



ANNUAL REPORT

2020/2021

Embracing Change, Building on History

COUNCIL STATEMENTS AND VALUES

Vision Statement

Council will have a vibrant, confident and inclusive community supported by a sustainable and prosperous economy underpinned by a well-maintained road network.

Mission Statement

To be a 'can do' Council, that is, a Council that is proactive and prioritises affordable and relevant service delivery for its community.

Value Statement

Respect for each other

Integrity as a foundation

Courage to make the right decisions

Honesty in all dealings

Transparency to support accountability

Acknowledgement of Country

Glen Innes Severn Council acknowledges and pays respect to the Ngorabul people as the traditional custodians of this land, their elders past, present and emerging and to Torres Strait Islander people and all First Nations People.

COUNCIL CONTACT INFORMATION



Council Offices

Grey Street Administration Office
265 Grey Street, Glen Innes
Office Hours: 8.30 am to 4.30 pm

Health, Building and Infrastructure Office
136 Church Street, Glen Innes
Office Hours: 8.30 am to 4.30 pm

Written Communication

The General Manager
Glen Innes Severn Council
PO Box 61
Glen Innes NSW 2370

Telephone

(02) 6730 2300

Email

council@gisc.nsw.gov.au

Website

www.gisc.nsw.gov.au

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MESSAGE FROM THE MAYOR



The Annual Report is an overview of the highlights of the 2020 - 2021 Financial Year for Glen Innes Severn Council.

It has certainly been another difficult year with the world being impacted by the COVID-19 Pandemic.

As a result of the Pandemic, the Local Government Elections for NSW were postponed in September 2020 until September 2021, extending the Council term to five (5) years, from the original four (4) year term. I was, again, voted in as Mayor at the September 2020 Extraordinary Council Meeting, for a further 12 months.

COVID-19 and particularly its Delta variant is wreaking havoc throughout the world. I am very pleased that vaccinations are now available in our community and am hopeful that many people will be fully vaccinated by the time this report is published.

Council has been inundated with grant funding throughout the year and is coping very well with the additional grant funding that has been provided. There has been, and continues to be, lots of roadworks, sealing and upgrading of our road network.

Bridge building is under way and many bridges have now been completed. The construction of the Mann River Bridge on the Old Grafton Road is completed, and the contractors have gone home, with work now to be carried out on the approaches to the bridge. Floods and torrential downpours hindered the progress of the construction of this bridge and, of course, repairs to and construction of many of the roads in our Local Government Area. When the project is fully completed Council will consider officially naming this bridge in consultation with the community.

Council has been successful with many grant applications and received funding in the order of \$20M from the State and Federal Governments, including:

- The Rail Trail initiative – \$8.7M to begin the exciting Rail Trail project;
- The Skywalk – \$2M;
- The sheep yards and facilities at the Glen Innes Saleyards – \$1.25M;
- The Wind Blade Park project – \$94,163; and, of course
- The Warwick Twigg Indoor Sports facility – \$5.5M which is now underway at last and is much anticipated by our netball champions and other sporting organisations.

Council has a Climate Action Plan in progress and I am asking everyone in the community who has sustainable ideas to come and visit me in my office, so that we can work together to help reduce the town's emissions and provide a template to follow for future Council Climate Action Plans.

I extend my congratulations to Council's Events Management Team led by the Manager of Economic Development Ms. Margot Davis, and the Tourism and Events Officer Ms. Ronnie Bombell, for their hard work in ensuring the success of the 2021 Australian Celtic Fringe Festival and Minerama. It was also wonderful that the Record Fair in the Town Hall and Glenfest were able to be held during these uncertain times.

I was very pleased that the Glen Innes Show was also a great success, being held under COVID-19 restrictions.

The year also saw the end to a very painful phase of code of conduct matters which were difficult to deal with and very costly to the community – I thank the General Manager for bringing these matters to a close.

Despite this underlying tension, Councillors have shown their worth and have made many united decisions that will take this Local Government Area forward into the future.

There is so much more happening – the new Hub at the Old Holden building in Grey Street, the new toilets and upgrades at Deepwater, the proposed windfarm at Ben Lomond, upgrades at Emmaville and continued road and drainage repair works throughout the Local Government Area.

I want to thank Council's Director of Development, Planning and Regulatory Services Mr Graham Price, for all his wisdom and work and wish him and his wife Rose all the very best for his upcoming retirement. Graham will be sorely missed.

Thank you also to the General Manager Mr Craig Bennett, the Director of Corporate and Community Services Mrs Anna Watt, and the Director of Infrastructure Services Mr Keith Appleby, and all of the Council staff for all of your great work. I look forward to the future and working with you all.

Be kind

Cr Carol Sparks

Mayor

I Pay my respects to the Ngoorabul people as the traditional owners of this land, their elders past, present and emerging, Torres Strait Islander people and all First Nation people.

GENERAL MANAGER'S OVERVIEW

Council has continued to work on the priorities and actions detailed in the four-year Delivery Program (2017-2021).



This Delivery Program is part of the longer-term Community Strategic Plan (2017-2027) which was developed in consultation with the community of Glen Innes Severn. The Community Strategic Plan is the future plan and it outlines what the community have told Council they want Council to focus on over the next ten years.



Infrastructure

- A focus on renewal and maintenance of Council's local transport network.
- Council increased its renewal and maintenance expenditure by \$1.8M, an increase of 30% from the 2019/2020 Financial Year (\$6.14M for 2019/2020).
- Council will continue to prioritise the renewal and maintenance of its local transport network in the 2021/2022 Financial Year.

This Annual Report provides an overview of the achievements over the past Financial Year (1 July 2020 until 30 June 2021).

INFRASTRUCTURE

A survey conducted by Jetty Research in the 2017/2018 Financial Year detailed that the Community of Glen Innes Severn wanted Council to pursue the renewal and maintenance of its local transport network as priority number one (1) and to engage in economic development activities that would stimulate local business, employment and spend within the Local Government Area (LGA) as priority number two (2).

Council spent the following amounts on the renewal and maintenance of its local transport network during the 2020/2021 Financial Year:

Renewal	\$4,535,000
Maintenance	\$3,455,000
TOTAL	<u>\$7,990,000</u>

This is an increase of \$1.8M or 30% from the 2019/2020 Financial Year (\$6.14M for 2019/2020). Council will continue to prioritise the renewal and maintenance of its local transport network in the 2020/2021 Financial Year.



Economic Development

- Council submitted 20 grant applications and received a total of \$25M in grant funding for the year.
- Council established the Grow Glen Innes THINK TANK. The Think Tank was launched on 31 March 2021.
- By the end of June 2021 there were 46 registrations for the think tank and two workshops were completed.
- Funded projects - Escape Rooms, Regional Powerhouse Museum Proposal and Business Case, Gravel Grinding Routes and the New England Rail Trail.
- Council delivered a very successful Australian Celtic Fringe Festival.
- A total of \$61K was allocated from the Business Incentive fund to provide financial support to local businesses.

ECONOMIC DEVELOPMENT

Council continued to focus on Economic Development with the overall objective to deliver activities that stimulate local business, employment and spend within the Local Government Area (LGA). One (1) of the most significant achievements during the year was the delivery of the new Economic Development Strategy 2020-2040 and the accompanying Action Plan 2020-2025, which set a new place-based vision and strategic approach to deliver the year's action items, which included the establishment of the Grow Glen Innes THINK TANK. The Think Tank was launched on 31 March 2021.

By the end of June 2021 there were 46 registrations for the think tank and two (2) workshops were completed. The first workshop focussed on Jobs and Skills Gaps Research and the second workshop focussed on Health care Workforce attraction.

The following projects were funded during the Financial Year – Escape Rooms, Regional Powerhouse Museum Proposal and Business Case, Gravel Grinding Routes and the New England Rail Trail.

Marketing of the Glen Innes Highlands as a place to Visit, Live and Invest included the use of paid digital and social media, television and print advertisements. The advertising was undertaken to reach a wide range of audiences.

The increased website traffic, when compared to the previous year, demonstrates the positive impact that the targeted marketing activity had on increasing brand awareness.

New content was developed on a consistent basis and this was optimised with a new live campaign that was launched in March 2021. This campaign targeted families who were contemplating a move to regional Australia.

Council provided financial assistance to local programs, businesses, events and associations to the tune of \$141K. In total there were 20 local events that were supported by Council. This assistance included event support, marketing and promotion and general advice on how to hold a COVID safe event.

Council delivered a very successful Australian Celtic Fringe Festival, pivoting to ensure the adherence to the COVID-19 restrictions, which were in place at the time of the event. Council also delivered Christmas in the Highlands, which supported local businesses, market stall holders and provided the community with some festival activities.

It was also a very successful year for grants. Council submitted 20 grant applications and received a total of \$25M in grant funding for the year.

The Business Incentive Fund provided financial support to the following businesses:

- Weirbuilt;
- Cool Climate Gardens;
- Sew Many Fabrics; and
- Ben's Falls Retreat.



Financial Performance

- Council is in a reasonable financial position.
- The challenge for Council is to ensure that the actual result for the 2021/2022 Financial Year is at worst a break-even result or better still, a positive result.
- Some work needs to be done on increasing operating revenue and/or decreasing operating expenses as part of the drafting of the Operational Plan and Budget for the 2022/2023 Financial Year.
- The **Debt Service Cover Ratio**, the **Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage Ratio** and the **Cash Expense Cover Ratio** have met the benchmark for the last three (3) Financial Years.

A total of \$61K was allocated from the fund during the 2020/2021 Financial Year.

FINANCIALS

Council is in a reasonable financial position. The **Net Operating Result** attributable to Council has gone from being a positive result of \$900K in the 2019/2020 Financial Year (including grants and contributions provided for capital purposes of \$2.77M), to a negative result of \$1,227M for the 2020/2021 Financial Year.

The main reason for the negative result is the net losses from the disposal of assets of \$4.241M. This is detailed in the Income Statement on Page 5 of the General-Purpose Financial Statements for the year ending 30 June 2021.

Some attention needs to be given to a few of the financial performance indicators, which are highlighted on pages 81 to 84 of the General-Purpose Financial Statements.

Council is not meeting the benchmarks set for the Operating Performance Ratio, the Own Source Operating Revenue Ratio or the Unrestricted Current Ratio.

The **Operating Performance Ratio** measures a council's ability to contain operating expenditure within its operating revenue.

The **benchmark** for the Operating Performance Ratio is greater than 0%. Council has achieved an Operating Performance Ratio of negative 4.81%. This is down from a negative result of 1.94% in 2019/2020 and a positive result of 0.72% in 2018/2019.

The challenge for Council is to ensure that the actual result for the 2021/2022 Financial Year is at worst a break-even result or better still, a positive result.

Some work needs to be done on increasing operating revenue and/or decreasing operating expenses as part of the drafting of the Operational Plan and Budget for the 2022/2023 Financial Year.

The **Own Source Operating Revenue Ratio** details the reliance on external funding sources, such as operating grants and contributions. Council is slightly too reliant on these external funding sources.

Council needs to explore more ways of generating own source operating revenue in the future. The **benchmark** for the Own Source Operating Revenue Ratio is greater than 60%.

Council is under that benchmark at 54.89%. This is a slight decrease on the percentage achieved in the 2019/2020 Financial Year of 55.26%. It is still under the percentage achieved in the 2018/2019 Financial Year of 60.85%.

Council needs to continue the trend of increasing this ratio above the benchmark percentage of 60% over the next couple of years, otherwise Council **may** not be financially fit for the future.



The **Unrestricted Current Ratio** measures the Council's ability to pay its short-term bills. Council is under the benchmark of greater than 1.50 times. This is less than what it was in the 2019/2020 and 2018/2019 Financial Years.

However, it will not take much effort to ensure that the ratio is above the benchmark in the 2021/2022 Financial Year.

The other three (3) ratios relating to the General-Purpose Financial Statements have been met. They are the **Debt Service Cover Ratio**, the **Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage Ratio** and the **Cash Expense Cover Ratio**. All these ratios have met benchmark for the last three (3) Financial Years.

The debt service cover ratio measures the availability of operating cash to service debt, including interest, principal and lease payments. Council is also above the industry benchmark of greater than two (2) times. Council can meet its borrowings 2.61 times.

The rates, annual charges, interest and extra charges outstanding percentage assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

The industry benchmark for this ratio is less than 10% of the total rates, annual and extra charges collectible. Council has an outstanding percentage of 5.22%. This is well below the benchmark.

The cash expense cover ratio indicates the number of months that a Council can continue paying its immediate expenses without additional cash inflow. The industry benchmark for this ratio is greater than three (3) months. Council can continue for 12.56 months. This is more than four (4) times the industry benchmark.

Some attention also needs to be given to one (1) of the financial performance indicators, which are highlighted on page 10 of the Special Schedules for the year ending 30 June 2021.

Council is not meeting the Infrastructure Backlog Ratio. It is however meeting the Buildings and Infrastructure Renewals Ratio and the Asset Maintenance Ratio.

A graphic consisting of a light grey rounded square with the words "Financial Ratios" written inside in a dark red, serif font.

Financial Ratios

The Infrastructure Backlog Ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship. This ratio has improved from a ratio of 15.94% in the 2019/2020 Financial Year to a ratio of 12.57% in the 2020/2021 Financial Year.

This ratio needs to be a focus for the next 10 years. The first target is to get the ratio under 10%. The focus must then be to reduce the ratio by at least one percent (1%) each year after that. That will achieve the desired result of ensuring that the ratio is under two percent (2%) by 2030.

The Buildings and Infrastructure Renewals Ratio assesses the rate at which these assets are being renewed relative to the rate at which they are depreciating.

A ratio above or equal to 100% (Industry Benchmark) is what Council is striving for. This ratio has improved from 91.56% in the 2019/2020 Financial Year to 137.15% in the 2020/2021 Financial Year.

The Asset Maintenance Ratio compares actual versus required asset maintenance. A ratio above 100% (Industry Benchmark) indicates that Council is investing sufficient funds. This ratio is improving. It was 102.36% in the 2018/2019 Financial Year, then 102.29% in the 2019/2020 Financial Year and finally came in at 116.91% in the 2020/2021 Financial Year. This ratio is now well above the industry benchmark.

I look forward to working closely with the Mayor, Councillors, Staff, the Community and other key stakeholders to ensure that the 2021/2022 Financial Year is another very successful year for the Glen Innes Severn Local Government Area.

Craig T Bennett
General Manager



ABOUT OUR COUNCIL

COUNCIL

Council comprises of community members who are elected for a four (4) year term. Due to the NSW Public Health Order restrictions, the Local Government Elections scheduled for 4 September 2020 were postponed until 4 September 2021. The continuance of NSW Public Health Orders meant that the elections were again postponed until 4 December 2021. This has meant that the Council term will have been extended from four (4) years to five (5) years and three (3) months. The following Council Term will be from 4 December 2021 until 4 September 2024, to then bring the elections back into a four-year cycle.

The *Local Government Act 1993*, states that a council has the following charter:

- to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively;
- to exercise community leadership;
- to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism;
- to promote and to provide and plan for the needs of children;
- to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- to have regard to the long term and cumulative effects of its decisions;
- to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible;
- to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government;
- to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants;
- to keep the local community and the State Government (and through it, the wider community) informed about its activities;
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected; and
- to be a responsible employer.

COUNCILLORS

The *Local Government Act 1993*, divides the role of the Councillors into two (2) broad categories:

1. As a Member of the Governing Body of the Council to:

- direct and control the affairs of the Council in accordance with the Act;
- allocate the Council's resources in the optimum way to benefit the area;
- play a key role in the creation and review of the Council's policies and objectives and criteria relating to the exercise of the Council's regulatory functions; and
- review the performance of the Council and its delivery of services, and the management plans and revenue policies of the Council.

2. As an Elected person to:

- represent the interests of residents and ratepayers;
- provide leadership and guidance to the community; and
- facilitate communication between the community and the Council.

MAYOR

The Councillors elect the Mayor and the Deputy Mayor every two (2) years. The *Local Government Act 1993*, states that the role of the Mayor is to:

- exercise, in cases of necessity, the policy-making functions of the governing body of the council between meetings of the council;
- exercise such other functions of the council as the council determines;
- preside at meetings of the council; and
- carry out the civic and ceremonial functions of the mayoral office.

ELECTIONS

The Local Government elections were last held on Saturday, 10 September 2016. The next elections are scheduled for Saturday, 4 December 2021 after they were postponed twice from Saturday, 4 September 2020.



Photo courtesy of the Glen Innes Examiner

Front left to right: Cr Steve Toms, Cr Carol Sparks (Mayor) and Cr Glenn Frendon.

Back left to right: Cr Jeff Smith, Cr Colin Price, Cr Dianne Newman (Deputy Mayor) and Cr Andrew Parsons.

COUNCILLOR CONTACT DETAILS

The Councillors elected at the 2016 elections, in alphabetical order, with contact details are:

Cr Carol Sparks (Mayor)

1 Cameron Lane, Glen Innes NSW 2370

Mobile: 0427 709 686

Mayor Email: mayor@gisc.nsw.gov.au

Email: csparks@gisc.nsw.gov.au

Cr Dianne Newman (Deputy Mayor)

173 Whitmore Road, Glen Innes NSW 2370

Mobile: 0427 721 950

Email: dnewman@gisc.nsw.gov.au

Cr Glenn Frendon

82 Moore Street, Emmaville NSW 2371

Telephone: (02) 6734 7202

Mobile: 0429 347 000

Email: gfrendon@gisc.nsw.gov.au

Cr Andrew Parsons

PO Box 143, Glen Innes NSW 2370

Telephone: (02) 6732 5504

Mobile: 0427 325 504

Email: aparsons@gisc.nsw.gov.au

Cr Colin Price – Resigned from Council Tuesday, 31 August 2021.

311 Pitlochry Road, Glen Innes NSW 2370

Mobile: 0458 143 023

Email: cprice@gisc.nsw.gov.au

Cr Jeff Smith

272 Lambeth Street, Glen Innes NSW 2370

Telephone: (02) 6732 4151

Mobile: 0427 456 629

Email: jsmith@gisc.nsw.gov.au

Cr Steve Toms – Resigned from Council Thursday, 30 September 2021.

1 Elizabeth Street, Glen Innes NSW 2370

Telephone: (02) 6732 2027

Mobile: 0409 243 167

Email: stoms@gisc.nsw.gov.au

GENERAL MANAGER

The General Manager is the most senior employee of a Council and is the only member of staff selected and appointed by Councillors. The General Manager is appointed on a renewable, fixed term, performance-based contract for a maximum of five (5) years.

Under the Act, the General Manager's responsibilities include:

- efficient and effective operation of the council organisation and day-to-day management. This includes ensuring council decisions and policies are implemented;
- appointing, directing and dismissing staff in accordance with an organisation structure and resources approved by the council;
- implementing the council's Equal Employment Opportunity Management Plan; and
- exercising other functions as delegated by the council.

The General Manager may, in turn, delegate functions to other staff.

COUNCIL STAFF

Council employs staff such as town planners, engineers, building surveyors, librarians, environmental officers, rangers, administration staff, community services program coordinators, direct support workers and childcare workers. They carry out the day-to-day operations of the Council, and implement Council policies and other decisions, as directed by the General Manager.

DIVISION OF STAFF RESPONSIBILITY

The General Manager is responsible for the efficient and effective operation of the Council's organisation and for ensuring the implementation, without undue delay, of the decisions of Council.

The General Manager leads a Staff Management Executive Team, called MANEX Team, consisting of the Department Heads, each with the power to co-opt other staff as and when necessary. This corporate management structure aims to ensure policies and decisions formulated by Council are implemented in a co-ordinated, efficient and effective manner.

Council has delegated authority to the General Manager, and the General Manager to several other staff, to carry out certain functions as a means of facilitating administration and operations.

STAFF POSITIONS APPROVED BY COUNCIL

Permanent staff positions approved by Council on Wednesday, 30 June 2021.

POSITION	Full-time/ Part-time	FT HRS	Total FTE Positions
GENERAL MANAGER'S OFFICE			
General Manager	FT	35	2.69
Executive Assistant	FT	35	
Media and Communications Officer	PT	35	
CORPORATE AND COMMUNITY SERVICES			
Director of Corporate and Community Services	FT	35	3.00
Manager of Governance, Risk and Corporate Planning	FT	35	
Personal Assistant	FT	35	
Administration and Human Resources			
Manager Administration and Human Resources	FT	35	5.57
Records Supervisor	FT	35	
Work Health and Safety Coordinator	FT	35	
Human Resources Officer (Payroll)	FT	35	
Administration Officer (Human Resources)	PT	35	
Administration Officer (IT and Records)	FT	35	
Finance			
Chief Financial Officer	FT	35	10.00
Financial Accountant	FT	35	
Finance Officer	FT	35	
Rates Officer	FT	35	
Debtors Officer	FT	35	
Customer Service Officer	FT	35	
Management Accountant	FT	35	
Creditors Officer	FT	35	
Storeperson	FT	38	
Purchasing and Supply Officer	FT	38	
Library and Learning Centre			
Manager Library and Learning Centre	FT	35	5.00
Library Technician	FT	35	

Library Assistant	FT	35	
Library Assistant	FT	35	
Library Assistant	FT	35	
Community Services			
Manager of Community Services	FT	35	1.00
Children, Youth and Family Services			
Coordinator Children, Youth and Family Services	FT	35	
Youth Worker	PT	38	
Youth Worker Assistant	PT	38	
Educator Supervisor	PT	30	
Educator Assistant (OOSHC)	PT	20	3.21
Life Choices - Support Services			
Administration and Quality Officer	FT	35	
Finance Officer	FT	35	
Customer Service Officer	PT	35	
Customer Service Officer	FT	35	
Coordinator - Activity and Lifestyle Support	FT	35	
Activity Support Facilitator	PT	38	
Activity Support Facilitator	PT	38	
Activity Support Facilitator	PT	38	
Activity Support Facilitator	FT	38	
Activity Support Facilitator	FT	38	
Lifestyle Support Facilitator	FT	38	
Lifestyle Support Facilitator	FT	38	
Lifestyle Support Facilitator	FT	38	
Lifestyle Support Facilitator	FT	38	
Coordinator Direct Support	FT	35	
Team Leader Direct Support	FT	38	
Maintenance Worker	FT	38	
P/T Direct Support Worker (Clinical)	PT	38	
P/T Direct Support Worker (Clinical)	PT	38	
P/T Direct Support Worker (Clinical)	PT	38	
P/T Direct Support Worker (Clinical)	PT	38	
P/T Direct Support Worker (Clinical)	PT	38	
P/T Direct Support Worker (Domestic)	PT	38	22.22

P/T Direct Support Worker (Domestic)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
P/T Direct Support Worker (General)	PT	38	
DEVELOPMENT, PLANNING AND REGULATORY SERVICES			
Director of Development, Planning and Regulatory Services	FT	35	
Personal Assistant	FT	35	2.00
Economic Development			
Manager of Economic Development	FT	35	
Tourist Assistant	FT	35	
Tourist Assistant	PT	35	
Tourism and Events Officer	FT	35	
Marketing Assistant	FT	35	
Grants Officer	PT	35	5.29
Planning and Regulatory Services			
Manager of Planning and Regulatory Services	FT	35	
Customer Service Officer	PT	35	
Customer Service Officer	PT	35	
Building and Environmental Health Officer	FT	35	
Technical Support Officer	FT	35	
Town Planner	FT	35	
Ranger	FT	38	
Facility Maintenance Officer	FT	38	
Waste and Environmental Management Officer	FT	35	
Trainee Ranger	FT	38	9.00
Saleyards			
Saleyards Manager	FT	38	1.00

Waste & Recovery			
Waste and Recovery Coordinator	FT	38	2.87
Landfill Attendant (Glen Innes)	PT	38	
Landfill Attendant (Glen Innes)	PT	38	
Landfill Attendant (Emmaville)	PT	38	
Landfill Attendant (Deepwater)	PT	38	
Landfill Attendant (Red Range)	PT	38	
Recreation and Open Spaces			
Manager of Recreation and Open Spaces	FT	38	9.00
Coordinator of Recreation Facilities	FT	38	
Aquatic Centre Operator	FT	38	
Trainee Gardener	FT	38	
Team Leader – Recreation and Open Spaces	FT	38	
Parks Labourer	FT	38	
Parks Labourer	FT	38	
Parks Labourer	FT	38	
Parks Labourer	FT	38	
Cleaning Services			
Cleaner (Community Services)	FT	38	3.07
Cleaner (74.25 hours)	PT	38	
Cleaner (38.25 hours)	PT	38	
Cleaner (Villages) (10 hours)	PT	38	
Cleaners (Villages) (6 hours)	Cas	38	
Cleaners (29 hours)	Cas	38	
INFRASTRUCTURE SERVICES			
Director of Infrastructure Services	FT	35	3.00
Community Recovery Officer (Temporary Position)	FT	35	
Personal Assistant	FT	35	
Asset Services			
Manager Asset Services (Maternity Leave)	FT	35	4.00
Technical Support Coordinator	FT	35	
Property Administration Officer	FT	35	
Works Officer (Aerodrome)	FT	38	

Design Services			
Senior Design Officer	FT	35	2.00
Design Officer	FT	35	
Plant and Fleet			
Workshop Supervisor	FT	38	5.00
Plant Mechanic	FT	38	
Plant Mechanic	FT	38	
Apprentice Plant Mechanic	FT	38	
Fabricator / Welder	FT	38	
Infrastructure Delivery			
Manager of Infrastructure Delivery	FT	35	32.00
Works Coordinator	FT	38	
Team Leader - Bridges	FT	38	
Heavy Plant Operator (Bridges)	FT	38	
Team Leader - Construction	FT	38	
Heavy Plant Operator (Construction)	FT	38	
Heavy Plant Operator (Construction)	FT	38	
Heavy Plant Operator (Construction)	FT	38	
Team Leader - Drainage	FT	38	
Heavy Plant Operator (Drainage)	FT	38	
Heavy Plant Operator (Drainage)	FT	38	
Team Leader - Grading North	FT	38	
Grader Operator	FT	38	
Skilled Construction Worker (Grading North)	FT	38	
Team Leader - Grading South	FT	38	
Heavy Plant Operator (Grading South)	FT	38	
Heavy Plant Operator (Grading South)	FT	38	
Team Leader - Heavy Patching	FT	38	
Heavy Plant Operator (Heavy Patching)	FT	38	
Skilled Construction Worker (Heavy Patching)	FT	38	
Heavy Plant Operator (Heavy Patching)	FT	38	
Skilled Construction Worker (Heavy Patching)	FT	38	
Team Leader - Maintenance	FT	38	
Skilled Construction Worker (Maintenance)	FT	38	
Jetpatcher Operator	FT	38	

Skilled Construction Worker (Maintenance)	FT	38	
Team Leader - Concrete	FT	38	
Skilled Construction Worker (Concrete)	FT	38	
Heavy Combination Operator	FT	38	
Excavator Operator	FT	38	
Heavy Plant Operator (Relief)	FT	38	
Heavy Plant Operator (Relief)	FT	38	
Glen Innes Aggregates			
Quarry Manager	FT	38	
Quarry Production Coordinator	FT	38	
Sales and Delivery Operator	FT	38	
Heavy Combination Operator	FT	38	
Administration Officer	FT	35	5.00
Integrated Water and Sustainability Services			
Manager of Integrated Water Services	FT	35	
Coordinator of Integrated Water Services	FT	38	
Team Leader Reticulation	FT	38	
Water and Wastewater Plant Operator	FT	38	
Integrated Water Services Field Operator	FT	38	
Integrated Water Services Field Operator	FT	38	
Integrated Water Services Field Operator	FT	38	
Integrated Water Services Field Operator	FT	38	
Trainee Water and Wastewater Plant Operator	FT	38	
Trainee Water and Wastewater Plant Operator	FT	38	10.00
Total FTE Positions			145.92
Total Positions Approved			166

DELEGATES TO COMMITTEES AND OTHER BODIES

Sect 355 ()	Role	Name of Committee	Council Representatives 2020/2021	Strategic Priority	Strategic Objective
a	Council exercises its functions through all means				
	By the council by means of the councillors or employees, by its agents or contractors, by financial provision, by the provision of goods, equipment, services, amenities or facilities or by any other means				
a	Governance	Code of Conduct Review Committee	Monica Kelly, Kath Roach, Linda Pettersen, Emma Broomfield, Belinda Nolan, Shane White, Michael Symons, Alan Delaney, Andrew Hedges, Greg Wright.	H	2
Councillor / Staff Committees of Council					
b	Governance	Annual Donations Review Committee	Mayor, Deputy Mayor, Councillor on 12-month rotation, currently Cr Price, DCCS. Meets in August each year.	H	7,8
b	Governance	General Manager's Appraisal Committee	Mayor, Deputy Mayor, Cr Frendon, Councillor nominated by GM – Cr Toms, facilitated by McArthur.	H	1-10
b	Governance	Integrated Planning and Reporting Framework Committee	All Councillors, GM, all Directors.	H	1-10
b	Governance	Significant Development Proposals Committee	Mayor, Deputy Mayor, GM, DDPRS, DIS, DCCS, MED.	H	6,8
Community Committees of Council					
c	Advisory	Aboriginal Consultative Committee	Mayor, Cr Newman, GM, MCS, Life Choices-Support Services Administration and Quality Officer.	H	8
c	Event Mgt	Australia Day Committee	Cr Parsons.	H	8,9
c	Advisory	Australian Standing Stones Management Board	Cr Price, Cr Toms, GM, DDPRS.	M	8
c	Advisory	Local Economic Development Support Fund Committee (previously Business Incentive Fund Committee)	Mayor, Cr Price, GM, DDPRS, MED.	H	6,8
c	Advisory	Community Access Committee	Mayor, GM, DIS or delegate, MCS.	M	8

Sect 355 ()	Role	Name of Committee	Council Representatives 2020/2021	Strategic Priority	Strategic Objective
	Community Committees of Council				
c	Asset Mgt	Emmaville Mining Museum Committee	Cr Frendon, MED.	M	9
c	Asset Mgt	Emmaville War Memorial Hall Committee	Cr Price, MCS and/or MLLC.	L	9
c	Asset Mgt	Glencoe Hall Committee	Cr Newman.	L	9
c	Asset Mgt	Glen Elgin Federation Sports Committee (Looks after halls and sports grounds)	Cr Frendon.	L	9
c	Event Mgt	Glen Innes and District Sports Council	Cr Parsons, MROS.	M	9
b	Asset Mgt	Glen Innes Saleyards Advisory Committee	Mayor, Cr Frendon, Cr Toms, GM, DDPRS, Saleyard Manager.	H	7,8
c	Asset Mgt	Glen Innes Severn Cemetery Committee (Incorporating the Glen Innes Cemetery Trust, Deepwater, Dundee, Emmaville and Glencoe Cemetery Committees)	Cr Price, Cr Smith, MROS.	L	9
c	Asset Mgt	Glen Innes Severn Learning Centre Management Committee	Mayor, DCCS, MLLC.	H	8
c	Advisory	Library Committee (Managed under Section 11 of the Libraries Act)	Mayor, DCCS, MLLC.	H	8
c	Event Mgt	Minerama Committee	Mayor, MED, TEO.	M	8,9
c	Advisory	Open Spaces Committee	Mayor, DDPRS, MROS.	M	6,8
c	Asset Mgt	Pinkett Recreation Reserve Management Committee (Looks after hall and sports grounds)	Cr Frendon, Cr Parsons, Cr Smith.	L	9
c	Advisory	Public Art Reference Group (to finalise the public art component for the CBD)	Mayor, Cr Price, Cr Toms, Council staff representatives as required.	H	6,8,9
c	Advisory	Roads Consultative Committee	Mayor, Cr Frendon, Cr Price, Cr Smith, Cr Toms, GM, DIS, TSE, MID, Infrastructure Staff nominated by DIS.	H	3
c	Asset Mgt	Stonehenge Reserve Trust	Cr Price.	L	9
c	Advisory	Youth Advisory Committee	Mayor, Cr Newman, DCCS and/or MCS, Youth Worker.	H	8,9

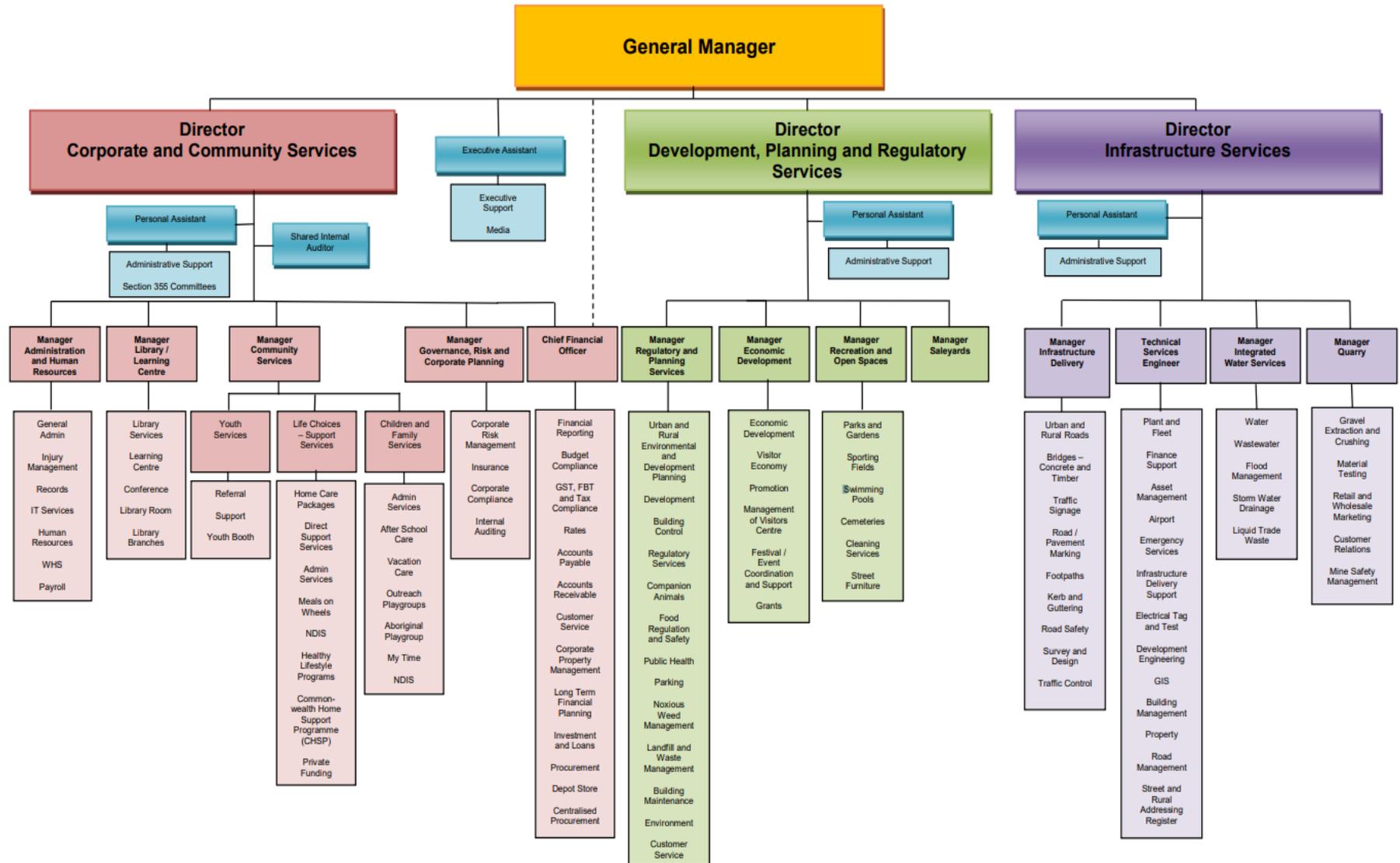
Sect 355 ()	Role	Name of Committee	Council Representatives 2020/2021	Strategic Priority	Strategic Objective
		Groups of Councils			
d	Advisory	Fossickers Way Committee	MED, TEO	L	9
d	Advisory	New England Joint Organisation (NEJO)	Mayor, GM.		
d	Advisory	Northern Inland Regional Waste Group (NIRW)	MPRS.	M	4
		Delegate of the Council			
e	Advisory	Joint Regional Planning Panel	Cr Price, Cr Toms, Two (2) Council nominees as community representatives).		6
e	Asset Mgt	North West Weight of Loads Committee	Cr Smith, DIS.	M	9
		Community Committees NOT Committees of Council			
Not		Arts North-West	DCCS.	L	9
Not		Business in Glen (BIG)	Cr Parson, GM and/or DDPRS and MED.	H	6,8,9
Not		Community Safety Precinct Committee	Mayor.	M	9
Not		Community Services Interagency Committee	Mayor, Cr Toms, DCCS, MCS and/or delegate.	H	8
Not		Deepwater Progress Association	Cr Parsons.	L	9
Not		Glen Innes and District Community Centre Inc.	Cr Parsons, DCCS and/or MCS.	M	9
Not		Glen Innes Correctional Centre Community Committee	Mayor.	L	9
Not		Glen Innes Highlands Rail Trail Working Group	Cr Price, Cr Toms, MED.	M	6
Not		Glen Innes Highlands Visitor Association Inc.	Cr Price, MED.	M	9
Not		GLENRAC	Cr Price, DDPRS and/or delegate.	M	4,9
		Community Committees NOT Committees of Council			
Not		Local Emergency Management Committee	DIS or delegate from Infrastructure Services, TSC.	M	9
Not		Local Traffic Committee	Mayor (with voting rights), DIS, DDPRS or nominee as required.	H	3
Not		New England High Country	MED.	H	9

Sect 355 ()	Role	Name of Committee	Council Representatives 2020/2021	Strategic Priority	Strategic Objective
Not		Northern Tablelands Bush Fire Management Committee	Cr Smith, DIS or delegate from Infrastructure Services, MRPS and/or delegate.	M	9
Not		Rural Fire District Liaison Committee	Deputy Mayor, Cr Toms, GM.		
Not		Sapphire Wind Farm Community Consultative Committee	Mayor.	M	9
Not		White Rock Wind Farm Community Consultative Committee	Mayor.	M	9
Not		White Rock Wind Farm Community Fund Committee	Mayor.	M	9

Section 355: A function of a council may be exercised:

355()	Wording in the LG Act	Interpretation		
a	S.355 (a) by the council by means of the councillors or employees, by its agents or contractors, by financial provision, by the provision of goods, equipment, services, amenities or facilities or by any other means.			
b	S.355(b) by a committee of the council, or	S.355(b) Council Committees, Councillors only, or Councillors and staff Committees.		
c	S.355(c) partly or jointly by the council and another person or persons, or	S.355(c) Community Committees of Council includes other persons.		
d	S.355(d) jointly by the council and another council or councils, or	S.355(d) Regional Group of Councils		
e	S.355(e) by a delegate of the council.	S.355(e) Delegate of the council, could be a Voluntary Regional Organisation of Councils acting on Council's behalf.		
Not	Not a Committee of Council, but does have Councillor representation			

ORGANISATIONAL STRUCTURE





GOVERNING PRINCIPLES

STRATEGIC DIRECTIONS



Community Services

Create a growing community with optimal access to community services and facilities.

Economic Development

Facilitate a growing local economy by continuing to support an attractive business climate.

Infrastructure Management

As a priority, provide adequate infrastructure and facilities for the existing and future population.

Environment and Heritage

Manage the natural values of our local area and conserve our heritage to ensure that it is enjoyed by the community, visitors and future generations.

Council Sustainability, Transparency and Communication

Continue to be a sustainable and independent Council, and foster transparency through clear communication with both internal and external customers.

STRATEGIC OBJECTIVES

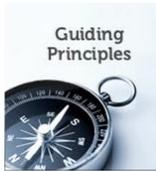
1. Community services – *create a growing community with optimal access to community services and facilities.*
2. Economic development – *facilitate a growing local economy by continuing to support an attractive business climate.*
3. Infrastructure management – *as a priority, provide adequate infrastructure and facilities for the existing and future population.*
4. Environment and heritage – *manage the natural values of our local area and conserve our heritage to ensure that it is enjoyed by the community, visitors and future generations.*
5. Council sustainability, transparency and communication – *continue to be a sustainable and independent Council, and foster transparency through clear communication with both internal and external customers.*

STRATEGIC FINANCIAL OBJECTIVES

1. To maintain a realistic and achievable budgeted cash surplus each financial year to maintain an unrestricted current ratio of at least 2.00 to 1.00; thereby ensuring access to adequate working funds on a continual basis.
2. To ensure that a realistic and defensible percentage of Council's rural rates revenue is expended on roads infrastructure.
3. To maintain sufficient funds to meet known financial commitments beyond the current financial year, and to renew or acquire new capital infrastructure assets in line with Council's Asset Management Plans for its various infrastructure assets.
4. To continually assess all expenditure to ensure consistency with Council's newly developed and adopted strategic objectives.
5. To continually review all operating expenditure and improve efficiency in service delivery where possible.
6. To concentrate expenditure upon capital renewal, rather than creating new assets, as this will increase Council's maintenance budget into the future.
7. To reduce Council-owned assets which do not align with Council's adopted strategic objectives and place an unnecessary ongoing maintenance burden on Council and the community.
8. To implement user-pay principles on service provision and assets, excluding known and Council-approved community service obligations.
9. To maximise returns on Council's investments, without increasing Council's investment risk above acceptable levels.
10. To attract and maximise government grants and subsidies as external funding sources for Council services.



GUIDING PRINCIPLES FOR COUNCILS

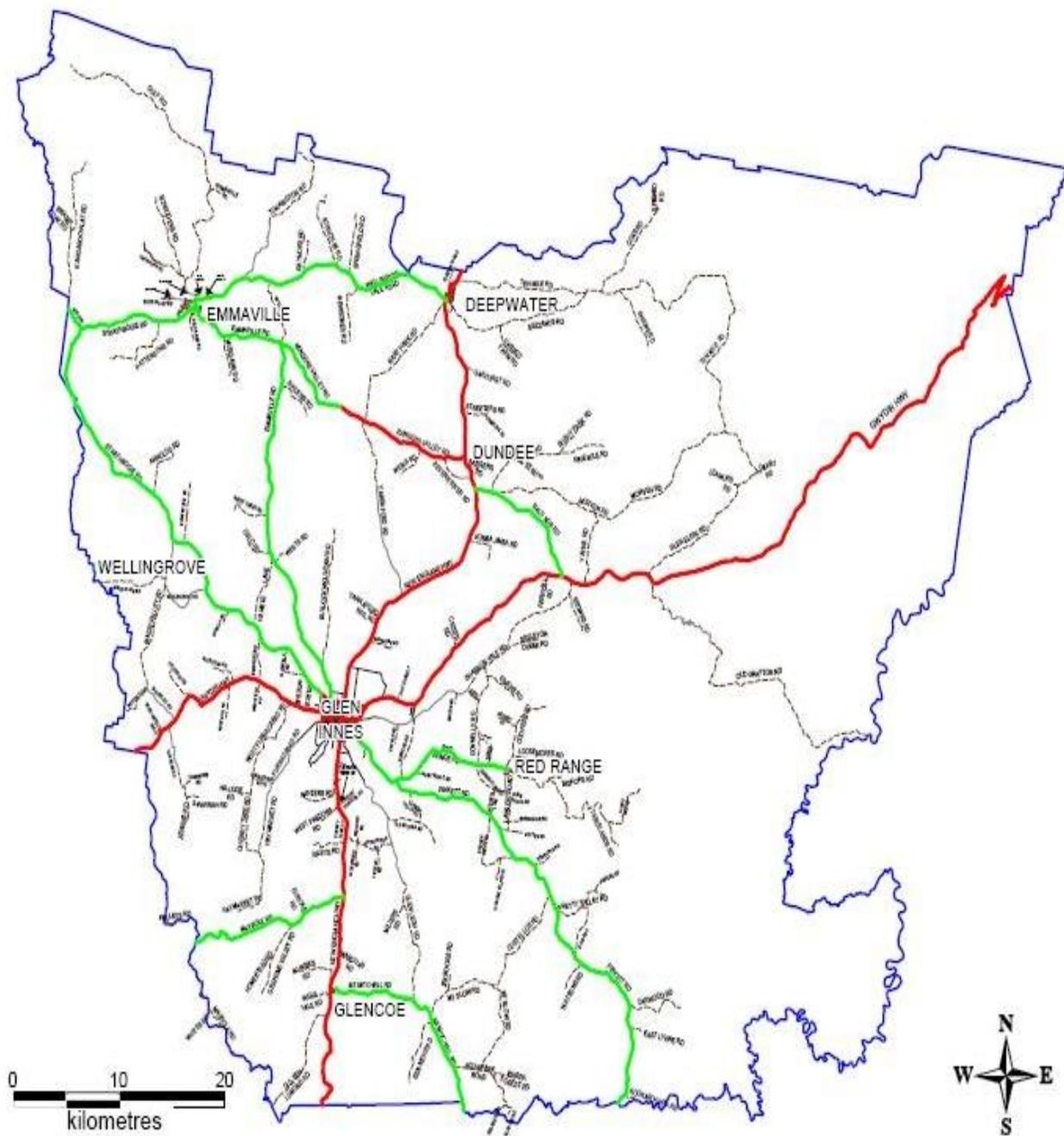


- To provide strong and effective representation, leadership, planning and decision-making;
- To carry out functions in a way that provides the best possible value for residents and ratepayers;
- To plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community;
- To apply the integrated planning and reporting framework in carrying out functions to achieve desired outcomes and continuous improvements;
- To work co-operatively with other councils and the State Government to achieve desired outcomes for the local community;
- To manage lands and other assets so that current and future local community needs can be met in an affordable way;
- To work with others to secure appropriate services for local community needs;
- To act fairly, ethically, and without bias in the interests of the local community;
- To be responsible employers and provide a consultative and supportive working environment for staff;
- To recognise diverse local community needs and interests;
- To consider social justice principles;
- To consider the long term and cumulative effects of actions on future generations;
- To consider the principles of ecologically sustainable development;
- To ensure that decision-making is transparent, and decision-makers are accountable for decisions and omissions; and
- To actively engage with the local community, using the integrated planning and reporting framework and other measures.



OUR REGION

MAP OF OUR LOCAL GOVERNMENT AREA (LGA)



ECONOMIC AND SOCIAL PROFILE

Economic and Social Profile

- Population: 8,873 people;
- Employment: 3,060 jobs;
- Top three (3) employment by industry: Agriculture, Forestry and Fishing; Health Care and Social Assistance; Retail Trade;
- Output Generated: \$858.291M;
- Wages and Salaries: \$202.493M;
- Regional Exports: \$294.921M;
- Regional Imports: \$223.314M;
- Value Added: \$437.833M;
- Gross Regional Product: \$485.648M;
- Local Expenditure: \$197.144M;
- Tourism Output: \$46.375M;
- Families: 42.21% two-person families, 19.09% three-person families, 19.36% four-person families, 12.98% five-person families, 6.35% six (6) or more person families;
- Housing Dwelling Type: 94.57% Occupied Private Dwellings;
- SEIFA score: 2016 was 915; and
- Youth Engagement (15-24 years): 30.9% engaged in employment; 26.42% engaged in education; 18.84% engaged in education and employment; 15.17% disengaged; 8.65% not stated.



Visit, Live, Invest

There are so many reasons to explore, consider moving to and contribute to the prosperity of our community - it's where you'd rather be!

Visit - Glen Innes Highlands is packed full of adventure and experiences with distinctive seasons, gourmet foods along with its picturesque town and villages – a great place to stop for a family holiday, meet up with friends at one (1) of our many events or enjoy a relaxing escape.

Live - Whether you are returning home or looking for a tree change, you'll feel welcome in our friendly community. Enjoy a quality lifestyle with affordable housing, health services, education options, retail and professional services and career opportunities to meet all your needs.

Invest - In Glen Innes Highlands we are committed and supportive of new ideas, industries and opportunities that contribute towards our local and regional economy. For a region rich in heritage, we are continuing to attract a broad range of businesses and investors leveraging and capitalising on our endowments.



New England High Country Climate

The Highlands traditionally experiences mild summers and cool winters.

- Summer average maximum 26°C and minimum 12°C;
- Winter average maximum 14°C and minimum 2°C;
- Autumn average maximum 20°C and minimum 10°C;
- Spring average maximum 20°C and minimum 9°C.

For more information on

Climate (<https://gleninneshighlands.com/climate/html>)

Proud Community and Rural Lifestyle

The Glen Innes Highlands community comprises of both rural and urban residents, including the villages of Glencoe, Red Range, Deepwater and Emmaville and the hamlets of Wellingrove, Wyaliba, Dundee and Glen Elgin.

Whilst there is great diversity in the Highlands community there is also a great unity within the community spirit.

The pace of life is one (1) of the biggest drawcards for people relocating from cities, second to the Glen Innes weather with no humidity, and hot summer days are few and far between. There is also the enticement of the chance of snow in the winter months.

The township is beautiful and well-kept, and the abundance of parks and gardens are perfect for an active lifestyle.

There are many local sport and recreation opportunities for the whole family to keep active and maintain good health and local businesses and services offer everything you could possibly need.



For more information:

- **Community** <https://gleninneshighlands.com/community.html>
- **Lifestyle** <https://gleninneshighlands.com/lifestyle.html>

Business, Industry and Investment

Glen Innes Highlands key propulsive sectors - the key drivers of the Glen Innes Severn Local Government Area's economy in terms of regional exports, employment, value-added and local expenditure on goods and services (backward linkages) - is led by the Agriculture, Forestry and Fishing sector followed by the Construction industry, Public Administration and Safety, Accommodation and Food Services and Health Care and Social Assistance.

Wind and solar farms are joining established thriving businesses that include a global photo processing innovator, the largest producer of premium Black Angus and Wagyu beef and a regional honey industry with up to 35 commercial operators as well as hobbyists.

The Gross Regional Product for Glen Innes Severn representing the total value of final goods and services produced in the region over the period of one (1) year (includes exports but subtracts imports) is \$494.657M.

For more information:

Invest in Glen Innes Highlands <https://gleninneshighlands.com/invest.html>

STATISTICS AT A GLANCE

Statistical Item	Number	Location/Comment
Population	8,873	2020 Prediction
Council Area (square kilometres)	5,487 km ²	
Villages/Hamlets/Localities	Four (4) Villages Four (4) Hamlets	Emmaville, Deepwater, Red Range and Glencoe. Glen Elgin, Wellingrove, Wyaliba and Dundee.
Council Airports/Landing Strips	One (1)	Glen Innes Aerodrome – Two (2) landing strips.
Libraries	One (1)	Glen Innes Severn Learning Centre (with remote library branches in Emmaville, Deepwater and Glencoe.)
Landfill Sites	Four (4)	Glen Innes, Emmaville, Deepwater and Red Range.
Sewerage Treatment Plants	One (1)	Glen Innes.
Water Treatment Plants	Two (2)	Glen Innes and Deepwater.
Village Sewer Treatment Plants	One (1)	Deepwater (Common Effluent System).
Length of Sealed Roads (kilometres)	428 km	Includes 351 km of Local Roads, 67km of Regional Roads, and 10 km of parking lanes adjacent to State Highways.
Length of Unsealed Roads (kilometres)	731 km	Includes 721km of graveled roads and 10 km of formed track.
Timber Bridges	12	Full timber traditional construction.
Concrete/Steel Bridges	108	Includes 75 modern concrete/steel/composite bridges and 33 major culverts.
Council Owned Buildings	106	
Council Properties and Land Parcels	214	
Council Vehicle Fleet	121	Includes 57 heavy fleet and mobile plant, 49 light fleet, and 15 other plant/equipment items.
Council Section 355 Committees	31	Various.
Swimming Pools	Two (2)	Glen Innes and Emmaville.



HOW TO READ THE ANNUAL REPORT

This Annual report covers three (3) key sections.

Reporting Our Progress

This section includes achievement highlights for the year and reports on the progress made toward the achievement of Council's four-year Delivery Program (2017-2021) (**ANNEXURE B**) and Community Strategic Plan progress, End of Term Report (**ANNEXURE D**). Reporting is also provided on access and equity activities to meet residents' needs including progress on the Disability Inclusion Action Plan.

Statutory Reporting Requirements

This section includes reporting requirements prescribed under various legislation such as the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*. It includes, but is not limited to, a summary of Council's legal proceedings, details of contracts awarded by Council, written off rates and charges, financial contributions made to the community and information relating to the *Government Information (Public Access) Act 2009*.

Financial Statements

This section includes audited financials including the general-purpose financial statements for the financial year ending 30 June 2021, including an Income Statement, Statement of Financial Position, Statement in Changes in Equity and Statement of Cash Flows. This may be found at ANNEXURE B.



INTEGRATED PLANNING AND REPORTING

The Integrated Planning and Reporting (IP&R) framework recognises that most communities share similar aspirations: a safe, healthy and vibrant place to live, a sustainable environment, a caring and engaged community, opportunities for employment, reliable infrastructure, etc. The difference lies in how each community responds to these needs. That is what shapes the character of individual cities, towns and villages. IP&R also recognises that council plans and policies should not exist in isolation and are connected on many levels.

The IP&R framework allows NSW councils to draw their various plans together, to understand how they interact and inform each another, and to get the maximum benefit from their efforts by planning holistically for the future.

The main components of the framework are summarised below.

COMMUNITY STRATEGIC PLAN

The highest level of strategic planning undertaken by Council, with a ten-year plus timeframe. All other plans must support achievement of the Community Strategic Plan objectives. It is developed and delivered as a partnership between Council, state agencies, community groups and individuals and addresses a broad range of issues that are relevant to the whole community.

RESOURCING STRATEGY

Shows how Council will resource its strategic priorities, identified through the IP&R. The Resourcing Strategy includes three (3) inter-related elements:

- Long-Term Financial Plan;
- Workforce Management Plan; and
- Asset Management Plans.

DELIVERY PROGRAM

Council's commitment to the community about what it will deliver during its term in office (four (4) years) to achieve the Community Strategic Plan objectives.

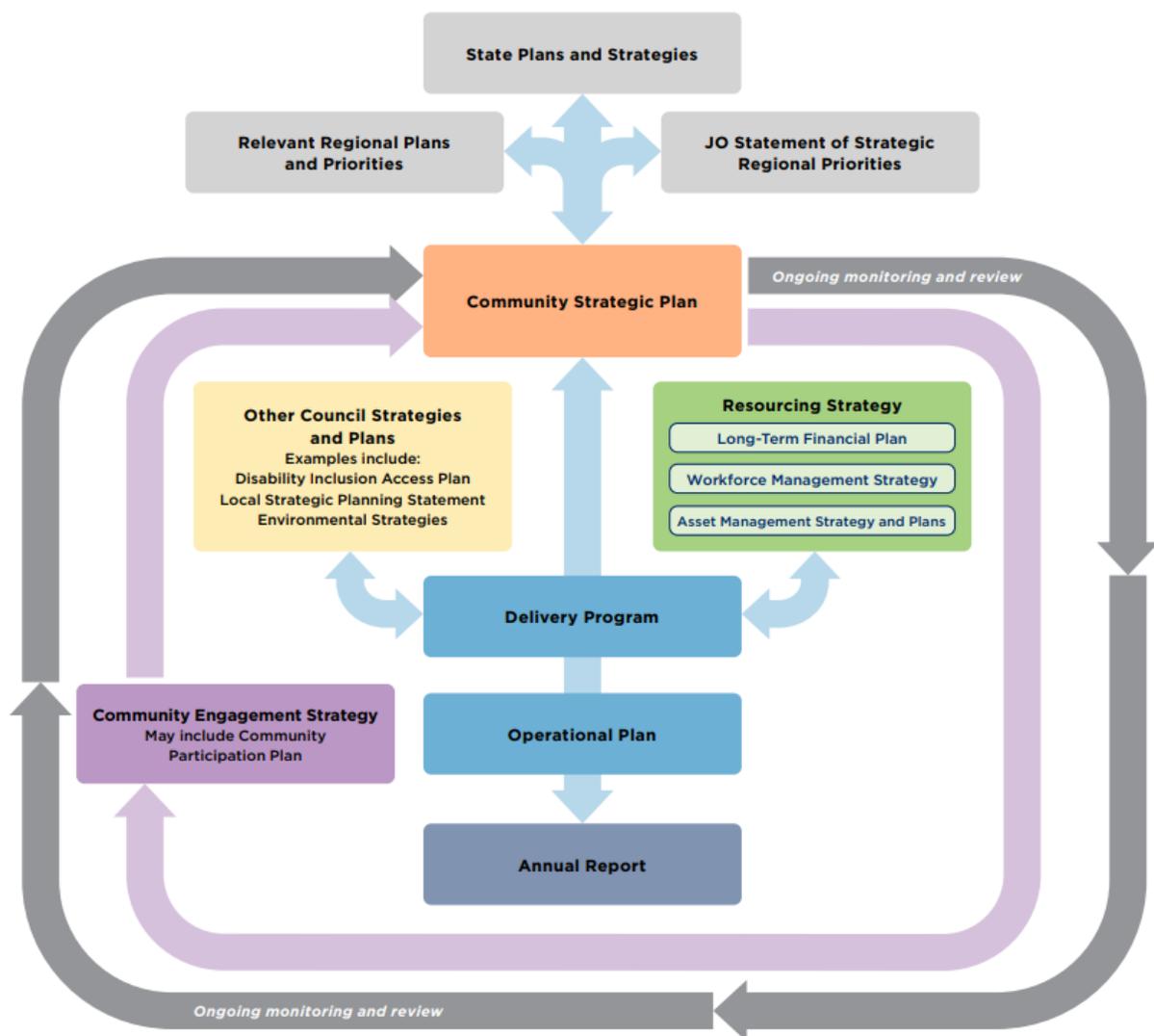
OPERATIONAL PLAN

Shows the individual projects and activities Council will undertake in a specific year. It includes Council’s annual budget and Statement of Revenue Policy.

ANNUAL REPORT

Reports back to the community on the work undertaken by Council each year to deliver on the commitments of the Delivery Program via that year’s Operational Plan. Council also reports on its financial and asset performance against the annual budget and longer-term plans.

Figure 1: The Integrated Planning and Reporting Framework





HIGHLIGHTS OF THE YEAR

EVENTS

Glen Innes Show

The Glen Innes Show went ahead as planned from Friday, 12 February 2021 until Sunday, 14 February 2021. This was the Glen Innes Showground's first COVID-19 restricted facilitated event. The Show's dedicated committee managed to implement COVID safe practices which secured the success of the event while maintaining many of the traditions of the show. The Glen Innes Show brings many people into town which help support businesses as well as stallholders at the show. Council supported the Show by supplying 'Local Gift Cards' to the value of \$25 from the Bushfire Recovery Fund for those purchasing a weekend pass. This encouraged those ticket holders to spend at local businesses and return to the show throughout the weekend.

Gourmet Fiesta secured celebrity chef Christine Mansfield whose popularity enticed foodies from around the New England area. Local food and beverage producers had stalls as well as visitors from the region highlighting seasonal produce and artisan products.



Photo courtesy of the Glen Innes Examiner

Australia Day

Australia Day 2021 was celebrated across the Local Government Area with a Community Breakfast held at the Deepwater Hall with the main Australia Day Celebrations held at the Glen Innes and District Services Club. Over 150 community members were present at the breakfast to share in the official opening of the hall following its grant funded additions, with the Hon Barnaby Joyce MP in attendance.

The Australia Day Ambassador for the Glen Innes Severn Local Government Area was Jarrod Wheatley who is the founder of two (2) innovative not-for-profit organisations that provide professional individualised care to improve the well-being of children in care. There were no Order of Australian Medal (OAM) recipients for 2021.



The Australia Day Committee was successful in receiving \$9,200 from the National Australia Day Council Limited as part of the COVID Safe Grants Program to ensure the 2021 Australia Day event was COVID Safe for those in attendance. They were also successful in receiving a further grant of \$1,000 under the Australia Day Branding Grant Program by the National Australia Day Council Limited to allow the committee to purchase new merchandise in line with the new branding of “Reflect. Respect. Celebrate. We’re all part of the story”.

The following awards were presented during the Australia Day 2021 Awards Ceremony:

Award	Recipient
Citizen of the Year	John Lee
Young Citizen of the Year	Layaleeta Williams-Boney
Community Event of the Year	Christmas Smoko – GLENRAC and Ray White
Emergency Service Volunteer of the Year	Peter Chaffey
Voluntary Community Organisation of the Year Award	Glen Innes RSPCA
Environmental Citizen of the Year	Jenny Coldham

Deepwater Races

The Deepwater Races were cancelled for a second year due to the difficulty of holding the event during COVID restrictions.

Minerama Fossicking and Gem Show



Each year, on the second weekend in March Glen Innes hosts Minerama, the largest fossicking, gem and jewelry festival in NSW. The Glen Innes Severn Council is a major sponsor of this event.

Minerama, organised by a Section 355 Community Committee of Council, includes a gem show and fossicking field trips. Field trips cater for beginners and families, all the way up to experienced fossickers.

Due to the NSW Health Order uncertainty, the field trips and workshops had less options than previous festivals, but all were sold out. Feedback from stallholders was positive and many had reported record sales.

The support of the Regional Bushfire Grant Funding for marketing helped with an extensive marketing campaign that secured attendance of over 3,000 people over the three (3) days and contributed to the economy through accommodation and hospitality venues as well as local businesses. The local community economic benefit was estimated to be \$653,909.

Seniors Week

This year, the Seniors Week Festival events took place from Tuesday, 13 April 2021 until Saturday, 24 April 2021. The Mayoral Awards were held on Tuesday, 20 April 2021 at the Glen Innes Bowling Club. This year's award nominees were Merle Elliott, Anne Brewer, Joy McClure, Mary Pickham, Terry Pickham, Betty Wilson and Charles Sutton. Merle Elliott and Charles Sutton were announced as joint winners for 2021.

On Tuesday, 13 April 2021, a Seniors Week Art Exhibition was held at the Art Gallery. The exhibition was titled "Art of Ageing" and the Glen Innes community were very fortunate that the travelling exhibition stopped in our community. Participants on the day enjoyed lunch at the Super Strawberry.

The Chapel Theatre held a Seniors Week movie event on Wednesday, 21 April 2021. The movie titled "Penguin Bloom" was well received by all who attended. Following the movie, the attendees enjoyed lunch at the Railway Tavern.

Youth Week

The 2021 NSW Youth Week celebrations were a significant part of the April youth program. Running from Friday, 16 April 2021 until Saturday, 24 April 2021 inclusive. The small team of Council staff were able to deliver a range of exciting activities. The schedule for the week was formulated following consultation with local youth and was largely successful.

Amongst the array of activities delivered at The Youth Booth during Youth Week included:

- A movie night at the Chapel Theatre;
- A cultural excursion to the local property 'The Willows';
- A Disco at the Town Hall; and
- An outdoor activity day - Rock Wall Climbing. Regrettably this activity was cancelled due to inclement weather and was moved to Council's Free Family Picnic Day, which was held on Saturday, 15 May 2021 at the Standing Stones.



There were several other significant activities on offer to the youth in the Glen Innes Local Government Area during Youth Week.

The Australian Celtic Festival

The Australian Celtic Festival was renamed *The Australian Celtic FRINGE Festival* to differentiate the reformatted event from the regular festival. The Fringe Festival was held on Saturday, 1 May 2021 and Sunday, 2 May 2021. This event was scaled down to remain compliant with NSW Public Health Orders. Over 2,500 tickets were sold and many new visitors and locals visited the 'Free' market area. Feedback from Stallholders, performers and visitors was positive. Hotel accommodation was fully booked along with some caravan parks.

The event was split into two (2) precincts with:

1. An entertainment precinct which held ticketed performers and had sold out premium tickets on the Saturday; and
2. A cultural precinct which held the free markets and received positive feedback from locals who took advantage of multiple visits and stallholders, many who had record takings.

Under the circumstances, of COVID-19 and NSW Public Health Order restrictions, the weekend had a celebratory atmosphere and was enjoyed by those who attended. The local economic benefit was estimated at \$971,466 to the community.



Mosman Friendship

The Mosman Council Community Grant is annually extended to the Glen Innes Severn Council for a local Aboriginal women's project. In 2020/2021, Council's Library and Learning Centre worked with the Glen Innes Family and Youth Services, and a local Aboriginal group to add to and build on their 2019/2020 Totem Pole Project. This project is to produce artwork on five (5) metal pole supports for the new waterproof sail over the external enclosed children's area. This project was called the Aboriginal Totem Pole Project Two (2) and was supported by a local, world-renowned Aboriginal artist, Lloyd Hornsby.

This project produced stunning and distinctive Aboriginal artworks using local Aboriginal emblems, striking earth colours, with one (1) pole being dedicated to 'Women's Business'. This pole displays Aboriginal women carrying the tools and woven carry bags for yam harvesting. Women would annually cultivate and harvest yams to help feed their families during the year when hunting was limited. This pole acknowledges the farming skills Aboriginal women used to provide for their families.

NAIDOC Week Celebration

The local aboriginal community planned to host events at 'The Willows' to celebrate NAIDOC week for 2021. The events were later cancelled due to NSW Public Health Orders. A flag raising ceremony and morning tea was held at the Cooramah Cultural Centre, which was an invitation only event, held in accordance with COVID-19 restrictions at that time.

The Glen Innes Severn Library and Learning Centre have a large collection of Aboriginal resources which were organised in a special display to acknowledge NAIDOC Week, Aboriginal history, culture and their languages.

Glen Innes Races

The Glen Innes Cup was a celebratory day for the whole family. Local Legends Race Day paid tribute to racing legends past and present as well as a local Celebrity T-Rex Race 'The Cretaceous Cup', which was a hit for race day punters and business sponsors. There were Fashions in the Field, a VIP Marquee and entertainment



throughout the day. The races bring people from all over the region, benefitting accommodation providers and other race related businesses.

After a successful Glen Innes Cup, the Jockey club also hosted another meet on Saturday, 6 March 2021 after the Bingara Cup was unable to be facilitated by the Bingara Jockey Club due to issues of jockey COVID-19 distancing. This extra race day was another boost for Glen Innes' business economy.

Gemorama

Gemorama is held on the Queen's Birthday, June long weekend each year in Emmaville. A smaller version went ahead this year despite adverse weather conditions which saw the cancellation of some field trips and restricted stallholders coming to the event.

Alpaca Show

The New England Alpaca Show is held each year on the June Long Weekend at the Glen Innes Showgrounds. The organisers successfully facilitated their event with displays, stallholders and judging events and became part of the Glen Innes Highlands 'Big June Long Weekend' promotion.

GlenFest and GlenRock

Through the Bushfire Recovery Grant, the organisers of GlenFest facilitated a month of arts and music for local youth and seniors' groups. The GlenFest Pop-Up Art Exhibition highlighted local artists, of all ages to submit work. These were then displayed in shop front windows throughout Grey Street and other businesses from Monday, 1 March 2021 until Friday, 26 March 2021. Cash and encouragement prizes were awarded through all age groups including a Mayoral art prize.

Musicians from the Conservatorium of Music in Coffs Harbour brought their skills and enthusiasm for all kinds of music to two (2) concert series. One (1) at the Glen Innes Town Hall where they accompanied a silent movie for seniors from Life Choices - Support Services in Glen Innes and Inverell. A second concert was a workshop for The Youth Booth in which students participated in sharing songs, poetry and answered questions on performing.

GlenRock (another part of GlenFest celebrations) was held during the June Long Weekend 2021. This event saw legends of Australian Pub rock through a series of concerts over two (2) nights held at the Chapel Theatre and the Glen Innes District Services Club.

During the weekend, the GlenFest Music and Memorabilia Markets were held at the Glen Innes Town Hall. This market had local and regional stallholders, roving performers and visitors picking up rare vinyl, CDs, music books, T-shirts and instruments. The feedback from stallholders was positive with many expressing their interest in returning next year.

High Country Writers Festival

The second annual High Country Writers Festival was held on Saturday, 24 October 2020 with 'Escape for a Day' Writer's Retreats at the Waterloo Station Shearer's Lodgings in which attendees joined published writers' talks, workshops and author talks at the Glen Innes Severn Library and Learning Centre and the Makers Shed, and author walks in the afternoon around Glen Innes.

Christmas in the Highlands

Christmas in the Highlands was the first COVID safe event, facilitated by Council, during the 2020/2021 Financial Year. The event was supported by community groups who assisted with mandatory sign in, traffic and pedestrian control. This event was a success due to the enthusiasm from local businesses, artists and artisans who were keen to get back into community events and prove that with a little extra effort, many obstacles pertaining to restrictions, can be overcome.

The Town Hall Square and the main street was lit up with celebratory Christmas lighting from Thursday, 25 November 2020 until early January 2021, the highlight being a Christmas tree light frame installation on the roundabout and street-light icicles, which attracted many visitors throughout the holiday season.

Walk of Light



An installation of light in the Glen Innes Parklands was organised by Mr & Mrs Hill Lighting and held from Friday, 19 March 2021 until to Friday, 16 April 2021. This event was funded through the NSW Government's Summer Fund grant to engage the community with the installation and encourage community engagement to get back out there after NSW Health Order restrictions.

The installation comprised of a tunnel of light as well as trees wrapped in King Edward Park. Visitors to the area enjoyed the nightly turning on of the lights, with friends and family groups taking photos and enjoying the display.

The Walk of Light also became the backdrop for some smaller events that engaged local businesses including Pilate Classes, Food trucks and Easter Egg Hunt. Feedback for this event was very positive and visited by locals and travelers from all over regional NSW who stopped by.

Free Family Picnic Day

On Saturday, 15 May 2021, Community Services held the 2021 Glen Innes Severn Council, Free Family Picnic Day.

The event was held a little later than normal; however, the small committee and community were blessed with a superb Highlands Autumn Saturday!

Council invited stall holders from the community to come along and brighten the faces of families from within the LGA with interactive activities, giveaways and good old-fashioned fun!

Participating at this year's event were the NSW Fire Brigades 302 Station who held their Annual Open Day at the Australian Standing Stones Site and had many young budding volunteers of the future check out their Fire Truck, the Glen Innes Community Centre gave out free popcorn and promotion of the Glen Innes Safe in Our Town Committee (SiOT), local singing sensation Tammy Chard entertained the crowd with some really popular tunes and singing a marathon of almost four (4) hours non-stop!! Council's Children and Family Services gave away 100 free books and gift bags, there was an animal petting stall with lambs, kittens and a range of brightly coloured birds and chickens. The children also enjoyed aboriginal readings and activities, free face painting, a jumping castle and a big hit was the rock-climbing wall.

The Glen Innes Public School and Red Range Public School were interactive with families having pre-prepared play dough, exciting story time readings, singing and blowing bubbles for all!



The event was further supported by Centrecare, the local Community Drug Action Team (CDAT), our wonderful Lions and Lioness groups and Council funded Coffee prepared by Crofters Cottage Cafe staff. Families enjoyed participation in the Kings Gym obstacle and exercise activities and generally just soaking up the sunshine and catching up with people. There were almost 400 sausage sandwiches prepared, over 46 litres of milkshakes, 100 cups of coffee, 80 bags of popcorn, 100 free books and just over 100 gift bags available for the families to enjoy. Stall holders and staff were pleased to see the dynamic team from the Glen Innes Men's Shed at the end of the proceedings who made the pack up a much more pleasant experience.

Council's Manager of Community Services, Tony Williams commented that Council's Free Family Picnic Day was a fantastic success for the community. Council is sincerely appreciative of all the stall holders and anyone who assisted in any way. We are planning now for 2022!

International Women's Day

International Women's Day was held on Saturday, 20 March 2021 at the Glen Innes Library and Learning Centre. There were more than 50 attendees on the day. The Welcome to Country was performed by local Aboriginal Artists Bob and Alkira Blair.

Council's very own Anna Watt, Director of Corporate and Community Services was MC for the afternoon and one (1) of the guest speakers. Anna's presentation was very moving and received a standing ovation.



Other guest speakers on the day included Shanna Whan – founder of the Sober in the Country Foundation and Kate Lynn proprietor of The Local. The Glen Innes Art Gallery had a showcasing of the exhibit 'Cloudscapes. 'Shimmey in the Glen' our local Belly Dancing group performed a variety of dances. A lite supper was prepared by The Coffee Incident and the evening was thoroughly enjoyed by all who attended.

ENVIRONMENT, PLANNING AND ECONOMIC DEVELOPMENT

The Department of Development, Planning and Regulatory Services continued to provide a range of services and functions to the community.

Section 10.7 Certificates are issued under the provisions of the Environmental Planning and Assessment Act 1979. It is compulsory for every property sold to be accompanied by a Section 10.7 Certificate. A total of 421 certificates were issued, an increase of 28% on the previous year.

For the 2020/2021 Financial Year the following approval data applied:

DEVELOPMENT APPLICATION (DA) DATA

	2020/2021
Total Number of DAs Determined	117
Average Determination Time (days) – All Applications	11
Average Determination Time (days) – Minor Development*	11
Average Determination Time (days) – Major Development**	18
Value of DAs	\$14,746,307
Number of single dwellings	27
Number of multi-unit dwellings	3
Number of Subdivisions	8
Number of commercial developments	9
Number of industrial developments	4
Withdrawn	2
Refused	0
Cancelled	0

* Typically, residential applications such as dwellings, sheds and alterations and additions that don't meet the Complying Development Criteria.

**Commercial and industrial applications and applications requiring referral to other Government Departments.

COMPLYING DEVELOPMENT APPLICATION (CDC) DATA

	2020/2021
Total Number of CDCs	8
Value of CDCs	\$533,295
Number of Single Dwellings	1

Council continued to support local business in several ways, including:

- A Local Business and Industry Policy which makes provision for non-price value for money considerations; four (4) different concessions are available to local businesses from three percent (3%) to 10% for purchases up to \$250,000 and a tendering threshold increase to \$250,000. This Policy provides local business benefits when competing with out-of-town businesses;
- Council-funded Economic Development initiatives included: \$61,000 for the Business Incentive Fund; \$40,000 for the Event Prioritisation Fund; \$10,000 for new event incubation and \$30,000 for local association and chamber support;
- A Significant Development Committee to provide an opportunity for potential developers to meet directly with Councillors and senior staff to discuss their project;
- Development Assessment Unit meetings are held as required so that developers can meet with Council staff to simplify the development application process (meetings are scheduled weekly);
- Council provided 20 local events with a combination of event support, marketing and promotion and general advice on holding a COVID safe event.
- A Heritage Assistance Fund is provided to assist owners of heritage buildings to upgrade their buildings. This fund has assisted in the painting of several significant heritage buildings in Grey Street;
- Continuous communication was delivered to local businesses via the Local Economic Development newsletter and a Tourism and Events newsletter was launched specifically for local visitor economy businesses;
- The Highlands Business Hub – the online platform was leveraged to connect local businesses (82 businesses and two (2) networks were registered) and reduce local economic leakage. Development commenced to expand this to include profiles for the community, community groups and integrate a jobs and career function;
- The Highlands Hub Business Awards was conducted with 12 local businesses winning a content package to assist in their online marketing efforts;

- The Glen Innes Highlands Shop continued to support and highlight local produce, local artisans and Glen Innes Highlands branded merchandise; and
- Developing the Local Economic Development Support Fund Policy for the community to access financial assistance which support the outcomes in alignment with the **Economic Development Strategy 2020-2040 and Action Plan 2020-2025 (EDS)**.



In addition, Council undertook several economic development initiatives including:

- Completion of the new EDS which set a new place-based vision and strategic approach to deliver the year's action items including:
 - **GROW Glen Innes THINK TANK (GGITT)** which was launched on Wednesday, 31 March 2021 with 46 registrations by 30 June 2021 and two (2) workshops conducted for Jobs and Skills Gaps Research and Healthcare Workforce Attraction;
 - Jobs and Skills Gaps and Workforce Attraction and Retention Strategy has been completed with a GGITT conducted to consult on the Local Jobs and Skills Program for delivery in the following year;
 - Attracting Aged Care Facilities for a Future Ageing Population project commenced with a Housing Assessment and Future Strategy commissioned to inform the needs to this action and will be delivered in the next Financial Year; and
 - The following projects were funded in the 2020/2021 Financial Year:
 - Escape Rooms;
 - Regional Powerhouse Museum Proposal and Business Case; and
 - Gravel Grinding routes (6) with a new event and the **New England Rail Trail (NERT)**.
- Development of the Destination Management Plan Summary and Detailed Analysis report 2021-2026 for community consultation in March 2021 and adopted in at the Ordinary Council Meeting held on Thursday, 22 July 2021;
- A part time Grants Officer was employed to ensure that all grant opportunities are exercised as well as to provide information to the community regarding grant and funding opportunities. A total of 20 grant applications were submitted and approved for a total of \$25,240,785 in additional funding for Council and Community projects. Another seven (7) applications to the value of \$1,137,600 were pending a decision. Council was unsuccessful with 10 grant applications for a total of \$8,389,359 in potential funding;
- Marketing of Glen Innes highlands as a place to visit, live and invest with an allocation of \$150,000 for the Financial Year;
- **Marketing of New England High Country (NEHC)**, our regional destination brand activities included the launch of the NEHC nature-based experience website and promotion of the NEHC brand campaign, motorcycle campaign, car and club campaign, recreational vehicle and caravan campaign;
- Provided tourism services through the Visitor Information Centre including Trainlink;
- Council held two (2) major events: Australian Celtic FRINGE Festival and Christmas in the Highlands and assisted with Minerama, Fossicking, Gem and Jewelry Show to attract visitors to the benefit of local businesses;

- Provided regular updates to the Glen Innes Highlands Visitor Association;
- Completed the business case and secured funding for the New England Rail Trail to the value of \$8.7M;
- Secured funding for the Centennial Parklands Skywalk to the value of \$2M; and
- Drafted the business case and secured funding for the Highlands Business and Community Hub Co-working space to the value of \$0.6M.

FINANCIAL AND PERFORMANCE HIGHLIGHTS

Council is required under the *Local Government Act 1993*, to prepare financial reports that reflect its financial performance for the reporting period. The following is a summary of the key financial results for the 2020/2021 Financial Year. Council's full Financial Report is included in this Report as **Annexure A**.

Key Financial Indicators

\$ '000	Amounts 2021	Indicator 2021	Indicators 2020	Indicators 2019	Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(1,465)	(4.81)%	(1.94)%	0.72%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	30,457				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	19,291	54.89%	55.26%	60.84%	> 60.00%
Total continuing operating revenue ¹	35,144				
3. Unrestricted current ratio					
Current assets less all external restrictions	5,905	0.88x	2.14x	2.93x	> 1.50x
Current liabilities less specific purpose liabilities	6,707				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	6,750	2.61x	3.08x	3.12x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,589				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	668	5.22%	5.67%	9.90%	< 10.00%
Rates and annual charges collectable	12,807				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	26,070	12.56	8.21	12.35	> 3.00
Monthly payments from cash flow of operating and financing activities	2,075	mths	mths	mths	mths

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets, and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies.

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets, and net loss on share of interests in joint ventures and associates using the equity method.

Glen Innes Aggregates

Glen Innes Aggregates was purchased by Council in July 2011 to secure long-term water storage for the town of Glen Innes. This also has the side-benefit of gaining a source of quarry hard rock for Council operations.

Quarry Sites



The primary site is nearly 73 hectares in area, with frontage to the Gwydir Highway and Shannon Vale Road. There are now three (3) quarry pits, being the western, southern and northern pits. The southern and northern pits have been converted to off-stream water storage to service Glen Innes potable water supply, with the site having been named Eerindii Ponds.

The business also operates rural quarries that provide unsealed road re-sheet material. These quarries are operated on a campaign basis with crushing activities coordinated to match Council's unsealed road re-sheet program. The rural pits are rehabilitated at the end of each campaign.

Extraction Operations

Basalt rock is drilled and blown by a licensed sub-contractor before being loaded by a 30-ton excavator into a contracted mobile crushing plant.

Dust suppression is managed by the application of water, which is supplied from site water stored in an existing quarry. Any over-burden is sold as clean fill material or stockpiled for future clay lining operations.

Site Infrastructure

The original on-site crushing plant was decommissioned during 2014/2015 as forecast in previous reports. Crushing is now performed by contractors using mobile equipment. The original administration office and weighbridge is located on material that is proposed to be quarried and therefore needs to be relocated. During 2020/2021 a new office and weighbridge site adjacent to the Shannon Vale Road entrance was approved and work commenced. The new office and weighbridge project is 70% complete as at 30 June 2021.

Products

The quarry can produce:

1. Aggregate in five (5) sizes: 20mm, 14mm, 10mm, 7mm, or 5mm, depending upon screen configuration. Usually only four (4) sizes can be produced at any one time;
2. Pre-coated aggregates for bitumen sealing;
3. Crusher dust; and
4. Road base (20mm and 40mm).

Road making materials can be blended to meet the former **Roads and Maritime Services (RMS)** specifications by combining road base with granite brought in from other quarries. This product is mainly sold to RMS and Council; however, private customers also purchase it for use under concrete slabs, and roads through farms etc. This product is quality assured and complies with RMS specifications. Testing is conducted by a National Accredited Testing Authority (NATA) approved laboratory.

In 2020/2021 Council commenced the use of graded aggregate seals. This requires the production of a pre-coated blended aggregate using 7mm, 10mm and 14mm in equal proportions.

Sales and Business

Sales and production volumes were affected by the March flooding event. Council has historically set a target of \$500,000 profit for the business particularly when large scale wind farm projects were active, however this has been revised to \$300,000 moving forward. Sales totaled \$3,294,803 with operational expenses of \$2,986,721 to provide an interim profit result of \$308,082.

Management

A report on revenue and expenditure, and crusher production is published monthly in the Council Business Paper. Council adopted a long-term Business Plan for the Glen Innes Aggregates enterprise in September 2013 and made further resolutions on the implementation of the Business Plan in November 2013. The decisions implemented from that plan have supported ongoing profit in the years since.

Existing suppliers, mainly local, are contracted to supply materials and services to the business. The site has been significantly remodeled to enhance operations and safety.

Off-Stream Storage

The quarry is being converted to off-stream water storage in a staged fashion over the life of the quarry.



Stage 1 involved reshaping and some clay sealing of the southern quarry pit. The holding capacity of the completed Stage 1 is 200 megalitres.

Stage 2 operations involved final shaping of the northern pit, with that pit being fully converted to a permanent off-stream storage, approximately 365 megalitres in capacity. A new pumping station was constructed during 2014/2015 on the southern pit, powered largely by a 90kW solar facility.

Stage 3 involves quarry operations in a third pit located adjacent to and under the existing infrastructure. The ability to complete the stage 3 pit has now been confirmed by way of an expert slope stability assessment of the western pit. The western pit has been fully designed and will have a water capacity of 205 megalitres when converted to the final off stream water storage pond. The Quarry Management Plan is reviewed every six (6) months with an aerial survey undertaken to compare actual progress against design.

Resource Security

The quarry has a variety of material present including hard rock (basalt) suitable for aggregate production, decomposed basalt suitable for road base products, and orange clay that meets the Environmental Protection Authority (EPA) standard for lack of water permeability. The design created in 2020/2021 indicates a remaining volume of 719,000 tonnes as at Tuesday, 1 December 2020. With a maximum annual extraction of 65,000 tonnes per annum the pit has a minimum remaining life of 11 years.



ACCESS AND EQUITY ACTIVITIES TO MEET RESIDENTS' NEEDS

CHILDREN SERVICES

The Free Family Picnic Day was held at the Standing Stone site on Saturday, 15 May 2021 and was a tremendous success as reported in Events. Children, Youth and Family Services staff have continued to provide a high level of care for children and youth from the community through the **Children and Family Services (CAFS)** outlet at the Pool house and The Youth Booth.

Children numbers have remained at near capacity for both Out of School Hours Care (OOSH) and Vacation Care. Council approved the addition of a Before School Hours Service to be trialed at the CAFS outlet however this has been delayed due to the NSW Public Health Orders in relation to COVID-19

Parenting programs were not able to be delivered due to the NSW Public Health Orders in relation to COVID-19 and the absence of key staff at CAFS and other usual partner organisations.



The Glen Innes Severn Public Library delivers a range of children's programs which include onsite and offsite storytelling, school holiday activities, reader education resources and special event and celebrations such as a SANTA's visit at Christmas, University of New England (UNE) Science workshops and the National Simultaneous Storytelling activities. These activities recommenced after the Library reopened due to the NSW Public Health Orders and continued all services during the 2020/2021 Financial Year.

Available for loan are literacy and early reader resources, eBooks, and free online databases for academic and reference purposes are offered to the Glen Innes Severn community.

AGEING POPULATION SERVICES

Direct support continues to be provided for participation in a diverse range of activities in the home and community, facilitating choice and person-centred planning of Healthy Ageing Programs for people of all ages and abilities remain central to Council's service provision. Tai Chi and gentle exercise classes have been delivered and Council receives excellent and frequent feedback on the positive outcomes that have resulted from these classes.

The coordinators have been able to present 'online' virtual lessons and classes during lockdown and closure periods. Wellness, re-ablement, and independence continue to be supported and encouraged across all service initiatives.

SERVICES FOR PEOPLE WHO ARE OLDER AND PEOPLE WITH A DISABILITY

Council's Community Access Committee advocate for people who are older and people with a disability in relation to access and safety of mobility. The committee had to cancel their November 2020 Grey Street walk and assessment of accessible business houses due to NSW Public Health Orders.

The committee continue to make recommendations to Council for its consideration and many of the points raised have been included in Council Works Projects which have improved access generally for people of all abilities.

The Home Library Service at the Glen Innes Severn Public Library co-ordinates and delivers a personalised library service to frail, aged people, people with a disability and to their carers at private homes, hostels, nursing homes or hospitals across the communities of Glen Innes, Emmaville and Deepwater.

During the COVID-19 pandemic, 'no-contact' deliveries were extended to all community members that were isolating at home or were social distancing due to health issues.

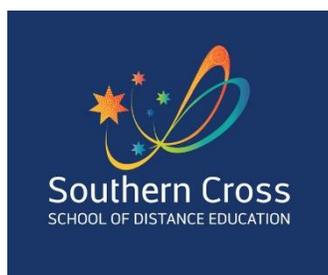
Specialised resources are provided for the visually impaired including Large Print, Talking Books, eReaders and Playaways. A Senior Kiosk with two (2) dedicated computers are available to service the needs of senior members.

Council continues to provide innovative services equitably to people who are older, people who have a disability, and their carers from its Life Choices - Support Services Team. The Community Services teams adopt a person-centred approach which focuses on the individuals needs and goals and then style assistance types to best assist the individual to meet and achieve their goals whilst maintaining independence in the community.

ABORIGINAL COMMUNITY SERVICES

Council continued to support the Aboriginal Consultative Committee with attendance and participation from the General Manager and the Manager of Community Services. Secretarial support was also afforded by the Life Choices - Support Services Administration and Quality Officer. Regrettably the committee discontinued meetings during the first quarter of 2021.

Council has continued its association with the Department of Communities and Justice (DCJ) with three (3) Targeted Early Intervention Programs. Despite the obstacles of COVID-19 the programs are running successfully, the aboriginal specific playgroup (Jarjums) has witnessed increased numbers this year. The staff from Children Youth and Family Services (CYFS) have reaffirmed their connection with Glen Innes Youth and Family Support and conducted some joint activities.



During term one (1) of the school year, Council commenced a partnership with the **Southern Cross School of Distance Education (SCSoDE)**. The SCSoDE works alongside the NSW Department of Education and facilitates a program at The Youth Booth two (2) days each week. The program is run from the Aboriginal and Alternate Learning Faculty of the SCSoDE, has an aboriginal focus and is particularly for children who have a high level of absence from mainstream school. The partnership has proven most successful.

WOMEN'S SERVICES

Council continues to support the 'Safe in our Town' domestic violence initiative and works collaboratively to assist women who suffer domestic violence. The committee has received some much-needed funds to support and further its efforts towards raising awareness of domestic violence in the community. A fund-raising event, the 'SIOT Mayoral Auction' at the Town Hall and several donations from the Glen Innes Dance Group, 'The Shimmy Mob' have been very much appreciated by the committee.



For International Women's Day (IWD) in March 2021, Council hosted an event with inspirational speakers online and in person, local belly dancers and a newly released song single by local identity, Jennifer McKenzie was screened. The Acknowledgement to Country was given by a local Ngorabul, Bob Blair who finished the ceremony with a didgeridoo performance.

The 2021 campaign 'Choose to Challenge' was a good theme for the speakers who could relate to challenging life and career experiences. These speakers were Shanna Whan – CEO of 'Sober in the Country', Kate Lyn – owner and manager of 'The Local' restaurant, and Anna Watt – Director of Corporate and Community Services, Glen Innes Severn Council.

An additional attraction for the participants was the 'Cloudscape' Art Exhibition and the newly completed Aboriginal Totem Pole Artwork – Project Two (2) featuring the 'Women Business' Artwork Pole.

YOUNG PEOPLE'S SERVICES



Pictured – Ashley Hansell, Youth Worker

Councils' regular youth services are delivered Monday to Thursday from The Youth Booth building. An additional position, the Youth Worker Assistant (12 hours per week) was created and employed to support the existing Youth Worker position (21 hours per week). It has proven difficult to retain the services of a Youth Worker and the position currently remains vacant after two (2) failed recruitment processes. Youth week celebrations were conducted as reported in the events section of this report.

At the September 2020 Ordinary Council Meeting, a resolution was passed to partner with the Youth Insearch organisation. The partnership is working towards the appointment of a Youth Insearch Community Based Worker which is a full time qualified social worker position. The position will support Youth Insearch existing programs such as weekend camps and workshops and complement existing youth services.

A community consultation process was conducted during February 2021 with resounding verbal and in-kind support for the partnership forthcoming. Financial support has so far been more difficult to achieve; however, Council and Youth Insearch continue to proactively seek grant funding to bring the project to fruition.

Council entered a **memorandum of understanding (MOU)** with the SCSODE during term one (1) of the school year 2021. The MOU enables the SCSODE to provide educational services to students who are not participating in mainstream school. The program particularly targets students with a less than 40% school attendance and is run from the Aboriginal and Alternate Learning faculty of the SCSODE. The program operates two (2) days per week from The Youth Booth and positively works alongside Councils' Youth program.

The annual Youth Week event called LIVE@ The Library where school students give musical, band and dance performances was rescheduled to later in the year due to the Government restrictions for Public Movement and Gatherings.

PEOPLE WITH CULTURALLY AND LINGUISTICALLY DIVERSE BACKGROUND SERVICES



Harmony Day was held on Tuesday, 16 March 2021 at the Town Hall. The day was action packed celebrating Australia's Cultural Diversity. Attendees enjoyed a variety of local delicacies and cultural food from a range of Countries including, the Philippines, Thailand, India, Vietnam, China, Nepal and Australia.

Welcome to Country was presented by local Aboriginal Elder Mr John Kirk. Entertainment was provided by the Tai Chi class, Paul Hanson playing the Bagpipes, a National Costume Parade, Jasvir Benival performing remix Haryanvi and Punjabi Folk Dance Bhangra, Chirag and Prisca Beniwal performing Koka a Bollywood Dance. There were multiple performances by the Glen Innes High School Dancers, Filo Momshies Hawaiian Dance, Classic Piano performances by Glen Innes High School Piano students, Brendan Mackenzie, John Crossley, Cornelio and Jacob Zomer. Additional music and sound for the day was provided by Bob Blair.

DISABILITY INCLUSION ACTION PLAN

Council continues to progress the actions of the **Disability Inclusion Action Plan (DIAP) 2017-2021**. Council's new DIAP was due to be published in July 2021. The NSW Minister for Families and Communities and Minister for Disability Services, The Hon Gareth Ward MP wrote to Council's Manager of Community Services on 18 May 2021 to advise that due to the impact of COVID-19 and natural disasters, the due date has been extended to July 2022.

Whilst some events and forums contained within the current DIAP have been compromised or cancelled due to NSW Public Health Orders, Council has endeavoured to maintain its focus on inclusion and supporting people of all abilities within the community.

A selection of Council staff participated in training with the Council for Intellectual Disability during the first quarter of 2020/2021 Financial Year. The training program 'More Than Just a Job for Councils' was conducted online and provided valuable insight for Council staff how we can develop accessible recruitment processes, be confident working with people with intellectual disability and develop easy read documents like contracts and policies.





INFORMATION PERTAINING TO LEGISLATIVE REQUIREMENTS

Under various legislation Council is required to conduct certain activities and report on these in the Annual Report.

LOCAL GOVERNMENT ACT 1993 AND LOCAL GOVERNMENT (GENERAL) REGULATION 2021

Audited Financial Statements

Please refer to **Annexure A** for the audited Financial Statements for 2020/2021 Financial Year.

Performance of Principal Activities

Please refer to **Annexure B** for the Report on Principal Activities – On the Operational Plan measured against the Four-Year Delivery Program 2017-2021.

Rates and Charges Written Off

Rate or Charge	Amount Written Off
General Rates	\$10,268.33
Water Service Availability Charge	\$5.42
Water Consumption Charges	\$182.73
Sewerage Service Charges	\$19.94
Other Charges	\$2,182.99
Total	\$12,659.41

Overseas Visits

There were no overseas visits undertaken by Councillors or Council staff during the 2020/2021 Financial Year.

Payment of Expenses and the Provision of Facilities to the Mayor and Councillors

Council annually reviews its Policy concerning the payment of expenses incurred by, and the provision of facilities to, the Mayor and Councillors in relation to discharging the functions of civic office.

The Mayoral Fee for the year was \$33,384. The Councillors' fees for the year totalled \$80,702.

Office accommodation in a shared office space is provided to the Mayor in relation to discharging the functions of civic office. There were no costs associated with this provision, as no operational or capital expenditure was incurred.

Details	Cost
The provision during the year of dedicated office equipment allocated to Councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in Councillors' homes (including equipment and line rental costs and internet access costs but not including call costs).	\$1,193
Telephone calls made by Councillors, including calls made from mobile telephones provided by the Council and from landline telephones and facsimile services installed in Councillors' homes.	Nil
The attendance of Councillors at conferences and seminars.	\$2,139
Interstate visits undertaken during the year by Councillors while representing the Council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses.	\$6,751
The expenses of any spouse, partner (whether of the same or the opposite sex) or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable in accordance with the <i>Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW</i> prepared by the Director-General from time to time.	Nil
The training of Councillors and the provision of skill development for Councillors.	Nil
Expenses involved in the provision of care for a child of, or an immediate family member of, a Councillor, to allow the Councillor to undertake his or her civic functions.	Nil

Councillor Induction and Professional Development Program

The following supplementary induction training provided to Councillors through workshops, during the year were:

- Overview of Strategic Land Use Planning – Glen Innes Severn Council;
- Waste Management Strategy;
- Risk Appetite workshop; and
- New Policy Register.

No ongoing professional development training was held for Councillors during the year.

Major Contracts Awarded

Council awarded the following contracts during 2020/2021:

- Woollam Constructions for the construction of the Warwick Twigg Indoor Sports Stadium totaled \$4,809,995;
- Contract entered with Open Office Pty Ltd for a new suite of Corporate Information Systems in December 2020; the completion of this project is estimated to be December 2022.
- Glenrac Incorporated for the delivery of a grant funded project “Combating Local Priority Weeds in a Collaborative Cooperative Coordinated Approach’ totaled \$683,681;
- Weirbuilt for the replacement of the Bridge over the Mann River on Shannon Vale Road to the value of \$940,000;



- Komatsu Australia for a 26-tonne excavator to the value of \$254,100;
- RDO Equipment for a John Deere 670 GP grader to the value of \$474,650;
- Saunders Civilbuild for construction of new bridge over Mann River on Old Grafton Road to the value of \$1,365,338;
- Construction Equipment Australia for 12-tonne smooth drum roller to the value of \$173,250; and
- Allquip for a Hino watercart to the value of \$277,300.

Legal Proceedings Taken by or Against Council

A summary of the amounts incurred by Council during 2020/2021 in relation to actual legal proceedings taken by or against Council including amounts, costs and expenses paid or received by way of out of court settlements, other than those the terms of which are not to be disclosed. A summary of the state of progress of legal proceedings is shown in the table below. During 2020/2021 total legal fees amounting to \$44,757.81 were incurred for advice on various matters.

Cases	Resolved/Unresolved	Amount Incurred
Rates, Water and Sundry Debtors Recovery - various	Resolved	\$22,281.17
Planning Related	Resolved	\$22,476.64
TOTAL for 2020/21		\$44,757.81

Work Carried Out on Private land

Council undertook various private works on private land in 2020/2021, but all costs were borne by the property owner.

Council sets separate hire charges for private works that are outlined in Council's Fees and Charges Schedule. These rates are generally like commercial contractor rates, as Council does not wish to unfairly compete with private enterprise.

Contributions Granted Under Section 356 of the Act

Community Donations are provided annually through an application process that is open to all community groups in the Local Government Area. The following groups were awarded donations for the 2020/2021 Financial Year:

Organisation	Amount Awarded
Deepwater and District Community Radio Inc.	\$1,100
Deepwater Jockey Club and Deepwater Golf Club	\$1,000
Deepwater Progress Association	\$1,000
Deepwater School of Arts Hall Trust	\$3,000
Deepwater Sewing Group	\$500
Emmaville Pony Club	\$1,500
Friends of the Library	\$860
Fringe Trash Incorporated	\$1,000
Glen Innes and District Football Association	\$1,000
Glen Innes and District Historical Society Inc.	\$1,400
Glen Innes and District Tennis Association	\$2,000

Organisation	Amount Awarded
Glen Innes Clay Target Club	\$583
Glen Innes Ladies Golf Association	\$250
Glen Innes Multiple Sclerosis Society	\$500
Glen Innes Pottery Club	\$2,500
Glen Innes Redfins Swim Club	\$1,000
Glen Innes Rugby League	\$600
Glen Innes Showground Land Manager	\$2,000
GLENRAC	\$1,000
Lions Club of Glen Innes Inc.	\$1,500
Red Range Public Hall Recreation Reserve Land Manager	\$2,000
RSPCA Glen Innes Volunteer Branch	\$1,500
The Gourmet Fiesta (Glen Innes Show Society Inc.)	\$3,207
Wellingrove Progress Association Inc.	\$2,000
Total	\$33,000

Mayoral Donations totaling \$4,892 were made to the following beneficiaries during the reporting period:

Beneficiary	Amount
Glen Innes and District Community Centre (Safe in Our Town Committee – website update)	\$250
Italian Restaurant - Mayoral Gift	\$50
Glenfest - Mayoral Art Prize	\$250
Safe in Our Town - Money from Mayoral Fundraiser	\$1,892
Michael Burge Media - Writers Book Award	\$250
Glen Innes Art Gallery – Glen Innes Archies Group Exhibition	\$250
Glen Innes Family and Youth Support – Craft Group	\$250
1 st Glen Innes Scouts – ANZAC Day Volunteer Contribution	\$250
Catholic Development Fund – Indigenous Dance Group and Excursion	\$250
Glen Innes Local Aboriginal Lands Council	\$250
Cool Choir Deepwater	\$250
River Tribe Incorporated	\$250
Wytaliba School P&C	\$250
Laura Carter – Recognition of contributions to Emmaville School and Community	\$200
TOTAL	\$4,892

External Bodies that Exercised Functions Delegated by Council

Activities under the control of Council with participation from external bodies are:

- The **Materials Recovery Facility**, which is operated by Glen Industries in accordance with a Service Level Agreement;
- Council is now a constituent member of the **New England Weeds Authority** which undertakes Council's noxious weeds function;
- The **NSW Rural Fire Service** exercises certain functions, powers and duties imposed on Council by and under the *Rural Fires Act 1997*, under a Rural Fire District Service Agreement; and

Companies in which Council held a Controlling Interest

Council had no controlling interests in any companies for the 12-month period ending 30 June 2021.

Partnerships, Co-operatives and Joint Ventures

Council participates in:

- The **Northern Inland Regional Waste Group (NIRW)**, which is a voluntary association of councils that participate in the joint calling of tenders for various waste management activities;
- The **Glen Innes Natural Resources Advisory Committee (GLENRAC)** to work with landholders and the community to manage and maintain the natural resource base of the Glen Innes LGA for the improvement of both the social and productive environment;
- The **Northern Regional Food Surveillance Group**, which is supported through the NSW Food Authority;
- The **North West Weight of Loads Group**, which enforces the *Roads Act 1993*, imposes limits on the weight of vehicles using public roads with a view to reduce road maintenance costs; and
- The **Northern Tableland Cooperative Library Service**, a partnership across five (5) local councils, which use a combined annual budget for the purchase of library resources and online eResources for the benefit of their communities; to take advantage of shared grant opportunities through the NSW Library Council; to gain opportunities through networking, and shared training.

Equal Employment Opportunity (EEO) Management Plan

Council continued to implement its EEO Management Plan during the year, in consultation with its EEO Committee and workplace representatives.

EEO targets are addressed by:

- Complying with the *NSW Anti-Discrimination Act 1977* and other relevant legislation;
- Providing all employees with equal opportunity for employment, training and promotion;
- Reviewing and updating selection criteria for all jobs prior to advertising to ensure that applicants are selected solely based on their merit and abilities;

- Incorporating EEO statements and information in job advertisements and information packs for all advertised positions;
- Ensuring that gender-based language is not included in job advertisements or related material;
- Providing for gender balance and target group representation on selection panels;
- Ensuring that all appointment decisions are justified and documented on merit-based grounds;
- Encouraging target groups to access training and promotion through incentives such as Council's Study Incentives Policy;
- Maintaining a Workplace Discrimination and Bullying / Harassment Policy and Grievance Resolution Policy and providing awareness training for all employees;
- Providing induction and refresher training for staff in Council's Code of Conduct;
- Ensuring that training, skills assessment and job evaluation programs are non-discriminatory in content;
- Providing EEO awareness training for all new staff and ensuring that they are aware of conditions of employment through the provision of induction material;
- Establishing and publicising a Corporate Training Plan for all employees;
- Conducting regular meetings between management, staff and the EEO Committee (Council's Staff Consultative Committee) regarding the implementation of Council's EEO Management Plan;
- Including knowledge of EEO as an essential requirement in all job specifications for supervisory positions;
- Extending paid maternity leave to all female employees and providing flexible work arrangements for employees with childcare responsibilities;
- Including access for people with physical disabilities in all new design plans for staff accommodation; and
- Implementing the Aboriginal Employment Strategy and participating in local Aboriginal Consultative Committee meetings.

Specific EEO actions completed in 2020/2021 included:

- Implementing Council's Mature Age Workforce Policy and five-year Mature Age Workforce Program;
- Consulting with the Aboriginal community to implement the revised Aboriginal Employment Strategy 2018-2021;
- Reviewing and updating Council's staff performance management system to ensure that it is based on job requirements, is non-discriminatory, and matches Council's strategic vision and goals;
- Reviewing Council's recruitment system to streamline processes and support the selection of new staff who have job-related skills that meet or exceed expectations;
- Provide appropriate training to all employees who participate in selection panels, to ensure that they are knowledgeable and skilled in merit-based employment principles and practices; and
- Preparing and publicising the EEO Annual Report within Council's Annual Report.

Senior Staff Remuneration

For the purposes of the *Local Government Act 1993*, as amended, the only employee designated as being "Senior Staff" is the General Manager.

The total remuneration package of the General Manager is listed below. The remuneration package includes the following:

- The total value of the salary component of the package;
- The total amount of any bonus payments, performance payments or other payments made to the staff member that do not form part of the salary component;
- The total amount payable by the Council by way of the employer's contribution or salary sacrifice to any superannuation scheme to which the staff member may be a contributor;
- The total value of any non-cash benefits for which the staff member may elect under the package; and
- The total amount payable by the Council by way of fringe benefits tax for any such non-cash benefits.

Salary Package Component	Value
Salary	\$209,000
Housing Allowance	\$ 26,000
Superannuation (Salary Sacrifice)	\$ 1,000
Superannuation (Employer's Contribution)	\$ 24,000
Non-Cash Benefits	\$ 720
Reportable Fringe Benefits Tax	\$ 3,200
Total Package	<u>\$263,920</u>

Storm Water Management Services

The Storm Water Management Plan is no longer required, having been replaced by the introduction of a drainage charge for all eligible properties within the local government area.

Capital Works Projects

Major Projects

Council undertook the following major works during 2020/2021:

Rehabilitation of local roads, including:

- Gravel re-sheeting of Costellos Road, Mt Mitchell Road, Morven Road, Kelleys Road and Nant Park Road;
- Rehabilitation of Wellington Vale Road segment 70, Emmaville Road Segment 120 and Polhill Road sealed section;
- New bitumen seal on Old Grafton Road (23km); and
- Heavy patching of Strathbogie Road and Rangers Valley Road.

Bridge Works:

- Completed replacement of Ten Mile Road, Deepwater River bridge;
- Completed replacement of Riley's Road bridge;
- Completed replacement of two (2) bridges on Cherry Tree Road;
- Completed rehabilitation of Waterloo Road bridge over Wellingrove Creek; and
- Completed rehabilitation of Yarraford Road bridge over the Severn River.

Water and Sewerage Systems:

- Construction of new overhead fill point at Dunn Avenue;
- Water mains and treatment plant renewals; and
- Sewer main extensions and renewals.

*Council building and facility projects***Glen Innes Saleyards Upgrade:**

- A \$1.25M upgrade to the sheep selling facilities at the Glen Innes Saleyards was completed the upgrade included:
 - New 5,000 head sheep selling facility including new loading ramps, drafting facilities and lighting;
 - Upgrade of the canteen;
 - Upgrade of the carpark; and
 - New signage.

Grant Project Updates

- Upgrade to Lex Ritichie Park with erection of wind turbine blade, Kerb and guttering and car park (\$94,163).

COMPANION ANIMALS MANAGEMENT ACTIVITIES

Council has adopted a Strategic Companion Animals Management Policy. This policy is used to guide Council and its officers in fulfilling their responsibilities and duties under the *Companion Animals Act 1998*.

The policy aims to:

- Ensure companion animals remain a valued part of the Glen Innes Severn community;
- Create harmony between the needs of companion animals, their owners and other residents;
- Facilitate responsible companion animal ownership through a balance of education and enforcement; and
- Ensure compliance with the requirements of the *Companion Animals Act 1998* and *Companion Animals Regulation 2008* through the proper exercise of the functions of Council under the *Companion Animals Act 1998*.



For the 2020/2021 financial year, the following animal activities relating to the Glen Innes pound were lodged with the Office of Local Government:

Animal Activity	
Impounded Dogs	136
Impounded Cats	76
Released Dogs	216
Released Cats	107
Sold Dogs	0
Sold Cats	0
Rehoused through Organisation: Dogs	148
Rehoused through Organisation: Cats	80
Euthanized Dogs	10
Euthanized Cats	51
Restricted Dogs	0
Menacing Dogs	0
Dangerous Dogs	2
Still in Pound at the end of 2020/2021	6 Cats

Animal Complaints

Council's Rangers have investigated five (5) reported dog attacks / unreasonable aggression incidents and 26 nuisance complaints during the 2020/2021 Financial Year.

Dog Attacks

During the 2020/2021 period, three (3) dogs were declared menacing. Data has been lodged with the Office of Local Government as per requirements.

Funding

Animal Control Income	
Livestock Fines	Nil
Sale of Dogs (Includes Vaccination)	Nil
Commission	\$18,393.60
Collar Hire Fees	Nil
Microchipping Fees	\$567.32
Impounding Fees	\$411.00
Regulatory Fees	\$20,909.58
Sundry Income	\$590.90
Certificate of Compliance	Nil
Grant Funding	Nil
TOTAL ANIMAL CONTROL INCOME	\$40,872.40

Animal Control Expenses	
Wages and Allowances	\$111,722.90
Maintenance	\$5,556.83
Sustenance Expenses	\$7,607.74
Stationery	\$359.05
TOTAL ANIMAL EXPENSES	\$125,246.52

Strategies are in place to comply with Section 64 (5) of the *Companion Animals Act 1998*, – seeking alternatives to euthanasia for unclaimed animals.

Council's Rangers assisted in the Local RSPCA Day and Microchipping / Vaccination Days during the 2020/2021 Period.

The Rangers support and work collaboratively with rescue and rehoming organisations such as the Local Glen Innes RSPCA and Lucky Paws to rehome surrendered, unclaimed and unregistered pets to significantly reduce the number of euthanasia statistics within the Glen Innes Pound.

Off leash areas provided in the Glen Innes Severn Local Government Area

Council provides three (3) off-leash areas within the LGA:

- Lynch Oval;
- Centennial Parklands; and
- Lions Park.

The following link from Council's website provides a map showing the location of each off-leash area:
<https://www.gisc.nsw.gov.au/sites/gleninnes/files/public/images/documents/gisc/mig/2330-OffLeash.pdf>

Council also received a portion of the fees taken from Companion Animal registrations.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Background

The *Government Information (Public Access) Act 2009* (GIPA Act) commenced on 1 July 2010 and introduced a new “Right to Information” regime to NSW. The GIPA Act replaced the Freedom of Information Act and the other main legislative provision for access to Council information, which was section 12 of the *Local Government Act 1993*.

The GIPA Act is supported by the *Government Information (Public Access) Regulation 2009* (GIPA Regulation).

This regime is designed to maintain and advance a system of responsible and representative democratic government that is open, accountable, fair and effective that requires information disclosure through the following processes:

1. Mandatory proactive release of “open access information” free of charge on Council’s website, (unless to do so would impose unreasonable additional costs on Council);
2. Authorised proactive release of information (unless there is an overriding public interest against disclosure of the information);
3. Informal release of information (unless there is an overriding public interest against disclosure of the information); and
4. Formal access applications (unless there is an overriding public interest against disclosure of the information).

Note: Section 18 of the GIPA Act and Schedule 1 of the GIPA Regulation defines what constitutes “open access information”.

Council is required to prepare an annual report in accordance with the requirements of section 125 of the GIPA Act and Clause 7 of the GIPA Regulation. The annual report is also required to include statistical information on formal access applications in the form required by Schedule 2 of the GIPA Regulation. Further the recent use of the IPC GIPA tool to manage GIPA applications has assisted Council’s compliance with the legislation and to meet annual reporting requirements through the easy online lodgement of reports at the end of the financial year.

The GIPA – Annual Report for Council 2020/2021 can be found at **Annexure C**.



Review of Proactive Release Program

Under Section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

This year's review resulted in the following key findings:

- That the Major Contracts register available for viewing on Council's website was not being updated regularly. This has been rectified;
- That the Disclosure of Interests Returns were not publicly available on Council's website. This has been rectified;
- The Agency Information Guide was reviewed and amended with minimal suggested changes advised by the IPC;
- Glen Innes Severn Council makes as much information as possible publicly available in the most appropriate manner, including on its website. The information is available free of charge where possible or at the lowest cost. Information made available includes frequently requested information or information of public interest that has been released because of other requests;
- Council's Integrated, Planning and Reporting Framework documents are available for viewing and/or printing on Council's website;
- All Council's Business Paper Reports and associated documentation are available on Council's website and hard copies are available at certain locations that are advertised in Council's weekly 'Our Council' advertising in the local Glen Innes Examiner; and
- Members of the community can be involved in decision-making processes of Council through the livestreaming of Council meetings being made available and accessible for a minimum of 12 months on Council's website.

Statistical Data

Data relating to the number of Access Applications received, refused and other statistical data relating to Access Applications may be viewed in the GIPA Annual Report at Annexure C.

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

Planning Agreements

No Planning agreements have been entered into by Council during the period.

Programs Undertaken to Preserve, Protect and Enhance the Environment

Waste Management Strategies

Council is one (1) of the founding members of Northern Inland Regional Waste and remains a member since its inception in 1996.

Council aligns its waste management operations with the Regional Waste Strategy and Action Plan that was developed through Northern Inland Regional Waste and member councils. Northern Inland Regional Waste have just completed a Waste Material Flow Analysis Report and Council is completing the Waste Management Strategies.

Alternate Energy

Council continues to actively pursue renewable energy opportunities.

Council's renewable energy projects have made significant energy savings and cost savings. An estimated energy saving to Council of up to 357,700 kw/h annually, which equates to an approximate annual saving of more than \$100,000, whilst reducing Council's carbon emissions by approximately 252 tonnes annually.

Weeds Management

The Minister for Local Government, the Honorable Shelley Hancock MP Council advised Council that its request to formally join the New England Tablelands (Noxious Weeds) County Council was recommended to the Governor that the proposal be implemented on and from 1 January 2021.

Accordingly, the Governor issued a proclamation to this effect on the 18 December 2020 and published in the NSW Government Gazette.

Recovery and Threat Abatement Plans – Fisheries Management Act 1994

No actions were undertaken in our Local Government Area regarding this plan.

Partnerships with other organisations

Membership of GLENRAC

The Glen Innes Natural Resources Advisory Committee (GLENRAC) consists of representatives from stakeholder groups interested in land management and land conservation issues in the local area, including Council. Other members represent landholders, the Glen Innes Aboriginal Land Council, National Parks and Wildlife Service, State Government agencies, and the Local Land Services.

Membership of Arts North West

Arts North West is a not-for-profit incorporated association and charitable institution whose role is to facilitate and deliver arts and cultural development in the region. The partners of Arts North West include: Arts NSW; Australian Government Office for the Arts Indigenous Cultural Support; and 12 Local Government Areas being: Armidale Regional; Glen Innes Severn; Gunnedah Shire; Gwydir Shire; Inverell Shire; Liverpool Plains Shire; Moree Plains Shire; Narrabri Shire; Tamworth Regional; Tenterfield Shire; Uralla Shire; and Walcha.

Membership of the Institute of Public Works Engineering Australasia (IPWEA) Roads and Transport Directorate

The IPWEA's Roads and Transport Directorate aids IPWEA, the Local Government NSW, individual Councils and Directorate members to effectively discharge their road management roles using the most recent technical practices and applying consistent and cost-effective asset management. This is achieved through a technical and research resource on asset management and transport issues and lobbying for an equitable share of resources and funding.

Membership of the Institute of Public Works Engineering Australasia (IPWEA) National Asset Management Strategy (NAMS)

The IPWEA's National Asset Management Strategy provides national leadership and advocacy in the sustainable management of community infrastructure, and resources to assist asset management practitioners.

PUBLIC INTEREST DISCLOSURE ACT 1994 AND REGULATION

Under section 6D of the *Public Disclosures Act 1994* (the *PID Act*), public authorities, including councils, are required to have a policy and procedures for receiving, assessing and dealing with protected disclosures.

Accordingly, Glen Innes Severn Council has adopted an Internal Reporting Policy – Public Interest Disclosures, which was developed from guidelines provided by the NSW Ombudsman. The Policy ensures Council's compliance and commitment to the legislation. Council has provided awareness training for its employees to ensure that they are aware of their rights and obligations under the Policy.

During the year ending 30 June 2021, Council received no public interest disclosures.

CARER'S (RECOGNITION) ACT 2010

Managers were reminded of their obligations under this Act, and to include appropriate reference to Carers when reviewing policies.

The Rights of Carers are incorporated in Council's Disability Action Plan.

BUSHFIRE HAZARD REDUCTION ACTIVITIES

Council actively engaged in the Bush Fire Management Committee (BFMC). The following areas were identified and tracked in the Bush Fire Management Risk Plan (BFMRP) which was approved in 2021:



- **Neighbourhood Safe Places (NSP);**
- Major evacuation routes from villages;
- Key water and transport assets;
- Aerodrome;
- All timber bridges;
- Protection zones; and
- Known hazard areas.

Activities conducted throughout the year included:

- Two (2) major hazard reduction burns were conducted at the aerodrome as part of an RFS exercise;
- Mechanical hazard reduction was completed along major evacuation routes and all sealed rural roads;
- Mechanical hazard reduction was completed at Glencoe, Red Range, and Emmaville villages;
- All NSPs were inspected;
- Asset Protection Zones (APZ) at Matheson and Bald Nob RFS shed were cleared;
- Council staff attended training for the new RFS Bushfire Management software (Guardian) and submitted six (6) hazard reduction projects for RFS grant funding.

BUSINESS ACTIVITIES

List of Category 1 Business Activities

Glen Innes Aggregates is a Category 1 Business for the 2020/2021 Financial Year.

List of Category 2 Business Activities

Council has two (2) Category 2 Business Activities, namely Water and Sewerage. These business activities have been accounted for in accordance with the NSW Government's Policy Statement "Application of National Competition Policy to Local Government" and the Department of Local Government Guidelines "Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality".

Category 1 Business Activities Statement of Expenses Revenue and Assets

Glen Innes Aggregates is a Category 1 Business for the 2020/2021 Financial Year. The Income Statement and Statement of Financial Position as of 30 June 2021 are included as Special Purpose Financial Statements as part of Council's Audited Financial Statements (Annexure A).

Competitive Neutrality Implementation Progress

The competitive neutrality pricing requirements have been applied to all of Council's businesses. The charge is based upon the cost of supply of the service and, in the case of the Water business, a consumption charge has also been applied. The operating result of the Water business activity before capital amounts was a surplus of \$95,000 after payment of a \$52,000 Debt Guarantee Fee to the General Fund. The Sewerage business activity operating result before capital amounts was a surplus of \$291,000 after payment of a Debt Guarantee Fee of \$31,000 to the General Fund.

Category 1 Business Activities Competitive Neutrality Statement

Glen Innes Aggregates is a Category 1 Business for the 2020/2021 Financial Year.

The result for the year ended 30 June 2021 was a surplus of \$339,000 after payment of a Debt Guarantee Fee of \$53,000.

Competitive Neutrality Complaints Handling Mechanism

Council has an established complaint handling mechanism, which is known to all Councillors and staff. Information concerning the complaints handling mechanism is made known to the public through information contained in Council's Annual Report.

Category 1 Business Activities Performance

Glen Innes Aggregates is a Category 1 Business for the 2020/2021 Financial Year.

Summary of Competitive Neutrality Complaints

Glen Innes Severn Council received no competitive neutrality complaints during the reporting period.

CODE OF CONDUCT

Under the provisions of Section 440 of the *Local Government Act 1993*, every Council must adopt a Code of Conduct that incorporates the provisions of the Model Code. On 24 September 2020, Council adopted the Model Code of Conduct for Councillors, Model Code of Conduct for Council Staff and Model Code of Conduct for Council Committee Members, Delegates of Council and Council Advisers, as prescribed by the NSW Office of Local Government.



Under the Procedures for the Administration of the Model Code of Conduct, the Complaints Coordinator must report annually to Council on Code of Conduct complaints statistics. This report was presented to Council on 26 November 2020 and included the following information, covering the reporting period 1 September 2019 until 31 August 2020:

Statistic(s) Required	Response
Total number of Code of Conduct complaints made about Councillors and the General Manager under the Code of Conduct in the year to September 2020 (the reporting period).	One (1)
Number of Code of Conduct complaints referred to a conduct reviewer during the reporting period.	Nil
The number of Code of Conduct complaints finalised by a conduct reviewer at the preliminary assessment stage during the reporting period and the outcome of those complaints.	Nil
The number of Code of Conduct complaints investigated by a conduct reviewer during the reporting period.	Nil
Without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period.	That a breach of the Code could not be substantiated
Statistic(s) Required	Response
The number of matters reviewed by the Office during the reporting period and, without identifying matters, the outcome of the reviews.	Nil
The total cost of dealing with code of conduct complaints made about councillors and the general manager during the reporting period, including staff costs.	\$1,200

Under the Procedures for the Administration of the Model Code of Conduct, Council is to provide the Office of Local Government with a report containing the statistics set out above, which was lodged on 30 November 2020. The reporting period for Code of Conduct matters falls outside the Financial Year. Since the end of the reporting period, 31 August 2020 until the end of the Financial Year, 30 June 2021, there have been no Code of Conduct matters.

INSPECTIONS OF PRIVATE SWIMMING POOLS



Under the provisions of Section 22 of the *Swimming Pools Act 1992* (the Act), and Clause 18 of the *Swimming Pools Regulation 2018* (the Regulation), Council is to provide details of inspections of private swimming pools.

Details	Number of inspections
Number of inspections of tourist and visitor accommodation	2
Number of inspections of premises with more than two (2) dwellings	12
Number of inspections that resulted in issuance of a certificate of compliance under Section 22D of the Act	9
Number of inspections that resulted in issuance of a certificate of non-compliance under Clauses of the Regulation	0

CONDITION OF PUBLIC WORKS

It is a statutory requirement of the *Local Government Act 1993*, that Council provide information on the Condition of Public Works, including public buildings, public roads, water, sewerage and drainage as of 30 June 2021. The information contained in this section comprises accounting estimates formulated in accordance with the NSW Local Government Code of Accounting Practice and Financial Reporting. Nothing contained in this section may be taken to be an admission of any liability to any person under any circumstances.

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard		Estimated cost to bring to the agreed level of service set by Council	2020/21 Required maintenance *	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000						1	2	3	4	5
Buildings	Buildings	4,220	4,220	222	258	14,089	29,523	26.0%	0.0%	73.0%	0.0%	1.0%	
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	
	Buildings - Quarry	129	129	32	12	263	659	4.0%	0.0%	92.0%	3.0%	1.0%	
	Buildings - Water	458	458	–	–	1,142	2,587	10.0%	1.0%	88.0%	0.0%	1.0%	
	Buildings - Sewer	84	84	–	–	268	495	27.0%	0.0%	55.0%	18.0%	0.0%	
	Buildings - Public Halls	2,487	2,487	2	1	3,676	12,430	0.0%	0.0%	100.0%	0.0%	0.0%	
	Sub-total	7,378	7,378	256	271	19,438	45,694	17.7%	0.1%	81.3%	0.2%	0.7%	
Other structures	Other structures	11	11	99	108	4,162	10,245	11.0%	89.0%	0.0%	0.0%	0.0%	
	Sub-total	11	11	99	108	4,162	10,245	11.0%	89.0%	0.0%	0.0%	0.0%	
Roads	Roads – Local Rural Sealed	4,117	4,117	399	304	47,256	77,275	61.0%	17.0%	5.0%	3.0%	14.0%	
	Roads – Local Urban Sealed	1,143	1,144	338	348	14,796	22,855	64.0%	20.0%	7.0%	1.0%	8.0%	
	Roads – Local Rural Unsealed	8,527	8,527	1,892	2,641	14,458	36,166	25.0%	12.0%	7.0%	15.0%	41.0%	
	Roads – Other Urban Sealed	230	230	–	–	1,236	2,222	43.0%	28.0%	0.0%	24.0%	5.0%	
	Roads – Regional Rural Sealed	694	694	98	85	13,412	18,538	65.0%	22.0%	7.0%	1.0%	5.0%	
	Roads – Regional Urban Sealed	25	25	–	–	877	1,041	94.0%	0.0%	0.0%	0.0%	6.0%	
	Bulk earthworks	16	16	–	–	64,707	64,707	100.0%	0.0%	0.0%	0.0%	0.0%	
	Footpaths	264	264	45	30	3,302	4,547	43.0%	32.0%	17.0%	7.0%	1.0%	
	Carparks	36	36	2	–	947	1,395	58.0%	30.0%	11.0%	1.0%	0.0%	
	Causeways	716	716	–	–	2,834	7,165	3.0%	53.0%	35.0%	6.0%	3.0%	
	Bridges – Local Rural Concrete/Steel	2,425	2,425	4	6	16,165	25,498	14.0%	41.0%	41.0%	1.0%	3.0%	
	Bridges – Local Rural Timber	639	639	64	41	170	2,102	4.0%	3.0%	19.0%	51.0%	23.0%	
	Bridges – Local Urban Concrete/Steel	157	157	–	–	999	1,540	0.0%	50.0%	49.0%	1.0%	0.0%	
	Bridges – Local Urban Timber	58	58	–	–	19	309	0.0%	6.0%	94.0%	0.0%	0.0%	
	Bridges – Regional Concrete/Steel	272	272	–	–	2,010	2,928	15.0%	40.0%	44.0%	0.0%	1.0%	
	Culverts - Local Sealed Rural	157	157	–	–	3,538	5,328	6.0%	80.0%	14.0%	0.0%	0.0%	
	Culverts - Local Sealed Urban	5	5	–	–	361	733	0.0%	98.0%	1.0%	1.0%	0.0%	
	Culverts - Local Unsealed Rural	122	122	–	–	1,597	2,517	1.0%	76.0%	21.0%	2.0%	0.0%	
	Culverts - Regional Sealed	250	250	–	–	1,219	2,202	0.0%	44.0%	54.0%	2.0%	0.0%	
	Other	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	2.0%	0.0%
	Sub-total	19,853	19,854	2,842	3,455	189,903	279,068	56.2%	18.9%	10.2%	3.9%	10.8%	

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021 (continued)

Asset Class	Asset Category	Estimated cost to bring to the agreed level of service set by Council		2020/21 Required maintenance *	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
Water supply network	Bores	–	–	4	4	346	400	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Dams/Weirs	–	–	–	–	3,243	5,024	1.0%	99.0%	0.0%	0.0%	0.0%	0.0%
	Off Stream Storages	–	–	–	–	440	564	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Pumping Stations	–	–	16	14	871	1,835	59.0%	41.0%	0.0%	0.0%	0.0%	0.0%
	Rising Mains	34	34	–	–	1,930	2,579	23.0%	71.0%	6.0%	0.0%	0.0%	0.0%
	Total Reticulation	1,310	1,310	156	184	9,610	14,032	38.0%	24.0%	24.0%	14.0%	0.0%	0.0%
	Treatment	–	–	63	66	8,097	12,576	53.0%	47.0%	0.0%	0.0%	0.0%	0.0%
	Reservoirs	144	144	–	–	2,576	4,439	42.0%	40.0%	18.0%	0.0%	0.0%	0.0%
Sub-total		1,488	1,488	239	268	27,113	41,449	39.9%	44.9%	10.4%	4.7%	0.0%	0.0%
Sewerage network	Rising Mains	22	22	–	–	1,182	1,374	83.0%	9.0%	8.0%	0.0%	0.0%	0.0%
	Total Reticulation	3,951	3,951	101	77	15,745	23,176	23.0%	10.0%	39.0%	27.0%	1.0%	1.0%
	Treatment	–	–	–	–	4,345	7,160	98.0%	2.0%	0.0%	0.0%	0.0%	0.0%
	Pumping Stations	13	13	10	2	266	571	50.0%	38.0%	12.0%	0.0%	0.0%	0.0%
	Sub-total		3,986	3,986	111	79	21,538	32,281	42.7%	8.7%	28.6%	19.4%	0.7%
Stormwater drainage	Stormwater Conduits	1,640	1,640	16	5	8,909	15,256	6.0%	41.0%	52.0%	0.0%	1.0%	1.0%
	Inlet and Junction Pits	102	102	–	–	1,387	2,333	8.0%	72.0%	17.0%	3.0%	0.0%	0.0%
	Sub-total		1,742	1,742	16	5	10,296	17,589	6.3%	45.1%	47.4%	0.4%	0.9%
Open space / recreational assets	Swimming pools	230	230	53	44	1,779	3,142	15.0%	51.0%	31.0%	2.0%	1.0%	1.0%
	Other Recreation	156	156	20	21	2,647	3,642	56.0%	27.0%	14.0%	0.0%	3.0%	3.0%
	Sub-total		386	386	73	65	4,426	6,784	37.0%	38.1%	21.9%	0.9%	2.1%
Other infrastructure assets	Kerb and Gutter	290	290	–	–	5,649	11,330	38.0%	51.0%	9.0%	2.0%	0.0%	0.0%
	Major Street Furniture	6	6	–	–	1,904	2,331	89.0%	10.0%	1.0%	0.0%	0.0%	0.0%
	Sub-total		296	296	–	–	7,553	13,661	46.7%	44.0%	7.6%	1.7%	0.0%
Total – all assets		35,140	35,141	3,636	4,251	284,429	446,771	46.2%	22.3%	20.1%	4.4%	6.9%	6.9%

(a) Required maintenance is the amount identified in Council's asset management plans.

Glen Innes Severn Council

Report on Infrastructure Assets - Values (continued)

as at 30 June 2020

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

HUMAN RESOURCE ACTIVITIES

STAFF PROFILE / WORKFORCE PLANNING

Workforce Age Profile by Function (Excluding Casual Staff) - 30 June 2021

	Under 20	20-24	25-34	35-44	45-54	55-64	65 and over	Total Staff
Admin & Finance	0	0	2	3	7	6	0	18
Children & Youth	0	0	2	0	1	1	0	4
Community Services	0	0	0	0	0	1	0	1
Economic Development	0	0	1	0	2	3	0	6
GM's Office	0	0	0	0	1	1	1	3
Glen Innes Aggregates	0	0	0	0	1	2	1	4
Infrastructure	0	0	3	10	9	10	2	34
Integrated Water Services	0	1	3	3	1	2	0	10
Library	0	1	0	0	3	0	1	5
Life Choices – Support Services	1	0	7	3	9	6	4	30
Planning & Regulatory	0	0	2	6	5	5	1	19
Recreation & Open Spaces	0	1	0	5	1	2	0	9
Technical Services	0	1	1	3	1	1	1	8
Grand Total	1	4	21	33	41	40	11	151
% of Total Workforce	0.66	2.65	13.91	21.85	27.15	26.49	7.28	100



Workforce Profile / Equal Employment Opportunity Statistics - 30 June 2021

	Total Staff	Male	Female	Aboriginal or Torres Strait Islanders	Racial, Ethnic, Ethno-religious Minority Groups	Non-English Speaking Back-ground	Persons with a Disability
	% of Total Staff						
Permanent Full-time	118	81	37	6	0	2	0
Permanent Part-time	31	7	24	3	0	1	0
Temporary Full-time	2	1	1	0	0	0	0
Temporary Part-time	0	0	0	0	0	0	0
Casual	40	13	27	1	0	0	0
Total %	100	53.40	46.60	5.24	0	1.57	0
Total Staff	191	102	89	10	0	3	0

STAFF CONSULTATIVE COMMITTEE

The Constitution of the Glen Innes Severn Council Staff Consultative Committee provides for the following representatives:

- Two (2) elected representatives from the Corporate and Community Services Directorate, one (1) or more of which shall be a member of the **United Services Union (USU)**;
- Two (2) elected representatives from the Infrastructure Services Directorate, one (1) of which shall be a member of the Local Government Engineer's Association (LGEA) and the other a member of the USU;
- Two (2) elected representatives from the Development, Planning and Regulatory Services Directorate, one (1) of which shall be a member of the Development and Environmental Professionals Association (DEPA) and the other a member of the USU;
- Up to four (4) management representatives appointed by the General Manager; and
- Ex officio members comprising Council's Manager of Administration and Human Resources and Human Resources Officer (Payroll), plus others as required.

Staff Consultative Committee meetings are held each month. The Committee keeps minutes of all meetings, signed by the Chair.

RECRUITMENT AND SELECTION

Council conducts all recruitment and selection activities in accordance with its **Equal Employment Opportunity (EEO)** Management Plan, EEO Policy, and recruitment and selection policies and procedures. All positions, including casual and short-term positions, are advertised to attract suitably qualified applicants.

Prior to advertising, each new or vacant position has a detailed position description developed, with selection criteria appropriate to the duties and responsibilities. Applicants are required to address each criterion.

Independent selection panels, approved by the Manager of Administration and Human Resources, make all selection recommendations or decisions. Where practicable, each panel will include at least one (1) member who is completely independent of Council.

All panel members receive instruction in merit-based recruitment principles / procedures and are required to declare conflicts of interest. Panel decisions / recommendations, and the reasons for such, are documented.

Applicants who are dissatisfied with the recruitment / selection process may appeal the decision to the General Manager.

POSITION DESCRIPTIONS

Position descriptions are reviewed prior to positions being advertised or otherwise when a job is redesigned or has altered responsibilities. Each employee is provided with a copy of his/her position description when she/he is offered a position.

EMPLOYEE REMUNERATION AND JOB EVALUATION

Council has adopted a 24 Grade Salary System to complement the Bands and Levels in the Local Government (State) Award 2020. Positions are evaluated using the **Mastertek Job Evaluation System (M-JES)** for NSW Local Government. The Salary System and M-JES comprise Council's principal means of determining the salaries of staff other than Senior Staff.

ENTERPRISE BARGAINING

Council has no Registered Enterprise Agreements.

EQUAL EMPLOYMENT OPPORTUNITY

Covered under *Equal Employment Opportunity Management Plan* in this report.

STAFF DEVELOPMENT AND TRAINING

New employees are inducted to ensure that staff obligations, rights and conditions of employment are covered at commencement. In addition to work site inductions, individual induction sessions are held for new employees.

Employees are required to participate in Council's annual skills / performance appraisal process, with appraisals occurring in June each year. Skills gaps and training requirements are identified through this process, and employees are provided with the training necessary to meet skill / competency requirements.

Council also provides staff with the opportunity to participate in its Study Incentives Policy, which aims to encourage employees to further develop their knowledge and skills through the provision of incentives to undertake education and training in work-related approved study courses.

The NSW Public Health Orders continued to have a significant negative impact on Council's ability to deliver training during 2020/2021; however, corporate training was provided in the following areas:

- Induction training for new staff;
- Work Health and Safety (WHS);
- Leadership skills;
- Mental Health;
- Cyber security awareness;
- Recruitment skills; and
- Office 365 / computer skills.

In addition to the above training, individual sections provided an extensive range of training for their staff.

Council supported the following government-funded traineeships or apprenticeships:

- Automotive Technology;
- Local Government Regulatory Services; and
- Water and Wastewater Plant Operation.

In addition to Council's formal training programs and traineeships, several staff members accessed Council's Study Incentives Policy during the year to further their education and professional development.

GRIEVANCE MANAGEMENT

Staff grievances are managed in accordance with Council's Grievance Resolution Policy and Procedures.

WORK HEALTH AND SAFETY (WHS)

To meet its WHS obligations and manage workplace injuries, Council has adopted a:

- Work Health and Safety Policy;
- Work Health and Safety Management Plan;
- Workplace Injury Management and Return to Work Policy;
- Risk Management Policy;
- Smoke Free Workplace Policy;
- Sun Smart and Personal Protective Equipment Policy;
- First Aid Policy; and
- Officers' Due Diligence Framework.

Council's agreed methods of workplace consultation under the *Work Health and Safety Act 2011* include workplace committees, **Health and Safety Representatives (HSRs)**, team meetings and toolbox meetings. Safety issues or initiatives agreed on at a workplace level are referred to the WHS Consultative Group, which includes all members of Council's Management Executive team, HSRs, Council's WHS Co-Ordinator and managers from high-risk work groups. These arrangements have been in place since April 2012.

Council's WHS Management Plan sets out requirements for regular workplace hazard inspections and WHS audits, to ensure that workplaces are free from hazards and other risks. Council maintains a Hazardous Substances Register, Confined Spaces Register, Asbestos Register and WHS training registers. The WHS Co-Ordinator reports workplace injuries and time lost to Council monthly.

In addition to the above, other WHS activities completed / undertaken included:

- Successful completion of the WHS Self Audit and Public Liability Audit as required by Council's insurer StateCover and StateWide Mutual respectively;
- Testing of fire-fighting equipment and emergency equipment at all worksites in accordance with legislative requirements;
- Attendance by Council representatives at meetings of the Northern Inland Risk Management Group and annual StateWide Mutual Risk Management Conference;
- Ergonomic assessments of office workstations and construction plant;
- Regular functional assessments for staff working in positions with high physical demands;
- Health screening for staff working in positions with potential exposure to dust related illnesses;
- Vaccinations for staff as part of Council's Vaccination Policy;
- Drug and alcohol testing conducted on a random basis throughout the year;
- Hearing tests for all staff identified as being high risk for hearing loss; and
- Skin checks for all staff identified as being high risk for sun exposure.

Employees received the following WHS training:

- First Aid;
- Chemical Accreditation;
- High Risk Work Licence – Dogman;
- High Risk Work Licence – Mobile Slewing Crane;
- Working Near Overhead Powerlines;
- Chainsaw – trim cut and fall trees;
- Polesaw operation; and
- Health and Safety Representative.

SECONDARY EMPLOYMENT

Council has adopted a Secondary Employment Policy, which may prohibit employees from engaging in secondary employment that does or could cause a conflict of interest with the employee's service with Council. Prior to engaging in employment that may constitute a conflict of interest, employees must apply to the General Manager for approval.

EXIT OF STAFF

It is Council's policy to conduct exit interviews with employees upon retirement, resignation or any other exit.

DOING BUSINESS WITH COUNCIL

Customer Relations

The Customer Service Team is Council's first point of contact for the community. The Customer Service Team are available for face-to-face and telephone enquiries from 8.30am to 4.30pm, Monday to Friday.

Public Officer

Council's Public Officer can provide information of Council's plans, policy documents and information under the *Government Information (Public Access) Act 2009*.

Council Notices

Council advertises regularly in the Glen Innes Examiner, including information about proposed developments, draft policies, positions vacant, public notices and Council meeting dates and times. Council also produces a Resident Newsletter and advertises in other publications when relevant.

Council Website

Council's website is located at www.gisc.nsw.gov.au. The website includes information about Council services, media releases, positions vacant, booking information for Council facilities, and forms. Public documents can also be accessed on the website and includes Business papers, Integrated Planning and Reporting documents, Plan and Policies.

Correspondence

All correspondence to Glen Innes Severn Council should be addressed to the General Manager and forwarded to:

PO Box 61
GLEN INNES NSW 2370
Email: council@gisc.nsw.gov.au



Glen Innes Severn Council
265 Grey Street Glen Innes NSW 2370
02 6730 2300
council@gisc.nsw.gov.au
www.gisc.nsw.gov.au



ANNEXURE A

Audited Financial Statements for the year ended 30 June 2021

Glen Innes Severn Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Embracing Change, Building on History"



Glen Innes Severn Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Embracing Change, Building on History"



Glen Innes Severn Council

General Purpose Financial Statements

for the year ended 30 June 2021

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Overview

Glen Innes Severn Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

265 Grey Street
Glen Innes NSW 2370

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.gjisc.nsw.gov.au.

Glen Innes Severn Council

General Purpose Financial Statements

for the year ended 30 June 2021

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Glen Innes Severn Council

General Purpose Financial Statements

for the year ended 30 June 2021

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (NSW) (as amended)

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

- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the *Local Government Code of Accounting Practice and Financial Reporting*.

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

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

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

Signed in accordance with a resolution of Council made on 23 September 2021.



Carol Sparks
Mayor
23 September 2021



Craig Bennett
General Manager
23 September 2021



Dianne Newman
Deputy Mayor
23 September 2021



Anna Watt
Responsible Accounting Officer
23 September 2021

Glen Innes Severn Council

Income Statement

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
	Income from continuing operations			
11,752	Rates and annual charges	B2-1	11,978	11,390
3,356	User charges and fees	B2-2	3,430	3,319
6,622	Other revenue	B2-3	3,555	2,518
10,293	Grants and contributions provided for operating purposes	B2-4	11,166	11,637
2,243	Grants and contributions provided for capital purposes	B2-4	4,687	2,774
607	Interest and investment income	B2-5	187	398
148	Other income	B2-6	176	177
35,021	Total income from continuing operations		35,179	32,213
	Expenses from continuing operations			
11,805	Employee benefits and on-costs	B3-1	10,795	10,351
13,198	Materials and services	B3-2	12,130	10,774
284	Borrowing costs	B3-3	792	887
6,506	Depreciation, amortisation and impairment for non-financial assets	B3-4	7,629	7,482
951	Other expenses	B3-5	819	543
–	Net losses from the disposal of assets	B4-1	4,241	1,276
32,744	Total expenses from continuing operations		36,406	31,313
2,277	Operating result from continuing operations		(1,227)	900
2,277	Net operating result for the year attributable to Council		(1,227)	900
35	Net operating result for the year before grants and contributions provided for capital purposes		(5,914)	(1,874)

The above Income Statement should be read in conjunction with the accompanying notes.

Glen Innes Severn Council

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Net operating result for the year – from Income Statement		(1,227)	900
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	<u>1,291</u>	<u>36,773</u>
Total items which will not be reclassified subsequently to the operating result		1,291	36,773
Total other comprehensive income for the year		1,291	36,773
Total comprehensive income for the year attributable to Council		64	37,673

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Glen Innes Severn Council

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	9,970	7,227
Investments	C1-2	16,100	13,400
Receivables	C1-4	2,052	2,158
Inventories	C1-5	1,779	2,969
Contract assets and contract cost assets	C1-6	338	502
Other		11	9
Total current assets		30,250	26,265
Non-current assets			
Receivables	C1-4	41	122
Infrastructure, property, plant and equipment	C1-7	313,986	314,083
Investment property	C1-8	205	170
Right of use assets	C2-1	1,088	814
Total non-current assets		315,320	315,189
Total assets		345,570	341,454
LIABILITIES			
Current liabilities			
Payables	C3-1	2,529	1,938
Contract liabilities	C3-2	7,532	2,755
Lease liabilities	C2-1	256	174
Borrowings	C3-3	1,642	1,598
Employee benefit provisions	C3-4	2,449	2,347
Total current liabilities		14,408	8,812
Non-current liabilities			
Payables	C3-1	171	175
Lease liabilities	C2-1	1,167	737
Borrowings	C3-3	9,715	11,358
Employee benefit provisions	C3-4	206	217
Provisions	C3-5	3,736	4,052
Total non-current liabilities		14,995	16,539
Total liabilities		29,403	25,351
Net assets		316,167	316,103
EQUITY			
Accumulated surplus		145,761	146,988
IPPE revaluation reserve	C4-1	170,406	169,115
Council equity interest		316,167	316,103
Total equity		316,167	316,103

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Glen Innes Severn Council

Statement of Changes in Equity

for the year ended 30 June 2021

	as at 30/06/21			as at 30/06/20		
	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July	146,988	169,115	316,103	146,448	132,342	278,790
Changes due to AASB 1058 and AASB 15 adoption	-	-	-	(360)	-	(360)
Restated opening balance	146,988	169,115	316,103	146,088	132,342	278,430
Net operating result for the year	(1,227)	-	(1,227)	900	-	900
Restated net operating result for the period	(1,227)	-	(1,227)	900	-	900
Other comprehensive income						
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	1,291	1,291	-	36,773	36,773
Other comprehensive income	-	1,291	1,291	-	36,773	36,773
Total comprehensive income	(1,227)	1,291	64	900	36,773	37,673
Closing balance at 30 June	145,761	170,406	316,167	146,988	169,115	316,103

Notes

C1-7

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Glen Innes Severn Council

Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
Cash flows from operating activities				
<i>Receipts:</i>				
11,752	Rates and annual charges		12,030	11,511
3,356	User charges and fees		4,004	2,127
607	Investment and interest revenue received		207	511
12,536	Grants and contributions		20,794	16,304
6,770	Other		2,665	5,847
<i>Payments:</i>				
(11,805)	Employee benefits and on-costs		(11,018)	(10,486)
(13,198)	Materials and services		(11,348)	(11,052)
(284)	Borrowing costs		(736)	(821)
–	Bonds, deposits and retention amounts refunded		–	(1)
(951)	Other		–	(6,138)
8,783	Net cash flows from operating activities	G1-1	16,598	7,802
Cash flows from investing activities				
<i>Receipts:</i>				
–	Sale of investment securities		–	3,600
–	Sale of infrastructure, property, plant and equipment		312	160
<i>Payments:</i>				
–	Acquisition of term deposits		(2,700)	–
(850)	Purchase of infrastructure, property, plant and equipment		(9,670)	(8,200)
(850)	Net cash flows from investing activities		(12,058)	(4,440)
Cash flows from financing activities				
<i>Payments:</i>				
(1,599)	Repayment of borrowings		(1,599)	(1,536)
(343)	Principal component of lease payments		(198)	(110)
(1,942)	Net cash flows from financing activities		(1,797)	(1,646)
5,991	Net change in cash and cash equivalents		2,743	1,716
6,974	Cash and cash equivalents at beginning of year	C1-1	7,227	5,511
12,965	Cash and cash equivalents at end of year	C1-1	9,970	7,227
13,400	plus: Investments on hand at end of year	C1-2	16,100	13,400
26,365	Total cash, cash equivalents and investments		26,070	20,627

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Glen Innes Severn Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 23 September 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and *Local Government (General) Regulation 2005 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts. Specific budgetary amounts have been included for comparative analysis (to actuals) and are clearly marked in the following reports and notes:

- Income statement
- Statement of cash flows
- Note B5-1 – Material budget variations

and are clearly marked.

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Council did not identify any potential material adjustments required to be done as a result of the pandemic. Even though the pandemic had a widespread effect on slowing down economies around the world, as at 30 June 2021 it is hard to predict any significant future implications on Council’s business. Council’s business operations remain on the same pattern. Council is not aware of any post balance sheet date events which would result in separate disclosures or adjustments to the 30 June 2021 financial results. Hence, 30 June 2021 financial statements were prepared on a going concern basis.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council’s accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- estimated fair values of investment properties – refer Note C1-8
- estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- estimated tip remediation provisions – refer Note C3-5
- employee benefit provisions – refer Note C3-4.

A1-1 Basis of preparation (continued)

Significant judgements in applying the Council's accounting policies

(v) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note C1-4.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations
- Water service
- Sewerage service
- Australia Day Committee
- Australian Standing Stones Management Board
- Emmaville Mining Museum Committee
- Glen Innes and District Sports Council
- Minerama Committee
- Pinkett Recreation Reserve Management Committee
- Stonehenge Recreation Reserve Trust
- Emmaville War Memorial Hall Committee
- Open Space Committee
- Glen Elgin Federation Sports Committee

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Volunteer services

Council relies on volunteer service within Economic Affairs and Community Services. Council cannot measure the value of volunteer services reliably therefore volunteer services are not required to be recognised.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2021 reporting period.

A1-1 Basis of preparation (continued)

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

For example the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

Council does not expect any material impact from the above amendments and to its classification of liabilities as current or non-current.

This standard has an effective date for the 30 June 2024 reporting period.

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 -2020 and Other Amendments

This Standard amends a number of standards as follows:

- AASB 1 to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences,
- AASB 3 to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations,
- AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability,
- AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset,
- AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making and
- AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Council does not expect any material impact from the above amendments.

This standard has an effective date for the 30 June 2023 reporting period.

New accounting standards adopted during the year

During the year Council adopted the following accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2020:

- AASB 1059 Service Concession Arrangements: Grantor and associated amendments
- AASB 2018- 6 Amendments to Australian Accounting Standards – Definition of a business
- AASB 2018 – 7 Amendments to Australian Accounting Standards – Definition of material
- AASB 2019 – 3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
- AASB 2019 -5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

A1-1 Basis of preparation (continued)

- AASB 2019 – 7 Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP / GFS Reconciliations
- AASB 2020 – 4 Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions

None of the above newly adopted standards had a material impact on Council's reported financial position, financial performance and/or associated financial statements disclosures.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

	Income		Expenses ¹		Operating result		Grants and contributions		Carrying amount of assets	
	2021 \$ '000	2020 ¹ \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 ² \$ '000	2021 \$ '000	2020 \$ '000
Functions or activities										
Administration	1,634	817	10,537	6,087	(8,903)	(5,270)	–	125	26,496	30,891
Community services and education	3,456	3,150	4,152	3,466	(696)	(316)	3,192	2,986	2,107	2,177
Economic affairs	1,776	2,437	3,197	2,399	(1,421)	38	1,503	2,395	6,299	4,120
Environment	3,140	2,415	2,157	1,474	983	941	657	–	15,046	17,829
General Purpose	10,084	9,790	37	112	10,047	9,678	2,948	2,900	–	–
Governance	204	6	557	440	(353)	(434)	10	–	–	–
Health	20	17	97	110	(77)	(93)	–	–	–	–
Housing and community amenities	379	297	459	392	(80)	(95)	28	12	686	–
Mining, manufacturing and construction	2,226	2,172	2,587	2,978	(361)	(806)	–	–	6,329	5,874
Public order and safety	420	762	1,853	1,857	(1,433)	(1,095)	356	4	975	88
Recreation and culture	1,152	1,566	2,218	2,489	(1,066)	(923)	1,029	1,379	20,973	17,245
Sewerage services	1,786	1,820	1,434	1,669	352	151	32	–	27,154	26,819
Transport and communication	6,405	4,582	4,790	5,460	1,615	(878)	6,078	4,585	206,369	203,519
Water supplies	2,497	2,382	2,331	2,380	166	2	20	25	33,136	32,891
Total functions and activities	35,179	32,213	36,406	31,313	(1,227)	900	15,853	14,411	345,570	341,453

(1) 2020 figures were adjusted on internal sales of gravel by \$987 thousand

(2) \$2,377 thousand of contributions were added to 2020 for comparability

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policymaking committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

Includes corporate support and other support services, engineering works, and any Council policy compliance.

Public order and safety

Includes Council's fire and emergency services levy, fire protection, emergency services, beach control, enforcement of regulations and animal control.

Health

Includes immunisation, food control, health centres etc.

Environment

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

Community services and education

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation - as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

Housing and community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

Water supplies

Includes provision of water services to the community.

Sewerage services

Includes provision of sewerage services to the community.

Recreation and culture

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

Mining, manufacturing and construction

Includes building control, quarries and pits, mineral resources, and abattoirs.

Transport and communication

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.

General Purpose

General purpose activity.

B2 Sources of income**B2-1 Rates and annual charges**

	Timing	2021 \$ '000	2020 \$ '000
Ordinary rates			
Residential	2	3,295	3,109
Farmland	2	3,184	3,082
Business	2	681	711
Less: pensioner rebates (mandatory)		(143)	(143)
Less: pensioner rebates (Council policy)		(117)	(117)
Rates levied to ratepayers		6,900	6,642
Pensioner rate subsidies received		114	112
Total ordinary rates		7,014	6,754
Annual charges			
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>			
Domestic waste management services	2	1,241	1,196
Water supply services	2	1,169	1,129
Sewerage services	2	1,688	1,654
Drainage	2	529	316
Less: pensioner rebates (mandatory)		(79)	(76)
Less: pensioner rebates (Council policy)		(60)	(62)
Waste facility management levies	2	372	363
Annual charges levied		4,860	4,520
Pensioner subsidies received:			
– Water	2	39	40
– Sewerage	2	37	39
– Domestic waste management	2	28	37
Total annual charges		4,964	4,636
Total rates and annual charges		11,978	11,390
Timing of revenue recognition for rates and annual charges			
Rates and annual charges recognised at a point in time (2)		11,978	11,390
Total rates and annual charges		11,978	11,390

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance, a rates payment.

B2-2 User charges and fees

	Timing	2021 \$ '000	2020 \$ '000
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services	1	1,302	1,133
Sewerage services	1	32	31
Waste management services (non-domestic)	2	432	436
Other	1	3	3
Total specific user charges		1,769	1,603
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Planning and building regulation	2	105	49
Private works – section 67	1	143	275
Regulatory/ statutory fees	2	93	67
Town planning	2	95	46
Total fees and charges – statutory/regulatory		436	437
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Cemeteries	2	119	147
Child care	1	232	187
Leaseback fees – Council vehicles	2	24	–
Saleyards	2	159	182
Swimming centres	2	110	119
Quarries and gravel pits	2	552	598
Trade waste fees	2	26	43
Other	2	3	3
Total fees and charges – other		1,225	1,279
Total user charges and fees		3,430	3,319
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		1,712	1,629
User charges and fees recognised at a point in time (2)		1,718	1,690
Total user charges and fees		3,430	3,319

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods/services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees for leisure centre the fee is recognised on a straight-line basis over the expected life of membership.

Licences granted by Council are either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

B2-3 Other revenue

	Timing	2021 \$ '000	2020 \$ '000
Rental income – other council properties (2019 only)	1	–	1
Fines	2	68	13
Legal fees recovery – rates and charges (extra charges)	2	92	63
Legal fees recovery – other	2	21	29
Commissions and agency fees	1	19	27
Diesel rebate	2	94	118
Recycling income (non-domestic)	2	83	39
Sales – general	2	47	52
Aged and disabled	2	19	32
Insurance rebates and incentives	2	135	65
Sales – quarries and gravel pits ¹	2	1,617	1,512
Tourism sales	2	236	103
Found and transferred to Council assets	2	687	286
Other	2	263	178
Adjustment of overdepreciated assets	2	174	–
Total other revenue		3,555	2,518

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	19	28
Other revenue recognised at a point in time (2)	3,536	2,490
Total other revenue	3,555	2,518

Accounting policy for other revenue

Where the revenue related to a contract with a customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods/services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

(1) \$986,554 of internal quarry sales in 2020 were eliminated against material and services.

B2-4 Grants and contributions

		Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
	Timing				
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	1,424	1,409	–	–
Financial assistance – local roads component	2	687	697	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	1,524	1,492	–	–
Financial assistance – local roads component	2	738	741	–	–
Amount recognised as income during current year		4,373	4,339	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Aerodromes	2	–	–	–	100
Aged care	1	2,456	2,242	–	–
Water supplies	2	–	–	–	25
Child care	2	65	81	–	–
Employment and training programs	2	–	5	–	–
Library	2	86	85	–	–
LIRS subsidy	2	113	138	–	–
Noxious weeds	1	582	–	–	–
Recreation and culture	1 & 2	–	432	502	861
Storm/flood damage	2	–	–	389	–
Transport (roads to recovery)	2	1,344	1,273	–	–
Transport (other roads and bridges funding)	1 & 2	–	325	1,869	280
Aboriginal services	2	45	44	–	–
Tourism and area promotion	1 & 2	259	1,011	1,122	685
Town planning	2	12	11	–	–
Youth services	2	28	87	–	–
Other specific grants	2	–	6	34	–
Animal	2	–	4	–	–
Previously contributions:					
Bushfire services	2	75	–	–	–
Recreation and culture	2	(4)	16	–	–
Transport for NSW contributions (regional roads, block grant)	2	595	230	138	633
Sewerage (excl. section 64 contributions)	2	–	–	4	13
Tourism	1	–	–	99	–
Water supplies (excl. section 64 contributions)	2	–	–	1	3
Other contributions	2	60	–	–	–
Aged and disabled	2	586	447	–	–
Child care	2	12	10	–	–
Fire Protection	2	356	698	–	–
Library/learning centre	2	38	37	–	1
Section 355 committees	2	85	115	–	–
Youth Services	2	–	1	–	–
Total special purpose grants and non-developer contributions – cash		6,793	7,298	4,158	2,601
Non-cash contributions					
Buildings	2	–	–	316	–
Total other contributions – non-cash		–	–	316	–

B2-4 Grants and contributions (continued)

	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Timing				
Total special purpose grants and non-developer contributions (tied)	6,793	7,298	4,474	2,601
Total grants and non-developer contributions	11,166	11,637	4,474	2,601
Comprising:				
– Commonwealth funding	10,631	7,803	3,494	–
– State funding	535	1,917	664	1,157
– Other funding	–	1,917	316	1,444
	11,166	11,637	4,474	2,601

Developer contributions

	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Notes				
Timing				
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):				
Cash contributions				
S 7.11 – contributions towards amenities/services	–	–	166	169
S 64 – water supply contributions	–	–	19	2
S 64 – sewerage service contributions	–	–	28	2
Total developer contributions – cash	–	–	213	173
Total developer contributions	–	–	213	173
Total contributions	–	–	213	173
Total grants and contributions	11,166	11,637	4,687	2,774
Timing of revenue recognition for grants and contributions				
Grants and contributions recognised over time (1)	3,038	2,242	99	–
Grants and contributions recognised at a point in time (2)	8,128	9,395	4,588	2,774
Total grants and contributions	11,166	11,637	4,687	2,774

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

Notes	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Unspent grants				
Unspent funds at 1 July	37	40	1,059	–
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,884	–	8	–
Add: Funds received and not recognised as revenue in the current year	801	–	5,341	1,439
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	–	–	–	–
Less: Funds received in prior year but revenue recognised and funds spent in current year	(298)	(3)	(629)	(380)
Unspent grants at 30 June	2,424	37	5,779	1,059
Contributions				
G4				
Unspent funds at 1 July	–	–	780	598
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	213	182
Add: contributions received and not recognised as revenue in the current year	–	–	–	–
Add: contributions recognised as income in the current period obtained in respect of a future rating identified by Council for the purpose of establishing a rate	–	–	(438)	–
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	–	–
Unspent contributions at 30 June	–	–	555	780

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g.

B2-4 Grants and contributions (continued)

completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

B2-4 Grants and contributions (continued)

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

B2-5 Interest and investment income

	2021 \$ '000	2020 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	17	56
– Overdue user fees and charges	4	6
– Cash and investments	166	336
Total interest and investment income (losses)	187	398

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

B2-6 Other income

	Notes	2021 \$ '000	2020 \$ '000
Fair value increment on investment properties			
Fair value increment on investment properties		35	–
Total fair value increment on investment properties	C1-8	35	–
Rental income			
Investment properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		106	121
Total Investment properties		106	121
Other lease income			
Leaseback fees - council vehicles		35	56
Total Other lease income		35	56
Total rental income	C2-2	141	177
Total other income		176	177

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2021 \$ '000	2020 \$ '000
Salaries and wages	8,662	8,391
Employee leave entitlements (ELE)	1,614	1,411
Superannuation	996	940
Workers' compensation insurance	211	158
Fringe benefit tax (FBT)	45	3
Total employee costs	11,528	10,903
Less: capitalised costs	(733)	(552)
Total employee costs expensed	10,795	10,351

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

	Notes	2021 \$ '000	2020 \$ '000
Raw materials and consumables ¹		7,316	6,309
Contractor and consultancy costs		334	209
Audit Fees	F2-1	58	41
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	140	141
Advertising		245	205
Bank charges		60	54
Cleaning		236	47
Computer software charges		577	519
Election expenses		1	–
Electricity and heating		453	557
Insurance		293	255
Postage		55	65
Printing and stationery		63	54
Street lighting		78	109
Subscriptions and publications		219	134
Telephone and communications		159	208
Protective clothing		75	10
Travel expenses		164	157
Annual rates and charges		266	286
Training costs (other than salaries and wages)		186	153
Other expenses		585	656
Freight and cartage		348	300
Lease fees and rentals		26	26
Photocopying		11	9
Promotions and trade fairs		62	100
Asset adjustments		–	(24)
Section 355 committees		10	23
Security services		22	22
Valuation fees		43	42
Legal expenses:			
– Legal expenses: debt recovery		21	119
– Legal expenses: other		24	17
Variable lease expense relating to usage		–	(29)
Total materials and services		12,130	10,774
Total materials and services		12,130	10,774

Accounting policy

Expenses are recorded on an accruals basis as the council receives the goods or services.

(1) \$986,554 of internal gravel sales in 2020 were eliminated against Other Revenue.

B3-3 Borrowing costs

	Notes	2021 \$ '000	2020 \$ '000
(i) Interest bearing liability costs			
Interest on leases		37	30
Interest on loans		685	779
Total interest bearing liability costs		722	809
Total interest bearing liability costs expensed		722	809
(ii) Other borrowing costs			
– Remediation liabilities	C3-5	70	76
– Other liabilities		–	2
Total other borrowing costs		70	78
Total borrowing costs expensed		792	887

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

	Notes	2021 \$ '000	2020 \$ '000
Depreciation and amortisation			
Plant and equipment	C1-7	757	1,121
Office equipment		11	53
Furniture and fittings		14	17
Infrastructure:			
– Buildings	C1-7	1,002	981
– Other structures		263	301
– Roads (general)		2,700	2,321
– Roads (causeways)		84	83
– Roads (carparks)		22	16
– Bridges		562	565
– Footpaths		57	33
– Stormwater drainage		194	150
– Water supply network		538	519
– Sewerage network		477	467
– Swimming pools		43	47
– Other open space/recreational assets		62	52
– Kerb and gutter		139	155
– Major street furniture		62	55
Right of use assets	C2-1	411	311
Other assets:			
– Library books		44	47
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-7	171	188
Total gross depreciation and amortisation costs		7,613	7,482
Less: capitalised costs		(190)	–
Total depreciation and amortisation costs		7,423	7,482
Impairment / revaluation decrement of IPPE			
Crown land		206	–
Total gross IPPE impairment / revaluation decrement costs		206	–
Total IPPE impairment / revaluation decrement costs charged to Income Statement		206	–
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT OF NON-FINANCIAL ASSETS		7,629	7,482

Accounting policy for depreciation, amortisation and impairment of non-financial assets

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-7 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

B3-4 Depreciation, amortisation and impairment of non-financial assets (continued)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

	Notes	2021 \$ '000	2020 \$ '000
Receivables write-off			
Other		37	26
Total impairment of receivables	C1-4	37	26
Other			
Contributions/levies to other levels of government			
Contributions/levies to other levels of government		228	111
– Emergency services levy (includes FRNSW, SES, and RFS levies)		17	14
– NSW fire brigade levy		82	74
– NSW rural fire service levy		455	318
Total other		782	517
Total other expenses		819	543

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

B4 Gains or losses**B4-1 Gain or loss from the disposal, replacement and de-recognition of assets**

	Notes	2021 \$ '000	2020 \$ '000
Gain (or loss) on disposal of property (excl. investment property)	C1-7		
Less: carrying amount of property assets sold/written off		(422)	(1,196)
Gain (or loss) on disposal		(422)	(1,196)
Gain (or loss) on disposal of plant and equipment	C1-7		
Proceeds from disposal – plant and equipment		292	–
Less: carrying amount of plant and equipment assets sold/written off		(85)	–
Gain (or loss) on disposal		207	–
Gain (or loss) on disposal of infrastructure	C1-7		
Proceeds from disposal – infrastructure		–	160
Less: carrying amount of infrastructure assets sold/written off		(3,941)	(1)
Gain (or loss) on disposal		(3,941)	159
Buildings			
Proceeds from disposal – Buildings		20	–
Less: carrying amount of Buildings assets sold/written off		(105)	–
Gain (or loss) on disposal		(85)	–
Other sewer assets			
Less: carrying amount of Sewer assets sold/written off		–	(239)
Gain (or loss) on disposal		–	(239)
Net gain (or loss) on disposal of assets		(4,241)	(1,276)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is derecognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 25/06/2020 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----		
REVENUES					
Rates and annual charges	11,752	11,978	226	2%	F
User charges and fees	3,356	3,430	74	2%	F
Other revenues	6,622	3,555	(3,067)	(46)%	U
Actual figures do not include internal gravel sales.					
Operating grants and contributions	10,293	11,166	873	8%	F
Capital grants and contributions	2,243	4,687	2,444	109%	F
Mainly due to Council being successful in obtaining additional grants above those budgeted. A number of the projects are still not complete and as some funding is only received based on the milestones in the grant agreements not all funding was received in the financial year.					
Interest and investment revenue	607	187	(420)	(69)%	U
Significant drop due to decreased interest rates as a result of pandemic.					
Other income	148	176	28	19%	F
The favourable balance has occurred as a result of the net gain from fair value adjustment of investment property.					
EXPENSES					
Employee benefits and on-costs	11,805	10,795	1,010	9%	F
Materials and services	13,198	12,130	1,068	8%	F
Borrowing costs	284	792	(508)	(179)%	U
Unexpectedly low budgeted figures which were adjusted later as part of quarterly budget reviews.					
Depreciation, amortisation and impairment of non-financial assets	6,506	7,629	(1,123)	(17)%	U
Increase mostly due to revaluation of road assets in 2020 financial year.					
Other expenses	951	819	132	14%	F
Some of the other expenses were reclassified to Material and Services as a result of the FS template restructure.					
Net losses from disposal of assets	-	4,241	(4,241)	∞	U
This line represents de-recognition of undepreciated components of assets which were replaced or renewed in current year. It is not possible to accurately budget for this figure. In 2021 financial year Council spent two times the level of renewal expenditure on infrastructure assets compared to previous year.					

B5-1 Material budget variations (continued)

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
STATEMENT OF CASH FLOWS				
Cash flows from operating activities	8,783	16,598	7,815	89% F
Due to unexpected receipt of new operating grants.				
Cash flows from investing activities	(850)	(12,058)	(11,208)	1,319% U
Due to the timing of capital projects and cash flow payments.				
Cash flows from financing activities	(1,942)	(1,797)	145	(7)% F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2021 \$ '000	2020 \$ '000
Cash and cash equivalents		
Cash on hand and at bank	9,970	7,227
Total cash and cash equivalents	9,970	7,227

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	9,970	7,227
Balance as per the Statement of Cash Flows	9,970	7,227

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Financial assets at amortised cost				
Term deposits	16,100	-	13,400	-
Total	16,100	-	13,400	-
Total financial investments	16,100	-	13,400	-
Total cash assets, cash equivalents and investments	26,070	-	20,627	-

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and

C1-2 Financial investments (continued)

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

C1-3 Restricted cash, cash equivalents and investments

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Total cash, cash equivalents and investments	26,070	–	20,627	–
attributable to:				
External restrictions	23,836	–	15,462	–
Internal restrictions	4,234	–	4,876	–
Unrestricted ¹	(2,000)	–	289	–

(1) Council's unrestricted negative cash at 30 June 2021 was a result of a timing issue with approving internal reserves loans. Council made sure this process is implemented in line with the council's budget requirements in 2022 financial year.

	2021 \$ '000	2020 \$ '000
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Details of restrictions

External restrictions – included in liabilities

Specific purpose unexpended grants – general fund	6,040	1,059
Specific purpose unexpended loans – general	687	165
Trust funds	170	175
Life Choices Program - CHSP & HCP	1,390	1,259
External restrictions – included in liabilities	8,287	2,658

External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	554	780
Specific purpose unexpended grants (recognised as revenue) – general fund	2,163	37
Water fund	3,043	2,654
Sewer fund	4,359	3,941
Waste management	3,174	3,975
Glen Innes Aggregates	1,984	1,155
Council committees	272	262
External restrictions – other	15,549	12,804
Total external restrictions	23,836	15,462

Building Fees - Bushfire Grant	42	34
Drainage – Operational	818	293
Economic	–	743
Employees leave entitlement	500	489
Infrastructure – Other	819	1,269

continued on next page ...

C1-3 Restricted cash, cash equivalents and investments (continued)

	2021	2020
	\$ '000	\$ '000
Parks	105	146
Special projects	1,950	1,901
Other	-	1
Total internal restrictions	4,234	4,876
Total restrictions	28,070	20,338

Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

C1-4 Receivables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Purpose				
Rates and annual charges ¹	664	65	637	146
User charges and fees	1,022	–	1,253	–
Accrued revenues				
– Interest on investments	40	–	60	–
– Other income accruals	251	–	118	–
Net GST receivable	115	–	133	–
Other debtors	1	–	–	–
Total	2,093	65	2,201	146
Less: provision of impairment				
Rates and annual charges	(37)	(24)	(39)	(24)
User charges and fees	(4)	–	(4)	–
Total provision for impairment – receivables	(41)	(24)	(43)	(24)
Total net receivables	2,052	41	2,158	122

(1) \$339,169 of water consumption charges were reclassified from rates and annual charges to user charges debtors in 2020 financial year.

Externally restricted receivables

Water supply

– Rates and availability charges	384	–	352	–
– Other	4	–	–	–

Sewerage services

– Rates and availability charges	110	–	119	–
– Other	11	–	–	–

Total external restrictions	509	–	471	–
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Unrestricted receivables	1,543	41	1,687	122
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Total net receivables	2,052	41	2,158	122
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	2021 \$ '000	2020 \$ '000
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Movement in provision for impairment of receivables

Balance at the beginning of the year (calculated in accordance with AASB 139)	67	41
Balance at the end of the year	67	41

Accounting policy

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

C1-4 Receivables (continued)

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Receivables with a contractual amount of \$500.00 written off during the reporting period are still subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
(i) Inventories at cost				
Stores and materials	378	-	359	-
Trading stock (Quarry & Visitor Information Stock)	1,401	-	2,610	-
Total inventories at cost	1,779	-	2,969	-
Total inventories	1,779	-	2,969	-

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

C1-6 Contract assets

	2021 \$ '000	2020 \$ '000
Contract assets	338	502
Total contract assets	338	502

Contract assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Accrued Income	-	-	63	-
Grant Contract Assets	338	-	439	-
Total contract assets	338	-	502	-

Significant changes in contract assets

No significant changes year over year.

Accounting policy

Contract assets

Contract assets represent Councils right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period											At 30 June 2021			
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ¹ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Adjustments and transfers \$ '000	Reclassifications \$ '000	Carrying value of contributed assets \$ '000	Carrying Value of Assets to Income Statements \$ '000	Revaluation decrements to profit and loss \$ '000	Revaluation decrements to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	1,480	–	1,480	2,291	–	–	–	(1,037)	(7)	–	–	–	–	–	–	2,726	–	2,726
Plant and equipment	12,889	(8,155)	4,734	921	238	(85)	(757)	–	–	–	–	–	–	487	11,333	(5,797)	5,536	
Office equipment	305	(283)	22	–	–	–	(11)	–	37	–	–	–	–	–	305	(257)	48	
Furniture and fittings	263	(195)	68	13	15	–	(14)	–	1	–	–	–	–	–	291	(208)	83	
Plant and equipment (under finance lease)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Land:																		
– Crown land	1,657	–	1,657	–	–	–	–	–	–	453	–	–	(206)	–	1,905	–	1,905	
– Operational land	9,873	–	9,873	–	–	(422)	–	–	–	(453)	–	–	–	–	8,997	–	8,997	
– Community land	3,000	–	3,000	–	–	–	–	–	–	–	–	–	–	–	2,999	–	2,999	
Infrastructure:																		
– Buildings	44,638	(25,135)	19,503	148	36	(105)	(1,002)	–	–	–	316	541	–	–	45,694	(26,256)	19,438	
– Other structures	10,818	(6,273)	4,545	629	60	(1,153)	(263)	–	118	231	–	–	–	–	10,245	(6,083)	4,162	
– Roads (general)	135,772	(49,943)	85,829	3,395	63	(2,056)	(2,700)	383	–	–	–	101	–	(3,903)	136,273	(55,160)	81,113	
– Roads (causeways)	7,167	(4,247)	2,920	–	–	–	(84)	–	–	–	–	–	–	–	7,166	(4,331)	2,835	
– Roads (carparks)	1,395	(426)	969	–	76	–	(22)	–	–	–	–	–	–	–	1,488	(448)	1,040	
– Bridges	58,581	(22,684)	35,897	1,132	–	(655)	(562)	654	–	–	–	–	–	4,268	64,840	(24,106)	40,734	
– Footpaths (road related)	4,544	(1,204)	3,340	9	–	(2)	(57)	–	12	–	–	–	–	–	4,547	(1,245)	3,302	
– Bulk earthworks (non-depreciable)	64,708	–	64,708	–	–	–	–	–	–	–	–	46	–	–	64,754	–	64,754	
– Stormwater drainage	17,589	(7,098)	10,491	–	–	–	(194)	–	–	–	–	–	–	–	17,589	(7,293)	10,296	
– Water supply network	40,705	(13,706)	26,999	312	123	(27)	(538)	–	–	–	–	–	–	243	41,449	(14,336)	27,113	
– Sewerage network	31,933	(10,168)	21,765	47	6	–	(477)	–	–	(3)	–	–	–	196	32,281	(10,743)	21,538	
– Swimming pools	3,144	(1,367)	1,777	–	–	–	(43)	–	4	–	–	–	–	–	3,142	(1,405)	1,737	
– Other open space/recreational assets (general)	3,562	(897)	2,665	126	81	(48)	(62)	–	–	(72)	–	–	–	–	3,642	(953)	2,689	
– Other infrastructure (kerb and gutter)	11,330	(5,542)	5,788	–	17	–	(139)	–	–	–	–	–	–	–	11,330	(5,681)	5,649	
– Other infrastructure (major street furniture)	2,516	(394)	2,122	–	–	(1)	(62)	–	–	(156)	–	–	–	–	2,331	(427)	1,904	
Other assets:																		
– Library books	957	(448)	509	–	–	–	(44)	–	1	–	–	–	–	–	958	(491)	467	
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):																		
– Tip assets	3,610	(188)	3,422	–	–	–	(171)	–	(329)	–	–	–	–	–	3,263	(342)	2,921	
Total infrastructure, property, plant and equipment	472,436	(158,353)	314,083	9,023	715	(4,554)	(7,202)	–	(163)	–	316	688	(206)	(3,903)	5,194	479,548	(165,562)	313,986

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period									At 30 June 2020			
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ¹ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Adjustments and transfers \$ '000	Carrying Value of Found Assets \$ '000	Transfers to right of use assets \$ '000	Revaluation decrements to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	288	–	288	–	1,480	–	–	(288)	–	–	–	–	–	1,480	–	1,480
Plant and equipment	11,899	(7,037)	4,862	749	121	–	(1,121)	–	(5)	128	–	–	–	12,889	(8,155)	4,734
Office equipment	303	(230)	73	–	2	–	(53)	–	–	–	–	–	–	305	(283)	22
Furniture and fittings	241	(178)	63	11	11	–	(17)	–	–	–	–	–	–	263	(195)	68
Plant and equipment (under finance lease)	562	(47)	515	–	–	–	–	–	10	–	(525)	–	–	–	–	–
Land:																
– Operational land	9,873	–	9,873	–	–	–	–	–	–	–	–	–	–	9,873	–	9,873
– Community land	2,975	–	2,975	–	–	–	–	–	–	25	–	–	–	3,000	–	3,000
– Crown land	1,657	–	1,657	–	–	–	–	–	–	–	–	–	–	1,657	–	1,657
Infrastructure:																
– Buildings	43,895	(24,156)	19,739	–	758	–	(981)	–	(13)	–	–	–	–	44,638	(25,135)	19,503
– Other structures	10,028	(5,902)	4,126	519	115	(19)	(301)	–	105	–	–	–	–	10,818	(6,273)	4,545
– Roads	128,113	(34,917)	93,196	1,648	–	(445)	(2,321)	191	–	–	(6,440)	–	–	135,772	(49,943)	85,829
– Bridges	58,588	(22,409)	36,179	492	–	(446)	(565)	27	–	–	–	210	–	58,581	(22,684)	35,897
– Footpaths	3,144	(1,190)	1,954	119	10	(24)	(33)	–	–	–	–	1,314	–	4,544	(1,204)	3,340
– Bulk earthworks (non-depreciable)	24,845	–	24,845	–	–	–	–	–	–	–	–	39,863	–	64,708	–	64,708
– Stormwater drainage	13,889	(5,391)	8,498	–	–	5	(150)	–	–	–	–	2,138	–	17,589	(7,098)	10,491
– Water supply network	39,958	(13,676)	26,282	427	440	(234)	(519)	54	169	123	–	257	–	40,705	(13,706)	26,999
– Sewerage network	31,536	(9,757)	21,779	441	40	(239)	(467)	–	–	–	–	211	–	31,933	(10,168)	21,765
– Swimming pools	3,143	(1,319)	1,824	–	–	–	(47)	–	–	–	–	–	–	3,144	(1,367)	1,777
– Other open space/recreational assets	3,324	(916)	2,408	299	117	(18)	(52)	16	(105)	–	–	–	–	3,562	(897)	2,665
– Roads (causeways)	7,122	(4,134)	2,988	–	–	–	(83)	–	–	–	–	–	15	7,167	(4,247)	2,920
– Roads (carparks)	1,283	(338)	945	–	–	–	(16)	–	–	–	–	–	41	1,395	(426)	969
– Other infrastructure (kerb and gutter)	12,941	(6,192)	6,749	–	40	–	(155)	–	–	–	–	(847)	–	11,330	(5,542)	5,788
– Other infrastructure (major street furniture)	2,236	(336)	1,900	–	257	–	(55)	–	–	10	–	–	11	2,516	(394)	2,122
Other assets:																
– Library books	935	(411)	524	39	3	(10)	(47)	–	–	–	–	–	–	957	(448)	509
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):																
– Tip assets	4,000	–	4,000	–	–	–	(188)	–	(390)	–	–	–	–	3,610	(188)	3,422
Total infrastructure, property, plant and equipment	416,778	(138,536)	278,242	4,744	3,394	(1,430)	(7,171)	–	(229)	286	(525)	(7,287)	44,060	472,436	(158,353)	314,083

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

Accounting policy

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Industry (DoI) - Water.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

When infrastructure property, plant and equipment are acquired by council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 15	Playground equipment	5 to 15
Office furniture	5 to 20	Benches, seats etc.	10 to 20
Vehicles	5 to 10		
Plant	7 to 40	Buildings	
Heavy Plant	10 to 30	Buildings: masonry	50 to 100
		Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Reservoirs	25 to 150	Conduits	60 to 90
Reticulation pipes	90	Pits	90
Treatment Works	10 to 120		
Weirs	25 to 100	Other infrastructure assets	
Pump Stations	10 to 100	Bulk earthworks	Infinite
Bores	35 to 75	Swimming pools	50
		Other open space/recreational assets	20
Transportation assets		Other infrastructure	20
Sealed roads: surface	15	Monuments	100
Sealed roads: base	45		
Unsealed roads: surface	30		
Sub-base	Infinite		
Bridge: concrete	60 to 120		
Bridge: timber	60 to 100		
Kerb, gutter and footpaths	80		

Depreciation starts in the year following the year of acquisition of an asset

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

C1-7 Infrastructure, property, plant and equipment (continued)

Crown reserves

Crown reserves under Council's care and control as well as Crown land devolved to Council are recognised as assets of the council. While ownership of the land remains with the Crown, Council retains operational control of the land and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated. Where the Crown land is under a lease arrangement they are accounted for under AASB 16 *Leases*.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, all Rural Fire Fighting Plant and Equipment (Red Fleet Assets) and Land and Buildings (Premises) purchased or constructed wholly or partly from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the Red Fleet Assets and Premises have been purchased or constructed. Furthermore, council must not sell or otherwise dispose of any of the above assets purchased or constructed wholly or partly from money to the credit of the Fund without the written consent of the Commissioner. In case of disposal, all proceeds are to be paid to the credit of the Fund.

In light of the above legislative requirements and based on the analysis of the existing Council's Rural Fire District Service Agreement with the Commissioner of the NSW Rural Fire Service, Council determined that, in substance, the Commissioner bears substantially all risks and rewards as well as rights and obligations in respect to all the Rural Fire Fighting Plant and Equipment (Red Fleet Assets) and Land and Buildings (Premises) "vested" in the Council, for the foreseeable future.

Council concludes that the abovementioned assets do not meet asset definition and recognition criteria as required by the Australian Accounting Standards due to lack of control over economic benefits which are expected to flow from the asset. As a result, council has continued not to recognise in its Financial Statements any Rural Fire Fighting Plant and Equipment (Red Fleet Assets) or any Rural Fire Service Land and Buildings (Premises) that have been "vested" in Council.

C1-8 Owned Investment property

	2021 \$ '000	2020 \$ '000
Owned investment property		
Investment property on hand at fair value	205	170
Total owned investment property	205	170

Owned investment property

At fair value

Opening balance at 1 July	170	170
Net gain/(loss) from fair value adjustments	35	–
Closing balance at 30 June	205	170

Accounting policy

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

Changes in Fair Values are recorded in the Income Statement as part of other income.

Properties that are under construction for future use as investment properties are regarded as investment property. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over vehicles and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of lease

Terms and conditions of leases are detailed in the Lease Agreement.

Vehicles

Council leases vehicles and equipment with lease terms varying from 5 to 10 years; the lease payments are fixed during the lease term and there is generally no renewal option.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 3 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

Extension options

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

Potential future lease payments are not included in lease liabilities as Council has assessed that the exercise of the option is not reasonably certain.

(a) Right of use assets

	Plant & Equipment \$ '000	Total \$ '000
2021		
Opening balance at 1 July	814	814
Additions to right-of-use assets	696	696
Depreciation charge	(411)	(411)
Other movement	(11)	(11)
Balance at 30 June	1,088	1,088
2020		
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	190	190
Adoption of AASB 16 at 1 July 2019 – transfer of IPPE from Note C1-7	525	525
Additions to right-of-use assets	416	416
Adjustments to right-of-use assets due to re-measurement of lease liability	(6)	(6)
Depreciation charge	(311)	(311)
Balance at 30 June	814	814

(b) Lease liabilities

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Lease liabilities	256	1,167	174	737
Total lease liabilities	256	1,167	174	737

C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$ '000	1 – 5 years \$ '000	> 5 years \$ '000	Total \$ '000	Total per Statement of Financial Position \$ '000
2021					
Cash flows	300	1,265	–	1,565	1,423
2020					
Cash flows	206	867	–	1,073	911

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

	2021 \$ '000	2020 \$ '000
Interest on lease liabilities	37	30
Variable lease payments based on usage not included in the measurement of lease liabilities	–	(29)
Depreciation of right of use assets	411	311
	448	312

(e) Statement of Cash Flows

Total cash outflow for leases	198	110
	198	110

Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

C2-1 Council as a lessee (continued)

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note C1-8) and/or IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

(i) Assets held as investment property

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Lease income (excluding variable lease payments not dependent on an index or rate)	106	121
Total income relating to operating leases for investment property assets	106	121

(ii) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	35	56
Total income relating to operating leases for Council assets	35	56

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Payables				
Goods and services – operating expenditure	1,805	–	1,000	–
Accrued expenses:				
– Borrowings	78	–	92	–
– Salaries and wages ¹	129	–	443	–
Prepaid rates	428	–	378	–
Other	89	171	25	175
Total payables	2,529	171	1,938	175
Total payables	2,529	171	1,938	175

(1) \$442,831 of accrued payroll expenses in 2020 were reclassified from goods and services payables to accrued salaries and wages.

Payables relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Water	23	–	24	–
Sewer	9	–	11	–
Payables relating to externally restricted assets	32	–	35	–
Total payables relating to restricted assets	32	–	35	–
Total payables relating to unrestricted assets	2,497	171	1,903	175
Total payables	2,529	171	1,938	175

Current payables not anticipated to be settled within the next twelve months

	2021 \$ '000	2020 \$ '000
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Other liabilities	–	1,284
Total payables	–	1,284

C3-1 Payables (continued)

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

	Notes	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	6,040	–	1,059	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	102	–	495	–
Life Choice Program upfront fees	(iii)	1,390	–	1,201	–
Total grants received in advance		7,532	–	2,755	–
Total contract liabilities		7,532	–	2,755	–

Notes

(i) Council has received funding to construct assets including sporting facilities, bridges, library and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

(iii) Upfront client fees and grant funds for the CHP and CHSP programs are payments for delivery of services to external customers. Therefore the funds received are recorded as a contract liability on receipt and recognised as revenue when services are delivered.

C3-2 Contract Liabilities (continued)

Revenue recognised that was included in the contract liability balance at the beginning of the period

	2021 \$ '000	2020 \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	1,642	361
Total revenue recognised that was included in the contract liability balance at the beginning of the period	1,642	361

Significant changes in contract liabilities

Increase by \$5M is mostly due to advance payments for new capital grants. The major impact was from the following programs/projects with the unspent grant money as at 30 June 2021 as follows:

- a) Fixing Local Roads - Round 2: \$2M
- b) Fixing Country Roads - \$0.5M
- c) Centennial Parklands Skywalk - \$0.3M
- d) Local Roads Community Infrastructure Program - \$0.5M

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer. Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Loans – secured ¹	1,642	9,715	1,598	11,358
Total borrowings	1,642	9,715	1,598	11,358

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

Borrowings relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Water	112	1,602	112	1,714
Sewer	180	854	169	1,034
Borrowings relating to externally restricted assets	292	2,456	281	2,748
Total borrowings relating to restricted assets	292	2,456	281	2,748
Total borrowings relating to unrestricted assets	1,350	7,259	1,317	8,610
Total borrowings	1,642	9,715	1,598	11,358

C3-3 Borrowings (continued)

(a) Changes in liabilities arising from financing activities

	2020		Non-cash movements				2021
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	12,956	(1,599)	–	–	–	–	11,357
Lease liability (Note C2-1b)	911	(183)	695	–	–	–	1,423
Total liabilities from financing activities	13,867	(1,782)	695	–	–	–	12,780

	2019		Non-cash movements				2020
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	14,492	(1,536)	–	–	–	–	12,956
Lease liability (Note C2-1b)	421	490	–	–	–	–	911
Total liabilities from financing activities	14,913	(1,046)	–	–	–	–	13,867

(b) Financing arrangements

	2021 \$ '000	2020 \$ '000
Total facilities		
Bank overdraft facilities ¹	200	200
Credit cards/purchase cards	115	115
Total financing arrangements	315	315
Drawn facilities		
– Credit cards/purchase cards	40	30
Total drawn financing arrangements	40	30
Undrawn facilities		
– Bank overdraft facilities	200	200
– Credit cards/purchase cards	75	85
Total undrawn financing arrangements	275	285

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Loan liabilities are secured over the asset that were funded and future Council rates.
Leased liabilities are secured by the underlying leased assets.

Bank overdrafts

The bank overdraft of Council is secured by a charge over Council rates.
Acceptance/Resolution by council of terms and conditions contained in the Letter of Offer and Statutory Declaration of General Manager.

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

C3-3 Borrowings (continued)

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C3-4 Employee benefit provisions

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Annual leave	835	–	797	–
Long service leave	1,553	205	1,473	216
Other leave	61	1	77	1
Total employee benefit provisions	2,449	206	2,347	217

Employee benefit provisions relating to restricted assets

There are no restricted assets (external or internal) applicable to the above provisions

Current employee benefit provisions not anticipated to be settled within the next twelve months

	2021 \$ '000	2020 \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,301	1,284
	1,301	1,284

C3-4 Employee benefit provisions (continued)

Accounting policy

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

C3-5 Provisions

	2021 Current \$ '000	2021 Non-Current \$ '000	2020 Current \$ '000	2020 Non-Current \$ '000
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	3,736	–	4,052
Sub-total – asset remediation/restoration	–	3,736	–	4,052
Total provisions	–	3,736	–	4,052
Provisions relating to restricted assets				
Total provisions relating to restricted assets	–	–	–	–
Total provisions relating to unrestricted assets	–	3,736	–	4,052
Total provisions	–	3,736	–	4,052

Description of and movements in provisions

	Asset remediation \$ '000	Net carrying amount \$ '000
2021		
At beginning of year	4,052	4,052
Unwinding of discount	70	70
Amounts used (payments)	(57)	(57)
Remeasurement effects	(329)	(329)
Total other provisions at end of year	3,736	3,736
2020		
At beginning of year	4,390	4,390
- Revised costs	(414)	(414)
Unwinding of discount	76	76
Total other provisions at end of year	4,052	4,052

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council tip.

Self-insurance

Council does not self-insure.

Accounting policy

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

C3-5 Provisions (continued)

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
Income from continuing operations			
Rates and annual charges	9,185	1,136	1,657
User charges and fees	2,044	1,324	62
Interest and investment revenue	137	17	33
Other revenues	3,551	1	3
Grants and contributions provided for operating purposes	11,166	–	–
Grants and contributions provided for capital purposes	4,636	19	32
Other income	176	–	–
Total income from continuing operations	30,895	2,497	1,787
Expenses from continuing operations			
Employee benefits and on-costs	10,324	354	117
Materials and services	11,592	313	225
Borrowing costs	582	136	74
Depreciation, amortisation and impairment of non-financial assets	6,404	738	487
Other expenses	(360)	649	530
Net losses from the disposal of assets	4,100	141	–
Total expenses from continuing operations	32,642	2,331	1,433
Operating result from continuing operations	(1,747)	166	354
Net operating result for the year	(1,747)	166	354
Net operating result attributable to each council fund	(1,747)	166	354
Net operating result for the year before grants and contributions provided for capital purposes	(6,383)	147	322

D1-2 Statement of Financial Position by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	7,181	1,668	1,121
Investments	11,487	1,375	3,238
Receivables	1,543	388	121
Inventories	1,779	–	–
Contract assets and contract cost assets	338	–	–
Contract assets	–	–	–
Contract cost assets	–	–	–
Other	11	–	–
Total current assets	22,339	3,431	4,480
Non-current assets			
Receivables	41	–	–
Infrastructure, property, plant and equipment	261,600	29,703	22,683
Investment property	205	–	–
Contract assets	–	–	–
Contract cost assets	–	–	–
Right of use assets	1,088	–	–
Right of use assets	–	–	–
Total non-current assets	262,934	29,703	22,683
TOTAL ASSETS	285,273	33,134	27,163
LIABILITIES			
Current liabilities			
Payables	2,497	23	9
Contract liabilities	–	–	–
Contract liabilities	7,532	–	–
Lease liabilities	–	–	–
Lease liabilities	256	–	–
Borrowings	1,350	112	180
Employee benefit provision	2,449	–	–
Total current liabilities	14,084	135	189
Non-current liabilities			
Payables	171	–	–
Contract liabilities	–	–	–
Lease liabilities	–	–	–
Lease liabilities	1,167	–	–
Borrowings	7,259	1,602	854
Employee benefit provision	206	–	–
Provisions	3,736	–	–
Total non-current liabilities	12,539	1,602	854
TOTAL LIABILITIES	26,623	1,737	1,043
Net assets	258,650	31,397	26,120
EQUITY			
Accumulated surplus	117,796	14,536	13,429
Revaluation reserves	140,854	16,861	12,691
Council equity interest	258,650	31,397	26,120
Total equity	258,650	31,397	26,120

D2 Interests in other entities

D2-5 Subsidiaries, joint arrangements and associates not recognised

New England Joint Organisation (NEJO)

The NEJO was established on 11 May 2018 and is a separately constituted entity pursuant to Part 7 (Sections 400O to 400ZH) of the Local Government Act (NSW) 1993, as amended, and the Local Government (General) Regulation 2008.

The principle purpose of the NEJO is to establish strategic regional priorities and to provide regional leadership to the geographical area for which it serves, and to identify and take up opportunities for intergovernmental cooperation on matters relating to the joint organisation area.

NEJO comprises of seven voting member councils: Armidale Regional Council, Glen Innes Severn Council, Inverell Shire Council, Moree Plains Shire Council, Narrabri Shire Council, Tenterfield Shire Council and Uralla Shire Council.

The Board of NEJO consists of:

- The Mayors of each Member Council, who are entitled to one (1) vote at Meetings;
- A non-voting representative of the NSW Government, who is the Regional Director of the Department of Premier and Cabinet.

The Chairperson is to be elected by the voting representatives of the Board from one (1) of the Mayoral representatives. Chairperson does not have a casting vote.

A decision of the Board is supported by a majority at which a quorum is present is a decision of NEJO.

Glen Innes Severn Council, as a member of the NEJO, has a one seventh voting right in respect to the decisions of the Board. Considering the fact that decision making is based on majority votes, council does not have control, joint control or significant influence over relevant activities of the organisation.

In accordance with the Charter each member of the NEJO contributes annual fees towards the operation of the joint organisation. In 2019/2021 the payments made by Glen Innes Severn Council was \$18,874.

New England Weeds Authority

New England Weeds Authority (NEWA) is the registered trading name of The New England Tablelands Noxious Plants County Council. NEWA is a single purpose Council which is a Local Control Authority for priority and invasive weeds under the NSW Biosecurity Act, 2015. The present area of operation of NEWA is the local government areas of Uralla Shire Council, Armidale Regional Council, Walcha Shire Council, and Glen Innes Severn Council (under a Memorandum of Understanding). These Councils are located in the Northern Tablelands region of New South Wales.

The County Council's governance is in accordance with the Local Government Act 1993 (LGA 1993) with the Country Council first proclaimed in 1947.

NEWA is funded by contributions from its four Constituent Councils, grants and private works. Each Constituent Council has delegated its Noxious weeds control function to NEWA and contributes in accordance with NEWA's proclamation. NEWA's governing body consists of five Councillors elected by each of the Constituent Councils.

Council does not have control, joint control or significant influence over decision making or the overall activities of the organisation.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Council.

Council's objective is to maximise its return on cash and investments while maintaining an adequate level of liquidity and preserving capital. The finance team manage the cash and investments portfolio with the assistance of independent advisers. Council has an investment policy which complies with s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to NSW Council setting out the make-up and performance of the portfolio as required by local government regulations.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out by the finance team under policies approved by the Councillors.

The fair value of receivables, loans, investments and financial liabilities approximates the carrying amount. The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from its independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

	2021 \$ '000	2020 \$ '000
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	133	204

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

E1-1 Risks relating to financial instruments held (continued)

A profile of Council's receivables credit risk at balance date follows:

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

	Not yet overdue \$ '000	< 1 year overdue \$ '000	1 - 2 years overdue \$ '000	2 - 5 years overdue \$ '000	> 5 years overdue \$ '000	Total \$ '000
2021						
Gross carrying amount	396	136	58	115	24	729
2020						
Gross carrying amount	341	221	88	80	53	783

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

	Not yet overdue \$ '000	0 - 30 days overdue \$ '000	31 - 60 days overdue \$ '000	61 - 90 days overdue \$ '000	> 91 days overdue \$ '000	Total \$ '000
2021						
Gross carrying amount	1	898	44	381	105	1,429
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	4.00%	0.29%
ECL provision	–	–	–	–	4	4
2020						
Gross carrying amount	660	530	153	133	88	1,564
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	1.00%	0.06%
ECL provision	–	–	–	–	1	1

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(c)(i) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

	Weighted average interest rate %	Subject to no maturity \$ '000	payable in: ≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000	Total cash outflows \$ '000	Actual carrying values \$ '000
2021							
Trade/other payables	0.00%	–	2,502	171	–	2,673	2,700
Loans	5.73%	–	2,126	7,829	3,740	13,695	11,357
Total financial liabilities		–	4,628	8,000	3,740	16,368	14,057
2020							
Trade/other payables	0.00%	–	1,937	175	–	2,112	2,113
Loans	5.73%	–	2,289	7,988	3,900	14,177	12,956
Total financial liabilities		–	4,226	8,163	3,900	16,289	15,069

E2-1 Fair value measurement

Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring fair value measurements

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020	2021	2020	2021	2020	2021	2020
Investment property	C1-8								
Jamesies Fuel and Fix		30/06/21	30/06/18	205	–	–	170	205	170
Total investment property				205	–	–	170	205	170
Infrastructure, property, plant and equipment	C1-7								
Plant and equipment		30/06/16	30/06/16	–	–	5,536	4,734	5,536	4,734
Office equipment		30/06/18	30/06/18	–	–	48	22	48	22
Furniture and fittings		30/06/18	30/06/18	–	–	83	68	83	68
- Crown Land		30/06/18	30/06/18	–	–	1,905	1,657	1,905	1,657
– Operational land		30/06/18	30/06/18	–	–	8,997	9,873	8,997	9,873
– Community land		30/06/18	30/06/18	–	–	2,999	3,000	2,999	3,000
Buildings		30/06/18	30/06/18	–	–	19,438	19,503	19,438	19,503
Other structures		30/06/18	30/06/18	–	–	4,162	4,545	4,162	4,545
– Roads (General)		30/06/20	30/06/20	–	–	81,113	85,829	81,113	85,829
– Roads (Causeways)		30/06/20	30/06/20	–	–	2,835	2,920	2,835	2,920
– Roads (Car Parks)		30/06/20	30/06/20	–	–	1,040	969	1,040	969
– Bridges		30/06/21	30/06/20	–	–	40,734	35,897	40,734	35,897
– Footpaths (Road Related)		30/06/20	30/06/18	–	–	3,302	3,340	3,302	3,340
– Bulk earthworks (non-depreciable)		30/06/20	30/06/18	–	–	64,754	64,708	64,754	64,708
– Stormwater drainage		30/06/20	30/06/20	–	–	10,296	10,491	10,296	10,491
– Water supply network		30/06/18	30/06/18	–	–	27,113	26,999	27,113	26,999
– Sewerage network		30/06/18	30/06/18	–	–	21,538	21,765	21,538	21,765
– Swimming pools		30/06/18	30/06/18	–	–	1,737	1,777	1,737	1,777
– Other open space/recreational assets (General)		30/06/18	30/06/18	–	–	2,689	2,665	2,689	2,665
– Other infrastructure (Kerb and Gutter)		30/06/20	30/06/20	–	–	5,649	5,788	5,649	5,788
– Other infrastructure (Major Street Furniture)		30/06/20	30/06/20	–	–	1,904	2,122	1,904	2,122
– Library books		30/06/16	30/06/16	–	–	467	509	467	509
Total infrastructure, property, plant and equipment				–	–	308,339	309,181	308,339	309,181

continued on next page ...

E2-1 Fair value measurement (continued)

Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Valuation techniques

Fair value Hierarchy

AASB 13 Fair Value Measurement requires disclosure of fair value measurement by level of input, using the following hierarchy:

-Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

-Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.

-Level 3 – Unobservable inputs for asset or liability.

Fair Value – Valuation techniques

The valuation techniques prescribed by AASB 13 can be summarised as:

Cost Approach: A valuation technique that reflects the amount that would be required to replace the service capacity of an asset (current replacement cost).

Income Approach: Valuation technique that converts future amounts (cash flows inflows/outflows) to signal the current (i.e. discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about these future amounts.

Market Approach: A valuation technique that uses prices and other relevant information, generated by market transactions involving identical or comparable (similar) assets, liabilities or a group of assets and liabilities such as a business.

Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Level 2 valuation process for some asset classes where the basis was Cost Approach under Level 2 input which were determined based on whereby maximising observable inputs and minimising unobservable inputs as below:

- Quoted prices for a similar asset in active markets
- Current replacement cost concept
- Purchase price
- Useful life

Level 3 valuation process for some asset classes where the basis was Cost Approach. The inputs used:

- Pattern of consumption
- Residual Value
- Asset Condition
- Unit rates
- Useful life

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Investment property

Glen Innes Severn Council currently holds one investment property (known as Jamesies Fuel and Fix). Council obtains an independent valuation of its investment property on a regular basis and at the end of each reporting period the financial statements reflect the latest valuation.

E2-1 Fair value measurement (continued)

The best evidence of Fair Value is the current price in an active market for similar assets. The following information is used where necessary;

- Current prices in an active market for different types of properties or similar properties in a less active market.
- Expected future rental income generated from the property based on a discounted cash flow.

The investment property held by Council has been valued with the Valuer using calculation techniques that are appropriate minimising unobservable inputs (namely level 2 inputs).

The property was valued by Mike Williams Valuations (Glen Innes Valuation Services) AAPI, FREAV, Registered Valuer 619, Certified Practising Valuer on 30 June 2021.

There are no valuation changes from prior years.

Infrastructure, property, plant and equipment (IPPE)

Transportation assets

Transportation assets is a valuation class of asset for the purposes of AASB 13 *Fair Value Measurement* which combines following classes of assets from Note C1-7: roads, bridges, footpaths, bulk earthworks, stormwater drainage, kerb and gutter, major street furniture.

Transportation assets have been valued internally in 2020 except bridges. Also, council performed update of the values of unsealed roads on new condition data. Council engaged external valuer APV Valuers and Asset Management to perform comprehensive valuation of bridges as at 30 June 2021.

Council's pavement Asset Management System contains detailed dimensions and specification for all Council roads. Valuations for the road carriageway, comprising surface, pavement and formation were based on calculations carried out in 2010 utilising the in house NAMS PLUS Asset management system for detailed pavement information residing in Council's Pavement Management System Council fair values, road infrastructure assets using, Level 3 inputs at a component level.

The 'Cost Approach' is used to value transportation assets by componentising the assets into significant parts and then rolling up these component values to provide and overall asset valuation within Council's Asset System. In between full revaluations, Council undertakes annual indexation of stormwater drainage assets in accordance with the latest indices provided in the Rates Reference Manual issued by Crown Lands and Water (CLAW); and up-to-date ABS Road & Bridge construction index for all other transportation assets.

There were no changes in valuation technique from prior year.

Due to specialised nature and significant judgement involved, the transportation assets have been valued using unobservable Level 3 inputs which include:

- Unit rates per measurement basis (m2, m, etc)
- Useful life
- Asset Condition

Buildings

Buildings assets are valued externally. Council engaged Scott Fullarton Valuations Pty Ltd to perform a comprehensive valuation of buildings assets as at 30 June 2018.

Most of the Council's buildings are specialised by nature and were valued utilising the cost approach. The approach estimated the replacement cost of each building and componentising of significant parts of specific buildings with different useful lives and taking into account a range of factors. Where the unit rates could be supported by market evidence, Level 2 inputs were utilised. Other inputs (such as estimates of useful life, asset condition and componentisation) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued utilising Level 3 inputs.

There were no changes in valuation technique from prior year.

Land

Land is valued externally. Council engaged Scott Fullarton Valuations Pty Ltd to perform a comprehensive valuation of its land as at 30 June 2018.

Land is a valuation class of asset for the purposes of AASB 13 *Fair Value Measurement* which combines following classes of assets from Note C1-8: Operational Land and Community Land.

Council's "Operational" land by definition has no special restriction other than those that may apply to any piece of land.

E2-1 Fair value measurement (continued)

Council's "Community" land (including owned by Council, the Crown and various other Government Agencies that is managed by Council) by definition from the LG Act 1993 is land intended for public access and use or where other restrictions applying to the land create some obligation to maintain public access (such as a trust deed, dedication under section 94 of the Environment Planning and Assessment Act 1979). This gives rise to the restrictions in the Act, intended to preserve the qualities of the land. Indeed, Community Land cannot be sold; cannot be leased, licensed, or any other estate granted over the land for more than 21 years; and must have a plan of management for it.

Land has been valued at market value, having regard to the "highest and best use", after identifying all elements (restrictions) that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions;
- Planning (zoning) and other constraints on development; and
- The potential for alternative use.

The criteria that highest and best use must meet are physical possibility, legal permissibility and financial feasibility. Implied within these criteria is the recognition of the contribution of that specific use to community environment or to community development goals, in addition to wealth maximisation of the individual property owner.

Council's community land has been zoned for public open space, conservation areas and other similar locality specific areas. Council has placed these zonings on their land and they, predominantly, only apply to Council owned land. These zonings are not representative of surrounding land uses and their level of development restrictions may not be considered normal in the open market. As a result of that, fair value of community land represents the cost to Council to acquire the property, i.e. in an open market situation, if it is considered feasible that these properties could be zoned similarly to surrounding use areas in the relatively near future (say 5 years) rather than at some remote future date.

There were no changes in valuation technique from prior year.

Office Equipment and Furniture and Fittings

This class of assets was externally revalued by independent valuer, Andrew Nock AAPI (P&M) MAVAA, as at 30 June 2018.

Assets were valued using cost approach with a combination of depreciated replacement cost and market valuation techniques. Level 3 input was applied to most of the assets due to the significant professional judgment involved in determination of the obsolescence factor.

There were no changes in valuation technique from prior year.

Water and Sewerage assets

Council engaged APV Valuers & Asset Management, independent professional valuer firm, to perform a comprehensive revaluation of its water and sewerage supply network assets as at 30 June 2018.

Due to specialised nature of the assets all water and sewer network assets were valued using cost approach with the Level 3 input dominating the valuation.

Valuer applied significant judgement in determining following inputs into the valuation process:

- Unit rates
- Condition assessment and obsolescence
- Useful life.

Though previously Council valued this class of assets internally, the valuation technique has not changed.

Other Assets

Other Assets is a valuation class of asset for the purposes of AASB 13 *Fair Value Measurement* which combines following classes of assets from Note C1-7: Library Books and Tip Assets.

These assets are valued at depreciated historical cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the short useful life. Therefore, the main significant unobservable Level 3 input utilised in valuation is condition of the assets.

There were no changes in valuation technique from prior year.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

There were no movement between valuation hierarchy levels during the year. Therefore, for all the changes in value of assets please refer to Note C1-7.

Highest and best use

Council's determined that current use of its assets are at highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are::

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

* For 180 Point Members, Employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2020 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2020. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2021 was \$80,011.81. The last valuation of the Scheme was performed by Fund Actuary, Richard Boyfield FIAA as at 30 June 2020, and covers the period ended 30 June 2021.

E3-1 Contingencies (continued)

Council's expected contribution to the plan for the next annual reporting period is \$100,367.76.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2021 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,620.5	
Past Service Liabilities	2,445.6	107.2%
Vested Benefits	2,468.7	106.2%

- excluding member accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to council is 0.15%.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June 2021 may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	2021 \$ '000	2020 \$ '000
Compensation:		
Short-term benefits	1,332	1,410
Post-employment benefits	111	101
Total	1,443	1,511

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2021					
Donations	17	–	Standard terms	–	–
Plumbing	12	–	Standard terms	–	–
Freight and delivery	1	–	Standard terms	–	–
2020					
Donations	–	–	Standard terms	–	–
Plumbing	95	–	Standard terms	–	–
Freight and delivery	16	–	Standard terms	–	–

F1-2 Councillor and Mayoral fees and associated expenses

	2021	2020
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	51	51
Councillors' fees	61	61
Other Councillors' expenses (including Mayor)	28	29
Total	140	141

F1-3 Other related parties

	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2021					
Payments to staff related to Key Management Personnel 2020	–	–	Standard terms	–	–
Payments to staff related to Key Management Personnel	114	–	Standard terms	–	–

F2 Other relationships

F2-1 Audit fees

	2021 \$ '000	2020 \$ '000
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	58	41
Remuneration for audit and other assurance services	58	41
Total Auditor-General remuneration	58	41
Total audit fees	58	41

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2021 \$ '000	2020 \$ '000
Net operating result from Income Statement	(1,227)	900
Adjust for non-cash items:		
Depreciation and amortisation	7,423	7,482
Net losses/(gains) on disposal of assets	4,241	1,276
Adoption of AASB 15/1058	–	(360)
Found assets	(688)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investment property	(35)	–
– Revaluation decrements / impairments of IPP&E direct to P&L	206	–
Unwinding of discount rates on reinstatement provisions	70	76
+/- Movement in operating assets and liabilities and other cash items:		
Decrease/(increase) in receivables	189	634
Increase/(decrease) in provision for impairment of receivables	(2)	26
Decrease/(increase) in inventories	1,190	(927)
Decrease/(increase) in other current assets	(2)	13
Decrease/(increase) in contract assets	164	(502)
Increase/(decrease) in payables	805	(2,385)
Increase/(decrease) in accrued interest payable	(14)	(10)
Increase/(decrease) in other accrued expenses payable	(314)	–
Increase/(decrease) in other liabilities	110	(827)
Increase/(decrease) in contract liabilities	4,777	2,755
Increase/(decrease) in provision for employee benefits	91	65
Increase/(decrease) in other provisions	(386)	(414)
Net cash provided from/(used in) operating activities from the Statement of Cash Flows	16,598	7,802

G2-1 Commitments

Capital commitments (exclusive of GST)

	2021 \$ '000	2020 \$ '000
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Bridges	796	404
Roads	118	19
Water Infrastructure	177	–
Sewer Infrastructure	1	–
Plants	148	–
Other	–	548
Total commitments	1,240	971
These expenditures are payable as follows:		
Within the next year	1,240	971
Total payable	1,240	971
Sources for funding of capital commitments:		
Unrestricted general funds	1,240	548
Externally restricted reserves	–	19
Unexpended loans	–	404
Total sources of funding	1,240	971

Details of capital commitments

Capital commitments relate to a range of capital items where purchase orders have been raised but invoices not received as at 30 June 2021.

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed. No other matters have arisen subsequent to balance date that would require these financial statements to be amended.

G4 Statement of developer contributions as at 30 June 2021

G4-1 Summary of developer contributions

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year		Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2021 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash \$ '000					
Other	67	16	-	-	-	-	83	-
S7.11 contributions – under a plan	67	16	-	-	-	-	83	-
Total S7.11 and S7.12 revenue under plans	67	16	-	-	-	-	83	-
S7.11 not under plans	565	150	-	-	(239)	-	476	-
S64 contributions	148	47	-	-	(200)	-	(5)	-
Total contributions	780	213	-	-	(439)	-	554	-

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year		Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2021 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash \$ '000					
CONTRIBUTION PLAN NUMBER 1 - Community facilities								
Other	67	16	-	-	-	-	83	-
Total	67	16	-	-	-	-	83	-

G4-3 Contributions not under plans

Roads								
Roads	565	150	-	-	(239)	-	476	-
Total	565	150	-	-	(239)	-	476	-

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2021	Indicator 2021	Indicators 2020 2019		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(1,465)	(4.81)%	(1.94)%	0.72%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	30,457				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	19,291	54.89%	55.26%	60.84%	> 60.00%
Total continuing operating revenue ¹	35,144				
3. Unrestricted current ratio					
Current assets less all external restrictions	5,905	0.88x	2.14x	2.93x	> 1.50x
Current liabilities less specific purpose liabilities	6,707				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	6,750	2.61x	3.08x	3.12x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,589				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	668	5.22%	5.67%	9.90%	< 10.00%
Rates and annual charges collectable	12,807				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	26,070	12.56	8.21	12.35	> 3.00
Monthly payments from cash flow of operating and financing activities	2,075	mths	mths	mths	mths

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets, and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies.

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets, and net loss on share of interests in joint ventures and associates using the equity method.

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2021	2020 ⁴	2021	2020 ⁴	2021	2020 ⁴	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(7.37)%	(3.05)%	5.93%	1.23%	18.35%	9.36%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	48.79%	48.71%	99.24%	98.74%	98.21%	99.18%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	0.88x	2.14x	25.41x	22.10x	23.70x	22.56x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	2.07x	2.78x	7.13x	4.80x	11.51x	8.18x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	6.67%	7.23%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	11.22	7.08	∞	∞	∞	∞	> 3.00
Monthly payments from cash flow of operating and financing activities	mths	mths					mths

(1) - (2) Refer to Notes at Note 24a above.

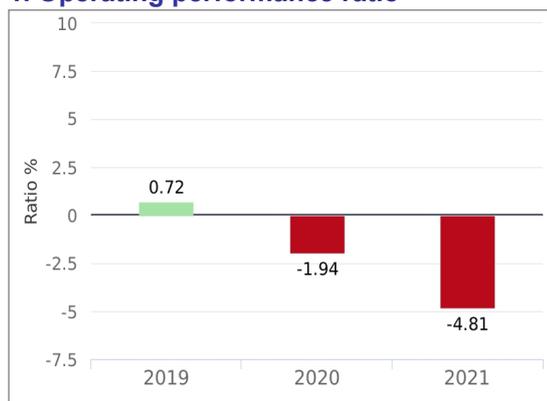
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

(4) Please refer to Note 13 for Prior Period Adjustments.

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2020/21 result

2020/21 ratio (4.81)%

Council did not meet the benchmark for the current reporting period, due to a negative net operating result, caused by increases in operating expenses compared to 2019/2020.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2020/21 result

2020/21 ratio 54.89%

Council is very close to meeting the 60% benchmark. The drop in 2020 relates to a decrease in operating revenue due to bushfires, drought and Covid-19. There has been a slight improvement in 2021. Council has been very successful in the number and dollar value of grants received, and believes that the benefit to the community of the grants outweighs any concerns about the lowering of this ratio.

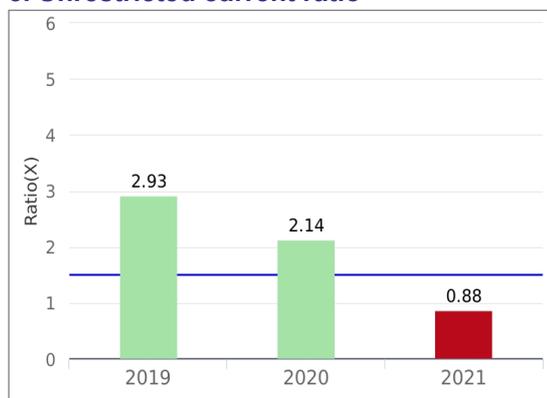
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2020/21 result

2020/21 ratio 0.88x

Council is very close to meeting the > 1.5x benchmark. Council will focus on moving this ratio back above benchmark in 2022.

Benchmark: — > 1.50x

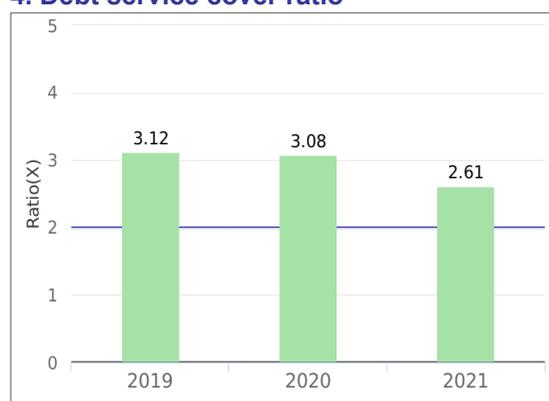
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2020/21 result

2020/21 ratio 2.61x

No significant variance.

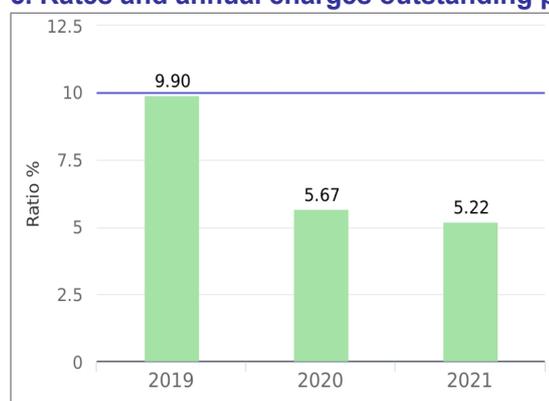
Benchmark: — > 2.00x

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2020/21 result

2020/21 ratio 5.22%

Council continues to perform well in this area and is well under the benchmark, noting further improvement on prior year.

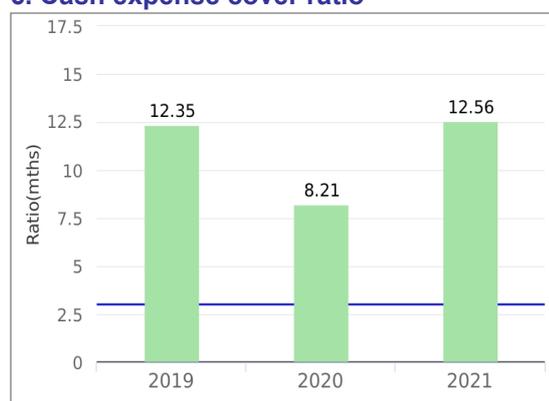
Benchmark: — < 10.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2020/21 result

2020/21 ratio 12.56 mths

This ratio is still well above the required benchmark.

Benchmark: — > 3.00mths

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

265 Grey Street
Glen Innes NSW 2370

Contact details

PO Box 61
Glen Innes NSW 2370

8.30 am - 4.30 pm
Monday - Friday

Telephone: (02) 6730-2300

Facsimile: (02) 6732-3764

Internet: www.gisc.nsw.gov.au

Email: council@gisc.nsw.gov.au

Officers**GENERAL MANAGER**

Craig BENNETT

RESPONSIBLE ACCOUNTING OFFICER

Anna WATT

PUBLIC OFFICER

Dennis MCINTYRE

AUDITORS

The Audit Office of New South Wales
Darling Park Tower 2,
Level 19, 201 Sussex Street
GPO Box 12,
SYDNEY NSW 2001

Elected members**MAYOR**

Carol SPARKS

COUNCILLORS

Deputy Mayor Dianne NEWMAN
Councillor Steve TOMS
Councillor Glenn FRENDON
Councillor Andrew PARSONS
Councillor Colin PRICE
Councillor Jeff SMITH

Other information

ABN: 81 365 002 718



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Glen Innes Severn Council

To the Councillors of Glen Innes Severn Council

Opinion

I have audited the accompanying financial statements of Glen Innes Severn Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

28 October 2021
SYDNEY



Cr Carol Sparks
Mayor
Glen Innes Severn Council
PO Box 61
GLEN INNES NSW 2370

Contact: Chris Harper
Phone no: 02 9275 7374
Our ref: D2122503/1730

28 October 2021

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2021
Glen Innes Severn Council**

I have audited the general purpose financial statements (GPFS) of Glen Innes Severn Council (the Council) for the year ended 30 June 2021 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2021 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

Rural Fire Services Assets not recognised in the financial statements

Council did not record rural fire service assets in the financial statements.

Rural fire service assets, specifically the land, buildings and red fleet vehicles, are controlled by the Council and should be recognised in their financial statements. This is supported by the requirements of the *Rural Fires Act 1997* and service agreements between Councils and the NSW Rural Fire Service (RFS).

The Department of Planning, Industry and Environment (inclusive of the Office of Local Government) confirmed in the 'Report on Local Government 2020' (tabled in Parliament on 27 May 2021) their view that rural fire service assets are not controlled by the NSW Rural Fire Service.

INCOME STATEMENT

Operating result

	2021	2020	Variance
	\$m	\$m	%
Rates and annual charges revenue	12.0	11.4	 5.3
Grants and contributions revenue	15.9	14.4	 10.4
Operating result from continuing operations	(1.2)	0.9	 233.3
Net operating result before capital grants and contributions	(5.9)	(1.9)	 210.5

The Council's net deficit operating result from continuing operations (\$1.2 million) including depreciation and amortisation expense of \$7.6 million was \$2.1 million lower than the 2019–20 result.

This is mainly due to an increase in expenses from continuing operations of \$5.1 million attributable to:

- \$3.0 million increase in net losses from the disposal of assets due to infrastructure renewals
- \$1.4 million increase in materials and services due to increased maintenance works
- \$276,000 increase in other expenses due to increased payments and levies to other levels of government.

Offset, by a \$2.9 million increase in total income from continuing operations of attributable to:

- \$1.9 million increase in grants and contributions for capital purposes due to additional funds received for specific infrastructure projects
- \$1.0 million increase in other revenue due to increased gravel and tourism sales and infrastructure assets recognised for the first time.

The net deficit operating result before capital grants and contributions (\$5.9 million) was \$4.0 million lower than the 2019-20 result. This is due to the same factors as the reduction in operating result from continuing operations.

Rates and annual charges revenue (\$12.0 million) increased by \$588,000 (5.3 per cent) in 2020–21 due mainly to the normal rate peg allowance increases and increases in annual charges in the year.

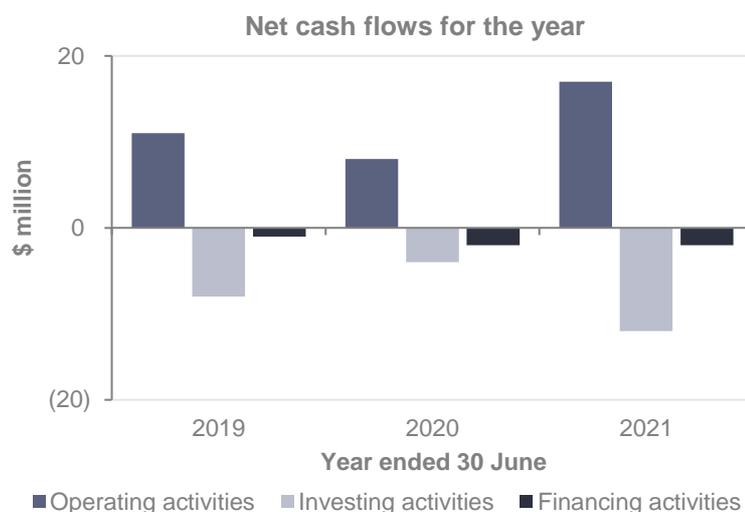
Grants and contributions revenue (\$15.9 million) increased by \$1.5 million (10.4 per cent) in 2020–21 due to additional funding received for specific infrastructure projects.

STATEMENT OF CASH FLOWS

Cash from operating activities increased by \$9.5 million due to increased cash inflows for grants and contributions and user charges and fees and a reduction in other expenditure.

Cash outflows from investing activities increased by \$8.3 million due to an increase in capital expenditure on IPPE and acquisition of term deposits.

Cash from financing activities remained comparable to prior year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2021	2020*	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	26.0	20.6	<ul style="list-style-type: none"> Major external restrictions include water, sewer and aggregates operations as well as grants for specific purposes, unexpended loans and developer contributions. The main increase related to unspent grant funding received for a specific purpose.
Restricted cash and investments:			<ul style="list-style-type: none"> Council has disclosed a negative unrestricted cash position of \$2 million at 30 June 2021. This is attributable to utilising internal restrictions for general expenditure.
• External restrictions	23.8	15.5	
• Internal and unrestricted	2.2	5.1	

* The 2020 comparatives have been restated to reallocate funds from internal to external restrictions.

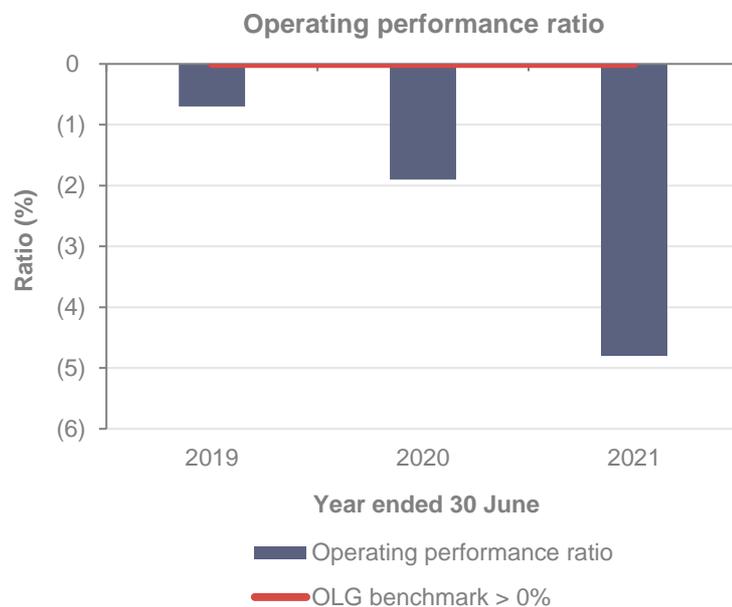
Performance measures

The following section provides an overview of the Council’s performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

The ‘operating performance ratio’ measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

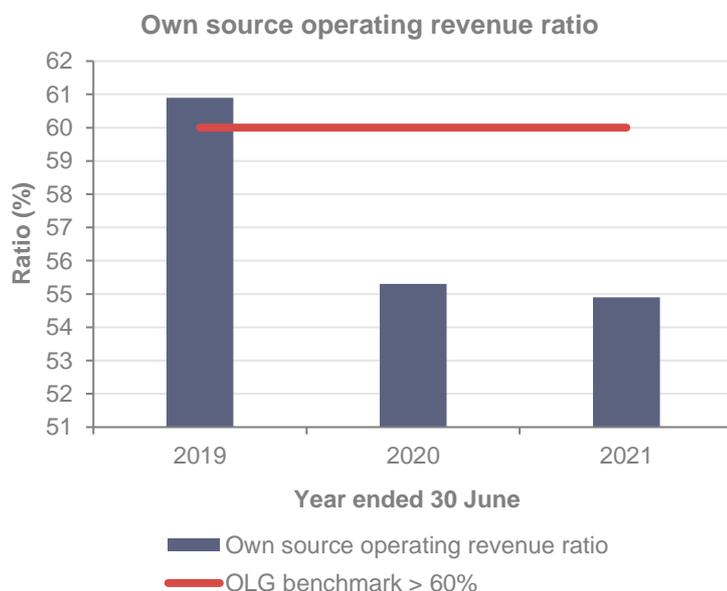
Council did not meet the OLG benchmark for the current reporting period due to the deterioration in Council’s operating result.



Own source operating revenue ratio

The ‘own source operating revenue ratio’ measures council’s fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

The Council did not meet the OLG benchmark for the current reporting period due to the high levels of grants and contributions received.

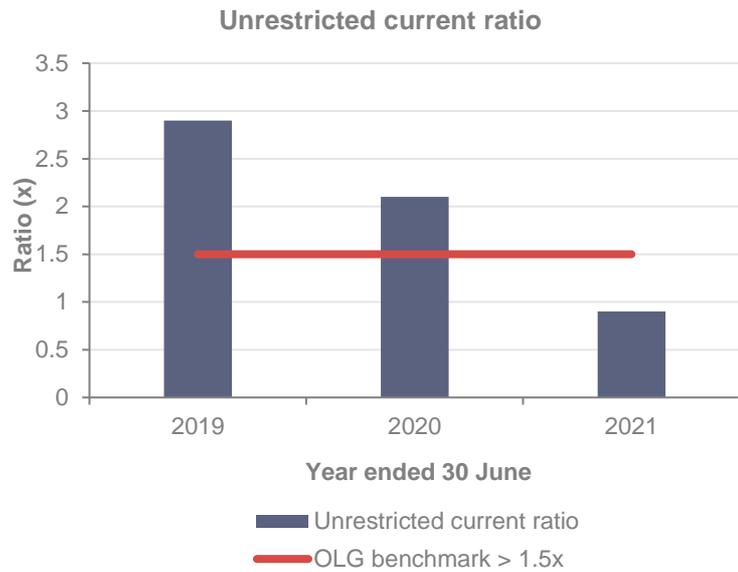


Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

The Council did not meet the OLG benchmark for the current reporting period.

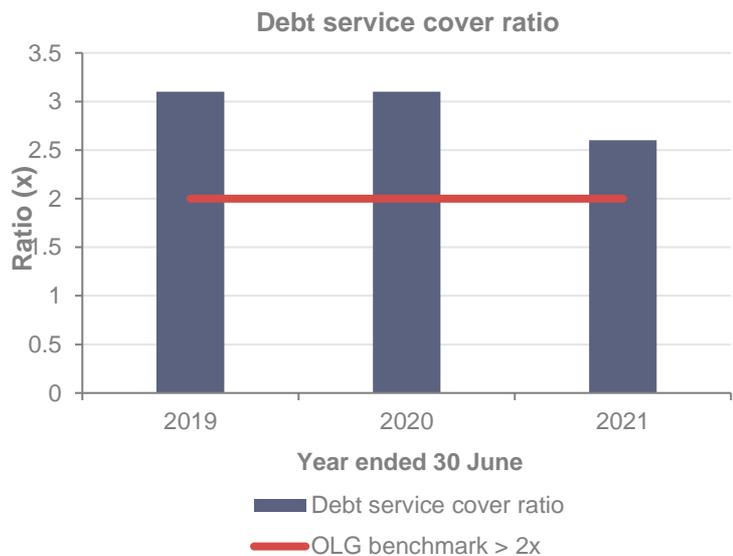
The ratio has declined from prior years due to the level of external restrictions at year end relating to unspent grants received for a specific purpose.



Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

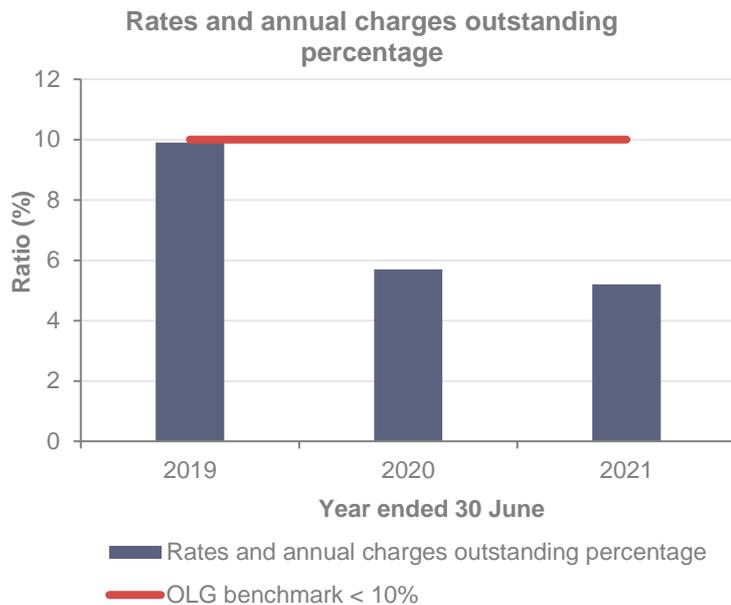
The Council exceeded the OLG benchmark for the current reporting period.



Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

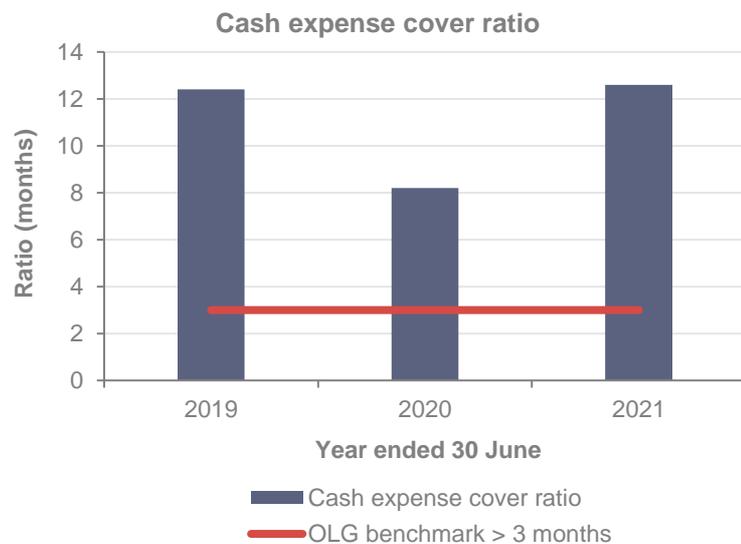
The Council met the OLG benchmark for the current reporting period.



Cash expense cover ratio

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period.



Infrastructure, property, plant and equipment renewals

Infrastructure, Property, Plant and Equipment (IPPE) renewal expenditure was \$9.0 million. This increased by \$4.3 million compared to 2019–20 due to Council increasing its renewal works on receipt of specific purpose grant funding. Renewal expenditure was above depreciation for the year by \$1.8 million.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

28 October 2021
SYDNEY

cc: Mr Craig Bennett, General Manager
Mr Stephen Coates, Chair of the Audit, Risk and Improvement Committee
Ms Ann Newsome, Chief Financial Officer
Ms Anna Watt, Director of Corporate and Community Services
Mr Geoff Allen, Principal, Forsyths
Ms Kiersten Fishburn, Secretary of the Department of Planning, Industry and Environment

Glen Innes Severn Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Embracing Change, Building on History"



Glen Innes Severn Council

Special Purpose Financial Statements

for the year ended 30 June 2021

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Glen Innes Severn Council

Special Purpose Financial Statements

for the year ended 30 June 2021

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 23 September 2021.



Carl Sparks
Mayor
23 September 2021



Craig Bennett
General Manager
23 September 2021



Dianne Newman
Deputy Mayor
23 September 2021



Anna Watt
Responsible Accounting Officer
23 September 2021

Glen Innes Severn Council

Income Statement of water supply business activity

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	1,136	1,099
User charges	1,306	1,137
Fees	18	–
Interest	17	104
Other income	1	13
Total income from continuing operations	2,478	2,353
Expenses from continuing operations		
Employee benefits and on-costs	354	325
Borrowing costs	136	145
Materials and services	313	364
Depreciation, amortisation and impairment	738	578
Loss on sale of assets	141	235
Debt guarantee fee (if applicable)	52	56
Other expenses	649	677
Total expenses from continuing operations	2,383	2,380
Surplus (deficit) from continuing operations before capital amounts	95	(27)
Grants and contributions provided for capital purposes	19	30
Surplus (deficit) from continuing operations after capital amounts	114	3
Surplus (deficit) from all operations before tax	114	3
Less: corporate taxation equivalent [based on result before capital]	(25)	–
Surplus (deficit) after tax	89	3
Plus accumulated surplus	14,423	14,499
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	25	–
Plus/less: reallocation of inter-fund transactions	–	(79)
Closing accumulated surplus	14,537	14,423
Return on capital %	0.8%	0.4%
Subsidy from Council	212	145
Calculation of dividend payable:		
Surplus (deficit) after tax	89	3
Less: capital grants and contributions (excluding developer contributions)	(19)	(30)
Surplus for dividend calculation purposes	70	–
Potential dividend calculated from surplus	35	–

Glen Innes Severn Council

Income Statement of sewerage business activity

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	1,657	1,625
User charges	36	34
Liquid trade waste charges	26	43
Interest	33	100
Other income	3	3
Total income from continuing operations	1,755	1,805
Expenses from continuing operations		
Employee benefits and on-costs	117	147
Borrowing costs	74	85
Materials and services	225	196
Depreciation, amortisation and impairment	487	477
Loss on sale of assets	–	239
Debt guarantee fee (if applicable)	31	36
Other expenses	530	492
Total expenses from continuing operations	1,464	1,672
Surplus (deficit) from continuing operations before capital amounts	291	133
Grants and contributions provided for capital purposes	32	15
Surplus (deficit) from continuing operations after capital amounts	323	148
Surplus (deficit) from all operations before tax	323	148
Less: corporate taxation equivalent [based on result before capital]	(76)	(37)
Surplus (deficit) after tax	247	111
Plus accumulated surplus	13,106	13,047
Plus/less: reallocation of inter-fund transactions	–	(89)
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	76	37
Closing accumulated surplus	13,429	13,106
Return on capital %	1.6%	1.0%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	247	111
Less: capital grants and contributions (excluding developer contributions)	(32)	(15)
Surplus for dividend calculation purposes	215	96
Potential dividend calculated from surplus	108	48

Glen Innes Severn Council

Income Statement of Glen Innes Aggregates

for the year ended 30 June 2021

	2021 Category 1 \$ '000	2020 Category 1 \$ '000
Income from continuing operations		
User charges	559	605
Other income	2,730	2,554
Total income from continuing operations	3,289	3,159
Expenses from continuing operations		
Employee benefits and on-costs	411	543
Borrowing costs	113	111
Materials and services	1,829	1,596
Depreciation, amortisation and impairment	91	97
Debt guarantee fee (if applicable)	53	67
Other expenses	453	419
Total expenses from continuing operations	2,950	2,833
Surplus (deficit) from continuing operations before capital amounts	339	326
Surplus (deficit) from continuing operations after capital amounts	339	326
Surplus (deficit) from all operations before tax	339	326
Less: corporate taxation equivalent [based on result before capital]	(88)	(90)
Surplus (deficit) after tax	251	236
Plus accumulated surplus	3,089	2,901
Plus/less: reallocation of inter-fund transactions	–	(138)
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	88	90
Less:		
Closing accumulated surplus	3,428	3,089
Return on capital %	17.4%	18.4%

Glen Innes Severn Council

Statement of Financial Position of water supply business activity

as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	1,668	1,627
Investments	1,375	1,027
Receivables	388	352
Total current assets	3,431	3,006
Non-current assets		
Infrastructure, property, plant and equipment	29,703	29,885
Total non-current assets	29,703	29,885
Total assets	33,134	32,891
LIABILITIES		
Current liabilities		
Payables	23	24
Borrowings	112	112
Total current liabilities	135	136
Non-current liabilities		
Borrowings	1,602	1,714
Total non-current liabilities	1,602	1,714
Total liabilities	1,737	1,850
Net assets	31,397	31,041
EQUITY		
Accumulated surplus	14,536	14,423
Revaluation reserves	16,861	16,618
Total equity	31,397	31,041

Glen Innes Severn Council

Statement of Financial Position of sewerage business activity

as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	1,121	1,219
Investments	3,238	2,722
Receivables	121	119
Total current assets	4,480	4,060
Non-current assets		
Infrastructure, property, plant and equipment	22,683	22,755
Total non-current assets	22,683	22,755
Total assets	27,163	26,815
LIABILITIES		
Current liabilities		
Payables	9	11
Borrowings	180	169
Total current liabilities	189	180
Non-current liabilities		
Borrowings	854	1,034
Total non-current liabilities	854	1,034
Total liabilities	1,043	1,214
Net assets	26,120	25,601
EQUITY		
Accumulated surplus	13,429	13,106
Revaluation reserves	12,691	12,495
Total equity	26,120	25,601

Glen Innes Severn Council

Statement of Financial Position of Glen Innes Aggregates

as at 30 June 2021

	2021 Category 1 \$ '000	2020 Category 1 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	1,984	797
Receivables	154	136
Inventories	1,356	2,560
Total current assets	3,494	3,493
Non-current assets		
Infrastructure, property, plant and equipment	2,594	2,379
Total non-current assets	2,594	2,379
Total assets	6,088	5,872
LIABILITIES		
Current liabilities		
Lease liabilities	36	34
Payables	53	54
Borrowings	54	52
Total current liabilities	143	140
Non-current liabilities		
Lease liabilities	329	365
Borrowings	1,675	1,772
Total non-current liabilities	2,004	2,137
Total liabilities	2,147	2,277
Net assets	3,941	3,595
EQUITY		
Accumulated surplus	3,429	3,089
Revaluation reserves	512	506
Total equity	3,941	3,595

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993 (Act)*, the *Local Government (General) Regulation 2005 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Glen Innes Aggregates is a Category 1 business of Council.

b. Glen Innes Severn Council Water Supply

A provision for augmented water supplies to the communities of Deepwater and Glen Innes, and, surrounding residential and farmland holdings.

Category 2

(where gross operating turnover is less than \$2 million)

a. Glen Innes Severn Council Sewerage Services

A provision for sewerage services to the communities of Deepwater and Glen Innes, and, surrounding residential and farmland holdings.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 26% (19/20 27.5%)

Note – Significant Accounting Policies (continued)

Land tax – the first \$755,000 of combined land values attracts **0%**. For the combined land values in excess of \$755,000 up to \$4,616,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$4,616,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **4.85%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Planning, Industry & Environment – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DPIE – Water guidelines is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 26% (19/20 27.5%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 26% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

(iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with the DPIE – Water guidelines

Note – Significant Accounting Policies (continued)

and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2021 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Best Practice Management of Water Supply and Sewer Guidelines, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are submitted to DPIE – Water.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Glen Innes Severn Council

To the Councillors of Glen Innes Severn Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Glen Innes Severn Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2021, the Statement of Financial Position of each Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water Supply
- Sewerage
- Glen Innes Aggregates.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2021, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'CHarper', with a long horizontal stroke extending to the right.

Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

28 October 2021
SYDNEY

Glen Innes Severn Council

SPECIAL SCHEDULES
for the year ended 30 June 2021

"Embracing Change, Building on History"



Glen Innes Severn Council

Special Schedules

for the year ended 30 June 2021

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Glen Innes Severn Council

Permissible income for general rates

	Notes	Calculation 2020/21 \$ '000	Calculation 2021/22 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	7,005	7,208
Plus or minus adjustments ²	b	27	(18)
Notional general income	c = a + b	7,032	7,190
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.00%
Or plus rate peg amount	i = e x (c + g)	183	144
Sub-total	k = (c + g + h + i + j)	7,215	7,334
Plus (or minus) last year's carry forward total	l	1	8
Sub-total	n = (l + m)	1	8
Total permissible income	o = k + n	7,216	7,342
Less notional general income yield	p	7,208	7,342
Catch-up or (excess) result	q = o - p	8	-
Carry forward to next year ³	t = q + r + s	8	-

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (3) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Glen Innes Severn Council

To the Councillors of Glen Innes Severn Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Glen Innes Severn Council (the Council) for the year ending 30 June 2022.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2021'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

A handwritten signature in black ink, appearing to read 'CHarper', with a long horizontal stroke extending to the right.

Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

28 October 2021
SYDNEY

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost				Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2020/21 Required maintenance ^a	2020/21 Actual maintenance			1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
Buildings	Buildings	4,220	4,220	222	258	14,089	29,523	26.0%	0.0%	73.0%	0.0%	1.0%	
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	
	Buildings - Quarry	129	129	32	12	263	659	4.0%	0.0%	92.0%	3.0%	1.0%	
	Buildings - Water	458	458	–	–	1,142	2,587	10.0%	1.0%	88.0%	0.0%	1.0%	
	Buildings - Sewer	84	84	–	–	268	495	27.0%	0.0%	55.0%	18.0%	0.0%	
	Buildings - Public Halls	2,487	2,487	2	1	3,676	12,430	0.0%	0.0%	100.0%	0.0%	0.0%	
	Sub-total	7,378	7,378	256	271	19,438	45,694	17.7%	0.1%	81.3%	0.2%	0.7%	
Other structures	Other structures	11	11	99	108	4,162	10,245	11.0%	89.0%	0.0%	0.0%	0.0%	
	Sub-total	11	11	99	108	4,162	10,245	11.0%	89.0%	0.0%	0.0%	0.0%	
Roads	Roads – Local Rural Sealed	4,117	4,117	399	304	47,256	77,275	61.0%	17.0%	5.0%	3.0%	14.0%	
	Roads – Local Urban Sealed	1,143	1,144	338	348	14,796	22,855	64.0%	20.0%	7.0%	1.0%	8.0%	
	Roads – Local Rural Unsealed	8,527	8,527	1,892	2,641	14,458	36,166	25.0%	12.0%	7.0%	15.0%	41.0%	
	Roads – Other Urban Sealed	230	230	–	–	1,236	2,222	43.0%	28.0%	0.0%	24.0%	5.0%	
	Roads – Regional Rural Sealed	694	694	98	85	13,412	18,538	65.0%	22.0%	7.0%	1.0%	5.0%	
	Roads – Regional Urban Sealed	25	25	–	–	877	1,041	94.0%	0.0%	0.0%	0.0%	6.0%	
	Bulk earthworks	16	16	–	–	64,707	64,707	100.0%	0.0%	0.0%	0.0%	0.0%	
	Footpaths	264	264	45	30	3,302	4,547	43.0%	32.0%	17.0%	7.0%	1.0%	
	Carparks	36	36	2	–	947	1,395	58.0%	30.0%	11.0%	1.0%	0.0%	
	Causeways	716	716	–	–	2,834	7,165	3.0%	53.0%	35.0%	6.0%	3.0%	
	Bridges – Local Rural Concrete/Steel	2,425	2,425	4	6	16,165	25,498	14.0%	41.0%	41.0%	1.0%	3.0%	
	Bridges – Local Rural Timber	639	639	64	41	170	2,102	4.0%	3.0%	19.0%	51.0%	23.0%	
	Bridges – Local Urban Concrete/Steel	157	157	–	–	999	1,540	0.0%	50.0%	49.0%	1.0%	0.0%	
	Bridges – Local Urban Timber	58	58	–	–	19	309	0.0%	6.0%	94.0%	0.0%	0.0%	
	Bridges – Regional Concrete/Steel	272	272	–	–	2,010	2,928	15.0%	40.0%	44.0%	0.0%	1.0%	
	Culverts - Local Sealed Rural	157	157	–	–	3,538	5,328	6.0%	80.0%	14.0%	0.0%	0.0%	
	Culverts - Local Sealed Urban	5	5	–	–	361	733	0.0%	98.0%	1.0%	1.0%	0.0%	
	Culverts - Local Unsealed Rural	122	122	–	–	1,597	2,517	1.0%	76.0%	21.0%	2.0%	0.0%	
	Culverts - Regional Sealed	250	250	–	–	1,219	2,202	0.0%	44.0%	54.0%	2.0%	0.0%	
	Other	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	2.0%	0.0%
Sub-total	19,853	19,854	2,842	3,455	189,903	279,068	56.2%	18.9%	10.2%	3.9%	10.8%		

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021 (continued)

Asset Class	Asset Category	Estimated cost		2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Water supply network	Bores	–	–	4	4	346	400	100.0%	0.0%	0.0%	0.0%	0.0%
	Dams/Weirs	–	–	–	–	3,243	5,024	1.0%	99.0%	0.0%	0.0%	0.0%
	Off Stream Storages	–	–	–	–	440	564	100.0%	0.0%	0.0%	0.0%	0.0%
	Pumping Stations	–	–	16	14	871	1,835	59.0%	41.0%	0.0%	0.0%	0.0%
	Rising Mains	34	34	–	–	1,930	2,579	23.0%	71.0%	6.0%	0.0%	0.0%
	Total Reticulation	1,310	1,310	156	184	9,610	14,032	38.0%	24.0%	24.0%	14.0%	0.0%
	Treatment	–	–	63	66	8,097	12,576	53.0%	47.0%	0.0%	0.0%	0.0%
	Reservoirs	144	144	–	–	2,576	4,439	42.0%	40.0%	18.0%	0.0%	0.0%
Sub-total	1,488	1,488	239	268	27,113	41,449	39.9%	44.9%	10.4%	4.7%	0.0%	
Sewerage network	Rising Mains	22	22	–	–	1,182	1,374	83.0%	9.0%	8.0%	0.0%	0.0%
	Total Reticulation	3,951	3,951	101	77	15,745	23,176	23.0%	10.0%	39.0%	27.0%	1.0%
	Treatment	–	–	–	–	4,345	7,160	98.0%	2.0%	0.0%	0.0%	0.0%
	Pumping Stations	13	13	10	2	266	571	50.0%	38.0%	12.0%	0.0%	0.0%
Sub-total	3,986	3,986	111	79	21,538	32,281	42.7%	8.7%	28.6%	19.4%	0.7%	
Stormwater drainage	Stormwater Conduits	1,640	1,640	16	5	8,909	15,256	6.0%	41.0%	52.0%	0.0%	1.0%
	Inlet and Junction Pits	102	102	–	–	1,387	2,333	8.0%	72.0%	17.0%	3.0%	0.0%
	Sub-total	1,742	1,742	16	5	10,296	17,589	6.3%	45.1%	47.4%	0.4%	0.9%
Open space / recreational assets	Swimming pools	230	230	53	44	1,779	3,142	15.0%	51.0%	31.0%	2.0%	1.0%
	Other Recreation	156	156	20	21	2,647	3,642	56.0%	27.0%	14.0%	0.0%	3.0%
	Sub-total	386	386	73	65	4,426	6,784	37.0%	38.1%	21.9%	0.9%	2.1%
Other infrastructure assets	Kerb and Gutter	290	290	–	–	5,649	11,330	38.0%	51.0%	9.0%	2.0%	0.0%
	Major Street Furniture	6	6	–	–	1,904	2,331	89.0%	10.0%	1.0%	0.0%	0.0%
	Sub-total	296	296	–	–	7,553	13,661	46.7%	44.0%	7.6%	1.7%	0.0%
Total – all assets		35,140	35,141	3,636	4,251	284,429	446,771	46.2%	22.3%	20.1%	4.4%	6.9%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

Condition Integrated planning and reporting (IP&R) description

continued on next page ...

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021 (continued)

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2021	Indicator 2021	Indicators		Benchmark
			2020	2019	
Buildings and infrastructure renewals ratio					
Asset renewals ¹	8,089	137.15%	91.56%	100.90%	>= 100.00%
Depreciation, amortisation and impairment	5,898				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	35,140	12.57%	15.94%	11.66%	< 2.00%
Net carrying amount of infrastructure assets	279,602				
Asset maintenance ratio					
Actual asset maintenance	4,251	116.91%	102.29%	102.36%	> 100.00%
Required asset maintenance	3,636				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	35,141	7.87%	10.14%	32.66%	
Gross replacement cost	446,771				

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Glen Innes Severn Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2021	2020	2021	2020	2021	2020	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	158.30%	93.79%	57.99%	74.13%	9.85%	92.07%	>= 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	12.85%	14.81%	5.49%	15.19%	18.51%	28.75%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	118.81%	98.92%	112.13%	190.00%	71.17%	111.84%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	7.95%	9.35%	3.59%	9.81%	12.35%	19.60%	

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



ANNEXURE B

Report on the Operational Plan 2020/2021 measured against the Four-Year Delivery Program (2017/2021)

The full report, *Review of Principal Activities in the Operational Plan Measured Against the Delivery Program – Quarter Four (4) and Annual Report*, may be located at Annexure B here: <https://www.gisc.nsw.gov.au/sites/gleninnes/files/public/images/documents/gisc/council/Council%20Meetings/2021-08/Annexures%20Under%20Separate%20Cover%201%20-%20Review%20of%20Principal%20Activities%20-%20Ordinary%20Council%20Meeting%20-%2026%20August%202021.pdf>

Annexure B provides a detailed report with comments of the annual achievements of the 2020/2021 Operational Plan measured against the Delivery Program.

Below is a synopsis of key achievements from each directorate within Council:

Infrastructure Services

Infrastructure Delivery

- Bitumen sealing 23km of Old Grafton Road;
- Rehabilitation of bridges on Yarraford Road, Rileys Road, Waterloo Road, Cherry Tree Road x two (2), and Ten Mile Road;
- Gravel re-sheeting of Morven, Pinkett, Mt Mitchell, Nant Park, and Kelly's Roads; and
- Rehabilitation of Emmaville Road and Polhill Road segments incorporating extensive drainage upgrades.

Quarry

- Finalised the design of the western pit;
- Commenced the relocation of the Quarry office; and
- Supplied material for extensive gravel re-sheeting and sealing program.

Water

- Achieved full compliance with the Australian Drinking Water guidelines; and
- Commenced the rollout of automated water meter reading program.

Technical Services

- Disaster management including continued recovery from the 2019 bushfire disasters through the Community Recovery Officer and floods in March 2021.

Development, Planning and Regulatory Services

Economic Development

- Public Art projects completed in 2020/2021 included funding for local artist residency in vacant shops in the CBD, prizemoney for an art competition associated with Glenfest, part funding for a mural on Campbell's Butchery and completion of the mural in ANZAC Park. Remaining funds will be carried over into 2021/2022 Financial Year to complete a public art project in Veness Park;
- The LIVE and INVEST in Glen Innes Highlands Campaign was launched in February 2021. This included television promotion across the WIN Network and Sky News Channels in the Northern Rivers and Regional Queensland regions;
- Twenty grant applications submitted by Glen Innes Severn Council were approved for a total of \$25,240,785. Council is currently awaiting decision on a further seven (7) applications to the value of \$1,137,600. Council was unsuccessful with 10 grant applications for a total of \$8,389,359 in potential funding. Successful projects included the Glen Innes to Ben Lomond Section of the New England Rail Trail - \$9.7M, skywalk at the Australian Standing Stones site - \$2M and the Glen Innes Highlands Hub - \$616,871;
- Council adopted the Economic Development Strategy 2020-2040 and Action Plan 2020-2025 at the Ordinary Council Meeting held on March 25, 2021 and five (5) key actions were completed by 30 June 2021:
 1. The GROW Glen Innes THINK TANK was launched with 46 registrations by 30 June 2021;
 2. Local Jobs and Skills Gaps and Workforce Attraction and Retention Strategy was completed;
 3. A Housing Assessment and Future Strategy was commissioned to inform the future needs of the community;
 4. Funding was successful for the Escape Rooms, Regional Powerhouse Museum Proposal and Business Case; Gravel Grinding cycling routes (6) and event incubation; and
 5. Impact Environmental Consulting has been contracted to undertake a Waste Management Strategy. The strategy will be completed by 31 December 2021.
- Council's Business Incentive Fund provided \$61,000 of financial support to the following local businesses:
 - Weirbuilt;
 - Cool Climate Gardens;
 - Sew Many Fabrics; and
 - Ben's Falls Retreat.

Planning and Regulatory

- All food shops were inspected in April/May 2021 to ensure Council met its Category 2 agreement with the NSW Food Authorities Food Regulation Partnership.

Recreation and Open Spaces

- Council's 10 Year Street Tree Replacement Program was implemented in Torrington, Wentworth, Ferguson streets (Crepe myrtles), Church Street, Herbert to Grafton Street east side (Pears), and Gap planting of Flowering Plums in Macquarie Street along certain sections.

Corporate and Community Services

Administration and Human Resources

- Cyber security awareness training was provided for 50 staff in early June 2021. This training was facilitated and delivered via Cyber Escape Rooms, comprising interactive sessions designed to get team members working together to solve puzzles while learning about cybersecurity fundamentals;
- Microsoft 365 Business Premium was installed and configured across Council, anti-virus and anti-malware solutions were upgraded accordingly, and improved monitoring and control of network and cloud services are now available via Microsoft's portal. Multi factor authentication (MFA) is currently being rolled out across the organisation;
- CTRL Group completed a cyber security audit of Council's ICT systems in April 2021 and provided Council with a comprehensive report on all identified risks and vulnerabilities, along with recommended actions to mitigate risks;
- Six (6) bi-monthly staff newsletters, titled 'Insider News', were produced and distributed to staff. The feedback from staff regarding the newsletters has been very positive;
- The staff engagement survey was completed, reports received and distributed, and workshops held in late August 2020. The results of the workshops have been transferred to an Action Plan, which has been reviewed and approved by the Staff Consultative Committee and MANEX.
- Many of the actions in the Plan have already been implemented and reported on in the staff newsletter; and
- The Mastertek M-JES job evaluation system was implemented and rolled out. The new system is proving to be a much easier system to use than the previous one, with positive feedback from all staff who have been involved in its use.

Community Services

- Council held its annual Free Family Picnic Day, which was a huge success. The following comment was received from a young mother who attended: "After all the events of Bushfires, Drought, COVID-19 and now mice, it was great to just get out with the kids and relax. It was also a welcome change with family entertainment and the cost of living being so expensive to attend a free family event - Good on Council".

Finance

- Software purchased to compile Council's Fees and Charges for the Operational Plan and Budget for the 2021/2022 Financial Year; and
- The new Finance System, Project Jigsaw – Contract was signed in December 2020. Planning and Data Migration is currently underway.

Governance

- Established an **Audit, Risk and Improvement Committee (ARIC)** based on the Office of Local Government's proposed guidelines for A New Risk Management Framework. The ARIC has held two (2) meetings and will continue to hold meetings quarterly; and
- Further implementation of Council's Risk Management Framework has been completed with the holding of a Risk Appetite Workshop and the development of Risk Appetite Statements to be used to guide Council's decision-making processes.



ANNEXURE C

GIPA Annual Report

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Clause 8A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

Reviews carried out by the agency	Information made publicly available by the agency
Yes	Yes

Clause 8B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total number of applications received
3

Clause 8C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

Number of Applications Refused	Wholly	Partly	Total
	0	0	0
% of Total	0%	0%	

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Schedule 2 Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether information is held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	1	0	0	0	0	0	0	0	1	33%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	0	0	0	0	0	0	0	0	0	0%
Members of the public (other)	1	0	1	0	0	0	0	0	2	67%
Total	2	0	1	0	0	0	0	0	3	
% of Total	67%	0%	33%	0%	0%	0%	0%	0%		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Table B: Number of applications by type of application and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether information is held	Application Withdrawn	Total	% of Total
Personal information applications*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	2	0	1	0	0	0	0	0	3	100%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
Total	2	0	1	0	0	0	0	0	3	
% of Total	67%	0%	33%	0%	0%	0%	0%	0%		

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Table C: Invalid applications

Reason for invalidity	No of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	2	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	2	100%
Invalid applications that subsequently became valid applications	2	100%

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Privilege generally - Sch 1(5A)	0	0%
Information provided to High Risk Offenders Assessment Committee	0	0%
Total	0	

*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of times consideration used*	% of Total
Responsible and effective government	1	50%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	1	50%
Business interests of agencies and other persons	0	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	2	

Table F: Timeliness

	Number of applications*	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	3	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	3	

Government Information (Public Access) Act – Annual Report for Agency Glen Innes Severn Council

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	0	0	0	
% of Total	0%	0%		

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review	% of Total
Applications by access applicants	0	0%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%
Total	0	

Table I: Applications transferred to other agencies.

	Number of applications transferred	% of Total
Agency-Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	



ANNEXURE D

End of Term Report



End of Term Report - 2021

1 Community Services

CS 1 Grow the population to 10,000 residents over the next 10 years

CS 1.1 Engage and encourage young people to later return to the Local Government Area (LGA) to raise their families, work in the area, work remotely from this area or establish their own business and or industries in the area.

Comment	Status	Progress
<p>The Glen Innes Highlands brand was extended to include another brand pillar that represented Economic Development - Progressive Country. A prospectus was produced and circulated to local businesses and available at Council offices and the Visitor Information Centre. This activity was completed in 2018 and then incorporated into the new Glen Innes Highlands Website under the 'INVEST' section which formed part of the marketing strategy of VISIT, LIVE, INVEST.</p> <p>Annual marketing activity has been delivered against Operational Plan budgets to promote the town with assets being provided to local businesses to utilise on their websites and social platforms. The Business Incentive Fund merged with the Incentives to Attract General Practitioners Policy with financial assistance being provided to the two local practices to the value of \$5,000 each. This funding was to compensate recruitment and training costs. In 2021 the Business Incentive Fund, Event Prioritisation Fund and funding allocated to Business In Glen and Glen Innes Highlands Visitor Association were collated into one 'Local Economic Development Support Fund' which set a criteria for Council financial assistance relevant to the Economic Development Strategy and Action Plan.</p> <p>Letters were sent annually to Year 12 students encouraging them to consider moving back to the Glen Innes Highlands community later in their lives.</p>	Ongoing	50%

CS 1.2 Attract the population segment looking for a lifestyle change (branding for tree changers).

Comment	Status	Progress
<p>Economic Development: Glen Innes highlands (GIH) 'LIVE' video was launched via digital and social channels with one-off opportunities taken - and example being during the NRL football 10 September 2021 and 11 September 2021. This Workforce Attraction Strategy has been completed and will now be socialised to the Council and the business community to utilised in their resource planning. A GGITT was conducted to commence on the delivery of the action to develop a 'Local Jobs Program' which is in development and will require funding to implement later in the year. Highlands Hub - Education and Jobs programs and Initiatives- Grant funding has been secured to deliver programs and workshops for its first year of operation commencing from June 2022. The optimised online Highlands Business Hub with its new career and community functionality and capability will be an enabler of connecting, sharing, and fulfilling local jobs, volunteering opportunities and more. Remote-Ready programs will form part of the program development of the new Highlands Hub Co-working space once launched. The space will provide access to offices, meeting rooms and a training room to facilitate local training and development as well as a place where businesses can utilise office space in a creative and nurturing environment. The space will also provide a place to go for remote access workers and/or the travelling workforce.</p> <p>Five (5) major Art Projects were funded and delivered by 30 June 2021 in consultation with the Public Art Reference Group.</p> <p>The Destination Management Plan Summary and Background Analysis was adopted by Council at the July 2021 Ordinary Council Meeting.</p>	Completed	100%

CS 1.3 Ensure there are adequate facilities for the ageing population.

Comment	Status	Progress
<p>Council have initiated a Housing Assessment and Future Strategy which will be completed by June 2022, following a draft presented and discussed with the GROW Glen Innes THINK TANK in January/February 2022. The final draft will go to Council for adoption and will include recommendations on the housing supply gaps and potential investment opportunities for Council to diversify their investment portfolio.</p> <p>Glenwood Gardens and Roseneath Nursing Home have both had major improvements and expansion to their facilities.</p> <p>Information of the various services available to the aging population are included in the new resident packs; advertised within various Council media forums such as the Life Choices - Support Services bi-monthly newsletter, Council's Facebook Page, Our Council section within the local newspaper as well as in the Resident Newsletters when appropriate.</p>	Ongoing	50%

CS 2 Ensure that land use planning supports the vision and role of each village and town.

CS 2.1 Review and update the existing Land Use Strategy and implement any changes through the Local Environmental Plan (LEP).

Comment	Status	Progress
<p>A consultant is undertaking a review of the Glen Innes Severn Land Use Strategy.</p> <p>In the reporting period, three (3) Planning Proposals were completed resulting in two (2) approved changes to the LEP. A third Planning Proposal is currently in process.</p> <p>Council's Housing Assessment and Future Strategy will provide insight and guidance as to the rezoning opportunities for the next LEP and to assist in opening up development opportunities for the LGA.</p>	Ongoing	80%

CS 3 Ensure community service levels meet the need of a diverse community with a focus on inclusion of youth, children and families, people who are older and people with a disability.

CS 3.1 Advocate for family violence support including a women's refuge service.

Comment	Status	Progress
<p>Council has advocated to the State Government to establish a women's refuge within the LGA, however no commitment has been made from them.</p> <p>Council staff continue to collaborate with community groups such as Glen Innes Safe in Our Town (SIOT) to raise public awareness of domestic violence and providing free promotional material and advertising so that people are aware of where they can seek support and assistance.</p>	Completed	100%

CS 3.2 Advocate for the retention and upgrading of existing health facilities and new health services across the LGA.

Comment	Status	Progress
<p>Following the success of the EOI for the "Attract, Connect, Stay" Healthcare Workforce Pilot the first co-design workshop was conducted on 30 September 2021 to establish the governance and management of the program. Funding secured for the program to 30 September 2021 is \$24,202 which includes: \$15,000 for NEJO; \$9,798 from Council pending full funding of the position in year one (1) and \$1,000 from Rob Banham. The gap in funding equates to \$25,798 and it will be the remit of the governance group formed to secure that remaining funding required to commence recruitment of the Healthcare Workforce and Recruitment Connector role. Council have also commissioned research into a potential framework for Healthcare Service Gaps to enable local access to specialist healthcare services.</p> <p>Council is also establishing ideas and potential solutions to create opportunities for our aging population to move into communal retirement whilst also addressing our future housing gaps and future jobs and skills gaps.</p> <p>A mental health support worker attends the Youth Booth on a monthly basis to provide support, skills and information.</p>	Ongoing	75%

CS 3.3 Advocate for and continue to develop a network of youth facilities across the community.

Comment	Status	Progress
<p>After extensive communication with the NSW PCYC Council was told that until our population reaches 10,000 it is unlikely that a PCYC would be funded in Glen Innes.</p> <p>Therefore, Council established and opened the "Youth Booth" which provides a safe space for local youth after school to have afternoon tea, do their homework, do games activities both indoor and out. Several projects have been developed with the youth at their request such as gardening and recycling. The space is also available during school holidays.</p> <p>During the week services are offered at the Youth Booth for youth that have left school and are 25 or under to assist with employment information, resume building, budgeting, cooking or such like that may be requested.</p> <p>The establishment of an Escape Rooms with Mystery Rooms awarded the project to establish an Escape Rooms in Glen Innes. \$145,000 (including GST) was funded by the National Bushfire Agency via their Regional Tourism Bushfire Recovery Grant Program. This will create another 'thing to do' for local youth, visitors and an intention to establish a STEM program for local youth to participate in.</p>	Ongoing	15%

CS 3.4 Develop Master Plan/s for all sporting grounds.

Council adopted a Sporting Facilities Review and Master Plans in June 2018.	Completed	100%
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CS 3.5 Advocate for the extension and improvement of Children and Family Services, including early intervention programs and coordination between Council, school run services and parenting programs.

Comment	Status	Progress
<p>Internal and external extensions have been made to the "Pool House" on West Avenue where Children and Family Services are delivered from. This has allowed the Out of School Hours (OOSH) and Vacation Care services to lift its capacity to 30 children a day.</p> <p>Successful Family Picnic Days have been held annually, which are a great opportunity to provide a "free" fun and interactive day for children to spend with their parents, carers or grandparents while also being able to receive information on the various services available in the community for this demographic.</p> <p>Council has remained a member of the Northern Tableland Cooperative Library Services. Which is a collaboration between five (5) libraries across four (4) local government areas which work together to improve access to more resources, online databases and networking initiatives.</p> <p>The Friends of the Library successfully applied for a waterproof and sun proof sail at the library from the White Rock Wind Farm Community Fund, which has allowed for 'new' outdoor activities to be facilitated.</p>	Completed	100%

CS 3.6 Advocate for increased and improved medical services in Glen Innes.

Comment	Status	Progress
<p>Following the success of the EOI for the "Attract, Connect, Stay" Healthcare Workforce Pilot the first co-design workshop was conducted on 30 September 2021 to establish the governance and management of the program. Funding secured for the program to 30 September 2021 is \$24,202 which includes: \$15,000 for NEJO; \$9,798 from Council pending full funding of the position in year one (1) and \$1,000 from Rob Banham. The gap in funding equates to \$25,798 and it will be the remit of the governance group formed to secure that remaining funding required to commence recruitment of the Healthcare Workforce and Recruitment Connector role. Council have also commissioned research into a potential framework for Healthcare Service Gaps to enable local access to specialist healthcare services.</p>	Ongoing	65%

CS 3.7 Complete actions within the Disability Inclusion Action Plan 2017/21.

Comment	Status	Progress
<p>The mobility brochure remains current and is included in the new resident packs as well as being available on Council's website.</p> <p>Council has an Accessible Tourism Guide which was developed and delivered in 2018 which outlines accessible places to visit.</p> <p>Various staff have received training related to the employment of persons with a disability.</p> <p>Council's websites are set up to assist navigation by people that are blind, so that they can click on an article and it will be read aloud.</p> <p>Tactical Ground Surface Indicators, to assist people who are blind or vision impaired cross the road safely, have been installed in Grey Street and Church and Meade Streets.</p>	Completed	100%

CS 3.8 Work with the community to address drug and alcohol issues.

Comment	Status	Progress
<p>Council has continued to be an active participant of the Community Drug Action Team (CDAT). Staff regularly attend meetings whilst also offering administration support.</p> <p>The committee is very proactive in the community and provides free advice and products to increase awareness and prevention of drug and alcohol use.</p>	Completed	100%

CS 4 Promote transport accessibility, between villages and towns, particularly for vulnerable groups.

CS 4.1 Advocate for increased transport services within the LGA.

Comment	Status	Progress
<p>Community information boards have been installed in the branch libraries so that information about transport (and other information) can be made readily available to the community.</p> <p>Due to the NSW and Regional lock downs initiated by the State Government, there was a significant reduction in travelers and residents using this service. Trainlink operational variations during travel restrictions has affected arrival times, resulting in Council maintaining daily timetable checks to give customers correct information. Trainlink bus services from Grafton to Brisbane have been suspended and towns in between are also affected.</p> <p>The pedestrian pathway across the railway line near Bourke Street has been upgraded so is safe and fit for purpose.</p>	Completed	100%

CS 5 Celebrate and encourage community committees (volunteerism).

CS 5.1 Promote partnerships between the community and Council in achieving this objective.

Comment	Status	Progress
<p>The GROW Glen Innes THINK TANK was established and now has 51 community members registered. The VIC volunteer drive is ongoing and is advertised on the GIH website, GIH and Council social media pages, Tourism and Events newsletter, VIC window display and has been communicated to Council's Communication and Media officer for inclusion in any relevant media opportunities.</p> <p>A Grants Officer working a minimum of three (3) days per week remains a funded position in Council's Organisational Structure. A gap was created due to staff turnover and the position was absorbed by the Manager Economic Development during those times. The Grants Officer compiles a monthly digital Grants and Funding Newsletter - 'Bid-Blast' promoting applicable LGA funding opportunities. Distribution channels include Glen Innes Highlands news page; emailed to 355 committees of Council; Councilors; All staff; email to community organisation database.</p> <p>In partnership with GLENRAC annual training workshops have been held for members of Council's Section 355 Committee members; where possible invitations have been extended to the wider community to participate.</p>	Completed	100%

CS 6 Promote community spirit and foster pride.

CS 6.1 Promote community events, including family-oriented entertainment, culture and arts.

Comment	Status	Progress
<p>Council provides annual Christmas decorations including a dedicated Christmas. Christmas in the Highlands and the Christmas lights were facilitated by Council and Council has secured a partnership regarding the donation of additional lights for 2021.</p> <p>There have been increased family and youth activities and events at the Glen Innes Severn Library Learning Centre. These activities and events have been advertised via the Library Facebook Page and the new television behind the service desk at the Library which advertises Council and community events.</p>	Completed	100%

CS 6.2 Pursue the Tidy Towns initiative and be supportive of the 'Clean Up Australia' initiative.

Comment	Status	Progress
<p>The Tidy Town awards are no longer being offered. The replacement program is the "Blue Star Sustainability Awards".</p> <p>Councils Open Spaces Committee monitor this program to determine if Council has any suitable projects to nominate.</p>	Completed	100%

CS 7 To have a safe community.

CS 7.1 Provide safe community spaces.

Comment	Status	Progress
<p>Council has a full team in Regulatory Services that assist in providing safe community spaces. The addition of the surveillance trailers that can be discreetly placed at spaces to monitor activity assist in providing safe spaces.</p> <p>Some spaces in Grey Street have CCTV.</p>	Completed	100%

CS 7.2 Lobby for adequate Police services.

Comment	Status	Progress
<p>Council has a full team in Regulatory Services that assist in providing safe community spaces. The addition of the surveillance trailers that can be discreetly placed at spaces to monitor activity assist in providing safe spaces.</p> <p>Some spaces in Grey Street have CCTV.</p>	Completed	100%

CS 8 To have a healthy community.

CS 8.1 Encourage the community to be more physically active.

Comment	Status	Progress
<p>New playground and exercise equipment, fencing, landscaping, a picnic shelter, BBQ, lights and CCTV were completed at Melling Park through a Stronger Country Community Fund Grant.</p> <p>A shared pathway from Melling Park has been constructed to link the western side of Glen Innes to the CBD.</p> <p>Regular messages promoting sport and participation have been placed on Councils Facebook page. It is also a subject discussed at the 355 Glen Innes Sports Council meetings on how to create greater participation and attraction to sports available in our area.</p>	Completed	100%

2 Economic Development

ED 1 Facilitate market and business opportunities.

ED 1.1 Update the existing GISC Economic Development Strategy to reflect the current economic climate and opportunities (understanding gaps in the market and opportunities).

Comment	Status	Progress
The Economic Development Strategy 2020-2040 and the Action Plan 2020-2025 was adopted by Council at the March 2021 Ordinary Council Meeting.	Completed	100%

ED 1.2 Maintain the Significant Development Committee as an important gateway to listen to and welcome new business proposals.

Comment	Status	Progress
The Significant Development Committee met with external parties when requested. Regular opportunities are provided for Development Assessment Unit meetings every Thursday.	Completed	100%

ED 1.3 Review tourism opportunities and promotion with a particular focus on strengthening accessibility and providing incentives to draw visitors into the Glen Innes Highlands.

Comment	Status	Progress
<p>The Visitor Information Centre (VIC) retained all permanent and permanent part-time employees throughout the NSW COVID-19 travel restrictions and lockdowns.</p> <p>Council is continuing to develop partnerships for new events through the Tourism and Events Newsletter, Glen Innes Highlands website, social media channels, Glen Innes Severn Council website and direct contact with new tourism product businesses and adventure groups.</p> <p>Council has provided funding in the annual Operational Plan and Budget to promote advertising campaigns across the three (3) pillars of Visit, Live and Invest.</p> <p>Electric Charging stations were installed at the rear of the VIC and at the rear of Town Hall.</p>	Completed	100%

ED 1.4 Advocate for the decentralisation of State Government agencies including the Roads and Maritime Services and Department of Primary Industries.

Comment	Status	Progress
<p>This action is ongoing. The Member for the Northern Tablelands is regularly advocated to by both the General Manager and the Mayor regarding the decentralisation of State Government agencies to the Glen Innes Severn LGA. This advocacy will continue once the new Council is elected in December 2021.</p>	Ongoing	50%

ED 1.5 Actively support the establishment of a Flight School at the Glen Innes Airport.

Comment	Status	Progress
<p>This project has not progressed due the developers being unable to secure the required funding to develop the Flight School.</p> <p>Council will take on the development of the Airport Master Plan funded under the Bushfire Recovery Agency with a deadline of 30 June 2022.</p>	Deferred	0%

ED 2 Develop a strong brand for Glen Innes Severn Highlands.

ED 2.1 Support and promote the new Glen Innes Highlands destination branding.

Comment	Status	Progress
<p>The Glen Innes Highlands brand was extended to include Economic Development, being 'Progressive Country' in 2018. promotion has been developed based on the Visit, Live, Invest theme.</p> <p>Annual marketing activity has been delivered against Operational Plan budgets to promote the Local Government Area with assets being provided to local businesses to utilise on their websites and social platforms.</p>	Completed	100%

ED 3 Facilitate growth and support business development.**ED 3.1 Be responsive and proactive to business interest/receptive to innovation and relocation.**

Comment	Status	Progress
<p>Council provided an annual budget allocation to support Business In Glen and Glen Innes Highlands Visitor Association until 2021.</p> <p>In 2021 the Business Incentive Fund, Event Prioritisation Fund and funding allocated to Business In Glen and Glen Innes Highlands Visitor Association were collated into one 'Local Economic Development Support Fund' which set a criteria for Council financial assistance relevant to the Economic Development Strategy and Action Plan.</p> <p>Business In Glen operated until 2020 and is in caretaker mode due to a lack of local business memberships and engagement.</p> <p>The Highlands Hub platform, programs and co-working space initiatives provide an alternative to the traditional form of chamber of commerce and industry association frameworks.</p> <p>Council also held a Highlands Hub Awards program in 2020 where 12 local businesses benefited from a digital content package delivered in 2021 by Council in partnership with local content and marketing businesses.</p>	Completed	100%

ED 4 Recognise and support the agricultural sector as the most significant local industry within the LGA.

ED 4.1 Have a particular focus on the maintenance and renewal of Council's rural local roads network.

Comment	Status	Progress
Council has implemented a significant program of works on the rural road network. An unsealed road re-sheeting program has been established whereby high-quality material is crushed to a uniform standard and applied to full lengths of road. Roads treated in this manner include Strathbogie, Pinkett, Mt Mitchell, Glen Legh, West Furracabad, Yarraford, Glen Elgin, Costellos, Waterloo, Morven, Tent Hill, Rangers Valley, Pretty Valley, Old Grafton and Nant Park Roads. The benefit of these works has been extended by the receipt of grant funding to seal 104km of roads including Old Grafton, Strathbogie, Pinkett, Yarraford, Mt Mitchell, Ten Mile, West Furracabad, Maybole and Tent Hill roads.	Ongoing	100%

ED 4.2 Investigate the current role of the Saleyards contributing to the local economy on a direct and indirect basis.

Comment	Status	Progress
As part of the successful grant of \$1.25M for the saleyards upgrade a comprehensive business case was developed include the economic benefits of the saleyards to the Glen Innes community. Council also considered the matter in March 2018 with a confidential Discussion Paper on the on-going viability of the saleyards was presented to Council.	Completed	100%

ED 4.3 Based on the outcome of ED 4.2 above, develop a capital works masterplan for the Saleyards.

Comment	Status	Progress
<p>Council was successful in obtaining a \$1.25M grant for upgrades to the Glen Innes Saleyards. This incorporated new 5,000 head sheep selling facility, upgrade to the canteen and agents' room, and an upgrade and sealing of a portion of the car park with new signage.</p> <p>No further work is proposed due to the lack of regular cattle sales since the 2019 drought.</p>	Completed	100%

3 Infrastructure Management

IM 1 Ensure there are optimal services.

IM 1.1 Continue to engage with the community through established Community Committees to ensure their needs are understood.

Comment	Status	Progress
Manger of Recreation and Open Spaces has supported and attended all meetings of the required Committees as required including Sports Council, Open Spaces, Beautification and Cemetery Committees.	Completed	100%

IM 1.2 Ensure there is timely response and clear communication regarding infrastructure customer service requests.

Comment	Status	Progress
Council has implemented an infrastructure maintenance management process that has substantially improved the level of customer service. External surveys have shown a large improvement in the perception of Council's customer service function during the term of Council.	Completed	100%

IM 1.3 Maintain appropriate levels of service across the LGA.

Comment	Status	Progress
A new shelter was completed at the Emmaville Aquatic Centre with a new rainwater tank installed. A new shelter was completed at the Emmaville Caravan Park with two (2) new BBQ's and solar lighting installed.	Completed	100%

IM 1.4 Advocate for reliable telecommunications infrastructure across the LGA.

Comment	Status	Progress
Council has taken every opportunity to advocate for improved telecommunications coverage within the local government area. To date, this advocacy has not been met with a satisfactory response from industry or other levels of government.	Ongoing	100%

IM 2 Continue to systematically reduce the infrastructure backlog.**IM 2.1 Pursue and deliver the Fit for the Future Action Plan.**

Comment	Status	Progress
Several new fees have been added to Council's Fees and Charges during the period. Council's infrastructure backlog will remain a focus in the future until it has been reduced further.	Completed	100%

IM 2.2 Set and communicate the delivery of annual infrastructure backlog targets.

Comment	Status	Progress
Council set a schedule of annual infrastructure backlog targets through the adoption of an infrastructure backlog management plan in 2018. These targets have been consistently met with annual capital works budgets allocated in accordance with the requirements of the plan.	Completed	100%

IM 3 Ensure proper management of infrastructure and assets.

IM 3.1 Optimise the management of assets, with a focus on Council's road network and drainage.

Comment	Status	Progress
Council continues to optimise the management of road assets through independent data capture of the sealed road network by the independent organisation ARRB. This annual data collection enables Council to observe the rate of deterioration of the sealed network over time, enabling treatment options to be targeted. Council has continued to levy a drainage charge to specifically address the backlog of drainage works that has developed over decades of previous inaction. A drainage team has been established to implement works required on an ongoing basis.	Ongoing	100%

IM 3.2 Develop and implement best operational practices, including the empowerment of staff to take ownership of outcomes.

Comment	Status	Progress
Council has implemented some initiatives that have proven to be very effective in restoring condition to the road network. These include the gravel re-sheet program using quality crushed material in bulk campaigns and the introduction of graded aggregate seals for a low-cost conversion of unsealed roads. Staff have been allocated to teams that are given the responsibility and resources to perform works in an efficient and productive manner.	Completed	100%

IM 3.3 Focus on the renewal and proper maintenance of building assets.

Comment	Status	Progress
Council has created a new position employing a permanent trades person (builder) to manage building maintenance. This position has benefited Council greatly and provided extensive support to Council building projects.	Ongoing	100%

IM 3.4 Complete the upgrade of Grey Street between Meade and Ferguson Streets.

Comment	Status	Progress
The upgrade of Grey Street between Meade and Ferguson Streets has been completed in the same style as the remainder of the CBD.	Completed	100%

IM 4 Strive for adequate funding for infrastructure and assets.

IM 4.1 Optimise funding and service delivery.

Comment	Status	Progress
A special infrastructure levy was investigated, however not pursued. A Special Rate Variation has been discussed each year with Councillors when compiling the Annual Operational Plan and Budget and updating the 10 Year Long Term Financial Plan; however, has not been further pursued.	Completed	100%

IM 4.2 Advocate for more external funding from both State and Federal Governments.

Comment	Status	Progress
<p>Monthly reports are provided in the Departmental Monthly Report and the Quarterly Economic Development Progress Report. The following provides a summary of grant information for the year to date compared to the past four (4) years:</p> <p>2017-2018: 12 grants approved at a total value of \$1,051,535</p> <p>2018-2019: 29 grants approved at a total value of \$11,005,216 and six (6) grants unsuccessful to the total value of \$1,837,753</p> <p>2019-2020: 11 grants approved at a total value of \$4,504,252 and four (4) grants unsuccessful to the total value of \$1,880,691</p> <p>2020-2021: 20 grants approved at a total value of \$25,495,688 and 10 grants unsuccessful to the total value of \$8,389,359</p> <p>2021-2022: 3 grants approved at a total value of \$1,536,710</p>	Completed	100%

IM 5 Ensure proper freight transport planning.

IM 5.1 Optimise the road network for freight access to adopted service levels.

Comment	Status	Progress
Council has maintained freight access across the LGA in accordance with the National Heavy Vehicle Regulator approval process.	Completed	100%

IM 6 Ensure continued good management of the Glen Innes Water Treatment Plant.

IM 6.1 Optimise the usage and operations at the Glen Innes Water Treatment Plant.

Comment	Status	Progress
<p>The Glen Innes Water treatment plant has operated in full compliance with the Australian Drinking Water Guidelines requirements. A drinking water quality management plan is in place, and water quality has been significantly improved with the completion of the Eerindi Ponds off stream storage. That facility has virtually eliminated age old problems with Manganese contamination that used to be endemic in the supply. Brown water complaints are now infrequent and restricted to pipeline issues.</p>	Completed	100%

4 Environment Heritage

EH 1 Continue to be a leader in environmental sustainability.

EH 1.1 Maintain road side environmental areas.

Comment	Status	Progress
Council is now a formal member of the New England Weeds Authority (NEWA) which undertake Councils weeds functions, including environmental weed control on roadsides designated High Conservation Value.	Completed	100%

EH 1.2 Develop a Waste Management Strategy with a particular focus on green waste and promoting industry accepted best recycling practices.

Comment	Status	Progress
Impact Environmental Consulting have been contracted to undertake the waste management strategy. A Councillor Workshop was held in March 2021 advising Council of the delays in delivering the strategy. The strategy will be completed by 31 December 2021.	Ongoing	85%

EH 1.3 Investigate the usage and recycling capability at the village landfills.

Comment	Status	Progress
Cardboard, glass and cans recycling being undertaken at rural landfills and being transported to Glen Innes Severn Council recycling center. Metal is collected from the site and recycled on a need's basis. E-waste cages are located at all village landfills and collected when required.	Completed	100%

EH 1.4 Promote energy efficiency and the use of renewable resources across Council facilities and assets.

Comment	Status	Progress
Lighting is upgraded to LED when the existing lighting fails. Solar panels are installed on several Council buildings, Town Hall building is being considered for solar panels, but is waiting on the Council office relocation decision before installation. A Renewable Energy Action Plan was adopted by Council in June 2020 which identifies and prioritizes future renewable energy projects for Council buildings and properties.	Completed	100%

EH 2 Support conservation efforts in relation to heritage.

EH 2.1 Maintain heritage values.

Comment	Status	Progress
Development applications lodged are considered for heritage significance when being assessed. Additional financial support is provided from Council if the proposal meets minimum requirements.	Completed	100%

EH 2.2 Better utilise existing heritage grant budget provisions and advocate for additional funding and/or supplement funding from Council's funds.

Comment	Status	Progress
A Heritage Assessment Officer is employed one day a month to consider any heritage related applications.	Completed	100%

EH 2.3 Monitor the built environment around existing heritage places.

Comment	Status	Progress
Development applications lodged are considered for heritage significance when being assessed.	Completed	100%

EH 3 Improve opportunities for passive recreation around our natural and heritage assets.

EH 3.1 Improve signage for the benefit of the local community and visitors.

Comment	Status	Progress
An LGA-wide signage renewal audit was conducted and implemented.	Completed	100%

EH 3.2 Advocate for the development of a rail trail to promote pedestrian and cycle connectivity.

Comment	Status	Progress
<p>Council was successful in obtaining funding for the New England Rail Trail Stage One (1) - Glen Innes to Ben Lomond.</p> <p>The project is progressing to finalise a funding deed and activity schedules.</p>	Completed	100%

EH 4 Work with existing organisations to enhance the environment.

EH 4.1 Identify opportunities to collaborate with local and regional environmentally focused organisations.

Comment	Status	Progress
<p>Council has worked closely with GLENRAC and New England Weeds Authority (NEWA) during the reporting period. As an example, a major project has been the Communities Combating Pest and Weed Impacts During Drought Program - Biosecurity Management of Pests and Weeds. The project assisted landholders in identifying new and emerging weeds.</p> <p>Secondly, the project aims to reduce the environmental and economic impact of weedy grass species through roadside control programs</p>	Completed	100%

EH 5 Further pursue the creation of innovative public art attractions and the establishment of an artistic culture and ambiance within Glen Innes.

EH 5.1 Liaise and work with the Glen Innes arts community to establish a Master Plan for future public art locations and themes.

Comment	Status	Progress
<p>Council reviewed and adopted the Public Art Policy and Guidelines in August 2018. The reviewed documents identified a number of potential locations for the installation of public art.</p> <p>During the reporting period six (6) public art installations were installed and commissioned in the Local Government area.</p> <p>Council has remained as a contributing member of Arts North West.</p>	Completed	100%

EH 6 Improve the entrances to Glen Innes and villages that are representative of its proud and environmentally conscious community.

EH 6.1 Provide for the necessary budgetary provisions to upgrade and maintain all the entrances to Glen Innes and for villages beautification.

Comment	Status	Progress
<p>The entrance plans for Glen Innes were endorsed by the Open Spaces Committee and an allocation provided in the Operational Plan and Budget.</p> <p>Four (4) year beautification plans have been adopted for both Emmaville and Deepwater.</p> <p>Emmaville has only partly progressed with their implementation due to a lack of community interest in participating on the Committee.</p>	Completed	100%

5 Council Sustainability, Transparency and Communication

STC 1 Continue to improve Council communication with the community, including celebrating successes and achievements.

STC 1.1 Consistently communicate the role of Council to the community (i.e., what Council does and does not do).

Comment	Status	Progress
Media releases and Resident Newsletters have been distributed regularly.	Completed	100%

STC 1.2 Provide clear messaging of Council's achievements, strategic objectives and actions.

Comment	Status	Progress
Council has provided consistent and regular updates through several channels to ensure that the community is continually updated, engaged and consulted.	Completed	100%

STC 1.3 Further develop social media as a key messaging platform, supported by Council's website.

Comment	Status	Progress
Council has provided regular content and information utilising its website and Facebook pages; as well as other available GISC channels from the various teams within Council.	Completed	100%

STC 1.4 Provide greater transparency around rates, revenue and expenditure including detail on where the funds are spent (urban, village and rural).

Comment	Status	Progress
Annually, as part of the Operational Plan and Budget process when the relevant documents are on public exhibition, a budget newsletter is printed and distributed by mail to all residents. The newsletter highlights the major changes and projects for the year ahead as well as provides details on how to put in a submission to Council on the Operational Plan and Budget.	Completed	100%

STC 1.5 Communicate funding (grant) opportunities with/for community organisations.

Comment	Status	Progress
The Grants Officer compiles a monthly digital Grants and Funding Newsletter - 'Bid-Blast' promoting applicable LGA funding opportunities. Distribution channels include Glen Innes Highlands news page; emailed to 355 committees of Council; Councillors; All staff; email to community organisation database.	Completed	100%

STC 1.6 Liaise with village community bodies.

Comment	Status	Progress
Liaison with community bodies takes place during the consultation process of the Community Strategic Plan guided by the Community Engagement Strategy.	Completed	100%

STC 1.7 Strive for excellence in all customer service areas.

Comment	Status	Progress
The 2020 External Customer Survey found that 76% of residents were at least 'somewhat satisfied' with the performance of Council over the last 12 months. This had strengthened since the last survey was completed in 2018.	Completed	100%

STC 2 Ensure ongoing organisational sustainability.**STC 2.1 Continue to be a financially sustainable and independent Council.**

Comment	Status	Progress
Council has remained financially sustainable and independent.	Completed	100%

STC 2.2 Pursue the attraction of external grants (in addition to FAGs, R2R or block grant funding) to improve services, infrastructure and initiatives otherwise not attainable.

Comment	Status	Progress
Council has been very successful in obtaining additional grant funding for infrastructure projects under number of schemes, including Fixing Local Roads (Rounds 1 (\$980K), Round 2 (\$3.1M) and Round 3 (\$1.38M)) and Fixing Country Bridges (\$4.3M).	Completed	100%

STC 3 Attract, retain and value a highly skilled and committed workforce.**STC 3.1 Engage and empower staff to develop ownership and responsibility for outcomes with a 'can do' attitude.**

Comment	Status	Progress
<p>Whole of staff meetings and internal staff newsletters are held / distributed frequently to engage staff and give awareness of what is happening within Council.</p> <p>Council adopted a Workforce Plan in 2017, which spans the period from 2017 to 2021. The Plan addresses many issues and identifies priority areas. Objectives and actions from the Plan are included each year in Council's Operational Plans and are rolled out in consultation with the Staff Consultative Committee. This process has contributed to the empowerment and engagement of Council's workforce and will be ongoing.</p> <p>Council conducted a Staff Engagement Survey in June 2020. The survey was conducted by independent consultants, Voice Project, and surveyed the opinions of staff on a wide range of issues. A series of workshops followed the survey, which focused on priority areas identified by employees. The results of the survey and workshops were translated into an action plan to address shortfalls, which is currently being implemented, with quarterly updates to Council's Management Executive Team and the elected Council.</p>	Completed	100%

STC 3.2 Instill with staff the culture to deliver quality work the first time; for things to be done once and done right – acknowledging the impact of budgetary constraints on this policy direction.

Comment	Status	Progress
Council's values and the House Rules provide staff with a culture and positive direction to work within.	Completed	100%

STC 4 Improve communication within the organisation.

STC 4.1 Promote effective interdepartmental communication.

Comment	Status	Progress
<p>The Management Executive Team (MANEX) meet fortnightly to discuss matters across all departments of Council and to make management decisions that drive improvements.</p> <p>Council has implemented and provided training on Microsoft 365, including Microsoft Teams, a digital software suite designed for collaboration and effective interdepartmental communication. The adoption of the various technologies within this suite has gone a long way to achieving this objective.</p> <p>Council holds regular All of Staff Meetings where questions may be raised and discussed. All staff newsletters keep everyone posted of important announcements, outcomes and achievements. All staff are encouraged to contribute from their departments information for the newsletter which comes out bi-monthly.</p> <p>Other committees meet that aim to improve communication across departments, generally and on key areas, such as the monthly Management Meetings, Staff Consultative Committee and Work Health and Safety Consultative Committee.</p>	Completed	100%

STC 5 Optimise the use of Council's main administrative buildings.

STC 5.1 Explore options relating to the potential consolidation of the administration offices and the redevelopment of the Town Hall.

Comment	Status	Progress
Council has had several co-location options presented to them for consideration. These options have included the Property NSW building on the corner of Ferguson and Grey Streets, the Mackenzie building and Town Hall. The co-location has been deferred until after the 2021 Council elections.	Deferred	25%