,805	\$94	\$0	\$2,033	\$433	\$15,000	\$40,764
Cowra	\$3,297	\$21,962	\$486	\$0	\$44,858	\$0	\$113,332	\$717	\$0	\$4,425	\$433	\$17,000	\$206,510
Forbes	\$3,297	\$17,458	\$0	\$0	\$47,880	\$0	\$98,200	\$1,539	\$0	\$9,885	\$433	\$25,000	\$203,691
Lachlan	\$3,297	\$28,296	\$0	\$0	\$47,535	\$0	\$84,090	\$525	\$0	\$6,797	\$433	\$17,000	\$187,972
Oberon	\$0	\$16,829	\$0	\$0	\$23,682	\$0	\$34,514	\$1,439	\$0	\$4,734	\$433	\$25,000	\$106,631
Orange	\$3,297	\$71,217	\$5,735	\$0	\$18,722	\$0	\$489,820	\$6,272	\$0	\$5,888	\$433	\$9,000	\$610,383
Parkes	\$3,297	\$4,634	\$0	\$0	\$47,037	\$0	\$170,178	\$2,983	\$0	\$9,602	\$433	\$13,000	\$251,163
Weddin	\$0	\$205	\$0	\$0	\$18,719	\$0	\$36,430	\$768	\$0	\$2,044	\$2,153	\$22,000	\$82,318
Sub Total	\$29,669	\$202,483	\$8,299	\$0	\$312,612	\$0	\$1,592,695	\$21,841	\$0	\$56,544	\$6,478	\$200,000	\$2,430,620
												Cost to members	\$254,500
												Total	\$2,176,120

Please contact Ms Jennifer Bennett, Executive Officer, 0428690935, with any queries regarding this advice.

Minutes of the CNSWJO Board Meeting 24 November 2022 held online via zoom

In Attendance*

Cr R Taylor	Bathurst Regional Council	Cr P Phillips	Lachlan Shire Council
Cr S Ferguson	Blayney Shire Council	Cr M Kellam	Oberon Council
Cr B West	Cowra Shire Council	Cr J Hamling	Orange City Council
Cr P Miller OAM	Forbes Shire Council	Cr K Keith OAM	Parkes Shire Council
Cr C Roylance	Forbes Shire Council	Cr C Bembrick	Weddin Shire Council

Mr D Sherley	Bathurst Regional Council	Mr B Reynolds	UMCC
Mr M Dicker	Blayney Shire Council	Ms R Fagan	RDACW
Mr S Loane OAM	Forbes Shire Council	Ms L Smart	RDACW
Mr G Tory	Lachlan Shire Council	Ms O West	Regional NSW
Mr G Wallace	Oberon Council	Ms J Bennett	CNSWJO
Mr D Waddell	Orange City Council	Ms M Macpherson	CNSWJO
Mr K Boyd	Parkes Shire Council	Ms A Thomas	CNSWJO
Ms N Vu	Weddin Shire Council	Ms K Barker	CNSWJO
Cr D Somerville	CTW	Ms C Griffin	CNSWJO
Mr G Rhodes	CTW	Ms G Quinton	CNSWJO
		Ms V Page	CNSWJO

*Voting members in bold

Meeting opened at 10.02am by Deputy Chair Cr Mark Kellam

1. Welcome from the Chair

2. Acknowledgement of Country

“I acknowledge the traditional owners of the land on which we meet today, the Wiradjuri people, and pay my respects to their elders past, present and emerging.”

3. Apologies applications for a leave of absence by Joint Voting representatives

Cr K Beatty, Cr J Medcalf, Brad Byrnes, Paul Devery and Andrew McKibbin

Resolved	Cr S Ferguson/Cr J Hamling
That the apologies for the Central NSW Joint Organisation Board meeting 24 November 2022 listed above be accepted.	

4. Conflicts of Interest - Nil declared

5. Speakers Essential Energy – Mr Geoff Burgess and Mr David Wilson, Mr Brendan McEntee, Mr Andrew Wykes, Mr Andrew McIntyre and Mr Hamish Wheatley

Ms J Bennett to provide feedback to Mr G Burgess on the Race to 2030 project.

6. Motion to move forward item 10

Resolved	Cr C Bembrick/Cr B West
The Item 10. Matters raised by Members – Lachlan has raised the need for advocacy regarding this flooding event be moved forward.	

7. Item 10. Members – Lachlan has raised the need for advocacy regarding this flooding event

Resolved	Cr Paul Phillips/Cr K Keith
<p>That the Central NSW Joint endorse the following key messages in the briefing note on the recent flooding event and seek feedback from members on specific advocacy they are seeking support for:</p> <ol style="list-style-type: none"> 1. There should be automatic, well-known processes switched on when natural disaster declarations are made. These should include; <ol style="list-style-type: none"> a. one source of truth; b. effective and known communication pathways, governance arrangements and messaging; c. a known support package including rates relief and business support tailored to the impacted engine industries of the community; and d. recognition that some natural disasters are much bigger than the local response through Council and the SES and there ought to be pre-planned responses to rapidly escalate. 2. There ought to be known escalation points to support the local effort including use of the military. 3. CNSWJO, through its Disaster Risk Reduction Program, prepare a tool that systematises mutual support between Councils for natural disasters. 4. CNSWJO ensure coordination of a debrief with affected Councils and key agency representatives to inform the above tool where this includes elected representatives. 5. There should be policy and financial recognition of the ongoing and unprecedented road impacts on the safety and economy of this region as a result of the continued La Nina event. This recognition should include; <ol style="list-style-type: none"> a. Supporting Country Mayors and LGNSW in their advocacy on their State-wide Roads Emergency declaration b. Extension of funding deadlines allowing Councils reprioritisation of resource from other infrastructure funding programs to the roads’ effort; and c. An ongoing plan for roads recovery that recognises that this effort will take years. 	

10.54am Mr G Tory and Cr P Phillips of Lachlan Shire Council left the meeting

10.57am Chair Cr Kevin Beatty joined the meeting and acknowledged the support from the region.

10.58am Cr Beatty left meeting.

Olivia West of Regional NSW gave an update on the Flood response and recovery.

- Cr Ken Keith - raised the issue of fast tracking approvals for gravel for roads
- Cr Chris Roylance – raised the issue of the need for promotion for business recovery in the Lachlan Valley
- Cr Ken Keith – suggested the need for a mental health focus given it has been major flood, drought, mouse plague, Covid and unprecedented flood in the past 5 years along the Lachlan
- Cr P Miller will share her lifeline contact
- Cr Bill West will share the free psychology service offered with Ms O West
- Cr D Somerville - Advocacy water utilities disaster relief as well as General Purpose Councils where this is not currently the case. Cr D Somerville to provide advice to Ms O West

8. Minutes

Confirmation of the Minutes of the CNSWJO Board Meeting 12 October 2022 held in Sydney at LGNSW Boardroom

Resolved	Cr B West/ Cr K Keith
<p>That the Central NSW Joint Organisation Board confirm the Minutes of the CNSWJO Board Meeting 12 October 2022 held in Sydney at LGNSW Boardroom.</p>	

9. Business Arising from the Minutes – Matters in Progress

Resolved	Cr B West/Cr K Keith
That the Central NSW Joint Organisation Board note the Matters in Progress, making deletions as suggested.	

10. Reports on Statement of Regional Strategic Priority

Priority One: Inter-Council Co-operation

a. Financial Report

Resolved	Cr J Hamling/Cr K Keith
That the Board note the Financial Report.	

b. Adoption of the Audited Financial Statements for the year ended 30 June 2022

Resolved	Cr B West/ Cr S Ferguson
That the Board adopt the CNSWJO Joint Organisation General Purpose Financial Statements for the year ended 30 June 2022.	

c. Lithgow City Council Joining the CNSWJO Report

Resolved	Cr S Ferguson/Cr K Keith
That the Board note the report on Lithgow City Council’s request to join the CNSWJO and	
<ol style="list-style-type: none"> 1. Lithgow City Council be welcomed as a full member of the CNSWJO; 2. in the interim Lithgow City Council be offered an associate membership at 75% of full membership fees; 3. upon CNSWJO and Lithgow City Council finalising negotiations on membership, the Minister for Local Government be advised of the above seeking a proclamation to effect Lithgow City Council’s full membership; and 4. given the timing in the electoral cycle, CNSWJO also seek support from the Shadow Minister for Local Government for progression of the proclamation. 	

d. Remuneration for the Chair and or other Mayors in their capacity as Board members for the Central NSW JO

Resolved	Cr S Ferguson/Cr C Bembrick
That the report on the remuneration for the Chair and or other Mayors in their capacity as Board members for the Central NSW JO be noted and	
<ol style="list-style-type: none"> a. the Board commence the process to amend the CNSWJO Charter to include a fee for remuneration of the Chair of the CNSWJO; and b. the fee be \$10,000pa be paid to the Chair of CNSWJO. 	

e. Annual Compliance and CNSWJO Meeting dates for 2023

Resolved	Cr S Ferguson/ Cr B West			
That the Board note the Compliance report and;				
<ol style="list-style-type: none"> 1. note the Calendar of Compliance and Reporting-Requirements update; 2. endorse the 2022 Annual Performance Statement and place it on the website; 3. note the advice from the Portfolio Mayors and that this is summarised in the Annual Performance Statement; 4. note the report on code of conduct complaint statistics; 5. note the Pecuniary Interest Returns under s450a of the Local Government Act 1993; 6. determine the dates for GMAC and Board meetings for 2023 be: 				
Board	23 February	25 May	24 August	23 November
Location	Forbes	State Parliament	Federal Parliament	Lachlan
GMAC	2 February	27 April	27 July	26 October
Location	Orange	Cowra	Forbes	Orange

f. Policy and Procedure Annual Review

Resolved	Cr K Keith/Cr R Taylor
That the Board note the CNSWJO Policy Procedure Annual Review report and adopt the updated Policy and Procedure Manual noting it includes:	
<ol style="list-style-type: none"> 1. the payment of expenses and provision of facilities to the chairperson to be adopted within 12 months of an election [LGA s252]; 2. code of meeting practice to be adopted within 12 months of an election [LGA s360]; and 3. code of conduct to be adopted within 12 months of an election [LGA s440(7)]. 	

g. The CNSWJO Organisational Structure report

Resolved	Cr J Hamling /Cr K Keith
That the Board note the CNSWJO Organisational Structure report and	
<ol style="list-style-type: none"> 1. note that, in line with the Local Government Act, the Executive Officer is employed under a Senior Staff Contract; 2. note that there are no other senior staff positions in the organisational structure; 3. note that total costs of employing staff for the Joint Organisation identified in the budget for this year including vehicle, travel, accommodation and employment oncosts is \$878,250; and 4. staff employee costs vary based on grant acquisition. 	

h. Adoption of the draft Review Statement of Strategic Regional Priority and Determination of Portfolio Mayors

Resolved	Cr B West/ Cr K Keith
That the Board note the report on progress on developing the Statement of Strategic Regional Priority (SSRP) for this term of the JO; and	
<ol style="list-style-type: none"> 1. adopt the Statement of Strategic Regional Priority with the amendment adding a 5.3 the SSRP to adding disaster road funding as a priority with a report to come back to the next Board on operationalising; 2. adopt the CNSWJO Communication and Engagement Strategy; 3. adopt the Evaluation Plan for the SSRP process; 4. provide direction with regard to Portfolio Mayors for the 7 priorities for the region to the February Board meeting; and 5. note that an evaluation of the process will be undertaken and the auspices of the SSRP Subcommittee. 	

i. Regional Procurement and Contracts

Resolved	Cr B West/Cr K Keith
That the Board notes the Regional Procurement and Contracts report and	
<ol style="list-style-type: none"> 1. approve a 12-month extension of the regional road signs contract with Artcraft, Barrier Signs, Central Signs, DeNeefe, and His-Vis; 2. note that an Expression of Interest process will be conducted for a Learning Management System and other associated modules for interested Councils and that surrounding Councils will be invited to participate in the EOI; and 3. welcome Ms Grace Quinton to the CNSWJO team in the capacity of Project Officer for the procurement and contract management function. 	

j. Terms of Reference for the Central NSW Joint Organisation/Charles Sturt University Local Government Policy Lab Working Group

Resolved	Cr R Taylor/Cr S Ferguson
That the Board note the Terms of Reference for the Central NSW Joint Organisation/Charles Sturt University Local Government Policy Lab Working Group Report and	
<ol style="list-style-type: none"> 1. adopt the Terms of Reference; and 2. nominate the following to represent the Joint Organisation: 	

- Cr Jason Hamling, Mayor Orange, as Co-Chair
 - Mr David Sherley, General Manager Bathurst Regional Council
 - Ms J Bennett, Executive Officer CNSWJO; and
3. Provide advice on the pace at which this working group is to progress.

k. Our PlaceMat Cover Report

Resolved	Cr K Keith/ Cr B West
That the Board notes the report on Our PlaceMat Cover Report and circulate it to members with Council PlaceMats	

l. Energy Program

Resolved	Cr J Hamling/Cr S Ferguson
That the Board notes the report on the Energy Program and	
<ol style="list-style-type: none"> 1. thank the members of the Southern Lights Group for the work they are doing to support Councils in responding to Essential Energy’s consultation for the AER Determination for 2024-2029 and 2. advocate including to the Premier, Deputy Premier, Treasurer, Minister for Local Government and Opposition Leader Chris Minns, sending copies to the JO Chairs Forum, CMA and Regional Cities raising issues around level of service from Essential Energy. 	

Priority Four: Regional Water Security

m. Water Update

Resolved	Cr B West/Cr P Miller
That the Board note the Regional Water report and:	
<ol style="list-style-type: none"> 1. endorse the CNSWJO Regional Water Loss Management Centres’ Project Plan; 2. endorse the Water Utilities Alliance Strategic Plan 2022-2032; and 3. continue to advocate for the raising of the Wyangala Dam in the context of the remarkable efforts by Water NSW and proactive communication from BOM. 	

n. Regional Asset Management

Resolved	Cr P Miller/Cr J Hamling
That the Board note the report proposing a Regional Asset Management Improvement Program and commend to members a Regional Asset Management Improvement Program coordinated by CNSWJO comprising:	
<ol style="list-style-type: none"> 1. joint procurement of asset management audits across the JO membership once every Council term (4 yearly) with procurement to be undertaken in early 2023 for audits to be completed by July 2023. 2. the development of Asset Management Improvement Plans for each Council informed by the Asset Management Audits; and 3. annual reports by Council’s asset management staff to ARICs on progress towards achieving improvements detailed in their Asset Management Improvement Plans to formalise the integration of asset management into the ARIC process. 	

11. Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2021

Resolved	Cr K Keith/ Cr P Miller
That the Board note the report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority and	
<ol style="list-style-type: none"> 1. endorse the following submissions:- <ol style="list-style-type: none"> a. Review of the IPART methodology for rate peg increases; b. EPA Policy and Action on Climate Change; and 2. note that the 8 JOs making application under the Disaster Risk Reduction fund have been successful where a funding deed for \$647,989 is being executed; and 	

- | |
|--|
| <p>3. approve an application be made under the hand of the Chair for the Joint Organisations Net Zero Acceleration (JONZA) of up to \$155,000.</p> |
|--|

12. Late reports – Nil

13. Speakers to the next meeting

Health Advisory Committee– Invite Richard Colbran to present on the progress

14. Next meetings:

Board – 30 November – Round table with Rose Jackson, Shadow Minister for Water in NSW

GMAC – 2 February 2023 Orange

Board – 23 February 2023 Forbes

Meeting closed 12.39pm

Page 6 is the last page of the Central NSW Joint Organisation meeting 24 November 2022 online.

12.2) LGNSW ANNUAL CONFERENCE 2022 (CM.CF.1)

Author: General Manager
IP&R Link: Strategic Priority 3: Regional leadership and collaboration – 3.1:
Regional collaboration and partnerships – 3.2: Regional Leadership in
the Water Sector

RECOMMENDATION:

That Council note the report regarding the LGNSW Annual Conference 2022.

REPORT

The Chairman, Cr Cook and the General Manager attended the 2022 LGNSW Annual Conference in the Hunter Valley from 23 October to 25 October 2022.

The LGNSW Annual Conference is the annual policy making event for NSW general-purpose councils and associate members. CTW is an associate member of LGNSW. The conference is considered a key event of the local government calendar, where local councillors come together to share ideas and debate issues that shape the way Councils are governed.

The conference program included various workshops, guest speakers and keynote presentations, presentation of AR Bluett Awards, conference business, panel presentations, sponsors and trade exhibition, as well as social networking events.

Conference Business involved 157 motions being presented and considered, which included 13 late items. The LGNSW Annual Conference endorsed the LGNSW Board exercising its functions and determining advocacy activities and priorities giving consideration to all applicable legislative requirements, the LGNSW Rules, the Objectives of LGNSW as set out in the Rules, resolutions of LGNSW Conferences, the LGNSW budgetary process and the LGNSW Fundamental Principles. The LGNSW Fundamental Principles are as follows:

- Economic
- Infrastructure
- Planning
- Environment
- Social and Community
- Governance
- Accountability

“The Future of Local Government” panel presentation was interesting and informative with panel members Wendy Tuckerman MP, Minister for Local Government, Greg Warren MP, Shadow Minister for Local Government, Shadow Minister for Veterans, Shadow Minister for Western Sydney, Sam Faraway MLC, Minister for Regional

Transport and Roads, John Graham MLC, Deputy Leader of the Opposition in the Legislative Council, Shadow Minister for the Arts, Shadow Minister for the North Coast, Shadow Special Minister of State, Shadow Minister for Roads, Shadow Minister for Night Time Economy and Music, and Robert Borsack MLC, Shooters, Fishers & Farmers Party.

The conference was also a great opportunity to network with fellow local government industry colleagues.

All information regarding the 2022 conference is located on the [LGNSW website](#).

The 2023 Local Government Annual Conference will be held from Sunday 12 to Tuesday 14 November at Rosehill Gardens Racecourse. City of Parramatta will be the host council.

BUDGET IMPLICATIONS

Operational Plan 22/23

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.3) CLOSING OF OFFICE OVER CHRISTMAS - NEW YEAR PERIOD (CM.ME.1)

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

RECOMMENDATION:

That Council note the report.

REPORT

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

Under this arrangement, the office will close this year at 3pm on 23 December 2022 and re-open on 4 January 2023. The General Manager has approved this request as it was resolved at the December 2013 Council Meeting that *'Reoccurring events be left to the discretion of the General Manager.'*

As has been the practice in previous years, operational staff work as normal and are rostered on-call over the public holidays to attend to any emergency. Emergency numbers for all locations will be advertised in the local newspapers, on Council's website, Facebook page and on the front door of Council's office during the month of December and until the office re-opens on 4 January 2023.

Closing the office has not caused any problems in previous years and there does not appear to be any reason not to continue this practice.

BUDGET IMPLICATIONS

Operational Plan 2022/23.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.4) APPLICATION FOR ANNUAL LEAVE - GENERAL MANAGER (PE.LE.1)

Author: General Manager
IP&R Link: Strategic Priority 3: Regional leadership and collaboration – 2.4: A capable and motivated workforce

RECOMMENDATION:

That Council approve annual leave for the period requested by the General Manager and that the Director Finance & Corporate Services, Mr Peter McFarlane, be appointed as Acting General Manager with associated delegations during this time.

REPORT

Application is made for annual leave to be granted to the General Manager for the following period:

- 23 December 2022 until 13 January 2023 inclusive

CTW's Director Finance & Corporate Services, Mr Peter McFarlane has consented to act as General Manager during the above period.

BUDGET IMPLICATIONS

Operational Plan 2022/23

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.5) CTW MAIN ARTERY PIPELINE AUGMENTATION PROJECT (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 – 1.1: Service provision through fit for purpose infrastructure – 1.1.1: Deliver capital works program based on asset management data. – 1.3: Best Practice Asset management – 1.3.1: Assets are managed strategically, using whole of life methodology to improve delivery of services and financial management. – 3.2: Regional Leadership in the Water Sector

RECOMMENDATION:

That Council:

1. Note the report on the Central Tablelands Water (CTW) Main Artery Pipeline Augmentation Project, and
2. Endorse the actions of the General Manager in submitting a proposal to the Safe & Secure Water Program to co-fund the preparation of pre-development works associated with CTW's Main Artery Pipeline Augmentation Project.

REPORT

The Safe and Secure Water Program (SSWP) is delivering funding to local water utilities throughout NSW for high priority water and sewer projects. The program provides funding to reduce the most significant risks to water security, water quality and the environment.

The NSW Government has invested \$90 million in new funding to expand the SSWP over 22/23 and 23/24. The SSWP will allocate the new funding to local water utilities with significant risks to support their projects get to a tender ready stage.

DPE Water have identified the water supply scheme of CTW to be a Risk Score of 5, being a significant water security risk. The reason provided by DPE Water for this risk rating is as follows:

“The water security deficiency index is equal to or greater than 11%, indicating that the consumptive need is much greater than the headwork capacity on a secure yield basis. These systems are expected to have significantly more frequent and severe levels of restrictions during dry periods than the planned moderate restriction levels and with significantly higher risk and duration of water access failure in dry periods. This impacts a population of greater than 1,000.”

Based on the risk, the SSWP have advised that CTW is eligible for funding to a tender ready stage to co-fund a project in accordance with the program subsidy levels and progress resolving the risk. The SSWP have also advised that there is no commitment at this time to support the delivery of the project beyond a tender ready stage.

After receiving notification from the SSWP of funding eligibility, the general manager sought further clarification regarding eligibility noting that Water Infrastructure NSW is currently responsible for delivering the final business case for the Belubula Water Security Project (BWSP). The main objective of the BWSP is to improve the efficiency and resilience of water management in the Belubula Valley which includes Lake Rowlands. The general manager also advised the SSWP that although the BWSP is in progress to address water security issues within the region, there are still other CTW projects yet to be delivered which are vital in reducing CTW's current Risk Score of 5 for water security.

These projects include the augmentation of trunk mains which are the “main arteries” of CTW’s existing water supply scheme providing quality drinking water to CTW’s consumers as well as Cowra Shire Council and potentially Forbes and Parkes as part of the Centroc Water Grid Project. The need for a strategic upgrade of CTW’s trunk mains has also been referenced in the draft Lachlan Regional Water Strategy and included in the scope of works for the Sub-Regional Town Water Strategy currently being undertaken by Cabonne Council, Orange City Council and CTW, in collaboration with DPE Water.

CTW was subsequently advised by the SSWP to provide a project proposal regarding the strategic upgrade of CTW’s trunk mains for funding consideration by 30 November 2022, including an in-principle commitment to co-fund the project to a tender ready stage. CTW was also offered the opportunity by the SSWP to formally decline the funding offer.

To take advantage of this potential funding opportunity and based on the short timeframe associated with the development and submission of a proposal in conjunction with the recent flooding events, the general manager and Director Operations & Technical Services consulted with DPE Water to put a proposal together with respect to a strategic upgrade of CTW’s trunk mains.

In accordance with the staged approach for SSWP funding, a proposal for the “Preparation of pre-development works associated with CTW’s Main Artery Pipeline Augmentation project” was submitted to the SSWP for consideration. A copy of the proposal has also been provided to all CTW Councillors for information.

This proposal will greatly assist CTW in providing the necessary background information to support CTW with the preparation of the tender documentation that will assist in the whole, or sections, of its main western artery potable water pipeline augmentation.

If successful, this project contains options to support a detailed hydraulic analysis study that can include a Reservoir-to-Reservoir analysis of all the CTW System West of Carcoar Reservoir, which can be expanded to include the proposed pipeline between Gooloogong and Forbes Water Treatment Plant to assist in the further development of the Sub-Regional Town Water Strategy.

CTW has sought extensive external consultation with expert providers to assure the SSWP panel that this project can be delivered by 30 June 2024 and keep within the budgetary estimate of \$300k to undertake these pre-development works. CTW’s current SSWP subsidy level is 50%.

It is to be noted that the renewal and upgrade of CTW’s main western trunk mains is currently scheduled to commence in 2026/27, as per CTW’s Long Term Financial Plan.

BUDGET IMPLICATIONS

CTW’s contribution of \$150k can be funded from CTW’s Infrastructure Reserves.

POLICY IMPLICATIONS

Nil.

Attachments

Nil.

12.6) EUGOWRA FLOODING - CUSTOMER SUPPORT PACKAGE (WS.SP.11)

Author: General Manager
IP&R Link: Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.1: Quality Customer Service

RECOMMENDATION:

1. That Council advertise the customer support package for Eugowra residents for 28 days pursuant to section 356 of the Local Government Act.
2. That Council provide support to Eugowra residents, businesses, and community organisations by way of the equivalent of a 30 kilolitre allowance for each water connection.
3. That Council provide a \$5,000 cash donation to the GIVIT Eugowra Flood Appeal.
4. That Council place a moratorium upon charging interest on water accounts of Eugowra village residents until 31 May 2023.
5. That the General Manager be delegated to enter into further payment arrangements for Eugowra village residents if considered necessary.

REPORT

Since the devastating flooding event that occurred in Eugowra on Monday 14 November 2022, Council has been reviewing how it could provide support to Eugowra residents to assist with the recovery and restoration of the village. The extent and scale of the event makes it one of the most severe natural disasters to impact the Central Tablelands Water (CTW) supply network since Council was formed in 1944.

As a result of the disaster, many homes were completely demolished or severely damaged as well as other property and equipment. This resulted in many lost and damaged water services and damaged reticulation mains. Council also had a pump station in Broad Street destroyed by the water flow and debris that came with it. The replacement of this pump station is unfortunately not covered by Council's property insurance policy as the flood deductible (excess) is \$250,000.

CTW staff were quickly on the ground at Eugowra after the event occurred so that assessment of the damage and water supply recovery processes could commence as soon as possible. Two staff members were helicoptered into the area on the day of the disaster to isolate the water supply in the township to reduce the risk of potential contamination due to damaged infrastructure. CTW's operational staff have been working consistently in the area since that time to assist with the restoration of water services so that residents and emergency services can continue with recovery works.

Immediately following the event, given the extent of the damage to the water network, CTW in consultation with NSW Health issued a Boil Water Alert for the township of Eugowra. This meant that the water being supplied was no longer suitable for human consumption without boiling the water first. The water was still available for the clean-up and recovery. CTW were also able to restore a non-potable supply to the Eugowra showground which was the designated local emergency and evacuation centre.

CTW also provided bottled water to the evacuation centres established at Eugowra Showground and Cudal Bowling Club, which was well received and appreciated.

CTW was informed by a member of the Eugowra Progress Association that the December water accounts were received in the Eugowra Post Office on 21 November 22. Advice was given by Council that under the devastating circumstances these accounts should not be distributed to residents. Those Eugowra residents who had elected to receive their water accounts by email had received the accounts a few days earlier. Any enquiries received from Eugowra residents about the accounts, were advised that payment of the account would not be required at this time, and interest would not be charged on any arrears.

At the date of this report, CTW has incurred approximately \$44,000 in direct costs associated with the recovery and restoration of water supplies in the Eugowra Village. CTW will advocate and explore State and Federal government disaster recovery funding opportunities once all costs are known following the restoration of supply.

To enable the Boil Water Alert to be removed ASAP, CTW's operational staff have now completed final flushing of the reticulation system and are continuing to provide water samples to NSW Health. Notification will be provided once NSW Health have authorised the removal of the Boil Water Alert.

All CTW staff are to be commended and acknowledged for their collective efforts in going above and beyond to assist in restoring water supply to the flood affected areas in the CTW supply network as quickly as possible. These extraordinary efforts under horrific circumstances have also been acknowledged and appreciated by all CTW Councillors which was most welcome.

In view of the severity of the disaster and the associated boil water alert, Council is proposing to introduce a support package that will support and assist residents with both recovery and dealing with the hardship caused by the disaster. This package will be undertaken under section 356 of the Local Government Act which deals with support to individuals, businesses, and community organisations. This will require the details of the package to be advertised for 28 days seeking public submissions. This will be done via CTW's website and Facebook page.

The support package proposed is as follows:

1. Each village connection of residents, businesses and non-for-profit entities will be granted an allowance equal to the value of 30 kilolitres of water to assist with recovery, clean-up and the difficulties and inconvenience caused by the boil water alert (non-potable water supply), and
2. Council to donate \$5,000 cash to the GIVIT Eugowra Flood Appeal so support can be given to those areas of most need. (i.e. in areas where most benefit will accrue to the people directly affected by the disaster).

GIVIT is a national not-for-profit organisation that aims to co-ordinate funding to areas of most need. GIVIT do not deduct administration fees as government provides direct funding to cover those costs. Using GIVIT is the preferred method recommended by the State and Federal Government for use in the case of natural disasters.

BUDGET IMPLICATIONS

The costs of the support package is not provided in the adopted 2022/23 Operational Plan.

It is proposed that additional funding will need to be voted at the December QBRS to fund the costs of the package as follows:

1. The cost of the provision of a 30KI water allowance will be \$110.70 per connection. Across approximately 320 connections this will cost \$35,424. (i.e. \$110.70 will be credited to each water account by way of journal due to software limitations within the water billing system). This amount will be funded with a vote of \$35,424 from unrestricted cash.
2. The cash donation to GIVIT of \$5,000 will be funded by \$3,000 that was allocated for the annual staff and councillor Xmas party plus a \$2,000 vote from unrestricted cash.

POLICY IMPLICATIONS

Council does not currently have a hardship policy but is able to assess support mechanisms on an ongoing and individual basis. These measures include, agreed payment arrangements and interest moratoriums for individual consumers. The scale of this catastrophic flooding event requires a substantial response from CTW to support consumers in our service area.

ATTACHMENTS

Nil

12.7) 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 October 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 October 2022.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

1 [↓](#) Council Resolutions Update Report - October 2022 2 Pages

COUNCIL RESOLUTIONS UPDATE

Council Resolutions Update – Meeting held 15 December 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>18/11/22 – DOTS has ensured that the WSA has been a standard agenda item at each monthly meeting of the Cowra to CTW Emergency Connection Project. Awaiting action from OCC.</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>9/12/22 – SMT have not had an opportunity to progress this resolution since the last update in October.</p> <p>Status: ongoing</p>
22/087	12/10/22	Policy Review – Draft Concealed Leaks Policy	DFCS	<p>That Council:</p> <ol style="list-style-type: none"> 1. Note the report, and 2. Endorse the draft Concealed Leaks Policy, and place on public display for a period of 28 days. 	<p>5/12/22 – The draft Concealed Leaks Policy was placed on public display for a period of 28 days with no submissions received. Council can now proceed with adopting the draft policy.</p> <p>Status: completed</p>

**12.8) FINANCIAL MATTERS - INVESTMENT REPORT AS AT 30 NOVEMBER, 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 Cash and Investments on 30 November 2022 be noted.

REPORT**Cash and Investments**

The investment summary below represents Council's total investments as of 30 November, 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) continues to increase the cash rate with the rate now at 3.1% which is the highest rate in a decade.

The most recent rate change was a 0.25% increase on 6 December 2022.

There are indications that the cash rate will continue to rise into 2023 unless there is a significant fall in inflation.

Inflation was recorded at 7.3% for the 12 months ending 30 September, 2022 which is the highest in around four decades.

The RBA is aiming to return inflation to the 2 to 3% range in as shortest time as possible without sending the economy into a recession. (so called "hard landing")

With the increasing cash rate, it is likely that term deposit rates may remain attractive for some time into the new year.

BUDGET IMPLICATIONS

With stronger interest returns, the estimate of interest to be received in 22/23 will be revised upwards.

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.

It requires judgement to accurately gauge the amount of call deposits so as not lock up excessive funds in that investment type rather than take advantage of additional term deposit investments. Council's investment policy provides for a minimum of \$500,000 being available within 7 days, so becomes a juggling act between liquidity requirements and investment returns.

ATTACHMENTS

1↓ Cash and Investments at 30-11-2022 1 Page

		Credit Rating	Term (Days)	Rate	Maturity Date	% of Portfolio
Short Term Deposits	\$ 8,300,000.00					94.72%
Commonwealth Bank of Australia	600,000	AA-	364	4.28%	16/06/23	6.85%
Commonwealth Bank of Australia	500,000	AA-	365	0.76%	7/02/23	5.71%
AMP - Curve Securities	500,000	BBB	365	1.00%	28/02/23	5.71%
Unity Bank/Reliance Credit Union	500,000	Unrated	365	3.95%	4/08/23	5.71%
Commonwealth Bank of Australia	500,000	AA-	367	4.37%	17/10/23	5.71%
ME Bank - Curve Securites	500,000	BBB+	367	1.35%	27/03/23	5.71%
AMP - Curve Securities	500,000	BBB	365	4.80%	3/11/23	5.71%
Commonwealth Bank of Australia	500,000	AA-	365	4.48%	31/10/23	5.71%
Commonwealth Bank of Australia	600,000	AA-	365	4.04%	22/08/23	6.85%
MyState - Curve Securites	500,000	BBB	365	1.10%	15/03/23	5.71%
ME Bank - Curve Securites	500,000	BBB+	365	1.05%	10/03/23	5.71%
Macquarie Bank - Curve Securities	600,000	AA-	0	2.80%	At Call	6.85%
ME Bank - Curve Securities	500,000	BBB+	365	2.90%	5/05/23	5.71%
Commonwealth Bank of Australia	500,000	AA-	365	4.20%	15/09/23	5.71%
AMP - Curve Securities	500,000	BBB	367	4.65%	25/09/23	5.71%
Macquarie Bank - Curve Securities	500,000	AA-	365	1.60%	28/03/23	5.71%
At Call Deposits	\$ 463,046.74					5.28%
Commonwealth Bank - General Account	\$ 355,273.69	AA-	At Call	2.70%	N/A	
Commonwealth Bank - BOS Account	\$ 107,746.23	AA-	At Call	2.85%	N/A	
Reliance Credit Union - Cheque Account	\$ 26.82	Unrated	At Call	0.00%	N/A	
Total Value of Investment Funds	\$ 8,763,046.74					100%

Average Rate on Term Deposits

90 Day BBSW for March 2022	3.0885%
Average Rate on Term Deposits	2.9581%
Margin over 90 day BBSW	-0.1304%

Average Term - Short Term Deposits (days) 343

Long Term Credit Rating

	Amount \$	%
AA-	\$ 4,763,019.92	54.35%
BBB+	\$ 1,500,000.00	17.12%
BBB	\$ 2,000,000.00	22.82%
Unrated	\$ 500,026.82	5.71%
Total	\$ 8,763,046.74	100.00%

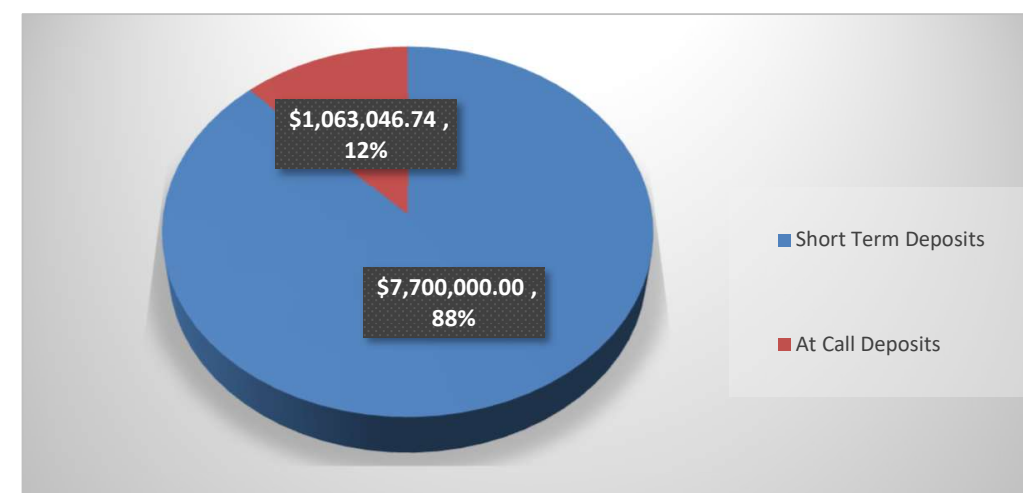
BANK RECONCILIATION

Balance as per Bank Statement	\$	348,358.88
Add: Visa card purchases processed November 2022	\$	10,341.34
Add: Eftpos receipting deposited 01.12.2022	\$	1,642.44
Add: Cash receipting deposited 01.12.2022	\$	848.03
Less: Weddin Shire Agency incorrect deposit	-\$	5,817.00
Less: Unpresented Cheque #828	-\$	100.00
Balance as per Cash Book	\$	355,273.69

GENERAL FUND

(a) Cash Book Balance	\$	463,046.74
(b) Bank Balance	\$	463,046.74

Short Term Deposits	\$	7,700,000.00
At Call Deposits	\$	1,063,046.74



12.9) ANNUAL FINANCIAL STATEMENTS AND AUDITORS REPORT YEAR ENDING 30 JUNE 2022 (FM.FR.1)

Author: Director Finance & Corporate Services
IP&R Link: Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.2: Sound Financial management – 2.2.1: Review and update long term financial plan (LTFP).

RECOMMENDATION:

That Council receive the 21/22 Financial Statements and Auditors Reports.

REPORT

Council's Financial Statements for the year ending 30 June 2022 have been completed and in accordance with Section 418 (1) of the Local Government Act 1993 (the Act) are now presented to the public.

In accordance with Section 420 of the Act, any person may make a submission in writing with respect to Council's Annual Financial Statements or the Auditor's Reports. The closing date for submissions is Thursday 22 December 2022.

A copy of Council's Audited Financial Statements may be viewed on Council's website at www.ctw.nsw.gov.au or alternately are available at Council's Administration Office located at 30 Church Street, Blayney.

Ms Leanne Smith, on behalf of the Audit Office of NSW will be outlining the conduct of the Audit and the Auditor's Reports at this meeting. This presentation will be conducted online.

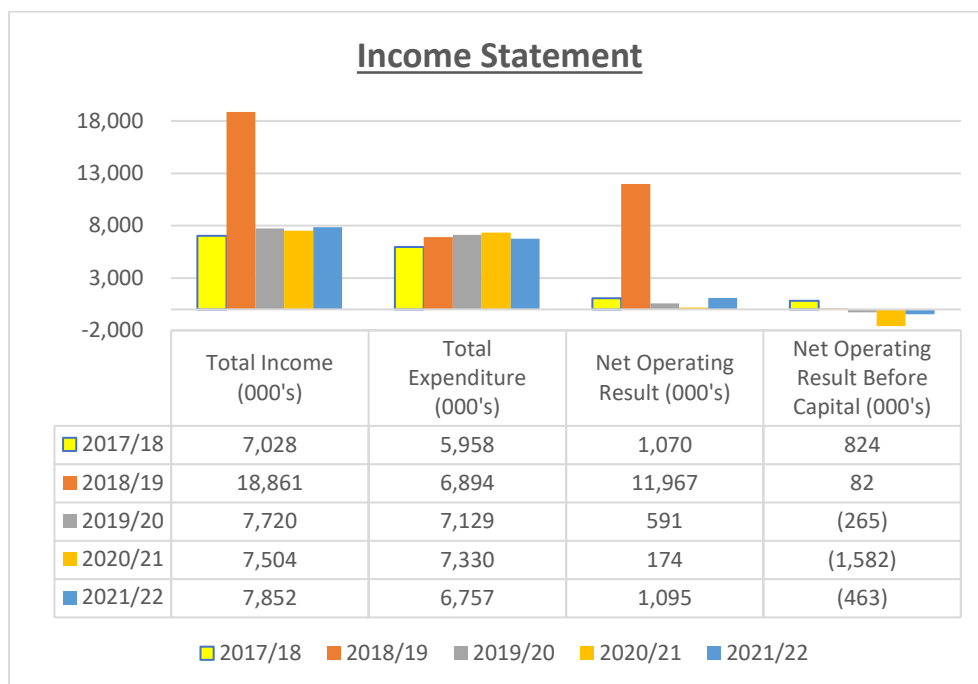
The draft accounts were sent to Council's Audit Risk and Improvement Committee (ARIC) for review prior to submission. The Financial Statements were lodged with the Office of Local Government (OLG) on 21 October 2022 after unqualified audit reports had been received. This lodgement met the deadline set by the Office of Local Government of 31 October 2022.

It is important to also acknowledge the efforts and support of Leanne Smith and her team, Karen Taylor, and the NSW Audit Office staff, for their efforts in getting the Financial Statements signed off in a timely manner.

Council also recognises the support and efforts of John Stuart from John Stuart and Associates for assisting with the completion of the Statements and with the conduct of the final Audit.

Everyone is encouraged to review the full set of Financial Statements and Audit Reports available on Council's website at: www.ctw.nsw.gov.au. Any submissions, questions or queries can be directed to water@ctw.nsw.gov.au

Below are some key comparisons of the 2021/22 result compared to the previous four years.

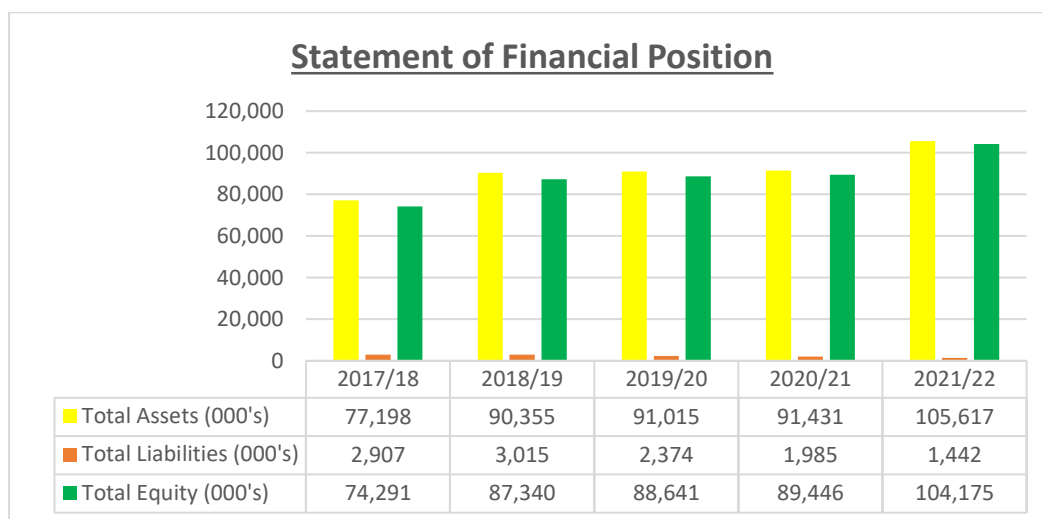


The Net Operating result before Capital was a loss of \$463K compared to a loss of \$1,582K the previous year. This is a significant reduction in the operating loss achieved in difficult trading conditions that prevailed during 2021/22.

The main features of the result were:

- Total user fees and charges increased from \$3,968 in 20/21 to \$4,456K in 21/22. This was an increase of around 12% from the low base in in 2020/21. This was down on the original budget of \$5,776K attributable to lower water sales due to the continuing wet conditions in 21/22.
- Total expenses reduced by 8.4% from \$7,330K in 20/21 to \$6,757K in 21/22. This was attributable to lower employment costs and reduced depreciation.
- Employment costs decreased by 4.0% from \$2,222K in 21/22 to \$2,133K in 20/21. This was principally caused by lower employee leave entitlement costs due to the reduction in the provision required caused by the increasing discounting rate. Expenses fell by 37% from \$292K in 20/21 to \$182K in 21/22. It is notable that in a small Council like CTW changes in the discount rate (leave liability is a measure of future expected cash flows discounted by the 10 year bond rate) can significantly impact the level of overall employee costs.
- Depreciation reduced from \$2,622K in 20/21 to \$2,340K in 21/22. This is a reduction of around 11%. This reflected the old Trunk Main K being fully depreciated in the 21/22 year. Depreciation expenses in 21/22 represented 35% of total operating costs (excluding net losses from disposal of assets). This figure is expected to rise in 2022/23 due to the impact of the revaluation of water infrastructure assets that was undertaken in 2021/22.

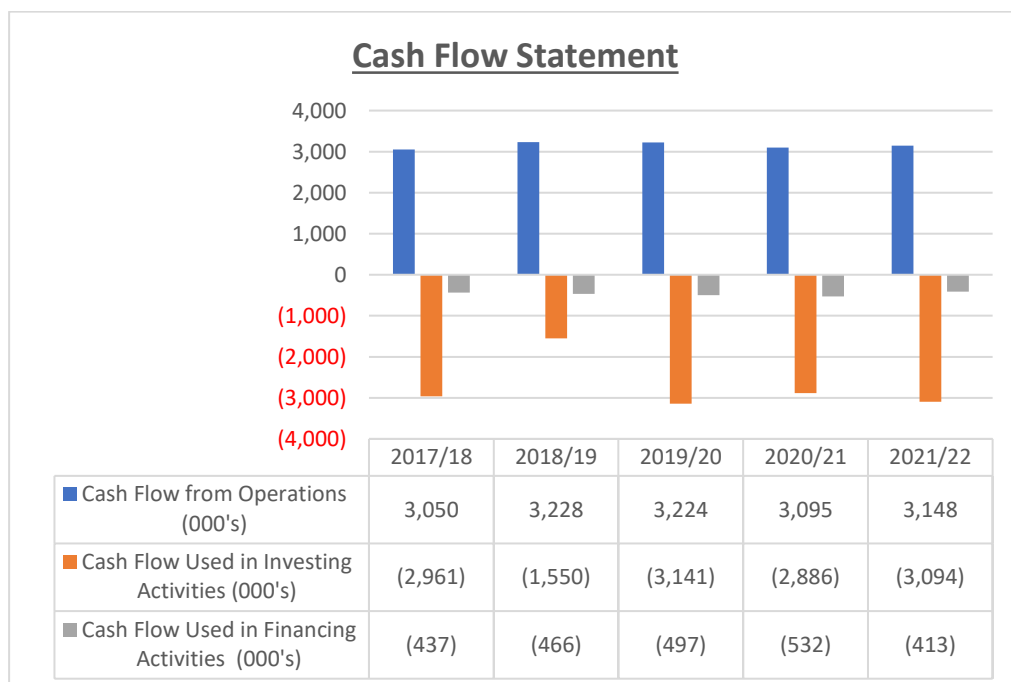
Statement of Financial Position



Total equity increased by \$14.18M from \$91.43K in 20/21 compared to \$105.62M in 21/22. This increase in total equity was primarily attributable to the \$13.6M asset revaluation increment as a result of the revaluation of water infrastructure on 30 June 2022.

This revaluation will impact future depreciation expenses as the increased value is amortised over the remaining lives of existing assets. Whilst a detailed analysis of the additional depreciation has not been undertaken, it is likely that future depreciation will increase by around \$200,000 per annum. (equal to around \$33 per connection))

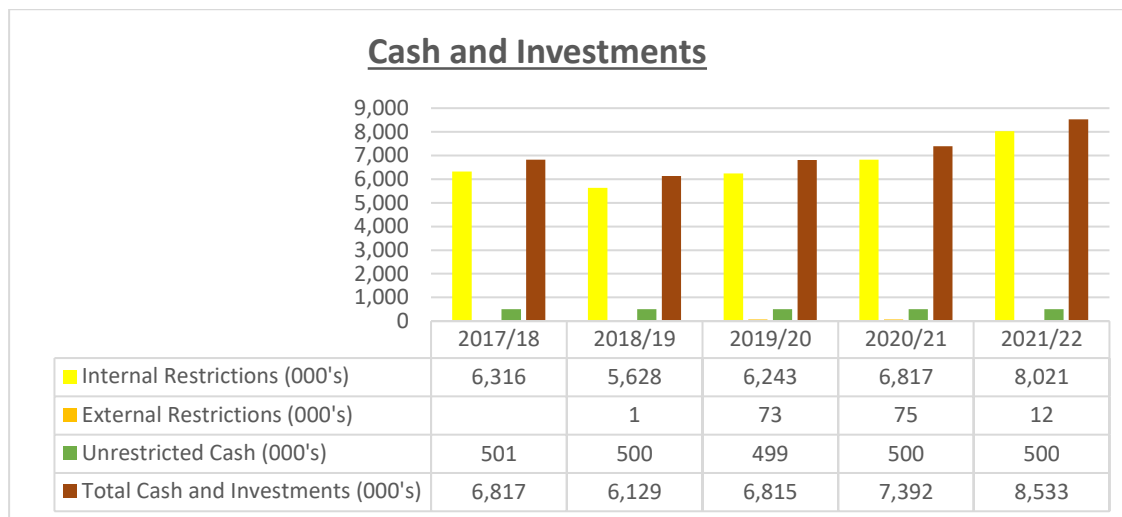
Cash Flow Statement



Council generated \$3,148K of cash from operations in 21/22 which was slightly more than the \$3,095K generated in 20/21.

Cash flow used for financing activities reduced to \$413K representing the payout of the 20 year loan used for the Carcoar Water Treatment Plant and development of the Quandialla water supply network.

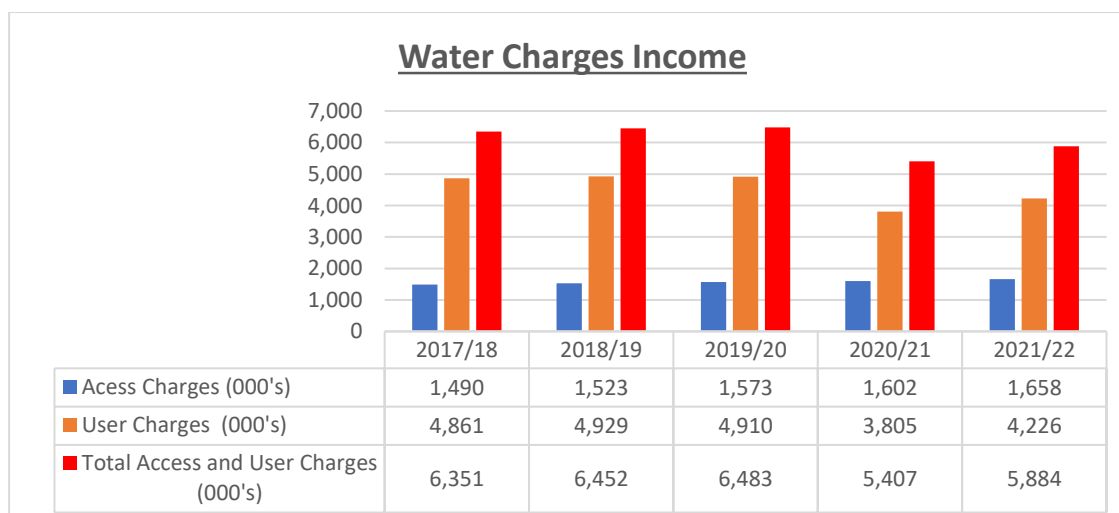
Cash and Investments



Council's total cash and investments totalled \$8,533K in 21/22. This consisted of external restrictions (deposits and bonds) of \$12K, \$8,021K of internal restrictions (allocated at discretion of Council through budget adoption or separate resolution) and \$500K of unrestricted funds that can be used to cover working capital requirements.

Internal restrictions increased by \$1,204K to \$8,021K. This was due to the carry over of some works to the 2022/23 year plus the utilisation of the high level of developer contributions received due principally to sub-division development in Blayney Shire. These factors effectively reduced the drawdown upon the infrastructure restriction to fund the 21/22 capital program.

Water Charges Income



In 21/22 Council's water sales increased to \$4,226K from a very low figure of \$3,805K in 20/21. This was significantly less than budget and was attributable to the continuing wet climatic conditions.

Council's capacity to fund its future capital program is dependent upon continuing growth in water sales revenue. The 20/21 and 21/22 years have seen sales volumes decline due to very wet conditions. It is hoped that this will improve in 2022/23.

BUDGET IMPLICATIONS

The operating result before capital was adversely impacted by lower than budgeted water sales in 21/22.

Council seeks to achieve positive operating results before capital if it is to fund the renewal of its infrastructure over the next decade and beyond. Council's long term financial plan will need to be monitored very closely if this is to be achieved considering continuing climatic conditions.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.10) QUARTERLY BUDGET REVIEW STATEMENT - 30 SEPTEMBER 2022
(FM.FR.1)

Author: Director Finance & Corporate Services
IP&R Link: – 2.2: Sound Financial management – 2.2.1: Review and update long term financial plan (LTFP).

RECOMMENDATION:

That Council adopt the budget review statement for the quarter ended 30 September 2022 and the variations therein be voted.

REPORT

The Quarterly Budget Review Statement (QBRS) for the period ended 30 September, 2022 is submitted for consideration by Council in accordance with clause 203 of the Local Government (General) Regulation 2005.

It is estimated that the original forecast operating surplus after capital amounts for 22/23 of \$402,186 is now estimated to be a surplus of \$3,680,230. The main reason for this improvement is the net additional \$3.3M of Capital Grants and Contributions mainly associated with grant funding for the new 12 ML Carcoar Water Treatment Plant Reservoir (CWTPR). This grant funding was expected in 2021/22 but has been carried over to 2022/23 due to delays with the project.

The net operating result before capital that was originally estimated to be a surplus of \$138,446 is now estimated to be a surplus of \$20,446. This is a reduction of \$118,000 over the quarter. The main reason for this is a \$100,000 increase in depreciation caused by the revaluation of water infrastructure assets at 30 June, 2022 and additional costs associated with change in the organisational structure of Council (CM 24-8-22) of \$18,000 and a \$20,000 increase in technical services consultancy costs.

It is notable that the wet conditions that prevailed in 20/21 and 21/22 have continued into the first half of 22/23. This has resulted in reduced demand for water during the early part of 22/23. It is too early to assess if a reduction in the water usage estimate may be required but this will be considered after the next quarterly billing run is completed in February, 2023. It is hoped that the water sales may recover over the coming summer period due to more favourable climatic conditions.

The capital expenditure budget is estimated to increase from \$2.375M in the original budget to an estimated \$7.51M. This increase has been largely attributable to the rollover of projects from 21/22. The largest of these projects being the CWTPR which accounted for around \$4.0M of the increased budget.

BUDGET IMPLICATIONS

The overall revised budget result indicates that the financial position of the Council is sound, however, it is notable that the adverse financial impacts of continuing wet conditions and lower water sales could once again significantly influence the operating result in 22/23.

Much will depend on the demand for water over the coming summer period.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

1 [↓](#) September 22 QBRs Report 9 Pages

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

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6. Contracts & other expenses budget review statement	9

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22**Report by responsible accounting officer**

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

30 September 2022

It is my opinion that the Quarterly Budget Review Statement for Central Tablelands Water for the quarter ended 30/09/22 indicates that Council's projected financial position at 30/6/23 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed: Peter McFarlane

date: 30/11/22

Peter McFarlane
Responsible accounting officer

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2022

Income & expenses - General Fund

(\$000's)	Original budget 2022/23	Approved Changes					Revised budget 2022/23	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRS	Sep QBRS	Dec QBRS	Mar QBRS					
Income											
Rates and annual charges	1,738,608					1,738,608			1,738,608	425,271	
User charges and fees	5,868,031					5,868,031			5,868,031	991,848	
Other revenues	68,868					68,868	15,000	(a)	83,868	47,834	
Other income	-					-			-	-	
Grants and contributions - operating	-					-			-	-	
Grants and contributions - capital	263,740	-	3,376,044			3,639,784	20,000	(g)	3,659,784	260,771	
Interest and investment revenue	111,750					111,750	20,000	(b)	131,750	33,785	
Net gain from disposal of assets	60,000					60,000	-		60,000	35,000	
Total income from continuing operations	8,110,997	-	3,376,044	-	-	11,487,041	55,000		11,542,041	1,794,509	
Expenses											
Employee benefits and on-costs	2,610,353					2,610,353	(2,000)	(c)	2,608,353	491,901	
Borrowing costs	-					-			-	-	
Materials and services	2,388,508					2,388,508	40,000	(d)	2,428,508	351,175	
Depreciation and amortisation	2,538,950					2,538,950	100,000	(e)	2,638,950	659,738	
Legal costs	14,000					14,000	15,000	(f)	29,000	12,356	
Consultants	145,000					145,000			145,000	31,412	
Other expenses	12,000					12,000			12,000	3,485	
Total expenses from continuing operations	7,708,811	-	-	-	-	7,708,811	153,000		7,861,811	1,550,067	
Net operating result from continuing operations	402,186	-	3,376,044	-	-	3,778,230	(98,000)		3,680,230	244,443	
Net Operating Result before Capital Items	138,446	-	-	-	-	138,446	(118,000)		20,446	(16,329)	

Budget Review Statement as at 30 September 2022

Council's Revised Income and Expenditure for the year 2022/2023

Original Budget	<u>Operating Revenue</u>	Revised Budget	
1,738,608	Availability Charges	1,738,608	
5,868,031	Water Charges	5,868,031	
111,750	Interest	131,750	
68,868	Other Revenues	83,868	
263,740	Capital Grants and Contributions	3,659,784	
-	Operational Grants and Contributions	0	
60,000	Gains on Disposal of Assets	60,000	
8,110,997	Total Operating Revenue		11,542,041
	<u>Operating Expenses</u>		
2,610,353	Employee Costs	2,608,353	
0	Borrowing Costs	0	
2,388,508	Materials & Contracts	2,428,508	
14,000	Legal Costs	29,000	
145,000	Consultants	145,000	
12,000	Other Expenses	12,000	
0	Loss on Sale of Assets	0	
2,538,950	Depreciation and Impairment	2,638,950	
7,708,811	Total Operating Expenses		7,861,811
402,186	Operating Result for Period After Capital		3,680,230
	Surplus/(Deficit)		
138,446	Operating Result for Period Before Capital		20,446
	Surplus/(Deficit)		
	<u>Less Non-Operating Expenditure</u>		
2,375,564	Acquisitions of Assets	7,517,081	
0	Repayment of Loans	0	
300,000	Transfer to Reserves - Plant	300,000	
1,500,000	Transfer to Reserves - Renewal Reserves	1,500,000	
200,000	Water Pricing Increase - Tfr to Infrastructure	200,000	
80,000	Transfer to Reserves - ELE	80,000	
50,000	Transfer to Reserves - Consultancy	50,000	
781,136	Transfer Estimated Budget Surplus/(Deficit)	663,136	
5,286,700			10,310,217
(4,884,514)			(6,629,987)
	<u>Add Non-Operating Revenue</u>		
232,412	Book Value of Assets Sold	232,412	
194,941	Transfer from Reserves - Plant	194,941	
-	Transfer from Consultancy Reserve	20,000	
30,000	Transfer from Reserves - ELE	30,000	
1,888,211	Transfer from Reserves - Infrastructure	3,513,684	
-	Transfer from External Restriction	-	
2,345,564			3,991,037
(2,538,950)			(2,638,950)
	<u>Add Expenses not Involving Flow of Funds</u>		
2,538,950	Depreciation		2,638,950
\$ -	Budget (Cash) Result Surplus/(Deficit)		\$ -

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Capital budget review statement

Budget review for the quarter ended 30 September 2022

Capital budget - General Fund

(\$000's)	Original budget 2022/23	Approved changes					Revised budget 2022/23	Variations for this Sep Qtr	Rates	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
Capital expenditure											
New assets											
- Motor Vehicles	487,353						487,353			487,353	
- Other Plant and Equipment	25,000						25,000			25,000	
- Office Equipment	30,000						30,000			30,000	13,212
- Telemetry Upgrades	20,000		22,723				42,723			42,723	4,967
- Post Chlorinator - Greys Hill			50,000				50,000			50,000	3,825
- Post Chlorinator - Grenfell North			50,000				50,000			50,000	-
- Renewable Energy Infrastructure	500,000						500,000			500,000	2,400
- Trunk Main 1 Relocation			19,000				19,000			19,000	
- Blayney Generator Pad							-			-	
- Carcoar WTP 12MI Reservoir			3,985,436				3,985,436			3,985,436	
- Woodstock Pump Station			200,608				200,608			200,608	20,550
- New Metering - Gooloogong Bore								25,000	(a)	25,000	13,937
- New Metering - Lake Rowlands								50,000	(a)	50,000	31,319
- New Metering - Quandialla Bore								15,000	(a)	15,000	7,116
- Lake Rowlands Renewable Energy											
- Canomodine Renewable Energy											
- Reticulation Mains Extensions (Capital Contributions)	40,000						40,000	20,000	(b)	60,000	47,040
Total New Assets	1,102,353		4,327,767				5,430,120	110,000		5,540,120	144,366
Renewal assets (replacement)											
- Pump Station renewals	53,211		20,064				73,275			73,275	
- Depot Refurbishment / Upgrades			120,000				120,000			120,000	
- Carcoar Pump Station			144,896				144,896			144,896	
- Canomodine Pump Station			178,050				178,050			178,050	
- Quandialla Pump Station			50,000				50,000			50,000	
- Carcoar Town Reservoir Refurbishment	120,000						120,000	17,738	(c)	137,738	
- Gooloogong Bore - renew Switchboard	250,000						250,000			250,000	
- Reticulation Main renewals	700,000		91,392				791,392			791,392	65,080
- Blayney Office refurbishments			35,699				35,699			35,699	
- Blayney Office Outdoor - refurbishments	20,000		10,000				30,000			30,000	
- Reticulation Mains - Rural Scheme	30,000						30,000			30,000	
- PLC Control Units			35,911				35,911			35,911	12,298
- Carcoar WFP - Equipment Renewals	50,000						50,000			50,000	9,378
- Blayney WFP - Equipment Renewals	50,000						50,000			50,000	
Total Renewed Assets	1,273,211		686,012				1,959,223	17,738		1,976,961	86,756
Total capital expenditure	2,375,564		5,013,779				7,389,343	127,738		7,517,081	231,122
Capital funding											
Rates & other united funding											
Capital grants & contributions	194,941		3,194,436				3,389,377	20,000	(d)	3,409,377	67,580
Reserves:											
- External restrictions/reserves											
- Internal restrictions/reserves	1,888,211		1,819,343				3,707,554	107,738	(e)	3,815,292	163,532
New loans											
Receipts from sale of assets											
- Plant & equipment	292,412						292,412			292,412	
Total capital funding	2,375,564		5,013,779				7,389,343	127,738		7,517,081	231,122
Net capital funding - surplus/(deficit)											

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Capital budget review statement
Recommended changes to revised budget

Budget variations being recommended include the following material items:

Notes	Details
(a)	\$90,000 for compliance with new Water NSW regulatory metering requirements for unregulated water supplies.
(b)	\$20,000 additional cost used for requested reticulation mains extensions.
(c)	Additional budget required to complete Carcoar town reservoir relining. (\$17,738)
(d)	Additional funding received for reticulation mains extensions (refer (b))
(e)	Additional \$90,000 transfer from Infrastructure Restriction for new metering (a) and \$17,738 additional funding for Carcoar town reservoir relining (c). Total \$107,738

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Leakage Allowances Granted - Financial Year to Date

Sept Qtr	<u>No of Applications Granted</u>	<u>Total Allowance KIs</u>	<u>Total Allowance Granted \$</u>
Residential	9	1,183.89	4,368.57
Total	9	1,183.89	4,368.57

Note: Council's undetected water leaks policy provides for an allowance to be granted if strict eligibility criteria are met as per the policy. The granting of a leakage allowance is at the absolute discretion of Council based upon individual circumstances. Property owners are responsible for the maintenance of private water infrastructure on their properties.

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22

Contracts budget review statement

Budget review for the quarter ended 30 September 2022
Part A - Contracts listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract value	Start date	Duration of contract	Budgeted (Y/N)	Notes
Mick Corby Engineering	Installation of Chlorination Units Grenfell North and Qandialla	60,000	01/07/22	6 mths	Y	Capital Budget
Tony Leahey Motors	Supply two Ranger Utes	94,000	01/08/22	9 mths	Y	Plant Replacement Budget

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.

12.11) 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 adopt the draft Concealed Leaks Policy.

REPORT

At the October 2022 Council meeting it was resolved as follows:

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.*

As the draft Concealed Leaks Policy has been on public exhibition for the required period of 28 days with no submissions received, Council can now proceed to adopt the Concealed Leaks Policy.

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

Nil.

12.12) 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:

1. That Council receive and note the Audit Risk and Improvement Committee Minutes of the meeting of 23 August 2022.
2. That the Council ratify the Audit Risk and Improvement Committee Charter recommendation to change the Charter so that it aligns with Council's Code of Meeting Practice.
3. That Council note the progress in respect of the Project Management Review that is currently underway.

REPORT

The minutes of the ARIC meeting held on the 23 August 2022 are attached for Council's consideration.

A further meeting was held 23 November 2022.

At the most recent meeting, ARIC endorsed a recommendation to change the Charter to align it with Council's Meeting Code of Practice. This proposed change involved reducing the 7 days' notice required for the distribution of the ARIC agenda, compared to the 3 business days' notice for the distribution of the Council agenda. This anomaly had existed for over a decade, and this was an opportunity to correct it.

This change also provides alignment with section 367 (1) of the Local Government Act.

The ARIC considered that 3 business days' notice was sufficient to allow Committee members to be briefed on agenda items.

It is recommended that this change be made to the ARIC Charter.

The ARIC also received an update on the Project Management Audit being conducted by National Audit Group.

Completion of Stages 1 and 2 of the Audit is expected by Xmas with a final report being presented to the next ARIC meeting in February 2023.

BUDGET IMPLICATIONS

Allowing for the cost of the Project Management Audit plus meeting expenses and members fees it is anticipated that internal audit budget for 22/23 of \$22,360 will be exceeded by around \$1,000 for the 22/23 financial year.

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 applies to the new OLG guidelines that are yet to be released.

ATTACHMENTS

- 1↓ ARIC Minutes - 23 August 2022 3 Pages
- 2↓ ARIC Charter - Clause 8 - Meeting Agenda 1 Page

Minutes of the Audit, Risk and Improvement Committee Meeting of Central Tablelands Water held at the Darrell Sligar Centre, Hills Lane Blayney, on Tuesday 23 August 2022 commencing at 11:20am.

PRESENT:	Donna Rygate	(Chairperson – Independent Member – Voting)
	Ron Gillard	(Independent Member – Voting)
	Cr Marlene Nash	(Council Member – Voting)
	Gavin Rhodes	(General Manager – Observer)
	Peter McFarlane	(Director Finance & Corporate Services – Acting Secretariat)
	Noel Wellham	(Director Operations & Technical Services - Observer)

1. Welcome

The Chairperson opened the meeting at 11.20am

2. Acknowledgement of Country

The Chairperson gave an acknowledgement of Country.

3. Declarations of any Conflicts of Interest

Nil.

4. Declarations of any Unethical Behaviour reported to Council.

Nil.

5. Apologies for non- attendance

An apology was received from Karen Taylor of the NSW Audit Office. It was noted that Leanne Smith from Intentus was going to dial into the meeting.

Moved: Ron Gillard Seconded: Cr Nash

Resolved: That the apology from Karen Taylor be accepted.

This is Page No. 1 of the Minutes of the Central Tablelands Water Audit Risk and Improvement Committee Meeting held 23 August 2022

6. Confirmation of Minutes of Audit, Risk and Improvement Committee – 18 May 2022.

Moved: Cr Nash Seconded: Ron Gillard

Resolved: That the minutes of the meeting of 18 May 2022 be adopted.

7. Major Developments Since the Previous Meeting

Moved: Ron Gillard Seconded: Cr Nash

Resolved: That the Committee receive and note the report on recent developments since the meeting on 18 May 2022.

8. Draft Annual Report

Moved: Ron Gillard Seconded: Cr Nash

Resolved:

1. That the Committee endorse and note the Annual Report for year ended 30 June 2022.
2. That the Committee endorse presentation of the Annual Report to Council as soon as possible.

9. NSW Audit Office Memorandum

Moved: Cr Nash Seconded: Ron Gillard

Resolved: That the Committee receive and note the memorandum submitted by the NSW Audit Office.

10. Review of Risk Register

Moved: Ron Gillard Seconded: Cr Nash

Resolved:

1. That the Committee receive and note the latest version of the risk register.
2. That the Committee requests that the risk register be revised and submitted to the February 2023 Committee meeting.

This is Page No. 2 of the Minutes of the Central Tablelands Water Audit Risk and Improvement Committee Meeting held 23 August 2022

11. Financial Statements Update

Moved: Cr Nash Seconded: Ron Gillard

Resolved:

1. That the Management Letter from the NSW Audit Office in respect of the 2021-22 Interim Audit be received and noted.
2. That the update from the Director of Finance and Corporate Services regarding the status of the 21-22 Financial Statements be noted.

(Proceedings in brief, Leanne Smith from Intentus joined the meeting at 12.20pm by phone and left the meeting at 12.35pm)

12. Internal Audit Status Report and Action Plan

Moved: Cr Nash Seconded: Ron Gillard

1. That the Committee note and receive the Report on the status of Fraud Risk Health Assessment.
2. That the Committee receive and note the progress report made in respect of the Project Management Audit following the appointment of the National Audit Group.

13. Risk and Internal Audit Framework OLG Circular 22-21

Moved: Ron Gillard Seconded: Cr Nash

Resolved: That the Committee note and receive the update in relation to changes to the new Risk and Internal Audit Framework.

14. Future ARIC Meeting Dates

Moved: Cr Nash Seconded: Ron Gillard

Resolved: That the Committee set the future meeting dates as follows:

Wednesday 23 November 2022

Thursday 16 February 2023

Wednesday 24 May 2023

Wednesday 30 August 2023

Wednesday 22 November 2023

There being no further business, the Chairperson declared the meeting closed at 12:55pm.

This is Page No. 3 of the Minutes of the Central Tablelands Water Audit Risk and Improvement Committee Meeting held 23 August 2022

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, the 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.

0622 Central Tablelands Water Audit, Risk and Improvement Committee Charter

12.13) 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 1/10/2022 to 30/11/2022

a) Main Breaks

Location		Date	Size / Type	Comment
Manildra	Kiewa St	14/11/2022	100mm	R&RP 2x50mm (Temp feeds)
Canowindra	Nyrang Creek System	17/11/2022	80mm	DNR
Canowindra	Cnr Rygates & Wenz Lane	17/11/2022	100mm PVC	R&RP
Canowindra	Pauls Lane	17/11/2022	100mm PVC	R&RP
Canowindra	Nyrang Creek System	19/11/2022	100mm PVC	R&RP
Eugowra	Loftus St	21/11/2022	100mm PVC	R&RP
Canowindra	Nyrang Creek System	24/11/2022	100mm PVC	R&RP

aa) Main Breaks not reported in previous Business paper.

Location		Date	Size / Type	Comment
Canowindra	Nyrang Creek System	19/09/2022	100mm	DNR



DNR

PIPE FAIL

WELD

Notes

1. CTW Mains (Trunk & Retic) Break score of 8/573km == 1.39/100km.
 Rolling Value across 12mths = 9.42/100km which is slightly higher than the 2017-18 NSW State Median benchmark of 9.0 breaks/100km.

b) Service Activities and Requests

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
BLAYNEY	38	19	18	6	0.41%	1471
BURST METER	0	2	0	0	0.00%	
CHECK METER READING	0	0	1	0	0.00%	
DIRTY WATER COMPLAINT	0	0	0	0	0.00%	
LEAKING METER	19	6	4	4	0.27%	
LEAKING SERVICE	4	2	2	0	0.00%	
LOW PRESSURE COMPLAINT	2	0	0	0	0.00%	
MAIN BREAK	1	2	1	0	0.00%	
MAINTENANCE - GENERAL	4	4	2	2	0.14%	
METER NEW / REPLACEMENT	8	2	3	0	0.00%	
METER NOT SHUTTING OFF	0	1	2	0	0.00%	
NO WATER COMPLAINT	0	0	2	0	0.00%	
PATHCOCK FAILURE	0	0	1	0	0.00%	
RESERVOIR MAINTENANCE	0	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
CANOWINDRA	30	25	10	22	1.93%	1138
BURST METER	0	0	0	0	0.00%	
CHECK METER READING	1	0	0	1	0.09%	
DIRTY WATER COMPLAINT	0	0	1	0	0.00%	
HYDRANT LEAKING	0	0	0	1	0.09%	
LEAKING METER	12	13	3	13	1.14%	
LEAKING SERVICE	3	3	1	2	0.18%	
LOW PRESSURE COMPLAINT	0	0	0	0	0.00%	
MAIN BREAK	2	5	2	0	0.00%	
MAINTENANCE - GENERAL	7	1	0	2	0.18%	
METER NEW / REPLACEMENT	2	2	2	0	0.00%	
METER NOT SHUTTING OFF	0	0	1	0	0.00%	
NO WATER COMPLAINT	2	1	0	3	0.26%	
QUALITY COMPLAINT	0	0	0	0	0.00%	

RESERVOIR MAINTENANCE	1	0	0	0	0.00%	
Total Complaints = 3						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
CARCOAR	1	2	0	1	0.75%	134
CHECK METER READING	0	0	0	0	0.00%	
LEAKING METER	1	1	0	0	0.00%	
MAINTENANCE - GENERAL	0	0	0	1	0.75%	
LEAKING SERVICE	0	1	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
CARGO	5	2	3	0	0.00%	164
LEAKING METER	4	2	1	0	0.00%	
LEAKING SERVICE	0	0	0	0	0.00%	
LOW PRESSURE COMPLAINT	1	0	0	0	0.00%	
MAIN BREAK	0	0	1	0	0.00%	
NO WATER COMPLAINT	0	0	1	0	0.00%	
Total Complaints = 1						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
CUDAL	4	1	2	6	2.58%	233
HYDRANT LEAKING	0	0	0	0	0.00%	
LEAKING METER	3	0	1	0	0.00%	
LEAKING SERVICE	0	1	0	2	0.86%	
LOW PRESSURE COMPLAINT	0	0	0	1	0.43%	
MAIN BREAK	0	0	0	1	0.43%	
MAINTENANCE - GENERAL	0	0	0	1	0.43%	
NO WATER COMPLAINT	0	0	0	1	0.43%	
METER NEW / REPLACEMENT	1	0	0	0	0.00%	
QUALITY COMPLAINT	0	0	1	0	0.00%	
Total Complaints = 2						

ACTIVITIES	PREVIOUS YEARS	THIS PERIOD	
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	2019	2020	2021	2022	% of Total meters	Total meters
EUGOWRA	4	3	5	0	2.33%	386
CUSTOMER DAMAGED METER	0	0	0	0	0.00%	
LEAKING METER	1	2	0	3	0.78%	
MAINTENANCE - GENERAL	0	0	0	1	0.26%	
LEAKING SERVICE	1	0	1	3	0.78%	
MAIN BREAK	1	1	1	0	0.00%	
METER NEW / REPLACEMENT	1	0	1	0	0.00%	
NO WATER COMPLAINT	0	0	0	2	0.52%	
QUALITY COMPLAINT	0	0	2	0	0.00%	
Total Complaints = 2		* Only activities recorded before the floods. All issues raised since 14th November resulted directly to the floods.				

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
GRENFELL	18	13	11	14	1.04%	1348
CHECK METER READING	1	0	0	0	0.00%	
CUSTOMER DAMAGED MAIN	0	1	0	0	0.00%	
CUSTOMER DAMAGED METER	1	0	0	0	0.00%	
DIRTY WATER COMPLAINT	0	2	1	2	0.15%	
LEAKING METER	2	4	1	5	0.37%	
LEAKING SERVICE	3	0	4	4	0.30%	
LOW PRESSURE COMPLAINT	0	1	0	0	0.00%	
MAIN BREAK	0	2	1	0	0.00%	
MAINTENANCE – GENERAL	3	2	1	0	0.00%	
METER NEW / REPLACEMENT	6	0	2	0	0.00%	
METER NOT SHUTTING OFF	1	0	0	2	0.15%	
METER SPECIAL READING	0	1	0	0	0.00%	
NO WATER COMPLAINT	0	0	1	1	0.07%	
QUALITY COMPLAINT	1	0	0	0	0.00%	
Total Complaints = 3						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
LYNDHURST	5	2	0	0	0.00%	156
HYDRANT LEAKING	0	1	0	0	0.00%	
LEAKING METER	5	0	0	0	0.00%	
LEAKING SERVICE	0	1	0	0	0.00%	

MAINTENANCE – GENERAL	0	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
MANDURAMA	4	6	0	0	0.00%	134
DIRTY WATER	0	1	0	0	0.00%	
HYDRANT LEAKING	0	0	0	0	0.00%	
LEAKING METER	3	3	0	0	0.00%	
LEAKING SERVICE	0	1	0	0	0.00%	
LOW PRESSURE COMPLAINT	0	0	0	0	0.00%	
MAIN BREAK	0	1	0	0	0.00%	
MAINTENANCE – GENERAL	1	0	0	0	0.00%	
Total Complaints = 0						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
MANILDRA	10	1	8	0	0.00%	280
LEAKING METER	1	1	2	0	0.00%	
LEAKING SERVICE	1	0	1	0	0.00%	
LOW PRESSURE COMPLAINT	0	0	1	0	0.00%	
MAIN BREAK	0	0	1	0	0.00%	
MAINTENANCE - GENERAL	4	0	2	0	0.00%	
METER NEW / REPLACEMENT	4	0	1	0	0.00%	
Total Complaints = 0						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
MILLTHORPE	4	5	1	9	1.96%	459
LEAKING METER	0	2	0	2	0.44%	
LEAKING SERVICE	1	1	1	2	0.44%	
MAIN BREAK	1	1	0	0	0.00%	
MAINTENANCE - GENERAL	0	0	0	4	0.87%	
LOW PRESSURE COMPLAINT	0	0	0	1	0.22%	
METER NOT SHUTTING OFF	1	0	0	0	0.00%	

PATHCOCK FAILURE	1	0	0	0	0.00%	
QUALITY COMPLAINT	0	1	0	0	0.00%	
Total Complaints = 1						

ACTIVITIES	PREVIOUS YEARS			THIS PERIOD		Total meters
	2019	2020	2021	2022	% of Total meters	
QUANDIALLA	0	1	1	0	0.00%	100
LEAKING METER	0	0	0	0	0.00%	
LEAKING SERVICE	0	1	0	0	0.00%	
MAINTENANCE - GENERAL	0	0	1	0	0.00%	
Total Complaints = 0						

TOTAL ACROSS CTW TOWNSHIPS	123	80	59	58	0.97%	6003
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Notes:

- Comparison values listed each year use data from the period covering the same months of the year i.e. October to December
- Total Meters is the number of meters connected to properties.
- CTW complaint rolling value score across 12mths == 14.65%, 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.
- CTW Total Service Activities and Requests score == 0.97%, which is below CTW benchmark of 5% across all townships.

c) *Lake Rowlands*

The current level of Lake Rowlands Dam is 101% (9.12.22) with the Dam's scour valve fully shut.

d) *Water Services*

Since 1st October 2022, there have been an additional four (4) new domestic water services connected to, and four (4) 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.

12.14) 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 was completed in accordance with CTW's meter reading schedule.
- b) Meter Change Program
There have been twenty-four (24) water meter changes since the previous reporting period.
- c) Water Filtration Plants & associated Ancillary Plants
Blayney Water Treatment Plant (BWTP) and Carcoar Water Treatment Plant (CWTP) has maintained their full operational performance. BWTP await NSW Public Health Officer (PHO) to sign off on the new fluoride injection package plant before placing it into operation. CWTP await return of OEM technician to recommission its fluoride injection package plant's Programmable Logic Controller (PLC). BWTP and CWTP Chlorination package plants have maintained their full operation performance. An internal workshop was held in November, with the inclusion of DPE Water and NSW Health representatives, was facilitated by an external consultant to create a Water Treatment Master Plan that can assist with providing recommendations of CTW's planned BWTP replacement project.
- d) Pump Stations
Cleaning of pump stations listed under general maintenance has continued throughout the supply 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. An internal workshop was facilitated by external consultants in November to review CTW's current Drinking Water Quality Management System implementation.
- 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 continues to hamper any progress of the reticulation mains renewal program for Millthorpe and Canowindra townships.

BUDGET IMPLICATIONS

Nil.

POLICY IMPLICATIONS

Nil.

ATTACHMENTS

Nil.

12.15) 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

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 due to the impacts on CTW’s resources due to the Eugowra flooding event.
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.
3. **12 ML Clear Water Tank (CWT)** – CTW awaits the Design & Construction Contractor to submit their design for acceptance. It is programmed that the contractor will complete the design and start construction of the CWT by February 2023. Construction of the CWT is planned for completion by June 2023 in accordance with NSW Restart Funding program.

BUDGET IMPLICATIONS

Project		Woodstock Pump Station		
Approved Budget		\$806,703 (includes \$63,886 contingency)		
Project End date		Feb 2023		
Revised Budget	Expenditure to date	Projected (*)	Total	Remaining Funds (**)
\$806k	\$658k	\$62k	\$720k	\$86k

Project		12ML CWT D&C contract		
Approved Budget		\$3,895k (includes \$353k contingency)		
Project End date		June 23		
Revised Budget	Expenditure to date	Projected (***)	Total	Remaining Funds
\$3,895k	\$0k	\$3,850k	\$3,850k	\$45k

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

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

(***) Projected costs include ancillary earthworks & Pre Chlorine injection.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil.

12.16) RENEWABLE ENERGY PROJECTS UPDATE (ET.SP.2)

Author: Director Operations & Technical Services
IP&R Link: Strategic Priority 2: An efficient, sustainable and customer focused organisation – Strategic Priority 3: Regional leadership and collaboration – 3.1: Regional collaboration and partnerships – 3.1.2: Participate in CNSWJO opportunities for relevant joint procurement activities, knowledge and resource sharing, and advocacy for strategic regional priorities. – Strategic Priority 1: Provide a high quality and reliable drinking water supply – 1.1: Service provision through fit for purpose infrastructure – 1.1.1: Deliver capital works program based on asset management data. – 1.4: Mitigate environmental impacts of service delivery – 1.4.2: Review and update Renewable Energy Action Plan (REAP) including solar and battery optimisation projects. – 1.4.3: Continue to review operational processes with the objective of further mitigating environmental impacts.

RECOMMENDATION:

That Council note the update report for the renewable energy projects.

REPORT

In following with CTW’s staged approach to assist with renewable energy opportunities, the Central NSW Joint Organisation (CNSWJO), on behalf of Central Tablelands Water, facilitated a formal Request for Tender (RFT) process for - Supply and installation of Solar PV systems for Carcoar Water Treatment Plant (CWTP) and Canomodine Pump Station (CPS) sites.

A tender evaluation process was undertaken by the Tender Evaluation Panel with an agreed preferred tenderer being identified Redfern Power Solutions Pty Ltd t/a NSW Country Solar.

CTW has now signed a contract with NSW Country Solar for CWTP at a value of \$109,844.90 (inc GST) and CPS at a value of \$93,064.40 (inc GST).

CTW has also agreed for Chargeworks P/L to manage the project, to ensure consistency of “Concept to Delivery” is maintained.

BUDGET IMPLICATIONS

Project		Stage 1 - CWTP and CPS Renewable Energy		
Approved Budget (Operational Plan 22/23)		\$360k from \$500k (includes \$30k contingency)		
Project End date		June 23		
Revised Budget	Expenditure to date	Projected	Total	Remaining Funds
\$360k	\$88.3k	\$241.7k	\$330k	\$30k

POLICY IMPLICATIONS

Nil.

ATTACHMENTS

Nil.

13. QUESTIONS ON NOTICE

(General Manager)

No questions on notice were received.

ATTACHMENTS

Nil

14. CONFIDENTIAL MATTERS

RECOMMENDATION:

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

14.1) GENERAL MANAGER'S CONTRACT (GO.CO.1)

This matter is considered to be confidential under Section 10A(2) (a) of the Local Government Act, as it deals with personnel matters concerning particular individuals.