

GLEN INNES SEVERN COUNCIL BUSINESS PAPER



**FOR THE
EXTRAORDINARY COUNCIL
MEETING**

**TO BE HELD ON
THURSDAY,
13 MAY 2021**

COMMUNITY CONSULTATION SESSION GUIDELINES

1. The Council may hold a public forum prior to each Ordinary meeting of the Council for the purpose of hearing oral submissions from members of the public on items of business to be considered at the meeting. Public forums may also be held prior to Extraordinary Council meetings. The duration of public forums will be 15 minutes, and they will commence at 5.45pm on the day of a set Council meeting.
2. Public forums are to be chaired by the Mayor or their nominee. Only the names of speakers, the organisation that they are representing and the topic that they are speaking about will be recorded in Council's Meeting Minutes
3. To speak at a public forum, a person must first make an application to the Council in the approved form. Applications to speak at the public forum must be received by 12 noon on the Tuesday before the meeting, and must identify the item of business on the agenda of the Council meeting the person wishes to speak on, and whether they wish to speak 'for' or 'against' the item.
4. A person may apply to speak on no more than two (2) items of business on the agenda of the Council meeting.
5. Legal representatives acting on behalf of others are not to be permitted to speak at a public forum unless they identify their status as a legal representative when applying to speak at the public forum.
6. The General Manager or their delegate may refuse an application to speak at a public forum. The General Manager or their delegate must give reasons in writing for a decision to refuse an application.
7. No more than three (3) speakers are to be permitted to speak 'for' or 'against' each item of business on the agenda for the Council meeting.
8. If more than the permitted number of speakers apply to speak 'for' or 'against' any item of business, the General Manager or their delegate may request the speakers to nominate from among themselves the persons who are to address the Council on the item of business. If the speakers are not able to agree on whom to nominate to address the Council, the General Manager or their delegate is to determine who will address the Council at the public forum.
9. If more than the permitted number of speakers apply to speak 'for' or 'against' any item of business, the General Manager or their delegate may, in consultation with the Mayor or the Mayor's nominated Chairperson, increase the number of speakers permitted to speak on an item of business, where they are satisfied that it is necessary to do so to allow the Council to hear a fuller range of views on the relevant item of business.
10. Approved speakers at the public forum are to register with the Council any written, visual or audio material to be presented in support of their address to the Council at the public forum, and to identify any equipment needs no more than one (1) day before the public forum. The General Manager or their delegate may refuse to allow such material to be presented.
11. The General Manager or their delegate is to determine the order of speakers at the public forum.
12. Each speaker will be allowed a maximum of five (5) minutes to address the Council. This time is to be strictly enforced by the Chairperson.
13. Speakers at public forums must not digress from the item on the agenda of the Council meeting they have applied to address the Council on. If a speaker digresses to irrelevant matters, the Chairperson is to direct the speaker not to do so. If a speaker fails to observe a direction from the Chairperson, the speaker will not be further heard.
14. A Councillor (including the Chairperson) may, through the Chairperson, ask questions of a speaker following their address at a public forum. Questions put to a speaker must be direct, succinct and without argument.
15. Speakers are under no obligation to answer a question put under clause 14. Answers by the speaker, to each question are to be limited to two (2) minutes.
16. Speakers at public forums cannot ask questions of the Council, Councillors or Council staff.
17. The General Manager or their nominee may, with the concurrence of the Chairperson, address the Council for up to three (3) minutes in response to an address to the Council at a public forum after the address and any subsequent questions and answers have been finalised.
18. Where an address made at a public forum raises matters that require further consideration by Council staff, the General Manager may recommend that the Council defer consideration of the matter pending the preparation of a further report on the matters.

19. When addressing the Council, speakers at public forums must comply with this code and all other relevant Council codes, policies and procedures. Speakers must refrain from engaging in disorderly conduct, publicly alleging breaches of the Council's Code of Conduct or making other potentially defamatory statements.

The Mayor or Chair will be guided by Section 10A(2)(a) – (i) of the *Local Government Act 1993*, in not allowing members of the public during community consultation sessions to deal with or discuss or disclose any information with regards to the matters mentioned in this section and subsections of the Act.

The opinions expressed by community members are not reflective or representative of the views of Council and hence Council cannot be held responsible or liable.

20. If the Chairperson considers that a speaker at a public forum has engaged in conduct of the type referred to in clause 19, the Chairperson may request the person to refrain from the inappropriate behaviour and to withdraw and unreservedly apologise for any inappropriate comments. Where the speaker fails to comply with the Chairperson's request, the Chairperson may immediately require the person to stop speaking.
21. Clause 20 does not limit the ability of the Chairperson to deal with disorderly conduct by speakers at public forums in accordance with the provisions of Part 15 of the Code of Meeting Practice.
22. Where a speaker engages in conduct of the type referred to in clause 19, the General Manager or their delegate may refuse further applications from that person to speak at public forums for such a period as the General Manager or their delegate considers appropriate.
23. Councillors (including the Mayor) must declare and manage any conflicts of interest they may have in relation to any item of business that is the subject of an address at a public forum, in the same way that they are required to do so at a Council meeting. The Council is to maintain a written record of all conflict of interest declarations made at public forums and how the conflict of interest was managed by the Councillor who made the declaration.

Note: Public forums should not be held as part of a Council meeting. Council meetings should be reserved for decision-making by the Council. Where a public forum is held as part of a Council meeting, it must be conducted in accordance with the other requirements of the Code of Meeting Practice relating to the conduct of Council meetings.

Local Government Act 1993

Section 10A(2) (a) – (i)

The matters and information are the following:

- (a) personnel matters concerning particular individuals (other than councillors),
- (b) the personal hardship of any resident or ratepayer,
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business,
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law,
- (f) matters affecting the security of the council, councillors, council staff or council property,
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land,
- (i) alleged contraventions of any code of conduct requirements applicable under section 440.



GLEN INNES SEVERN COUNCIL

Notice is herewith given of an
EXTRAORDINARY MEETING

That will be held at the Glen Innes Severn Learning Centre,
William Gardner Conference Room, Grey Street, Glen Innes on:
Thursday, 13 May 2021 at 6.00pm

ORDER OF BUSINESS

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Craig Bennett
General Manager

Council

Meeting Date: 4th Thursday of the month commencing at 6.00pm.

Matters determined by Ordinary meetings will include all those non-delegable functions identified in Section 377 of the Local Government Act as follows:

- *the appointment of a general manager*
- *the making of a rate*
- *a determination under section 549 as to the levying of a rate*
- *the making of a charge*
- *the fixing of a fee*
- *the borrowing of money*
- *the voting of money for expenditure on its works, services or operations*
- *the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment)*
- *the acceptance of tenders which are required under this Act to be invited by the council*
- *the adoption of a management plan under section 406*
- *the adoption of a financial statement included in an annual financial report*
- *a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6*
- *the fixing of an amount or rate for the carrying out by the council of work on private land*
- *the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work*
- *the review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the [Environmental Planning and Assessment Act 1979](#)*
- *the power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194*
- *a decision under section 356 to contribute money or otherwise grant financial assistance to persons*
- *the making of an application, or the giving of a notice, to the Governor or Minister*
- *this power of delegation*
- *any function under this or any other Act that is expressly required to be exercised by resolution of the council."*

Other matters and functions determined by Ordinary Council Meetings will include:

- *Notices of Motion*
- *Notices of Motion of Rescission*
- *Council Elections, Polls, Constitutional Referendums and Public Hearings/Inquiries*
- *Ministerial Committees and Inquiries*
- *Mayor and Councillors Annual Fees*
- *Payment of Expenses and Provision of Facilities to Mayor and Councillors*
- *Local Government Remuneration Tribunal*
- *Local Government Boundaries*
- *NSW Ombudsman*
- *Administrative Decisions Tribunal*
- *Delegation of Functions by the Minister*
- *Delegation of Functions to General Manager and Committees*
- *Organisation Structure*
- *Code of Conduct*
- *Code of Meeting Practice*
- *Honesty and Disclosure of Interests*
- *Access to Information*
- *Protection of Privacy*
- *Enforcement Functions (statutory breaches/prosecutions/recovery of rates)*
- *Dispute Resolution*
- *Council Land and Property Development*
- *Annual Financial Reports, Auditors Reports, Annual Reports and Statement of the Environment Reports*
- *Performance of the General Manager*
- *Equal Employment Opportunity*
- *Powers of Entry*
- *Liability and Insurance*
- *Membership of Organisations*
- *Any matter or function not within the delegable function of Committees*
- *Matters referred from Committees for determination*

Membership: Full Council - 7 Councillors.

Quorum: 4 members

Chairperson: The Mayor

Deputy Chairperson: The Deputy Mayor

The Mayor will read the following statement:

“This Council Meeting is being streamed live, recorded and published in accordance with Council’s Live Streaming of Council Meetings Policy. No other persons are permitted to record the Meeting, unless specifically authorised by Council to do so.

To those present in the gallery today, by attending a public meeting of the Council you are consenting to your image, voice and comments being recorded and published.

Anyone who is invited to speak during the meeting will be recorded and their voice, image and comments will form part of the live stream and recording.

All speakers are requested to ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms.

The Chair and/or the General Manager have the discretion and authority at any time to direct the termination or interruption of live streaming. Such direction will only be given in exceptional circumstances where deemed relevant. Circumstances may include instances where the content of debate is considered misleading, defamatory or potentially inappropriate to be published.

Attendees are advised that they may be subject to legal action if their actions result in inappropriate and/or unacceptable behaviour and/or comments.

Thank you.”

1 ACKNOWLEDGEMENT TO COUNTRY

“I acknowledge the Ngoorabul people as the traditional custodians of this land and pay my respect to the Elders past, present and emerging. I also extend that respect to Aboriginal and Torres Strait Islander people here today.”

2 APOLOGIES

3 DISCLOSURE OF CONFLICT OF INTERESTS: PECUNIARY AND NON-PECUNIARY INTERESTS

PECUNIARY:

Nature of conflict:

Action to be taken:

NON-PECUNIARY:

a) Significant Non-Pecuniary

Nature of conflict:

Action to be taken:

b) Non-significant Non-Pecuniary

Nature of conflict:

Action to be taken:

4 REPORTS TO COUNCIL

REPORT TITLE: 4.1 ENDORSEMENT OF THE DRAFT OPERATIONAL PLAN AND BUDGET FOR THE 2021/2022 FINANCIAL YEAR, FOR PUBLIC EXHIBITION

ECM INDEXES:

Subject Index: CORPORATE MANAGEMENT: Planning
GOVERNANCE: Planning
FINANCIAL MANAGEMENT: Budgeting

Customer Index: NIL

Property Index: NIL

AUTHOR: Stephen Harbort - Chief Financial Officer

APPROVER/S: Anna Watt - Director of Corporate and Community Services

PURPOSE

The purpose of this report is to seek Council's endorsement to place the Glen Innes Severn Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year on public exhibition for 28 days and to invite public submissions. Please refer to **Annexure A**, which is included under separate cover to this report.

RECOMMENDATION

THAT:

- Council endorses the Draft Operational Plan and Budget for the 2021/2022 Financial Year and thereby endorses the expenditure amounts set out in the 2021/2022 Operational Plan and Budget, which is contained in Annexure A, which is under separate cover to the Business Paper, for public exhibition in accordance with the provisions of Section 405 of the Local Government Act 1993, for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021.***
- Council advertises the Draft Operational Plan and Budget for the 2021/2022 Financial Year in the Glen Innes Examiner (Our Council), on the Glen Innes Severn Council website under Public Notices, and on Council's Facebook page, and displays the relevant documents at the Emmaville Post Office, Deepwater Post Office and Glencoe Post Office.***

3. *In accordance with the provisions of Section 535 of the Local Government Act 1993 (NSW), the proposed Rates and Charges for the 2021/2022 Financial Year are approved by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021, as follows:*

Farmland:

A Farmland rate of 0.002785256 cents in the dollar on the current land values of all rateable land in the Local Government Area being farmland, with a base rate of \$424 per annum (the total revenue collected from this base amount represents 13.28% of the total revenue collected from this category of land);

Residential – Non-Urban:

A Residential – Non-Urban rate of 0.007872385 cents in the dollar on the current land values of all rateable land which is not within a Centre of Population in the Local Government Area, with a minimum rate of \$565 per annum;

Residential – Deepwater:

A Residential – Deepwater rate of 0.010270906 cents in the dollar on the current land values of all rateable land in the village of Deepwater, with a minimum rate of \$565 per annum;

Residential – Dundee:

A Residential – Dundee rate of 0.004674507 cents in the dollar on the current land values of all rateable land in the hamlet of Dundee, with a minimum rate of \$565 per annum;

Residential – Emmaville:

A Residential – Emmaville rate of 0.008309110 cents in the dollar on the current land values of all rateable land in the village of Emmaville, with a minimum rate of \$565 per annum;

Residential – Glencoe:

A Residential – Glencoe rate of 0.006457874 cents in the dollar on the current land values of all rateable land in the village of Glencoe, with a minimum rate of \$565 per annum;

Residential – Red Range:

A Residential – Red Range rate of 0.0066472113 cents in the dollar on the current land values of all rateable land in the village of Red Range, with a minimum rate of \$565 per annum;

Residential – Wellingrove:

A Residential – Wellingrove rate of 0.009405366 cents in the dollar on the current land values of all rateable land in the hamlet of Wellingrove, with a minimum rate of \$565 per annum;

Residential – Glen Innes (including postponed rates):

A Residential – Glen Innes rate of 0.018209181 cents in the dollar on the current land values of all rateable land in the town of Glen Innes, with a minimum rate of \$565 per annum;

Business – Non-Urban:

A Business – Non-Urban rate of 0.017763145 cents in the dollar on the current land values of all rateable land which is not within a Centre of Population within the Local Government Area, and which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Deepwater:

A Business – Deepwater rate of 0.014502776 cents in the dollar on the current land values of all rateable land in the village of Deepwater, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Dundee:

A Business – Dundee rate of 0.013121993 cents in the dollar on the current land values of all rateable land in the village of Dundee, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Emmaville:

A Business – Emmaville rate of 0.015440486 cents in the dollar on the current land values of all rateable land in the village of Emmaville, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Glencoe:

A Business – Glencoe rate of 0.013126050 cents in the dollar on the current land values of all rateable land in the village of Glencoe, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Red Range:

A Business – Red Range rate of 0.032654152 cents in the dollar on the current land values of all rateable land in the village of Red Range, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Wellingrove:

A Business – Wellingrove rate of 0.058413991 cents in the dollar on the current land values of all rateable land in the hamlet of Wellingrove, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Business – Glen Innes:

A Business – Glen Innes rate of 0.020822046 cents in the dollar on the current land values of all rateable land in the town of Glen Innes, which cannot be categorised as either Farmland or Residential, with a minimum rate of \$565 per annum;

Mining:

A Mining rate of 0.006952121 cents in the dollar on the current land values of all rateable land in the Local Government Area where the dominant use is for a coal mine or metalliferous mine, with a minimum rate of \$329 per annum.

- 4. The Schedule of Fees and Charges for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021.***

- 5. The Water Supply Charge Schedule for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021. The following charges are proposed to be levied in accordance with the provisions of Section 552 and Section 501(1) of the Local Government Act 1993 on all land rateable to the Water Supply Charge for the year ending June 2022:***
 - a. Meter connection: Connected - \$354 per annum;***
 - b. Meter connection: Unconnected - \$354 per annum;***
 - c. Meter connection: 20mm - \$354 per annum;***
 - d. Meter connection: 25mm - \$419 per annum;***
 - e. Meter connection: 32mm - \$489 per annum;***
 - f. Meter connection: 40mm - \$630 per annum;***
 - g. Meter connection: 50mm - \$1,049 per annum;***
 - h. Meter connection: 80mm - \$2,518 per annum;***
 - i. Meter connection: 100mm - \$4,203 per annum;***
 - j. Meter connection: 150mm - \$8,927 per annum;***
 - k. Meter connection: 200mm - \$17,855 per annum.***

The proposed charge for water consumed by residential customers in both Glen Innes and Deepwater is to be charged by measure of metered water consumption at the rate of \$2.72 per kilolitre for water consumption between nil (0) and 450 kilolitres, and \$4.17 per kilolitre for water consumed over 450 kilolitres.

The supply of water at Emmaville shall be charged to customers by measure of metered water consumption and shall be charged at the rate of \$1.28 per kilolitre. Such rate shall only apply to those customers currently connected to the Emmaville system.

The supply of water for Council Sporting Fields shall be charged by measure of metered water consumption and shall be charged at the rate of \$0.49 per kilolitre.

The proposed charge for water consumed by commercial and non-rateable customers is to be charged by measure of metered water consumption at a rate of \$2.72 per kilolitre.

The proposed charge for water consumed from a standpipe/overhead fill point will be charged at the rate of \$3.10 per kilolitre.

6. *The Drainage Charge Schedule for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021, noting that a charge of \$102 is proposed to be levied in accordance with the provisions of Section 501 and Section 552 of the Local Government Act 1993 on all land assessable within the Glen Innes Severn LGA for the year ending June 2022.*

7. *The Sewerage Services Charges Schedule for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021.*

The following charges are proposed to be levied in accordance with the provisions of Section 501 and Section 552 of the Local Government Act 1993 on all land rateable to the Sewerage Services Charges for the year ending June 2022:

Residential Sewerage – Glen Innes:

Sewerage availability charge of \$586 per annum per assessment (unconnected \$440 per annum) – intended to represent a contribution towards the cost of providing and maintaining the infrastructure.

Residential properties discharging septic tank effluent into the sewerage system will also be charged an annual sewerage availability charge of \$586 per connection.

Residential Sewerage – Deepwater:

Sewerage availability charge of \$468 per annum per assessment (unconnected \$352 per annum) – intended to represent a contribution towards the cost of providing and maintaining the infrastructure.

Residential properties discharging septic tank effluent into the sewerage system will also be charged an annual sewerage availability charge of \$468 per connection.

Commercial and Non-Rateable Sewerage – Glen Innes and Deepwater:

A Sewerage Access Charge will be incurred proportional to the customer's water connection diameter plus a nominal charge for sewerage discharge, calculated in accordance with the following connection options and the formula following subparagraph "k" below:

- a. Meter connection: Connected - \$236 per annum;**
- b. Meter connection: Unconnected - \$236 per annum;**
- c. Meter connection: 20mm - \$236 per annum;**
- d. Meter connection: 25mm - \$365 per annum;**
- e. Meter connection: 32mm - \$603 per annum;**
- f. Meter connection: 40mm - \$943 per annum;**
- g. Meter connection: 50mm - \$1,472 per annum;**
- h. Meter connection: 80mm - \$3,771 per annum;**
- i. Meter connection: 100mm - \$5,880 per annum.**
- j. Meter connection: 150mm - \$13,628 per annum;**
- k. Meter connection: 200mm - \$23,876 per annum.**

Annual Non-Residential Sewerage Bill * = SDF x (AC + C x UC), where:

SDF is the Sewer Discharge Factor (dependent on the type of business, assumed to be 0.95 unless stated otherwise within Council's Trade Waste Policy. This factor may be reduced upon evidence from the customer of reduced discharge to the sewerage system.

C is the Customer's Annual Water Consumption.

UC is the Sewer Usage Charge (\$1.24/kL).

AC is the Access Charge.

Commercial and non-rateable customers discharging septic effluent into the sewerage system will also be charged as detailed above.

Trade Waste:

The Liquid Trade Waste fees and charges are calculated in accordance with the Glen Innes Severn Council Liquid Trade Waste Regulation Policy.

The fees and charges for the 2021/2022 Financial Year are set out below:

Trade Waste Application Fee	(\$)
Category 1 Discharger	Nil
Category 2 Discharger	121.00
Category 3 Discharger	222.00
Trade Waste Approval Renewal Fee (5 years)	(\$)
Category 1 Discharger	Nil
Category 2 Discharger	64.00
Category 3 Discharger	110.00

Change of Ownership (no change to conditions of Trade Waste approval)	25.00
Reinspection Fee	94.00
Non compliance penalty	204.00
Annual Trade Waste Fee	(\$)
Category 1 Discharger	104.00
Category 2 Discharger	205.00
Large Discharger	729.00
Industrial Discharger	729.00
Re-inspection Fee	97.00
Trade Waste Usage Charges	(\$)
Category 1 Discharger with appropriate equipment	Nil
Category 1 Discharger without appropriate pre-treatment	1.90/kL
Category 2 Discharger with appropriate pre-treatment	1.90/kL
Category 2 Discharger without appropriate pre-treatment	17.55/kL
Food Waste Disposal Charge	31.75 per bed
Non-compliance pH charge(k value)	0.47
Value of coefficient K in equation 3 of Liquid Trade Waste Policy	0.48
Excess Mass Charges – 2021/2022	
Substance	Price/kg (\$)
Aluminium	0.84
Ammonia* (as N)	3.43
Arsenic	86.11
Barium	43.05
Biochemical oxygen demand* (BOD)	0.84
Boron	0.84
Bromine	17.20
Cadmium	395.55
Chloride	No charge
Chlorinated hydrocarbons	43.05
Chlorinated phenolics	1,722.35
Chlorine	1.75
Chromium	30.50
Cobalt	17.55

Copper	17.55
Cyanide	86.11
Fluoride	4.29
Formaldehyde	1.75
Oil and Grease* (Total O&G)	1.58
Herbicides/defoliants	861.85
Iron	1.76
Lead	43.05
Lithium	8.61
Manganese	8.61
Mercaptans	86.11
Mercury	2,871.00
Methylene blue active substances (MBAS)	0.84
Molybdenum	0.84
Nickel	28.71
Nitrogen* (Total Kjeldahl Nitrogen – Ammonia) as N	0.24
Organoarsenic compounds	862.42
Pesticides general (excludes organochlorines and organophosphates)	862.42
Petroleum hydrocarbons (non-flammable)	2.87
Phenolic compounds (non-chlorinated)	8.61
Phosphorous* (Total P)	1.75
Polynuclear aromatic hydrocarbons	17.55
Selenium	60.61
Silver	1.60
Sulphate* (SO4)	0.21
Sulphide	1.75
Sulphite	1.89
Suspended Solids* (SS)	1.08
Thiosulphate	0.33
Tin	8.43
Total dissolved solids* (TDS)	0.07
Uranium	8.43
Zinc	17.04

Council has identified its sewerage supply service as a Category Two (2) Business and operates this in accordance with the Competitive Neutrality Guidelines 1997.

Tanked Waste:

Licence to discharge trucked septic waste (via designated manhole Wilson Park) \$32.80 per month.

Onsite Sewerage

Fee to operate an onsite sewerage system \$90.00 per annum levied on the annual Rate Notice.

8. *The Waste Management Facility Charge of \$74 levied under the provisions of Section 501 of the Local Government Act 1993 for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021.*
9. *The Waste Collection Service Schedule for the 2021/2022 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Thursday, 20 May 2021, with a submission closing date of Wednesday, 16 June 2021. The following charges are proposed to be levied in accordance with the provisions of Sections 496 and 502 of the Local Government Act 1993 for the Waste Collection Services (with the understanding that one (1) Waste Collection Service entitles a property owner to a 240 litre fortnightly recycling service and a 140 litre weekly garbage service per assessment – unless otherwise indicated):*
- a. *Domestic: Occupied (140l Waste, 240l Recycling) - \$333 per annum;*
 - b. *Domestic: Additional standard waste service per assessment - \$169 per additional standard waste service;*
 - c. *Domestic: Occupied (240l Waste, 240l Recycling) - \$456 per annum;*
 - d. *Domestic: Additional large waste service per assessment - \$246 per additional large waste service;*
 - e. *Domestic: Vacant land within scavenging area - \$149 per annum;*
 - f. *Business/Commercial: Occupied (140l Waste, 240l Recycling) - \$333 per annum;*
 - g. *Business/Commercial: Additional standard waste service per assessment - \$169 per additional waste service;*
 - h. *Business/Commercial: Occupied (240l Waste, 240l Recycling) - \$456 per annum;*
 - i. *Business/Commercial: Additional large waste service per assessment - \$246 per additional large waste service;*
 - j. *Business/Commercial: Vacant land within scavenging area - \$149 per annum;*
 - k. *Non-rateable: Occupied (140l Waste, 240l Recycling) - \$333 per annum;*
 - l. *Non-rateable: Additional standard waste service per assessment - \$169 per additional standard waste service;*
 - m. *Non-rateable: Occupied (240l Waste, 240l Recycling) - \$456 per annum;*

- n. *Non-rateable: Additional large waste service per assessment - \$246 per additional large waste service;*
- o. *Non-rateable: Vacant land - \$149 per annum.*
10. *Council, in accordance with the provisions of Section 566(3) of the Local Government Act 1993, determines that the extra interest charges on overdue rates and charges will be levied at the maximum rate allowable and as advised by the Office of Local Government on a daily simple interest basis for the financial year ending 30 June 2022. The rate for the 2021/2022 Financial Year is 6.0% per annum (7.5% for 2020/2021). That Council, in accordance with the provisions of Section 405(6) of the Local Government Act 1993, places a copy of its adopted Operational Plan and Budget for the 2021/2022 Financial Year on its website within 28 days of it being formally adopted.*
11. *Council requests the Director of Corporate and Community Services to present a further report, together with all submissions received, to Council at the conclusion of the public exhibition period for Council's consideration and adoption of the final Operational Plan and Budget for the 2021/2022 Financial Year at its Ordinary Council Meeting to be held on Thursday, 24 June 2021.*

REPORT

(a) Background

Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year provides a direct link to the four (4) year Delivery Program, and in turn the 10 Year **Community Strategic Plan (CSP)**. The Delivery Program was extended by 12 months by the **Office of Local Government (OLG)** from the original finish date of 30 June 2021 until 30 June 2022, thus becoming a new 5-year Delivery Program due to COVID-19.

The CSP contains five (5) strategic directions. They are: *Community Services, Economic Development, Infrastructure Management, Environment and Heritage, and Council Sustainability, Transparency and Communication*. Each of these strategic direction areas cascades down to a objectives, goals, strategic and specific actions and performance measures.

In line with the provisions of the *Local Government Act 1993* and requirements of the **Integrated Planning and Reporting Framework (IP&R)**, Council is required to develop an annual Operational Plan and Budget that is derived from the four (4) year Delivery Program, which in turn is developed from the 10-year CSP.

The *Local Government Act 1993* (NSW) states the following in **Section 405**, regarding the **Operational Plan**:

- 1) *A council must have a plan (its "operational plan") that is adopted before the beginning of each year and details the activities to be engaged in by the council during the year as part of the delivery program covering that year.*
- 2) *An operational plan must include a statement of the council's revenue policy for the year covered by the operational plan. The statement of revenue policy must include the statements and particulars required by the regulations.*
- 3) *A council must prepare a draft operational plan and give public notice of the draft indicating that submissions may be made to the council at any time during the period (not less than 28 days) that the draft is to be on public exhibition. The council must publicly exhibit the draft operational plan in accordance with the notice.*
- 4) *During the period of public exhibition, the council must have for inspection at its office (and at such other places as it may determine) a map that shows those parts of its area to which each category and sub-category of the ordinary rate and each special rate included in the draft operational plan applies.*
- 5) *In deciding on the final operational plan to be adopted, a council must consider any submissions that have been made concerning the draft plan.*
- 6) *The council must post a copy of its operational plan on the council's website within 28 days after the plan is adopted.*

The Operational Plan and Budget forms part of IP&R for Local Government in NSW. This one (1) year Operational Plan and Budget is part of extended five (5) year Delivery Program and 10-year CSP.

The IP&R is also made up of the 10-year **Long Term Financial Plan (LTFP)**, Asset Management Strategy and the Human Resource Strategy.

(b) Discussion

The Operational Plan and Budget consists of a "written part" where strategies and actions have been developed for the 2021/2022 Financial Year in order to achieve the goals and objectives that are identified in the CSP. The "financial part" of the Operational Plan and Budget provides for the financial resources to enable the aforementioned strategies and actions to be implemented and pursued during the course of the 2021/2022 Financial Year.

Snapshot of Council’s Financial Position and the 2021/2022 Budget:

Council’s draft Budget comprises the following (with last year’s figures in brackets as a comparison):

- Operating Income (including Capital Grants and Contributions) **\$46,703,065** (\$35,021,519)
- Operating Income (excluding Capital Grants and Contributions) **\$34,911,519** (\$30,310,090)
- Operating Expenditure **\$34,911,519** (\$32,743,621)
- Capital Expenditure **\$17,364,451** (\$12,217,780)
- Loan Principal and Lease Repayments **\$ 2,325,790** (\$ 2,026,344)

The Draft Operating Budget shows a balanced operating position after excluding Capital and Grants Contributions.

Council’s Capital Works Program Budget of \$17,364,451 is broken down into the following projects:

	\$
Projects funded from Roads to Recovery Grants	878,768
Projects funded through the Bridge Renewal Program	2,345,000
Projects (roads and footpaths) funded from the General Fund	1,768,639
Projects (bridges) funded through the LIRS* loans scheme	50,000
Plant and Equipment funded from the General Fund	644,814
Projects funded from the Water Fund	1,360,000
Projects funded from the General Fund	757,480
Projects funded from Regional Roads Grants	620,000
Projects funded from the Sewer Fund	546,972
Projects (roads and plant) funded from the Glen Innes Aggregates surplus	300,000
Projects funded from other grants and contributions	7,075,349
Local Roads and Community Infrastructure Grant	872,429
Projects funded from the Stormwater / Drainage Restricted Funds	145,000

*Local Infrastructure Renewal Scheme

The 2021/2022 Financial Year Operating Performance Ratio forms part of the NSW Local Government’s Fit for the Future criteria. This ratio measures Council’s ability to contain operating expenditure within operating revenue.

The benchmark for this ratio is 0% or better to break even average over three (3) years. The ratio excludes capital grants and contributions from Operating Revenue.

Council is expected to meet this target in the 2021/2022 Financial Year. The neutral ratio of (0.0%) shows that Council has sufficient operational revenue to cover its operational expenditure without the need to access capital revenue.

Council will continue to look at ways to reduce its operational expenditure or alternatively find ways to increase its operational income.

The annual rate peg amount this year has been announced at 2.0%, whilst salary and wages under the award are budgeted to increase by 2.0% and superannuation is budgeted to increase by 0.5% to 10.0%. As a result, Council's revenue stream has not increased in real terms from that source of income.

This budget continues to fulfil the requirement to demonstrate how Council can continue to remain a stand-alone sustainable Council, providing effective and efficient services and further developing the scale and capacity needed to meet the needs of the community into the future.

1) Highlights of the 2021/2022 Draft Operational Budget are:

- a) A balanced Operational Position (after capital revenue items, have been deducted);
- b) A total of \$335,000 is proposed to be spent on marketing, development strategy, research, design and development, events and on business incentives.

2) Highlights of the 2021/2022 Draft Capital Budget are:

- a) A total Capital Budget of \$17,364,451;
- b) Total capital funds of \$16M are budgeted to be spent on roads, bridges and footpaths in the 2021/2022 Financial Year. This represents an increase of \$6.7M, or 72%, on the amount allocated in the 2020/2021 Financial Year;
- c) Funding allocated under the Fixing Local Roads Program (Round 2) will provide new bitumen seal on eight (8) local roads including Strathbogie Road, West Furracabad Road, Pinkett Road, Mt Mitchell Road, Maybole Road, Yarraford Road, Ten Mile Road, Tent Hill Road;
- d) The Heavy Patching Program will continue with an allocation of \$993,639;
- e) Funding will also cover gravel re-sheeting of Rangers Valley Road, Illparran Road, Ten Mile Road, Mt Slow Road, and Donnelly's Road.
- f) A Plant Replacement Program of \$644,814;
- g) Landscaping for the roundabouts in the CBD;
- h) Pool upgrades including the replacement of the old grandstand;
- i) A Community Notice Board for Glencoe.

3) Local Infrastructure Renewal Scheme (LIRS) funds:

Under this program, Council will receive \$50,000 to spend in the 2021/2022 Financial Year, continuing bridge renewals throughout the Local Government Area.

4) Roads to Recovery and Regional Roads Funds:

Council will be receiving \$878,768 for the Roads to Recovery Program to spend during the 2021/2022 Financial Year and Regional Roads Grants of \$620,000.

A Local Roads and Community Infrastructure Grant will be received for \$872,429.

The Capital Budget amount includes a provisional budget for the upgrade of Bald Nob Road under the Roads of Strategic Importance program.

The Capital Works schedule provides more detail of the works to be undertaken during 2021/2022.

5) Glen Innes Aggregates:

It is expected that an Operating Surplus of \$575,260 will be achievable for Glen Innes Aggregates in 2021/2022.

6) Water fund:








Water service fees have been increased by 5.0% for the 2021/2022 Financial Year. Council has identified its water supply service as a Category Two (2) Business and operates this in accordance with the Competitive Neutrality Guidelines 1997. The water business will continue to be fully self-funded, and a dividend is expected to be paid from the Water Fund to the General Fund, recognising the continual ability of Council to meet the NSW Best Practice Guidelines for Water and Sewer Supply. The water asset renewal program will continue in 2021/2022.

7) Sewer fund:

Sewerage service fees have been increased by 2.5% for the 2021/2022 Financial Year. A dividend is expected to be paid from the Sewer Fund to the General Fund, recognising the continual ability of Council to meet the NSW Best Practice Guidelines for Water and Sewer Supply. The sewer mains relining program will continue as in previous years, gradually reducing stormwater infiltration into the network. Council will also continue to improve system processes at the Glen Innes Sewage Treatment Plant to ensure compliance with **NSW Environment Protection Authority (EPA)** licence requirements. As with the Water fund, the sewer fund is also planned to return an operating profit.

Council's Key Performance Indicators (KPIs):

Council's KPIs can be visually depicted as follows:

Measure / benchmark	2021/22	
	ESTIMATED	
Operating Performance Ratio (Greater than or equal to breakeven average over 3 years)		This ratio measures Council's ability of containing operating expenditure within operating revenue. GISC is in a breakeven position for the next three (3) years and meets this target.
Own Source Revenue Ratio (Greater than 60% average over 3 years)		This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. GISC is unfavourable for the current year due to high grant revenue but meets the target for the three (3) year average.
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)		This ratio measures the rate at which assets are being renewed relative to the rate they are being depreciated. GISC asset strategies ensure this target is met.
Infrastructure Backlog Ratio (Less than 2%)		This ratio shows the annual renewal backlog as a proportion of the total value of Council's infrastructure. GISC does not meet, due to the high level of backlog. While reducing the target will not be met within the Long-Term Financial Plan.
Asset Maintenance Ratio (Greater than 100% average over 3 years)		This ratio compares actual asset maintenance with required asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog through insufficient funds. GISC currently meets this target.
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)		This ratio measures the availability of operating cash to service debt. GISC currently meets this target.
Real Operating Expenditure Per Capita (A decrease in Real Operating Expenditure per capita over time)*		This ratio measures productivity changes over time based on movements in real per capita expenditure. Based on the assumption that service levels remain constant, a decline in real expenditure per capita indicates efficiency improvements i.e. the same level of output is achieved with reduced expenditure). GISC will not meet in 2021/2022.

*Based on the false assumption that Council's service levels remain the same when in fact they are increasing.

Council is forecasting a balanced operating position for the 2021/2022 Financial Year and into future years. Of all the financial health benchmarks, a continuous healthy operating surplus year after year is the most important indicator of Council's ability to be financially sustainable now and into the future.

Council's Revenue Policy:

Council's significant revenue sources are from general rates, fees and charges, the **Financial Assistance Grant (FAG), Roads to Recovery (R2R) Grant**, and other grant funds; particularly in the area of Community Services, of which Life Choices - Support Services is largely externally funded through grant funding from the State and Commonwealth Governments.

Council's Own Source Operating Revenue Ratio, which measures fiscal flexibility and the degree of reliance on external funding sources such as operating grants and contributions is expected to meet the benchmark of >60% average over three (3) years in 2021/2022. The estimate is 62.98% (excluding the FAG) and 73.97% including FAG as Rural councils are permitted to do under the Fit for the Future Financial Ratio guidelines.

The proposed Revenue Policy is in line with the current year's rating model, and is based on Minimum Rates and Land Valuations, except the category of farmland that is based on a Base Rate and Land Valuations. The guiding principle of Council's Revenue Policy is that the current rating structure achieves the desired outcome of a fair imposition of rates on rateable parcels of land within Council's area of jurisdiction.

Council rates have been increased by the rate peg of 2.0% for 2021/2022.

Other Fees and Charges

A number of the fees and charges are set by legislation; thereby preventing any increase. Some fees, such as Trade Waste Fees and Plant Hire Rates have been increased by estimated **Consumer Price Index (CPI)** (1.7%). There are a number of instances where fees have been increased by 2.5%, for example Sewer charges. Water usage charges have been increased by 5.0%.

The Draft Operational Plan and Budget for the 2021/2022 Financial Year sets the works program in detail for the next financial year, based on objectives, strategies and actions that had been included in the four (4) year Delivery Program and the 10-year Community Strategic Plan. In accordance with sound management principles, it is expected that all supervisors, managers and directors will maintain a particular focus on their budgets throughout the financial year; ensuring that expenditure levels remain within budgetary provisions.

(c) Options

Council has the option to vary sections of the Draft Operational Plan and Budget for the 2021/2022 Financial Year.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

The Draft Operational Plan and Budget for the 2021/2022 Financial Year contains the operational and capital revenue and expenditure that Council has committed to for the 2021/2022 Financial Year.

(b) Governance/Policy

If adopted by Council, the Draft Operational Plan and Budget for the 2021/2022 Financial Year will set the overarching policy direction for Council for the next financial year.

(c) Legislative/Statutory

Council has to ensure that it endorses its draft budget in accordance with various provisions in the *Local Government Act 1993* (the Act) and the *Local Government (General) Regulations 2005*.

- Section 405 of the *Local Government Act 1993*:
 - (1) *A council must have a plan (its “operational plan”) that is adopted before the beginning of each year and details the activities to be engaged in by the council during the year as part of the delivery program covering that year.*
 - (2) *An operational plan must include a statement of the council’s revenue policy for the year covered by the operational plan. The statement of revenue policy must include the statements and particulars required by the regulations.*
 - (3) *A council must prepare a draft operational plan and give public notice of the draft indicating that submissions may be made to the Council at any time during the period) not less than 28 days) that the draft is to be on public exhibition. The council must publicly exhibit the draft operational plan in accordance with the notice.*
 - (5) *In deciding on the final operational plan to be adopted, a council must consider any submissions that have been made concerning the draft plan.*
- Section 494 of the *Local Government Act 1993*:
 - (1) *A council must make and levy an ordinary rate for each year on all rateable land in its area.*
 - (2) *Each category or subcategory of ordinary rate is to apply only to land of the same category or subcategory.*
- Section 496 of the *Local Government Act 1993*:
 - (1) *A council must make and levy an annual charge for the provision of domestic waste management services for each parcel of rateable land for which the service is available.*

- Section 496A of the *Local Government Act 1993*:
 - (1) *A council may, in accordance with the regulations, make and levy an annual charge for the provision of stormwater management services for each parcel of rateable land for which the service is available.*

- Section 501 of the *Local Government Act 1993*:
 - (1) *A council may make an annual charge for any of the following services provided, or proposed to be provided, on an annual basis by the council:*
 - Water supply services*
 - Sewerage services*
 - Drainage services*
 - Waste management services (other than domestic waste management services)*
 - Any services prescribed by the regulations.*

- Section 502 of the *Local Government Act 1993*:
 - A council may make a charge for a service referred to in section 496 or 501 according to the actual use of the service.*

- Section 552 of the *Local Government Act 1993*:
 - (1) *A special rate or charge relating to water supply may be levied on:*
 - (a) *Land that is supplied with water from a water pipe of the council, and*
 - (b) *Land that is situated within 225 metres of a water pipe of the council whether the land has a frontage or not to the public road (if any) in which the water pipe is laid, and although the land is not actually supplied with water from any water pipe of the council.*

(d) Risk

The preparation of the budget required considerable cost reduction in all areas to cover uncontrollable increases in expenses in areas such as insurance cost, wages, and depreciation. The rates increase was not of a sufficient level to offset these cost increases.

Due to the reduction of budgeted expenditure there is a risk that unforeseen cost increases may negatively impact Council's ability to achieve a balanced operating position at year end.

(e) Social

This Draft Operational Plan and Budget for the 2021/2022 Financial Year forms part of the direction that the community communicated to Council through the extensive Community Engagement that took place for the development of the current Community Strategic Plan and Delivery Program. This document forms an integral part in the journey to achieve the outcomes of the aforementioned documents.

(f) Environmental

Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year identifies a number of environmental strategic objectives, strategies and actions.

(g) Economic

All Council officials have been mindful of the economic implications in the preparations of Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year.

(h) Asset Management

All Council officials have been mindful of the asset management implications in the preparations of Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year. Whole of life asset and depreciation cost considerations are important drivers in Council's future financial direction.

CONSULTATION

(a) External

Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year will go on public exhibition for 28 days from Thursday, 20 May 2021 until Wednesday, 16 June 2021 and during this time will invite submissions from the community.

Council will advertise the Draft Operational Plan and Budget for the 2021/2022 Financial Year in the Glen Innes Examiner (Our Council) on the Glen Innes Severn Council website under Public Notices, and on Council's Facebook page and display the relevant documents at the Emmaville Post Office, Deepwater Post Office and Glencoe Post Office.

(b) External

The budget has been prepared with full collaboration and input from all managers and the **Management Executive (MANEX)** team.

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

The Draft Operational Plan and Budget for the 2021/2022 Financial Year is required to be prepared in accordance with the Integrated Planning and Reporting Framework.

CONCLUSION

Council's Draft Operational Plan and Budget for the 2021/2022 Financial Year provides a direct link to the four (4) year Delivery Program. The Delivery Program was extended by 12 months by the OLG from the original finish date of 30 June 2021 until 30 June 2022, thus becoming a new five (5) year Delivery Program due to COVID-19.

The CSP contains five (5) strategic directions, being *Community Services, Economic Development, Infrastructure Management, Environment and Heritage*, and *Council Sustainability, Transparency and Communication*.

Each of these strategic direction areas cascades to objectives, goals, strategic and specific actions and performance measures.

In summary, Council’s Draft Budget comprises the following (with last year’s figures in brackets as a comparison):

- Operating Income (including Capital Grants and Contributions) **\$46,703,065** (\$35,021,519)
- Operating Income (excluding Capital Grants and Contributions) **\$34,911,519** (\$30,310,090)
- Operating Expenditure **\$34,911,519** (\$32,743,621)
- Capital Expenditure **\$17,364,451** (\$12,217,780)
- Loan Principal and Lease Repayments **\$ 2,325,790** (\$ 2,026,344)

ATTACHMENTS

Annexure A Draft Operational Plan and Budget for the 2021/2022 Financial Year
(under separate cover)

REPORT TITLE: 4.2 ACCEPTANCE OF FUNDING RECEIVED FROM TRANSPORT FOR NSW FOR ROUND TWO (2) OF THE FIXING LOCAL ROADS PROGRAM.

ECM INDEXES:

Subject Index: PROGRAMS: Grants & Subsidies

Customer Index: Transport for NSW

Property Index: NIL

AUTHOR: Keith Appleby - Director of Infrastructure Services

APPROVER/S: Craig Bennett - General Manager

PURPOSE

The purpose of this report is for Council to review the Funding Deed between Glen Innes Severn Council and Transport for NSW and for Council to authorise for the General Manager to sign the Deed on behalf of Council, therefore accepting the funding provided under Round Two (2) of the Transport for NSW Fixing Local Roads Program. The Funding Deed is included as **Annexure A**.

RECOMMENDATION

That Council authorises for the General Manager to sign the Funding Deed between Glen Innes Severn Council and Transport for NSW for Round Two (2) of the Fixing Local Roads Program.

REPORT

(a) Background

An application was lodged by Council under Round Two (2) of the Fixing Local Roads Program in December 2020 and this application was successful.

The total project value is \$3,019,278 and the project will involve the sealing of 84 kilometres of existing gravel road surface across eight (8) roads including Strathbogie Road, West Furracabad Road, Pinkett Road, Mt Mitchell Road, Yarraford Road, Ten Mile Road, Tent Hill Road and Maybole Road.

(b) Discussion

On Thursday, 22 April 2021 Council was contacted via email and advised that the funding was successfully secured.

This email also advised that the Funding Deed is to be signed and returned by close of business on Friday, 14 May 2021.

Due to this requirement, the report authorising the Funding Deed therefore had to be prepared for the Extraordinary Council Meeting being held on Thursday, 13 May 2021.

A letter was also received from The Honourable Paul Toole MP, Minister for Regional Transport and Roads (**Annexure B**) on Thursday, 15 April 2021 indicating that the announcement on the grant funding was embargoed until **23 April 2021**.

A separate joint media release (**Annexure C**) had previously been received from the Federal and State Governments on Wednesday, 31 March 2021 which seemed to indicate that the information was already in the public arena.

The draft Operational Plan and Budget for the 2021/2022 Financial Year is also being presented to this Extraordinary Council Meeting as the Ordinary Council Meeting scheduled for Thursday, 27 May 2021 will be too late for this report as well.

The draft Operational Plan and Budget is required under the *Local Government Act 1993* to be publicly exhibited for twenty (28) days, in order for the public to provide submissions on the draft Operational Plan and Budget.

The Final Operational Plan and Budget for the 2021/2022 Financial Year then needs to be adopted by Council by the end of June 2021.

(c) Options

Nil.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Income and expenditure budget allocations for the works under this grant have been included in the draft Operational Plan and Budget for the 2021/2022 Financial Year.

(b) Governance/Policy

Clause 12 of Council's Execution of Documents Matrix (**Annexure D**) requires Deeds relating to the acceptance of State and Federal Grants above the General Manager's delegation limit of \$250,000 to be firstly authorised by the Council.

The General Manager can then sign the Deed on behalf of Council once Council authorises for this to happen.

(c) Legislative/Statutory

Nil.

(d) Risk

If Council does not authorise for this funding to be accepted, it risks losing the \$3M already allocated to Council.

(e) Social

The sealing of 84 kilometres of unsealed roads across the Local Government Area will have a substantial positive benefit for the rural community.

(f) Environmental

The sealing of unsealed roads will minimise dust issues and prevent the loss of gravel in the long term.

(g) Economic

Nil.

(h) Asset Management

The project will involve the creation of new bitumen seal assets to the value of \$3.019M.

With an expected life of 15 years, this will incur an additional depreciation cost for bitumen seal of \$201,000 per annum.

This will be more than offset by savings of \$112,000 for gravel renewal, and operational maintenance of \$134,400 (total of \$246,400 per annum).

The project therefore represents a saving of \$45,000 per annum, assuming nil maintenance costs will be required on the new assets.

CONSULTATION

(a) External

Council's external customer survey has consistently identified road conditions as a high priority for attention. These works will substantially address those concerns.

(b) Internal

Council's Roads Consultative Committee has had input into the selection of roads proposed for bitumen sealing and has lobbied for the sealing of unsealed roads to occur as funding becomes available.

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

This item links to Council's Delivery Program Infrastructure Management Action IM 1.3.01: Implement Capital Roads infrastructure works according to adopted service levels.

CONCLUSION

Council has been offered grant funding for the amount of \$3,019,278 and the project will involve the sealing of 84 kilometres of existing gravel road surface across eight (8) roads.

It is recommended that Council takes up the offer and authorises for the General Manager to execute the funding deed on its behalf.

ATTACHMENTS

Annexure A	Fixing Local Roads Round Two (2) Funding Deed
Annexure B	Letter from Minister Toole
Annexure C	Joint Media Release
Annexure D	Execution of Documents Matrix