



**Central  
Tablelands  
Water**

**Business Paper**

**Ordinary Meeting of  
Central Tablelands Water**

**17 June 2026**

**Canowindra**



Friday, 12 June 2026

## Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at Canowindra on Wednesday, 17 June 2026 at 10.30am.

### Public Forum

#### 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. Chairperson's Minute
9. Councillor Representation
10. Notices of Motion
11. Reports of Staff
12. Questions on Notice
13. Confidential Matters
14. Late Reports
15. Conclusion of the Meeting

Yours faithfully

A handwritten signature in blue ink, appearing to be "C. Harris", is positioned above the printed name.

C. Harris  
**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 is livestreamed. The live stream will allow members of the public to view 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 a Council Meeting, you agree to be audio and visually recorded. Please ensure that when you speak at this Council Meeting you are respectful to others and always use appropriate language.

Whilst Council will make every effort to ensure that live streaming service is available, it takes no responsibility for and cannot be held liable for technical issues beyond its control. Live streaming is a free public service and is an official record of Council meetings. Minutes will be made of all Council meetings and published within 2 weeks after the meeting. For a copy of the recording or Minutes, please refer to 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 live stream is primarily set up to capture the proceedings of the Council meeting and members of the public attending a Council meeting need to be aware they may be recorded as part of the proceedings.

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**HELD ON WEDNESDAY 17 JUNE 2026**

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**5. CONFIRMATION OF MINUTES FROM PREVIOUS MEETING**

**5.1) MINUTES OF THE ORDINARY MEETING HELD ON 30 APRIL 2026**

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**RECOMMENDATION:**

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 30 April 2026, being minute numbers 26/015 to 26/025 inclusive, be confirmed.

**REPORT**

The Chairperson's Minutes in the Council Minutes for the April 2026 Meeting incorrectly state in (Resolution 26/016) that the 'Rural Water Supply' policy is to be further clarified, when it should have stated 'Unconnected Vacant Land' policy.

This will be amended.

**ATTACHMENTS**

1. Minutes of the Ordinary Meeting held on 30 April 2026

**Minutes of the Ordinary Meeting of Central Tablelands Water held at Grenfell, on  
Thursday, 30 April 2026, commencing at 10.30am**

**Present**

Cr. Andrew Rawson	Chairperson	Cabonne
Cr. Craig Gosewisch	Deputy Chairperson	Blayney
Cr. Jan Parlett		Weddin
Cr. Paul Best		Weddin
Cr. Marlene Nash		Cabonne
Cr. John Newstead		Blayney
Charlie Harris	General Manager	
Claire Wright	Executive Management Accountant	
Lynette Safranek	Executive Manager Corporate Services	
Achal Deo	Governance & Executive Support Officer	

**4. APOLOGIES AND APPLICATIONS FOR A LEAVE OF ABSENCE BY MEMBERS**

Nil

**5. CONFIRMATION OF MINUTES FROM PREVIOUS MEETING****5.1) MINUTES OF THE ORDINARY MEETING HELD ON 18 FEBRUARY 2026****26/015 RESOLVED:**

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 18 February 2026, being minute numbers 26/001 to 26/014 inclusive, be confirmed.

(Cr. Parlett/Cr. Nash)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**6. MATTERS ARISING FROM PREVIOUS MEETINGS**

Nil

**7. DISCLOSURES OF INTERESTS**

There were no declarations of interest declared.

(Cr. Gosewisch/ Cr. Nash)

*Carried*

**8. CHAIRPERSON'S MINUTES****26/016 RESOLVED:**

That the General Manager brings a report to the next Board Meeting in June, based on the Council direction given at this meeting, that further clarifies the Rural Water Supply policy, for Council endorsement.

(Chairperson, Cr. Rawson)

**9. COUNCILLOR REPRESENTATION**

Nil

**10. NOTICES OF MOTION**

Nil

**11. REPORTS OF STAFF****11.1) OPERATIONS AND PROJECT UPDATES (CA.PJ.1)****26/017 RESOLVED:**

That Council note the update provided on operations and projects currently underway.

(Cr. Best/Cr. Newstead)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.2) LGNSW WATER MANAGEMENT CONFERENCE 2026 (CM.CF.1)****26/018 RESOLVED:**

That Council:

1. Endorse the attendance of two Councillors and the General Manager to the LGNSW Water Management Conference 2026 in Ballina from 2-4 September.
2. That the Chairperson, Deputy Chairperson or alternate Councillor/s, and the General Manager be registered.

(Cr. Nash/Cr. Parlett)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.3) APPLICATION FOR ANNUAL LEAVE - GENERAL MANAGER (PE.LE.1)****26/019 RESOLVED:**

That Council:

1. Approve annual leave for the period requested by the General Manager, and

2. The Executive Manager Corporate Services be appointed as Acting General Manager, with associated delegations during this period of leave.

(Cr. Best/Cr. Newstead)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.4) INVESTMENT REPORT AS AT 28 FEBRUARY 2026 AND 31 MARCH 2026 (FM.BA.1)**

**26/020 RESOLVED:**

That Council note the report on Cash and Investments at 28 February 2026 and 31 March 2026.

(Cr. Nash/Cr. Gosewisch)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.5) DEBT RECOVERY (FM.AC.1)**

**26/021 RESOLVED:**

That Council note the Debt Recovery report.

(Cr. Newstead/Cr. Gosewisch)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.6) QUARTERLY BUDGET REVIEW STATEMENT - 31 MARCH 2026 (FM.FR.1)**

**26/022 RESOLVED:**

That Council:

1. Adopt the Quarterly Budget Review Statement for the quarter ended 31 March 2026 and the variations therein be voted.
2. Dissolve the Development Assistance Fund and disburse remaining funds as per recommendation 5 – 7.
3. Establish a Drought Fund Internal Restriction
4. Establish an IT Fund Internal Restriction
5. Transfer \$200,000 from the Development Assistance Fund to the Drought Fund
6. Transfer \$250,000 from the Development Assistance Fund to the IT Fund
7. Transfer \$11,389 from the Development Assistance Fund to the Plant Renewal Fund

(Cr. Newstead/Cr. Parlett)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.7) AUDIT RISK AND IMPROVEMENT COMMITTEE (ARIC) (CM.AU.1)****26/023 RESOLVED:**

That Council Note the Audit, Risk & Improvement Committee Minutes for the meeting held on 25 February 2026.

(Cr. Gosewisch/Cr. Newstead)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.8) POLICY REVIEWS (CM.PL.1)****26/024 RESOLVED:**

That Council:

1. Endorse the following policies and place them on public exhibition for a period of 28 days:
  - Complaints Management
  - Artificial Intelligence
  - Debt Recovery and Hardship
2. If no substantial submissions are received during the public exhibition period, the documents are considered to be adopted.
3. Remove the *Gathering Information* Policy from the CTW policy register, due to it being turned into a Procedure.
4. Policies endorsed under this Recommendation shall take precedence over previous Council resolutions where applicable.

(Cr. Parlett/Cr. Nash)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**11.9) 2026 INTERGRATED PLANNING & REPORTING (IP&R) (GO.PR.1)****26/025 RESOLVED:**

That Council:

1. Endorse the following draft Integrated Planning & Reporting documents:
  - Business Activity Strategic Plan 2022-32
  - Delivery Program 2027-2030 and Operational Plan 2026/27
  - Long-Term Financial Plan 2027-2036
  - Annual Budget and Statement of Revenue Policy 2026/27
  - Workforce Management Strategy 2027-2030
2. Place the above documents on public exhibition for a period of 28 days to seek community feedback prior to adoption at the June 2026 Council meeting.

(Cr. Gosewisch/Cr. Parlett)

*Carried*

Cr. Rawson, Cr. Nash, Cr. Gosewisch, Cr. Newstead, Cr. Best, Cr. Parlett

**12. QUESTIONS ON NOTICE**

Nil

**13. CONFIDENTIAL MATTERS**

Nil

**14. LATE REPORT**

Nil

**15. CONCLUSION OF THE MEETING**

**Next Meeting:** The next meeting of Central Tablelands Water will be held at Canowindra on Wednesday 17 June 2026 at 10.30am.

There being no further business, the Chairperson declared the meeting closed at 12.27pm.

**8. CHAIRPERSON'S MINUTES**

**8.1) COUNCILLOR CTW REPRESENTATION (CA.CO.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation – Strategic Priority 3: Regional Leadership and Collaboration

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The following is a list of Councillor CTW representation for the period 18 April to 10 June 2026.

**Cr Andrew Rawson, Chairperson**

30 April 2026, Chaired CTW Board Meeting, Grenfell

27 May 2026, Attended CNSWJO Board Meeting, Sydney

28 May 2026, Attended CNSWJO meetings with Ministers, Sydney Parliament

12 June 2026, Chair CTRWS Steering Committee Meeting, Orange

**ATTACHMENTS**

Nil

**11. REPORTS OF STAFF****11.1) RESCISION OF 2025 CODE OF MEETING PRACTICE RESOLUTION (CA.CO.1)****Author:** General Manager**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation**RECOMMENDATION:**

That Council:

1. Rescind Resolution 25/088 for the adoption of the 2025 Code of Meeting Practice
2. Resolve to revert to CTW's 2022 Code of Meeting Practice
3. Resolve to include livestream of Council bi-monthly meetings
4. Resolve to continue with agreed meeting dates and times set by resolution for 2026/27.

**REPORT**

The NSW Upper House passed a disallowance motion in May 2026 vetoing the new code of meeting practice, following widespread criticism that the regulations were too heavy-handed. Introduced in January 2026, the code restricted councillors from attending meetings remotely and banned private briefings.

Councils have formally been advised by Brett Whitworth, Deputy Secretary Local Government, that the Local Government (General) Amendment (Model Code of Meeting Practice) Regulation 2025 (Amendment Regulation) which prescribed the 2025 Model Code of Meeting Practice for Local Councils in NSW (2025 Model Meeting Code) has been disallowed by the Legislative Council.

The decision by the Legislative Council to disallow the regulation raises two immediate issues:

- under what meeting code will the councils operate?
- whether the Government will be progressing another regulation for the purposes of prescribing an updated meeting code?

**The practical implications of the disallowance**

Under section 41(4) of the *Interpretation Act 1987*, if a regulation ceases to have effect because of its disallowance, and the regulation amended a regulation that was in force immediately before the amending regulation took effect, the disallowance of the amending regulation has the effect of restoring or reviving the previous regulation as of the day of its disallowance.

The disallowance of the Amendment Regulation therefore means that the 2025 Model Meeting Code is no longer prescribed for the purposes of section 360 of the *Local Government Act 1993 (LG Act)* and the previous 2021 version of the Model Meeting Code now becomes the prescribed version.

Under section 360 of the LG Act, councils adopted codes of meeting practice must not contain provisions that are inconsistent with the mandatory provisions of the prescribed Model Meeting Code. This means that provisions of council's adopted code of meeting practice based on the now disallowed 2025 Model Meeting Code that are inconsistent with the mandatory provisions of the previous 2021 Model Meeting Code are no longer permissible.

The disallowance of the 2025 Code of Meeting Practice also means that mandatory provisions of that Code that were not mandated in the previous 2021 Code of Meeting Practice, are no longer mandatory.

To ensure compliance with section 360 of the LG Act, council is asked to rescind Resolution 25/088 adopting the 2025 OLG Model Meeting Code at its October 2025 Meeting. As more than 3 months has passed since council adopted its current meeting code, the signatures of 3 councillors are not required to rescind the resolution adopting the code.

By rescinding this resolution, it will reinstate council's previously adopted code of meeting practice containing the mandatory provisions of the 2021 Model Meeting Code (Refer to Attachment 1) which was adopted at Councils June 2022 Meeting.

Meetings of the council and committees comprising only of councillors should be conducted in accordance with the reinstated version of council's meeting code until such time as it is amended.

The main adjustments for our Council in going back to the 2021 Code are:

- The ability to hold Councillor briefings
- No longer required to livestream Council meetings
- Ability for Councillors to attend meetings online.

The Office of Local Government had been examining the feedback received from Dr Cohn MLC, the Country Mayors Association and Local Government NSW on the Model Meeting Code, with quite advanced drafting on an updated code. They expect this work will be completed shortly. Until a new model is released, if council wishes to make amendments to the reinstated version of its previous meeting code, it will be required to prepare and exhibit a draft code in accordance with section 361 of the LG Act.

### ***Council Meetings***

Council is asked to confirm the continuation of the current meeting dates and times for 2026 until further information is provided by the Office of Local Government.

Sections 5.34 – 5.39 of the 2025 Code of Meeting Practice is no longer included. Therefore, meetings are no longer required to be livestreamed. Council is asked to resolve if they wish to continue to livestream Council meetings.

The meeting Minutes will continue to be placed on Council's website within 5 days of each meeting.

Staff will thoroughly review the 2026 (previously 2022) Code of Meeting Practice prior to Council's August 2026 meeting. If there are substantial changes, it will be presented at the meeting for endorsement and placement on public exhibition.

### **BUDGET IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

2022 Code of Meeting Practice (refer Attachment 1).

**ATTACHMENTS**

- 1 2026 Code of Meeting Practice

**11.2) AUTOMATIC FILLING STATIONS (WS.MO.4)**

**Author:** General Manager  
**IP&R Link:** – 2.2: Sound & Sustainable Financial Management

**RECOMMENDATION:**

That Council:

1. Determine that the Eugowra Automatic Filling Station is not reinstated.
2. Endorse the General Manager to negotiate an alternative Metered Standpipe Model at Eugowra with a one-off capital allocation of \$10,000 in 2026/27 to fund installation.
3. Acknowledge the automatic filling stations are not recovering costs and therefore are being subsidised by Council's current customers.

**REPORT**

This report provides an operational and financial review of Council's Automatic Water Filling Stations (AFS) network, with a specific focus on the Eugowra AFS, which has been non-operational since sustaining severe flood damage in November 2022.

Analysis reveals that the historical operation of the Eugowra AFS, and the broader AFS network, contradicts Council's Revenue Policy and the Regulatory Assurance Framework (RAF) due to material cross-subsidisation by CTW's reticulated customer base. This report outlines the financial unviability of reinstating the Eugowra AFS and proposes a sustainable, community-managed alternative service delivery model.

In 2019 - 2021, a network of seven (7) AFS units was established across Canowindra, Cargo, Cudal, Eugowra, Grenfell, Manildra, and Quandialla. Delivered as a joint initiative between Cabonne and Weddin Councils, the project was funded via the Federal Government's Drought Communities Program to support un-networked households and landholders during severe drought conditions.

Following the catastrophic flood event of November 2022, the Eugowra AFS was severely damaged and rendered inoperable. Council currently operates the remaining six (6) active locations across the network.

An investigation into the performance of the Eugowra AFS from its inception (late 2019) to its closure (November 2022) demonstrates a significant deficit in cost recovery:

**Eugowra AFS Financial Performance Summary (2019–2022)**

<b>Financial Metric</b>	<b>Performance Detail</b>
Total Water Supplied	169 kL
Total Revenue Generated	~\$1,200 (billed at ~\$7.00/kL)
Total Operational & Maintenance Costs	\$8,016
Actual Delivery Cost per kL	<b>\$47.43/kL</b> (excluding water source costs)

Financial Metric	Performance Detail
Net Subsidised Loss	<b>(\$6,816)</b>

### Reinstatement Capital Requirements

To return the Eugowra AFS to service at a flood-resilient site (such as the Eugowra Showground, which has received in-principal support from Cabonne Council as the Crown Land Manager), the following initial capital outlay is required:

- Asset Repairs: ~\$8,000
- Relocation & Installation Costs: ~\$7,000
- Total Capital Outlay: \$15,000 (excluding ongoing operational costs).

### Policy and Regulatory Considerations

Council's adopted Revenue Policy explicitly mandates that "there are no non-residential cross-subsidies."

Furthermore, the Regulatory Assurance Framework (RAF) dictates that water pricing must:

- Recover the efficient costs of providing water supply services.
- Be cost-reflective, fair, and equitable.
- Ensures that each service recovers the efficient costs (revenue requirement) of supplying water supply services.

The Eugowra AFS operates at a heavy loss, meaning it is directly subsidised by CTW's reticulated water customers. To achieve full cost recovery based on historical baseline volumes, future pricing would need to increase to an estimated \$22.00 to \$47.43 per kL. Such an increase is deemed economically unviable and unaffordable for the local community. Consequently, reinstating the AFS under its previous model directly contradicts Council policy and RAF guidelines.

### An Alternate Service Delivery Option:

It is acknowledged that Central Tablelands Water (CTW) does not have a formal community service obligation to provide water services to users outside of its existing reticulated customer base. Notwithstanding this, CTW has sought to adopt a reasonable and supportive approach by exploring alternative options that could facilitate continued community access to water in Eugowra, without imposing a financial burden on existing customers.

In this context, and consistent with Council's adopted pricing principles, particularly the requirement to avoid cross-subsidisation, an alternative service delivery model has been proposed.

### Metered Standpipe at Eugowra Showground:

Following discussions on 24 April with a representative of the Eugowra Show Society and Eugowra Progress Association, CTW has proposed the installation of a manual metered standpipe at the Eugowra Showground. Under this model, a community organisation (such as the Show Society or Progress Association) would hold responsibility for the connection to CTW and be liable for all applicable charges, including:

- Water service availability charges
- Water usage charges
- Determination of local access arrangements, including:
  - Pricing structure
  - Conditions of use
  - Hours of operation

This approach ensures that water is provided on a fully cost-recovery basis and any costs associated with the service are borne by users, rather than CTW’s broader customer base. The service would then operate in accordance with Council’s revenue policy and regulatory pricing principles.

Subject to agreement, CTW have offered to fund the capital costs of installation of the standpipe infrastructure, as a one-off contribution to support the establishment of the service. Ongoing operational, maintenance and administrative responsibilities would remain with the managing organisation.

At the time of preparing this report, no formal response has been received from the community groups regarding this proposal.

**Future Considerations of the AFS Network:**

While the broader AFS network experienced a spike in usage during the current financial year, driven by commercial operations in Cargo and localised dry periods, historical data indicates that the entire AFS network consistently operates at a net loss.

	2025/26*YTD	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	Total
Income	\$ 57,078	\$ 26,218	\$ 13,796	\$ 11,007	\$ 3,062	\$ 3,288	\$ 12,005	\$ 126,453
Est. KL	6,342	3,026	1,623	1,376	408	470	1,936	15,181
OpEx	\$ 16,736	\$ 12,460	\$ 10,868	\$ 9,228	\$ 7,852	\$ 4,960	\$ 4,516	\$ 66,620
CapEx		\$ 68,790			\$ 1,943			\$ 70,733
Depreciation	\$ 15,655	\$ 15,052	\$ 14,472	\$ 13,914	\$ 13,378	\$ 12,863	\$ 12,367	\$ 97,701
<b>Total Costs</b>	<b>\$ 32,391</b>	<b>\$ 96,302</b>	<b>\$ 25,340</b>	<b>\$ 23,142</b>	<b>\$ 23,173</b>	<b>\$ 17,823</b>	<b>\$ 16,883</b>	<b>\$ 332,754</b>
<b>Net</b>	<b>\$ 24,687</b>	<b>(\$ 70,084)</b>	<b>(\$ 11,544)</b>	<b>(\$ 12,136)</b>	<b>(\$ 20,111)</b>	<b>(\$ 14,535)</b>	<b>(\$ 4,878)</b>	<b>(\$ 108,600)</b>
\$ cost per kL	\$ 5.11	31.82	15.61	16.82	56.75	37.95	8.72	21.92

To ensure long-term financial sustainability, it is recommended that Council adopt a case-by-case assessment framework for all AFS assets. In circumstances where AFS units become unserviceable or require significant capital reinvestment, it is appropriate that Council undertake a case-by-case assessment to determine the ongoing justification for replacement. This assessment should consider factors including demand for the service, the ability to recover costs, and alignment with Council’s adopted pricing principles, including the requirement to avoid cross-subsidisation. Where appropriate, alternative service delivery models, such as community-managed standpipes, may be explored to maintain access while ensuring that costs are borne by users rather than being subsidised by CTW’s existing customer base.

**BUDGET IMPLICATIONS**

Reinstatement of the Eugowra AFS would require an estimated \$8,000 in repairs and a further \$7,000 in installation costs, representing an initial capital outlay of approximately \$15,000, excluding ongoing operating and maintenance costs. These funds would come from the infrastructure reserves.

The historical operation of the Eugowra AFS has not achieved cost recovery. Between late 2019 and November 2022, the station supplied 169 kL of water, generated approximately \$1,200 in revenue, and incurred estimated operating and maintenance deficit of \$8,016, equating to approximately \$47.43 per kL excluding the cost of water.

Accordingly, reinstatement of the Eugowra AFS would require continued subsidisation from CTW’s existing customer base. Should Council resolve not to reinstate the facility, these capital and ongoing costs would be avoided. If the alternative standpipe option proceeds, CTW’s financial commitment would be limited to a one-off installation contribution, with all ongoing costs to be met by the managing community organisation.

**POLICY IMPLICATIONS**

Council's adopted Revenue Policy explicitly states that there are no non-residential cross subsidies. The Eugowra AFS does not recover its efficient costs, and its continued operation or reinstatement would therefore be inconsistent with this policy position.

This is also inconsistent with the Regulatory and Assurance Framework and supporting pricing guidance, which require water service pricing to recover efficient costs, be cost-reflective, fair and equitable, and avoid cross-subsidisation between services and customer groups.

The proposed standpipe model is more consistent with these requirements, as it enables access to water with a user pays model, without creating an ongoing subsidy from CTW customers. The report also supports a broader policy approach that future replacement of AFS infrastructure be assessed on a case-by-case basis, having regard to demand, cost recovery and consistency with Council's pricing principles.

Central Tablelands Water holds no formal legislative obligation to supply water to entities outside its reticulated network boundary. While supporting regional resilience is a priority, providing a heavily subsidised asset sets an unsustainable policy precedent. The proposed model successfully facilitates community water access without introducing an unauthorised financial liability.

**ATTACHMENTS**

Nil

**11.3) OPERATIONS AND PROJECT UPDATES (CA.PJ.1)**

**Author:** General Manager  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation

**RECOMMENDATION:**

That Council note the Operations and Project Updates report.

**REPORT**

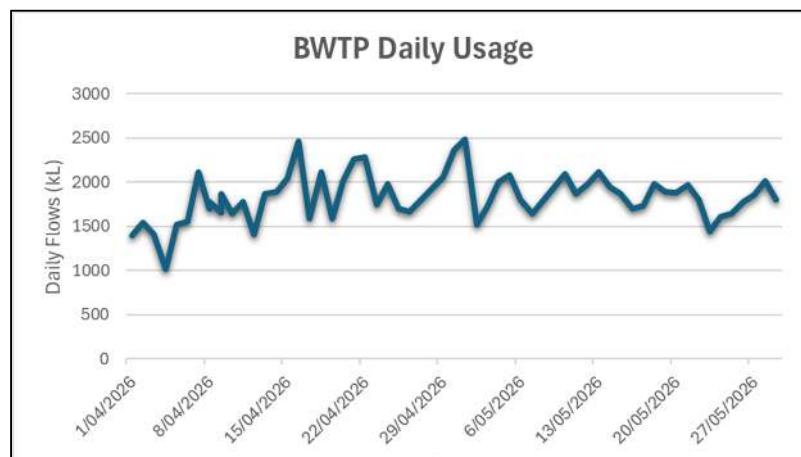
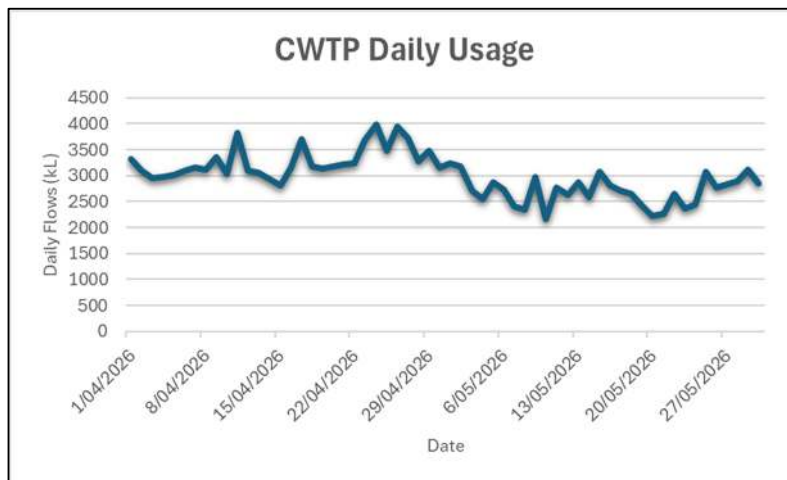
**Customer Service**

During April and May, Council received a total of 134 Customer Service Requests. These included 99 in relation to meter or service issues (typically leaks or faults), 15 for meter replacements, 3 hydrant leak, 3 water quality concerns, 1 low-pressure reports, 2 no water and 8 general maintenance requests.

During the same period, 3 main breaks were repaired.

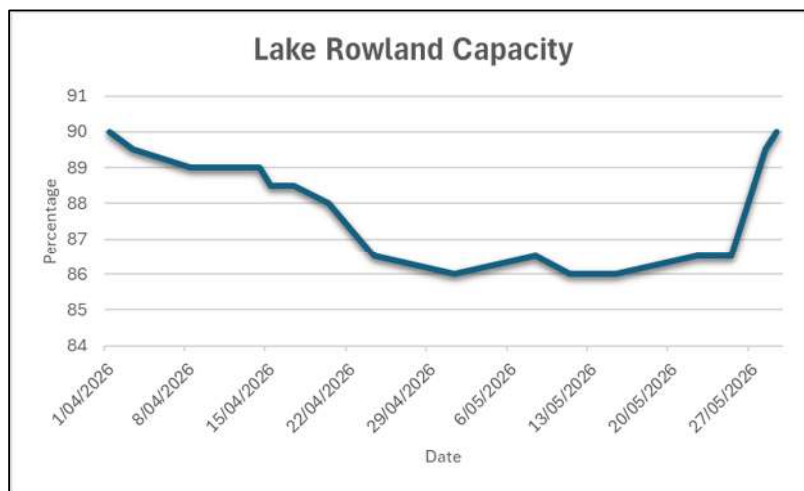
**Treatment Plant Water flows**

Water Treatment Plant Daily Flows for period April and May 2026.



**Lake Rowlands Level**

Lake Rowlands level as at 9 June was 100% and it was flowing over the dam wall. The following graph shows the capacity variations over the past 2 months.



**Canowindra Depot Upgrade**

The Canowindra Depot Upgrade Project continues to progress in line with CTW’s Capital Works Program. Development Application (DA) and Section 68 approvals have now been obtained from Cabonne Council.

Preliminary site works have been completed and construction activities are currently underway. Delivery and installation of the modular building are anticipated within the next week, subject to site and weather conditions.

The main project scope remains unchanged, with only minor modifications to be incorporated to ensure compliance with relevant regulations and project specifications.

**Water Loss Project**

The Water Loss Reduction Program continues to progress, with the annual water loss maturity assessment completed and demonstration of improvements across several key areas compared to the previous year.

Priority flow meter locations have been identified, with several major flow meters now integrated into SCADA system and continuously working. Stage 1 of the SCADA flow meter integration project has been awarded to Qtech (New Zealand) in conjunction with a field contractor.

In addition, internal teams have repaired and reinstated several flow meters at identified locations. Further upgrades and replacements are planned for a number of existing meters that have reached the end of their operation life or no longer supported due to outdated technology.

**Central Tablelands Regional Water Supply Grid PBC (Stage 2 of the Sub Regional Town Water Strategy (SRTWS))**

The Central Tablelands Regional Water Supply Grid is the official name for the second stage of the SRTWS and is being funded by the Federal Government through the National Water Grid Funding, and jointly by Central Tablelands Water, Orange City Council and Cabonne Council. with the aim of strengthening long-term water security across participating service areas.

The project will deliver a Preliminary Business Case that aims to demonstrate the viability of the three utilities working together to strengthen long-term water security across the participating service areas.

Central Tablelands Water is the lead Council in the project and has been advised of the success of the application and funding. However, works have been delayed as the funding deed has not yet been provided for execution.

At this stage, there has still been no signed deed provided to Council for execution. Council has however been given approval to commence the project to incur costs without an executed Deed. The first Milestone, completion and approval of a project management plan, is due for completion by 31 July, and no extension in time has been provided, irrespective of a delay in the signed deed being provided.

Council held an initial meeting with staff from Cabonne and Orange Councils to commence the project and develop the governance and Terms of Reference for the project. This included the creation of a Steering Committee and Project Control Group (PCG). There is a scheduled Steering Committee meeting on Friday 12 June 2026 to agree to the Terms of Reference for the Steering Committee and the PCG. The Steering Committee will consist of the Mayors/Chairperson, General Manager/Chief Executive Officer or their chosen representative. The PCG will consist of relevant technical staff and is expected to have its first official meeting at the conclusion of the Steering Committee meeting. This meeting will develop a risk profile of the project along with appropriate mitigations as well as continue to develop the data required for the project management plan.

The strategy of this project aligns with broader regional water security planning, including investigations associated with the Belubula Water Security project, which is examining options such as increasing storage capacity at Lake Rowlands and potential transfer infrastructure between key catchments to enhance resilience for communities across the Belubula Valley and beyond. The SRTWS supports integrated planning across neighbouring water utilities and reflects joint advocacy for sustainable water supply solutions for the Central Tablelands region.

**Belubula Water Security Project (BWSP)**

The Belubula Water Security Project continues to be overseen through the established Project Control Group (PCG) governance framework. The General Manager has been advocating for an extension of time on this project due to the progress of the project and the requirement to undertake critical elements in a compressed timeframe. The PCG has recently been advised an extension of time has been granted and is now due for completion at the end of August.

**Reservoir Ladder Upgrade Project**

The Reservoir Ladder Upgrade Program is progressing, with four quotations received for the first stage of works. Award of the contract is expected shortly, with delivery and installation anticipated within 8 to 16 weeks of awarding a contract.

The second stage of the program, covering three additional reservoirs, has been released to potential contractors and is currently awaiting site inspections and quotations. The Milthorpe reservoir has been identified as a priority due to its importance to the OCC-CTW pipeline.

The scope of works includes engineering design, fabrication, supply and installation of compliant access ladders to improve operational safety and access for maintenance activities.

### **Asset Revaluation**

Marsh are continuing their work on the revaluation, with an expected completion date of December 2026. Inspections have been completed for Council. They are currently undertaking work to value the passive assets such as pipes and reservoirs, and will be seeking feedback as they work through this process.

They are proposing to take a conservative approach to allow for global instability and inflationary environment. Utilising pre-inflation project costs and unit rates, with a potential review on a materiality or indexation percentage based on published increases to materials and construction prices.

### **Safe and Secure Water Programs Stream 2**

Council has successfully secured funding under the Safe and Secure Water Programs Stream 2 through the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to undertake a strategic planning initiative aimed at strengthening the future direction of Central Tablelands Water (CTW).

These works will clearly identify the long-term challenges and costs involved in providing service to our customers, enabling Council to make fully informed decisions.

The works to be completed as part of this project are:

1. Review and update of Levels of Service framework
2. Asset condition assessment of the Carcoar and Blayney water treatment plants (WTP), pump stations and reservoirs.
3. Carcoar and Blayney WTP process capacity assessment
4. Network capacity and capability assessment for Canowindra, Millthorpe and Blayney to understand their capacity to meet current and future requirements
5. Development of Total Asset Management Plans
6. Preparation of the Long-Term Financial Plan, ensuring linkages between finances and asset management
7. Completion of a detailed water supply risk assessment and emergency response plan, integrating into the Business Continuity Plan
8. Development of a resourcing and workforce plan
9. Review and update Strategic Plan.

Since the last report in February, the targeted completion date has been moved to August 2026 to enable suitable time to fully develop the documents without impacting on business-as-usual work.

The funding deed was signed by DCCEEW and Council on 16 January 2026, finalising stage 1 of the project, and officially commencing stage 2.

Following the signing of the deed, contracts were signed with NSW Public Works to deliver Task 4 - Network modelling, and City Water Technology to deliver Task 3 - Water treatment plant capacity assessment.

Pulse HR have also been engaged to deliver Task 8 - Development of a resourcing and workforce plan.

**Updates by Task**Task 1 – Levels of Service Framework

The draft level of service document will be reviewed to align with the proposed changes to the Rural Water Supply Policy.

Task 2 – Condition Assessment

Inspections have been delayed ensuring alignment with a proposed change in the asset classification to improve data available for asset management planning.

Task 3 – Carcoar and Blayney WTP Capacity Assessment

The reports have been completed with recommendations provided on what works are needed to meet the nameplate capacities of the treatment plants.

For Carcoar, with a 9ML/day nameplate capacity, the biggest constraint is the raw water trunk main being undersized. However, there are treatment processes within the treatment plant that are either undersized or require ongoing manual intervention to enable it to operate at its capacity.

The estimated cost to upgrade these items is \$3.9 million, this includes upgrading of treatment processes along with an increase in the wastewater handling system, predominantly the sludge lagoons. This cost does not include a UV treatment to manage the risk of protozoa and health-based targets.

For Blayney, with a 6ML/day nameplate capacity, there are many constraints, the primary constraint is the clarifier which is a result of its age and changing water quality standards and engineering understanding. There are several critical systems that don't include redundancy, which poses a risk to the reliable operation of the plant.

The estimated cost to upgrade the Blayney Treatment Plant is \$7.25 million, including the redundancy upgrades. This cost does not include a UV treatment to manage the risk of protozoa and health-based targets.

Task 4 – Blayney, Canowindra and Millthorpe Network Modelling

Network modelling has been completed, with constraints identified for the future load within each of the modelled towns.

Millthorpe broadly meets the targeted levels of service, with some new mains required to provide adequate flow to the development along Park Street and Richards Lane. Expansion along George Street is marginal given the lack of height difference between the reservoir and George Street.

The fire flow analysis was considered suitable and met requirements.

Canowindra will be constrained in the future by Trunk Main C feeding from the Carcoar Water Treatment Plant into Moorbel Reservoir. There are some additional mains that are required to maintain growth to the northeast and west of the current town boundaries into the future.

Further, an additional 1ML capacity is recommended for Moorbel Reservoir to ensure adequate storage capacity is available for future demands.

Finally, the fire flow analysis showed some constraints with low pressure at a hydrant on the end of Icely Street on the southern side of the Belubula River.

Blayney shows constraints along the trunk main from the Water Treatment Plant through to town, and then along Carcoar Street to feed into the Hill Street reservoir. The proposed south Blayney development must have a maximum elevation of 925m to ensure capacity to service

the lots, and may require an upgrade to the Marsdens reservoir, depending on how many lots are planned to be fed from it.

The new subdivision on Starr Place has the potential for low pressure during peak demand. It is suggested that Council undertake some pressure monitoring in this area once it is fully developed.

The fire flow analysis was considered suitable and met requirements.

#### Task 5 – Asset Management Planning

A review of the asset classification has been undertaken with a proposed change in how assets are captured and reported on within the system. Capital works planning is currently being undertaken following the finalisation of tasks 3 and 4.

The Asset Management Strategy has had further work completed on it to consider an acceptable prioritisation method that meets the expectations of ISO 55001 whilst ensuring that professional judgement is adequately incorporated into the prioritisation process.

#### Task 6 – Long Term Financial Plan

Work is continuing on the development of a 30 year long term financial plan.

#### Task 7 – Update of Business Continuity Plan

A BCP desktop exercise has been scheduled for 22 July 2026 with the BCP to be finalised following this step.

#### Task 8 – Workforce Plan

The draft workforce strategy was been submitted to council as part of the IP&R for consideration.

#### Task 9 – Strategic Plan Update

Initial drafting of this has commenced, setting out the document structure.

### **BUDGET IMPLICATIONS**

Works are proceeding in accordance with the budget, with no variations currently being considered or approved.

### **POLICY IMPLICATIONS**

DCCEEW's Regulatory and Assurance Framework

### **ATTACHMENTS**

Nil.

**11.4) LOW COST LOANS INITIATIVE GRANT FUNDING (FM.LO.1)**

**Author:** General Manager  
**IP&R Link:** – 2.2.4: Explore and secure grant funding to support the delivery and development of services and infrastructure.

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**RECOMMENDATION:**

1. That Council endorse development of an application to the Low Cost Loans Initiative (LCLI) grant funding through the NSW Government for augmentation of Trunk Main A and improvements to the Carcoar Water Treatment Plant.
2. That a report be brought to the August meeting for Council consideration in submitting an application.

**REPORT**

Council has an opportunity to apply for grant funding from the Low Cost Loans Initiative (LCLI) through the NSW Government. This grant funding assists councils to borrow money for the development of infrastructure aimed at building housing supply in regional NSW through subsidising the interest cost on a fixed interest loan by 50%.

This program is open for submissions from 28 May 2026 through to 31 August 2026. This report recommends developing an application to Augment Trunk Main A and improve processes at Carcoar Water Treatment Plant's (WTP) to increase capacity and enable future growth.

For Council, there are key constraints restricting the capacity to provide water for growth within Trunk Main A (the water main from Lake Rowlands to Carcoar WTP), and the Carcoar WTP. This constraint is generally alleviated by utilising Gooloogong Bore during peak periods.

Current modelling shows a peak day consumption of approximately 8.1ML that could be fed from Carcoar WTP. However, Trunk Main A constrains the WTP to 6-6.5ML/day of available raw water. Constraints in some of the dosing processes and wastewater management for the Carcoar WTP also limit processing capacity.

An upgrade to Trunk Main A and select process trains at Carcoar WTP would unlock the capacity of the treatment plant to support further growth.

**Upgrades Needed****Trunk Main A**

Council has completed an assessment of Trunk Main A to understand the required sizing and costing to complete the work. The current main is 375mm diameter and approximately 4.5km long. To enable Carcoar to be a sole water treatment plant into the long term (>50 years) a 600mm diameter main is required. This enables the main to remain as a gravity main to supply raw water to Carcoar WTP.

Trunk Main A is currently 70 years old and has an estimated remaining useful life of 10 years.

This is a critical infrastructure piece that is required to ensure the delivery of potable water to the majority of Council's customers.

The estimated cost for the main is approximately \$8 million.

### Carcoar Water Treatment Plant

The constraints at Carcoar WTP are nuanced and spread across different treatment trains. Given the constraint in supplying sufficient water, these constraints have been modelled using engineering judgement and knowledge, they have not been able to field test the capacity.

The key constraints are:

- Wastewater handling – the sludge lagoons are too small for the volume of water being treated, including current day peak loading.
- MegaPAC dosing – the system has insufficient capacity for future loading.
- Power Activated Carbon (PAC) system – the current system isn't consistent with current standards and doesn't allow for sufficient capacity to be batched to run autonomously over 24 hours under current peak day loading.
- Fluoride dosing – the current dosing unit has insufficient capacity for current peak day loading.
- Filter blower – there is no redundancy for the blower.

The estimated costs of these upgrades are estimated at \$3.9m to enable the WTP to operate to both current day peak loads when Gooloogong bore is inactive, and future peak capacity of the existing plant to 9 ML/day loads.

### **Alignment with Funding Guidelines**

Both Trunk Main A and Carcoar WTP are a constraint on growth in all villages supplied by Council, except Blayney and Quandialla. The current peak usage is beyond what is able to be reliably produced from Carcoar. This would result in either costly upgrades for developers, or Council having to object to development as it would be unable to provide the required volume of water.

Recent analysis under the SSWP216 modelling has shown constraints in provision of water to, and beyond, Canowindra, with Gooloogong bore being essential to ensuring the volume of water in peak periods. With a proposed development north of Grenfell to place a larger demand on the network, these upgrades are crucial to ensuring Council can support the growth of the villages fed from Carcoar WTP.

### **Conclusion**

The Low Cost Loans Initiative from the NSW Government can help Council accelerate its delivery of upgraded infrastructure to deliver on increased demand, enabling our constituent councils planned growth areas.

Endorsement is sought from Council to develop the application and finalise the impacts for consideration at the August Meeting.

### **BUDGET IMPLICATIONS**

The draft Long-Term Financial Plan recommended for adoption included renewal of Trunk Main A given it is approaching its end of life. The capacity to get a grant for 50% of the loan interest, when combined with the capacity to sell more water, contributes to the long term financial sustainability of Central Tablelands Water.

### **POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**11.5) INVESTMENT REPORTS FOR APRIL AND MAY 2026 (FM.BA.1)**

**Author:** Executive Management Accountant  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.2: Sound & Sustainable Financial Management – 2.2.1: Review and monitor Councils financial position.

**RECOMMENDATION:**

That Council note the Investment Report for the periods 30 April 2026 and 31 May 2026.

**REPORT**

**Investment Commentary**

The RBA maintained the cash rate at 4.10% through April and May, following the earlier tightening move, emphasising that inflation risks remain elevated and that policy will likely stay restrictive until there is greater confidence of inflation returning to target. Short-term interest rates remained firm over the period, reflecting expectations that rates will stay higher for longer, with money-market yields stabilising at elevated levels. Government bond yields were broadly steady to slightly higher, as persistent domestic inflation pressures and ongoing global uncertainty - particularly around energy prices and US inflation risk - continue to influence market pricing.

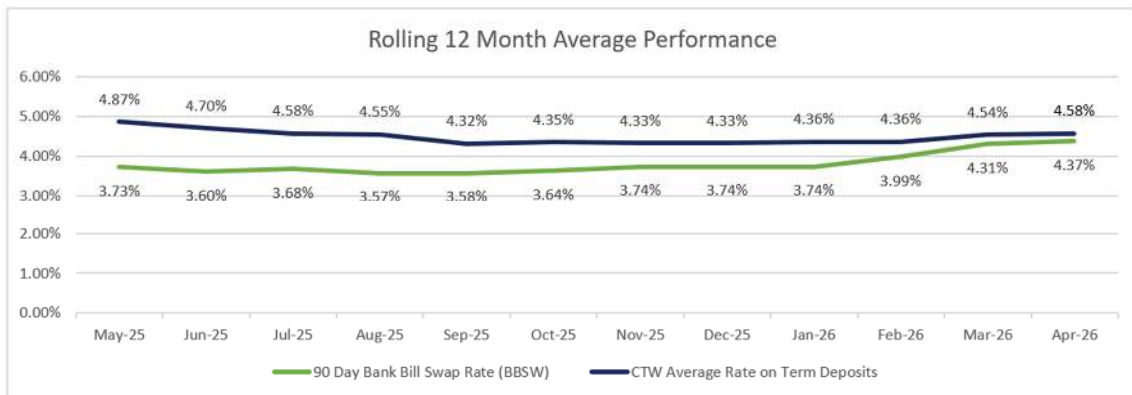
Council is continuing to lock in 12-month terms for deposits unless an exceptional rate is being offered or a maturity gap can be filled with a favourable rate. Council’s Finance Officer is constantly assessing if a better outcome, both risk and return, can be achieved by changing institutions whilst operating in policy limits.

**Portfolio Performance: 30 April 2026**

**Performance**

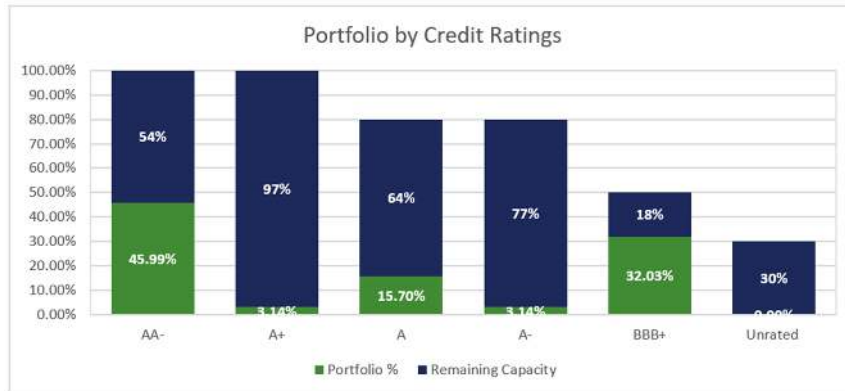
CTW’s average rate of return on investments at 30 April 2026 was 4.36% against the 90 day Bank Bill Swap Rate (BBSW) of 4.37%.

CTW’s portfolio is closer to the performance benchmark based on the increased market rates as investments are secured at historical rates. Interest earned and accrued for the financial year to 30 April 2026 totals \$554,103.

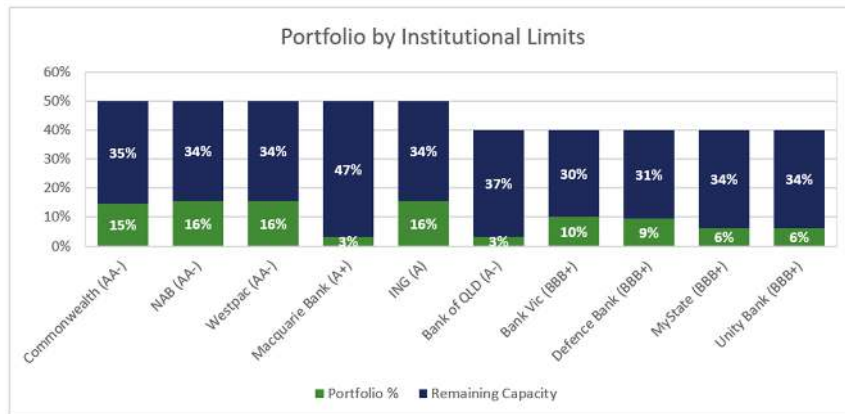


**Compliance**

At the end of April 2026, investments were compliant with Council’s Investment Policy limits by Credit Ratings, Institutions, and Maturity as shown below.



To minimise risk to CTW’s investment portfolio CTW’s investment policy limits the amount that can be invested by credit rating group (known as counterparty limits). Risk is considered to be lower with higher credit rated institutions, but returns potentially higher with lower credit rated institutions, therefore investments are balanced for risk and return.



To achieve diversification CTW’s investment policy limits the total investment in any single institution based on the institution’s credit rating. These limits work in conjunction with the above total credit rates (counterparty) limits. The remaining capacity shown is subject to compliance with the above credit rating limits.



Overall Council’s portfolio is diversified across a variety of institutions, credit ratings and maturities, with sufficient capacity for favourable term deposit opportunities. Council has no exposure to unrated authorised deposit-taking institutions (ADIs). Council will seek to smooth maturities through-out the year and align with capital works schedules. A list of investments held at 30 April 2026 is attached.

Most of Council’s cash and investments are held in restrictions as per the table below:

<b>30 April 2026</b>	<b>(000s)</b>
Cash and Investments	15,519
<b>Less Restrictions</b>	
External	382
Internal	14,637
<b>Total Restrictions</b>	<b>15,019</b>
Unrestricted Cash	500

External restrictions are funds set aside for specific purposes such as grant funds or developer contributions.

Internal restrictions (sometimes referred to as internal allocations) are determined by Council through the development of the Operational plan, by the Quarterly Budget Review process or by special resolution of Council.

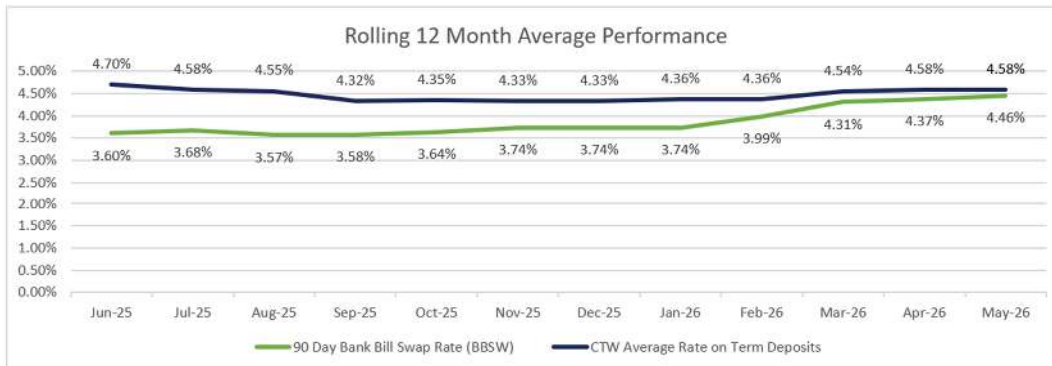
Unrestricted cash is available to meet any unexpected expenditure that may arise. It is notable that the unrestricted cash level can be impacted by the level of debtors and creditors held at the reporting date (increased cash level can indicate a higher level of creditors and/or a lower level of debtors and a lower cash level can indicate a higher level of debtors and/or a lower level of creditors).

**Portfolio Performance: 31 May 2026**

**Performance**

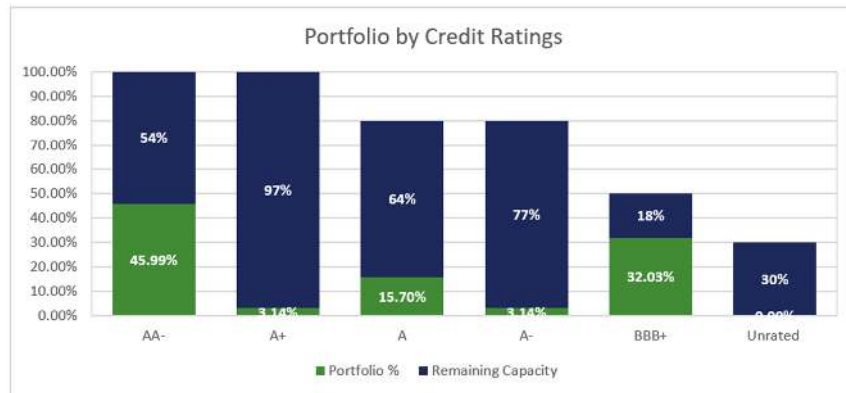
CTW’s average rate of return on investments at 31 May 2026 was 4.58% against the 90 day Bank Bill Swap Rate (BBSW) of 4.46%.

CTW’s portfolio will begin to lag behind the performance benchmark based on the increased market rates as investments remain at historically available rates. Interest earned and accrued for the financial year to 31 May 2026 totals \$591,252.

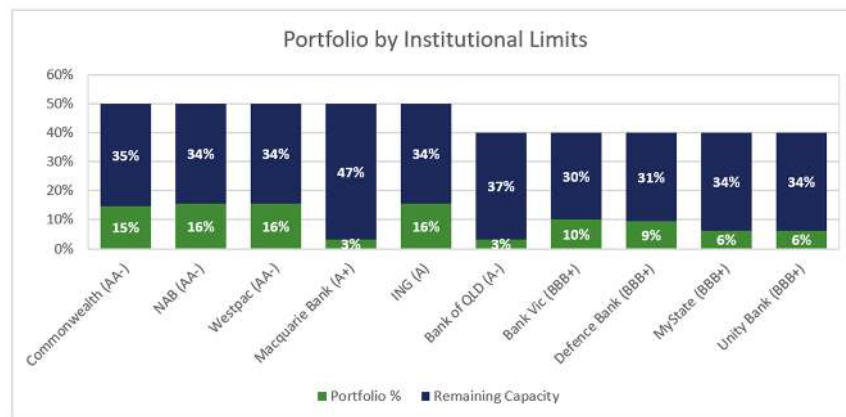


**Compliance**

At the end of May 2026, investments were compliant with Council’s Investment Policy limits by Credit Ratings, Institutions, and Maturity as shown below.



To minimise risk CTW’s investment policy limits the amount that can be invested by credit rating group (known as counterparty limits). Risk is considered to be lower with higher credit rated institutions, but returns potentially higher with lower credit rated institutions, therefore investments are balanced for risk and return.



To achieve diversification CTW’s investment policy limits the total investment in any single institution based on the institution’s credit rating. These limits work in conjunction with the above total credit rates (counterparty) limits. The remaining capacity shown is subject to compliance with the above credit rating limits.



Overall Council's portfolio is diversified across a variety of institutions, credit ratings and maturities, with sufficient capacity for favourable term deposit opportunities. Council has no exposure to unrated authorised deposit-taking institutions (ADIs). Council will seek to smooth maturities through-out the year and align with capital works schedules. A list of investments held at 31 May 2026 is attached.

Most of Council's cash and investments are held in restrictions as per the table below:

<b>31 May 2026</b>	<b>(000s)</b>
Cash and Investments	15,922
<b>Less Restrictions</b>	
External	416
Internal	15,006
<b>Total Restrictions</b>	<b>15,422</b>
Unrestricted Cash	500

External restrictions are funds set aside for specific purposes such as grant funds or developer contributions.

Internal restrictions (or internal allocations) are determined by Council through the Operational Plan, Quarterly Budget Review process or by special resolution of Council.

Unrestricted cash is available to meet any unexpected expenditure. Unrestricted cash level can be impacted by the level of debtors and creditors held at the reporting date (increased cash level can indicate a higher level of creditors and/or a lower level of debtors and a lower cash level can indicate a higher level of debtors and/or a lower level of creditors).

### **BUDGET IMPLICATIONS**

Nil.

### **POLICY IMPLICATIONS**

The investment summaries presented in this report represent Council's total investments as of 30 April 2026 and 31 May 2026 in accordance with Clause 212 of the Local Government (General) Regulation 2021 and Section 625 of the Local Government Act 1993.

I hereby certify that the investments listed in this report have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2021 and Council's Investment Policy.



Claire Wright  
Responsible Accounting Officer

### **ATTACHMENTS**

- 1 Investments April 2026
- 2 Investments May 2026

**11.6) INTERNAL CASH RESTRICTIONS (FM.BU.1)**

**Author:** Executive Management Accountant  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.2: Sound & Sustainable Financial Management – 2.2.1: Review and monitor Councils financial position.

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**RECOMMENDATION:**

That Council:

1. Approve the internal cash restriction transfers for the financial year ended 30 June 2026, as detailed in this report, based on estimated year end results.
2. Delegate authority to the General Manager and Executive Management Accountant to adjust these transfers based on actual results to ensure an Unrestricted Cash balance of \$500,000.

**REPORT**

Historically, internal cash restriction transfers have been processed at the end of financial year in accordance with the adopted budget and any available operational surplus transferred into the Infrastructure Fund for future capital projects. However, as Council's internal cash restrictions evolve to include transfers contingent on operating results, there is a need to provide earlier visibility and formal endorsement of any transfers.

This report allows Council to consider how estimated operating surpluses can be allocated to future priorities. This is intended as an annual report to enhance transparency and governance in the allocation of any operating surpluses.

This approach aligns with the revised Investments and Restricted Assets Policy to formalise the purpose, accumulation, and use of internal cash restrictions. The revised policy is presented at this meeting, in a separate report. Interim approvals are necessary for the 2025/26 financial year, noting the revised policy must be placed on public exhibition for 28 days before it can be formally adopted.

The proposed allocations in Table 1 are based on estimated financial results and may be subject to refinement once actual results are confirmed. This report, in alignment with the revised policy, also recommends delegating authority for transfer adjustments to ensure that Council maintains a minimum Unrestricted Cash balance of \$500,000.

The recommendation excludes:

1. Externally restricted assets - these required balances are governed by specific legislative, contractual, or grant agreements and must be transacted as prescribed.
2. Employee leave entitlement provisions - while internally accounted for, these balances are driven by external obligations under employment conditions and represent committed liabilities rather than discretionary allocations.
3. Incomplete capital projects - these projects will be considered for carry forward or revote at the August Council meeting. As these projects are primarily funded by the Infrastructure Renewal Fund, incomplete works do not create a cash surplus, funds remain committed to those projects or funds are retained in the Infrastructure Renewal Fund if the project is not carried forward or revoted.

All final balances of restricted asset accounts will be presented to Council in the Annual Financial Statements.

**Table 1: Internal Cash Restrictions**

Internally Restricted Asset	Current Balance at 31 May 2026	Budget Balance at 30 June	Estimated Revised Transfer Amount	Estimated Revised Balance 30 June
Drought Fund <sup>1</sup>	\$200,000	\$200,000	-	-
IT Fund <sup>2</sup>	\$250,000	\$250,000	-	-
Consultancy Fund	\$120,000	\$160,000	-	-
Plant and Vehicle Replacement	\$993,335 <sup>3</sup>	\$740,984	(\$252,350)	\$740,984
Infrastructure Fund <sup>4</sup>	\$12,690,000	\$11,700,374	\$454,000	\$13,143,544
Employee Leave Entitlements <sup>5</sup>	\$713,000	\$713,000	As required	As calculated under leave provisions
Unrestricted Cash	\$500,000	\$500,000	As required	\$500,000

**Notes**

- <sup>1</sup> The Drought Fund was established in April 2026 with a \$200,000 transfer – this meets the intention of increasing the balance by \$200,000 per year when drought isn't experienced. No further funding is considered required in 2025/26.
- <sup>2</sup> The IT Fund was established in April 2026 with a \$250,000 transfer – this meets the forecast for when the budget is expected to be expended. No further funding is considered required in 2025/26.
- <sup>3</sup> Plant and vehicle purchases and sales for the year have not yet been processed through the restricted asset account, this will be completed at year end.
- <sup>4</sup> Balancing account to ensure minimum \$500,000 in unrestricted cash.
- <sup>5</sup> As required by Employee Leave Entitlement provisions.

**BUDGET IMPLICATIONS**

As approved.

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**11.7) POLICY REVIEWS (CM.PL.1)****Author:** Corporate Service Manager**IP&R Link:** – 1.2: Ensure Compliance and Regulation**RECOMMENDATION:**

That Council:

1. Endorse the following policies and place them on public exhibition for a period of 28 days:
  - Procurement
  - Data Breach
  - Investment and Restricted Assets
2. If no substantial submissions are received during the public exhibition period, the policies are considered to be adopted.
3. Policies endorsed under this Recommendation shall take precedence over previous Council resolutions where applicable.

**REPORT**

Staff continue to review, update, and develop policies to ensure they align with legislative and best practice requirements.

The following policies are attached for Council's review and endorsement to place on 28 days public exhibition. If no substantial submissions are received during the public exhibition period, the documents be adopted.

**Procurement Policy (Attachment 1)**

The Procurement Policy and Procedures have been updated to align with NSW procurement guidelines.

Council is committed to implementing best practice procurement policy, principles and procedures for the procurement of goods, services and materials. Council recognises that by conducting its procurement activities in a cost effective, socially responsible, sustainable, accountable and ethical manner, we are ensuring value for Council and best possible outcome for the community and the environment.

**Data Breach Policy (Attachment 2)**

The Data Breach Policy was reviewed, with the minor updates.

**Investment and Restricted Assets (Attachment 3)**

This policy has been renamed to include Restricted Assets.

Other updates include extension of maximum tenure of investments, incorporate requirements where investment balances change after an investment is placed, and incorporation of restricted assets.

**BUDGET IMPLICATIONS**

Operational Plan, if required

**POLICY IMPLICATIONS**

Replacement of current policies.

**ATTACHMENTS**

- 1 Draft Procurement Policy
- 2 Draft Data Breach Policy
- 3 Draft Investment and Restricted Assets Policy

**11.8) RURAL WATER SUPPLY POLICY (CM.PL.1)**

**Author:** Corporate Service Manager  
**IP&R Link:** – 1.2: Ensure Compliance and Regulation

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**RECOMMENDATION:**

That Council:

1. Note the submission received during the exhibition period.
2. Adopt the Rural Water Supply Policy (CTW-PR004) with the amendments outlined in this report.
3. Authorise the General Manager to make minor editorial amendments prior to publication, if required.

**REPORT**

At February 2026 Council meeting the draft Rural Water Supply Policy was endorsed to be placed on public exhibition for a period of 28 days in accordance with regulatory requirements, and to be brought back to the April Council meeting for further consideration. To support the timely completion of the Integrated Planning & Reporting documentation, this report has been brought forward to this meeting for Council's consideration.

The draft Rural Water Supply Policy placed on public exhibition clarified the conditions under which rural properties may access water from CTW trunk mains outside town and village urban 50km/hr reticulated service areas. The exhibited document sets out that rural supply is subject to a different level of service in relation to water quality assurance and continuity of supply, and requires a formal water supply agreement, minimum on-site storage, and compliance with network protection measures such as backflow prevention and flow control.

CTW customers were advised that the Draft Rural Water Supply Policy was on public exhibition and available for download from Council's website for the period from 23 February to 27 March 2026, and that written submissions were welcomed until 4pm on 27 March 2026.

The following avenues were used to spread the information to the community and customers:

- CTW Website
- Social media posts on CTW Facebook, with 597 views as at 27 March.

One submission was received objecting to the draft policy on the grounds of statutory priority of domestic water use, public health, water quality obligations, equity of service provision, and the absence of savings provisions for existing development applications (refer to Attachment 1 to review the submission).

***Summary of Submission***

Ms Leesa Blazley on 28 March 2026. It is noted the General Manager provided Mrs Blazley an extension of time (EOT) for a period of 1 day after her request for the EOT was made prior to the advertised closing date and time of submissions. The submission objects to aspects of the Draft Rural Water Supply Policy on the following grounds:

1. Statutory Priority of Domestic Water Use  
The submitter asserts that the draft policy conflicts with the Water Management Act 2000 (NSW), particularly the priority given to domestic and essential town services during extreme events. Concern is raised that cessation of rural supply at higher drought restriction levels could override statutory priorities.

2. **Security of Supply and Public Health**  
The submission raises concerns that ceasing water supply to rural properties during extreme drought could create public health risks and force reliance on unmanaged water sources, potentially conflicting with obligations under the Public Health Act 2010 (NSW) and the Australian Drinking Water Guidelines.
3. **Water Quality and Quality Assurance**  
Objection is taken to policy statements indicating that water supplied via trunk mains may not meet Australian Drinking Water Guidelines, with the submitter asserting that CTW retains responsibility for water quality up to the point of supply.
4. **Equity and Discriminatory Service Provision**  
The submission contends that differing drought responses for town-based domestic customers and rural customers results in inequitable treatment, contrary to the guiding principles and social justice provisions of the Local Government Act 1993 (NSW).
5. **Application to Existing Development Applications**  
The submission requests the inclusion of savings and transitional provisions so that development applications or modification applications lodged prior to exhibition of the policy are assessed under previous policy settings.

### ***Response to submission***

1. **Statutory Priority of Domestic Water Use**  
The submission asserts that the draft policy conflicts with the Water Management Act 2000 (NSW) because it permits cessation of rural supply at Level 5 drought restrictions. This objection is based on the assumption that a rural connection under CTW-PR004 constitutes, or should be treated as, a guaranteed potable domestic water service. The policy does not support that interpretation.

The draft policy expressly states that rural customers receive a different level of service in relation to water quality assurance and availability and classifies the rural service as a Non-Potable Water Supply. It further provides that continuity of supply is not guaranteed, requires a minimum 20 kilolitre on-site storage tank, and expressly authorises CTW to cease providing water to rural properties where the Drought Management Plan reaches Level 5 or greater restrictions.

Accordingly, the policy treats rural supply as a conditional, non-potable service subject to operational and drought management constraints, rather than as a protected potable reticulated town water service. On that basis, the draft policy does not override statutory priorities applying to potable domestic town water systems.

2. **Security of Supply and Public Health**  
The submission raises concern that ceasing supply to rural properties in extreme drought may create public health risks and force reliance on unmanaged water sources. The amended draft addresses this by more clearly defining the rural service as non-potable and by expressly stating that it is not suitable for human consumption, including drinking, food preparation or personal hygiene. It also encourages customers to seek NSW Health guidance on non-potable water supplies and appropriate on-site controls.

The policy also requires on-site storage and includes controls such as backflow prevention, flow control and other conditions designed to protect the integrity of the broader network. These provisions support the policy objective of managing risk to the potable network while making clear that rural customers must not rely on the trunk main connection as a potable domestic supply.

### 3. Water Quality and Quality Assurance

The submission objects to wording indicating that water supplied via trunk mains may not meet the Australian Drinking Water Guidelines, arguing that CTW remains responsible for water quality to the point of supply. In response, it is important to note that the amended draft has strengthened the policy wording to expressly classify rural supply as non-potable and clarify the intended service standard. The policy states that CTW cannot assure ongoing disinfectant residuals or potable compliance at rural connections and that the water supplied to rural customers is therefore considered non-potable.

This is a relevant amendment because the earlier December 2025 draft referred more generally to supply for “domestic purposes and/or the watering of livestock” and relied more heavily on indemnity and customer risk-transfer description, without the same level of express clarification now included in the revised draft as to the non-potable character of the service. The amended version is therefore more transparent, provides more clarity, and is less open to misunderstanding.

### 4. Equity and Discriminatory Service Provision

The submission contends that the draft policy creates inequity by treating rural customers differently from town-based domestic customers. However, the policy distinction reflects a material difference in service type and infrastructure. The draft clearly differentiates between potable reticulated services within towns and villages and rural trunk main connections outside those areas. Rural customers receive a limited, conditional and non-potable service, subject to agreement, storage and operational constraints, whereas reticulated urban customers receive water managed to comply with the Australian Drinking Water Guidelines.

The differing treatment is therefore based on network function, service standard and supply risk, rather than arbitrary discrimination. The amended draft strengthens this distinction and provides greater clarity around the basis for that differentiated level of service.

### 5. Application to Existing Development Applications

The submission requests savings and transitional provisions for development applications lodged before exhibition of the draft policy. While the request is noted, infrastructure servicing policies must be applied having regard to the policy and servicing constraints in force at the time of determination. A blanket savings provision is not supported, particularly where current water supply, drought response and infrastructure protection considerations may differ from earlier settings

## **CONCLUSION**

The submission raises relevant matters concerning statutory interpretation, public health, water quality and service equity, and those objections have been carefully considered as part of the post-exhibition review.

In that context, it is important that the policy now before Council has been amended from the earlier December 2025 draft to provide greater clarity about the intended level of service provided to a rural supply. While the earlier draft outlined operational requirements such as on-site storage, flow control, backflow prevention and customer responsibility for infrastructure, it did not as clearly distinguish rural trunk main supply from potable reticulated town and village water services.

The amended draft improves that position by expressly classifying rural supply as a Non-Potable Water Supply, clarifying that it is not suitable for human consumption, and making clearer that rural customers receive a different level of service in relation to both water quality assurance and continuity of supply. It also more expressly links rural supply to drought

management controls, including the ability to cease supply where the Drought Management Plan reaches Level 5 or greater restrictions.

These amendments are directly relevant to the issues raised in the submission because they address the central misunderstanding underpinning the objections, namely that a rural connection should be treated as an assured potable domestic service equivalent to an urban reticulated connection. The revised draft makes clear that this is not the nature of the service being provided and better aligns the policy wording with the operational reality of rural supply.

On balance, the objections do not warrant a change to the core policy position. Rather, the exhibition process has assisted in refining the draft so that the amended policy is clearer, more transparent and more defensible in its application. For that reason, the amended policy is considered suitable for adoption.

### **RISK IMPLICATIONS**

Council's risk register identifies 'Ineffective Chlorination' as an extreme risk to Council and the community. This is well recognised within the Australian Drinking Water Guidelines; hence a key recommendation within them is to maintain a chlorine residual within the water network. Current rural customers are at risk due to Council being unable to guarantee chlorine residual across the rural water network.

Given this challenge to ensure chlorine residual, it is important to provide clarity to rural customers that the water being supplied to them is non-potable.

This updated policy poses a reputational risk to Council as, to the customer, it would represent a material change in the perceived service they are receiving. This is understandable, and it requires careful, consistent messaging from Council to minimise any potential pushback from this change.

The key fact surrounding this change is that it aligns Council's stated level of service with the reality of what the rural customer is currently experiencing. Through discharging water into a water tank, the water becomes non-potable at that point. It is acknowledged that many customers would not be aware of this, but none-the-less it has been a risk that Council has been bearing.

It is considered that the reputational risk of this change is materially less than the risk posed to our customers through a lack of chlorine residual within their water supply.

To mitigate this risk, and ensure clarity to rural customers, Council will be writing to each rural customer to inform them of this change, the reasons behind it, and the potential impact upon them. A Frequently Asked Questions (FAQ) document will also be developed to help councillors and staff respond to enquiries regarding this change.

### **BUDGET IMPLICATIONS**

Operational Plan, if required

### **POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Submission
- 2 Revised draft Rural Water Supply Policy

**11.9) UNCONNECTED LAND AVAILABILITY CHARGE POLICY (CM.PO.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** – 2.2: Sound & Sustainable Financial Management

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**RECOMMENDATION:**

That Council:

1. Receive and note the report reviewing the Unconnected Land Availability Charge and Policy.
2. Affirm the legislative basis for levying a water availability charge on eligible unconnected land under Section 552 of the *Local Government Act 1993 (NSW)*.
3. Adopt the revised CTW-PR052 (Unconnected Land Availability Charge Policy, version 1.2) as presented, maintaining the existing framework for discretionary exclusions and the 50% charging concession.

**REPORT**

At its April general meeting, Council resolved (Resolution 26/016) that the General Manager submit a report reviewing the Unconnected Vacant Land Availability Charge and policy framework, following discussions on the Chairman's Minute.

Central Tablelands Water (CTW) manages extensive regional assets where water infrastructure, operations, and maintenance present significant ongoing fixed costs. To ensure long-term financial sustainability and equity across the network, Council introduced a mechanism to recover costs from vacant or unconnected parcels that fall within the statutory proximity of service infrastructure. This report reviews key components of this charging structure based on community and stakeholder feedback.

**ELEMENT 1: LEGISLATIVE BASIS FOR THE CHARGE**

The legal mechanism for levying an availability charge on unconnected land is explicitly provided under Section 552 of the *Local Government Act 1993 (NSW)*.

Section 552(1)(b) dictates that a water supply special rate or charge may be levied on:  
*"...land that is situated within 225 metres of a water pipe of the council whether the land has a frontage or not to the public road... and although the land is not actually supplied with water..."*

Section 552(2) provides a strict physical safeguard: the charge cannot be levied unless water could be supplied to some part of the land via a 1-metre-high standpipe connected to Council's mains.

- **Legality and Alignment with Policy Principles:** The position to apply this charge is entirely legal, lawful, and directly aligned with the core principles of the *NSW Regulatory Assurance Framework for Local Water Utilities*. The framework advocates for sound pricing and prudent financial management through equitable cost recovery.
- **Customer Impact & Equity Acknowledgment:** Levying this charge introduces a new quarterly cost to property owners who have not previously contributed financially to the adjacent infrastructure. However, it is essential to acknowledge that the presence of the network directly enables each lot to be connected at the owner's discretion. Prior to the introduction of this charge, the costs of establishing and maintaining this connection

readiness past these unconnected properties were borne entirely by connected, paying customers. The policy corrects this imbalance by ensuring every parcel that is legally and physically enabled to connect contributes to the infrastructure that provides that ongoing opportunity.

### **Recommendation for Element 1**

That Council note the legislative basis under Section 552 of the *Local Government Act 1993 (NSW)* is legally sound and defensible and affirm the ongoing application of the availability charge on unconnected land.

### **ELEMENT 2: EXEMPTIONS FOR ON-SITE INFRASTRUCTURE OR NO INTENT TO CONNECT**

Stakeholder feedback suggested exemptions for landholders utilising private bores/tanks or those declaring no future intention to connect to the CTW network.

Section 558 of the Act governs discretionary exemptions for water supply special rates/charges. It permits exemptions for public reserves, charities, or land deemed completely *unsuitable for building* due to flooding or extreme physical/topographical constraints. It does not make provisions for exemptions based on owner preference or alternative private infrastructure.

- Analysis: Private water systems do not negate the presence, capacity reservations, or capital appreciation provided by CTW's adjacent network. Granting exemptions based on personal intent would compromise equity across the network, forcing connected users to subsidise the infrastructure capacity maintained for these vacant lots.
- Current Mitigations: The draft policy already features robust, lawful exclusions (e.g., land outside service zones, land with engineering constraints, or land legally restricted from development). Furthermore, it applies a **50% reduction** on the standard 20mm availability charge to directly soften the financial impact on these owners.

### **Options for Council Decision (Element 2)**

Option A (**Recommended**): Retain the current suite of exemptions as outlined in Policy CTW-PR052 to maintain network equity and ensure the charging framework remains robust, fair, and legally consistent.

Option B: Expand exemptions to include properties with registered alternative water sources, acknowledging this will reduce forecasted revenue and increase the financial burden on connected customers.

### **ELEMENT 3: SETTING A RETROSPECTIVE SUNSET DATE FOR SUBDIVISIONS**

Stakeholder feedback suggested consideration be given to applying the Section 552 charge exclusively to new subdivisions created after a specified sunset date, thereby exempting historically configured vacant lots.

- Analysis: While Section 558 allows discretionary exemption structures, creating an arbitrary chronological distinction between identical parcels of land creates a dual-tier rating system. This undermines the principle of horizontal equity (treating identical properties identically).

- Planning Context: Modern subdivisions are managed via the *Environmental Planning and Assessment Act 1979 (NSW)* through Development Applications (DAs). These approvals routinely mandate separate service connections and Developer Servicing Plan (DSP) contributions. The Unconnected Availability Charge targets ongoing network readiness costs rather than initial developer connection costs.

### **Options for Council Decision (Element 3)**

Option A (**Recommended**): Do not implement a retrospective sunset date, ensuring all vacant land deriving identical geographical benefits from the network contributes equally.

Option B: Amend the policy to insert a clause exempting all vacant lots registered prior to a specific date (e.g., 1 January 2026), acknowledging the potential risk of perceived inequity between neighbours.

### **ELEMENT 4: DETERMINATION AND ASSESSMENT OF AFFECTED LOTS**

Concerns were raised regarding who determines which lots are captured by the charge and how disputes are handled.

- Analysis: The measurement of statutory distances (225 metres) and physical capacity assessments (standpipe elevation criteria) are strictly technical, operational tasks. Staff have completed extensive spatial analyses to map compliant lots against the criteria.
- Governance Safeguards: To ensure administrative fairness, a formal review mechanism is embedded. Property owners who believe a data or geographical error has occurred may lodge an appeal. This is assessed by technical staff and escalated to the General Manager for final determination.

### **Recommendation for Element 4**

That Council affirm that the identification and assessment of eligible lots remain an operational function executed by technical staff, backed by the documented review process escalated to the General Manager.

### **ELEMENT 5: LAND AGGREGATION UNDER SECTION 531B**

Requests have been made to allow landholders owning multiple contiguous vacant lots to aggregate their properties into a single assessment under Section 531B of the *Local Government Act 1993 (NSW)*.

### **Analysis & Connection Enablement Framework**

While Section 531B is commonly applied within ordinary municipal rating structures (where the Valuer General combines parcels to calculate an *ad valorem* land value rating), it does not translate equitably to a water utility framework.

The fundamental justification for the Unconnected Land Availability Charge is that the infrastructure enables each individual lot to be connected. Each distinct land title represents an independent legal and saleable entity that possesses the immediate statutory right and physical capability to connect to the adjacent water main.

- Individual Lot Benefit: The physical infrastructure is established past the boundary of each lot, directly enabling connection readiness and conferring an immediate benefit to each individual parcel (such as enhanced independent resale value and development readiness).

- **The Inequity of Aggregation:** If Council were to aggregate multiple distinct lots under a single charge, it would mean providing multiple individual parcels with the independent capability to connect while only recovering the cost of one. If an owner later sells one of the aggregated vacant lots, that lot is transferred to the new owner as a fully connection-enabled property, despite having never contributed its fair share toward the infrastructure that established that enablement.
- **Fairness Mitigation:** To prevent subjective determinations of hardship, Council's framework already incorporates a uniform 50% reduction of the standard residential availability charge for all unconnected land. This concession directly acknowledges the unconnected status of the land while ensuring that the cost of enabling connectivity to each separate title is shared fairly, rather than being subsidised by existing connected customers.

### **Options for Council Decision (Element 5)**

Option A (**Recommended**): That Council **does not accept** requests for land aggregation under Section 531B. The availability charge should apply to each individual parcel of land that is physically and legally enabled for connection, ensuring equity and fairness across the network.

Option B: Allow Section 531B aggregation for contiguous unconnected lots under identical ownership, accepting that availability costs for these lots will be reallocated to the broader consumer base.

### **POLICY REVIEW SUMMARY**

A comprehensive review of the Vacant Unconnected Vacant Land Availability Policy has been completed in alignment with the legislative and equity parameters evaluated in this report. The resulting revised policy document has been updated and renamed with revision version 1.2 to be named Unconnected Land Availability Charge Polic (refer Attachment 1).

The policy framework has been thoroughly refined to provide clear structural transparency, legal defensibility, and absolute language consistency with NSW planning and local government regulations.

### **Key Policy Refinements and Structural Updates**

The revised policy incorporates several critical improvements to ensure Council can make fully informed, objective decisions on each operational element:

- **Pivoting to a Connection Enablement Model:** In accordance with the report's recommendations, the core policy statement has been updated to clarify that the water availability charge explicitly covers the ongoing cost of constructing and maintaining infrastructure that provides a connection capability to each separate legal title. This directly reinforces the concept of equity across all enabled allotments.
- **Clear Categorisation of Exemptions (Section 558):** The exemptions section has been formally retitled to Statutory Exclusions and Discretionary Exemptions where Council may apply an exemption. Operating under the statutory powers of Section 558 of the *Local Government Act 1993 (NSW)*, it explicitly identifies seven specific physical, legal, and operational boundaries where Section 552 charge shall not be levied (such as land beyond 225 metres, engineering/topographical barriers, and development-prohibited land).

- **Standardisation of Land Use Zones:** To remove ambiguity for assessing officers and landowners, the affected Local Environmental Plan (LEP) land use zones have been logically grouped into distinct sectors: Residential (R1, R5), Commercial/Business (B2, B5, B6), Industrial (IN1, IN2), and Special Purposes/Other (RE1, RU5, SP2).
- **Formalised Customer Appeal and Review Pathway:** A transparent, two-tier governance structure has been explicitly embedded into the policy text to handle customer disputes. Initial review requests are formally executed by CTW technical staff, while further escalations are officially delegated to the General Manager for final administrative decision.
- **Prudent Financial Management:** The amended policy framework directly satisfies Section 11 of the *Regulatory Assurance Framework for Local Water Utilities* by ensuring transparent, prudent financial management and consistent cost-recovery mechanisms. By maintaining a 50% concession on the standard 20mm availability charge and assessing lots as distinct legal parcels, the policy balances community financial impacts with broad ratepayer equity, preventing connected consumers from unfairly subsidising connection-ready unconnected land.

### **BUDGET IMPLICATIONS**

Any modifications to the proposed charging structure will directly alter the revenue projections within the 2026/27 Operational Plan and Delivery Program. A reduction in the scope of this charge (via expanded exemptions or aggregation) will require either a reduction in planned asset renewals or an upward adjustment to availability charges for existing connected customers to balance the fund.

### **POLICY IMPLICATIONS**

The draft policy is fully compliant with the *Local Government Act 1993 (NSW)* and mirrors the core mandates of Section 11 of the *Regulatory Assurance Framework for Local Water Utilities*, ensuring prudent financial stewardship and transparent pricing.

### **ATTACHMENTS**

- 1 Draft Unconnected Availability Charge Policy - v1.2

**11.10) AUGUST 2026 COUNCIL MEETING DATE ADJUSTMENT (CA.CO.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation – 2.2: Sound & Sustainable Financial Management – 2.2.1: Review and monitor Councils financial position.

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**RECOMMENDATION:**

That Council resolve to move its August 2026 meeting to Wednesday 26 August 2026.

**REPORT**

The August 2026 Ordinary Council Meeting is currently scheduled for Wednesday, 19 August with finalisation of Council meeting papers by Friday 14 August. To meet the deadline for submission of the 2025/26 Annual Financial Statements, draft statements must be presented at the August Council meeting.

The end-of-financial-year period represents one of the most resource-intensive and complex intervals for financial reporting. Significant effort is directed toward the preparation, reconciliation, and validation of Council's annual financial statements to ensure accuracy, compliance, and completeness prior to submission to the external audit.

Under the current meeting schedule, the financial statements included in the Council business paper for 19 August 2026 would necessarily be in a more preliminary draft form. This timing limits the opportunity for final internal review processes and comprehensive quality assurance.

Deferring the meeting by one (1) week to Wednesday, 26 August would align the preparation of Council meeting papers with the submission date to the external auditor (Monday 24 August) and therefore reduce the likelihood of material amendments from a more preliminary draft.

The deferral supports improved governance outcomes by ensuring that Council is presented with a more complete, reliable, and audit-ready set of financial statements.

**BUDGET IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

Nil.

**ATTACHMENTS**

Nil.

**11.11) 2026/27 INTEGRATED PLANNING & REPORTING DOCUMENTS (CA.CO.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation

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**RECOMMENDATION:**

In accordance with Sections 402-406 of the Local Government Act 1993 and Clause 219 of the Local Government (General) Regulations 2005, and following the statutory period of 28 days of public exhibition and staff review, Council adopt the following documents:

- Business Activity Strategic Plan 2022-32
- Delivery Program 2027-2030 and Operational Plan 2026/27
- Long-Term Financial Plan 2027-2036
- Annual Budget and Statement of Revenue Policy 2026/27
- Workforce Management Strategy 2027-2030

**REPORT**

Council at its meeting held 30 April 2026 resolved to place the following Integrated Planning & Reporting (IP&R) documents on public display for a period of 28 days:

- Business Activity Strategic Plan 2022-32
- Delivery Program 2027-2030 and Operational Plan 2026/27
- Long-Term Financial Plan 2027-2036
- Annual Budget and Statement of Revenue Policy 2026/27
- Workforce Management Strategy 2027-2030

During the public exhibition period, CTW customers were advised that the draft plans were on public exhibition at the Council Office in Blayney and on Council's website for the period 4 May to 4 June 2026 and that written submissions were welcomed up to 4.00pm on 4 June 2026.

The following avenues were used to spread the information to the community and ratepayers:

- Social media posts on CTW Facebook, which received a total of 282 views
- CTW website page
- A media release was emailed to all local and regional newsprint and radio media outlets.

***Summary of Changes***

1. Councillor Remuneration (Attachment 1)
  - The Local Government Remuneration Tribunal has determined an increase of 3.7% to mayoral and councillor fees for the 2026-27 financial year, with effect from 1 July 2026
2. Overdue Rates and Charges (Attachment 2)
  - In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2026 to 30 June 2027 will be 9.5% per annum.

- Under section 603 of the LG Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc. due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2026/27 is determined to be \$105.
3. Automatic Filling Station subsidy has been defined (Attachment 3)
  4. The draft 2026/27 Fees & Charges currently includes a Non-Potable Water charge which is not used. This has been removed (refer to Attachment 3).
  5. In accordance with Section 356 Financial Assistance, staff are reviewing applications in determining allocation within the budget set in the Operational Plan.

**Submission**

Council received one (1) submission from Doug Pursehouse during the public exhibition period (refer to Attachment 4). Staff have reviewed the submission. All points raised by Mr Pursehouse were considered and no changes have been made.

**Summary**

Staff ask Councillors to adopt the draft IP&R document presented to the 30 April 2026 Council Meeting, noting the above-mentioned minor changes to the *Budget and Statement of Revenue Policy 2026/27*.

**BUDGET IMPLICATIONS**

As per 2026/27 Operational Plan.

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Council Circular 26-05 - Determination of the LG Remuneration Tribunal
- 2 Council Circular 26-06 - Rates Related Determinations
- 3 Revised Budget & Revenue Statement 2026/27
- 4 IP&R Submission

**11.12) 2022-26 DELIVERY PROGRAM 6-MONTH PROGRESS REPORT (CA.CO.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** Strategic Priority 1: Provide a high quality and reliable drinking water supply

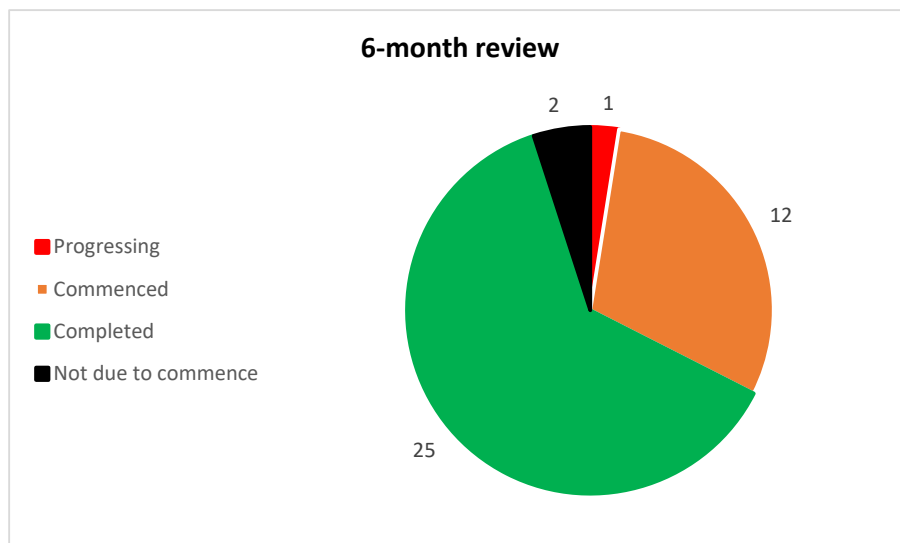
**RECOMMENDATION:**

That Council note the final 6-month progress report of the 2022-2026 Delivery Program covering the period January to June 2026.

**REPORT**

In accordance with Section 404(5) of the *Local Government Act 1993*, the General Manager must ensure that regular reports are provided to Council as to progress with respect to the achievement of the principal activities detailed in the Delivery Program.

During the 2022-26 period, staff completed a total of 25 of the 40 actions, with 12 well underway but not completed as they will continue into the next 4 year period.



Attachment 1 provides an update on Council’s progress in achieving strategic outcomes prescribed in Council’s 2022-2026 Delivery Program.

**BUDGET IMPLICATIONS**

Within the 2025/26 Operational Plan

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 6-month Delivery Program Review: January to July 2026

**11.13) AUDIT RISK & IMPROVEMENT COMMITTEE (ARIC) (CM.AU.1)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** – 2.2: Sound & Sustainable Financial Management

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**RECOMMENDATION:**

That Council:

1. Note the Audit, Risk & Improvement Committee Minutes for the meeting held on 6 May 2026, and
2. Adopt the draft Internal Audit Charter endorsed by the Audit Risk & Improvement Committee.

**REPORT**

The Minutes of the Audit Risk & Improvement Committee (ARIC) meeting held on 6 May 2026 are presented for Council's consideration (refer Attachment 1).

Reports discussed at this meeting include (refer Attachment 2):

- General Managers Update
- Quality Budget Review Statement @ 31 March 2025
- Financial Statements Update - 2025-26
- Long Term Financial Plan 2027-2036
- Audit Actions Update
- Policy Reviews
- Internal Audit Charter
  - ARIC members endorsed an amended Internal Audit Charter to align with the Global Internal Audit Standards 2025 and it is presented to Council for adoption (refer Attachment 3)

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 ARIC Minutes 6 May 2026
- 2 May 2026 ARIC Business Papers
- 3 CTW Draft Internal Audit Charter 2026

**11.14) CORPORATE SERVICES UPDATE (CM.CP.2)**

**Author:** Executive Manager Corporate Services  
**IP&R Link:** Strategic Priority 2: An efficient, sustainable and customer focused organisation

**RECOMMENDATION:**

That Council note the information provided within the Corporate Services Update.

**REPORT**

Please find below an overview of recent activities within the Corporate Services department.

**Work Health & Safety**

1. Staff Wellbeing Day

The Wellbeing Day on 20 May 2026 brought together the whole CTW team for a day of learning, connection, and fun. From insightful discussions on wellbeing (work, personal, and financial), resilience and communication, to an entertaining and fun Survivor challenge, the day highlighted teamwork, support and positive culture that makes CTW such a great place to work.



2. Training

Training over the past three months saw staff successfully participate in MR Truck Driving, Excavator, Working at Heights, Confined Spaces, Test & Tag, and CPR.

### 3. Fleet Management

The EMCS and Technical Officer spent a day talking to numerous Fleet Management providers to investigate options for fleet monitoring across our staff vehicles. Our main priority is improving staff safety, especially since many of our teams work in isolation, as well as information such as kilometres travelled, speed, vehicle maintenance programs, and vehicle procurement.

#### Risk

1. The Risk Register, endorsed in February 2026, is currently being reviewed by all areas of Council.
2. The Business Continuity Plan (BCP) is under review with the final draft to be submitted to Council at their August 2026 meeting.

Staff participated in a small desktop exercise on 17 May, prior to the moving of the IT Server within the Blayney Office.

There is a full exercise scheduled on 22 July being hosted by Council's insurers (Statewide and Marsh). Once this exercise is completed, the draft BCP will be finalised and presented to Council at its August meeting.

#### Human Resources

1. The draft 2026-2030 Local Government Award has been negotiated between LG NSW and the Unions. The draft has been provided to all staff for their review. The major changes in the new Award include:
  - A 4% increase per year
  - The introduction of 5 days of MyLeave
  - Changes to the Maternity Leave provision.

Union members have had an opportunity to vote on the draft document, and we are waiting the final adoption by NSW Government, prior to the Award coming into effect from 1 July 2027.

2. We have appointed two new Network Operators:
  - Brayden Dowd commenced in Grenfell on 2 March
  - Ian Markham commenced in Blayney on 20 May.
3. Interviews for the EMOTS position are scheduled on 10 June. We have shortlisted five applicants. A verbal update can be provided on the progress during the meeting.

#### Communications & Media

1. Why I like to Work at CTW
 

We had a successful social media campaign during March to highlight several staff and their thoughts on why they like to work at CTW. The Facebook posts had over 3,000 views. Most of the recent position applicants have read the posts and believe it has increased the number of applications received for recent vacant positions.
2. External Newsletter
 

An external newsletter (Attachment 1) was included with the recent water notices. The April edition a reminder on the important for customers to keep their contact details up to date, a notice on the IP&R public exhibition, pensioner concession information, and two staff talking about "why I like to work at CTW".
3. Internal Newsletter
 

A regular internal newsletter is developed and distributed to all staff every few months. The latest edition covers areas such as the recent wellbeing day, cyber awareness, council meeting summary, a financial update, introduction of new staff, and much more.

#### 4. CTW Website Review

We have been working to improve the look and functionality of the CTW website and its contents. Preliminary work has commenced, with a gradual upgrade taking place over the next few months.

#### **Governance**

The Executive Manager Corporate Services participates in a range of activities to ensure CTW remains up to date in relation to current activities and best practices within water and local government areas. Some of the recent activities included:

- StateCover Regional Workshop, including sessions on Workers Compensation and a LG NSW session on the 2026 LG Award
- CNSWJO IT Managers Working Group
- CNSWJO Fleet Managers Working Group
- Cyber Hygiene Improvement Program Clinic, Australia Signals Directorate
- CTW Monthly Water Quality and Support Meetings
- LGNSW Employment Law Seminar
- LG Professional Director and GM Forum

#### **BUDGET IMPLICATIONS**

All expenditure required is within the Operational Plan.

#### **POLICY IMPLICATIONS**

- Local Government Act 1993
- Local Government (State) Award
- NSW WHS Act 2011

#### **ATTACHMENTS**

- 1 External Newsletter - April 2026

**12. QUESTIONS ON NOTICE**

(General Manager)

No questions on notice were received.

**ATTACHMENTS**

Nil