Meeting of Riverina Water County Council

The meeting will be held in the Pat Brassil AM Meeting Room, 91 Hammond Ave Wagga at 9:30am on Wednesday 26 October 2022.

Meeting Agenda

Live Streaming of Council Meetings

Riverina Water advises that Council meetings are live streamed on Council's website www.riverinawater.nsw.gov.au Visitors in the public gallery are advised that their voice and/or image may form part of the webcast. By remaining in the public gallery it is assumed your consent is given in the event your image or voice is broadcast.

Statement of Ethical Reminders

Board members are reminded of the Oath or Affirmation of Office that they made under Section 233A of the Local Government Act 1993. Board members and staff are also reminded of their oblications under Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

Acknowledgement of Country

Livestreaming of Meeting

Apologies

Declaration of pecuniary and non-pecuniary interests

Confirmation of Minutes

Minutes of Extraordinary Board Meeting 1 September 2022

Correspondence

Chairperson's Minute

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CM1 Vale Queen Elizabeth II 1926-2022

Author Councillor Tim Koschel

Summary That Council acknowledge the passing of Queen Elizabeth II and pause for one minute of silence.

RECOMMENDATION that Council acknowledge the passing of Queen Elizabeth II and pause for one minute of silence.

Report

On behalf of Riverina Water, we offer our deepest sympathies to His Majesty King Charles III, the Royal family, and those across the world mourning the loss of Queen Elizabeth II.

Queen Elizabeth II's reign was the longest of any British monarch, serving for 70 years.

Earlier this year, Queen Elizabeth celebrated her platinum Jubilee marking 70 years on the throne.

Queen Elizabeth II was the first British monarch to visit Australia, in 1954 with Prince Phillip, and toured the nation 16 times during her reign.

Queen Elizabeth II put service above self throughout her reign, whether it was helping during World War II, supporting countless causes, greeting her people or in her final days, swearing in new British Prime Minister Liz Truss.

She was universally respected, loved and cherished and will be greatly missed.

May she rest in peace.

Financial Implications

Nil

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

R1 List of Investments

Organisational Area	**Corporate Services**
Author	Emily Tonacia, Director Corporate Services
Summary	This report details the status of Riverina Water's investment portfolio for the months of August and September 2022.

RECOMMENDATION that Council receive and note the report detailing external investments for the months of August and September 2022.

Report

In accordance with the provisions of Clause 19(3) of the Local Government (Financial Management) Regulation 1993, reported are the details of Council's external investment portfolio as of August and September 2022.

- **R1.1 Investment Report - August 2022**
- **R1.2 Investment Report - September 2022**

Financial Implications

Not applicable.

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

Monthly Investment Report as at 31/08/2022

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits								
ING	23/06/2022	730	22/06/24	A-2	4.40	6.723%	$2,000,000.00	$2,000,000.00
Westpac	19/08/2022	364	18/08/23	A-1+	1.86	10.084%	$3,000,000.00	$3,000,000.00
Australian Unity Bank	8/07/2022	731	08/07/24	A-2	4.24	6.723%	$2,000,000.00	$2,000,000.00
Australian Unity Bank	25/07/2022	731	25/07/24	A-2	4.34	8.403%	$2,500,000.00	$2,500,000.00
BOQ	25/07/2022	365	25/07/23	A-2	4.07	8.403%	$2,500,000.00	$2,500,000.00
AMP	29/09/2021	365	29/09/22	A-2	0.80	6.723%	$2,000,000.00	$2,000,000.00
BOQ	23/09/2021	364	22/09/22	A-2	0.42	3.361%	$1,000,000.00	$1,000,000.00
National Australia Bank	23/09/2021	733	26/09/23	A-1+	0.63	5.042%	$1,500,000.00	$1,500,000.00
AMP	14/09/2021	730	14/09/23	A-2	0.75	3.361%	$1,000,000.00	$1,000,000.00
BOQ	6/05/2021	732	08/05/23	A-2	0.49	8.403%	$2,500,000.00	$2,500,000.00
BOQ	21/06/2022	365	21/06/23	A-2	0.40	5.042%	$1,500,000.00	$1,500,000.00
BOQ	14/10/2020	729	13/10/22	A-2	0.80	6.723%	$2,000,000.00	$2,000,000.00
National Australia Bank	8/06/2021	730	08/06/23	A-1+	0.60	6.723%	$2,000,000.00	$2,000,000.00
National Australia Bank	8/06/2021	1099	11/06/24	A-1+	0.75	8.403%	$2,500,000.00	$2,500,000.00
National Australia Bank	2/03/2022	364	01/03/23	A-1+	0.53	5.042%	$1,500,000.00	$1,500,000.00
						99.16%	**$29,500,000.00**	**$29,500,000.00**
Cash Deposit Account								
T Corp				A-1+	0.00	0.00%	$0.30	$0.30
National Australia Bank				A-1+	0.17	0.842%	$250,606.95	$250,606.95
						0.84%	**$250,607.25**	**$250,607.25**
TOTAL INVESTMENTS						**100.00%**	**$29,750,607.25**	**$29,750,607.25**
Cash at Bank								$360,018.76
TOTAL FUNDS								**$30,110,626.01**

CERTIFICATE

I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investments Policy number POL 1.23.



E Tonacia

MANAGER CORPORATE SERVICES

Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted		
	LIRS Loan Funds	$0.00
		$0.00
Internally Restricted		
	Employee Leave Entitlements (50% of ELE)	$2,425,499.63
	Plant Replacement	$1,142,112.41
	Loan Funds	$0.00
	Sales Fluctuation	$3,000,000.00
	Water Treatment Plant	$228,250.00
	Water Licences	$332,520.00
		$7,128,382.04
Unrestricted Funds		$22,982,243.97
TOTAL FUNDS		**$30,110,626.01**

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year. Figures shown above are estimates only.

Report

The investment portfolio decreased by $1,111,438.57 for the month. The decrease was due to income in August being lower than expenditure.

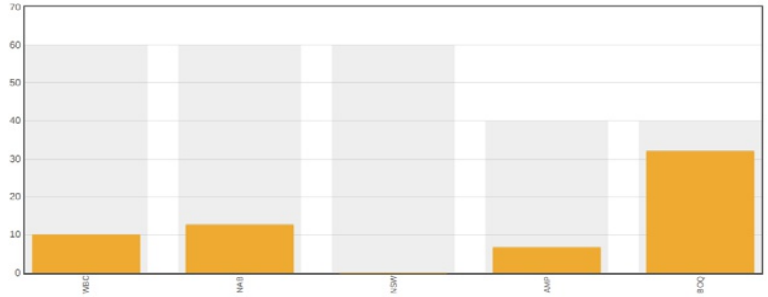
Portfolio Performance

For the month of August, the portfolio (excluding cash) provided a return of +0.18% (actual), outperforming the benchmark Ausbond Bank Bill Index return by +0.15% (actual). The outperformance continues to be anchored by a combination of those longer-dated deposits locked-in for a term of 12 months or longer.

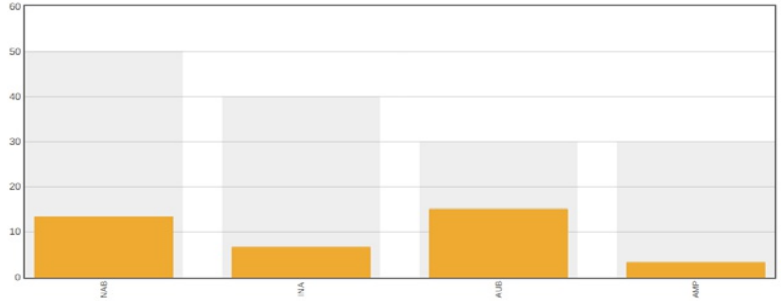
Counterparty Compliance

The below graphs compare investments with each financial institution to the limits included in Council's Investment Policy

Short-term Holdings



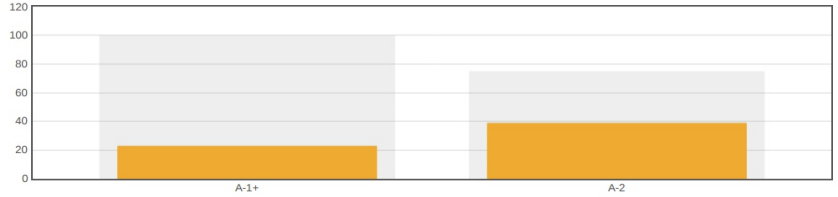
Long-term Holdings



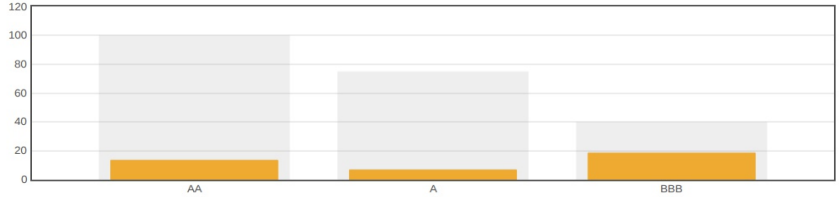
Credit Quality Compliance

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy

Short-term Holdings

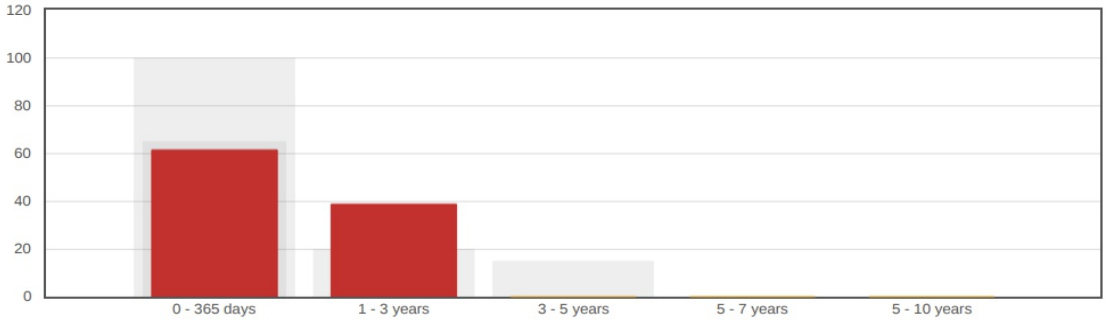


Long-term Holdings



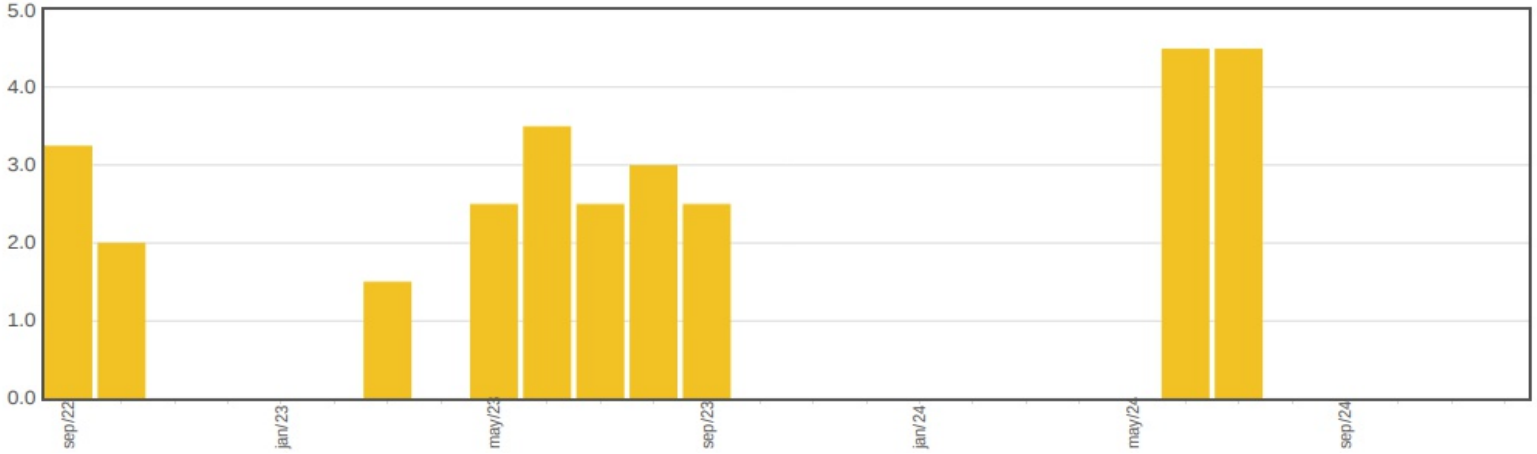
Term to Maturity

The percentage of investments maturing over the next ten years is detailed in the graph below



Maturity Cashflow

When investments will mature over time



Monthly Investment Report as at 30/09/2022

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits								
ING	23/06/2022	730	22/06/24	A-2	4.40	6.956%	$2,000,000.00	$2,000,000.00
Westpac	19/08/2022	364	18/08/23	A-1+	1.86	10.435%	$3,000,000.00	$3,000,000.00
Australian Unity Bank	8/07/2022	731	08/07/24	A-2	4.24	6.956%	$2,000,000.00	$2,000,000.00
Australian Unity Bank	25/07/2022	731	25/07/24	A-2	4.34	8.696%	$2,500,000.00	$2,500,000.00
BOQ	25/07/2022	365	25/07/23	A-2	4.07	8.696%	$2,500,000.00	$2,500,000.00
AMP	29/09/2022	732	30/09/24	A-2	4.95	6.956%	$2,000,000.00	$2,000,000.00
National Australia Bank	23/09/2021	733	26/09/23	A-1+	0.63	5.217%	$1,500,000.00	$1,500,000.00
AMP	14/09/2021	730	14/09/23	A-2	0.75	3.478%	$1,000,000.00	$1,000,000.00
BOQ	6/05/2021	732	08/05/23	A-2	0.49	8.696%	$2,500,000.00	$2,500,000.00
BOQ	21/06/2022	365	21/06/23	A-2	0.40	5.217%	$1,500,000.00	$1,500,000.00
BOQ	14/10/2020	729	13/10/22	A-2	0.80	6.956%	$2,000,000.00	$2,000,000.00
National Australia Bank	8/06/2021	730	08/06/23	A-1+	0.60	6.956%	$2,000,000.00	$2,000,000.00
National Australia Bank	8/06/2021	1099	11/06/24	A-1+	0.75	8.696%	$2,500,000.00	$2,500,000.00
National Australia Bank	2/03/2022	364	01/03/23	A-1+	0.53	5.217%	$1,500,000.00	$1,500,000.00
						99.13%	**$28,500,000.00**	**$28,500,000.00**
Cash Deposit Account								
T Corp				A-1+	0.00	0.00%	$0.30	$0.30
National Australia Bank				A-1+	0.17	0.872%	$250,659.42	$250,659.42
						0.87%	**$250,659.72**	**$250,659.72**
TOTAL INVESTMENTS						**100.00%**	**$28,750,659.72**	**$28,750,659.72**
Cash at Bank								$904,644.25
TOTAL FUNDS								**$29,655,303.97**

CERTIFICATE

I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investments Policy number POL 1.23.



E Tonacia

MANAGER CORPORATE SERVICES

Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted		
	LIRS Loan Funds	$0.00
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Internally Restricted		
	Employee Leave Entitlements (50% of ELE)	$2,425,499.63
	Plant Replacement	$1,142,112.41
	Loan Funds	$0.00
	Sales Fluctuation	$3,000,000.00
	Water Treatment Plant	$228,250.00
	Water Licences	$332,520.00
		$7,128,382.04
Unrestricted Funds		$22,526,921.93
TOTAL FUNDS		**$29,655,303.97**

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year. Figures shown above are estimates only.

Report

The investment portfolio decreased by $455,322.04 for the month. The decrease was due to income in September being lower than expenditure.

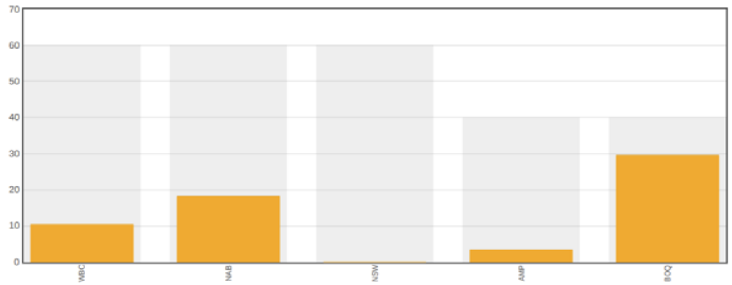
Portfolio Performance

For the month of September, the portfolio (excluding cash) provided a return of +0.19% (actual), outperforming the benchmark Ausbond Bank Bill Index return by +0.15% (actual). The outperformance continues to be anchored by a combination of those longer-dated deposits locked-in for a term of 12 months or longer.

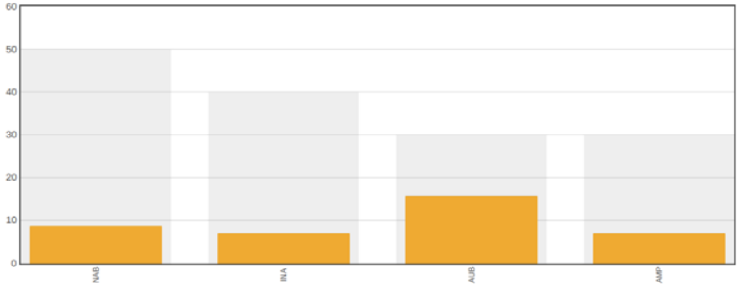
Counterparty Compliance

The below graphs compare investments with each financial institution to the limits included in Council's Investment Policy

Short-term Holdings



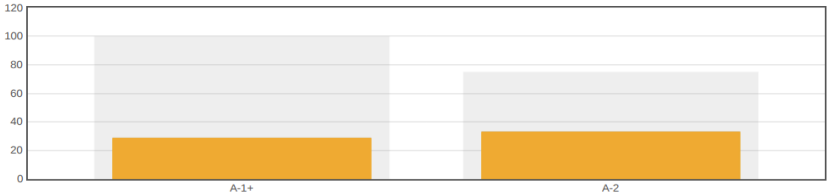
Long-term Holdings



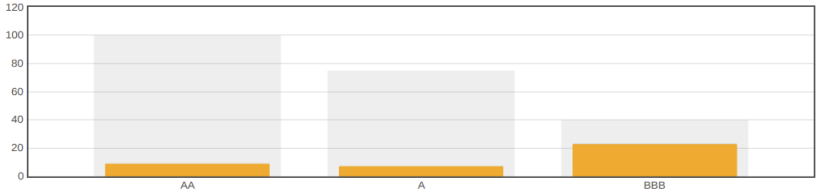
Credit Quality Compliance

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy

Short-term Holdings

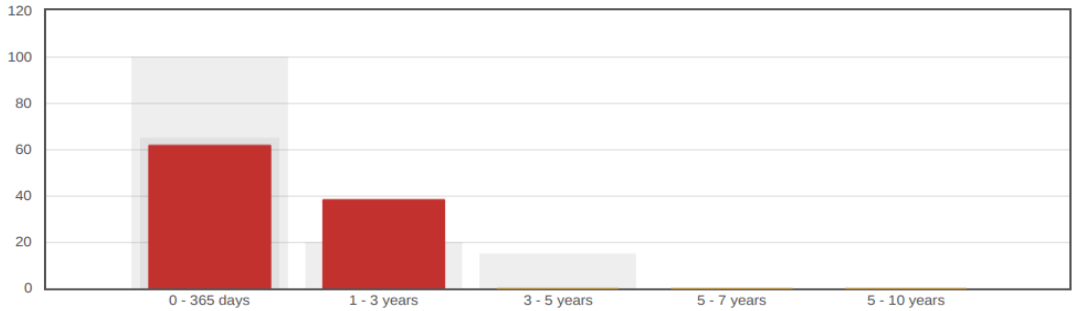


Long-term Holdings



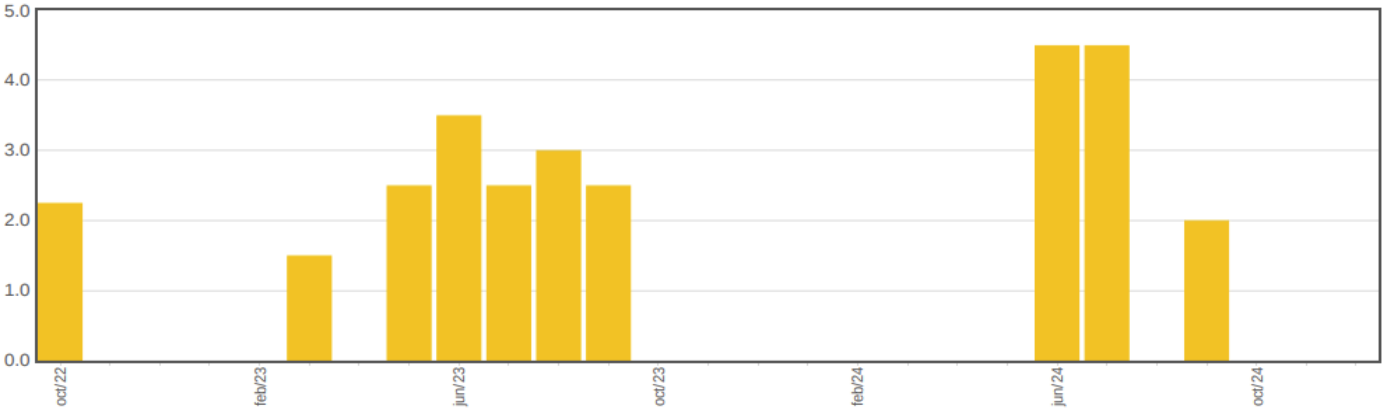
Term to Maturity

The percentage of investments maturing over the next ten years is detailed in the graph below



Maturity Cashflow

When investments will mature over time



R2 Financial Statements 2021/22

Organisational Area	**Corporate Services**
Author	Emily Tonacia, Director Corporate Services
Summary	Under section 419 of the Local Government Act 1993, Council is required to present its audited Financial Statements, together with the Audit Report, at a meeting of the Council.

RECOMMENDATION that the 2021/22 audited Financial Statements be received and noted.

Report

The Audit Office of New South Wales have completed the audit of the 2021/22 Financial Statements.

The Audit Report for the 2021/22 Financial Statements has now been received and is presented, together with the 2021/22 Financial Statements, in accordance with section 419(1) of the Local Government Act 1993.

Jason Gilbert, representing Crowe Pty Ltd (Council's Auditors), will attend the meeting to present the Audit Report.

Hong Wee Soh, representing the NSW Audit Office will attend the meeting via audio visual link to also present the Audit Report.

› **R2.1 Riverina Water Financial Statements 2021-2022** ⇩

Financial Implications

Not Applicable.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Riverina Water County Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2022

"to provide our community with safe reliable water at the lowest sustainable cost"

Riverina Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022

"to provide our community with safe reliable water at the lowest sustainable cost"

Riverina Water County Council

General Purpose Financial Statements

for the year ended 30 June 2022

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Primary Financial Statements:

Income Statement 4
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Statement of Financial Position 6
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Statement of Cash Flows 8

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Overview

Riverina Water County Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

91 Hammond Avenue
Wagga Wagga NSW 2650

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.rwcc.nsw.gov.au.

Riverina Water County Council

General Purpose Financial Statements
for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 01 September 2022.



Clr T Koschel
Chairperson



Clr D Meyer OAM
Deputy Chairperson



Mr A Crakanthorp
Chief Executive Officer



Ms E Tonacia
Responsible Accounting Officer

Riverina Water County Council

Income Statement

for the year ended 30 June 2022

Original unaudited budget 2022	$ '000	Notes	Actual 2022	Actual 2021
	Income from continuing operations			
5,172	Rates and annual charges	B2-1	**5,710**	5,655
24,030	User charges and fees	B2-2	**19,606**	19,796
466	Other revenues	B2-3	**576**	475
225	Grants and contributions provided for operating purposes	B2-4	**122**	190
3,558	Grants and contributions provided for capital purposes	B2-4	**4,327**	2,750
250	Interest and investment income	B2-5	**326**	467
–	Net gain from the disposal of assets	B4-1	**388**	116
33,701	**Total income from continuing operations**		**31,055**	29,449
	Expenses from continuing operations			
10,641	Employee benefits and on-costs	B3-1	**9,529**	9,066
8,537	Materials and services	B3-2	**5,815**	7,084
434	Borrowing costs	B3-3	**239**	367
7,550	Depreciation, amortisation and impairment of non-financial assets	B3-4	**8,390**	7,570
630	Other expenses	B3-5	**443**	95
27,792	**Total expenses from continuing operations**		**24,416**	24,182
5,909	**Operating result from continuing operations**		**6,639**	5,267
5,909	Net operating result for the year attributable to Council		**6,639**	5,267
2,351	**Net operating result for the year before grants and contributions provided for capital purposes**		**2,312**	2,517

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

Riverina Water County Council

Statement of Comprehensive Income

for the year ended 30 June 2022

$ '000	Notes	2022	Restated 2021
Net operating result for the year – from Income Statement		**6,639**	**5,267**
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	**16,714**	(55,542)
Gain (loss) on revaluation of intangible assets	C1-7	**(628)**	(1,587)
Total items which will not be reclassified subsequently to the operating result		**16,086**	(57,129)
Total other comprehensive income for the year		**16,086**	(57,129)
Total comprehensive income for the year attributable to Council		**22,725**	(51,862)

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

Riverina Water County Council

Statement of Financial Position

as at 30 June 2022

$ '000	Notes	2022	Restated 2021
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	**2,510**	2,892
Investments	C1-2	**11,500**	16,000
Receivables	C1-4	**4,106**	3,589
Inventories	C1-5	**2,435**	2,310
Total current assets		**20,551**	24,791
Non-current assets			
Investments	C1-2	**17,500**	12,500
Infrastructure, property, plant and equipment (IPPE)	C1-6	**338,607**	320,131
Intangible assets	C1-7	**10,890**	9,776
Total non-current assets		**366,997**	342,407
Total assets		**387,548**	367,198
LIABILITIES			
Current liabilities			
Payables	C3-1	**2,694**	2,843
Borrowings	C3-2	**1,535**	1,587
Employee benefit provisions	C3-3	**4,555**	4,852
Total current liabilities		**8,784**	9,282
Non-current liabilities			
Borrowings	C3-2	**1,934**	3,811
Total non-current liabilities		**1,934**	3,811
Total liabilities		**10,718**	13,093
Net assets		**376,830**	354,105
EQUITY			
Accumulated surplus		**159,484**	152,845
IPPE revaluation reserve	C4-1	**217,346**	201,260
Council equity interest		**376,830**	354,105
Total equity		**376,830**	354,105

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

Riverina Water County Council

Statement of Changes in Equity

for the year ended 30 June 2022

$ '000	Notes	2022 Accumulated surplus	2022 IPPE revaluation reserve	2022 Total equity	2021 Accumulated surplus	2021 IPPE revaluation reserve Restated	2021 Total equity Restated
Opening balance at 1 July		**152,845**	**201,260**	**354,105**	147,578	258,389	405,967
Net operating result for the year		**6,639**	**–**	**6,639**	5,267	–	5,267
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	**–**	**16,714**	**16,714**	–	(55,542)	(55,542)
Gain (loss) on revaluation of intangible assets		**–**	**(628)**	**(628)**	–	(1,587)	(1,587)
Other comprehensive income		**–**	**16,086**	**16,086**	–	(57,129)	(57,129)
Total comprehensive income		**6,639**	**16,086**	**22,725**	5,267	(57,129)	(51,862)
Closing balance at 30 June		**159,484**	**217,346**	**376,830**	152,845	201,260	354,105

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

Riverina Water County Council

Statement of Cash Flows

for the year ended 30 June 2022

Original unaudited budget 2022	$ '000	Notes	Actual 2022	Actual 2021
	Cash flows from operating activities			
	Receipts:			
5,169	Rates and annual charges		**5,751**	6,103
24,010	User charges and fees		**19,371**	20,346
303	Interest received		**372**	476
3,791	Grants and contributions		**4,452**	2,955
–	Bonds, deposits and retentions received		**30**	4
368	Other		**270**	1,845
	Payments:			
(10,612)	Payments to employees		**(9,633)**	(9,448)
(4,089)	Payments for materials and services		**(6,360)**	(7,749)
(434)	Borrowing costs		**(239)**	(367)
(5,030)	Other		**(461)**	1
13,476	**Net cash flows from operating activities**	F1-1	**13,553**	14,166
	Cash flows from investing activities			
	Receipts:			
6,824	Redemption of term deposits		**–**	1,000
–	Proceeds from sale of IPPE		**673**	317
	Payments:			
–	Acquisition of term deposits		**(500)**	–
(24,211)	Payments for IPPE		**(10,420)**	(11,962)
–	Purchase of intangible assets		**(1,759)**	(479)
(17,387)	**Net cash flows from investing activities**		**(12,006)**	(11,124)
	Cash flows from financing activities			
	Receipts:			
3,200	Proceeds from borrowings		**–**	–
	Payments:			
(2,218)	Repayment of borrowings		**(1,929)**	(1,868)
982	**Net cash flows from financing activities**		**(1,929)**	(1,868)
(2,929)	**Net change in cash and cash equivalents**		**(382)**	1,174
4,929	Cash and cash equivalents at beginning of year		**2,892**	1,718
2,000	Cash and cash equivalents at end of year	C1-1	**2,510**	2,892
11,176	plus: Investments on hand at end of year	C1-2	**29,000**	28,500
13,176	Total cash, cash equivalents and investments		**31,510**	31,392

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

Riverina Water County 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 dd MMMM yyyy. 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 financial statements are set out below. Unless otherwise stated, all accounting policies are consistent with those applied in the prior year.
Where appropriate, comparative figures have been amended to accord with the current year presentation, and disclosure has been made of any material changes to comparatives. Those comparative figures amended are summarised below:

- Cash & Cash Equivalents (C1-1) and Investments (C1-2) have been amended to reflect accurate capture of short term cash holdings to only be those amounts deposited with a term of 3 month or less. In the prior year, investments were disclosed as Cash & Cash Equivalents if there was 3 months or less until they matured.
- Sources of income (B2) has been broken down further to report amounts otherwise ordinarily included as Sundry Income.
- Diesel Fuel Rebate has been amended to be included under 'Other revenues' (B2-3), previously reported under Grants and contributions (B2-4)
- Grants and contributions (B2-4) has been broken down to further with regard to water supply contributions.

Basis of preparation

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 Regulations, 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.

Full dollars have been used in Note E1 Disclosures in relation to the disclosure of specific related party transactions.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

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

and are clearly marked.

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.

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:

(i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
(ii) estimated fair values of intangibles – refer Note C1-7
(iii) employee benefit provisions – refer Note C3-3

continued on next page

A1-1 Basis of preparation (continued)

Significant judgements in applying the Council's accounting policies
(i) Impairment of receivables

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

Covid 19 has again caused some disruption to council's business practices with a number of staff working remotely from home or at other council facilities away from the main administration building. Whilst this has caused some inconvenience, it has not resulted in significant additional cost. Some costs have been incurred for additional equipment and staff salaries for employees required to isolate.

There has not been any notable reductions in water rates, user charges or collections. Other receivables have not been impacted.

Overall the financial impact has not been significant and is not anticipated to increase in future years.

Council is of the view that physical non-current assets have not experienced substantial declines in value due to covid. Fair value for the majority of Council's non-current assets is determined by replacement cost where there is no anticipated material change in value due to covid. For assets where fair value is determined by market value, Council has no evidence of material changes to these values.

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.

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 2022 reporting period.

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

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 1 July 2021.

None of these standards had an impact on the reported position of performance.

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		Operating result		Grants and contributions		Carrying amount of assets	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
$ '000										Restated
Functions or activities										
Water supplies	**31,055**	29,449	**24,416**	24,182	**6,639**	5,267	**4,449**	2,940	**387,548**	367,198
Total functions and activities	**31,055**	29,449	**24,416**	24,182	**6,639**	5,267	**4,449**	2,940	**387,548**	367,198

B1-2 Components of functions or activities

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

Water supplies

Comprising the water supply functions servicing the Local Government Areas of Lockhart, Wagga Wagga and parts of the Greater Hume Shire and Federation Council.

B2 Sources of income

B2-1 Rates and annual charges

$ '000	Timing	2022	2021
Annual charges			
(pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Water supply services – commercial	2	**502**	496
Water supply services – residential	2	**5,004**	4,952
Annual charges levied		**5,506**	5,448
Pensioner subsidies received:			
– Water	2	**204**	207
Total annual charges		**5,710**	5,655
Total rates and annual charges		**5,710**	5,655

Accounting policy

Rates and annual charges are recognised as revenue at 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 recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

$ '000	Timing	2022	2021
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services – commercial	2	**5,355**	5,589
Water supply services – residential	2	**12,932**	13,234
Total specific user charges		**18,287**	18,823
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Private works – section 67	2	**–**	2
Section 603 certificates	2	**190**	217
Plumbing permits/fees	2	**59**	61
Total fees and charges – statutory/regulatory		**249**	280
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Leaseback fees – Council vehicles	2	**35**	44
Water connection fees	2	**884**	423
Standpipe fees	2	**151**	226
Total fees and charges – other		**1,070**	693
Total other user charges and fees		**1,319**	973
Total user charges and fees		**19,606**	19,796
Timing of revenue recognition for user charges and fees			
User charges and fees recognised at a point in time (2)		**19,606**	19,796
Total user charges and fees		**19,606**	19,796

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.

B2-3 Other revenues

$ '000	Timing	2022	2021
Diesel rebate	2	**9**	17
Sales – general	2	**48**	60
Lease rental	2	**31**	25
Sales – scrap material	2	**8**	8
Sundry Income	2	**–**	20
Temporary water allocation	2	**338**	333
Employment & Training Subsidies	2	**142**	12
Total other revenue		**576**	475

Timing of revenue recognition for other revenue

Other revenue recognised at a point in time (2)	**576**	475
Total other revenue	**576**	475

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

$ '000	Timing	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
LIRS subsidy	2	**122**	190	**–**	–
Water supplies (excl. section 64 contributions)	2	**–**	–	**1,699**	1,021
Total special purpose grants and non-developer contributions – cash		**122**	190	**1,699**	1,021
Total special purpose grants and non-developer contributions (tied)		**122**	190	**1,699**	1,021
Total grants and non-developer contributions		**122**	190	**1,699**	1,021
Comprising:					
– State funding		**122**	190	**–**	–
– Other funding		**–**	–	**1,699**	1,021
		122	190	**1,699**	1,021

Developer contributions

$ '000	Notes	Timing	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	F4					
Cash contributions						
S 64 – water supply contributions		2	**–**	–	**2,628**	1,729
Total developer contributions – cash			**–**	–	**2,628**	1,729
Total developer contributions			**–**	–	**2,628**	1,729
Total contributions			**–**	–	**2,628**	1,729
Total grants and contributions			**122**	190	**4,327**	2,750
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised at a point in time (2)			**122**	190	**4,327**	2,750
Total grants and contributions			**122**	190	**4,327**	2,750

Accounting policy

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

B2-5 Interest and investment income

$ '000	2022	2021
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges	**86**	63
– Cash and investments	**240**	404
Total interest and investment income	**326**	467
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges	**86**	63
General Council cash and investments	**240**	404
Total interest and investment income	**326**	467

Accounting policy

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

B3 Costs of providing services

B3-1 Employee benefits and on-costs

$ '000	2022	2021
Salaries and wages	**8,357**	8,205
Travel expenses	**173**	191
Employee leave entitlements (ELE)	**1,789**	1,423
Superannuation	**1,577**	1,465
Workers' compensation insurance	**401**	155
Fringe benefit tax (FBT)	**54**	66
Payroll tax	**440**	541
Training costs (other than salaries and wages)	**193**	212
Uniforms	**47**	58
Safety Bonus	**9**	9
Sick leave bonus	**140**	149
Total employee costs	**13,180**	12,474
Less: capitalised costs	**(3,651)**	(3,408)
Total employee costs expensed	**9,529**	9,066
Number of 'full-time equivalent' employees (FTE) at year end	**113**	108

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 C3-3 for more information.

B3-2 Materials and services

$ '000	Notes	2022	2021
Raw materials and consumables		**260**	321
Contractor and consultancy costs		**1,783**	2,054
Audit Fee	E2-1	**58**	49
Strategic Documents		**61**	44
Councillor and Mayoral fees and associated expenses	E1-2	**124**	120
Advertising		**7**	56
Bank charges		**28**	24
Computer software charges		**388**	352
Electricity and heating		**1,898**	2,255
Insurance		**326**	251
Office expenses (including computer expenses)		**273**	311
Postage		**122**	124
Printing and stationery		**21**	36
Subscriptions and publications		**103**	111
Telephone and communications		**99**	182
Demand management		**5**	44
Rates and user charges		**114**	144
Community Engagement		**31**	546
Risk Management		**4**	14
Memberships		**54**	–
Legal expenses:			
– Legal expenses: other		**54**	44
Expenses from leases of low value assets		**2**	2
Total materials and services		**5,815**	7,084
Total materials and services		**5,815**	7,084

Accounting policy

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

B3-3 Borrowing costs

$ '000	2022	2021
(i) Interest bearing liability costs		
Interest on loans	**239**	367
Total borrowing costs expensed	**239**	367

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

$ '000	Notes	2022	2021
Depreciation and amortisation			
Plant and equipment		**589**	555
Office equipment		**103**	130
Infrastructure:	C1-6		
– Buildings – non-specialised		**6**	54
– Buildings – specialised		**205**	143
– Water supply network		**7,457**	6,671
- Land Improvements		**13**	–
Intangible assets	C1-7	**17**	17
Total gross depreciation and amortisation costs		**8,390**	7,570
Total depreciation, amortisation and impairment for non-financial assets		**8,390**	7,570

Accounting policy

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 C1-6 for IPPE assets and Note C1-7 for intangible 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 not tested for impairment since 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 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 non-financial 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.

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).

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

$ '000	2022	2021
Other		
Donations, contributions and assistance to other organisations (Section 356)	**443**	95
Total other expenses	**443**	95

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

B4 Gains or losses

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

$ '000	Notes	2022	2021
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		**673**	317
Less: carrying amount of plant and equipment assets sold/written off		**(285)**	(201)
Gain (or loss) on disposal		**388**	116
Net gain (or loss) from disposal of assets		**388**	116

Accounting policy

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 de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 30/06/2021 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	2022 Budget	2022 Actual	2022 Variance		
Revenues					
Rates and annual charges	5,172	5,710	538	10%	F
User charges and fees	24,030	19,606	(4,424)	(18)%	U
Water sales lower than budgeted due to increased rainfall resulting in lower consumption.					
Other revenues	466	576	110	24%	F
Other revenues higher than expected due to unbudgeted employment and training subsidies.					
Operating grants and contributions	225	122	(103)	(46)%	U
Variance due to lower than anticipated LIRS subsidy.					
Capital grants and contributions	3,558	4,327	769	22%	F
Variance due to higher than anticipated developer contribtuions as a result of increased development.					
Interest and investment revenue	250	326	76	30%	F
Income higher than budgeted due to cash on hand being higher than anticipated as a result of reduced capital delivery.					
Net gains from disposal of assets	–	388	388	∞	F
Expenses					
Employee benefits and on-costs	10,641	9,529	1,112	10%	F
Materials and services	8,537	5,815	2,722	32%	F
Variance mainly attributable to reduced electricity costs as a result of lower water sales.					
Borrowing costs	434	239	195	45%	F
Borrowing costs lower than anticipated due to proposed borrowings not eventuating as a result of project delays.					
Depreciation, amortisation and impairment of non-financial assets	7,550	8,390	(840)	(11)%	U
Depreciation higher than originally anticipated due to water infrastructure valuation occuring post budgeting.					
Other expenses	630	443	187	30%	F
Other expenses lower than anticipated due to not all community grants payments being acquitted in the 2022 financial year.					
Statement of cash flows					
Cash flows from operating activities	13,476	13,553	77	1%	F

continued on next page

B5-1 Material budget variations (continued)

$ '000	2022 Budget	2022 Actual	2022 -------- Variance --------		
Cash flows from investing activities	**(17,387)**	**(12,006)**	**5,381**	**(31)%**	**F**
Decreased capital expenditure as a result of project delays.					
Cash flows from financing activities	**982**	**(1,929)**	**(2,911)**	**(296)%**	**U**
Variance due to anticipated loans not eventuating due to project delays.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

$ '000	2022	2021
Cash assets		
Cash on hand and at bank	**1,008**	340
Cash equivalent assets		
– Short-term deposits	**1,502**	2,552
Total cash and cash equivalents	**2,510**	2,892
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents per Statement of Financial Position	**2,510**	2,892
Balance as per the Statement of Cash Flows	**2,510**	2,892

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.

C1-2 Financial investments

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Debt securities at amortised cost				
Long term deposits	**11,500**	**17,500**	16,000	12,500
Total	**11,500**	**17,500**	16,000	12,500
Total financial investments	**11,500**	**17,500**	16,000	12,500
Total cash assets, cash equivalents and investments	**14,010**	**17,500**	18,892	12,500

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.

Amortised cost
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 and allocated cash, cash equivalents and investments

$ '000	2022	2021
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	**31,510**	31,392
Cash, cash equivalents and investments not subject to external restrictions	**31,510**	31,392

$ '000	2022	2021
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	**31,510**	31,392
Less: Internally restricted cash, cash equivalents and investments	**(8,285)**	(7,844)
Unrestricted and unallocated cash, cash equivalents and investments	**23,225**	23,548

Internal allocations

At 30 June, Council has internally allocated funds to the following:

Employees leave entitlement	**2,278**	2,426
Plant replacement	**2,110**	1,857
Sales fluctuation	**3,000**	3,000
Water Treatment Plant	**228**	228
Revenue from Water Licences	**669**	333
Total internal allocations	**8,285**	7,844

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

$ '000	2022	2021
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	**23,225**	23,548

C1-4 Receivables

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Rates and annual charges	**790**	**–**	765	–
User charges and fees	**2,281**	**–**	2,046	–
Accrued revenues				
Accrued interest on investments	**272**	**–**	318	–
Government grants and subsidies	**204**	**–**	207	–
Net GST receivable	**199**	**–**	212	–
Sundry debtors	**360**	**–**	41	–
Total	**4,106**	**–**	3,589	–
Total net receivables	**4,106**	**–**	3,589	–

Accounting policy

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

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.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment/Measurement of ECL

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

Impairment

When estimating ECL, 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, including forward-looking information.

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

When considering the ECL for rates and annual charges 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.

Credit losses are measured at 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.

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Council's provision for impairment of receivables at 30 June 2022 is $nil (2021: $nil).

C1-5 Inventories

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
(i) Inventories at cost				
Stores and materials	**2,435**	**–**	2,310	–
Total inventories at cost	**2,435**	**–**	2,310	–
Total inventories	**2,435**	**–**	2,310	–

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 Infrastructure, property, plant and equipment

By aggregated asset class / $ '000	At 1 July 2021			Asset movements during the reporting period						At 30 June 2022		
	Gross carrying amount [1] Restated	Accumulated depreciation and impairment	Net carrying amount Restated	Additions renewals [2]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount [1]	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	10,838	–	10,838	**3,265**	**1,545**	**–**	**–**	**(8,048)**	**–**	**7,600**	**–**	**7,600**
Plant and equipment	7,225	(3,728)	3,497	**936**	**–**	**(284)**	**(589)**	**–**	**–**	**7,215**	**(3,655)**	**3,560**
Office equipment	1,355	(1,070)	285	**–**	**69**	**(1)**	**(103)**	**–**	**–**	**1,422**	**(1,173)**	**249**
Land:												
– Operational land	6,379	–	6,379	**–**	**1,015**	**–**	**–**	**–**	**56**	**7,450**	**–**	**7,450**
- Land Improvements	2,015	(27)	1,988	**–**	**–**	**–**	**(13)**	**–**	**148**	**2,163**	**(40)**	**2,123**
Infrastructure:												
– Buildings – non-specialised	623	(212)	411	**–**	**–**	**–**	**(6)**	**–**	**21**	**644**	**(218)**	**426**
– Buildings – specialised	20,207	(7,113)	13,094	**–**	**35**	**–**	**(205)**	**–**	**683**	**20,925**	**(7,318)**	**13,607**
– Water supply network	498,463	(214,824)	283,639	**3,029**	**529**	**–**	**(7,457)**	**8,048**	**15,806**	**525,854**	**(222,262)**	**303,592**
Total infrastructure, property, plant and equipment	547,105	(226,974)	320,131	**7,230**	**3,193**	**(285)**	**(8,373)**	**–**	**16,714**	**573,273**	**(234,666)**	**338,607**

(1) Council has restated opening balances for a prior period error explained in Note F3-1

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

By aggregated asset class / $ '000	At 1 July 2020			Asset movements during the reporting period								At 30 June 2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR) Restated	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	8,572	–	8,572	2,192	841	–	–	(627)	(140)	–	–	10,838	–	10,838
Plant and equipment	6,959	(3,495)	3,464	781	–	(194)	(555)	–	–	–	–	7,225	(3,728)	3,497
Office equipment	1,302	(961)	341	–	83	(2)	(130)	–	–	–	–	1,355	(1,070)	285
Land:														
– Operational land	4,658	–	4,658	–	1,587	–	–	–	–	–	134	6,379	–	6,379
- Land Improvements	2,510	–	2,510	–	36	–	–	–	–	(558)	–	2,015	(27)	1,988
Infrastructure:														
– Buildings – non-specialised	4,094	(636)	3,458	–	–	–	(54)	–	–	(2,992)	–	623	(212)	411
– Buildings – specialised	12,431	(1,358)	11,073	–	400	–	(143)	–	140	–	1,625	20,207	(7,113)	13,094
– Water supply network	492,131	(154,725)	337,406	4,653	1,376	–	(6,671)	627	–	(53,751)	–	498,463	(214,824)	283,639
Total infrastructure, property, plant and equipment	532,657	(161,175)	371,482	7,626	4,323	(196)	(7,553)	–	–	(57,301)	1,759	547,105	(226,974)	320,131

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

continued on next page

C1-6 Infrastructure, property, plant and equipment (continued)

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes.

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

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.

Useful lives of IPPE

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	Water assets	Years
Office equipment	5 to 10	Reservoirs	80 to 100
Office furniture	10 to 20	Bores	20 to 40
Computer equipment	5	Reticulation pipes: PVC	80
Vehicles	5 to 10	Reticulation pipes: other	25 to 75
Heavy plant/road making equipment	5 to 10	Pumps and telemetry	15 to 20
Other plant and equipment	5 to 15	**Buildings**	
		Buildings: masonry	50 to 100

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

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council 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 Planning, Industry and Environment – Water.

Increases in the carrying amounts arising on revaluation are credited to the IPPE 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

C1-7 Intangible assets

Intangible assets are as follows:

$ '000	2022	2021
Software		
Opening values at 1 July		
Gross book value	**258**	52
Net book value – opening balance	**258**	52
Movements for the year		
Purchases	**1,716**	223
Amortisation charges	**(17)**	(17)
Closing values at 30 June		
Gross book value	**1,957**	258
Total software – net book value	**1,957**	258
Other		
(b) High Security Water Licences		
Opening values at 1 July		
Gross book value	**9,518**	10,832
Net book value – opening balance	**9,518**	10,832
Movements for the year		
Purchases	**43**	273
Fair Value (increment to Equity - Asset Revaluation Reserve)	**(628)**	(1,587)
Closing values at 30 june		
Gross book value	**8,933**	9,518
Total High Security Water Licences – net book value	**8,933**	**9,518**
Total intangible assets – net book value	**10,890**	9,776

Accounting policy

IT development and software
Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll, and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility, and where the Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

High Security Water Licences
Costs capitalised include external direct costs associated with the purchase of the licence. These rights are valued each year and any associated impairment or fair revaluation increment are included.

C2 Leasing activities

C2-1 Council as a lessee

Council has no material leases over any assets including land and buildings, vehicles, machinery and IT equipment. Council has applied the exceptions to lease accounting for 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.

Office and IT equipment

Council holds one lease for office and IT equipment for a low value asset. The expense has been accounted for on a straight-line basis in the financial statements.

Income Statement

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

$ '000	2022	2021
Expenses relating to low-value leases	2	2
	2	2

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. The right-of-use 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.

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.

C3 Liabilities of Council

C3-1 Payables

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Goods and services – operating expenditure	**320**	**–**	740	–
Accrued expenses:				
– Salaries and wages	**579**	**–**	386	–
– Other expenditure accruals	**794**	**–**	812	–
Security bonds, deposits and retentions	**93**	**–**	63	–
Prepaid rates	**908**	**–**	842	–
Total payables	**2,694**	**–**	2,843	–

Payables relating to restricted assets

Restrictions
There are no restricted assets (external or internal) applicable to the above payables and borrowings.

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

$ '000	2022	2021
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	**93**	63
Total payables	**93**	63

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 Borrowings

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Loans – secured [1]	**1,535**	**1,934**	1,587	3,811
Total borrowings	**1,535**	**1,934**	1,587	3,811

(1) Loans are secured over the income of Council.
Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note D1.

continued on next page

C3-2 Borrowings (continued)

(a) Changes in liabilities arising from financing activities

$ '000	2021 Opening Balance	Cash flows	Non-cash movements: Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	2022 Closing balance
Loans – secured	5,398	**(1,929)**	**–**	**–**	**–**	**–**	**3,469**
Total liabilities from financing activities	5,398	**(1,929)**	**–**	**–**	**–**	**–**	**3,469**

(b) Financing arrangements

$ '000	2022	2021
Total facilities		
Bank overdraft facilities [1]	**250**	250
Credit cards/purchase cards	**100**	100
Market Rate Facility	**500**	500
Total financing arrangements	**850**	850
Drawn facilities		
– Credit cards/purchase cards	**38**	15
Total drawn financing arrangements	**38**	15
Undrawn facilities		
– Bank overdraft facilities	**250**	250
– Credit cards/purchase cards	**62**	85
– Market Rate Facility	**500**	500
Total undrawn financing arrangements	**812**	835

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

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.

C3-3 Employee benefit provisions

$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Annual leave	**1,224**	**–**	1,205	–
Sick leave	**7**	**–**	8	–
Long service leave	**3,324**	**–**	3,639	–
Total employee benefit provisions	**4,555**	**–**	4,852	–

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

$ '000	2022	2021
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	**3,193**	3,972
	3,193	3,972

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if 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 and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

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.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE 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.

The Water Licence revaluation reserve is used to record increments and decrements in the revaluation of high security water licences.

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

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 Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **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 the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – interest rate and price risk

$ '000	2022	2021
The impact on result for the year and equity of a reasonably possible movement in the interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date. This risk only relates to future reinvestment.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	**315**	314

continued on next page

D1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise (i) 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 the credit risk associated with these receivables 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 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 value rates which further encourages the payment of debt.

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

Credit risk profile

Receivables – annual charges

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

$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2022				
Gross carrying amount	**515**	**275**	**–**	**790**
2021				
Gross carrying amount	518	247	–	765

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.

$ '000	Not yet overdue	Overdue debts 0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	Total
2022						
Gross carrying amount	**2,789**	**527**	**–**	**–**	**–**	**3,316**
Expected loss rate (%)	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
2021						
Gross carrying amount	2,303	521	–	–	–	2,824
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

continued on next page

D1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – 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 maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2022							
Payables	**0.00%**	**93**	**2,601**	**–**	**–**	**2,694**	**2,694**
Borrowings	**4.21%**	**–**	**1,685**	**853**	**2,074**	**4,612**	**3,469**
Total financial liabilities		**93**	**4,286**	**853**	**2,074**	**7,306**	**6,163**
2021							
Payables	0.00%	63	1,796	–	–	1,859	2,843
Borrowings	5.70%	–	2,246	2,884	1,314	6,444	5,398
Total financial liabilities		63	4,042	2,884	1,314	8,303	8,241

D2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment
– Financial assets and liabilities

Fair value hierarchy

All assets and liabilities measured at fair value are 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: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Council:

continued on next page

D2-1 Fair value measurement (continued)

		Fair value measurement hierarchy							
		Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
$ '000	Notes	2022	2021	2022	2021	2022	2021	2022	2021 Restated	2022	2021 Restated
Recurring fair value measurements											
Intangible assets											
High Security Water Licence				–	–	**8,933**	9,518	–	–	**8,933**	9,518
Total intangible assets				–	–	**8,933**	9,518	–	–	**8,933**	9,518
Infrastructure, property, plant and equipment	C1-6										
Water Treatment Plants		30/06/21	30/06/21	–	–	–	–	**64,575**	62,089	**64,575**	62,089
Ground Water Bores		30/06/21	30/06/21	–	–	–	–	**3,475**	3,386	**3,475**	3,386
Water Pumping Stations		30/06/21	30/06/21	–	–	–	–	**6,663**	6,620	**6,663**	6,620
Water Reservoirs		30/06/21	30/06/21	–	–	–	–	**34,044**	26,467	**34,044**	26,467
Other Water Assets		30/06/21	30/06/21	–	–	–	–	**1,472**	968	**1,472**	968
Pipes		30/06/21	30/06/21	–	–	–	–	**193,363**	184,109	**193,363**	184,109
Buildings		30/06/21	30/06/21	–	–	–	–	**14,033**	13,505	**14,033**	13,505
Land		30/06/21	30/06/21	–	–	**9,573**	8,791	–	–	**9,573**	8,791
Plant & Equipment				–	–	**3,560**	3,497	–	–	**3,560**	3,497
Office Equipment				–	–	**249**	286	–	–	**249**	286
Total infrastructure, property, plant and equipment				–	–	**13,382**	12,574	**317,625**	297,144	**331,007**	309,718
Non-recurring fair value measurements											

continued on next page

D2-1 Fair value measurement (continued)

Valuation techniques

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:

Intangible assets

An external valuation is conducted for the High Security Water Licence on an annual basis based on observed market rates for similar licences.

Infrastructure, property, plant and equipment (IPPE)

Council engages external, independent and qualified valuers to determine fair value of infrastructure and property assets on a regular basis. This was undertaken during 2020/21. An assessment has also been undertaken to ensure that there is no material difference in carrying values. Water Infrastructure has been indexed in accordance with the rate advised by DPI Water NSW. Techniques used to derive fair values:

Land: where an active market exists, a market approach has been adopted. For other types of land the cost approach was adopted. Market valuations were determined by comparing recent sales of land with similar characteristics. Cost valuations were obtained by assuming the need to purchase land from an adjoining neighbour, the value could be determined based on known zoning and town planning restrictions, comparing recent sales of similar land.

Buildings: buildings are disaggregated into different components. Observable inputs to the valuation include design and construction, average cost of construction, condition and consumption, supported by inspection and market evidence. Unobservable inputs include pattern of consumption and remaining service potential, which required professional judgement.

Infrastructure: assets are componentised into significant parts. Unit rates are based on similar capacity, using market evidence or other inputs that require professional judgement.

Plant and Equipment: valued based on actual historical costs.

Fair value measurements using significant unobservable inputs (level 3)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

	Total IPP&E	
$ '000	**2022**	2021
Opening balance	**297,144**	351,937
Total gains or losses for the period		
Recognised in other comprehensive income – revaluation surplus	**16,508**	(55,119)
Other movements		
Transfers from/(to) another asset class	**8,048**	765
Purchases (GBV)	**3,593**	6,429
Depreciation and impairment	**(7,668)**	(6,868)
Closing balance	**317,625**	297,144

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

D3-1 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 makes employer contributions to the defined benefits categories of the Scheme at rates determined by the Scheme's Trustee. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefit, as defined in the Trust Deed, as they accrue.

Council has an ongoing obligation to share in the future rights and liabilities of the Scheme. Favourable or unfavourable variations may arise should the financial requirements of the Scheme differ from the assumptions made by the Scheme's actuary in estimating the accrued benefits liability.

(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 30/6 this year 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.

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) Sick Leave Payable on Retirement due to Medical Grounds

At balance date there is a contingent liability for staff who are entitled to a sick leave to be paid out if they were to retire due to medical grounds. This is an unlikely event. Amount totals $49,069 (2020/21 $47,208).

E People and relationships

E1 Related party disclosures

E1-1 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 (for 12 KMP in total) is:

$ '000	2022	2021
Compensation:		
Short-term benefits	**734**	528
Post-employment benefits	**63**	39
Other long-term benefits	**31**	20
Total	**828**	587

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. supply of water to the residence of KMP) will not be disclosed.

Councillors of Riverina Water County Council are also Councillors for constituent member Councils. Councillors are elected as independent members of Riverina Water County Council's board. Constituent Councils do not hold direct control over Riverina Water County Council and transactions between Councils have not been classified as Related Party transactions.

Nature of the transaction $ '000	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
2022					
Payment for goods/ services received	**5**	**–**	30 day creditor payment terms	**–**	**–**

E1-2 Councillor and Mayoral fees and associated expenses

$ '000	2022	2021
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Members expenses – chairperson's fee	**18**	18
Members expenses – members fees	**79**	89
Members expenses (incl. chairperson) – other (excluding fees above)	**27**	13
Total	**124**	120

E2 Other relationships

E2-1 Audit fees

$ '000	2022	2021
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	**32**	31
Remuneration for audit and other assurance services	**32**	31
Total Auditor-General remuneration	**32**	31
Non NSW Auditor-General audit firms		
(i) Audit and other assurance services		
Other audit and assurance services: Council's Internal Auditor	**26**	18
Remuneration for audit and other assurance services	**26**	18
Total remuneration of non NSW Auditor-General audit firms	**26**	18
Total audit fees	**58**	49

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

$ '000	2022	2021
Net operating result from Income Statement	**6,639**	5,267
Add / (less) non-cash items:		
Depreciation and amortisation	**8,390**	7,570
(Gain) / loss on disposal of assets	**(388)**	(116)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	**(517)**	777
(Increase) / decrease of inventories	**(125)**	166
Increase / (decrease) in payables	**(420)**	503
Increase / (decrease) in other accrued expenses payable	**175**	169
Increase / (decrease) in other liabilities	**96**	285
Increase / (decrease) in employee benefit provision	**(297)**	(455)
Net cash flows from operating activities	**13,553**	14,166

F2-1 Commitments

Capital commitments (exclusive of GST)

$ '000	2022	2021
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Water Treatment Plant	**–**	238
Purchase Land Kooringal Road	**–**	121
Solar Pilot Plant	**104**	109
ERP Development & Implementation	**1,551**	176
Humula Reservoir Replacement	**–**	74
Walbundrie Reservoir Replacement	**–**	79
Refurbishment of Operations Office	**516**	–
Total commitments	**2,171**	797
These expenditures are payable as follows:		
Within the next year	**2,171**	797
Total payable	**2,171**	797
Sources for funding of capital commitments:		
Unrestricted general funds	**2,171**	797
Total sources of funding	**2,171**	797

Details of capital commitments
2022
Contract for refurbishment of Operations office, project to be finalised in 2022/23 financial year.
Solar Pilot Plant preliminary works to continue in 2022/23 financial year.
ERP Development and Implementation to continue in 2022/23 financial year.

F3 Changes from prior year statements

F3-1 Correction of errors

Nature of prior period error

During the 2021 financial year, Riverina Water undertook a full revaluation of all asset classes. After the completion and adoption of the 2021 financial statements, management identified Work In Progress (WIP) of $7,817m was included as part of the revaluation report and was included in the revaluation movement during the year. The WIP balance was also recorded in the general ledger account resulting in double counting of the WIP balance. The revaluation movement during FY2021 was recorded directly to the financial statements, hence did not have any depreciation expense. The error resulted in the Written Down Value (WDV) of Infrastructure, Property, Plant & Equipment being overstated, and the Asset Revaluation Reserve (ARR) being overstated.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

Adjustments to the comparative figures for the year ended 30 June 2021

Statement of Financial Position

$ '000	Notes	Original Balance 30 June, 2021	Impact Increase/ (decrease)	Restated Balance 30 June, 2021
Cash and cash equivalents	A1-1	14,392	(11,500)	2,892
Investments	A1-1	17,000	(1,000)	16,000
Receivables		3,589	–	3,589
Inventories		2,310	–	2,310
Total current assets		37,291	(12,500)	24,791
Investments	A1-1	–	12,500	12,500
Infrastructure, property, plant and equipment (IPPE)		327,948	(7,817)	320,131
Intangible Assets		9,776	–	9,776
Total non-current assets		337,724	4,683	342,407
Total assets		**375,015**	**(7,817)**	**367,198**
Payables		2,843	–	2,843
Borrowings		1,587	–	1,587
Employee benefit provisions		4,852	–	4,852
Total current liabilities		9,282	–	9,282
Borrowings		3,811	–	3,811
Total non-current liabilities		3,811	–	3,811
Total liabilities		**13,093**	**–**	**13,093**
Net assets		361,922	(7,817)	354,105
Accumulated Surplus		152,845	–	152,845
IPPE revaluation reserve		209,077	(7,817)	201,260
Total equity		**361,922**	**(7,817)**	**354,105**

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F3-1 Correction of errors (continued)

Statement of Comprehensive Income

$ '000	Original Balance 30 June, 2021	Impact Increase/ (decrease)	Restated Balance 30 June, 2021
Net operating result for the year	**5,267**	**–**	**5,267**
Amounts which will not be reclassified subsequently to the operating result:			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	(47,725)	(7,817)	(55,542)
Gain (loss) on revaluation of intangible assets	(1,587)	–	(1,587)
Other comprehensive income	**(49,312)**	**(7,817)**	**(57,129)**
Total comprehensive income for the year	**(44,045)**	**(7,817)**	**(51,862)**

F3-2 Changes in accounting estimates

Nature and effect of changes in accounting estimates on current year
There was no impact on the accounting estimates in the current year.

Nature and effect of changes in accounting estimates on future years
There are no foreseeable impacts on the accounting estimates for the future years.

F4 Statement of developer contributions as at 30 June 2022

F4-1 Summary of developer contributions

$ '000	Opening balance at 1 July 2021	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2022	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
S64 contributions	–	2,628	–	–	(2,628)	–	–	–
Total contributions	**–**	**2,628**	**–**	**–**	**(2,628)**	**–**	**–**	**–**

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.

F5 Statement of performance measures

F5-1 Statement of performance measures – consolidated results

$ '000	Amounts 2022	Indicator 2022	Indicators 2021	Indicators 2020	Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2]	1,924	7.30%	9.03%	28.54%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions [1]	26,340				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions [1]	26,218	85.49%	89.98%	92.59%	> 60.00%
Total continuing operating revenue [1]	30,667				
3. Unrestricted current ratio					
Current assets less all external restrictions	52,061	6.77x	8.45x	8.32x	> 1.50x
Current liabilities less specific purpose liabilities	7,693				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation [1]	10,553	4.87x	4.63x	7.69x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,168				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	790	12.04%	11.50%	14.26%	< 10.00%
Rates and annual charges collectable	6,561				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	31,510	20.31 mths	19.39 mths	18.27 mths	> 3.00 mths
Monthly payments from cash flow of operating and financing activities	1,552				

(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

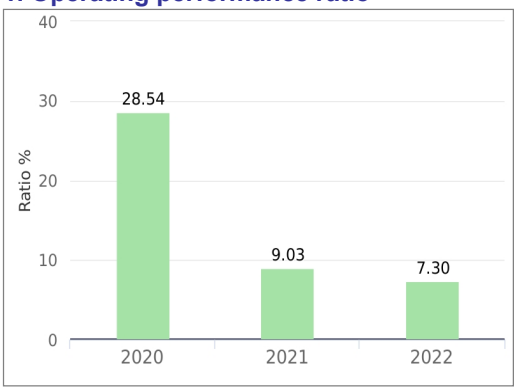
END OF AUDITED FINANCIAL STATEMENTS

End of the audited financial statements

G Additional Council disclosures (unaudited)

G1-1 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 2021/22 result

2021/22 ratio 7.30%

Decrease in result on prior years due to water being less as a result of increased rainfall and lower water consumption demand.

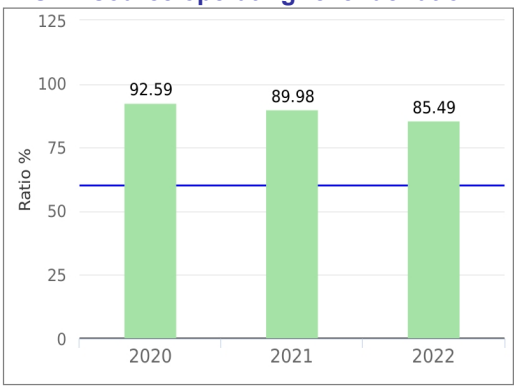
Benchmark: — > 0.00%

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 2021/22 result

2021/22 ratio 85.49%

Council primarily relies on water sales income to fund operations, which results in a consistently high ratio.

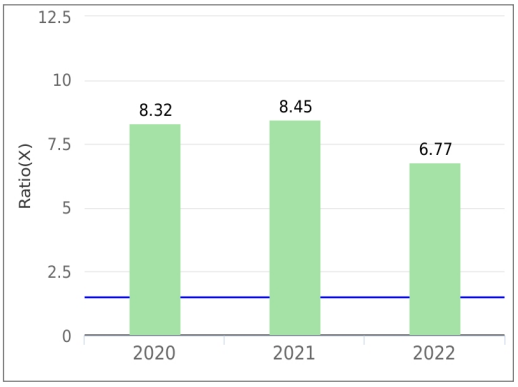
Benchmark: — > 60.00%

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 2021/22 result

2021/22 ratio 6.77x

A decrease in this ratio for the current year is due to decreased short term cash holdings.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

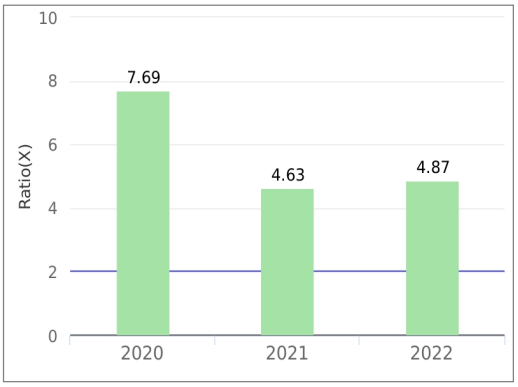
Ratio achieves benchmark

Ratio is outside benchmark

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G1-1 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 2021/22 result

2021/22 ratio 4.87x

Higher operating result this year has resulted in a higher ratio.

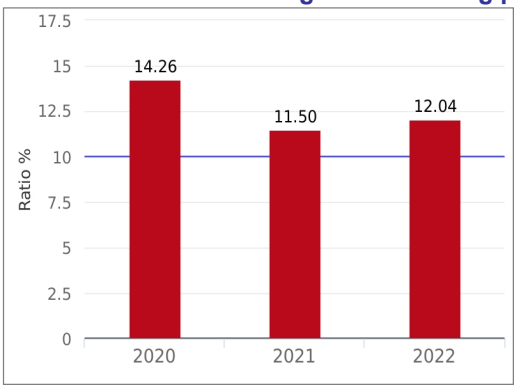
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

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 2021/22 result

2021/22 ratio 12.04%

This ratio is consistent over the years due to debt recovery measures in place. The ratio is high compared to benchmark due to rolling quarterly billing cycle where accounts are raised throughout the quarter. This measure takes into account all accounts regardless of whether they are overdue.

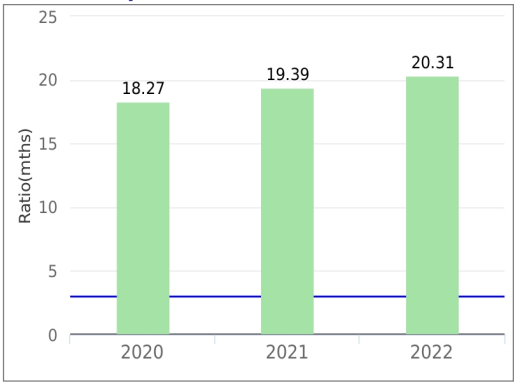
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

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 2021/22 result

2021/22 ratio 20.31 mths

This ratio has remained fairly consistent with a slight increase due to increased cash holdings at year end.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

G1-2 Financial review

Key financial figures of Council over the past 5 years

$ '000	2022	2021 Restated	2020	2019	2018
Inflows:					
Rates and annual charges revenue	**5,710**	5,655	5,592	5,551	5,471
User charges revenue	**19,606**	19,796	25,587	25,994	22,877
Interest and investment revenue (losses)	**326**	467	664	691	595
Grants income – operating and capital	**1,821**	1,211	270	338	402
Total income from continuing operations	**31,055**	29,449	36,613	36,322	32,970
Sale proceeds from IPPE	**673**	317	216	279	214
New loan borrowings and advances	**–**	–	–	–	–
Outflows:					
Employee benefits and on-cost expenses	**9,529**	9,066	9,627	8,972	7,942
Borrowing costs	**239**	367	466	570	653
Materials and contracts expenses	**5,815**	7,084	7,365	2,580	2,202
Total expenses from continuing operations	**24,416**	24,182	24,413	22,853	21,260
Total cash purchases of IPPE	**10,420**	11,962	15,701	15,928	11,025
Total loan repayments (incl. finance leases)	**1,929**	1,868	1,753	1,668	1,575
Operating surplus/(deficit) (excl. capital income)	**2,312**	2,517	9,757	10,456	8,391
Financial position figures					
Current assets	**20,551**	24,791	38,060	35,545	32,045
Current liabilities	**8,784**	9,282	9,059	8,159	6,868
Net current assets	**11,767**	15,509	29,001	27,386	25,177
Available working capital (Unrestricted net current assets)	**21,728**	17,550	28,793	27,669	23,338
Cash and investments – unrestricted	**23,225**	23,548	24,037	19,545	17,421
Cash and investments – internal restrictions	**8,285**	7,844	7,181	8,639	8,714
Cash and investments – total	**31,510**	31,392	31,218	28,184	26,135
Total borrowings outstanding (loans, advances and finance leases)	**3,469**	5,398	7,266	9,019	10,687
Total value of IPPE (excl. land and earthworks)	**573,273**	547,105	527,999	510,376	490,822
Total accumulated depreciation	**234,666**	226,974	161,175	154,760	149,064
Indicative remaining useful life (as a % of GBV)	**59%**	59%	69%	70%	70%

Source: published audited financial statements of Council (current year and prior year)

G1-3 Council information and contact details

Principal place of business:
91 Hammond Avenue
Wagga Wagga NSW 2650

Contact details

Mailing Address:
PO Box 456
Wagga Wagga NSW 2650

Opening hours:
8:30am - 4:00pm
Monday to Friday

Telephone: 02 6922 0608
Facsimile: 02 6921 2241

Internet: www.rwcc.nsw.gv.au
Email: admin@rwcc.nsw.gov.au

Officers

CHIEF EXECUTIVE OFFICER
Mr A Crakanthorp

RESPOSIBLE ACCOUNTING OFFICER
Ms E Tonacia

PUBLIC OFFICER
Ms E Tonacia

AUDITORS
Audit Office of New South Wales
Level 15, 1 Margaret Street
Sydney NSW 2000

Elected members

CHAIRPERSON
Clr T Koschel (City of Wagga Wagga)

COUNCILLORS
Clr T Quinn (Greater Hume Shire)
Clr D Meyer, OAM (Greater Hume Shire)
Clr G Driscoll (Lockhart Shire)
Clr G Davies (City of Wagga Wagga)
Clr D Hayes (City of Wagga Wagga)
Clr M Henderson (City of Wagga Wagga)
Clr J McKinnon (City of Wagga Wagga)
Clr P Bourke (Federation Council)

Other information

ABN: 52 084 883 210

INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Riverina Water County Council

To the Councillors of Riverina Water County Council

Opinion

I have audited the accompanying financial statements of Riverina Water County 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 2022, the Statement of Financial Position as at 30 June 2022, 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 2022, 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 2022 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.

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.

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
- 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.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

4 October 2022
SYDNEY

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Cr Tim Koschel
Chairperson
Riverina Water County Council
PO Box 456
WAGGA WAGGA NSW 2650

Contact: Hong Wee Soh
Phone no: 02 9275 7188
Our ref: D2219537/1822

4 October 2022

Dear Cr Koshel

Report on the Conduct of the Audit
for the year ended 30 June 2022
Riverina Water County Council

I have audited the general purpose financial statements (GPFS) of the Riverina Water County Council (the Council) for the year ended 30 June 2022 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 2022 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.

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Level 19, Darling Park Tower 2, 201 Sussex Street, Sydney NSW 2000
GPO Box 12, Sydney NSW 2001 | t 02 9275 7101 | mail@audit.nsw.gov.au | audit.nsw.gov.au

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INCOME STATEMENT

Operating result

	2022 $'000	2021 $'000	Variance %
Rates and annual charges revenue	5,710	5,655	1.0
User charges and fees	19,606	19,796	1.0
Grants and contributions revenue	4,449	2,940	51.3
Operating result from continuing operations	6,639	5,267	26.0
Net operating result before capital grants and contributions	2,312	2,517	8.1

Rates and annual charges revenue increased by $55 thousand (1 per cent) in 2021-22 to $5.7 million. Council's customers increased by 1.2 per cent which is consistent with the movement in rates and annual charges revenue.

User charges and fees decreased by $190 thousand (1 per cent) in 2021-22 to $19.6 million. The decrease can be attributed to the wet weather which resulted in lower water sales (specific actual use charges) and bulk water sales to Councils compared to the previous year.

Grants and contributions revenue increased by $1.5 million (51.3 per cent) in 2021-22 to $4.4 million due to additional developer contributions as a result of increased development.

The Council's operating result from continuing operations has increased by $1.3 million to $6.6 million in 2021-22. The increase of 26 per cent is mainly due to the increase in user grants and contributions.

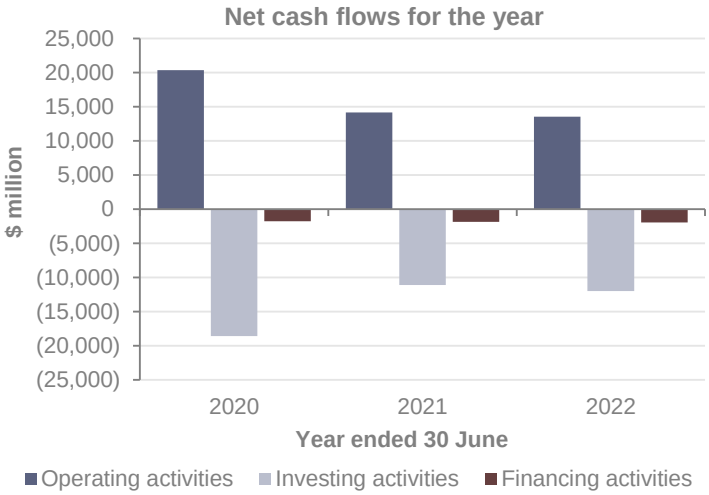
The net operating result before capital grants and contributions ($2.3 million) was $205 thousand lower than the 2020-21 result. The decrease of 8.1 per cent is mainly due to the decrease in user charges and fees income and an increase in employee benefits, depreciation and amortisation expenses.

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STATEMENT OF CASH FLOWS

- Council recorded a net decrease in cash and cash equivalents of $382 thousand at 30 June 2022 (net increase of $1.17 million at 30 June 2021)
- Net cash provided by operating activities amounted to $13.5 million. Council recorded cash receipts from user fees and charges of $19.3 million and grants and contributions of $4.4 million. Council recorded cash payments for employee benefits and on-costs of $9.6 million and materials and services of $6.3 million.
- Net cash used in investing activities amounted to $12 million. This is largely due to the net cash outflow of $10.4 million for the purchase of infrastructure, property, plant and equipment during the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2022	2021	Commentary
	$m	$m	
Total cash, cash equivalents and investments	**31,510**	**31,392**	• Internally restricted cash and cash investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. • Internally restricted cash has increased due to an increase in restrictions for plant replacement. This increased due to the large base of plant now held. Additionally, water licence revenue was restricted for future purchase of water licences to safeguard communities water supply for future generations.
Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	-	-	
• Internal allocations	8,285	7,844	
• Unrestricted	23,225	23,548	

Debt

The Council has financing arrangements of $850,000 with total drawn financing arrangements of $38,000 and total undrawn financing arrangements of $812,000.

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PERFORMANCE

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 and Environment.

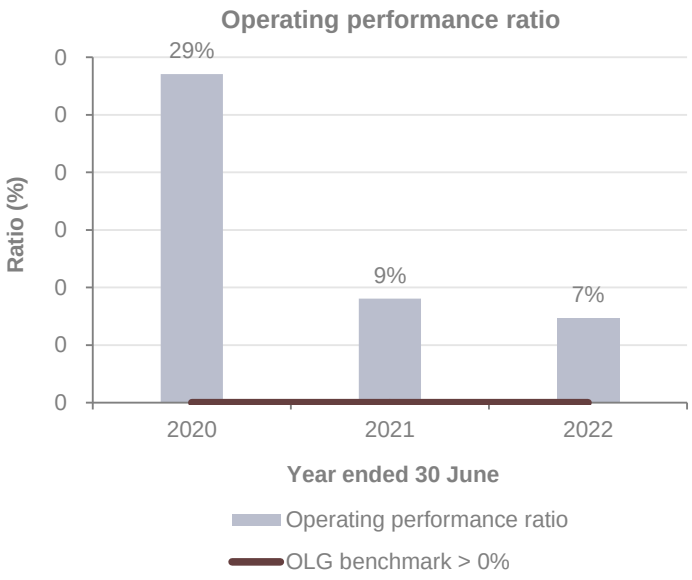
Operating performance ratio

The Council exceeded the OLG benchmark for the current reporting period.

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.

The Council exceeded the OLG benchmark for the current reporting period with a ratio of 7%.

The decrease from prior years can be explained by a decrease in water sales due to higher rainfall in the county during the period.

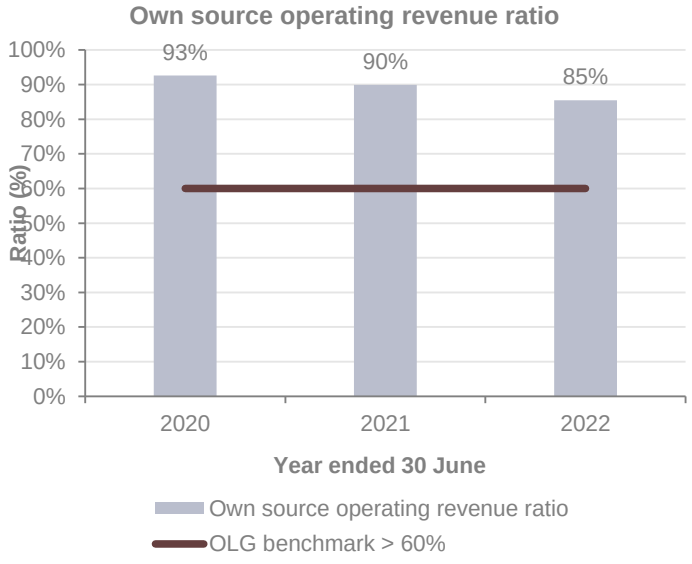


Own source operating revenue ratio

The Council exceeded the OLG benchmark for the current reporting period.

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's own source operating revenue ratio of 85% is above the industry benchmark of 60%. Council has met this benchmark as its main source of income is from water sales, rather than reliance on operating grants and contributions.



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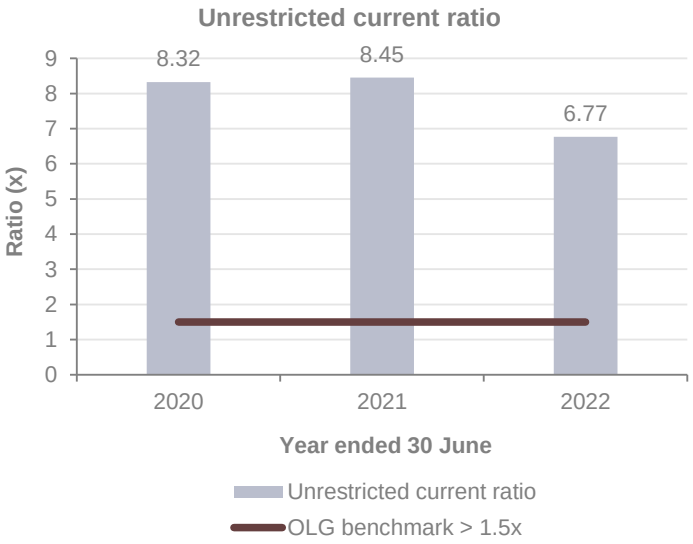
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Unrestricted current ratio

The Council exceeded the OLG benchmark for the current reporting period.

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's unrestricted current ratio of 6.77 times is greater than the industry benchmark minimum of greater than 1.5 times. This indicates that the Council has sufficient liquidity to meet its current liabilities as and when they fall due.



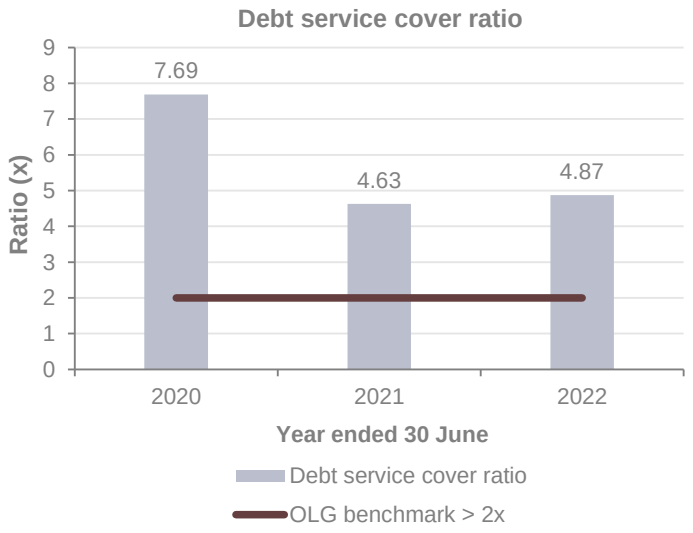
Debt service cover ratio

The Council exceeded the OLG benchmark for the current reporting period.

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 with a debt service coverage ratio of 4.87 times.

The Council's own source operating revenue ratio has remained steady compared to the prior year.



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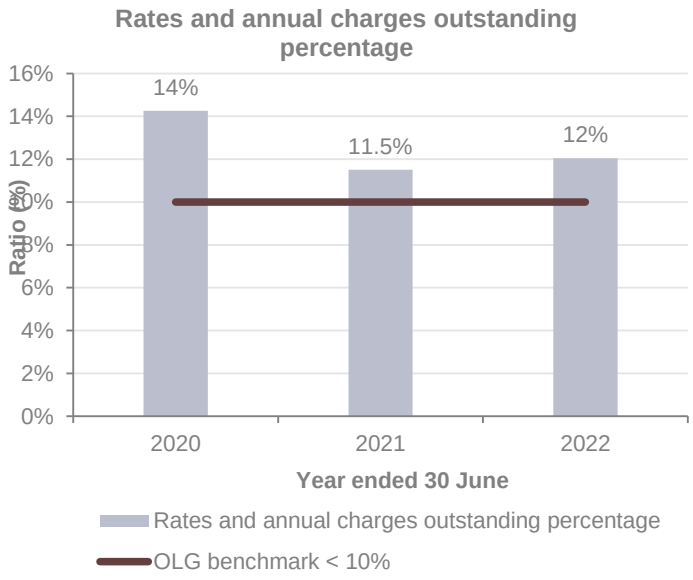
Rates and annual charges outstanding percentage

The Council did not meet the OLG benchmark for the current reporting period.

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's rates and annual charges outstanding percentage of 12 per cent is outside the industry benchmark of less than 10 per cent for rural councils.

Council continues to exceed this benchmark due to the rolling quarterly billing arrangements. The billing cycle of water county councils need to be considered when assessing this performance against other general councils.

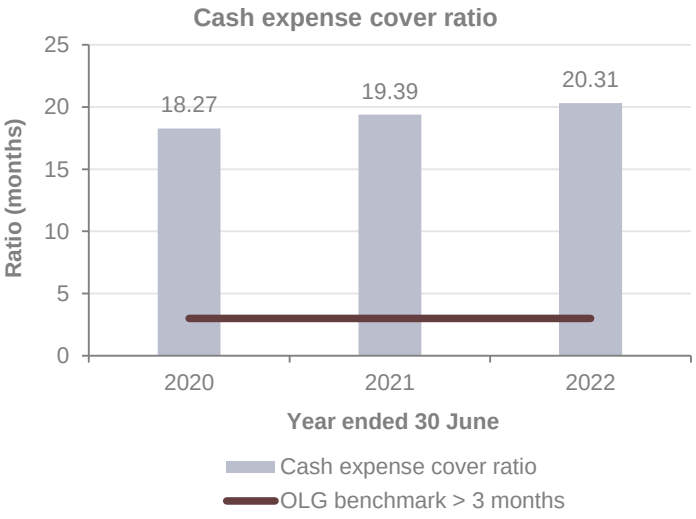


Cash expense cover ratio

The Council exceeded the OLG benchmark for the current reporting period.

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's cash expense cover ratio was 20.31 months, which is above the industry benchmark of greater than 3 months. This indicates that Council has the capacity to cover 20.31 months of cash expenditure without additional cash inflows at 30 June 2022.



Infrastructure, property, plant and equipment renewals

The Council has renewed $7.23 million of assets in the 2021-22 financial year, compared to $7.63 million of assets in the 2020-21 financial year. Council have a large capital works program which is contributing to the high amount of renewals.

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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.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

cc: Mr Andrew Crakanthorp, General Manager
Mr David Maxwell, Chair of Audit and Risk Committee
Michael Cassel, Secretary of the Department of Planning, Industry and Environment

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Riverina Water County Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022

"to provide our community with safe reliable water at the lowest sustainable cost"

Riverina Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2022

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Special Purpose Financial Statements:

Income Statement of water supply business activity 4
Income Statement of sewerage business activity n/a

Statement of Financial Position of water supply business activity 5
Statement of Financial Position of sewerage business activity n/a

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Riverina Water County Council

Special Purpose Financial Statements
for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

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

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 01 September 2022.

Clr T Koschel
Chairperson

Clr D Meyer OAM
Deputy Chairperson

Mr A Crakanthorp
Chief Executive Officer

Ms E Tonacia
Responsible Accounting Officer

Riverina Water County Council

Income Statement of water supply business activity

for the year ended 30 June 2022

$ '000	2022	2021
Income from continuing operations		
Access charges	**5,710**	5,655
User charges	**19,606**	19,735
Interest and investment income	**326**	467
Grants and contributions provided for operating purposes	**122**	207
Net gain from the disposal of assets	**388**	116
Other income	**576**	519
Total income from continuing operations	**26,728**	26,699
Expenses from continuing operations		
Employee benefits and on-costs	**9,529**	9,066
Borrowing costs	**239**	367
Materials and services	**5,557**	6,763
Depreciation, amortisation and impairment	**8,390**	7,570
Water purchase charges	**258**	321
Calculated taxation equivalents	**116**	95
Other expenses	**443**	95
Total expenses from continuing operations	**24,532**	24,277
Surplus (deficit) from continuing operations before capital amounts	**2,196**	2,422
Grants and contributions provided for capital purposes	**4,327**	2,750
Surplus (deficit) from continuing operations after capital amounts	**6,523**	**5,172**
Surplus (deficit) from all operations before tax	**6,523**	**5,172**
Less: corporate taxation equivalent (25%) (2021:26%) [based on result before capital]	**(549)**	(600)
Surplus (deficit) after tax	**5,974**	4,572
Plus accumulated surplus	**152,845**	147,578
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	**116**	95
– Corporate taxation equivalent	**549**	600
Closing accumulated surplus	**159,484**	152,845
Return on capital %	**0.7%**	0.9%
Subsidy from Council	**(56)**	–
Calculation of dividend payable:		
Surplus (deficit) after tax	**5,974**	4,572
Less: capital grants and contributions (excluding developer contributions)	**(4,327)**	(2,750)
Surplus for dividend calculation purposes	**1,647**	**1,822**
Potential dividend calculated from surplus	**824**	**911**

Riverina Water County Council

Statement of Financial Position of water supply business activity

as at 30 June 2022

$ '000	2022	2021 Restated
ASSETS		
Current assets		
Cash and cash equivalents	**2,510**	2,892
Investments	**11,500**	16,000
Receivables	**4,106**	3,589
Inventories	**2,435**	2,310
Total current assets	**20,551**	24,791
Non-current assets		
Investments	**17,500**	12,500
Infrastructure, property, plant and equipment	**338,607**	320,131
Intangible assets	**10,890**	9,776
Total non-current assets	**366,997**	342,407
Total assets	**387,548**	367,198
LIABILITIES		
Current liabilities		
Payables	**1,786**	2,001
Income received in advance	**908**	842
Borrowings	**1,535**	1,587
Employee benefit provisions	**4,555**	4,852
Total current liabilities	**8,784**	9,282
Non-current liabilities		
Borrowings	**1,934**	3,811
Total non-current liabilities	**1,934**	3,811
Total liabilities	**10,718**	13,093
Net assets	**376,830**	354,105
EQUITY		
Accumulated surplus	**159,484**	152,845
Revaluation reserves	**217,346**	201,260
Total equity	**376,830**	354,105

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 (NSW), the *Local Government (General) Regulation 2005*, 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, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

Comparatives

Where appropriate, comparative figures have been amended to accord with the current year presentation, and disclosure has been made of any material changes to comparatives. Those comparative figures amended are summarised below:

Statement of Financial Position

- Cash & Cash Equivalents and Investments have been amended to reflect accurate capture of short term cash holdings to only be those amounts deposited with a term of 3 month or less. In the prior year, investments were disclosed as Cash & Cash Equivalents if there was 3 months or less until they matured.
- Infrastructure, property, plant & equipment has been amended to reflect the overstatement in 20/21 due to double counting of Work in Progress.

Income Statement

- Diesel Fuel Rebate has been amended to be included under 'Other income' , previously reported under Grants and contributions.
- Gain on disposal in 20/21 was excluded from the Income Statement and now included.

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)

Riverina Water County Council
Water supply operations servicing the local government areas of Wagga Wagga City, Federation, Lockhart, & Greater Hume Shire.

Category 2

(where gross operating turnover is less than $2 million)

Nil

continued on next page

Note – Significant Accounting Policies (continued)

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 – **25%** (20/21 26%)

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 **1.6% + $100**. For the remaining combined land value that exceeds $5,026,000 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 Industry (DoI) – 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 DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – 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 25% (20/21 26%).

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to 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 25% is the equivalent company tax rate prevalent at reporting date.

(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.

The rate of return is calculated as follows:

$$\frac{\text{Operating result before capital income + interest expense}}{\text{Written down value of I,PP\&E as at 30 June}}$$

continued on next page

Note – Significant Accounting Policies (continued)

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.66% at 30/6/22.

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2022 multiplied by $30 (less the payment for tax equivalent charges, not exceeding $3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.

INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Riverina Water County Council

To the Councillors of Riverina Water County Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Riverina Water County Council's (the Council) Declared Business Activity, which comprise the Statement by Councillors and Management, the Income Statement of the Declared Business Activity for the year ended 30 June 2022, the Statement of Financial Position of the Declared Business Activity as at 30 June 2022 and the Significant accounting policies note.

The Declared Business Activity of the Council is water supply.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's Declared Business Activity as at 30 June 2022, 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 2021–22 (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.

Level 19, Darling Park Tower 2, 201 Sussex Street, Sydney NSW 2000
GPO Box 12, Sydney NSW 2001 | t 02 9275 7101 | mail@audit.nsw.gov.au | audit.nsw.gov.au

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 2022 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.

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.

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.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

4 October 2022
SYDNEY

Riverina Water County Council

SPECIAL SCHEDULES

for the year ended 30 June 2022

"to provide our community with safe reliable water at the lowest sustainable cost"

Riverina Water County Council

Special Schedules

for the year ended 30 June 2022

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Riverina Water County Council

Report on infrastructure assets as at 30 June 2022

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard $ '000	Estimated cost to bring to the agreed level of service set by Council $ '000	2021/22 Required maintenance [a] $ '000	2021/22 Actual maintenance $ '000	Net carrying amount $ '000	Gross replacement cost (GRC) $ '000	Assets in condition as a percentage of gross replacement cost 1	2	3	4	5
Buildings	Buildings	–	–	505	367	14,033	21,570	41.9%	25.5%	23.5%	9.1%	0.0%
	Sub-total	**–**	**–**	**505**	**367**	**14,033**	**21,570**	**41.9%**	**25.5%**	**23.5%**	**9.1%**	**0.0%**
Water supply network	Treatment Plants	1,234	1,234	790	929	64,575	104,728	48.2%	8.7%	20.0%	23.1%	0.0%
	Bores	–	–	175	206	3,474	6,561	6.9%	30.9%	57.6%	4.6%	0.0%
	Reservoirs	477	477	240	248	34,044	57,027	24.4%	9.2%	50.8%	14.5%	1.2%
	Pumping Stations	87	87	195	215	8,135	18,678	14.4%	9.7%	66.8%	6.1%	3.1%
	Pipeline	19,291	19,291	1,250	1,368	193,364	338,859	21.3%	43.5%	27.0%	8.3%	0.0%
	Sub-total	**21,089**	**21,089**	**2,650**	**2,966**	**303,592**	**525,853**	**26.5%**	**31.5%**	**30.0%**	**11.8%**	**0.2%**
	Total – all assets	**21,089**	**21,089**	**3,155**	**3,333**	**317,625**	**547,423**	**27.2%**	**31.2%**	**29.7%**	**11.7%**	**0.2%**

(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
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

Riverina Water County Council

Report on infrastructure assets as at 30 June 2022

Infrastructure asset performance indicators (consolidated) *

$ '000	Amounts 2022	Indicator 2022	Indicators 2021	Indicators 2020	Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals [1]	7,230	94.29%	67.75%	89.78%	>= 100.00%
Depreciation, amortisation and impairment	7,668				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	21,089	6.48%	6.49%	7.47%	< 2.00%
Net carrying amount of infrastructure assets	325,225				
Asset maintenance ratio					
Actual asset maintenance	3,333	105.64%	96.35%	96.04%	> 100.00%
Required asset maintenance	3,155				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	21,089	3.85%	3.75%	5.27%	
Gross replacement cost	547,423				

(*) 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.

R3 September 2022 Quarterly Budget Review Statement

Organisational Area	**Corporate Services**
Author	Emily Tonacia, Director Corporate Services
Summary	The Quarterly Budget Review Statement is presented to Council in accordance with Clause 203(2) of the Local Government (General) Regulations 2005, for the purpose of periodically reviewing and revising estimates of income and expenditure.

RECOMMENDATION that the Quarterly Budget Review for the period ended 30 September 2022 be received and adopted.

Report

The Quarterly Review of Council's budget for the period ending 30 September 2022 is submitted for examination by the Council.

Operating Budget

The anticipated Operating Result for 2022/23 is a surplus of $5,908,000. The Operating Result was originally budgeted for a surplus of $5,953,000. The proposed September quarterly review operational adjustments relate to:

- $82,000 Additional 1-year annual fee for Civica Pty Ltd due ERP delay
- $8,000 Additional licensing cost for PULSE (corporate planning software)
- ($45,000) Reduction in workers compensation premium (budgeted at $275k)

Capital Budget

Also included is a quarterly review for Capital Works projects. The original capital expenditure budget for 2022/23 was $28,423,000. The proposed September quarterly review adjustments result in an increase of $85,000. The proposed capital expenditure for 2022/23 totals $28,508,000.

Please see the capital works progress report for detail on the proposed capital adjustments.

Due to the timing of the finalisation of the Annual Financial Statements, Council's Long Term Financial Plan is yet to be updated to reflect the results of the 2022 financial year. As a result, no Key Performance Indicators or Balance Sheet have been provided. This information will be included as part of the December Quarterly Budget Review.

› **R3.1 September Quarterly Budget Review Statement** ⇩

Financial Implications

The recommendation decreases Council's anticipated net cashflow for 2022/23 by $130,000.

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

Riverina Water County Council

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

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Riverina Water County Council

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

Report by Responsible Accounting Officer

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

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

Signed: _____ **Date: 19/10/2022**

Ms Emily Tonacia
Responsible Accounting Officer

Riverina Water County Council

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

Income & Expenses Budget Review Statement

Budget review for the quarter ended 30 September 2022

($000's)	Original Budget 2022/23	Approved Changes: Other than by QBRS	Approved Changes: Sept QBRS	Approved Changes: Dec QBRS	Revised Budget 2022/23	Variations for this Sep Qtr	Notes	Projected Year End Result	22/23 Actual YTD figures	21/22 Actual YTD figures
Income										
Rates and Annual Charges	5,214	-	-	-	5,214	-		5,214	1,381	1,525
User Charges and Fees	24,541	-	-	-	24,541	-		24,541	3,448	3,660
Interest and Investment Revenues	200	-	-	-	200	-		200	227	139
Other Revenues	339	-	-	-	339	-		339	148	441
Grants & Contributions - Operating	225	-	-	-	225	-		225	-	-
Grants & Contributions - Capital	3,150	-	-	-	3,150	-		3,150	877	741
Total Income from Continuing Operations	**33,669**	**-**	**-**	**-**	**33,669**	**-**		**33,669**	**6,081**	**6,506**
Expenses										
Employee Costs	10,530	-	-	-	10,530	-		10,530	2,637	2,424
Borrowing Costs	1,031	-	-	-	1,031	-		1,031	35	66
Materials & Contracts	8,348	-	-	-	8,348	45	1	8,393	1,904	2,187
Depreciation	7,580	-	-	-	7,580	-		7,580	1,895	2,116
Other Expenses	227	-	-	-	227	-		227	-	13
Total Expenses from Continuing Operations	**27,716**	**-**	**-**	**-**	**27,716**	**45**		**27,761**	**6,471**	**6,806**
Net Operating Result from Continuing Operations	**5,953**	**-**	**-**	**-**	**5,953**	**(45)**		**5,908**	**(390)**	**(300)**
Net Operating Result from All Operations	**5,953**	**-**	**-**	**-**	**5,953**	**(45)**		**5,908**	**(390)**	**(300)**
Net Operating Result before Capital Items	**2,803**	**-**	**-**	**-**	**2,803**	**(45)**		**2,758**	**(1,267)**	**(1,041)**

Riverina Water County Council

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

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details	
1	$82,000	Additional 1 year annual fee for Civica Pty Ltd due to delay in ERP project go-live
	$8,000	Additional funds required to cover annual PULSE subscription. Originally budgeted at $10k.
	-$45,000	Reduction in Workers Compensation Premium (originally budgeted at $275k)
Total	**$45,000**	

Riverina Water County Council

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

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2022

($000's)	Original Budget 2022/23	Approved Changes: Carry Forwards	Approved Changes: 2021/22 Revotes	Approved Changes: Other than QBRS	Approved Changes: Sept QBRS	Approved Changes: Dec QBRS	Revised Budget 2022/23	Variations for this Sep Qtr	Notes	Projected Year End Result	22/23 Actual YTD figures	21/22 Actual YTD figures
Capital Expenditure												
Land & Buildings	1,159	584	617	-	-	-	2,360			2,360	953	284
Plant & Equipment	7,741	456	177	-	-	-	8,374			8,374	729	1,108
Intangibles	350	1,337	114	-	-	-	1,801			1,801	1,584	2,074
Water Infrastructure	11,831	293	3,764	-	-	-	15,888	85	1	15,973	4,443	2,344
Loan Repayments (Principal)	-	-	-	-	-	-	-			-	470	462
Total Capital Expenditure	**21,081**	**2,670**	**4,672**	**-**	**-**	**-**	**28,423**	**85**		**28,508**	**8,179**	**6,272**
Capital Funding												
Rates & Other Untied Funding	21,081	2,670	4,672	-	-	-	28,423	85		28,508	8,179	6,272
New Loans	-	-	-	-	-	-	-			-	-	-
Total Capital Funding	**21,081**	**2,670**	**4,672**	**-**	**-**	**-**	**28,423**	**85**		**28,508**	**8,179**	**6,272**
Net Capital Funding - Surplus/(Deficit)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**

Riverina Water County Council

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

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
1	Refer to Capital Works Progress report for more detail on Capital Projects

Riverina Water County Council

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

Cash & Investments Budget Review Statement

Budget review for the quarter ended 30 September 2022

($000's)	Original Budget 2022/23	Approved Changes: Carry Forwards	Approved Changes: Other than by QBRS	Approved Changes: Sept QBRS	Approved Changes: Dec QBRS	Revised Budget 2022/23	Variations for this Sep Qtr	Notes	Projected Year End Result	Actual YTD figures
Externally Restricted (1)										
Loan Funds - LIRS	-	-	-	-		-	-		-	-
Total Externally Restricted	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**
(1) Funds that must be spent for a specific purpose										
Internally Restricted (2)										
Employee Leave Entitlements *	2,278	-	-	-	-	2,278	-		2,278	2,278
Plant Replacement	2,110	-	-	-	-	2,110	-		2,110	2,110
Water Treatment Plant	228	-	-	-	-	228	-		228	228
Revenue from Water Licences	669	-	-	-	-	669	-		669	669
Sales Fluctuation	3,000	-	-	-	-	3,000	-		3,000	3,000
Total Internally Restricted	**8,285**	**-**	**-**	**-**	**-**	**8,285**	**-**		**8,285**	**8,285**
(2) Funds that Council has earmarked for a specific purpose										
Unrestricted (ie. available after the above Restrictions)	17,764	-	-	-	-	17,764	-		17,764	21,370
Total Cash & Investments	**26,049**	**-**	**-**	**-**	**-**	**26,049**	**-**		**26,049**	**29,655**

* ELE Reserve is currently funded at 50%

Riverina Water County Council

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

Cash & Investments Budget Review Statement

Comment on Cash & Investments Position

Due to Cash & Investment balances at the start of the financial year being higher than anticipated after the 2019/20 end of year financial result cash on hand is higher than originally budgeted.

Investments

Investments have been invested in accordance with Council's Investment Policy.

Cash

The Cash at Bank figure included in the Cash & Investment Statement totals $29,655,303

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 30/09/22

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:		**$ 000's**
Cash at Bank (as per bank statements)		1,337
Investments on Hand		28,500
less: Unpresented Cheques	(Timing Difference)	(194)
add: Undeposited Funds	(Timing Difference)	12
Reconciled Cash at Bank & Investments		29,655
Balance as per Review Statement:		29,655
Difference:		-

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details

Riverina Water County Council

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

Contracts Budget Review Statement

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

Contractor	Contract detail & purpose	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
City Water Technology Pty Ltd	Commissioning & Final Documentation (Wagga WTP)	1,661,461	18/08/22	1 year	Y	

Notes:

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

Riverina Water County Council

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

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Bugeted (Y/N)
Consultancies	1,250	Y
Legal Fees	-	-

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a concultant from other contractors.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

30 SEPTEMBER 2022 CAPEX QUARTERLY BUDGET REVIEW

Description	Current Budget	Committal	Actual	Budget Remaining	30/09/2022 QBR	Revised Budget	Revised Remaining	Comment
	$	$	$	$	$	$	$	
MANAGEMENT								
LAND & BUILDINGS FOR ADMIN. DEPOTS AND WORKSHOPS								
Administration Office	1,091	0	5,144	-4,053	0	1,091	-4,053	
Depot Buildings	1,928,774	295,274	609,589	1,023,911	0	1,928,774	1,023,911	
Access, Parking and Landscaping	330,019	34,185	9,038	286,796	0	330,019	286,796	
Asset Demolition	100,000	0	0	100,000		100,000	100,000	
SUB-TOTAL LAND & BUILDINGS FOR ADMIN, DEPOTS & WORKSHOPS	2,359,884	329,458	623,771	1,406,655	0	2,359,884	1,406,655	
PLANT & EQUIPMENT								
IT Equipment	431,815	24,534	15,438	391,842	0	431,815	391,842	
Office Furniture & Equipment	0	0	0	0	0	0	0	
Working Plant & Vehicle Purchases	1,625,978	253,290	53,705	1,318,982	0	1,625,978	1,318,982	
Fixed Plant Tools & Equipment	10,000	0	0	10,000		10,000	10,000	
Telemetry & Control Systems Upgrade	241,493	16,473	77,727	147,293	0	241,493	147,293	
Radio Communications Upgrade/Replacements/Improvements	0	123	0	-123	0	0	-123	
Energy Efficiency & Cost Minimisation	6,065,377	268,392	19,470	5,777,515	0	6,065,377	5,777,515	
SUB-TOTAL PLANT & EQUIPMENT	8,374,663	562,813	166,340	7,645,510	0	8,374,663	7,645,510	
INTANGIBLES								
Software	1,800,941	1,526,573	57,902	216,466	0	1,800,941	216,466	
Water Licences	0	0	0	0				
SUB-TOTAL INTANGIBLES	1,800,941	1,526,573	57,902	216,466	0	1,800,941	216,466	
TOTAL MANAGEMENT	12,535,488	2,418,844	848,013	9,268,630	0	12,535,488	9,268,630	
SOURCES								
Bores-renew/refurbish/decommission	366,430	0	17,344	349,086	0	366,430	349,086	
TOTAL SOURCES	366,430	0	17,344	349,086	0	366,430	349,086	
TREATMENT PLANTS								
Aeration Tower Replacements	16,739	1,730	47,051	-32,042	30,000	46,739	-2,042	Additional ground remediation Ralvona Aeration Basin Replacement
Aeration Tower Covers	158,209	0	4,827	153,382	0	158,209	153,382	
Specific Treatment Plant improvements	1,745,000	35,525	17,899	1,691,576	20,000	1,765,000	1,711,576	Unplanned replacement of remote pH monitoring instruments at Collingullie & Tarcutta
Treatment Plant refurbishments	6,234,265	2,166,338	368,136	3,699,791	35,000	6,269,265	3,734,791	Changes to original concept - Tarcutta CWS Access Ladder
TOTAL TREATMENT PLANTS	8,154,213	2,203,593	437,912	5,512,707	85,000	8,239,213	5,597,707	
PUMPING STATIONS								
Pump Stations Renewal/Refurbish/Upgrade	230,000	0	150	229,850	0	230,000	229,850	
Pump & Motor Maintenance / Replacements	0	0	0	0	0	0	0	
TOTAL PUMPING STATIONS	230,000	0	150	229,850	0	230,000	229,850	
RESERVOIRS								
General Improvements	175,000	980	19,598	154,422	0	175,000	154,422	
New/Replacement Reservoirs	520,451	68,176	20,274	432,001	0	520,451	432,001	
Reservoirs - Refurbish	112,993	2,073	2,368	108,552	0	112,993	108,552	
Reservoirs - Upgrade Ladders and Access	180,000	0	0	180,000	0	180,000	180,000	
Reservoir Hatches Magflows	20,000	0	0	20,000	0	20,000	20,000	
Asset demolition	14,718	4,718	292	9,708	0	14,718	9,708	
TOTAL RESERVOIRS	1,023,162	75,947	42,532	904,683	0	1,023,162	904,683	

Description	Current Budget	Committal	Actual	Budget Remaining	30/09/2022 QBR	Revised Budget	Revised Remaining	Comment
	$	$	$	$	$	$	$	
MAINS, SERVICES & METERS								
MAINS								
System Improvements	1,538,404	89,685	202,163	1,246,556	0	1,538,404	1,246,556	
Reticulation for Developers (including other extensions)	885,000	15,000	251,216	618,784	0	885,000	618,784	
Renew Reticulation Mains	950,000	0	502,827	447,173	0	950,000	447,173	
Renew Trunk Mains	1,469,068	0	301,796	1,167,272	0	1,469,068	1,167,272	
SUB-TOTAL MAINS	4,842,472	104,685	1,258,002	3,479,784	0	4,842,472	3,479,784	
SERVICES								
Service Connections, new including Meters	550,000	4,500	164,396	381,104	0	550,000	381,104	
Renew Services	339,000	9,000	33,840	296,160	0	339,000	296,160	
SUB-TOTAL SERVICES	889,000	13,500	198,236	677,264	0	889,000	677,264	
METERS								
Water meters replacement	209,268	1,432	88,243	119,593	0	209,268	119,593	
Remote metering	97,794	0	0	97,794	0	97,794	97,794	
Water Filling Stations New	75,000	0	1,707	73,293	0	75,000	73,293	
SUB-TOTAL METERS	382,062	1,432	89,950	290,680	0	382,062	290,680	
TOTAL MAINS, SERVICES & METERS	6,113,534	119,618	1,546,189	4,447,727	0	6,113,534	4,447,727	
TOTALS	28,422,827	4,818,002	2,892,140	20,712,685	85,000	28,507,827	20,797,685	

R4 Rescission of Policies

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	The Business Continuity Policy 1.22 and Good Governance Policy 1.3 are recommended for rescission for the reasons outlined in the report

---

RECOMMENDATION that Council:

a) Rescind Business Continuity Policy 1.22 noting that this is now included in the Business Continuity Manual as an internal policy
b) Rescind Good Governance Policy 1.3 noting that in its place will be the Governance Framework and Compliance Policy

Report

As part of the formal review of public policies in the first twelve months of the term of the new Board the following policies are recommended for rescission.

Business Continuity Policy 1.22. This policy is an internal rather than public policy of Riverina Water. As such, it has now been included in the Business Continuity Manual that was adopted in June 2021, and formally reviewed by management in July 2022. It is therefore recommended that the public policy Business Continuity Policy 1.22 be rescinded.

Good Governance Policy 1.3. The objectives set out in this policy are to:

- Achieve the highest standards of governance
- Ensure the compliance of councillors (Board members) staff and delegates with relevant legislation
- Seek excellence in governance through continuous improvement and working on the system
- Provide guidance to councillors (Board members) and staff in achieving good governance.

The policy was to be underpinned by a Good Governance Framework and Action Plan based on the NSW Local Government Professionals Governance Health Check, which is no longer in use.

A Good Governance Framework was developed in 2019 and approved by the CEO. It was an interim framework until the new Strategic Plan was developed. With the development of the Business Activity Strategic Plan (BASP) and new Delivery Program it was timely to review the Framework, and in doing so, consider the ongoing requirement for a standalone Good Governance Policy.

Following review, it has been determined that Riverina Water would be better served by a Compliance Policy and a Governance Framework endorsed by the Board, which is much more comprehensive and contains all of the intent of the existing policy. The Compliance Policy and Governance Framework are the subject of separate reports in this business paper.

It is therefore recommended that the Good Governance policy be rescinded, noting that it will be replaced by a Compliance Policy and Governance Framework. This intention has been communicated to the Audit Risk & Improvement Committee who have no objections to this approach.

- **R4.1 Business Continuity Policy 1.22.docx**
- **R4.2 Good Governance Policy - to be rescinded.docx**

Financial Implications

There are no financial implications associated with the rescission of the policies.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

RIVERINA WATER COUNTY COUNCIL

POLICY REGISTER

BUSINESS CONTINUITY POLICY

POLICY REFERENCE NUMBER:		**POL 1.22**	
Original publication date		**27 February 2013**	
Revision number	**Issue Date**	**Approved**	**Approval date**
0	27 February 2013	Res: 13/15	27 February 2013
Name changed 22/11/13 from Pol 5.32			
1	3 February 2015	Res: 15/18	25 February 2015
2	22 February 2017	Res 17/14	22 February 2017
This document is to be reviewed once every Council Term. Next review date: **February 2021**			
RESPONSIBLE OFFICER		General Manager	

PART 1: INTRODUCTION

Riverina Water County Council adopts Business Continuity Management as a core obligation of good governance and utilises the methodology specified in the AS/NZS 5050:2010 Business Continuity – Managing Disruption Related Risk.

Council recognises that Business Continuity is an integral part of good management practice and fully supports Business Continuity Management as an important element in its Good Governance Framework.

The purpose of this policy is to establish the systems and processes required to ensure the uninterrupted availability of all key resources necessary to support Council's identified Critical Business Functions during an Outage.

1.1 Policy Objectives

Riverina Water County Council aims to:

- Maintain the highest possible integrity and continuity for services provided by the Council, Safeguard the Council's assets, including people, property and financial resources,
- Ensure the uninterrupted availability of resources so that Council can continue to perform the Critical Business Functions that support its critical objectives,
- Ensure that Council can appropriately deal with disruption,
- Demonstrate responsible Business Continuity Management processes that align with applicable Australian Standards, accepted best practice standards and methods, and
- Ensure the accurate and timely provision of information to staff, the community, business partners, stakeholders and other relevant levels of Government during an outage event.

1.2 Scope of Policy

This policy applies to all areas of Council's operations.

1.3 Definitions

Business Continuity Management	The development, implementation and maintenance of policies, frameworks and programs to assist an entity manage a business outage. It is the capability that assists in the preventing, preparing for and responding to, managing and recovering from the impacts of an outage event.
Business Continuity Plan	A collection of procedures and information that is developed compiled and maintained in readiness for use during a business outage event.
Critical Business Functions	A business function or part thereof identified as essential for the survival of the organisation and achievement of its critical objectives.
Disaster Recovery Plans	Specific plans, procedures and documents for critical business processes that will enable critical business functions to continue during a business outage event. These plans support the Business Continuity Plan.
Outage	An event that has an effect on the critical business functions of the entity, and inhibits the achievement of its objectives. It may be acute, creeping or sustained event.

1.4 Related Documents

Business Continuity Plan
Risk Management Framework (Pending)
Risk Management Policy
Risk Management Strategy

PART 2: POLICY CONTENT

2.1 Council will:

- Manage Business Continuity based upon AS/NZS 5050:2010 Business Continuity and other relevant guidelines and standards;
- Update its Business Continuity *Plan*, Emergency Response Plans and Disaster Recovery Plans on an annual basis;
- Ensure that relevant and appropriate exercising of plans is undertaken at least annually;
- Ensure the accurate and timely provision of information, as it concerns the outage event, to staff, the community, business partners, stakeholders and other relevant levels of Government;
- Make informed judgements concerning the level of management and costs involved in achieving effective outcomes.

2.2 Council recognises the following benefits of Business Continuity Management:

- demonstrates to internal and external stakeholders, their dependability and good governance;
- ensures the continued delivery of critical services to the community;
- effective response to a business outage minimises damage to the organisation;
- enhances Council's ability to proactively identify the consequences of a business outage;
- effective management of uninsurable risks, and compliance with insurance policies;
- an opportunity to better understand the organisation with the potential to improve efficiency, governance and treatment of other risks;
- remain compliant with relevant legislative and other obligations;
- increases the awareness for the potential for disruption;
- allows Council to maintain a strong focus on critical functions thereby achieving critical objectives during an outage;
- building resilience that facilitates managing and recovering from a business outage event.

PART 3: POLICY IMPLEMENTATION GUIDELINES

This policy will be implemented through Council's *Business Continuity Plan* as shown below:

Business Continuity Policy

The Business continuity Policy sets out Councils commitment to business continuity and the principles upon which it will manage outage events

Business Continuity Plan

The Business Continuity Plan is a collection of procedures and information that is developed ,compiled and maintained in readiness for use in a business outage event.

The Business Continuity Plan identifies critical sub plans which address key areas of potential failure.

These sub plans identify processes to be followed as well as how the situation will be managed by Senior Management. Also included is a process of immediate responses primarily concerned with protection of life and property.

Good Governance Policy

Purpose

This policy, and the principles set out in the policy, aim to:

- Achieve the highest standards of governance.
- Ensure the compliance of Councillors, Council staff and delegates with relevant legislation.
- Seek excellence in governance through continuous improvement and working on the system.
- Provide guidance to Councillors and Council staff in achieving good governance.

Policy Statement

Governance is becoming an increasingly important concept and impacts all sectors of the community. The practice of good governance is increasingly seen as critical for ensuring that the governance of organisations has a legal and ethical basis, that decisions are taken in the interests of stakeholders, and that the organisation behaves as a good corporate citizen should.

This policy demonstrates Riverina Water County Council's commitment to the principles of good governance.

Definitions

Ethics	Ethics are the moral principles by which any particular person or organisation is guided; the rules of conduct recognized in a particular profession or area of human life.
Governance	Governance is the process of decision-making and the process by which decisions are implemented or not.
Good Governance	Good governance means that the structures, activities and operations of the Council are conducted in accordance with the principles of legal compliance, probity, transparency, accountability, and respect

Data and document control

Author:	**Version**
	Last revised date
EDRMS #	**Next scheduled review**

	for people within the Council and for all other stakeholders.

Principles

In addition to implementing the provisions of its Charter, Council will apply the following principles:

- Council decision-making will exhibit transparency, honesty, and probity.
- Council will make decisions that represent the best long-term interest of the whole of the area covered by Riverina Water County Council.
- Councillors will respect the decisions of the majority and once decisions are made, will support those decisions.
- Councillors will be accountable for the development of policy and the strategic direction of the area serviced by Riverina Water County Council.
- The General Manager and Council officers will be accountable for the implementation of Council policy and decisions except where they apply exclusively to Councillors.
- All Councillors and Council staff will observe the Code of Conduct in spirit and in letter.

Policy Implementation

The Good Governance Framework will be implemented through the provisions of Council's Good Governance Action Plan.

The Good Governance Action Plan sets out a range of actions required to achieve compliance with legislation and to achieve excellence based on benchmark activities listed in the LGPro Governance Health Check.

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Non Compliance

Non-compliance with adopted policy may be considered a breach under the Code of Conduct. As such, any suspected or known non-compliance will be reported to the General Manager.

References

(if needed)

Policy number	**Insert policy number here**
Responsible area	Chief Executive Officer
Approved by	If Council include resolution number
Approval date	Friday 14 June 2019
Legislation or related strategy	Insert legislation or related strategy
Documents associated with this policy	Code of Conduct
Policy history	Insert policy history
Review schedule	Insert number of years

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Data and document control	
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Author:	**Version** **Last revised date**
EDRMS #	**Next scheduled review**

R5 Water Restriction Policy

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	The Water Restrictions policy is presented to the Board for adoption following a period of public exhibition

---

RECOMMENDATION that Council adopt Water Restrictions Policy 2.06, noting there were no submissions received during the public exhibition period.

Report

The Water Restriction policy was recently reviewed and presented to the August 2022 Board meeting prior to being placed on public exhibition for a period of 28 days for comment. This policy provides guidelines for the management and implementation of water restrictions in Council's supply area.

No submissions were received and consequently this policy is now presented to the Board for adoption. It should be noted that the policy number has changed from 2.6 to 2.06 in line with the new policy numbering system

› **R5.1 Water Restrictions Policy 2.06.docx**

Financial Implications

Should there be a need to impose water restrictions in accordance with the Policy, then Council can expect a reduction to its planned revenue for the financial year ending June 2023. Given the prevailing seasonal conditions and the high volumes of water in storage in Burrinjuck and Blowering Dams, it is not expected that Council will have to activate the provisions of the Policy.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Water Restrictions

Purpose

1. To protect the ongoing security of the water supply during periods of drought or any other crisis involving the interruption or supply constraint of Riverina Water's water supply.

2. To provide guidelines for the management and implementation of water restrictions in Riverina Water's supply area.

3. To raise community awareness of water conservation and water restrictions, including relevant trigger points.

Policy Statements

1. The CEO and Director Engineering are delegated authority to implement and revoke water restrictions.

2. The CEO and Director Engineering are delegated authority to issue exemptions from water restrictions.

3. Applications for exemptions must be applied for in writing.

4. All levels of restrictions will be subject to appropriate trigger points, detailed in this policy.

5. Non-compliance with water restrictions will be enforced as necessary depending on the stage of water restrictions, including restrictor devices and/or fines for non-compliance.

6. The operation of restrictions and water consumption will be closely monitored and this policy reviewed as often as required.

Scope

This policy provides guidance on the five levels of water conservation measures and restrictions that may be implemented during peak water consumption periods, supply outages or periods of drought, to reduce demand on the water supply system and/or to ensure the continuity of water supply.

Author: Engineering

EDRMS #119185

Version 4
Last revised date 3 Aug 2022
Next scheduled review Aug 2026

Principles

Stage 1 Water Restrictions

Trigger point

Stage 1 Water Restrictions are implemented automatically during the NSW daylight savings period in NSW unless otherwise specified by the CEO and Director Engineering. Stage 1 may be extended beyond the NSW daylight savings period at the discretion of the CEO or Director Engineering if the daily rolling weekly water usage is more than 70 megalitres per day.

DOMESTIC water use

Garden watering. From 10am to 5pm each day, only handheld hoses are permitted to be used. All other watering methods are prohibited for example, sprinklers, irrigation systems, fixed hoses etc.

Private Swimming pools. No restrictions.

Hosing paved areas. Handheld hosing paved areas prohibited from 10am to 5pm each day unless required as a result of an accident, fire, health hazard or other emergency.

Washing of motor vehicles**.** No restrictions

PUBLIC and COMMERCIAL water use

Public gardens, Sports grounds, Nurseries, Bowling greens. From 10am to 5pm each day, only handheld hoses are permitted to be used. All other watering methods are prohibited (for example, but not limited to sprinklers, irrigation systems, fixed hoses and sprays).

Washing of motor vehicles**.** No restrictions.

Water cartage**.** No restrictions for metered standpipes only.

Automatic flush toilets. No restrictions.

Hosing paved areas. No restrictions

INDUSTRIAL water use

No restrictions.

Riverina Water

Stage 1 Actions

- Public awareness campaign to begin including advice to the four constituent councils.
- Non-compliance letter to be issued for repeat offenders, including the four constituent councils.
- Issuing of non-compliance letters begins.

Stage 2 Water Restrictions

Trigger point

Stage 2 Water Restrictions may be implemented at the discretion of the CEO or Director Engineering when:

› Average daily rolling weekly water usage is more than 90 megalitres per day, or if weekly water usage is more than 600 megalitres.

DOMESTIC water use

Garden watering. From 7am to 7pm each day, only handheld hoses are permitted to be used. All other watering methods are prohibited (for example, but not limited to sprinklers, irrigation systems, fixed hoses and sprays) during this time period.

Private swimming pools**.** No initial filling of pools. Topping up a pool's water level is permitted.

Hosing paved areas. Prohibited from 7am to 7pm each day unless required as a result of an accident, fire, health hazard or other emergency.

Washing of motor vehicles**.** Washing of cars with hoses allowed if not on a hard or paved surface.

PUBLIC and COMMERCIAL water use

Public gardens, sports grounds, nurseries, bowling greens and similar facilities. From 7am to 7pm each day, only handheld hoses are permitted to be used. All other watering methods are prohibited (for example, but not limited to sprinklers, irrigation systems, fixed hoses and sprays).

Washing of motor vehicles. No restrictions.

Water cartage**.** No restrictions (Metered standpipes only).

Automatic flush toilets. No restrictions.

Hosing paved areas. No washing down of any hard surfaces unless it is required as a result of an accident, fire, health hazard or other emergency.

INDUSTRIAL water use

No restrictions.

Stage 2 Actions

Increased public awareness campaign.

Further action may be taken for repeat non-compliance, including fines as per Riverina Water's current Fees and Charges and the use of flow restrictor devices for verified repeat offenders.

Stage 3 Water Restrictions

Trigger point

Stage 3 Water Restrictions are implemented when:

- Average daily rolling weekly water usage continues to be more than 90 megalitres per day, or if weekly water usage is more than 600 megalitres, and/or
- Riverina Water's allocation of water is reduced by up to 20 per cent.

DOMESTIC water use

Garden watering. : No watering of any kind from 7am to 7pm. Handheld hoses are permitted any time from 7pm to 7am. Other watering methods such as sprinklers or irrigation systems may be used between 7pm and 7am on an odds/evens system based on property address.

Private swimming pools Topping up a pool's water level is permitted.

Hosing paved areas. No washing down of hard surfaces unless it is required as a result of an accident, fire, health hazard or other emergency.

Washing of motor vehicles**.** The washing of cars is prohibited unless at a commercial car wash.

PUBLIC and COMMERCIAL water use

Public gardens, sports grounds, nurseries, bowling greens and similar facilities**.** Handheld hoses may be used at any time. Other watering methods such as sprinklers or irrigation systems may only be used between 7pm and 7am on an odds/evens system based on property address.

Washing of motor vehicles. The washing of cars is prohibited unless at a commercial car wash.

Water cartage**.** From Riverina Water's fixed standpipes only

Automatic flush toilets. No restrictions.

Hosing paved areas**.** No washing down of hard surfaces unless it is required as a result of an accident, fire, health hazard or other emergency.

INDUSTRIAL water use

No restrictions.

Stage 3 Actions

- Further increase in public awareness of water restrictions and availability, including communicating the odds/evens water system for domestic users.
- Action will be taken for repeat non-compliance, including fines as per Riverina Water's current Fees and Charges and the use of restrictor devices.

Stage 4 Water Restrictions

Trigger point

- Average daily rolling weekly water usage continues to be more than 90 megalitres per day, or if weekly water usage is more than 600 megalitres, and/or
- Riverina Water's allocation of water is reduced by between 20 and 50 per cent.

DOMESTIC water services

Garden watering. Handheld hoses may be used from 7pm to 7am. All other watering is prohibited.

Private swimming pools. Topping up a pool's water level is permitted.

Hosing paved areas. No washing down of hard surfaces unless it is required as a result of an accident, fire, health hazard or other emergency.

Washing of motor vehicles**.** The washing of cars is prohibited unless at a commercial car wash.

PUBLIC and COMMERCIAL water use

Public gardens, sports grounds, nurseries, bowling greens and similar facilities. Handheld hoses may be used at any time. Other watering methods such as sprinklers or irrigation systems may only be used between 7pm and 7am on an odds/evens system based on property address.

Washing of motor vehicles. The washing of cars is prohibited unless at a commercial car wash.

Water cartage**.** From Riverina Water's fixed standpipes only

Automatic flush toilets**.** No restrictions.

Hosing paved areas**.** No washing down of hard surfaces unless it is required as a result of an accident, fire, health hazard or other emergency.

INDUSTRIAL water use

No external watering of lawns or gardens.

Stage 4 Actions

- Increase public awareness of water availability situation.
- Communication of odds/evens system for commercial/public restrictions.
- Initial engagement with high volume users.
- Action will be taken for repeat non-compliance, including fines as per Riverina Water's current Fees and Charges and the use of restrictor devices.

Stage 5 Water Restrictions

Trigger point

Stage 5 Water Restrictions are implemented when Riverina Water's allocation of water is reduced by more than 50 per cent.

DOMESTIC water use

Garden watering. The use of watering cans or buckets between 7pm and 7am is permitted. All other watering is prohibited, including handheld hoses.

Private swimming pools**.** No topping up permitted.

Hosing paved areas. No washing down of hard services.

Washing of motor vehicles. The washing of cars is prohibited unless at a commercial car wash

PUBLIC and COMMERCIAL water use

Public gardens, sports grounds, nurseries, bowling greens and similar facilities. The use of hand-held hoses to water essential gardens/plants/grass is permitted at any time. All other watering is prohibited.

Washing of motor vehicles**.** The washing of cars is prohibited unless at a commercial car wash.

Water cartage**.** From Riverina Water's fixed standpipes only

Automatic flush toilets**.** No restrictions.

Hosing paved areas. No washing down of hard surfaces

INDUSTRIAL water services

No external watering of lawns or gardens.

Stage 5 Actions

- Increase public awareness of the water availability situation including daily updates of water usage and regular communication of water restrictions
- Direct engagement of high volume users to develop usage reduction strategies.
- Action will be taken for repeat non-compliance, including fines as per Riverina Water's current Fees and Charges and the use of restrictor devices.

Extraordinary Water Restrictions

Trigger point

The CEO or Director Engineering may implement temporary extraordinary water restrictions due to special circumstances, such as, but not limited to:

- Damage or required maintenance to critical infrastructure.
- Emergencies or to support emergency services.
- Significant supply issues.
- Locally high water usage placing pressure on storage levels in an independent system or particular area.

Actions

- Communication of restrictions to relevant stakeholders.
- Appropriate compliance or direct discussions as required.

Exemption to Water Restrictions

The CEO and Director Engineering are the delegated authority to issue exemptions from water restrictions.

Exemptions may be made for domestic, public, commercial and industrial uses.

Exemptions to water restrictions must be applied for in writing to the CEO and/or Director Engineering and must provide appropriate reasoning why an exemption should be made.

Any increase in water restrictions stages will void the existing exemption and a new application must be made.

Policy Implementation

This policy will be implemented as per the Actions described in each stage of water restrictions.

Significant changes to this policy will be communicated to the public and to staff.

Policy number	2.06 (number change from 2.6)
Responsible area	Engineering
Approved by	Riverina Water Board –
Approval date	
Legislation or related strategy	Water Management Act 2000 Local Government Act 1993
Documents associated with this policy	Riverina Water – Prices, Fees and Charges Riverina Water Drought Management Plan 2012 Riverina Water Demand Management Plan 2012
Policy history	Vers 3 Adopted 24 Jun 2020 – Res 20/061 Vers 2 Adopted 27 Feb 2019 – Res 19/15 Vers 1 Adopted 22 Nov 2013 (name and number change only Original published in Riverina Water Management Plan 2007/2008
Review schedule	Every 4 years

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Author: Engineering

EDRMS #119185

Version 4
Last revised date 3 Aug 2022
Next scheduled review Aug 2026

R6 Code of Conduct Policy 1.01 and Administration of Code of Conduct Procedures

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	The Code of Conduct policy has been reviewed and is now presented to the Board prior to being placed on public exhibition as required. Also attached to this report is the Model Code Procedures for the administration of the Code of Conduct.

RECOMMENDATION that Council review

a) The Riverina Water Code of Conduct 1.01, noting that it is required to be placed on public exhibition for 28 days
b) The Model Code Procedures for the administration of the Riverina Water Code of Conduct Policy 1.01, noting that this will be adopted in line with the Code of Conduct in December 2022

Report

The Code of Conduct Policy 1.01 and the Model Code Procedures for the administration of the Riverina Water Code of Conduct were last reviewed and adopted in October 2020.

Little has changed in terms of the Code and Procedures since this time. Both these documents have been reviewed, and other than minor wording changes, are presented to the Board for adoption as part of the policy review process. As there is a requirement for public exhibition of the Code of Conduct, this will be placed on public exhibition for a period of 28 days, with a further report to the December Board meeting for adoption.

› **R6.1 Code of Conduct Policy 1.1 .docx**
› **R6.2 Procedures for the Administration of the Model Code of Conduct.docx**

Financial Implications

N/A

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Code of Conduct

October 2022 | Policy 1.01

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Part 1 Introduction

The Riverina Water Code of Conduct is made under section 440 of the Local Government Act 1993 ("LGA") and the *Local Government (General) Regulation 2021* ("the Regulation").

The Code of Conduct (the Code) sets the minimum standards of conduct for Riverina Water council officials. It is prescribed by regulation to assist council officials to:

- understand and comply with the standards of conduct that are expected of them
- enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (section 439)
- act in a way that enhances public confidence in local government.

Section 440 of the LGA requires every council (including county councils) and joint organisation to adopt a code of conduct that incorporates the provisions of the Model Code of Conduct. A council's or joint organisation's adopted Code of Conduct may also include provisions that supplement the Model Code of Conduct and that extend its application to persons that are not "council officials" for the purposes of the Model Code of Conduct (eg volunteers, contractors and members of wholly advisory committees).

A council's or joint organisation's adopted Code of Conduct has no effect to the extent that it is inconsistent with the Model Code of Conduct. However, a council's or joint organisation's adopted Code of Conduct may prescribe requirements that are more onerous than those prescribed in the Model Code of Conduct.

Board members, administrators, Riverina Water staff, delegates of council, (including members of council committees that are delegates of a council) and any other person Riverina Water's adopted Code of Conduct applies to, must comply with the applicable provisions of the Code. It is the personal responsibility of council officials to comply with the standards in the Code and to regularly review their personal circumstances and conduct with this in mind.

Failure by a Board member to comply with the standards of conduct prescribed under this Code constitutes misconduct for the purposes of the LGA. The LGA provides for a range of penalties that may be imposed on Board members for misconduct, including suspension or disqualification from civic office. A Board member who has been suspended on three or more occasions for misconduct is automatically disqualified from holding civic office for five years.

Failure by a member of staff to comply with Riverina Water's Code of Conduct may give rise to disciplinary action.

Part 2 Definitions

In this Code the following terms have the following meanings:

LGA	the Local Government Act
administrator	an administrator of a council appointed under the LGA other than an administrator appointed under section 66
chairperson	includes the chairperson of a county council or a joint organisation
committee	see the definition of "council committee"
complaint	a Code of Conduct complaint made for the purposes of clauses 4.1 and 4.2 of the Procedures
council	includes country council and joint organisations
council committee	a committee established by a council comprising of Board members, staff or other persons that the council has delegated functions to and the council's Audit, Risk and Improvement Committee
council committee member	a person other than a councillor or member of staff of a council who is a member of a council committee other than a wholly advisory committee, and a person other than a councillor who is a member of the council's Audit, Risk and Improvement Committee
council official	includes Board members, members of staff of a council, administrators, council committee members, delegates of council and, for the purposes of clause 4.16, council advisers
conduct	includes acts and omissions
delegate of council	a person (other than a councillor or member of staff of a council) or body, and the individual members of that body, to whom a function of the council is delegated
designated person	a person referred to in clause 4.8
election campaign	includes council, state and federal election campaigns

environmental planning instrument	has the same meaning as it has in the Environmental Planning and Assessment Act 1979
general manager	includes the executive of a joint organisation (at Riverina Water referred to as the CEO)
joint organisation	a joint organisation established under section400O of the LGA
local planning panel	a local planning panel constituted under the *Environmental Planning and Assessment Act 1979*
member (councillor)	any person appointed to civic office, including the chairperson and includes Board members and chairpersons of county councils and voting representatives of the boards of joint organisations and chairpersons of joint organisations
members of staff of a council	includes members of staff of country councils and joint organisations
the Office	Office of Local Government
personal information	information or an opinion (including information or an opinion forming part of a database and whether or not recorded in a material form) about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion
the Procedures	the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW prescribed under the Regulation
the Regulation	the Local Government (General) Regulation 2021
voting representative	a voting representative of the board of a joint organisation
wholly advisory committee	a council committee that the council has not delegated any functions to

Part 3 General Conduct Obligations

General Conduct

3.1 You must not conduct yourself in a manner that:

a) is likely to bring Riverina Water or other council officials into disrepute
b) is contrary to statutory requirements or the council's administrative requirements or policies
c) is improper or unethical
d) is an abuse of power
e) causes, comprises or involves intimidation or verbal abuse
f) involves the misuse of your position to obtain a private benefit
g) constitutes harassment or bullying behaviour under this Code, or is unlawfully discriminatory.

3.2 You must act lawfully and honestly, and exercise a reasonable degree of care and diligence in carrying out your functions under the LGA or any other Act. (section 439).

Fairness and equity

3.3 You must consider issues consistently, promptly and fairly. You must deal with matters in accordance with established procedures, in a non-discriminatory manner.

3.4 You must take all relevant facts known to you, or that you should be reasonably aware of, into consideration and have regard to the particular merits of each case. You must not take irrelevant matters or circumstances into consideration when making decisions.

3.5 An act or omission in good faith, whether or not it involves error, will not constitute a breach of clauses 3.3 or 3.4.

Harassment and discrimination

3.6 You must not harass or unlawfully discriminate against others, or support others who harass or unlawfully discriminate against others, on the grounds of age, disability, race (including colour, national or ethnic origin or immigrant status), sex, pregnancy, marital or relationship status, family responsibilities or breastfeeding, sexual orientation, gender identify or intersex status, or political, religious or other affilitation.

3.7 For the purposes of this Code, "harassment" is any form of behaviour towards a person that:

a) is not wanted by the person
b) offends, humiliates or intimidates the person, and
c) creates a hostile environment.

Bullying

3.8 You must not engage in bullying behaviour towards others.

3.9 For the purposes of this Code, "bullying behaviour" is any behaviour in which:

a) a person or a group of people repeatedly behaves unreasonably towards another person or a group of persons and
b) the behaviour creates a risk to health and safety.

3.10 Bullying behaviour may involve, but is not limited to, any of the following types of behaviour:

a) aggressive, threatening or intimidating conduct
b) belittling or humiliating comments
c) spreading malicious rumours
d) teasing, practical jokes or 'initiation ceremonies'
e) exclusion from work-related events
f) unreasonable work expectations, including too much or too little work, or work below or beyond a worker's skill level
g) displaying offensive material
h) pressure to behave in an inappropriate manner.

3.11 Reasonable management action carried out in a reasonable manner does not constitute bullying behaviour for the purposes of this Code. Examples of reasonable management action may include, but are not limited to:

a) performance management processes
b) disciplinary action for misconduct
c) informing a worker about unsatisfactory work performance or inappropriate work behaviour
d) directing a worker to perform duties in keeping with their job
e) maintaining reasonable workplace goals and standards
f) legitimately exercising a regulatory function
g) legitimately implementing a council policy or administrative processes.

Work health and safety

3.12 All council officials, including Board members, owe statutory duties under the Work Health and Safety Act 2011 (WH&S Act). You must comply with your duties under the WH&S Act and your responsibilities under any policies or procedures adopted by the council to ensure workplace health and safety. Specifically, you must:

a) take reasonable care for your own health and safety
b) take reasonable care that your acts or omissions do not adversely affect the health and safety of other persons

c) comply, so far as you are reasonably able, with any reasonable instruction that is given to ensure compliance with the WH&S Act and any policies or procedures adopted by the council to ensure workplace health and safety
d) cooperate with any reasonable policy or procedure of the council relating to workplace health or safety that has been notified to council staff
e) report accidents, incidents, near misses, to the CEO or such other staff member nominated by the CEO, and take part in any incident investigations
f) so far as is reasonably practicable, consult, co-operate and coordinate with all others who have a duty under the WH&S Act in relation to the same matter.

Land use planning, development assessment and other regulatory functions

3.13 You must ensure that land use planning, development assessment and other regulatory decisions are properly made, and that all parties are dealt with fairly. You must avoid any occasion for suspicion of improper conduct in the exercise of land use planning, development assessment and other regulatory functions.

3.14 In exercising land use planning, development assessment and other regulatory functions, you must ensure that no action, statement or communication between yourself and others conveys any suggestion of willingness to improperly provide concessions or preferential or unduly unfavourable treatment.

Binding caucus votes

3.15 You must not participate in binding caucus votes in relation to matters to be considered at a board or committee meeting.

3.16 For the purposes of clause 3.15, a binding caucus vote is a process whereby a group of members are compelled by a threat of disciplinary or other adverse action to comply with a predetermined position on a matter before the Board or committee, irrespective of the personal views of individual members of the group on the merits of the matter before the Board or committee.

3.17 Clause 3.15 does not prohibit members from discussing a matter before the Board or committee prior to considering the matter in question at a board or committee meeting, or from voluntarily holding a shared view with other members on the merits of a matter.

3.18 Clause 3.15 does not apply to a decision to elect the chairperson or deputy chairperson, or to nominate a person to be a member of a council committee or a representative of the council on an external body.

Obligations in relation to meetings

3.19 You must comply with rulings by the chair at board and committee meetings or other proceedings of the council unless a motion dissenting from the ruling is passed.

3.20 You must not engage in bullying behaviour (as defined under this Part) towards the chair, other council officials or any members of the public present during board or committee meetings or other proceedings of the council (such as, but not limited to, workshops and briefing sessions).

3.21 You must not engage in conduct that disrupts board or committee meetings or other proceedings of the council (such as, but not limited to, workshops and briefing sessions), or that would otherwise be inconsistent with the orderly conduct of meetings.

3.22 If you are a Board member, you must not engage in any acts of disorder or other conduct that is intended to prevent the proper or effective functioning of the Board, or of a committee of the council. Without limiting this clause, you must not:

a) leave a meeting of the Board or a committee for the purposes of depriving the meeting of a quorum, or
b) submit a rescission motion with respect to a decision for the purposes of voting against it to prevent another member from submitting a rescission motion with respect to the same decision, or
c) deliberately seek to impede the consideration of business at a meeting.

Part 4 Pecuniary interests

What is a pecuniary interest?

4.1 A pecuniary interest is an interest that you have in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to you or a person referred to in clause 4.3.

4.2 You will not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision you might make in relation to the matter, or if the interest is of a kind specified in clause 4.6.

4.3 For the purposes of this Part, you will have a pecuniary interest in a matter if the pecuniary interest is:

(a) your interest, or
(b) the interest of your spouse or de facto partner, your relative, or your partner or employer, or
(c) a company or other body of which you, or your nominee, partner or employer, is a shareholder or member.

4.4 For the purposes of clause 4.3:

(a) Your "relative" is any of the following:

i) your parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
ii) your spouse's or de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
iii) the spouse or de facto partner of a person referred to in paragraphs (i) and (ii).

(b) "de facto partner" has the same meaning as defined in section 21C of the *Interpretation Act 1987*.

4.5 You will not have a pecuniary interest in relation to a person referred to in subclauses 4.3(b) or (c):

(a) if you are unaware of the relevant pecuniary interest of your spouse, de facto partner, relative, partner, employer or company or other body, or
(b) just because the person is a member of, or is employed by, a council or a statutory body, or is employed by the Crown, or
(c) just because the person is a member of, or a delegate of a council to, a company or other body that has a pecuniary interest in the matter, so long as the person has no beneficial interest in any shares of the company or body.

What interests do not have to be disclosed?

4.6 You do not have to disclose the following interests for the purposes of this Part:

(a) your interest as an elector
(b) your interest as a ratepayer or person liable to pay a charge
(c) an interest you have in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to the public generally, or to a section of the public that includes persons who are not subject to this Code
(d) an interest you have in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to your relative by the council in the same manner and subject to the same conditions as apply to persons who are not subject to this Code
(e) an interest you have as a member of a club or other organisation or association, unless the interest is as the holder of an office in the club or organisation (whether remunerated or not)
(f) if you are a council committee member, an interest you have as a person chosen to represent the community, or as a member of a non-profit organisation or other community or special interest group, if you have been appointed to represent the organisation or group on the council committee
(g) an interest you have relating to a contract, proposed contract or other matter, if the interest arises only because of a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company
(h) an interest you have arising from the proposed making by the council of an agreement between the council and a corporation, association or partnership, being a corporation, association or partnership that has more than 25 members, if the interest arises because your relative is a shareholder (but not a director) of the corporation, or is a member (but not a member of the committee) of the association, or is a partner of the partnership
(i) an interest you have arising from the making by the council of a contract or agreement with your relative for, or in relation to, any of the following, but only if the proposed contract or agreement is similar in terms and conditions to such contracts and agreements as have been made, or as are proposed to be made, by the council in respect of similar matters with other residents of the area:

    i) the performance by the council at the expense of your relative of any work or service in connection with roads or sanitation
    ii) security for damage to footpaths or roads

iii) any other service to be rendered, or act to be done, by the council by or under any Act conferring functions on the council, or by or under any contract

(j) an interest relating to the payment of fees to Board members (including the chairperson and deputy chairperson)

(k) an interest relating to the payment of expenses and the provision of facilities to Board members (including the chairperson and deputy chairperson) in accordance with a policy under section 252 of the LGA,

(l) an interest relating to an election to the office of chairperson arising from the fact that a fee for the following 12 months has been determined for the office of chairperson

(m) an interest of a person arising from the passing for payment of a regular account for the wages or salary of an employee who is a relative of the person

(n) an interest arising from being covered by, or a proposal to be covered by, indemnity insurance as a Board member or a council committee member

(o) an interest arising from the appointment of a Board member to a body as a representative or delegate of the council, whether or not a fee or other recompense is payable to the representative or delegate.

4.7 For the purposes of clause 4.6, "relative" has the same meaning as in clause 4.4, but includes your spouse or de facto partner.

What disclosures must be made by a designated person?

4.8 Designated persons include:

(a) the CEO

(b) other senior staff of the council for the purposes of section 332 of the LGA

(c) a person (other than a Board member or the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person's duty as a member of staff or delegate and the person's private interest

(d) a person (other than a Board member or the senior staff of the council) who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the council's functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member's duty as a member of the committee and the member's private interest.

4.9 A designated person:

(a) must prepare and submit written returns of interests in accordance with clauses 4.21, and
(b) must disclose pecuniary interests in accordance with clause 4.10.

4.10 A designated person must disclose in writing to the CEO (or if the person is the CEO, to the Board) the nature of any pecuniary interest the person has in any council matter with which the person is dealing as soon as practicable after becoming aware of the interest.

4.11 Clause 4.10 does not require a designated person who is a member of staff of the council to disclose a pecuniary interest if the interest relates only to the person's salary as a member of staff, or to their other conditions of employment.

4.12 The CEO must, on receiving a disclosure from a designated person, deal with the matter to which the disclosure relates or refer it to another person to deal with.

4.13 A disclosure by the CEO must, as soon as practicable after the disclosure is made, be laid on the table at a meeting of the Board and the Board must deal with the matter to which the disclosure relates or refer it to another person to deal with.

What disclosures must be made by council staff other than designated persons?

4.14 A member of staff of council, other than a designated person, must disclose in writing to their manager or the CEO the nature of any pecuniary interest they have in a matter they are dealing with as soon as practicable after becoming aware of the interest.

4.15 The staff member's manager or the CEO must, on receiving a disclosure under clause 4.14, deal with the matter to which the disclosure relates or refer it to another person to deal with.

What disclosures must be made by council advisers?

4.16 A person who, at the request or with the consent of the Board or a council committee, gives advice on any matter at any meeting of the Board or committee, must disclose the nature of any pecuniary interest the person has in the matter to the meeting at the time the advice is given. The person is not required to disclose the person's interest as an adviser.

4.17 A person does not breach clause 4.16 if the person did not know, and could not reasonably be expected to have known, that the matter under consideration at the meeting was a matter in which they had a pecuniary interest.

What disclosures must be made by a council committee member?

4.18 A council committee member must disclose pecuniary interests in accordance with clause 4.28 and comply with clause 4.29.

4.19 For the purposes of clause 4.18, a "council committee member" includes a member of staff of council who is a member of the committee.

What disclosures must be made by a Board member?

4.20 A Board member:

(a) must prepare and submit written returns of interests in accordance with clause 4.21, and
(b) must disclose pecuniary interests in accordance with clause 4.28 and comply with clause 4.29 where it is applicable.

Disclosure of interests in written returns

4.21 A Board member or designated person must make and lodge with the CEO a return in the form set out in Schedule 2 to this Code, disclosing the Board member's or designated person's interests as specified in Schedule 1 to this Code within 3 months after:

(a) becoming a Board member or designated person, and
(b) 30 June of each year, and
(c) the Board member or designated person becoming aware of an interest they are required to disclose under Schedule 1 that has not been previously disclosed in a return lodged under paragraphs (a) or (b).

4.22 A person need not make and lodge a return under clause 4.21, paragraphs (a) and (b) if:

(a) they made and lodged a return under that clause in the preceding 3 months, or
(b) they have ceased to be a Board member or designated person in the preceding 3 months.

4.23 A person must not make and lodge a return that the person knows or ought reasonably to know is false or misleading in a material particular.

4.24 The CEO must keep a register of returns required to be made and lodged with the CEO.

4.25 Returns required to be lodged with the CEO under clause 4.21(a) and (b) must be tabled at the first meeting of the Board after the last day the return is required to be lodged.

4.26 Returns required to be lodged with the CEO under clause 4.21(c) must be tabled at the next Board meeting after the return is lodged.

4.27 Information contained in returns made and lodged under clause 4.21 is to be made publicly available in accordance with the requirements of the Government Information (Public Access) Act 2009, the Government Information (Public Access) Regulation 2009 and any guidelines issued by the Information Commissioner.

Disclosure of pecuniary interests at meetings

4.28 A Board member or a council committee member who has a pecuniary interest in any matter with which the council is concerned, and who is present at a meeting of the Board or committee at which the matter is being considered, must disclose the nature of the interest to the meeting as soon as practicable.

4.29 The Board member or council committee member must not be present at, or in sight of, the meeting of the Board or committee:

(a) at any time during which the matter is being considered or discussed by the Board or committee, or
(b) at any time during which the Board or committee is voting on any question in relation to the matter.

4.30 In the case of a meeting of a board of a joint organisation, a voting representative is taken to be present at the meeting for the purposes of clauses 4.28 and 4.29 where they participate in the meeting by telephone or other electronic means.

4.31 A disclosure made at a meeting of a board or council committee must be recorded in the minutes of the meeting.

4.32 A general notice may be given to the CEO in writing by a Board member or a council committee member to the effect that the Board member or council committee member, or the Board member's or council committee member's spouse, de facto partner or relative, is:

a) a member of, or in the employment of, a specified company or other body, or
b) a partner of, or in the employment of, a specified person.

Such a notice is, unless and until the notice is withdrawn or until the end of the term of the Board in which it is given (whichever is the sooner), sufficient disclosure of the Board member's or council committee member's interest in a matter relating to the specified company, body or person that may be the subject of consideration by the Board or council committee after the date of the notice.

4.33 A Board member or a council committee member is not prevented from being present at and taking part in a meeting at which a matter is being considered, or from voting on the matter, merely because the Board member or council committee member has an interest in the matter of a kind referred to in clause 4.6.

4.34 A person does not breach clauses 4.28 or 4.29 if the person did not know, and could not reasonably be expected to have known, that the matter under consideration at the meeting was a matter in which they had a pecuniary interest.

4.35 Despite clause 4.29, a member who has a pecuniary interest in a matter may participate in a decision to delegate consideration of the matter in question to another body or person.

4.36 Clause 4.29 does not apply to a member who has a pecuniary interest in a matter that is being considered at a meeting if:

(a) the matter is a proposal relating to:
    (i) the making of a principal environmental planning instrument applying to the whole or a significant portion of the council's area, or
    (ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant portion of the council's area, and
(b) the pecuniary interest arises only because of an interest of the member in the member's principal place of residence or an interest of another person (whose interests are relevant under clause 4.3) in that person's principal place of residence, and
(c) the member made a special disclosure under clause 4.37 in relation to the interest before the commencement of the meeting.

4.37 A special disclosure of a pecuniary interest made for the purposes of clause 4.36(c) must:

(a) be in the form set out in schedule 3 of this code and contain the information required by that form, and
(b) be laid on the table at a meeting of the baord as soon as practicable after the disclosure is made, and the information contained in the special disclosure is to be recorded in the minutes of the meeting.

4.38 The Minister for Local Government may, conditionally or unconditionally, allow a Board member or a council committee member who has a pecuniary interest in a matter with which the council is concerned to be present at a meeting of the Board or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

(a) that the number of members prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or

(b) that it is in the interests of the electors for the area to do so.

4.39 A Board member or a council committee member with a pecuniary interest in a matter who is permitted to be present at a meeting of the Baord or committee, to take part in the consideration or discussion of the matter and to vote on the matter under clause 4.38, must still disclose the interest they have in the matter in accordance with clause 4.28.

Part 5 Non-pecuniary conflicts of interest

What is a non-pecuniary conflict of interest?

5.1 Non-pecuniary interests are private or personal interests a council official has that do not amount to a pecuniary interest as defined in clause 4.1 of this code. These commonly arise out of family or personal relationships, or out of involvement in sporting, social, religious or other cultural groups and associations, and may include an interest of a financial nature.

5.2 A non-pecuniary conflict of interest exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your official functions in relation to a matter.

5.3 The personal or political views of a council official do not constitute a private interest for the purposes of clause 5.2.

5.4 Non-pecuniary conflicts of interest must be identified and appropriately managed to uphold community confidence in the probity of council decision-making. The onus is on you to identify any non-pecuniary conflict of interest you may have in matters that you deal with, to disclose the interest fully and in writing, and to take appropriate action to manage the conflict in accordance with this Code.

5.5 When considering whether or not you have a non-pecuniary conflict of interest in a matter you are dealing with, it is always important to think about how others would view your situation.

Managing non-pecuniary conflicts of interest

5.6 Where you have a non-pecuniary conflict of interest in a matter for the purposes of clause 5.2, you must disclose the relevant private interest you have in relation to the matter fully and in writing as soon as practicable after becoming aware of the non-pecuniary conflict of interest and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter. In the case of members of council staff other than the CEO, such a disclosure is to be made to the staff member's manager. In the case of the CEO, such a disclosure is to be made to the chairperson.

5.7 If a disclosure is made at a board or committee meeting, both the disclosure and the nature of the interest must be recorded in the minutes on each occasion on which the non-pecuniary conflict of interest arises. This disclosure constitutes disclosure in writing for the purposes of clause 5.6.

5.8 How you manage a non-pecuniary conflict of interest will depend on whether or not it is significant.

5.9 As a general rule, a non-pecuniary conflict of interest will be significant where it does not involve a pecuniary interest for the purposes of clause 4.1, but it involves:

a) a relationship between a council official and another person who is affected by a decision or a matter under consideration that is particularly close, such as a current or former spouse or de facto partner, a relative for the purposes of clause 4.4 or another person from the council official's extended family that the council official has a close personal relationship with, or another person living in the same household
b) other relationships with persons who are affected by a decision or a matter under consideration that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact and the duration of the friendship or relationship.
c) an affiliation between the council official and an organisation (such as a sporting body, club, religious, cultural or charitable organisation, corporation or association) that is affected by a decision or a matter under consideration that is particularly strong. The strength of a council official's affiliation with an organisation is to be determined by the extent to which they actively participate in the management, administration or other activities of the organisation.
d) membership, as the council's representative, of the board or management committee of an organisation that is affected by a decision or a matter under consideration, in circumstances where the interests of the council and the organisation are potentially in conflict in relation to the particular matter
e) a financial interest (other than an interest of a type referred to in clause 4.6) that is not a pecuniary interest for the purposes of clause 4.1
f) the conferral or loss of a personal benefit other than one conferred or lost as a member of the community or a broader class of people affected by a decision.

5.10 Significant non-pecuniary conflicts of interest must be managed in one of two ways:

a) by not participating in consideration of, or decision making in relation to, the matter in which you have the significant non-pecuniary conflict of interest and the matter being allocated to another person for consideration or determination, or
b) if the significant non-pecuniary conflict of interest arises in relation to a matter under consideration at a council or committee meeting, by managing the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.28 and 4.29.

5.11 If you determine that you have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest you

must also explain in writing why you consider that the non-pecuniary conflict of interest is not significant and does not require further action in the circumstances.

5.12 If you are a member of staff of council other than the CEO, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of your manager. In the case of the CEO, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of the chairperson.

5.13 Despite clause 5.10(b), a member who has a significant non-pecuniary conflict of interest in a matter, may participate in a decision to delegate consideration of the matter in question to another body or person.

5.14 Council committee members are not required to declare and manage a non-pecuniary conflict of interest in accordance with the requirements of this Part where it arises from an interest they have as a person chosen to represent the community, or as a member of a non-profit organisation or other community or special interest group, if they have been appointed to represent the organisation or group on the council committee.

Political donations

5.15 Members should be aware that matters before council or committee meetings involving their political donors may also give rise to a non-pecuniary conflict of interest.

5.16 Where you are a Board member and have received or knowingly benefitted from a reportable political donation:

a) made by a major political donor in the previous four years, and
b) the major political donor has a matter before council,

you must declare a non-pecuniary conflict of interest in the matter, disclose the nature of the interest, and manage the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.28 and 4.29. A disclosure made under this clause must be recorded in the minutes of the meeting.

5.17 For the purposes of this Part:

a) a "reportable political donation" has the same meaning as it has in section 6 of the *Electoral Funding Act 2018*
b) "major political donor" has the same meaning as it has in the *Electoral Funding Act 2018*.

5.18 Members should note that political donations that are not a "reportable political donation", or political donations to a registered political party or group by which a member is endorsed, may still give rise to a non-pecuniary conflict of interest. Board

members should determine whether or not such conflicts are significant for the purposes of clause 5.9 and take the appropriate action to manage them.

5.19 Despite clause 5.16, a Board member who has received or knowingly benefitted from a reportable political donation of the kind referred to in that clause, may participate in a decision to delegate consideration of the matter in question to another body or person.

Loss of quorum as a result of compliance with this Part

5.20 A Board member who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interest in the matter is permitted to participate in consideration of the matter if:

a) the matter is a proposal relating to:
   i) the making of a principal environmental planning instrument applying to the whole or a significant portion of the council's area, or
   ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant portion of the council's area, and
b) the non-pecuniary conflict of interest arises only because of an interest that a person has in that person's principal place of residence, and
c) the Board member discloses the interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part in accordance with clause 5.6.

5.21 The Minister for Local Government may, conditionally or unconditionally, allow a Board member or a council committee member who is precluded under this Part from participating in the consideration of a matter to be present at a meeting of the Board or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

a) that the number of members prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or
b) that it is in the interests of the electors for the area to do so.

5.22 Where the Minister exempts a Board member or committee member from complying with a requirement under this Part under clause 5.21, the member or committee member must still disclose any interests they have in the matter the exemption applies to, in accordance with clause 5.6.

Other business or employment

5.23 The CEO must not engage, for remuneration, in private employment, contract work or other business outside the service of the council without the approval of the Board.

5.24 A member of staff must not engage, for remuneration, in private employment, contract work or other business outside the service of the council that relates to the business of the council or that might conflict with the staff member's council duties unless they have notified the CEO in writing of the employment, work or business and the CEO has given their written approval for the staff member to engage in the employment, work or business.

5.25 The CEO may at any time prohibit a member of staff from engaging, for remuneration, in private employment, contract work or other business outside the service of the council that relates to the business of the council, or that might conflict with the staff member's council duties.

5.26 A member of staff must not engage, for remuneration, in private employment, contract work or other business outside the service of the council if prohibited from doing so.

5.27 Members of staff must ensure that any outside employment, work or business they engage in will not:

a) conflict with their official duties
b) involve using confidential information or council resources obtained through their work with the council including where private use is permitted
c) require them to work while on council duty
d) discredit or disadvantage Riverina Water
e) pose, due to fatigue, a risk to their health or safety, or to the health and safety of their co-workers.

Personal dealings with council

5.28 You may have reason to deal with Riverina Water in your personal capacity (for example, as a customer, recipient of a council service or applicant for a development consent granted by council). You must not expect or request preferential treatment in relation to any matter in which you have a private interest because of your position. You must avoid any action that could lead members of the public to believe that you are seeking preferential treatment.

5.29 You must undertake any personal dealings you have with Riverina Water in a manner that is consistent with the way other members of the community deal with the council. You must also ensure that you disclose and appropriately manage any conflict of interest you may have in any matter in accordance with the requirements of this Code.

Part 6 Personal benefit

6.1 For the purposes of this Part, a gift or a benefit is something offered to or received by a council official or someone personally associated with them for their personal use and enjoyment.

6.2 A reference to a gift or benefit in this Part does not include:

a) items with a value of $10 or less
b) a political donation for the purposes of the *Electoral Funding Act 2018*
c) a gift provided to the council as part of a cultural exchange or sister-city relationship that is not converted for the personal use or enjoyment of any individual council official or someone personally associated with them
d) a benefit or facility provided by the council to employee or Board member
e) attendance by a council official at a work-related event or function for the purposes of performing their official duties, or
f) free or subsidised meals, beverages or refreshments of token value provided to council officials in conjunction with the performance of their official duties such as, but not limited to:
    i. the discussion of official business
    ii. work-related events such as council-sponsored or community events, training, education sessions or workshops
    iii. conferences
    iv. council functions or events
    v. social functions organised by groups, such as council committees and community organisations.

Gifts and benefits

6.3 You must avoid situations that would give rise to the appearance that a person or body is attempting to secure favourable treatment from you or from the council, through the provision of gifts, benefits or hospitality of any kind to you or someone personally associated with you.

6.4 A gift or benefit is deemed to have been accepted by you for the purposes of this Part, where it is received by you or someone personally associated with you.

How are offers of gifts and benefits to be dealt with?

6.5 You must not:

a) seek or accept a bribe or other improper inducement

b) seek gifts or benefits of any kind
c) accept any gift or benefit that may create a sense of obligation on your part, or may be perceived to be intended or likely to influence you in carrying out your public duty
d) subject to clause 6.7, accept any gift or benefit of more than token value as defined by clause 6.9
e) accept an offer of cash or a cash-like gift as defined by clause 6.13, regardless of the amount
f) participate in competitions for prizes where eligibility is based on the council being in or entering into a customer–supplier relationship with the competition organiser
g) personally benefit from reward points programs when purchasing on behalf of the council.

6.6 Where you receive a gift or benefit of any value other than one referred to in clause 6.2, you must disclose this promptly to your manager or the CEO in writing. The recipient, manager, or CEO must ensure that, at a minimum, the following details are recorded in the council's gift register:

a) the nature of the gift or benefit
b) the estimated monetary value of the gift or benefit
c) the name of the person who provided the gift or benefit, and
d) the date on which the gift or benefit was received.

6.7 Where you receive a gift or benefit of more than token value that cannot reasonably be refused or returned, the gift or benefit must be surrendered to the council, unless the nature of the gift or benefit makes this impractical.

Gifts and benefits of token value

6.8 You may accept gifts and benefits of token value. Gifts and benefits of token value are one or more gifts or benefits received from a person or organisation over a 12-month period that, when aggregated, do not exceed a value of $100. They include, but are not limited to:

a) invitations to and attendance at local social, cultural or sporting events with a ticket value that does not exceed $100
b) gifts of alcohol that do not exceed a value of $100
c) ties, scarves, coasters, tie pins, diaries, chocolates or flowers or the like
d) prizes or awards that do not exceed $100 in value.

Gifts and benefits of more than token value

6.9 Gifts or benefits that exceed $100 in value are gifts or benefits of more than token value for the purposes of clause 6.5(d) and, subject to clause 6.7, must not be accepted.

6.10 Gifts and benefits of more than token value include, but are not limited to, tickets to major sporting events (such as international matches or matches in national sporting codes) with a ticket value that exceeds $100, corporate hospitality at a corporate facility at major sporting events, free or discounted products or services for personal use provided on terms that are not available to the general public or a broad class of persons, the use of holiday homes, artworks, free or discounted travel.

6.11 Where you have accepted a gift or benefit of token value from a person or organisation, you must not accept a further gift or benefit from the same person or organisation or another person associated with that person or organisation within a single 12-month period where the value of the gift, added to the value of earlier gifts received from the same person or organisation, or a person associated with that person or organisation, during the same 12-month period would exceed $100 in value.

6.12 For the purposes of this Part, the value of a gift or benefit is the monetary value of the gift or benefit inclusive of GST.

"Cash-like gifts"

6.13 For the purposes of clause 6.5(e), "cash-like gifts" include but are not limited to, gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internet credit, lottery tickets, memberships or entitlements to discounts that are not available to the general public or a broad class of persons.

Improper and undue influence

6.14 You must not use your position to influence other council officials in the performance of their official functions to obtain a private benefit for yourself or for somebody else. A member will not be in breach of this clause where they seek to influence other council officials through the proper exercise of their role as prescribed under the LGA.

6.15 You must not take advantage (or seek to take advantage) of your status or position with Riverina Water, or of functions you perform for Riverina Water, in order to obtain a private benefit for yourself or for any other person or body.

Part 7 Relationships between council officials

Obligations of members and administrators

7.1 Each council is a body politic. The Board members or administrator/s are the governing body of the council. Under section 223 of the LGA, the role of the governing body of the council includes the development and endorsement of the strategic plans, programs, strategies and policies of the council, including those relating to workforce policy, and to keep the performance of the council under review.

7.2 Board members or administrators must not:

a) direct council staff other than by giving appropriate direction to the CEO by way of Board or committee resolution, or by the chairperson or administrator exercising their functions under section 226 of the LGA

b) in any public or private forum, direct or influence, or attempt to direct or influence, any other member of the staff of the council or a delegate of the council in the exercise of the functions of the staff member or delegate

c) contact a member of the staff of Riverina Water on council-related business unless in accordance with the policy and procedures governing the interaction of Board members and council staff that have been authorised by the Board and the CEO

d) contact or issue instructions to any of Riverina Water's contractors, including the council's legal advisers, unless by the chairperson or administrator exercising their functions under section 226 of the LGA.

7.3 Despite clause 7.2, Board members may contact the council's external auditor or the chair of the council's audit risk and improvement committee to provide information reasonably necessary for the external auditor or the audit, risk and improvement committee to effectively perform their functions.

Obligations of staff

7.4 Under section 335 of the LGA, the role of the CEO includes conducting the day-to-day management of the council in accordance with the strategic plans, programs, strategies and policies of the council, implementing without undue delay, lawful decisions of the Board and ensuring that the chairperson and other Board members are given timely information and advice and the administrative and professional support necessary to effectively discharge their official functions.

7.5 Members of staff of Riverina Water must:

a) give their attention to the business of the council while on duty

b) ensure that their work is carried out ethically, efficiently, economically and effectively

c) carry out reasonable and lawful directions given by any person having authority to give such directions
d) give effect to the lawful decisions, policies and procedures of the Board whether or not the staff member agrees with or approves of them
e) ensure that any participation in political activities outside the service of Riverina Water does not interfere with the performance of their official duties.

Inappropriate interactions

7.6 You must not engage in any of the following inappropriate interactions:

a) Board members and administrators approaching staff and staff organisations to discuss individual or operational staff matters (other than matters relating to broader workforce policy), grievances, workplace investigations and disciplinary matters
b) council staff approaching Board members and administrators to discuss individual or operational staff matters (other than matters relating to broader workforce policy), grievances, workplace investigations and disciplinary matters
c) subject to clause 8.6, council staff refusing to give information that is available to other Board members to a particular Board member
d) Board members and administrators who have lodged an application with the council, discussing the matter with council staff in staff-only areas of the council
e) Board members and administrators approaching members of local planning panels or discussing any application that is either before the panel or that will come before the panel at some future time, except during a panel meeting where the application forms part of the agenda and the member has a right to be heard by the panel at the meeting
f) Board members and administrators being overbearing or threatening to council staff
g) council staff being overbearing or threatening to Board members or administrators
h) Board members and administrators making personal attacks on council staff or engaging in conduct towards staff that would be contrary to the general conduct provisions in Part 3 of this Code in public forums including social media
i) Board members and administrators directing or pressuring council staff in the performance of their work, or recommendations they should make
j) council staff providing ad hoc advice to Board members and administrators without recording or documenting the interaction as they would if the advice was provided to a member of the community
k) council staff meeting with applicants or objectors alone AND outside office hours to discuss planning applications or proposals

l) Board members attending on-site inspection meetings with lawyers and/or consultants engaged by the council associated with current or proposed legal proceedings unless permitted to do so by the council's CEO or, in the case of the chairperson or administrator, unless they are exercising their functions under section 226 of the LGA.

Part 8 Access to information and council resources

Board member and administrator access to information

8.1 The CEO is responsible for ensuring that Board members and administrators can access information necessary for the performance of their official functions. The CEO and public officer are also responsible for ensuring that members of the public can access publicly available council information under the *Government Information (Public Access) Act 2009* (the GIPA Act).

8.2 The CEO must provide Board members and administrators with the information necessary to effectively discharge their official functions.

8.3 Members of staff of Riverina Water must provide full and timely information to Board members and administrators sufficient to enable them to exercise their official functions and in accordance with council procedures.

8.4 Members of staff of Riverina Water who provide any information to a particular Board member in the performance of their official functions must also make it available to any other Board member who requests it and in accordance with council procedures.

8.5 Board members and administrators who have a private interest only in council information have the same rights of access as any member of the public.

8.6 Despite clause 8.4, Board members and administrators who are precluded from participating in the consideration of a matter under this Code because they have a conflict of interest in the matter, are not entitled to request access to council information in relation to the matter unless the information is otherwise available to members of the public, or the council has determined to make the information available under the GIPA Act.

Board members and administrators to properly examine and consider information

8.7 Board members and administrators must ensure that they comply with their duty under section 439 of the LGA to act honestly and exercise a reasonable degree of care and diligence by properly examining and considering all the information provided to them relating to matters that they are required to make a decision on.

Refusal of access to information

8.8 Where the CEO or public officer determine to refuse access to information requested by a Board member or administrator, they must act reasonably. In reaching this decision they must take into account whether or not the information requested is necessary for the Board member or administrator to perform their official functions (see clause 8.2) and whether they have disclosed a conflict of interest in the matter the information relates to that would preclude their participation in consideration of the matter (see clause 8.6). The CEO or public officer must state the reasons for the decision if access is refused.

Use of certain council information

8.9 In regard to information obtained in your capacity as a council official, you must:

a) subject to clause 8.14, only access council information needed for council business
b) not use that council information for private purposes
c) not seek or obtain, either directly or indirectly, any financial benefit or other improper advantage for yourself, or any other person or body, from any information to which you have access by virtue of your office or position with Riverina Water
d) only release council information in accordance with established council policies and procedures and in compliance with relevant legislation.

Use and security of confidential information

8.10 You must maintain the integrity and security of confidential information in your possession, or for which you are responsible.

8.11 In addition to your general obligations relating to the use of council information, you must:

a) only access confidential information that you have been authorised to access and only do so for the purposes of exercising your official functions
b) protect confidential information
c) only release confidential information if you have authority to do so
d) only use confidential information for the purpose for which it is intended to be used
e) not use confidential information gained through your official position for the purpose of securing a private benefit for yourself or for any other person
f) not use confidential information with the intention to cause harm or detriment to Riverina water or any other person or body

g) not disclose any confidential information discussed during a confidential session of a Board or committee meeting or any other confidential forum (such as, but not limited to, workshops or briefing sessions).

Personal information

8.12 When dealing with personal information you must comply with:

a) the *Privacy and Personal Information Protection Act 1998*
b) the *Health Records and Information Privacy Act 2002*
c) the Information Protection Principles and Health Privacy Principles
d) Riverina Water's Privacy Management Plan
e) the Privacy Code of Practice for Local Government

Use of council resources

8.13 You must use council resources ethically, effectively, efficiently and carefully in exercising your official functions, and must not use them for private purposes, except when supplied as part of a contract of employment (but not for private business purposes), unless this use is lawfully authorised and proper payment is made where appropriate.

8.14 Union delegates and Consultative Committee members may have reasonable access to council resources and information for the purposes of carrying out their industrial responsibilities, including but not limited to:

a) the representation of members with respect to disciplinary matters
b) the representation of employees with respect to grievances and disputes
c) functions associated with the role of the local consultative committee.

8.15 You must be scrupulous in your use of council property, including intellectual property, official services, facilities, technology and electronic devices and must not permit their misuse by any other person or body.

8.16 You must avoid any action or situation that could create the appearance that council property, official services or public facilities are being improperly used for your benefit or the benefit of any other person or body.

8.17 You must not use council resources (including council staff), property or facilities for the purpose of assisting your election campaign or the election campaigns of others unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility.

8.18 You must not use the council letterhead, council crests, council email or social media or other information that could give the appearance it is official council material:

a) for the purpose of assisting your election campaign or the election campaign of others, or
b) for other non-official purposes.

8.19 You must not convert any property of the council to your own use unless properly authorised.

Internet access

8.20 You must not use council's computer resources or mobile or other devices to search for, access, download or communicate any material of an offensive, obscene, pornographic, threatening, abusive or defamatory nature, or that could otherwise lead to criminal penalty or civil liability and/or damage the Riverina Water's reputation.

Council record keeping

8.21 You must comply with the requirements of the *State Records Act 1998* and Riverina Water's records management policy.

8.22 All information created, sent and received in your official capacity is a council record and must be managed in accordance with the requirements of the *State Records Act 1998* and Riverina Water's approved records management policies and practices.

8.23 All information stored in either soft or hard copy on council supplied resources (including technology devices and email accounts) is deemed to be related to the business of the council and will be treated as council records, regardless of whether the original intention was to create the information for personal purposes.

8.24 You must not destroy, alter, or dispose of council information or records, unless authorised to do so. If you need to alter or dispose of council information or records, you must do so in consultation with the appropriate officer in Corporate Services and comply with the requirements of the *State Records Act 1998*.

Councillor access to council buildings

8.25 Board members and administrators are entitled to have access to the board room, committee room, bathroom facilities and public areas of Riverina Water's buildings during normal business hours and for meetings. Board Members and administrators needing access to these facilities at other times must obtain authority from the CEO.

8.26 Board members and administrators must not enter staff-only areas of council buildings without the approval of the CEO (or their delegate) or as provided for in the procedures governing the interaction of Board members and council staff.

8.27 Board members and administrators must ensure that when they are within a staff only area they refrain from conduct that could be perceived to improperly influence council staff decisions.

Part 9 Maintaining the integrity of this Code

Complaints made for an improper purpose

9.1 You must not make or threaten to make a complaint or cause a complaint to be made alleging a breach of this Code for an improper purpose.

9.2 For the purposes of clause 9.1, a complaint is made for an improper purpose where it is trivial, frivolous, vexatious or not made in good faith, or where it otherwise lacks merit and has been made substantially for one or more of the following purposes:

a) to bully, intimidate or harass another council official
b) to damage another council official's reputation
c) to obtain a political advantage
d) to influence a council official in the exercise of their official functions or to prevent or disrupt the exercise of those functions
e) to influence the council in the exercise of its functions or to prevent or disrupt the exercise of those functions
f) to avoid disciplinary action under the Procedures
g) to take reprisal action against a person for making a complaint alleging a breach of this Code
h) to take reprisal action against a person for exercising a function prescribed under the Procedures
i) to prevent or disrupt the effective administration of this Code under the Procedures.

Detrimental action

9.3 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for a complaint they have made alleging a breach of this Code.

9.4 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for any function they have exercised under the Procedures.

9.5 For the purposes of clauses 9.3 and 9.4, a detrimental action is an action causing, comprising or involving any of the following:

a) injury, damage or loss
b) intimidation or harassment
c) discrimination, disadvantage or adverse treatment in relation to employment
d) dismissal from, or prejudice in, employment
e) disciplinary proceedings.

Compliance with requirements under the Procedures

9.6 You must not engage in conduct that is calculated to impede or disrupt the consideration of a matter under the Procedures.

9.7 You must comply with a reasonable and lawful request made by a person exercising a function under the Procedures. A failure to make a written or oral submission invited under the Procedures will not constitute a breach of this clause.

9.8 You must comply with a practice ruling made by the Office under the Procedures.

Disclosure of information about the consideration of a matter under the Procedures

9.9 All allegations of breaches of this Code must be dealt with under and in accordance with the Procedures.

9.10 You must not allege breaches of this Code other than by way of a complaint made or initiated under the Procedures.

9.11 You must not make allegations about, or disclose information about, suspected breaches of this Code at Board, committee or other meetings, whether open to the public or not, or in any other forum, whether public or not.

9.12 You must not disclose information about a complaint you have made alleging a breach of this Code or a matter being considered under the Procedures except for the purposes of seeking legal advice, unless the disclosure is otherwise permitted under the Procedures.

9.13 Nothing under this Part prevents a person from making a public interest disclosure to an appropriate public authority or investigative authority under the *Public Interest Disclosures Act 1994*.

Complaints alleging a breach of this Part

9.14 Complaints alleging a breach of this Part by a Board member, the CEO or an administrator are to be managed by the Office. This clause does not prevent the Office from referring an alleged breach of this Part back to the council for consideration in accordance with the Procedures.

9.16 Complaints alleging a breach of this Part by other council officials are to be managed by the CEO in accordance with the Procedures.

Schedule 1: Disclosures of interest and other matters in written returns submitted under Clause 4.21

Part 1: Preliminary

Definitions

1. For the purposes of the schedules to this Code, the following definitions apply:

address means:

a) in relation to a person other than a corporation, the last residential or business address of the person known to the Board member or designated person disclosing the address, or

b) in relation to a corporation, the address of the registered office of the corporation in New South Wales or, if there is no such office, the address of the principal office of the corporation in the place where it is registered, or

c) in relation to any real property, the street address of the property.

de facto partner has the same meaning as defined in section 21C of the Interpretation Act 1987.

disposition of property means a conveyance, transfer, assignment, settlement, delivery, payment or other alienation of property, including the following:

a) the allotment of shares in a company

b) the creation of a trust in respect of property

c) the grant or creation of a lease, mortgage, charge, easement, licence, power, partnership or interest in respect of property

d) the release, discharge, surrender, forfeiture or abandonment, at law or in equity, of a debt, contract or chose in action, or of an interest in respect of property

e) the exercise by a person of a general power of appointment over property in favour of another person

f) a transaction entered into by a person who intends by the transaction to diminish, directly or indirectly, the value of the person's own property and to increase the value of the property of another person.

gift means a disposition of property made otherwise than by will (whether or not by instrument in writing) without consideration, or with inadequate consideration, in money or money's worth passing from the person to whom the disposition was made

to the person who made the disposition, but does not include a financial or other contribution to travel.

interest means:

a) in relation to property, an estate, interest, right or power, at law or in equity, in or over the property, or

b) in relation to a corporation, a relevant interest (within the meaning of section 9 of the Corporations Act 2001 of the Commonwealth) in securities issued or made available by the corporation.

listed company means a company that is listed within the meaning of section 9 of the Corporations Act 2001 of the Commonwealth.

occupation includes trade, profession and vocation.

professional or business association means an incorporated or unincorporated body or organisation having as one of its objects or activities the promotion of the economic interests of its members in any occupation.

property includes money.

return date means:

a) in the case of a return made under clause 4.21(a), the date on which a person became a member or designated person

b) in the case of a return made under clause 4.21(b), 30 June of the year in which the return is made

c) in the case of a return made under clause 4.21(c), the date on which the member or designated person became aware of the interest to be disclosed.

r*elative* includes any of the following:

a) a person's spouse or de facto partner

b) a person's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child

c) a person's spouse's or de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child

d) the spouse or de factor partner of a person referred to in paragraphs (b) and (c).

travel includes accommodation incidental to a journey.

Matters relating to the interests that must be included in returns

2. *Interests etc. outside New South Wales:* A reference in this schedule or in schedule 2 to a disclosure concerning a corporation or other thing includes any reference to a disclosure concerning a corporation registered, or other thing arising or received, outside New South Wales.

3. *References to interests in real property:* A reference in this schedule or in schedule 2 to real property in which a member or designated person has an interest includes a reference to any real property situated in Australia in which the member or designated person has an interest.

4. *Gifts, loans etc. from related corporations:* For the purposes of this schedule and schedule 2, gifts or contributions to travel given, loans made, or goods or services supplied, to a member or designated person by two or more corporations that are related to each other for the purposes of section 50 of the *Corporations Act 2001* of the Commonwealth are all given, made or supplied by a single corporation.

Part 2: Pecuniary interests to be disclosed in returns

Real property

5. A person making a return under clause 4.21 of this code must disclose:

   a) the street address of each parcel of real property in which they had an interest on the return date, and

   b) the street address of each parcel of real property in which they had an interest in the period since 30 June of the previous financial year, and

   c) the nature of the interest.

6. An interest in a parcel of real property need not be disclosed in a return if the person making the return had the interest only:

   a) as executor of the will, or administrator of the estate, of a deceased person and not as a beneficiary under the will or intestacy, or

   b) as a trustee, if the interest was acquired in the ordinary course of an occupation not related to their duties as the holder of a position required to make a return.

7. An interest in a parcel of real property need not be disclosed in a return if the person ceased to hold the interest prior to becoming a member or designated person.

8. For the purposes of clause 5 of this schedule, "interest" includes an option to purchase.

Gifts

9. A person making a return under clause 4.21 of this code must disclose:

   a) a description of each gift received in the period since 30 June of the previous financial year, and

   b) the name and address of the donor of each of the gifts.

10. A gift need not be included in a return if:

   a) it did not exceed $500, unless it was among gifts totalling more than $500 made by the same person during a period of 12 months or less, or

   b) it was a political donation disclosed, or required to be disclosed, under Part 3 of the *Electoral Funding Act 2018*, or

   c) the donor was a relative of the donee, or

   d) subject to paragraph (a), it was received prior to the person becoming a member or designated person.

11. For the purposes of clause 10 of this schedule, the amount of a gift other than money is an amount equal to the value of the property given.

Contributions to travel

12. A person making a return under clause 4.21 of this Code must disclose:
    a) the name and address of each person who made any financial or other contribution to the expenses of any travel undertaken by the person in the period since 30 June of the previous financial year, and
    b) the dates on which the travel was undertaken, and
    c) the names of the states and territories, and of the overseas countries, in which the travel was undertaken.

13. A financial or other contribution to any travel need not be disclosed under this clause if it:
    a) was made from public funds (including a contribution arising from travel on free passes issued under an Act or from travel in government or council vehicles), or
    b) was made by a relative of the traveller, or
    c) was made in the ordinary course of an occupation of the traveller that is not related to their functions as the holder of a position requiring the making of a return, or
    d) did not exceed $250, unless it was among gifts totalling more than $250 made by the same person during a 12-month period or less, or
    e) was a political donation disclosed, or required to be disclosed, under Part 3 of the *Electoral Funding Act 2018*, or
    f) was made by a political party of which the traveller was a member and the travel was undertaken for the purpose of political activity of the party in New South Wales, or to enable the traveller to represent the party within Australia, or
    g) subject to paragraph (d) it was received prior to the person becoming a member or designated person.

14. For the purposes of clause 13 of this schedule, the amount of a contribution (other than a financial contribution) is an amount equal to the value of the contribution.

Interests and positions in corporations

15. A person making a return under clause 4.21 of this code must disclose:
    a) the name and address of each corporation in which they had an interest or held a position (whether remunerated or not) on the return date, and
    b) the name and address of each corporation in which they had an interest or held a position in the period since 30 June of the previous financial year, and
    c) the nature of the interest, or the position held, in each of the corporations, and
    d) a description of the principal objects (if any) of each of the corporations, except in the case of a listed company.

16. An interest in, or a position held in, a corporation need not be disclosed if the corporation is:

a) formed for the purpose of providing recreation or amusement, or for promoting commerce, industry, art, science, religion or charity, or for any other community purpose, and

b) required to apply its profits or other income in promoting its objects, and

c) prohibited from paying any dividend to its members.

17. An interest in a corporation need not be disclosed if the interest is a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company.

18. An interest or a position in a corporation need not be disclosed if the person ceased to hold the interest or position prior to becoming a member or designated person.

Interests as a property developer or a close associate of a property developer

19. A person making a return under clause 4.21 of this Code must disclose whether they were a property developer, or a close associate of a corporation that, or an individual who, is a property developer, on the return date.

20. For the purposes of clause 19 of this schedule:

close associate, in relation to a corporation or an individual, has the same meaning as it has in section 53 of the *Electoral Funding Act 2018*.

property developer has the same meaning as it has in Division 7 of Part 3 of the *Electoral Funding Act 2018*.

Positions in trade unions and professional or business associations

21. A person making a return under clause 4.21 of the Code must disclose:

a) the name of each trade union, and of each professional or business association, in which they held any position (whether remunerated or not) on the return date, and

b) the name of each trade union, and of each professional or business association, in which they have held any position (whether remunerated or not) in the period since 30 June of the previous financial year, and

c) a description of the position held in each of the unions and associations.

22. A position held in a trade union or a professional or business association need not be disclosed if the person ceased to hold the position prior to becoming a member or designated person.

Dispositions of real property

23. A person making a return under clause 4.21 of this Code must disclose particulars of each disposition of real property by the person (including the street address of the affected property) in the period since 30 June of the previous financial year, under which they wholly or partly retained the use and benefit of the property or the right to re-acquire the property.

24. A person making a return under clause 4.21 of this Code must disclose particulars of each disposition of real property to another person (including the street address of the affected property) in the period since 30 June of the previous financial year, that is made under arrangements with, but is not made by, the person making the return, being a disposition under which the person making the return obtained wholly or partly the use of the property.

25. A disposition of real property need not be disclosed if it was made prior to a person becoming a member or designated person.

Sources of income

26. A person making a return under clause 4.21 of this Code must disclose:

    a) each source of income that the person reasonably expects to receive in the period commencing on the first day after the return date and ending on the following 30 June, and

    b) each source of income received by the person in the period since 30 June of the previous financial year.

27. A reference in clause 26 of this schedule to each source of income received, or reasonably expected to be received, by a person is a reference to:

    a) in relation to income from an occupation of the person:

        (i) a description of the occupation, and

        (ii) if the person is employed or the holder of an office, the name and address of their employer, or a description of the office, and

        (iii) if the person has entered into a partnership with other persons, the name (if any) under which the partnership is conducted, or

    b) in relation to income from a trust, the name and address of the settlor and the trustee, or

    c) in relation to any other income, a description sufficient to identify the person from whom, or the circumstances in which, the income was, or is reasonably expected to be, received.

28. The source of any income need not be disclosed by a person in a return if the amount of the income received, or reasonably expected to be received, by the person from that source did not exceed $500, or is not reasonably expected to exceed $500, as the case may be.

29. The source of any income received by the person that they ceased to receive prior to becoming a Board member or designated person need not be disclosed.

30. A fee paid to a Board member or to the chairperson or deputy chairperson under sections 248 or 249 of the LGA need not be disclosed.

Debts

31. A person making a return under clause 4.21 of this Code must disclose the name and address of each person to whom the person was liable to pay any debt:
    a) on the return date, and
    b) at any time in the period since 30 June of the previous financial year.

32. A liability to pay a debt must be disclosed by a person in a return made under clause 4.21 whether or not the amount, or any part of the amount, to be paid was due and payable on the return date or at any time in the period since 30 June of the previous financial year, as the case may be.

33. A liability to pay a debt need not be disclosed by a person in a return if:
    a) the amount to be paid did not exceed $500 on the return date or in the period since 30 June of the previous financial year, as the case may be, unless:
        (i) the debt was one of two or more debts that the person was liable to pay to one person on the return date, or at any time in the period since 30 June of the previous financial year, as the case may be, and
        (ii) the amounts to be paid exceeded, in the aggregate, $500, or
    b) the person was liable to pay the debt to a relative, or
    c) in the case of a debt arising from a loan of money the person was liable to pay the debt to an authorised deposit-taking institution or other person whose ordinary business includes the lending of money, and the loan was made in the ordinary course of business of the lender, or
    d) in the case of a debt arising from the supply of goods or services:
        (i) the goods or services were supplied in the period of 12 months immediately preceding the return date, or were supplied in the period since 30 June of the previous financial year, as the case may be, or
        (ii) the goods or services were supplied in the ordinary course of any occupation of the person that is not related to their duties as the holder of a position required to make a return, or
    e) subject to paragraph (a), the debt was discharged prior to the person becoming a Board member or designated person.

Discretionary disclosures

34. A person may voluntarily disclose in a return any interest, benefit, advantage or liability, whether pecuniary or not, that is not required to be disclosed under another provision of this Schedule.

Schedule 2: Form of written return of interests submitted under Clause 4.21

'Disclosures by members and designated persons' return

1. The pecuniary interests and other matters to be disclosed in this return are prescribed by Schedule 1 of the Model Code of Conduct for Local Councils in NSW (the Model Code of Conduct).

2. If this is the first return you have been required to lodge with the CEO after becoming a Board member or designated person, do not complete Parts C, D and I of the return. All other parts of the return should be completed with appropriate information based on your circumstances at the return date, that is, the date on which you became a Board member or designated person.

3. If you have previously lodged a return with the CEO and you are completing this return for the purposes of disclosing a new interest that was not disclosed in the last return you lodged with the CEO, you must complete all parts of the return with appropriate information for the period from 30 June of the previous financial year or the date on which you became a Board member or designated person, (whichever is the later date), to the return date which is the date you became aware of the new interest to be disclosed in your updated return.

4. If you have previously lodged a return with the CEO and are submitting a new return for the new financial year, you must complete all parts of the return with appropriate information for the 12-month period commencing on 30 June of the previous year to 30 June this year.

5. This form must be completed using block letters or typed.

6. If there is insufficient space for all the information you are required to disclose, you must attach an appendix which is to be properly identified and signed by you.

7. If there are no pecuniary interests or other matters of the kind required to be disclosed under a heading in this form, the word "NIL" is to be placed in an appropriate space under that heading.

Important information

This information is being collected for the purpose of complying with clause 4.21 of the Model Code of Conduct.

You must not lodge a return that you know or ought reasonably to know is false or misleading in a material particular (see clause 4.23 of the Model Code of Conduct). Complaints about

breaches of these requirements are to be referred to the Office of Local Government and may result in disciplinary action by the council, the Chief Executive of the Office of Local Government or the NSW Civil and Administrative Tribunal.

The information collected on this form will be kept by the CEO in a register of returns. The CEO is required to table all returns at a board meeting.

Information contained in returns made and lodged under clause 4.21 is to be made publicly available in accordance with the requirements of the *Government Information (Public Access) Act 2009*, the *Government Information (Public Access) Regulation 2009* and any guidelines issued by the Information Commissioner.

You have an obligation to keep the information contained in this return up to date. If you become aware of a new interest that must be disclosed in this return, or an interest that you have previously failed to disclose, you must submit an updated return within three months of becoming aware of the previously undisclosed interest.

Disclosure of pecuniary interests and other matters by [*full name of member or designated person*]

as at [*return date*]

in respect of the period from [*date*] to [*date*]

[*member's or designated person's signature*]
[*date*]

A. Real Property

Street address of each parcel of real property in which I had an interest at the return date/at any time since 30 June	Nature of interest

B. Sources of income

1 Sources of income I reasonably expect to receive from an occupation in the period commencing on the first day after the return date and ending on the following 30 June

Sources of income I received from an occupation at any time since 30 June

Description of occupation	Name and address of employer or description of office held (if applicable)	Name under which partnership

	conducted (if applicable)

2 Sources of income I reasonably expect to receive from a trust in the period commencing on the first day after the return date and ending on the following 30 June

Sources of income I received from a trust since 30 June

Name and address of settlor	Name and address of trustee

3 Sources of other income I reasonably expect to receive in the period commencing on the first day after the return date and ending on the following 30 June

Sources of other income I received at any time since 30 June

[*Include description sufficient to identify the person from whom, or the circumstances in which, that income was received*]

C. Gifts

Description of each gift I received at any time since 30 June	Name and address of donor

D. Contributions to travel

Name and address of each person who made any financial or other contribution to any travel undertaken by me at any time since 30 June	Dates on which travel was undertaken	Name of States, Territories of the Commonwealth and overseas countries in which travel was undertaken

E. Interests and positions in corporations

Name and address of each corporation in which I had an interest or held a position at the return date/at any time since 30 June	Nature of interest (if any)	Description of position (if any)	Description of principal objects (if any) of corporation

(except in case of listed company)

F. Were you a property developer or a close associate of a property developer on the return date? (Y/N)

G. Positions in trade unions and professional or business associations

Name of each trade union and each professional or business association in which I held any position (whether remunerated or not) at the return date/at any time since 30 June	Description of position

H. Debts

Name and address of each person to whom I was liable to pay any debt at the return date/at any time since 30 June

I. Dispositions of property

1 Particulars of each disposition of real property by me (including the street address of the affected property) at any time since 30 June as a result of which I retained, either wholly or in part, the use and benefit of the property or the right to re-acquire the property at a later time

2 Particulars of each disposition of property to a person by any other person under arrangements made by me (including the street address of the affected property), being dispositions made at any time since 30 June, as a result of which I obtained, either wholly or in part, the use and benefit of the property

J. Discretionary disclosures

Schedule 3: Form of Special Disclosure of pecuniary interest submitted under Clause 4.37

1. This form must be completed using block letters or typed.

2. If there is insufficient space for all the information you are required to disclose, you must attach an appendix which is to be properly identified and signed by you.

Important information

This information is being collected for the purpose of making a special disclosure of pecuniary interests under clause 4.36(c) of the Riverina Water Code of Conduct.

The special disclosure must relate only to a pecuniary interest that a member has in the member's principal place of residence, or an interest another person (whose interests are relevant under clause 4.3 of the Riverina Water Code of Conduct) has in that person's principal place of residence.

Clause 4.3 of the Riverina Water Code of Conduct states that you will have a pecuniary interest in a matter because of the pecuniary interest of your spouse or your de facto partner or your relative or because your business partner or employer has a pecuniary interest. You will also have a pecuniary interest in a matter because you, your nominee, your business partner or your employer is a member of a company or other body that has a pecuniary interest in the matter.

"Relative" is defined by clause 4.4 of the Riverina Water Code of Conduct as meaning your, your spouse's or your de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child and the spouse or de facto partner of any of those persons.

You must not make a special disclosure that you know or ought reasonably to know is false or misleading in a material particular. Complaints about breaches of these requirements are to be referred to the Office of Local Government and may result in disciplinary action by the Chief Executive of the Office of Local Government or the NSW Civil and Administrative Tribunal.

This form must be completed by you before the commencement of the board or council committee meeting at which the special disclosure is being made. The completed form must be tabled at the meeting. Everyone is entitled to inspect it. The special disclosure must be recorded in the minutes of the meeting.

Special disclosure of pecuniary interests by [*full name of member*]

in the matter of *[insert name of environmental planning instrument*]

which is to be considered at a meeting of the [*name of board or council committee* (as the case requires)]

to be held on the day of 20 .

Pecuniary interest	
Address of the affected principal place of residence of the member or an associated person, company or body (the identified land)	
Relationship of identified land to the member [*Tick or cross one box*]	□ The member has an interest in the land (e.g. is the owner or has another interest arising out of a mortgage, lease, trust, option or contract, or otherwise). □ An associated person of the member has an interest in the land. □ An associated company or body of the member has an interest in the land.
Matter giving rise to pecuniary interest1	
Nature of the land that is subject to a change in zone/planning control by the proposed LEP (the subject land)2 [*Tick or cross one box*]	□ The identified land. □ Land that adjoins or is adjacent to or is in proximity to the identified land.

[1] Clause 4.1 of the Riverina Water Code of Conduct provides that a pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person. A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter, or if the interest is of a kind specified in clause 4.6 of the Code of Conduct.

[2] A pecuniary interest may arise by way of a change of permissible use of land adjoining, adjacent to or in proximity to land in which a councillor or a person, company or body referred to in clause 4.3 of the Riverina Water Code of Conduct has a proprietary interest.

Current zone/planning control [*Insert name of current planning instrument and identify relevant zone/planning control applying to the subject land]*	
Proposed change of zone/planning control [*Insert name of proposed LEP and identify proposed change of zone/planning control applying to the subject land*]	
Effect of proposed change of zone/planning control on member or associated person [*Insert one of the following: "Appreciable financial gain" or "Appreciable financial loss"]*	

[If more than one pecuniary interest is to be declared, reprint the above box and fill in for each additional interest.]

Board member's signature

Date

[This form is to be retained by the council's CEO and included in full in the minutes of the meeting]

Policy details

Policy number	Policy 1.01
Responsible area	CEO
Approved by	Riverina Water Board – Resolution No 20/115
Approval date	28 October 2020
Legislation or related strategy	Local Government Act 1993 Local Government (General) Regulation 2021 Model Code of Conduct 2018 Procedures for the Administration of the Code of Conduct 2018
Documents associated with this policy	Policy 1.6 Conflict of Interest Policy 1.3 Good Governance Policy 1.14 Fraud & Corruption Prevention Policy 1.28 Related Parties Disclosure Gifts & Benefits Procedure GC.001
Policy history	Code of Conduct 28 Oct 2020 Res 20/115 Code of Conduct 2019 Res 19/87 Code of Conduct 2017 Res 17/135

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

Model Code Procedures for the administration of the Riverina Water Code of Conduct Policy 1.01

2022

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PART 1 Introduction

These Procedures ("the Model Code Procedures") are prescribed for the administration of the *Model Code of Conduct for Local Councils in NSW* ("the Model Code of Conduct").

The Model Code of Conduct is made under section 440 of the *Local Government Act 1993* ("the LGA") and the *Local Government (General) Regulation 2021* ("the Regulation"). Section 440 of the LGA requires every council (including county councils) and joint organisation to adopt a code of conduct that incorporates the provisions of the Model Code of Conduct.

The Model Code Procedures are made under section 440AA of the LGA and the Regulation. Section 440AA of the LGA requires every council (including county councils) and joint organisation to adopt procedures for the administration of their code of conduct that incorporate the provisions of the Model Code Procedures.

In adopting procedures for the administration of their adopted codes of conduct, councils and joint organisations may supplement the Model Code Procedures. However, provisions that are not consistent with those prescribed under the Model Code Procedures will have no effect.

Note: References in these Procedures to councils are also to be taken as references to county councils and joint organisations.

Note: Parts 6, 7, 8 and 11 of these Procedures apply only to the management of code of conduct complaints about Board members (including the Chairperson) or the CEO.

PART 2 Definitions

In these Procedures the following terms have the following meanings:

administrator	an administrator of a council appointed under the LGA other than an administrator appointed under section 66
code of conduct	a code of conduct adopted under section 440 of the LGA
code of conduct complaint	a complaint that is a code of conduct complaint for the purposes of clauses 4.1 and 4.2 of these procedures
complainant	a person who makes a code of conduct complaint
complainant board member	a Board member who makes a code of conduct complaint
complaints coordinator	a person appointed by the CEO under these Procedures as a complaints coordinator
conduct reviewer	a person appointed under these Procedures to review allegations of breaches of the Code of Conduct by Board members or the CEO
council	includes county councils and joint organisations
council committee	a committee established by a council comprising of Board members, staff or other persons that the council has delegated

	functions to and the council's audit, risk and improvement committee
council committee member	a person other than a Board member or member of staff of a council who is a member of a council committee other than a wholly advisory committee, and a person other than a Board member who is a member of the council's audit, risk and improvement committee
councillor (Board member)	any person elected or appointed to civic office, including the mayor, and includes members and Chairpersons of county councils
council official	any Board member, member of staff of council, administrator, council committee member, delegate of council and, for the purposes of clause 4.16 of the Model Code of Conduct, council adviser
delegate of council	a person (other than a Board member or member of staff of council) or body, and the individual members of that body, to whom a function of the council is delegated
external agency	a state government agency such as, but not limited to, the Office, the ICAC, the NSW Ombudsman or the police
general manager (CEO)	includes the executive officer of a joint organisation
ICAC	the Independent Commission Against Corruption
joint organisation	a joint organisation established under section 400O of the LGA
LGA	the *Local Government Act 1993*
mayor	includes the Chairperson of a county council or a joint organisation
members of staff of a council	includes members of staff of county councils and joint organisations
the Office	the Office of Local Government
investigator	a conduct reviewer
the Regulation	the *Local Government (General) Regulation 2005*
respondent	a person whose conduct is the subject of investigation by a conduct reviewer under these Procedures
wholly advisory committee	a council committee that the council has not delegated any functions to

PART 3 Administrative Framework

The establishment of a panel of conduct reviewers

3.1 The council must establish a panel of conduct reviewers.

3.2 The council may enter into an arrangement with one or more other councils to share a panel of conduct reviewers including through a joint organisation or another regional body associated with the councils.

3.3 The panel of conduct reviewers is to be established following a public expression of interest process.

3.4 An expression of interest for members of the council's panel of conduct reviewers must, at a minimum, be advertised locally and in the Sydney metropolitan area.

3.5 To be eligible to be a conduct reviewer, a person must, at a minimum, meet the following requirements:

a) an understanding of local government, and
b) knowledge of investigative processes including but not limited to procedural fairness requirements and the requirements of the *Public Interest Disclosures Act 1994*, and
c) knowledge and experience of one or more of the following:
    i) investigations
    ii) law
    iii) public administration
    iv) public sector ethics
    v) alternative dispute resolution, and
d) meet the eligibility requirements for membership of a panel of conduct reviewers under clause 3.6.

3.6 A person is not eligible to be a conduct reviewer if they are:

a) a councillor, or
b) a nominee for election as a councillor, or
c) an administrator, or
d) an employee of a council, or
e) a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
f) a nominee for election as a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
g) a person who has a conviction for an indictable offence that is not an expired conviction.

3.7 A person is not precluded from being a member of the council's panel of conduct reviewers if they are a member of another council's panel of conduct reviewers.

3.8 An incorporated or other entity may be appointed to a council's panel of conduct reviewers where the council is satisfied that all the persons who will be undertaking the functions of a conduct reviewer on behalf of the entity meet the selection and eligibility criteria prescribed under this Part.

3.9 A panel of conduct reviewers established under this Part is to have a term of up to four years.

3.10 The council may terminate the panel of conduct reviewers at any time. Where a panel of conduct reviewers has been terminated, conduct reviewers who were members of the panel may continue to deal with any matter referred to them under these Procedures prior to the termination of the panel until they have finalised their consideration of the matter.

3.11 When the term of the panel of conduct reviewers concludes or is terminated, the council must establish a new panel of conduct reviewers in accordance with the requirements of this Part.

3.12 A person who was a member of a previous panel of conduct reviewers established by the council may be a member of subsequent panels of conduct reviewers established by the council if they continue to meet the selection and eligibility criteria for membership of the panel.

The appointment of an internal ombudsman to a panel of conduct reviewers

3.13 Despite clause 3.6(d), an employee of a council who is the nominated internal ombudsman of one or more councils may be appointed to a council's panel of conduct reviewers with the Office's consent.

3.14 To be appointed to a council's panel of conduct reviewers, an internal ombudsman must meet the qualification requirements for conduct reviewers prescribed under clause 3.5 as modified by the operation of clause 3.13.

3.15 An internal ombudsman appointed to a council's panel of conduct reviewers may also exercise the functions of the council's complaints coordinator. For the purposes of clause 6.1, an internal ombudsman who is a council's complaints coordinator and has been appointed to the council's panel of conduct reviewers, may either undertake a preliminary assessment and investigation of a matter referred to them under clauses 5.26 or 5.33 or refer the matter to another conduct reviewer in accordance with clause 6.2.

3.16 Clause 6.4(c) does not apply to an internal ombudsman appointed to a council's panel of conduct reviewers.

The appointment of a complaints coordinator

3.17 The CEO must appoint a member of staff of the council or another person (such as, but not limited to, a member of staff of another council or a member of staff of a joint organisation or other regional body associated with the council), to act as a complaints coordinator. Where the complaints coordinator is a member of staff of the council, the complaints coordinator should be a senior and suitably qualified member of staff.

3.18 The CEO may appoint other members of staff of the council or other persons (such as, but not limited to, members of staff of another council or members of staff of a joint organisation or other regional body associated with the council), to act as alternates to the complaints coordinator.

3.19 The CEO must not undertake the role of complaints coordinator.

3.20 The person appointed as complaints coordinator or alternate complaints coordinator must also be a nominated disclosures coordinator appointed for the purpose of receiving and managing reports of wrongdoing under the *Public Interest Disclosures Act 1994*.

3.21 The role of the complaints coordinator is to:

a) coordinate the management of complaints made under the council's Code of Conduct
b) liaise with and provide administrative support to a conduct reviewer
c) liaise with the Office, and
d) arrange the annual reporting of code of conduct complaints statistics.

PART 4 How may Code of Conduct complaints be made?

What is a Code of Conduct complaint?

4.1 For the purpose of these Procedures, a Code of Conduct complaint is a complaint that shows or tends to show conduct on the part of a council official in connection with their role as a council official or the exercise of their functions as a council official that would constitute a breach of the standards of conduct prescribed under the council's Code of Conduct if proven.

4.2 The following are not "Code of Conduct complaints" for the purposes of these Procedures:

a) complaints about the standard or level of service provided by the council or a council official
b) complaints that relate solely to the merits of a decision made by the Board or a council official or the exercise of a discretion by the Board or a council official
c) complaints about the policies or procedures of the council
d) complaints about the conduct of a council official arising from the exercise of their functions in good faith, whether or not involving error, that would not otherwise constitute a breach of the standards of conduct prescribed under the council's Code of Conduct.

4.3 Only Code of Conduct complaints are to be dealt with under these Procedures. Complaints that do not satisfy the definition of a Code of Conduct complaint are to be dealt with under the council's routine complaints management processes.

When must a Code of Conduct complaint be made?

4.4 A Code of Conduct complaint must be made within 3 months of the alleged conduct occurring or within three months of the complainant becoming aware of the alleged conduct.

4.5 A complaint made after 3 months may only be accepted if the CEO or their delegate, or, in the case of a complaint about the CEO, the Chairperson or their delegate, is satisfied that the allegations are serious and compelling grounds exist for the matter to be dealt with under the Code of Conduct.

How may a Code of Conduct complaint about a council official other than the CEO be made?

4.6 All Code of Conduct complaints other than those relating to the CEO are to be made to the CEO in writing. This clause does not operate to prevent a person from making a complaint to an external agency.

4.7 Where a Code of Conduct complaint about a council official other than the CEO cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.

4.8 In making a Code of Conduct complaint about a council official other than the CEO, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.

4.9 The CEO or their delegate, or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.

4.10 Notwithstanding clauses 4.6 and 4.7, where the CEO becomes aware of a possible breach of the council's Code of Conduct, they may initiate the process for the consideration of the matter under these Procedures without a written complaint.

How may a Code of Conduct complaint about the CEO be made?

4.11 Code of Conduct complaints about the CEO are to be made to the Chairperson in writing. This clause does not operate to prevent a person from making a complaint about the CEO to an external agency.

4.12 Where a Code of Conduct complaint about the CEO cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.

4.13 In making a Code of Conduct complaint about the CEO, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.

4.14 The Chairperson or their delegate, or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.

4.15 Notwithstanding clauses 4.11 and 4.12, where the Chairperson becomes aware of a possible breach of the council's Code of Conduct by the CEO, they may initiate the process for the consideration of the matter under these Procedures without a written complaint.

PART 5 How are Code of Conduct complaints to be managed?

Delegation by CEO and Chairperson of their functions under this Part

5.1 The CEO or Chairperson may delegate their functions under this Part to a member of staff of the council or to a person or persons external to the council other than an external agency. References in this Part to the CEO or Chairperson are also to be taken to be references to their delegates.

Consideration of complaints by CEOs and Chairpersons

5.2 In exercising their functions under this Part, the CEO and Chairperson may consider the complaint assessment criteria prescribed under clause 6.31.

What complaints may be declined at the outset?

5.3 Without limiting any other provision in these procedures, the CEO or, in the case of a complaint about the CEO, the Chairperson, may decline to deal with a complaint under these Procedures where they are satisfied that the complaint:

a) is not a Code of Conduct complaint, or

b) subject to clause 4.5, is not made within 3 months of the alleged conduct occurring or the complainant becoming aware of the alleged conduct, or

c) is trivial, frivolous, vexatious or not made in good faith, or

d) relates to a matter the substance of which has previously been considered and addressed by the council and does not warrant further action, or

e) is not made in a way that would allow the alleged conduct and any alleged breaches of the council's Code of Conduct to be readily identified.

How are Code of Conduct complaints about staff (other than the CEO) to be dealt with?

5.4 The CEO is responsible for the management of Code of Conduct complaints about members of staff of council (other than complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct) and for determining the outcome of such complaints.

5.5 The CEO must refer Code of Conduct complaints about members of staff of council alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct to the Office.

5.6 The CEO may decide to take no action in relation to a Code of Conduct complaint about a member of staff of council other than one requiring referral to the Office under clause 5.5 where they consider that no action is warranted in relation to the complaint.

5.7 Where the CEO decides to take no action in relation to a Code of Conduct complaint about a member of staff of council, the CEO must give the complainant reasons in writing for their decision and this shall finalise the consideration of the matter under these Procedures.

5.8 Code of Conduct complaints about members of staff of council must be managed in accordance with the relevant industrial instrument or employment contract and make provision for procedural fairness including the right of an employee to be represented by their union.

5.9 Sanctions for breaches of the Code of Conduct by staff depend on the severity, scale and importance of the breach and must be determined in accordance with any relevant industrial instruments or contracts.

How are Code of Conduct complaints about delegates of council, council advisers and council committee members to be dealt with?

5.10 The CEO is responsible for the management of Code of Conduct complaints about delegates of council and council committee members (other than complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct) and for determining the outcome of such complaints.

5.11 The CEO must refer Code of Conduct complaints about council advisers, delegates of council and council committee members alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct to the Office.

5.12 The CEO may decide to take no action in relation to a Code of Conduct complaint about a delegate of council or a council committee member other than one requiring referral to the Office under clause 5.11 where they consider that no action is warranted in relation to the complaint.

5.13 Where the CEO decides to take no action in relation to a Code of Conduct complaint about a delegate of council or a council committee member, the CEO must give the complainant reasons in writing for their decision and this shall finalise the consideration of the matter under these Procedures.

5.14 Where the CEO considers it to be practicable and appropriate to do so, the CEO may seek to resolve Code of Conduct complaints about delegates of council or council committee members, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of a Code of Conduct complaint under this

clause is not to be taken as a determination that there has been a breach of the council's Code of Conduct.

5.15 Where the CEO resolves a Code of Conduct complaint under clause 5.14 to the CEO's satisfaction, the CEO must notify the complainant in writing of the steps taken to resolve the complaint and this shall finalise the consideration of the matter under these procedures.

5.16 Sanctions for breaches of the Code of Conduct by delegates of council and/or council committee members depend on the severity, scale and importance of the breach and may include one or more of the following:

a) censure

b) requiring the person to apologise to any person or organisation adversely affected by the breach in such a time and form specified by the CEO

c) prosecution for any breach of the law

d) removing or restricting the person's delegation

e) removing the person from membership of the relevant council committee.

5.17 Prior to imposing a sanction against a delegate of council or a council committee member under clause 5.16, the CEO or any person making enquiries on behalf of the CEO must comply with the requirements of procedural fairness. In particular:

a) the substance of the allegation (including the relevant provision/s of the council's Code of Conduct that the alleged conduct is in breach of) must be put to the person who is the subject of the allegation, and

b) the person must be given an opportunity to respond to the allegation, and

c) the CEO must consider the person's response in deciding whether to impose a sanction under clause 5.16.

How are Code of Conduct complaints about administrators to be dealt with?

5.18 The CEO must refer all Code of Conduct complaints about administrators to the Office for its consideration.

5.19 The CEO must notify the complainant of the referral of their complaint in writing.

How are Code of Conduct complaints about Board members to be dealt with?

5.20 The CEO must refer the following Code of Conduct complaints about Board members to the Office:

a) complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct

b) complaints alleging a failure to comply with a requirement under the Code of Conduct to disclose and appropriately manage conflicts of interest arising from political donations (see section 328B of the LGA)

c) complaints alleging a breach of the provisions relating to the maintenance of the integrity of the Code of Conduct contained in Part 9 of the Code of Conduct

d) complaints that are the subject of a special complaints management arrangement with the Office under clause 5.49.

5.21 Where the CEO refers a complaint to the Office under clause 5.20, the CEO must notify the complainant of the referral in writing.

5.22 The CEO may decide to take no action in relation to a Code of Conduct complaint about a Board member, other than one requiring referral to the Office under clause 5.20, where they consider that no action is warranted in relation to the complaint.

5.23 Where the CEO decides to take no action in relation to a Code of Conduct complaint about a Board member, the CEO must give the complainant reasons in writing for their decision within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these Procedures.

5.24 Where the CEO considers it to be practicable and appropriate to do so, the CEO may seek to resolve Code of Conduct complaints about Board members, other than those requiring referral to the Office under clause 5.20, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of a Code of Conduct complaint under this clause is not to be taken as a determination that there has been a breach of the council's Code of Conduct.

5.25 Where the CEO resolves a Code of Conduct complaint under clause 5.24 to the CEO's satisfaction, the CEO must notify the complainant in writing of the steps taken to resolve the complaint within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these Procedures.

5.26 The CEO must refer all Code of Conduct complaints about Board members, other than those referred to the Office under clause 5.20 or finalised under clause 5.23 or resolved under clause 5.24, to the complaints coordinator.

How are Code of Conduct complaints about the CEO to be dealt with?

5.27 The Chairperson must refer the following Code of Conduct complaints about the CEO to the Office:

a) complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the Code of Conduct

b) complaints alleging a breach of the provisions relating to the maintenance of the integrity of the Code of Conduct contained in Part 9 of the Code of Conduct

c) complaints that are the subject of a special complaints management arrangement with the Office under clause 5.49.

5.28 Where the Chairperson refers a complaint to the Office under clause 5.27, the Chairperson must notify the complainant of the referral in writing.

5.29 The Chairperson may decide to take no action in relation to a Code of Conduct complaint about the CEO, other than one requiring referral to the Office under clause 5.27, where they consider that no action is warranted in relation to the complaint.

5.30 Where the Chairperson decides to take no action in relation to a Code of Conduct complaint about the CEO, the Chairperson must give the complainant reasons in writing for their decision within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.

5.31 Where the Chairperson considers it to be practicable and appropriate to do so, the Chairperson may seek to resolve Code of Conduct complaints about the CEO, other than those requiring referral to the Office under clause 5.27, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of

a Code of Conduct complaint under this clause is not to be taken as a determination that there has been a breach of the council's Code of Conduct.

5.32 Where the Chairperson resolves a Code of Conduct complaint under clause 5.31 to the Chairperson's satisfaction, the Chairperson must notify the complainant in writing of the steps taken to resolve the complaint within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.

5.33 The Chairperson must refer all Code of Conduct complaints about the CEO, other than those referred to the Office under clause 5.27 or finalised under clause 5.30 or resolved under clause 5.31, to the complaints coordinator.

How are complaints about both the CEO and the Chairperson to be dealt with?

5.34 Where the CEO or Chairperson receives a Code of Conduct complaint that alleges a breach of the Code of Conduct by both the CEO and the Chairperson, the CEO or Chairperson must either:

a) delegate their functions under this part with respect to the complaint to a member of staff of the council other than the CEO where the allegation is not serious, or to a person external to the council, or

b) refer the matter to the complaints coordinator under clause 5.26 and clause 5.33.

Referral of Code of Conduct complaints to external agencies

5.35 The CEO, Chairperson or a conduct reviewer may, at any time, refer a Code of Conduct complaint to an external agency for its consideration, where they consider such a referral is warranted.

5.36 The CEO, Chairperson or a conduct reviewer must report to the ICAC any matter that they suspect on reasonable grounds concerns or may concern corrupt conduct.

5.37 Where the CEO, Chairperson or conduct reviewer refers a complaint to an external agency under clause 5.35, they must notify the complainant of the referral in writing unless they form the view, on the advice of the relevant agency, that it would not be appropriate for them to do so.

5.38 Referral of a matter to an external agency shall finalise consideration of the matter under these Procedures unless the council is subsequently advised otherwise by the referral agency.

Disclosure of the identity of complainants

5.39 In dealing with matters under these Procedures, information that identifies or tends to identify complainants is not to be disclosed unless:

a) the complainant consents in writing to the disclosure, or

b) it is generally known that the complainant has made the complaint as a result of the complainant having voluntarily identified themselves as the person who made the complaint, or

c) it is essential, having regard to procedural fairness requirements, that the identifying information be disclosed, or

d) a conduct reviewer is of the opinion that disclosure of the information is necessary to investigate the matter effectively, or

e) it is otherwise in the public interest to do so.

5.40 Clause 5.39 does not apply to Code of Conduct complaints made by Board members about other Board members or the CEO.

5.41 Where a Board member makes a Code of Conduct complaint about another Board member or the CEO, and the complainant Board member considers that compelling grounds exist that would warrant information that identifies or tends to identify them as the complainant not to be disclosed, they may request in writing that such information not be disclosed.

5.42 A request made by a complainant Board member under clause 5.41 must be made at the time they make a Code of Conduct complaint and must state the grounds upon which the request is made.

5.43 The CEO or Chairperson, and where the matter is referred to a conduct reviewer, the conduct reviewer, must consider a request made under clause 5.41 before disclosing information that identifies or tends to identify the complainant Board member, but they are not obliged to comply with the request.

5.44 Where a complainant Board member makes a request under clause 5.41, the CEO or Chairperson or, where the matter is referred to a conduct reviewer, the conduct reviewer, shall notify the Board member in writing of their intention to disclose information that identifies or tends to identify them prior to disclosing the information.

Code of Conduct complaints made as public interest disclosures

5.45 These Procedures do not override the provisions of the *Public Interest Disclosures Act 1994*. Code of Conduct complaints that are made as public interest disclosures under that Act are to be managed in accordance with the requirements of that Act, the council's internal reporting policy, and any guidelines issued by the NSW Ombudsman that relate to the management of public interest disclosures.

5.46 Where a Board member makes a Code of Conduct complaint about another Board member or the CEO as a public interest disclosure, before the matter may be dealt with under these Procedures, the complainant Board member must consent in writing to the disclosure of their identity as the complainant.

5.47 Where a complainant Board member declines to consent to the disclosure of their identity as the complainant under clause 5.46, the CEO or the Chairperson must refer the complaint to the Office for consideration. Such a referral must be made under section 26 of the *Public Interest Disclosures Act 1994*.

Special complaints management arrangements

5.48 The CEO may request in writing that the Office enter into a special complaints management arrangement with the council in relation to Code of Conduct complaints made by or about a person or persons.

5.49 Where the Office receives a request under clause 5.48, it may agree to enter into a special complaints management arrangement if it is satisfied that the number or nature of Code of Conduct complaints made by or about a person or persons has:

a) imposed an undue and disproportionate cost burden on the council's administration of its Code of Conduct, or

b) impeded or disrupted the effective administration by the council of its Code of Conduct, or

c) impeded or disrupted the effective functioning of the council.

5.50 A special complaints management arrangement must be in writing and must specify the following:

a) the Code of Conduct complaints the arrangement relates to, and

b) the period that the arrangement will be in force.

5.51 The Office may, by notice in writing, amend or terminate a special complaints management arrangement at any time.

5.52 While a special complaints management arrangement is in force, an officer of the Office (the assessing OLG officer) must undertake the preliminary assessment of the Code of Conduct complaints specified in the arrangement in accordance with the requirements of Part 6 of these Procedures.

5.53 Where, following a preliminary assessment, the assessing OLG officer determines that a Code of Conduct complaint warrants investigation by a conduct reviewer, the assessing OLG officer shall notify the complaints coordinator in writing of their determination and the reasons for their determination. The complaints coordinator must comply with the recommendation of the assessing OLG officer.

5.54 Prior to the expiry of a special complaints management arrangement, the Office may, at the request of the CEO, review the arrangement to determine whether it should be renewed or amended.

5.55 A special complaints management arrangement shall expire on the date specified in the arrangement unless renewed under clause 5.54.

PART 6 Preliminary assessment of Code of Conduct complaints about Board members of the CEO by conduct reviewers

Referral of Code of Conduct complaints about Board members or the CEO to conduct reviewers

6.1 The complaints coordinator must refer all Code of Conduct complaints about Board members or the CEO that have not been referred to an external agency or declined or resolved by the CEO, Chairperson or their delegate and that have been referred to them under clauses 5.26 or 5.33, to a conduct reviewer within 21 days of receipt of the complaint by the CEO or the Chairperson.

6.2 For the purposes of clause 6.1, the complaints coordinator will refer a complaint to a conduct reviewer selected from:

a) a panel of conduct reviewers established by the council, or

b) a panel of conduct reviewers established by an organisation approved by the Office.

6.3 In selecting a suitable conduct reviewer, the complaints coordinator may have regard to the qualifications and experience of members of the panel of conduct reviewers. Where the conduct reviewer is an incorporated or other entity, the complaints coordinator must also ensure that the person assigned to receive the referral on behalf of the entity meets the selection and eligibility criteria for conduct reviewers prescribed under Part 3 of these Procedures.

6.4 A conduct reviewer must not accept the referral of a Code of Conduct complaint where:

a) they have a conflict of interest in relation to the matter referred to them, or

b) a reasonable apprehension of bias arises in relation to their consideration of the matter, or

c) they or their employer has entered into one or more contracts with the council (other than contracts relating to the exercise of their functions as a conduct reviewer) in the 2 years preceding the referral, and they or their employer have received or expect to receive payments under the contract or contracts of a value that, when aggregated, exceeds $100,000, or

d) at the time of the referral, they or their employer are the council's legal service provider or are a member of a panel of legal service providers appointed by the council.

6.5 For the purposes of clause 6.4(a), a conduct reviewer will have a conflict of interest in a matter where a reasonable and informed person would perceive that they could be influenced by a private interest when carrying out their public duty (see clause 5.2 of the Model Code of Conduct).

6.6 For the purposes of clause 6.4(b), a reasonable apprehension of bias arises where a fair-minded observer might reasonably apprehend that the conduct reviewer might not bring an impartial and unprejudiced mind to the matter referred to the conduct reviewer.

6.7 Where the complaints coordinator refers a matter to a conduct reviewer, they will provide the conduct reviewer with a copy of the Code of Conduct complaint and any other information relevant to the matter held by the council, including any information about previous proven breaches and any information that would indicate that the alleged conduct forms part of an ongoing pattern of behaviour.

6.8 The complaints coordinator must notify the complainant in writing that the matter has been referred to a conduct reviewer and advise which conduct reviewer the matter has been referred to.

6.9 Conduct reviewers must comply with these Procedures in their consideration of matters that have been referred to them and exercise their functions in a diligent and timely manner.

6.10 The complaints coordinator may at any time terminate the referral of a matter to a conduct reviewer and refer the matter to another conduct reviewer where the complaints coordinator is satisfied that the conduct reviewer has failed to:

a) comply with these procedures in their consideration of the matter, or

b) comply with a lawful and reasonable request by the complaints coordinator, or

c) exercise their functions in a timely or satisfactory manner.

6.11 Where the complaints coordinator terminates a referral to a conduct reviewer under clause 6.10, they must notify the complainant and any other affected person in writing of their decision and the reasons for it and advise them which conduct reviewer the matter has been referred to instead.

<u>Preliminary assessment of Code of Conduct complaints about Board members or the CEO by a conduct reviewer</u>

6.12 The conduct reviewer is to undertake a preliminary assessment of a complaint referred to them by the complaints coordinator for the purposes of determining how the complaint is to be managed.

6.13 The conduct reviewer may determine to do one or more of the following in relation to a complaint referred to them by the complaints coordinator:

a) to take no action

b) to resolve the complaint by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour

c) to refer the matter back to the CEO or, in the case of a complaint about the CEO, the Chairperson, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour

d) to refer the matter to an external agency

e) to investigate the matter.

6.14 In determining how to deal with a matter under clause 6.13, the conduct reviewer must have regard to the complaint assessment criteria prescribed under clause 6.31.

6.15 The conduct reviewer may make such enquiries the conduct reviewer considers to be reasonably necessary to determine what options to exercise under clause 6.13.

6.16 The conduct reviewer may request the complaints coordinator to provide such additional information the conduct reviewer considers to be reasonably necessary to determine what options to exercise in relation to the matter under clause 6.13. The complaints coordinator will, as far as is reasonably practicable, supply any information requested by the conduct reviewer.

6.17 The conduct reviewer must refer to the Office any complaints referred to them that should have been referred to the Office under clauses 5.20 and 5.27.

6.18 The conduct reviewer must determine to take no action on a complaint that is not a Code of Conduct complaint for the purposes of these Procedures.

6.19 The resolution of a Code of Conduct complaint under clause 6.13, paragraphs (b) or (c) is not to be taken as a determination that there has been a breach of the council's Code of Conduct.

6.20 Where the conduct reviewer completes their preliminary assessment of a complaint by determining to exercise an option under clause 6.13, paragraphs (a), (b) or (c), they must provide the complainant with written notice of their determination and provide reasons for it, and this will finalise consideration of the matter under these Procedures.

6.21 Where the conduct reviewer refers a complaint to an external agency, they must notify the complainant of the referral in writing unless they form the view, on the advice of the relevant agency, that it would not be appropriate for them to do so.

6.22 The conduct reviewer may only determine to investigate a matter where they are satisfied as to the following:

a) that the complaint is a Code of Conduct complaint for the purposes of these Procedures, and

b) that the alleged conduct is sufficiently serious to warrant the formal censure of a Board member under section 440G of the LGA or disciplinary action against the CEO under their contract of employment if it were to be proven, and

c) that the matter is one that could not or should not be resolved by alternative means.

6.23 In determining whether a matter is sufficiently serious to warrant formal censure of a Board member under section 440G of the LGA or disciplinary action against the CEO under their contract of employment, the conduct reviewer is to consider the following:

a) the harm or cost that the alleged conduct has caused to any affected individuals and/or the council

b) the likely impact of the alleged conduct on the reputation of the council and public confidence in it

c) whether the alleged conduct was deliberate or undertaken with reckless intent or negligence

d) any previous proven breaches by the person whose alleged conduct is the subject of the complaint and/or whether the alleged conduct forms part of an ongoing pattern of behaviour.

6.24 The conduct reviewer must complete their preliminary assessment of the complaint within 28 days of referral of the matter to them by the complaints coordinator and notify the complaints coordinator in writing of the outcome of their assessment.

6.25 The conduct reviewer is not obliged to give prior notice to or to consult with any person before making a determination in relation to their preliminary assessment of a complaint, except as may be specifically required under these procedures.

Referral back to the CEO or Chairperson for resolution

6.26 Where the conduct reviewer determines to refer a matter back to the CEO or to the Chairperson to be resolved by alternative and appropriate means, they must write to the CEO or, in the case of a complaint about the CEO, to the Chairperson, recommending the means by which the complaint may be resolved.

6.27 The conduct reviewer must consult with the CEO or Chairperson prior to referring a matter back to them under clause 6.13(c).

6.28 The CEO or Chairperson may decline to accept the conduct reviewer's recommendation. In such cases, the conduct reviewer may determine to deal with the complaint by other means under clause 6.13.

6.29 Where the conduct reviewer refers a matter back to the CEO or Chairperson under clause 6.13(c), the CEO or, in the case of a complaint about the CEO, the Chairperson, is responsible for implementing or overseeing the implementation of the conduct reviewer's recommendation.

6.30 Where the conduct reviewer refers a matter back to the CEO or Chairperson under clause 6.13(c), the CEO, or, in the case of a complaint about the CEO, the Chairperson, must advise the complainant in writing of the steps taken to implement the conduct reviewer's recommendation once these steps have been completed.

Complaints assessment criteria

6.31 In undertaking the preliminary assessment of a complaint, the conduct reviewer must have regard to the following considerations:

a) whether the complaint is a Code of Conduct complaint for the purpose of these Procedures

b) whether the complaint has been made in a timely manner in accordance with clause 4.4, and if not, whether the allegations are sufficiently serious for compelling grounds to exist for the matter to be dealt with under the council's Code of Conduct

c) whether the complaint is trivial, frivolous, vexatious or not made in good faith

d) whether the complaint discloses prima facie evidence of conduct that, if proven, would constitute a breach of the Code of Conduct

e) whether the complaint raises issues that would be more appropriately dealt with by an external agency

f) whether there is or was an alternative and satisfactory means of redress available in relation to the conduct complained of

g) whether the complaint is one that can be resolved by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour

h) whether the issue/s giving rise to the complaint have previously been addressed or resolved

i) any previous proven breaches of the council's Code of Conduct

j) whether the conduct complained of forms part of an ongoing pattern of behaviour

k) whether there were mitigating circumstances giving rise to the conduct complained of

l) the seriousness of the alleged conduct (having regard to the criteria specified in clause 6.23)

m) the significance of the conduct or the impact of the conduct for the council

n) how much time has passed since the alleged conduct occurred

o) such other considerations that the conduct reviewer considers may be relevant to the assessment of the complaint.

PART 7 Investigations of Code of Conduct complaints about Board members or the CEO

What matters may a conduct reviewer investigate?

7.1 A conduct reviewer (hereafter referred to as an "investigator") may investigate a Code of Conduct complaint that has been referred to them by the complaints coordinator and any matters related to or arising from that complaint.

7.2 Where an investigator identifies further separate possible breaches of the Code of Conduct that are not related to or do not arise from the Code of Conduct complaint that has been referred to them, they are to report the matters separately in writing to the CEO, or, in the case of alleged conduct on the part of the CEO, to the Chairperson.

7.3 The CEO or the Chairperson or their delegate is to deal with a matter reported to them by an investigator under clause 7.2 as if it were a new Code of Conduct complaint in accordance with these procedures.

How are investigations to be commenced?

7.4 The investigator must at the outset of their investigation provide a written notice of investigation to the respondent. The notice of investigation must:

a) disclose the substance of the allegations against the respondent, and

b) advise of the relevant provisions of the Code of Conduct that apply to the alleged conduct, and

c) advise of the process to be followed in investigating the matter, and

d) advise the respondent of the requirement to maintain confidentiality, and

e) invite the respondent to make a written submission in relation to the matter within a period of not less than 14 days specified by the investigator in the notice, and

f) provide the respondent the opportunity to address the investigator on the matter within such reasonable time specified in the notice.

7.5 The respondent may, within 7 days of receipt of the notice of investigation, request in writing that the investigator provide them with such further information they consider necessary to assist them to identify the substance of the allegation against them. An investigator will only be obliged to provide such information that the investigator considers reasonably necessary for the respondent to identify the substance of the allegation against them.

7.6 An investigator may at any time prior to issuing a draft report, issue an amended notice of investigation to the respondent in relation to the matter referred to them.

7.7 Where an investigator issues an amended notice of investigation, they must provide the respondent with a further opportunity to make a written submission in response to the amended notice of investigation within a period of not less than 14 days specified by the investigator in the amended notice.

7.8 The investigator must also, at the outset of their investigation, provide written notice of the investigation to the complainant, the complaints coordinator and the CEO, or in the case of a complaint about the CEO, to the complainant, the complaints coordinator and the Chairperson. The notice must:

a) advise them of the matter the investigator is investigating, and

b) in the case of the notice to the complainant, advise them of the requirement to maintain confidentiality, and

c) invite the complainant to make a written submission in relation to the matter within a period of not less than 14 days specified by the investigator in the notice.

Written and oral submissions

7.9 Where the respondent or the complainant fails to make a written submission in relation to the matter within the period specified by the investigator in their notice of investigation or amended notice of investigation, the investigator may proceed to prepare their draft report without receiving such submissions.

7.10 The investigator may accept written submissions received outside the period specified in the notice of investigation or amended notice of investigation.

7.11 Prior to preparing a draft report, the investigator must give the respondent an opportunity to address the investigator on the matter being investigated. The respondent may do so in person or by telephone or other electronic means.

7.12 Where the respondent fails to accept the opportunity to address the investigator within the period specified by the investigator in the notice of investigation, the investigator may proceed to prepare a draft report without hearing from the respondent.

7.13 Where the respondent accepts the opportunity to address the investigator in person, they may have a support person or legal adviser in attendance. The support person or legal adviser will act in an advisory or support role to the respondent only. They must not speak on behalf of the respondent or otherwise interfere with or disrupt proceedings.

7.14 The investigator must consider all written and oral submissions made to them in relation to the matter.

How are investigations to be conducted?

7.15 Investigations are to be undertaken without undue delay.

7.16 Investigations are to be undertaken in the absence of the public and in confidence.

7.17 Investigators must make any such enquiries that may be reasonably necessary to establish the facts of the matter.

7.18 Investigators may seek such advice or expert guidance that may be reasonably necessary to assist them with their investigation or the conduct of their investigation.

7.19 An investigator may request that the complaints coordinator provide such further information that the investigator considers may be reasonably necessary for them to establish the facts of the matter. The complaints coordinator will, as far as is reasonably practicable, provide the information requested by the investigator.

Referral or resolution of a matter after the commencement of an investigation

7.20 At any time after an investigator has issued a notice of investigation and before they have issued their final report, an investigator may determine to:

a) resolve the matter by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour, or

b) refer the matter to the CEO, or, in the case of a complaint about the CEO, to the Chairperson, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour, or

c) refer the matter to an external agency.

7.21 Where an investigator determines to exercise any of the options under clause 7.20 after the commencement of an investigation, they must do so in accordance with the requirements of Part 6 of these procedures relating to the exercise of these options at the preliminary assessment stage.

7.22 The resolution of a Code of Conduct complaint under clause 7.20, paragraphs (a) or (b) is not to be taken as a determination that there has been a breach of the council's Code of Conduct.

7.23 Where an investigator determines to exercise any of the options under clause 7.20 after the commencement of an investigation, they may by written notice to the respondent, the complainant, the complaints coordinator and the CEO, or in the case of a complaint about

the CEO, to the respondent, the complainant, the complaints coordinator and the Chairperson discontinue their investigation of the matter.

7.24 Where the investigator discontinues their investigation of a matter under clause 7.23, this shall finalise the consideration of the matter under these procedures.

7.25 An investigator is not obliged to give prior notice to or to consult with any person before making a determination to exercise any of the options under clause 7.20 or to discontinue their investigation except as may be specifically required under these Procedures.

Draft investigation reports

7.26 When an investigator has completed their enquiries and considered any written or oral submissions made to them in relation to a matter, they must prepare a draft of their proposed report.

7.27 The investigator must provide their draft report to the respondent and invite them to make a written submission in relation to it within a period of not less than 14 days specified by the investigator.

7.28 Where the investigator proposes to make adverse comment about any other person (an affected person) in their report, they must also provide the affected person with relevant extracts of their draft report containing such comment and invite the affected person to make a written submission in relation to it within a period of not less than 14 days specified by the investigator.

7.29 The investigator must consider written submissions received in relation to the draft report prior to finalising their report in relation to the matter.

7.30 The investigator may, after consideration of all written submissions received in relation to their draft report, make further enquiries into the matter. If, as a result of making further enquiries, the investigator makes any material change to their proposed report that makes new adverse comment about the respondent or an affected person, they must provide the respondent or affected person as the case may be with a further opportunity to make a written submission in relation to the new adverse comment.

7.31 Where the respondent or an affected person fails to make a written submission in relation to the draft report within the period specified by the investigator, the investigator may proceed to prepare and issue their final report without receiving such submissions.

7.32 The investigator may accept written submissions in relation to the draft report received outside the period specified by the investigator at any time prior to issuing their final report.

Final investigation reports

7.33 Where an investigator issues a notice of investigation, they must prepare a final report in relation to the matter unless the investigation is discontinued under clause 7.23.

7.34 An investigator must not prepare a final report in relation to the matter at any time before they have finalised their consideration of the matter in accordance with the requirements of these Procedures.

7.35 The investigator's final report must:

a) make findings of fact in relation to the matter investigated, and,

b) make a determination that the conduct investigated either,

i. constitutes a breach of the Code of Conduct, or

ii. does not constitute a breach of the Code of Conduct, and

c) provide reasons for the determination.

7.36 At a minimum, the investigator's final report must contain the following information:

a) a description of the allegations against the respondent

b) the relevant provisions of the Code of Conduct that apply to the alleged conduct investigated

c) a statement of reasons as to why the matter warranted investigation (having regard to the criteria specified in clause 6.23)

d) a statement of reasons as to why the matter was one that could not or should not be resolved by alternative means

e) a description of any attempts made to resolve the matter by use of alternative means

f) the steps taken to investigate the matter

g) the facts of the matter

h) the investigator's findings in relation to the facts of the matter and the reasons for those findings

i) the investigator's determination and the reasons for that determination

j) any recommendations.

7.37 Where the investigator determines that the conduct investigated constitutes a breach of the Code of Conduct, the investigator may recommend:

a) in the case of a breach by the CEO, that disciplinary action be taken under the CEO's contract of employment for the breach, or

b) in the case of a breach by a Board member, that the Board member be formally censured for the breach under section 440G of the LGA, or

c) in the case of a breach by a Board member, that the Board resolves as follows:

i. that the Board member be formally censured for the breach under section 440G of the LGA, and

ii. that the matter be referred to the Office for further action under the misconduct provisions of the LGA.

7.38 Where the investigator proposes to make a recommendation under clause 7.37(c), the investigator must first consult with the Office on their proposed findings, determination and recommendation prior to finalising their report, and must take any comments by the Office into consideration when finalising their report.

7.39 Where the investigator has determined that there has been a breach of the Code of Conduct, the investigator may, in addition to making a recommendation under clause 7.37, recommend that the council revise any of its policies, practices or procedures.

7.40 Where the investigator determines that the conduct investigated does not constitute a breach of the Code of Conduct, the investigator may recommend:

a) that the council revise any of its policies, practices or procedures

b) that a person or persons undertake any training or other education.

7.41 The investigator must provide a copy of their report to the complaints coordinator and the respondent.

7.42 At the time the investigator provides a copy of their report to the complaints coordinator and the respondent, the investigator must provide the complainant with a written statement containing the following information:

a) the investigator's findings in relation to the facts of the matter and the reasons for those findings

b) the investigator's determination and the reasons for that determination

c) any recommendations, and

d) such other additional information that the investigator considers may be relevant.

7.43 Where the investigator has determined that there has not been a breach of the Code of Conduct, the complaints coordinator must provide a copy of the investigator's report to the CEO or, where the report relates to the CEO's conduct, to the Chairperson, and this will finalise consideration of the matter under these procedures.

7.44 Where the investigator has determined that there has been a breach of the Code of Conduct and makes a recommendation under clause 7.37, the complaints coordinator must, where practicable, arrange for the investigator's report to be reported to the next ordinary Board meeting for the Board's consideration, unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case the report must be reported to the first ordinary Board meeting following the election.

7.45 Where it is apparent to the complaints coordinator that the Board will not be able to form a quorum to consider the investigator's report, the complaints coordinator must refer the investigator's report to the Office for its consideration instead of reporting it to the Board under clause 7.44.

Consideration of the final investigation report by the Board

7.46 The role of the Board in relation to a final investigation report is to impose a sanction if the investigator has determined that there has been a breach of the Code of Conduct and has made a recommendation in their final report under clause 7.37.

7.47 The Board is to close its meeting to the public to consider the final investigation report in cases where it is permitted to do so under section 10A of the LGA.

7.48 Where the complainant is a Board member, they must absent themselves from the meeting and take no part in any discussion or voting on the matter. The complainant Board member may absent themselves without making any disclosure of interest in relation to the matter unless otherwise required to do so under the Code of Conduct.

7.49 Prior to imposing a sanction, the Board must provide the respondent with an opportunity to make a submission to the Board. A submission may be made orally or in writing. The respondent is to confine their submission to addressing the investigator's recommendation.

7.50 Once the respondent has made their submission they must absent themselves from the meeting and, where they are a Board member, take no part in any discussion or voting on the matter.

7.51 The Board must not invite submissions from other persons for the purpose of seeking to re-hear evidence previously considered by the investigator.

7.52 Prior to imposing a sanction, the Board may by resolution:

a) request that the investigator make additional enquiries and/or provide additional information to it in a supplementary report, or

b) seek an opinion from the Office in relation to the report.

7.53 The Board may, by resolution, defer further consideration of the matter pending the receipt of a supplementary report from the investigator or an opinion from the Office.

7.54 The investigator may make additional enquiries for the purpose of preparing a supplementary report.

7.55 Where the investigator prepares a supplementary report, they must provide copies to the complaints coordinator who shall provide a copy each to the Board and the respondent.

7.56 The investigator is not obliged to notify or consult with any person prior to submitting the supplementary report to the complaints coordinator.

7.57 The Board is only required to provide the respondent a further opportunity to make an oral or written submission on a supplementary report if the supplementary report contains new information that is adverse to them.

7.58 The Board may by resolution impose one of the following sanctions on a respondent:

a) in the case of a breach by the CEO, that disciplinary action be taken under the CEO's contract of employment for the breach, or

b) in the case of a breach by a Board member, that the Board member be formally censured for the breach under section 440G of the LGA, or

c) in the case of a breach by a Board member

i. that the Board member be formally censured for the breach under section 440G of the LGA, and

ii. that the matter be referred to the Office for further action under the misconduct provisions of the LGA.

7.59 Where the Board censures a Board member under section 440G of the LGA, the Board must specify in the censure resolution the grounds on which it is satisfied that the Board member should be censured by disclosing in the resolution, the investigator's findings and determination and/or such other grounds that the Board considers may be relevant or appropriate.

7.60 The Board is not obliged to adopt the investigator's recommendation. Where the Board proposes not to adopt the investigator's recommendation, the Board must resolve not to adopt the recommendation and state in its resolution the reasons for its decision.

7.61 Where the Board resolves not to adopt the investigator's recommendation, the complaints coordinator must notify the Office of the Board's decision and the reasons for it.

PART 8 Oversight and rights of review

The Office's powers of review

8.1 The Office may, at any time, whether or not in response to a request, review the consideration of a matter under the council's Code of Conduct where it is concerned that a person has failed to comply with a requirement prescribed under these procedures or has misinterpreted or misapplied the standards of conduct prescribed under the Code of Conduct in their consideration of a matter.

8.2 The Office may direct any person, including the Board, to defer taking further action in relation to a matter under consideration under the council's Code of Conduct pending the completion of its review. Any person the subject of a direction must comply with the direction.

8.3 Where the Office undertakes a review of a matter under clause 8.1, it will notify the complaints coordinator and any other affected persons, of the outcome of the review.

Complaints about conduct reviewers

8.4 The CEO or their delegate must refer Code of Conduct complaints about conduct reviewers to the Office for its consideration.

8.5 The CEO must notify the complainant of the referral of their complaint about the conduct reviewer in writing.

8.6 The CEO must implement any recommendation made by the Office as a result of its consideration of a complaint about a conduct reviewer.

Practice rulings

8.7 Where a respondent and an investigator are in dispute over a requirement under these Procedures, either person may make a request in writing to the Office to make a ruling on a question of procedure (a practice ruling).

8.8 Where the Office receives a request in writing for a practice ruling, the Office may provide notice in writing of its ruling and the reasons for it to the person who requested it and to the investigator, where that person is different.

8.9 Where the Office makes a practice ruling, all parties must comply with it.

8.10 The Office may decline to make a practice ruling. Where the Office declines to make a practice ruling, it will provide notice in writing of its decision and the reasons for it to the person who requested it and to the investigator, where that person is different.

Review of decisions to impose sanctions

8.11 A person who is the subject of a sanction imposed under Part 7 of these procedures other than one imposed under clause 7.58, paragraph (c), may, within 28 days of the sanction being imposed, seek a review of the investigator's determination and recommendation by the Office.

8.12 A review under clause 8.11 may be sought on the following grounds:

a) that the investigator has failed to comply with a requirement under these procedures, or

b) that the investigator has misinterpreted or misapplied the standards of conduct prescribed under the Code of Conduct, or

c) that in imposing its sanction, the council has failed to comply with a requirement under these procedures.

8.13 A request for a review made under clause 8.11 must be made in writing and must specify the grounds upon which the person believes the investigator or the council has erred.

8.14 The Office may decline to conduct a review, in cases where the grounds upon which the review is sought are not sufficiently specified.

8.15 The Office may undertake a review of a matter without receiving a request under clause 8.11.

8.16 The Office will undertake a review of the matter on the papers. However, the Office may request that the complaints coordinator provide such further information that the Office considers reasonably necessary for it to review the matter. The complaints coordinator must, as far as is reasonably practicable, provide the information requested by the Office.

8.17 Where a person requests a review under clause 8.11, the Office may direct the Board to defer any action to implement a sanction. The Board must comply with a direction to defer action by the Office.

8.18 The Office must notify the person who requested the review and the complaints coordinator of the outcome of the Office's review in writing and the reasons for its decision. In doing so, the Office may comment on any other matters the Office considers to be relevant.

8.19 Where the Office considers that the investigator or the Board has erred, the Office may recommend that a decision to impose a sanction under these procedures be reviewed. Where the Office recommends that the decision to impose a sanction be reviewed:

a) the complaints coordinator must, where practicable, arrange for the Office's determination to be tabled at the next ordinary Board meeting unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case it must be tabled at the first ordinary Board meeting following the election, and

b) the Board must:
   i. review its decision to impose the sanction, and
   ii. consider the Office's recommendation in doing so, and
   iii. resolve to either rescind or reaffirm its previous resolution in relation to the matter.

8.20 Where, having reviewed its previous decision in relation to a matter under clause 8.19(b), the Board resolves to reaffirm its previous decision, the Board must state in its resolution its reasons for doing so.

PART 9 Procedural Irregularities

9.1 A failure to comply with these procedures does not, on its own, constitute a breach of the Code of Conduct, except as may be otherwise specifically provided under the Code of Conduct.

9.2 A failure to comply with these procedures will not render a decision made in relation to a matter invalid where:

a) the non-compliance is isolated and/or minor in nature, or

b) reasonable steps are taken to correct the non-compliance, or

c) reasonable steps are taken to address the consequences of the non-compliance.

PART 10 Practice Directions

10.1 The Office may at any time issue a practice direction in relation to the application of these procedures.

10.2 The Office will issue practice directions in writing, by circular to all councils.

10.3 All persons performing a function prescribed under these procedures must consider the Office's practice directions when performing the function.

PART 11 Reporting statistics on Code of Conduct complaints about Board members and the CEO

11.1 The complaints coordinator must arrange for the following statistics to be reported to the Board within 3 months of the end of September of each year:

a) the total number of Code of Conduct complaints made about Board members and the CEO under the Code of Conduct in the year to September (the reporting period)

b) the number of Code of Conduct complaints referred to a conduct reviewer during the reporting period

c) 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

d) the number of Code of Conduct complaints investigated by a conduct reviewer during the reporting period

e) without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period

f) the number of matters reviewed by the Office during the reporting period and, without identifying particular matters, the outcome of the reviews, and

g) the total cost of dealing with Code of Conduct complaints made about Board members and the CEO during the reporting period, including staff costs.

11.2 The council is to provide the Office with a report containing the statistics referred to in clause 11.1 within 3 months of the end of September of each year.

PART 12 Confidentiality

12.1 Information about Code of Conduct complaints and the management and investigation of Code of Conduct complaints is to be treated as confidential and is not to be publicly disclosed except as may be otherwise specifically required or permitted under these Procedures.

12.2 Where a complainant publicly discloses information on one or more occasions about a Code of Conduct complaint they have made or purported to make, the CEO or their delegate may, with the consent of the Office, determine that the complainant is to receive no further information about their complaint and any future Code of Conduct complaint they make or purport to make.

12.3 Prior to seeking the Office's consent under clause 12.2, the CEO or their delegate must give the complainant written notice of their intention to seek the Office's consent, invite them to make a written submission within a period of not less than 14 days specified by the CEO or their delegate, and consider any submission made by them.

12.4 In giving its consent under clause 12.2, the Office must consider any submission made by the complainant to the CEO or their delegate.

12.5 The CEO or their delegate must give written notice of a determination made under clause 12.2 to:

a) the complainant

b) the complaints coordinator

c) the Office, and

d) any other person the CEO or their delegate considers should be notified of the determination.

12.6 Any requirement under these procedures that a complainant is to be provided with information about a Code of Conduct complaint that they have made or purported to make, will not apply to a complainant the subject of a determination made by the CEO or their delegate under clause 12.2.

12.7 Clause 12.6 does not override any entitlement a person may have to access to council information under the *Government Information (Public Access) Act 2009* or to receive information under the *Public Interest Disclosures Act 1994* in relation to a complaint they have made.

Procedure for Administration of the Code of Conduct	Adopted by Riverina Water Board <Details>
Legislation Associated with this Procedure	*Local Government Act 1993* *Local Government (General) Regulation 2021*
Documents Associated with this Procedure	Model Code of Conduct Riverina Water Code of Conduct Policy 1.01

R7 Compliance Policy

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	A new Compliance Policy is presented to the Board for consideration and adoption.

RECOMMENDATION that Council adopt Compliance Policy 1.24

Report

As mentioned elsewhere in this business paper, the Good Governance Policy has been recommended for recission. This Compliance Policy is a new policy with the aim of outlining Riverina Water County Council's (Riverina Water) approach to compliance. It focusses on internal compliance maintenance, performance and oversight.

The Executive Officer Legislative Compliance internal audit conducted in September 2021 recommended the consideration of the development and adoption of a formal Legislative Compliance Policy in accordance with NSW Audit Office recommendations and the Australian Standard ISO 37301:2021 *Compliance Management Systems – Guidelines.* After consideration, a Compliance Policy has been developed that covers a number of matters, including legislative compliance.

Compliance in this policy refers to legislation (and associated regulations) with which Riverina Water must comply, as well as council codes, policies, procedures, guidelines, standards and practices that either the CEO or the Board have adopted as requiring mandatory compliance for administering Riverina Water's business and services.

As this primarily is concerned with internal compliance it is not deemed necessary for this policy to be placed on public exhibition.

› **R7.1 NEW - Compliance.docx** ⇩

Financial Implications

There are no financial implications associated with the adoption and implementation of the new Policy.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Compliance Policy

Purpose

This policy outlines Riverina Water's approach to compliance. It focusses on internal compliance maintenance, performance and oversight.

Policy Statement

Riverina Water, as a local government authority, is committed to compliance with all relevant statutory requirements relating to its operations. Riverina Water will adopt policies and practices that best supports it legislative obligations, and is committed to promoting probity, accountability and a fair and just workplace environment and culture.

Scope

Compliance in this policy refers to legislation (and associated regulations) with which Riverina Water must comply, as well as council codes, policies, procedures, guidelines, standards and practices that either the CEO or the Board have adopted as requiring mandatory compliance for administering Riverina Water's business and services.

Definitions

ARIC	Audit Risk & Improvement Committee
Code of Conduct	Code of Conduct Policy 1.0
Compliance	A measure of the degree to which the requirements of legislation, codes and council standards and policies are met
Council standards	Any code, policy, procedure, guideline or practice that council's Executive Leadership Team has accepted as an appropriate standard for council's day- to- day operations
Executive Team	The CEO and Directors
Non-compliance	The failure to take a required action, as well as actual unlawful activities

Version 1
Next scheduled review: 2026

Policies	Mandatory requirements of staff and or the Board, or customers, or statement of intent of Riverina Water, as approved by the Board or the Executive Team (e.g. Code of Conduct; Net Zero policy)
Riverina Water	Riverina Water County Council, also referred to as council

Principles

1. Demonstrated commitment

Riverina Water's commitment to compliance is demonstrated through:

- Transparency and timely reporting on compliance and non-compliance
- Active engagement of the Executive Team and management in the effective identification and management of compliance issues and risks
- The allocation of resources to the management of compliance obligations, including integration, training and continual improvement.

Riverina Water recognises that it has a responsibility to its staff and the wider community to ensure that it provides a safer workplace and services. Riverina Water is committed to promoting probity, accountability and a fair and just workplace.

2. Determining compliance standards

Compliance activities and controls are developed to help ensure that Riverina Water meets its legal requirements. Compliance failures by council, or by individuals working on behalf of council, may result in damage to personal or organisational reputation.

A list of core legislation under which Riverina Water conducts its activities is provided in Attachment 1. This is not an exhaustive list.

Riverina Water must also comply with:

- Any relevant Ministerial Directives
- Mandatory codes
- Binding contracts
- Departmental or commissioner guidelines
- Notices and Orders
- Court orders and judgments

- Licences and permits
- Resolutions of the Board

The following also inform Riverina Water's compliance standards:

- ISO and/or Australian/New Zealand standards
- Model policies and guidance documents published by organisations such as the Independent Commission Against Corruption (ICAC), the NSW Audit Office or the Office of Local Government
- Council values, principles and ethics

3. Management and integration of compliance

Riverina Water has some centralised compliance oversight functions, managed within the Corporate Services team. However, most compliance administration and management, including policy development and execution, occurs within the respective Directorates and their departments. This relies on the expertise of the respective managers to ensure that their staff are appropriately trained and supported. This includes ensuring staff are provided with up-to-date policies and procedures and clearly defined delegated authority.

Transparent, appropriate and achievable policies are central to compliance. The Policy Register, including version control, is managed through Governance. Although the authoring and management responsibility for policy is de-centralised, the approval of policies is centralised through the executive leadership team, with approval by the CEO, or through the Board.

Roles and responsibilities

All staff and Board members must be conscientious and responsive in seeking to comply with legislation and council standards in the course of their duties. This is including, but not limited to, the key legislation under which council has responsibilities and policies that help manage compliance.

All staff and board members are personally responsible for transparently and accurately recording and reporting activities relating to compliance and any instances of non-compliance. All staff must appropriately report or escalate instances of non-compliance to their manager or the CEO.

3.1 The Board and Executive Team

Board members and the executive team are required to lead by example and demonstrate their active commitment to a positive compliance culture within Riverina Water. The CEO and Board are responsible for ensuring adequate resourcing is allocated for effective compliance management, oversight functions and corrective actions. They must ensure that there is sufficient alignment between operational planning and the improvement of compliance.

3.2 The Audit Risk & Improvement Committee (ARIC)

The Audit Risk & Improvement Committee is responsible for providing independent assurance and assistance to council on risk management, controls, governance and external accountability responsibilities. The ARIC is responsible for the internal audit function of council and determines internal audit schedules, in conjunction with management.

3.3 Managers and supervisors

Managers and supervisors are responsible for coordinating compliance and assigning responsibility across their work areas. They have an important leadership role in compliance and are to demonstratively abide with compliance requirements including under legislation, policies and procedures. They are required to ensure that work practices, local procedures and checklist remain updated to support and integrate compliance.

Managers and supervisors are to ensure that any known compliance updates and changes to legislation are communicated to their staff and the Executive Leadership Team as required and appropriate.

3.4 Contractors and suppliers

Contractors, suppliers and committee members are expected to adequately manage and be responsive to compliance requirements when working with Riverina Water. They must communicate effectively with council staff and formally report on any compliance matter that may impact on council's services or functions. Any outsourced compliance processes must be appropriately monitored and controlled by the relevant Riverina Water manager or staff member responsible for the contractor or supplier.

4. Riverina Water regulatory function/s

This policy is primarily concerned with Riverina Water's own legal obligations. It focusses on internal compliance maintenance, performance and oversight. However, Council does have an important regulatory role in approving connections to its potable water network and assessing development applications made to member councils that will or may impact on changes to demands on Riverina Water's network, including metering. This role includes the issuing of certificates, including fees and charges.

In the instances of regulatory functions, impartiality and accountability are demonstrated through role separation, transparent staff conduct and appropriate record-keeping.

5. Obtaining further advice

Riverina Water will obtain advice on matters of legislation and compliance as necessary. Advice can be obtained from a number of sources, such as:

- Through researching legislation
- External government agencies, such as the Office of Local Government, the Department of Planning and Environment (DPE), Department of Health, the Information and Privacy Commission, SafeWork and WorkCover. These agencies may provide proactive compliance updates through notifications (such as Ministerial Directions) or may respond to targeted compliance questions
- Local government organisations, such as Local Government NSW (LGNSW); and
- Legal advisors. Riverina Water does not have an in-house legal advisor, but it does maintain a panel of legal service suppliers. Staff must follow the established delegations and legal referral process as a condition of making contact with a legal provider.

6. Assessing compliance risks

Compliance requirements and associated risks must be periodically reassessed. Triggers for updates can include:

- Changes to legislation or other compliance sources
- Changes to council's structure
- Review, report or audits highlighting non-compliance or recommending improved compliance; and

- Third party changes requiring compliance review such as changes to key external government agencies

Any changed requirements will be assessed and prioritised against the enterprise risk matrix and where necessary, added to the enterprise risk register.

7. Developing and supporting a compliance culture

Riverina Water is committed to an organisational culture in which compliance and governance processes are positively valued and promoted. Embedding compliance values helps develop a self-regulating organisation with fewer non-compliance events and improved staff and customer satisfaction.

Staff members who self-report non- compliance or who report others' non-compliant action or inaction, will be supported by the CEO and management.

Riverina Water supports a fair and just workplace that balances the need to have a non-punitive reporting and positive learning environment with the need to hold persons accountable for their actions. A fair and just culture seeks to improve the organisation's culture and performance by means of positive behavioural improvement and encouraging staff to take personal responsibility for their actions. Additionally, it recognises that firm actions might need to be taken in circumstance where poor compliance is still evident despite information and guidance being provided.

Council staff are supported by services such as the Employee Assistance Program, protections under the Internal Reporting Policy (Public Interest Disclosures) Policy, and protection from harassment under Council's EEO and Workplace Bullying policies.

8. Monitoring compliance and implementing improvements

Council's compliance processes are subject to ongoing monitoring through actions such as:

- Continually reviewing agency circulars and updates
- Obtaining and assessing staff feedback on knowledge gaps and training
- Obtaining and assessing third-party feedback on Council's compliance performance, including from auditors and regulators, or via complaints or reviews
- Appropriately escalating non-compliance matters and determining any remedial action or necessary changes

Riverina Water's compliance controls are assessed, and control effectiveness is monitored through council's Enterprise Risk Management Framework, Governance Framework, internal audit program and audits conducted by NSW Audit Office or other external agencies. Council also conducts self-audits such as those required by StateWide Mutual, Records NSW and StateCover.

Improvements to compliance may include but are not limited to:

- Timely corrective action to address non-compliances
- Updating information and training for staff
- Updating policies and processes to ensure that they are actionable and supportive of compliance, and/or
- Reviewing reporting lines and structures

Non Compliance

Non-compliance with adopted policy may be considered a breach under the Code of Conduct. As such, any suspected or known non-compliance will be reported to the CEO.

Policy Implementation

Staff will receive induction and periodic training on general compliance obligations such as the Code of Conduct, EEO, bullying and harassment.

Compliance training needs, in particular with respect to compliance activities that are role specific, such as delegations, are assessed by staff and their managers at least once a year at skills review, to ensure that there is adequate competency and training to help staff meet their compliance obligations.

Policy number	**1.24**
Responsible area	CEO
Approved by	
Approval date	
Legislation or related strategy	NSW Local Government Act 1993
Documents associated with this policy	Code of Conduct Policy 1.01 Code of Meeting Practice Policy 1.02 Enterprise Risk Management Policy 1.13 See IWCMP Fraud and Corruption Prevention Policy 1.14 Internal Reporting Policy 1.11
Policy history	NEW
Review schedule	4 years – next due 2026

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Attachment 1

Legislation and Regulations under which Riverina Water operates

Legislation	Regulation
A New Tax System (Goods & Services Tax Act) 1999	A New Tax System (Goods & Services Tax) Regulations 1999
Administrative Decisions Tribunal Act 1997	Administrative Decisions Tribunal (General) Regulation 2004
Age Discrimination Act 2004	
Annual Holiday Act 1994	
Anti Discrimination Act 1977	
Australian Human Rights Commission Act 1986	
Australian Communications and Media Authority Act 2005	
Building Professionals Act 2005	
Children and Young Persons (Care and Protection) Act 1998	
Civil Liability Act 2002	
Clean Energy Act 2011	
Community Land Development Act 1989	
Competition and Consumer Act 2010 (Cth)	
Constitution Act 1902	
Contaminated Land Management Act 1997	
Contracts Review Act 1980	
Conveyancing Act 1919	
Copyright Act 1968 (Cth)	
Crimes Act 1900	
Criminal Procedures Act 1986	
Crown Lands Act 1989	Crown Land Regulation 2006
Defamation Act 2005	

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Next scheduled review: 2026

Attachment 1

Disability Discrimination Act 2005	
Disability Discrimination Act 1992 (Cth)	
Duties Act 1997	
Electricity Supply Act 1995	
Electronic Transactions Act 1999 (Cth)	Electronic Transactions Regulation 2003 (Cth)
Electronic Transactions Act 2000 (NSW)	
Environmental Hazardous Chemicals Act 1985	Environmental Hazardous Chemicals Regulation 1999
Environmental Planning and Assessment Act 1979	Environmental Planning and Assessment Regulation 2000
Essential Services Act 1988	
Fair Trading Act 1987	Fair Trading Regulation 2007
Fair Work Act 2009	
Fisheries Management Act 1994	Fisheries Management (General) Regulation 2002
Flouridation of Public Water Supply Act 1957	
Fringe Benefits Tax Assessment At 1986 (Cth)	
Gas Supply Act 1996	
Government Information (Public Access) Act 2009	
Health Records and Information Privacy Act 2002	Health Records and Information Privacy Regulation 2006
Income Tax Assessment Act 1997 (Cth)	
Independent Commission Against Corruption Act 1988	Independent Commission Against Corruption Regulation 2005
Independent Pricing and Regulatory Tribunal Act 1992	Independent Pricing and Regulatory Tribunal Regulation 2007

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Attachment 1

Industrial Relations Act 1996	Industrial Relations (General) Regulation 2001
Interpretation Act 1987	
Land Acquisition (Just Terms) Compensation Act 1991	
Local Government Act 1993	Local Government (General) Regulation 2020
Local Government Amendment Bill 2019	
Local Government and Other Authorities (Superannuation) Act 1927	
Long Service Leave Act 1955	Long Service Leave Regulation 2005
National Greenhouse and Energy Reporting Act 2007	National Greenhouse and Energy Reporting Regulations 2008
Native Vegetation Act 2003	
Noxious Weeds Act 1993	Noxious Weeds Regulation 2003
Ombudsman Act 1974	Ombudsman Regulation 2005
Paid Parental Leave Act 2010	
Payroll Tax Act 2007	
Personal Property Securities Act 2009	
Pesticides Act 1978	Pesticides Regulation 1995
Pipelines Act 1967	Pipelines Regulation 2005
Plumbing and Drainage Act 2011	
Privacy Act 1988 (Cth)	
Privacy and Personal Information Protection Act 1998	Privacy and Personal Information Protection Regulation 2005
Protection of the Environment Operations Act 1997	Protection of the Environment Operations (General) Regulation 1998
Public Health Act 2010	Public Health Regulation 2012
Public Holidays Act 2010	
Public Interest Disclosures Act 1994	

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Attachment 1

Public Works Act 1912	
Racial Discrimination Act 1975 (Cth)	
Rail Safety Act 2008	Rail Safety National Law National Regulations 2012
Real Property Act 1900	Real Property Regulation 2003
Residential Tenancies Act 2010	Residential Tenancies Regulation 2010
Roads Act 1993	Roads (General) Regulation 2000; Roads Regulation 2008
Sex Discrimination Act 1984 (Cth)	
Smoke Free Environment Act 2000	Smoke Free Environment Regulation 2007
Soil Conservation Act 1938	
Spam Act 2003 (Cth)	
State Emergency and Rescue Management Act 1989	
State Records Act 1998	
Statutory and Other Officers Remuneration Act 1975	
Superannuation Guarantee (Administration) Act 1992 (Cth)	
Surveying and Spatial Information Act 2002	Surveying Regulation 2006
Telecommunications Act 1997 (Cth)	
Threatened Species Conservation Act 1995	Threatened Species Conservation Regulation 2002
Training Guarantee (Administration) Act 1990 (Cth)	
Unclaimed Money Act 1995	
Valuation of Land Act 1916	Valuation of Land Regulation 2006
Water Act 1912	Water (Part 2 - General) Regulation 1997
Water Act 2007 (Cth)	
Water Industry competition Act 2006	

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Next scheduled review: 2026

Attachment 1

Water Management Act 2000	Water Management (General) Regulation 2018
Work Health and Safety Act 2011	Work Health and Safety Regulation 2011
Workers Compensation Act 1987	Workers Compensation Regulation 2003
Workplace Injury Management and Workers Compensation Act 1998	
Workplace Surveillance Act 2005	Workplace Surveillance Regulation 2005

Version 1
Next scheduled review: 2026

R8 Privacy Policy 1.20 and Privacy Management Plan

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	The reviewed Privacy Policy 1.20 is presented to the Board for review and adoption and the Privacy Management Plan is presented for information.

RECOMMENDATION that Council adopt Privacy Policy 1.20 and note the supporting Privacy Management Plan.

Report

The Privacy Policy has been reviewed as part of the policy review process. It was last adopted in April 2020 and has a few minor changes.

The Privacy Policy sets out Riverina Water's commitment to promoting the protection of personal and health information it captures and retains. The policy is supported by a Privacy Management Plan that more fully informs staff and members of the public how information is to be managed.

As this has not undergone any significant change since last reviewed in 2020, it is not felt necessary to place the policy on public exhibition for consultation. Once adopted the Privacy Policy and Privacy Management Plan will be published to the internet and intranet as well as circulated to relevant staff.

- **R8.1 Privacy Policy 1.20.docx**
- **R8.2 Privacy Management Plan - Oct 2022.docx**

Financial Implications

There are no financial implications associated with the adoption of the Policy and the Privacy Management Plan

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Privacy Policy

Purpose

This Policy sets out Riverina Water's commitment to promoting the protection of personal and health information it captures and retains. This Policy and associated Privacy Management Plan have been written to ensure personal and health information is managed in accordance with relevant legislation and accompany regulations.

Policy Statement

Riverina Water respects the privacy of its Board, staff, volunteers, contractors and customers, and members of the general public who have contact with Riverina Water.

Riverina Water will deal with personal and health information in a manner that complies with legislative requirements and ensure that persons who have personal or health information collected by Riverina Water are aware of their rights in regard to this information.

Scope

This Policy applies to all personal and health information collected, maintained and/or used by Riverina Water Board members, staff, contractors, volunteers, customers and members of the public who have contact with Riverina Water. It provides the foundation for Riverina Water's Privacy Management Plan.

Definitions

Health information	Is a specific type of personal information. Health information includes personal information that is information or an opinion about the physical, mental or emotional state or capacity of an individual
HRIPA	Health Records Information and Privacy Act 2002
Personal information	Information or an opinion about an individual whose identity is apparent or can be reasonably ascertained from the information or opinion. This information can be on a data base or does not necessarily have to be recorded in material form.
PIPPA	Privacy and Personal Information Protection Act 1998
Privacy Management Plan	Regulates the collection, use and disclosure of, and the procedures for dealing with, personal information held by Riverina Water

Public Register	A register that contains information (including personal information) that is required by law to be, or is made, publicly available or open to public inspection (whether or not on payment of a fee)
Riverina Water	Riverina Water County Council – also referred to as council

Policy Principle 1

Riverina Water is committed to ensuring the protection of personal and health information that it collects and holds.

As part of this intent, Riverina Water will apply the following general principles, based on the 12 Information Protection Principles and the 15 Health Privacy Principles as specified in legislation.

The first 9 principles are common under the PPIPA and HRIPA

Principle 1	Collection of personal information for lawful purposes
Principle 2	Collection of personal information directly from an individual
Principle 3	Requirements when collecting personal information
Principle 4	Other requirements relating to collection of personal information
Principles 5	Retention and security of personal information
Principle 6	Information about personal information held by agencies
Principle 7	Access to personal information held by agencies
Principle 8	Alteration of personal information
Principle 9	Agency to check accuracy of personal information before use

Further principles under PIPPA

Principle 10	Limits on use of personal information
Principle 11	Limits on disclosure of personal information
Principle 12	Special restrictions on disclosure of personal information

Further principles under HRIPA

Principle 10	Limits on use of health information
Principle 11	Limits on disclosure of health information
Principle 12	Identifiers
Principle 13	Anonymity
Principle 14	Trans-border data flows and data flow to Commonwealth agencies
Principle 15	Linkage of Health Records

Policy Principle 2

Individuals can seek access to review or amend their own personal and health information under Section 14 of PPIPA and Section 26 of HRIPA. Forms are available from our website or via direct

contact to our Administration office by phoning 69220608 or via email to admin@rwcc.nsw.gov.au Proof of identity is required to access and/or amend personal or health information.

Policy Principle 3

Riverina Water will comply with the relevant legislation and Privacy Code of Practice in regard to the disclosure of privacy and health information. Disclosure of personal information in Public Registers and other council registers to third parties is covered in Riverina Water's Privacy Management Plan. Personal information will be provided at the CEO's discretion, only where it would be in the public interest to do so.

Policy Principle 4

An internal review can be requested in writing from Riverina Water in relation to an information privacy matter or against a decision made in relation to the release of information. Alternatively, a review or complaint can be directed to the Privacy Commissioner.

Policy Implementation

The principles set out in this policy will be implemented through the provisions of the Privacy Management Plan. The policy and plan will be made available on Riverina Water's website.

The Privacy Policy and Privacy Management Plan will be made available to all staff through the intranet, and awareness of handling personal and private information will be covered at induction and reinforced through department meetings and compliance refresher training as required.

Non Compliance

Non-compliance with adopted policy may be considered a breach under the Code of Conduct. As such, any suspected or known non-compliance will be reported to the CEO.

Policy number	1.20
Responsible area	Corporate Services
Approved by	Riverina Water Board
Approval date	
Legislation or related strategy	Privacy and Personal Information Protection Act 1998 (PPIPA) Health Records Information and Privacy Act 2002 (HRIPA) Government Information (Public Access) Act 2009 (GIPAA) Privacy Code of Practice for Local Government
Documents associated with this polic	Records Management Policy 1.18 Riverina Water Privacy Management Plan
Policy history	Vers 3 Adopted 22 April 2020 – Res 20/034 Vers 2 Adopted 28 June 2017 Vers 1 Adopted 28 Oct 2015 Res 15/151 Original adopted August 2013.
Review schedule	Every 4 years (once per Board term)

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Riverina Water

Privacy Management Plan

October 2022

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1 Privacy Management Plan Overview

The purpose of this Privacy Management Plan (PMP) is to explain how Riverina Water manages personal and health information of our customers, Board members, staff, contractors and all who come in contact with Riverina Water in accordance with NSW privacy laws. This includes the Privacy and Personal Information Protection Act 1998 (PPIP Act) and the Health Records and Information Privacy Act 2002 (HRIP Act).

The PMP also explains who you should contact regarding questions about the information collected and retained by Riverina Water, how to access and amend your stored information and what to do if you believe Riverina Water may have breached the PPIP or HRIP Acts.

Additionally, the PMP is used to support Riverina Water's staff on how to deal with personal information. This helps to ensure that Riverina Water complies with the PPIP Act, the HRIP Act and the Government Information (Public Access) Act 2009 (GIPA).

1.1 What the plan covers

This PMP includes requirements outlined in s33(2) of the PPIP Act (PPIPA) including:

- Information about the private information Riverina Water holds and for what purpose
- how Riverina Water develops policies and practices in line with the State's information and privacy Acts
- how Riverina Water disseminates these policies and practices within the organisation and trains our staff in their use
- Riverina Water's internal review processes
- anything else Riverina Water considers relevant to the PMP in terms of privacy and the personal and health information we hold.

This Plan should be read in conjunction with the Code of Practice for Local Government (the Code) and the Riverina Water Code of Conduct Policy 1.01.

Who the Plan applies to

The PPIPA, HRIPA and this Plan apply, wherever practicable, to:

- Board members
- Riverina Water employees
- Consultants and contractors of Riverina Water
- Volunteers
- Audit, Risk & Improvement Committee members
- Anyone working for and on behalf of Riverina Water in whatever capacity

1.2 Definitions

Collection (of personal information) – the way in which Riverina Water acquires personal and/or health information, which can include a written or online form, a verbal conversation, a voice recording, or a photograph

Disclosure (of personal information) – when Riverina Water makes known to an individual or an entity, personal or health information not previously known to them

Exemptions from compliance with Information Protection Principles (IPPs) – are provided under Division 2 and Division 3 of Part 2 of the PPIP Act

Health Information – information or an opinion about a person's physical or mental health or disability, or a person's express wishes about the future provision of their health services or a health service provided or to be provided to a person (see the definition at S6 HRIP Act)

Investigative agencies -any of the following: the NSW Ombudsman's office, the Independent Commission against Corruption (ICAC) or the ICAC inspector, the Law Enforcement Conduct Commission (LECC) or the LECC Inspector and any staff of the Inspector , the Health Care Complaints Commission, the Office of the Legal Services Commissioner, and Inspector of Custodial Services.

Law enforcement agencies - any of the following: the NSW Police Force or the police force of another State or Territory, the NSW Crime Commission, the Australian Federal Police, the Australian Crime Commission, the Director of Public Prosecutions of NSW or another State or Territory or of the Commonwealth, Department of Justice, Office of the Sherriff of NSW.

Personal information - information or an opinion (including information or an opinion forming part of a database and whether or not recorded in a material form) about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion. Exclusions to the definition of personal information are contained in s4(3) of the PPIP Act and includes health information; (see the definition at s4 PPIP Act and s4(3) PIPP Act and s5 of the HRIP Act).

Privacy principles - the Information Protection Principles set out in Division 1 of Part 2 of the PIPP Act and Health Principles set out in Schedule 1 of the HRIP Act. The privacy principles set out the minimum standards for all NSW public sector agencies when handling personal and health information. Within these principles lawful exemptions are provided.

Public register- a register of public information that is required by law to be, or is made, publicly available or open to public inspection, whether or not upon payment of a fee.

Privacy obligations – the information privacy principles and any exemptions to those principles that apply to Riverina Water

Riverina Water – Riverina Water County Council – also referred to as Council

Riverina Water official - an individual having "public official" functions or acting in a public official capacity of Riverina Water. Includes but not limited to a volunteer, Board member, Committee member, contractor or member of staff

Staff – any person working in a casual, temporary or permanent capacity at Riverina Water, including consultants and contractors

1.3 Data Breach Response Plan

In addition to this PMP, Riverina Water has a Data Breach Response Plan that sets out Riverina Water's procedures for managing a data breach, including the considerations around notifying those persons whose privacy may be affected by the breach.

2. Personal and health information

Riverina Water is committed to protecting the privacy of our customers, business contacts, Board members, employees, contractors and volunteers. This Plan aims to ensure we manage the personal and health information we collect, store, access, use and disclose in the course of business activities ethically and appropriately.

Riverina Water collects, stores and uses a range of information. A significant part of that information is personal information.

In practice any information held will receive treatment of a higher standard; namely treatment accorded to personal information where the information cannot be meaningfully or practicably separated.

2.1 Information that is not personal information

Personal information does not include information about an individual that is contained in a publicly available publication. Personal information, once it is contained in a publicly available publication, ceases to be covered by PPIPA.

Where Riverina Water is requested to provide access or make a disclosure and that information has already been published, then the provision of the relevant Act that authorises the holding of that information will be followed (for example, section 12(1) of the Local Government Act).

The following are considered to be publicly available documents:

- an advertisement containing personal information in a newspaper
- personal information published on any social media platform

- books or magazines that are printed and distributed broadly to the general public
- Council business papers or that part that is available to the general public
- personal information that may be a part of a public display on view to the general public

Information published in this way ceases to be covered by the PPIPA.

2.2 Information Riverina Water might collect

The following are examples of the types of personal and health information and circumstances where we may collect personal information in exercising our functions:

Board members

Riverina Water holds personal information concerning Board members, including:

- personal contact information
- pecuniary interest returns
- any declarations of interest made at Board meetings
- any complaints or disciplinary matters
- entitlements to fees, expenses and facilities

Customers and Residents

Riverina Water holds personal and possible health information in its records such as:

- Property records
- Billing records
- Pensioner and concession details
- Financial records
- Details of circumstances relating to hardship and debt management
- Customer requests
- Donation, grant and sponsorship applications
- Leases, licences and agreements
- Submissions and information collected as part of Riverina Water's community engagement and consultation activities

Employees, volunteers and contractors

Riverina Water holds personal and health information concerning its employees, volunteers and contractors as appropriate, such as:

- Personal contact information and emergency contact details
- Recruitment material
- Pre-employment medical information
- Bank account details
- Wage and salary entitlements
- Leave and payroll data
- Medical certificates and medical information

- Disclosure of interest returns
- Workers' compensation records
- Performance management plans
- Disciplinary matters

2.3 How Riverina Water collects personal and health information

Riverina Water collects and receives people's personal and health information in a variety of ways, in order to perform services and functions.

The collection of this information may be in writing, e-mail, inquiry from the website, over the phone, by fax or in person.

Riverina Water will decide what level of information is appropriate to be collected for each enquiry on a case-by-case basis. This is on the understanding that the details collected must contain enough information to be an accurate record of the issue and assistance given, but should not contain unnecessary personal and/or health information.

If someone writes to Riverina Water, a full copy of whatever is sent is generally kept within the electronic document management system or in a hard copy file. However, if someone calls over the phone and gives a lot of background information, Riverina Water may decide not to record all the personal information if it is irrelevant to the enquiry. For example, a Riverina Water staff member might make a general note, such as "concerned about impact of an illness" without recording details about the illness itself.

Riverina Water's telephones will display the number of the person who called, except for private/silent numbers. Telephone conversations are not electronically recorded. If someone has an enquiry that cannot be answered straight away, a Riverina Water staff member will offer to take the person's name and telephone number so someone can respond.

It is normal business practice for our customer service officers to check customer contact details when they call, including a contact email address. This is to allow us to make contact via email should that be necessary regarding billing matters, for example meter readings that are very high, or to respond to an earlier enquiry.

As a security measure, Riverina Water has video surveillance of the customer service counter at its Administration Building in Hammond Avenue. This records vision only. Recordings are held for a reasonable period of time.

The Spam Act 2003

Riverina Water complies with the Commonwealth Spam Act 2003 in regards to sending of emails to customers. Prior to sending any message that could be construed to be marketing, we will first seek to confirm that permission has been granted to use a customer's email address for that purpose. Our email message will identify us as the sender and contain our contact details.

Permission

There are two types of permission: express or inferred

People can give express permission by one of the following:

- filling in a form
- ticking a box on a website
- over the phone
- face to face
- correspondence – via mail or email

It is inferred that a person gives permission to be contacted by email for marketing purposes if they are a current customer and the message we send is related to the service they already have.

Public access to tabled correspondence and reports

The Local Government Act 1993 – sec 11. (1) provides that:

A council and a committee of which all the members are councillors must, during or at the close of a meeting, or during the business day following the meeting, give reasonable access to any person to inspect correspondence and reports laid on the table at, or submitted to, the meeting.

(2) This section does not apply if the correspondence or reports—

(a) relate to a matter that was received or discussed, or

(b) were laid on the table at, or submitted to, the meeting,

when the meeting was closed to the public.

(3) This section does not apply if the council or committee resolves at the meeting, when open to the public, that the correspondence or reports, because they relate to a matter specified in section 10A(2), are to be treated as confidential.

It should be noted that Riverina Water records all open Board meetings, which are livestreamed onto our website. By remaining in the public gallery it is assumed that an attendee's permission has been given in the event that their image or voice is broadcast.

3 Public Registers

A public register is defined in section 3 of the PPIPA as a register of personal information that is required by law to be, or is made, publicly available or open to public inspection (whether or not on payment of a fee).

Disclosure in relation to public registers must comply with Part 6 of the PPIPA. Personal information cannot be accessed by a person about another person unless the personal information is contained in a public register. Where personal information is contained in a public register, Part 6 of the PPIPA applies to determine whether access to that information will be given.

It is considered that a secondary purpose for which all public registers are held by a council includes the provision of access to members of the public. Therefore disclosure of specific

records from public registers would normally be considered to be allowable under section 57 of the PPIPA.

Personal information contained in a public register, other than where required by legislation, will only be disclosed where Riverina Water is satisfied that it is to be used for a purpose relating to the purpose of the register.

3.1 Application for disclosure

A person seeking a disclosure of someone else's personal information from a public register must satisfy Riverina Water that the intended use of the information is for a purpose directly relating to the purpose of the register or the Act under which the register is kept.

Persons or organisations who apply to Riverina Water to have access to the information contained in any public register for a purpose not related to the purpose of the register, may be given access at the discretion of Riverina Water but only in accordance with the Code.

3.2 Suppression of information in relation to a public register

A person about whom personal information is contained (or proposed to be contained) in a public register, may request the CEO under section 58 of the PPIPA to have the information removed from, or not placed on the register, and not disclosed to the public.

If the CEO is satisfied that the safety or well-being of any person would be affected by not suppressing the personal information as requested, the information will be suppressed in accordance with the request. The CEO may however, form the opinion that the public interest in maintaining public access to the information outweighs any individual interest in suppressing the information.

When in doubt, Riverina Water will err in favour of suppression.

An application for suppression should be made in writing to the CEO and must outline the reasons for the request. Supporting documentation may be required as appropriate.

Any information that is removed from, or not placed on, a public register under this section may be kept on the register for other purposes.

Riverina Water holds the following public registers:

- Land Register
- Contracts Register for contracts awarded over $250,000 (GST inclusive)
- Register of disclosures of Interest
- Fees and charges
- Related Party Disclosures

3.3 Purposes of the public registers

Register	Primary purpose of the Register
Land register	Identify all land vested in council or under its control. The secondary purpose includes a consideration of public accountability as to the land held by council
Contracts register	Contracts awarded and details of successful contractor for contracts with a value of over $250,000 (GST inclusive). There is a public accountability purpose and third party access is a secondary purpose.
Register of Disclosures of Interest and Related Party Disclosures	The purpose is to determine whether or not a Riverina Water official has a pecuniary interest in a matter with which the council is likely to be concerned. There is a corresponding public accountability purpose and third party access is a secondary purpose.

3.4 Other Registers

Riverina Water may keep other registers that are not public registers. The Information Protection Principles, this Plan, the Code and PPIPA apply to the use and disclosure of information in those registers.

4 Information Protection Principles

This section contains a general summary of how Riverina Water must manage personal and health information under the PPIP Act, the HRIP Act and other relevant laws.

PIPPA provides for the protection of personal information by means of 12 Information Protection Principles and HRIPA provides for the protection of health information by means of 15 Health Information Protection Principles.

Riverina Water complies with the Information Protection Principles (IPPs) prescribed under PPIPA and Health Privacy Principles (HPPs) prescribed under HRIPA.

4.1 The PPIP Act and personal information

The PPIP Act sets out how Riverina Water must manage personal information.

Personal information is defined in s4 of the PPIP Act and is essentially any information or opinions about a person where that person's identity is apparent or can be reasonably ascertained. Personal information can include a person's name and address, details about their family life, their sexual preferences, financial information, fingerprints and photos.

There are some kinds of information that are not personal information, such as information about someone who has been dead for more than 30 years, information about someone that is contained in a publicly available publication, or information or an opinion about a person's

suitability for employment as a public sector official. Health information is generally excluded here as it is covered by the HRIP Act.

Information protection principles (IPPs)

Part 2, Division 1 of the PPIP Act contains 12 IPPs with which Riverina Water must comply.

4.2 The HRIP Act and health information

The HRIP Act sets out how Riverina Water must manage health information.

Health information is a more specific type of personal information and is defined in s6 of the HRIP Act. Health information can include information about a person's physical or mental health, such as a psychological report, blood test, an X-ray, or even information about a person's medical appointment. It can also include personal information that is collected to provide to a health service, such as a name and contact number on a medical record.

Health privacy principles (HPPs)

Schedule 1 of the HRIP Act contains 15 HPPs with which Riverina Water must comply.

4.3 Riverina Water compliance with the Principles

Below is an overview of the principles as they apply to Riverina Water.

IPP 1 & HPP1 Lawful collection

Riverina Water collects personal information only for a lawful purpose that is directly related to its functions and activities.

Riverina Water will not collect any more information than is reasonably necessary to fulfil its proper functions.

Personal and health information may include names, residential address, phone numbers, email addresses, signatures, medical certificates, photographs and video footage (CCTV)

Anyone engaged by Riverina Water as a private contractor or consultant that involves the collection of personal and health information must agree not to collect personal information by any unlawful means.

IPP 2 & HPP 2 Direct collection

Personal information will be collected directly from the individual, unless that person consents otherwise.

The Code makes provision for Riverina Water to depart from this principle where indirect collection of personal information is reasonably necessary when an award, prize, benefit or similar form of personal recognition is intended to be conferred upon the person to whom the information relates.

Health information will be collected directly from the person concerned, unless it is unreasonable or impractical to do so. Riverina Water may collect personal information from

other public sector agencies in respect of specific statutory obligations where it is authorised by law to do so. (eg StateCover).

PIPPA permits non-compliance with this principle if Riverina Water is exercising complaint handling, investigative function or is authorised or required not to comply with the principle under any Act or law.

Riverina Water informs people why their personal information is being collected, what it will be used for, and to whom it will be disclosed. We will tell people how they can access and amend their personal information and any possible consequences if they decide not to give their personal information to us.

IPP 3 & HPP 3 Requirements when collecting

We inform people why their health information is being collected, what it will be used for and to whom it will be disclosed. Riverina Water will tell people how they can access and amend their health information and any possible consequences if they decide not to give their health information to us.

If health information is collected about a person from someone else, reasonable steps will be taken to ensure that the persons has been notified.

IPP4 & HPP 4 Relevance of information collected

Riverina Water will ensure that personal information collected is relevant, accurate, is not excessive and does not unreasonably intrude into the personal affairs of people.

We will, in normal circumstances, rely on the individual to supply accurate, complete information, although in special circumstances some verification processes may be necessary.

IPP 5 & HPP5 Secure storage

Riverina Water stores personal and health information securely, keeps it no longer than necessary and destroys it appropriately. Personal information is protected from unauthorised access, use, or disclosure by application of appropriate access levels to our electronic document management system (EDRMS), our finance and billing systems, and staff training.

If it is necessary for the information to be given to a person in connection with the provision of a service to Riverina Water (eg health provider) everything reasonably within the power of Riverina Water is done to prevent unauthorised use or disclosure of the information.

IPP 6 & HPP 6 Transparent access

Riverina Water stores information for the purpose of carrying out its services and functions and in order to comply with relevant records keeping legislation.

Individuals have a right to request access to their own information to determine what, if any, information is stored, how long it will be stored and where it is stored.

Where Riverina Water receives a request or formal application by a person on what information we hold about them, a search will be undertaken of our records to answer the enquiry. We will normally provide a response to applications of this kind within 28 days of the application being made.

Riverina Water will have a privacy statement on its web page concerning the nature of the personal information we regularly collect, the purpose for which the personal information is used and an individual's right to access their own information.

IPP 7 & HPP 7 Access to own information

Riverina Water will ensure individuals are allowed to access their own personal and health information without unreasonable delay or expense.

It should be understood, however, that compliance with this principle does not allow disclosure of information about other people. If access to information that relates to someone else is sought, an application must be made under the GIPA Act.

IPP 8 & HPP 8 Right to request to alter own information

Riverina Water will, at the request of the person involved, allow them to make appropriate amendments (that is, correction, deletion or amendments) to their own personal and health information so as to ensure the information is accurate, relevant to the purpose for which it was collected, up to date and not misleading.

Changes of name, address and other amendments to personal information require appropriate supporting documentation.

IPP 9 & HPP 9 Accurate use of information collected

Riverina Water will take all reasonable steps to ensure personal and health information is accurate, relevant and up to date before using it. This will include taking into account the age of the information, its significance, the likelihood of change and the particular function for which the information is collected.

IPP 10 & HPP 10 Limits to use of information collected

Riverina Water only uses personal information for the purpose it was collected for, or a directly related purpose or for a purpose for which a person gives consent.

The Code makes provision that Riverina Water may use personal information for a purpose other than the purpose for which it was created in the following circumstances:

- Where the use in pursuance of Riverina Water's lawful and proper function/s and we are satisfied that the personal information is reasonably necessary for the exercise of such function/s
- Where personal information is to be used for the purpose of conferring upon a particular person, an award, prize, benefit or similar form of personal recognition

IPP 11 & HPP 11 Restricted and limited disclosure of personal and health information

Riverina Water will only disclose personal and health information with the individual's consent or if the individual was told at the time of collection that it would do so.

PPIPA permits non-compliance with this principle if the disclosure is in relation to a complaint that is made to or referred from an investigative agency.

PIPPA permits non-compliance where a disclosure is to be made to a public sector agency under the administration of the Office of Local Government.

IPP 12 Special limits on disclosure

Riverina Water will not disclose sensitive personal information without consent unless it is necessary to prevent a serious and imminent threat to the life or health of an individual in relation to the following:

- Ethnic or racial origin
- Political opinions, religious or philosophical beliefs
- Trade union membership
- Health or sexual activities

Riverina Water will not disclose sensitive or health information to any person or body who is in a jurisdiction outside of NSW unless:

- The disclosure is permitted under a Privacy Code of Practice
- Riverina Water is asked for information by a potential employer outside NSW. We may verify that a current or former employee works or has worked with us, the duration of that work, and the position occupied at that time. This exemption will not permit Riverina Water to give an opinion as to that person's suitability for a particular position with a particular employer, unless Riverina Water is satisfied that the person has provided their consent for Riverina Water to provide a reference or to be a referee, which may include an opinion as to that person's suitability for the position for which they have applied.

Specific Health Information Privacy Principles

Health information includes information or an opinion about the physical or mental health or a disability of an individual and includes personal information about a health service provided, or to be provided, to an individual.

Health information if given a higher level of protection regarding use and disclosure than is other personal information.

In addition to the principles above, the following four additional principles apply specifically to health information.

HPP12 Unique identifiers

Riverina Water does not use unique identifiers for health information, as they are not needed to carry out our functions.

HPP 13 - Anonymity

Riverina Water allows people to stay anonymous where it is lawful and practical.

HPP 14 Trans-border data flow

Riverina Water does not usually transfer health information outside of NSW unless we have a request from a GP or specialist or legal writ.

HPP 15 Cross-organisational linkages

Riverina Water does not currently use a health records linkage system and does not anticipate using one in the future. However, if one were to be used, Riverina Water would not use one without people's consent.

4.4 Exemptions in PIPPA and HRIPA

Exemptions are located mainly in Schedule 1 of the HRIP Act and may allow Riverina Water to not comply with HPPs in certain situations.

Riverina Water does not use the exemptions on a regular basis as they are not usually relevant to the work of Riverina Water. However, if an exemption were used, we would aim to be clear about the reasons for using it.

Health privacy codes of practice and public interest directions can modify the HPPs for any NSW public sector agency. These are available on the IPC website. Currently, there are none that are likely to affect how Riverina Water manages health information.

Offences

It is an offence for Riverina Water officials to intentionally disclose or use personal information about another person accessed in the exercising of official functions for an unauthorised purpose.

It is an offence for Riverina Water officials to supply personal information that has been disclosed unlawfully.

Offences can be found in Part 8 of the HRIP Act. It is an offence for Riverina Water to:

- intentionally disclose or use any health information about an individual to which the official has or had access to in the exercise of his or her official functions
- offer to supply health information that has been disclosed unlawfully
- attempt to persuade an individual to refrain from making or to withdraw an application pursuing a request for access to health information or a complaint to the Privacy Commissioner or Tribunal
- by threat, intimidation, or false representation require another person to give consent or to do, without consent, an act for which consent is required.

4.5 Specific exemptions in PIPA and HRIPA relevant to Riverina Water

There are a number of exemptions from compliance with the PPIPA and HRIPA that apply directly to Riverina Water. These relate to situations where:

- information is collected in connection with proceedings (whether commenced or not) before any Court or Tribunal
- information is collected for law enforcement purposes
- information is used for a purpose reasonably necessary for law enforcement purposes or to protect the public revenue
- Riverina Water is authorised or required by a subpoena or search warrant or other statutory instrument
- Riverina Water is investigating a complaint that may be referred or made to an investigative agency
- Riverina Water is permitted by a law or Act not to comply

- Compliance would prejudice the interests of the individual to whom the information relates
- The individual to whom the information relates has given express consent to Riverina Water not to comply
- Disclosure is permitted under the *Privacy Code of Practice for Local Government*

4.6 Riverina Water staff responsibilities

Employees will be made aware of this Plan as part of induction, and it will be made available on Riverina Water's intranet and website. Additionally, there will be reminders provided to staff on the general provisions of the PPIPA and HRIPA, and in particular this Privacy Management Plan.

Fast screen savers have been installed on Riverina Water computers to ensure security of information and screens in public areas are facing away from the public. Passwords are required to be changed regularly and permissions are set on access to records within our finance systems and electronic records management system, to ensure that only authorised members of staff can access certain types of records.

4.7 Promoting the Plan to the community

Riverina Water promotes public awareness of how we manage personal and health information by:

- making the Privacy Management Plan publicly available from our website or office
- writing the Plan in plain English
- letting people know about the Plan and our procedures if they enquire about personal and health information
- including privacy statements on application forms and invitations for submissions and community engagement

5 Privacy concerns

Riverina Water encourages individuals to try to resolve any privacy concerns they may have with us informally before going through a formal review process. Please contact us by phone or email in the first instance for advice. If the issue isn't resolved to your satisfaction you will be referred to our Privacy Contact Officer. Please phone 69220608 during office hours.

5.1 Internal review

If an issue hasn't been resolved after discussions with Riverina Water's Privacy Contact Officer, or if you think that Riverina Water has breached the PPIPA or HRIPA relating to your own personal or health information you may seek an internal review. You cannot seek an internal review for a breach of someone else's privacy, unless you are an authorised representative of that person.

An application for internal review is to be made in writing to the Privacy Contact Officer within 6 months of when you first became aware of the conduct or decision that is the subject of the review.

How does the Internal Review work?

The Privacy Contact Officer will appoint a suitably qualified Reviewing Officer to conduct the internal review. The Reviewing Officer will report their findings to the Privacy Contact Officer.

The review is to be completed within 60 days of receipt of the application. The applicant will be notified of the outcome of the review within 14 days fo the determination.

The Privacy Contact Officer will notify the Privacy Commissioner of a review application as soon as is practicable after it is received. Riverina Water will brief the Privacy Commissioner on the progress of an internal review and notify them of the outcome. Riverina Water can, if it deems it appropriate, ask the Privacy Commissioner to conduct the internal review.

5.2 External review

If an applicant disagrees with the outcome of an internal review or is not notified of an outcome within 60 days, they have the right to seek an external review.

An application for external review can only be made after an internal review has been completed and must be made within 28 days from the date of the internal review decision.

If the applicant remains unsatisfied with the outcome of the external review they may appeal to the NSW Civil and Administrative Tribunal (NCAT) for a review of Riverina Water's conduct of the initial review.

5.3 Alternative to lodging an Internal review

If a person does not want to lodge an application for an internal review with Riverina Water, they may contact the Privacy Commissioner directly. The complaint does not need to be reviewed internally before being reviewed by the Privacy Commissioner.

The role of the Privacy Commissioner includes promoting the adoption of and compliance with the information protection principles, investigating complaints, initiating privacy codes of practice and assisting agencies manage personal information.

5.4 NSW Civil and Administrative Tribunal (NCAT)

NCAT was established on 1 January 2014. NCAT consolidates the work previously dealt with by 22 separate tribunals. Riverina Water's previous Privacy Management Plan was covered under the Administrative Decisions Tribunal (ADT).

NCAT's broad and diverse jurisdiction and matter types are dealt with in four specialist Divisions. The division that is relevant to this Plan is the Administrative and Equal Opportunity Division. This Division reviews administrative decisions made by NSW government agencies and resolves discrimination matters.

6 Other applicable laws

This section contains information about the other laws that affect how Riverina Water complies with the IPPs and HPPs.

Crimes Act 1900

Under this law, Riverina Water must not access or interfere with data in computers or other electronic devices unless it is authorised to do so.

Government Information (Public Access) Act 2009 (GIPA Act) and Government Information (Public Access) Regulation 2009

The GIPA Act provides a mechanism to access your personal information or other information. An application can be made to Riverina Water to access information that Riverina Water holds. Sometimes, this information may include personal and/or health information.

If a person has applied for access to someone else's information, Riverina Water will take steps to consult with people who might have concerns regarding disclosure of their personal information. Riverina Water will provide notice of the decision to ensure that people who might want to object to the release of information have time to apply for a review of the decision to release information.

Government Information (Information Commissioner) Act 2009 (GIIC Act)

Under this law, the Information Commissioner has the power to access government information held by other NSW public sector agencies for the purpose of conducting a review or investigation or dealing with a complaint under the GIPA Act and GIIC Act.

The Information Commissioner also has the right to enter and inspect any premises of a NSW public sector agency and inspect any record.

This Act also allows the Information Commissioner to provide information to the NSW Ombudsman, the Director of Public Prosecutions, the Independent Commission Against Corruption, or the Police Integrity Commission.

Independent Commission Against Corruption Act 1988

Under this law, Riverina Water staff cannot misuse information obtained in the course of doing their jobs.

Public Interest Disclosures Act 1994 (PID Act)

The PID Act sets in place a system to encourage public officials to report wrongdoings. The NSW Information Commissioner is responsible for receiving complaints made as public interest disclosures about government information contraventions, as provided for under the PID Act.

The definition of personal information under the PPIP Act excludes information contained in a public interest disclosure. This means that 'personal information' received or collected under the PID Act is not subject to the IPPs or HPPs.

The PID Act requires Riverina Water to not disclose information that might identify or tend to identify a person who has made a public interest disclosure.

State Records Act 1998 and State Records Regulation 2015

This law sets out when Riverina Water can destroy its records. It also authorises the State Records Authority to establish policies, standards and codes to ensure that NSW public sector agencies manage their records appropriately.

7 Contact details

For assistance in understanding the processes under the PPIPA and HRIPA, please contact Riverina Water's Privacy Contact Officer or the Information and Privacy Commission.

Riverina Water

The Privacy Contact Officer
Riverina Water
PO Box 456
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8 Document Details

Responsible area	**Corporate Services**
Approved by	Riverina Water Board –
Approval date	
Legislation or related strategy	Privacy and Personal Information Protection Act 1998 (NSW) (PPIPA) Health Records and Information Privacy Act 2002 (HRIPA) Privacy Code of Practice for Local Government (Code) Public Interest Disclosures Act 1994 (PID Act) Local Government Act 1993
Documents associated with this Plan	Privacy Policy 1.20 Internal Reporting Protected Disclosures Policy 1.11 Records Management Policy 1.18 Code of Conduct Policy 1.1 Internal Reporting Procedure Data Breach Response Plan Employee Induction Information pack
Document history	22 Apr 2020 – Riverina Water Board – Res 20/034 Name changed 22/11/13 from Policy 5.12 Adopted 23 June 2000 – Res 00/69
Next Review	The Information and Privacy Commission guidelines for Privacy Management Plans recommend review at least every two years. This Plan, therefore, should be reviewed in October 2024

It should be noted that details contained within the Privacy Management Plan may change prior to review due to legislative or other changes, therefore this document is uncontrolled when printed.

R9 Governance Framework 2022

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	This report presents the Governance Framework for review and adoption

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RECOMMENDATION that Council adopt the Governance Framework 2022, noting that this replaces the Good Governance Policy 1.3

Report

As mentioned elsewhere in this business paper, it has been recommended that the Good Governance Policy 1.3 be rescinded and be replaced with a new Compliance Policy and a Governance Framework.

The initial Governance Framework was developed in 2019 and approved by the then General Manager. It sought to meet requirements under the existing Good Governance Policy, but it was recognised that it would be reviewed and updated once council adopted its Strategic Business Plan and new Delivery Program.

The Governance Framework 2022 is a comprehensive document that outlines how Riverina Water County Council will ensure that it conducts the organisation, activities and operations in accordance with the general principles of clarity, probity, transparency, accountability and respect.

For the purposes of the Riverina Water Governance Framework the principles outlined in the *Excellence in Governance in Local Government* publication developed by CPA Australia have been adopted. The principles provide the foundation for good governance and a means for assessing the extent to which good governance is occurring at Riverina Water.

It is proposed that this Framework be reviewed every four years (following the adoption of the Delivery Program) or more frequently should there be material changes to governance processes and requirements at Riverina Water.

› **R9.1 Governance Framework.docx** ⇩

Financial Implications

There are no financial implications associated with the adoption of the Framework

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Governance Framework

October 2022

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Introduction

This Governance Framework outlines how Riverina Water will ensure that it conducts the organisation, activities and operations in accordance with the general principles of clarity, probity, transparency, accountability, and respect.

Governance Defined

CPA Australia in its publication "*Excellence in Governance for Local Government*" defines governance as:

> *The process by which decisions are taken and implemented, the process by which organisations go about achieving their goals and producing their outputs and the process by which organisations are directed, controlled and held to account.*

Governance can be seen as encompassing:

- Authority
- Accountability
- Stewardship
- Leadership
- Ethics and values
- Culture

Good governance involves a focus on:

- A clear vision and positive organisational culture
- Clarity of roles and responsibilities
- Robust management practices and systems which support both internal and external accountability
- Public access to decision-making and information

Good governance in local government

Good governance in local government combines the characteristics of good governance and the definitions and roles of local government.

Riverina Water operates under a Charter, as prescribed by the Local Government Act 1993. Listed below are aspects of this Charter specifically relating to governance in the context of this Framework:

- 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 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 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
- To be a responsible employer

Governance is everyone's responsibility

Good governance is the role of our Board and of all our staff. Our Code of Conduct outlines our commitment to exhibiting accountability and respect. Good governance is not simply a function of management or a particular section of the council but can be seen as "the way we do things around here".

Riverina Water is committed to reviewing and re-evaluating its governance practices on an ongoing basis so that we can continue to achieve our objectives. We do this by improving the co-ordination of the various governance principles and testing the existing governance processes for effectiveness.

Governance Principles

For the purposes of the Riverina Water Governance Framework the principles outlined in the *Excellence in Governance in Local Government* publication developed by CPA Australia have been adopted. The principles provide the foundation for good governance and a means for assessing the extent to which good governance is occurring at Riverina Water. Listed under each principle are a range of activities and actions to support that particular principle.

These principles are:

Vision and Culture

- Clear vision and aligned planning
- Values, conduct and ethics
- Positive culture

Roles and Relationships

- Clarity of roles and responsibilities
- Understanding and agreement on roles
- Working relationships

Decision-making and Management

- Effective decision-making processes
- Transparency and disclosure
- Effective organisational structure

- Effective organisational management
- Risk management and internal control
- Legislative framework

Accountability

- Accountability for activities
- Performance management
- Compliance and reporting
- Consultation and engagement
- Access to information

Definitions

Aligned planning	Process of planning and implementing practices to ensure an organisation's strategies support its general objective. A strategically aligned business comprises, operations, methods and prescribed practices that work in unison to achieve long-term company goals.
Audit, Risk & Improvement Committee (ARIC)	Formal committee of council to provide independent assurance and assistance on risk management, control, governance, and external accountability responsibilities.
BASP	Business Activity Strategic Plan
Compliance	In accordance with established guidelines, legislation or specifications – the process of becoming compliant
Fraud	A deliberate and premeditated turn of events which involves the use of deception to gain advantage from a position of trust and authority (this includes acts of omission)
GIPA	Government Information (Public Access) Act 2009
IWCM	Integrated Water Cycle Management strategy
LG Act	NSW Local Government Act 1993
Performance management	The process of communication and feedback between a manager and employee towards the achievement of organisational objectives

Riverina Water	Throughout this document refers to Riverina Water County Council – also mentioned as the Council
The Code	Riverina Water Code of Conduct Policy 1.01

Principle 1: Vision and Culture

1.1 Clear vision and aligned planning

Riverina Water's 10-year Business Activity Strategic Plan (BASP) articulates our Vision *to provide passionate and professional leadership in the water industry*. In alignment with our Vision our mission is to *provide our community with safe, reliable water at the lowest sustainable cost*.

1.1.1 Integrated Planning Framework

Riverina Water must comply with the NSW local government Integrated Planning and Reporting Framework. Council must prepare a number of plans which provide details on how we intend to deliver works and services in the short and long term. The plans are designed to flow so that the broader objectives in a higher-level plan (e.g., Delivery Program, ICT Strategic Plan) are translated into specific targets, actions and measures.



The BASP outlines our strategic priorities for the next 10 years and the strategies we will adopt to achieve these priorities

From the BASP we build our Delivery Program, Operational Plan and Resourcing Strategy.



1.1.2 The lens through which we consider our strategic priorities

Three areas of focus inform our strategic priorities and strategies. These are the lenses through which we consider Our People, Our Business and Our Community.

	This means we
Customer-centricity We put customers at the heart of everything we do	• Use data and evidence to engage our customers and understand their current and future needs • Tailor and adapt our services to meet customer expectations • Collaborate with colleagues to deliver exceptional service to our internal customers
Innovation We are a successful organisation that pursues innovation and continuous improvement at all times	• Identify and implement changes to our approaches, processes and ways of working to improve service delivery • Look for ways to use technology to innovate • Capture, recognise and reward innovative and new ideas • Create a culture of innovation and continuous improvement
Sustainability We are an environmentally responsible and financially secure organisation. We aspire to have a positive impact on our natural world.	• Deliver our net zero commitment and improve the long-term environmental sustainability of our business • Communicate our sustainability commitments and actions to our customers, our people and the broader community • Explore new opportunities to further reduce our environmental impact

	• Take actions to secure our financial sustainability and ensure our investments achieve the best returns

As we are responsible for water supply, we must also comply with the requirements and timeframes of the NSW Government *Best Practice Management of Water Supply and Sewerage Guidelines (2007)*.

Our *Integrated Water Cycle Management Strategy (2021)* sets out our strategy for delivering water in accordance with these requirements.

1.1.3 The IWCM

The Integrated Water Cycle Management (IWCM) Strategy is Riverina Water's 30 year strategy for the provision of appropriate, affordable, cost-effective and sustainable urban water services that meet the community needs and protect public health and the environment. The key outcomes of the IWCM Strategy are a 30 year Total Asset Management Plan (TAMP), a 30 year financial plan and a drought and emergency response contingency plan (DERCP)



1.2 Values, conduct and ethics

Our organisation values are Respect, Integrity and Honesty.

1.2.1 Code of Conduct

The Riverina Water Code of Conduct is made under section 440 of the Local Government Act 1993 (the LGAct) and sets the minimum standards of conduct expected by council officials.

Board members, administrators, Riverina Water staff, delegates of council (including members of council committees) must comply with the provisions of the Code of Conduct. It is the responsibility of council officials to regularly review their personal circumstances and conduct in the course of their duties with this in mind.

Council officials must not conduct themselves in a manner that:

a) Is likely to bring Riverina Water or other council officials into disrepute
b) Is contrary to statutory requirements or the council's administrative requirements or policies
c) Is improper or unethical
d) Is an abuse of power
e) Causes, comprises or involves intimidation or verbal abuse
f) Involves the misuse of their position to obtain a private benefit
g) Constitutes harassment or bullying behaviour under the Code, or is unlawfully discriminatory

The Code covers behaviours expected in relation to, but not limited to:

- The performance of the Board member, committee member or employee's duties and responsibilities
- Dealings with other Board members, committee members and staff
- The use and disclosure of information
- The use of Riverina Water resources
- How records are to be kept
- Management of gifts and other disclosures
- Reporting mechanisms and management of suspected breaches of the Code (found more comprehensively in the *Procedure for Administration of the Code of Conduct*) and suspected unethical, fraudulent, dishonest, illegal or corrupt behaviour.

1.2.2 Fraud, misconduct and corruption

In support of the Code of Conduct, Riverina Water has adopted a Fraud and Corruption Prevention and Control Policy and Plan that applies to all Riverina Water officials including contractors, consultants and volunteers.

The Policy outlines council's commitment to the prevention, deterrence, detection and investigation of all forms of fraud and corrupt conduct. It ensures the appropriate mechanisms are in place to protect the integrity, security and reputation of Riverina Water.

Any perceived breaches in the Policy are to be reported as per the Internal Reporting Policy and guidelines. The CEO must report possible corrupt conduct to the Independent Commission Against Corruption (ICAC) pursuant to the ICAC Act 1988.

1.2.3 Ethics

Riverina Water's ethical standards are supported by the Code of Conduct, Internal planning and reporting mechanisms, enterprise risk management, recruitment, development and performance management in line with our adopted values and compliance with legislation and policies. A statement of ethical reminders in included in all Board business papers.

Riverina Water also has a Statement of Business Ethics that outlines mutual support and obligations to assist Riverina Water to conduct business in accordance with the ethics principles set out in the Statement.

Our ethics principles are:

- Integrity, impartiality and respect
- Value for money
- Accountability and transparency
- Sustainability

1.2.4 Acceptance of Gifts and Benefits

The Code of Conduct and the LG Act contain provisions in respect of Board members, employees and other council officials seeking and/or accepting gifts and benefits while performing their roles. The Code of Conduct outlines the disclosure requirements for gifts accepted in a full and transparent manner. All disclosures are to be made in writing to the CEO promptly who will determine what is to be done with the gift. No cash or cash-like gifts are to be accepted in any circumstances.

A Gift Register is retained in council's electronic document management system.

1.3 Positive Culture

Culture is inextricably linked to governance. Riverina Water's strategic objective for Our People in our BASP is to "*have a high-performance culture, achieved through accountability, diversity, respect and investment in our people*". This objective is to be achieved through a number of strategies:

- Attract, retain and develop our people
- Foster diversity, inclusion, respect and gender equality at all levels of our organisation
- Create an engaging, positive, collaborative and innovative workplace culture
- Build upon our strong history of safety and wellbeing
- Invest in and evolve our HR systems, processes and frameworks

The Riverina Water Workforce Plan is currently under review and will be a key guiding document to help us deliver our objective.

1.3.1 Recruitment and onboarding

Recruitment and onboarding practices are geared towards attracting talent and inducting them into our good organisational culture. All new staff members undertake an induction program that covers matters including WHS, ICT, records management, expected behaviours (Code of Conduct) plus operational specific inductions.

1.3.2 Learning and development

Riverina Water invests in training for both Board members and employees. As the Members of the Riverina Water Board are elected councillors from our four constituent councils, much of their training is conducted by their member council. Induction specific to the water industry and Riverina Water is offered at the commencement of their term and, as required under the Act, Riverina Water has an adopted Board Members Training and Development policy for any ongoing development needs.

For staff, learning is focused on what is required to achieve organisational goals. A large component of our training budget is committed to ensuring our staff have the competency and certification to carry out their tasks safely and to the expected standard.

1.3.2 Safety and Wellbeing

Riverina Water is committed to the prevention of work-related injury and ill health, through the provision of safe and healthy work environments, facilities, equipment and systems for its workers, volunteers, contractors, visitors and members of the public. We continue to maintain and improve a structured safety management system so that we can achieve a consistently high standard of Work Health and Safety (WHS) performance.

We communicate and consult with our staff and strive to ensure continuous improvement of the WHS management system in compliance with WHS legislation, SafeWork NSW Codes of Practice, and relevant Australian Standards.

Our commitment to WHS is included in our BASP and Operational Plan.

Principle 2: Roles and Relationships

The Board (councillors from the councils of Greater Hume, Lockhart, Federation and Wagga Wagga) and the CEO have different roles at Riverina Water. The Board is responsible for strategy and policy making, whilst the CEO is responsible for the day-to-day operations of the council. The separation of these roles is mandated by the Local Government Act 1993 and is designed to enable the effective running of the council.

2.1 Clarity of roles and responsibilities

Board members	◊ Direct and control the affairs of the council in accordance with the LG Act and other applicable legislation ◊ To participate in the allocation of council's resources for the benefit of the area ◊ Play a key role in the creation and review of council's policies, objective and criteria relating to the exercise of council's regulatory functions ◊ Review and monitor the performance of council and its delivery of services, delivery and operational plans and revenue policies

Chairperson	◊ Exercise in cases of necessity the policy making function of the Board between meetings ◊ Exercise such other function of the council as the Board determines ◊ Preside at meetings of the Board ◊ Carry out the civic and ceremonial functions of the Office
CEO	◊ Principal officer of the council - generally responsible for the efficient and effective operation of the organisation ◊ Ensure the implementation, without undue delay, of decisions of the Board ◊ Assist the Board in the development and implementation of the strategic plan, resourcing strategies, delivery program and operational plan, and the preparation of the annual report ◊ Manage the day-to-day operations of council including resources and staffing in line with approved structure and resources ◊ Exercise functions delegated to the CEO by the Board
Staff	◊Undertake their duties in accordance with their role requirements in a timely, efficient and effective manner ◊ Act honestly in undertaking their duties and exercise a reasonable degree of care and diligence through informed decision making ◊ Act in good faith within the parameters of their delegation, fulfilling their role responsibilities to contribute to the achievement of organisation objectives

2.2 Understanding and agreement on roles

The Board has no authority in their own right - they cannot just "fix" problems that come to their attention, while the CEO has this capacity through the Act.

The Chairperson and the CEO work closely together and the relationship is characterised by openness and good communication, with each keeping the other informed about important and relevant issues. A clear understanding of their different roles is critical.

Staff should have a respect for and commitment to democratic governance and an understanding of the primacy of the Board in the local government structure.

2.3 Working relationships

Taking into account their role differences, the features of an effective relationship between the Board members, the CEO and staff are of a mutual understanding, acceptance and respect for each other's roles and a preparedness to identify, discuss and resolve issues and problems if and when they arise.

As well as the Code of Conduct and Code of Meeting Practice, the Board Member Access to Information and Premises Policy outlines appropriate interactions between Board members and staff. Staff members are accountable to the CEO. They are not accountable to the Board and are not required to take direction from them.

Principle 3: Decision Making and Management

3.1 Effective decision-making processes

Sound decision-making processes that comply with the principles of good governance help the Board's decisions to withstand scrutiny by those affected by the decisions as well as by regulators, courts and by the wider community.

The Board can only make decisions by resolution at a properly convened meeting and passed by the required majority vote. The Board and any committees of the council of which all the members are Board members, must conduct its meeting in accordance with the Code of Meeting Practice.

Council committees, such as the Audit Risk & Improvement Committee (ARIC) whose members include persons other than Board members, may adopt their own rules for meetings under a Charter, unless the Board determine otherwise.

3.1.1 Meeting principles under the Code of Meeting Practice

Board and committee meetings should be:

- Transparent Decisions are made in a way that is open and accountable
- Informed Decision are made based on relevant, quality information
- Inclusive Decisions respect the diverse needs and interests of the local community
- Principled Decisions are informed by the principles prescribed under Ch 3 of the Act
- Trusted Board members and staff act ethically and make decisions in the interest of the whole community
- Respectful Board members, staff and meeting attendees treat each other with respect
- Effective Meetings are well organised, effectively run and skilfully chaired
- Orderly Board members, staff and meeting attendees behave in a way that contributes to the orderly conduct of the meeting

3.2 Transparency and disclosure

The more a local government can provide in the way of transparency, the more it increases trust, honesty, and integrity in the council. Another area where local governments can improve the public's trust in them is by sharing policies publicly. That way the public knows how the council should be handling things and can hold them accountable for doing so. Code enforcement rules and requirements, board meeting minutes, financial documents, budgets, and annual reports are all easily accessible by the public.

Riverina Water uses social media as well as more traditional print media as a means of disseminating information instantly to our broad geographic area. Customers are encouraged to

access our website for information regarding Riverina Water and important updates but are welcome at our administration office to speak to someone as needed.

3.2.1 Disclosures of conflicting interests

Conflicts of interest may arise from several sources including friends and family, close associations (e.g., sporting clubs), financial investments and other business activities, past and other employment.

Members of the Board and committee members are to comply with the requirements for disclosures under the Code of Conduct, Code of Meeting Practice, and the Local Government Act. As well as declaring any conflicts of interest at the commencement of, or during Board and committee meetings, Board members and other designated persons are to complete an annual Declaration of Interest. Registers of interest are kept and tabled annually to the Board.

Conflicts of interest are also to be declared by staff members involved in recruitment panels and tender panels. Members of staff are to disclose to the CEO any outside employment that may, or could be perceived to, conflict with their duties as an employee of Riverina Water. The matter of secondary employment is discussed as part of the annual skills review.

3.2.2. Related Parties disclosures

Riverina Water is committed to complying with the disclosure requirements for related party transactions under the Australian Accounting Standards. Disclosure of relevant related party information provides greater transparency and improves the quality of the financial reporting process. A Related Party Disclosure policy is in place that outlines the requirements for Board members and staff.

3.3 Effective organisational structure

Good governance is achieved when an organisational structure is in place that adequately serves the operational needs of the council, and those operations are planned to achieve the strategic direction set by the Board. Under the LG Act, the CEO reviews the organisational structure within 12 months of the new Board.

Riverina Water understands that workforce planning is a vital strategic activity to achieve its objective and long-term vision. Ensuring suitably skilled people are in the right place will contribute to Riverina Water's continued growth and sustainability. Our Workforce Plan will be reviewed in 2022-23 to ensure we have the workforce to deliver on our BASP.

3.4 Effective organisational management

3.4.1 Operational Planning

To support our 10-year Business Activity Strategic Plan, Riverina Water has a Delivery Program that outlines the principal activities we will deliver over the next four years. Supporting this is an Operational Plan that details the specific actions and projects to be undertaken in the coming year, along with both a four-year and one-year detailed budget, including fees and charges.

The progress of actions in the operational plan are reviewed by management through a report at the end of each quarter. A six-monthly report is provided to the Board.

3.4.2 Financial management

The LG Act outlines the following principles of sound financial management that applies to council:

- ◊ Council spending should be responsible and sustainable, aligning genera revenue and expenses
- ◊ Council should invest in responsible and sustainable infrastructure for the benefit of the local community
- ◊ Council should have effective financial and asset management, including sound policies and process for the following:
  - o Performance management and reporting
  - o Asset maintenance and enhancement
  - o Funding decisions
  - o Risk management practices

The IWCM includes a 30 year financial plan to ensure that there is due consideration to the cost of infrastructure development and renewal over the course of the plan. Additionally, Riverina Water has a 10-year financial plan as required under the IP&R framework. A four-year extract of this plan is included in the Delivery Program which is reviewed annually.

An annual budget is developed as part of the Operational Plan and is reported quarterly to the Board.

3.4.3 Asset management

Riverina Water's Asset Management Plan 2022 has been developed to describe how Riverina Water manages its assets to meet its responsibilities in a sustainable way.

The Asset Management Plan is a key component of an asset management system comprised of an asset management policy, strategy (IWCM) and plan. The main purpose of the Plan is to provide a blueprint to operate and maintain physical assets over their entire life cycle, thereby achieving levels of service at the lowest sustainable cost while still meeting regulatory requirements.

The CEO and the Director of Engineering are responsible for Riverina Water's asset development, operation and maintenance. Riverina Water has developed a 30-yer capital works program and maintains a significant annual investment in capital works. The estimated investment over the next 30 years is $554M; 59% of this amount is for renewal, 16% is to serve growth and 25% for improving levels of service.

3.4.5 Information Technology governance

IT governance is an element of corporate governance aimed at improving overall management of IT and deriving improved value from investment in information and technology.

At Riverina Water IT governance is managed by the ICT Manager under the leadership of the Director of Corporate Services, reportable to the Board and is guided by an ICT Steering Committee.

IT governance covers the five domains of value delivery, strategic alignment, performance management, resource management and risk management and is demonstrated through the establishment of a strategy and associated architecture and roadmaps, relevant risk, project and asset management processes, service management and relevant policies such as

- Acceptable Use
- Access Control
- Cyber Security
- Business Continuity
- Mobile Device Management
- Information Management
- Data Privacy
- Change Management
- Remote Access

These policies are developed in line with industry standards (ie ISO 27001 Information Security Management) and operationalised through an applicable IT governance framework such as ITILv4.

3.4.6 Records Management

A range of legislation applies to the management of records and information at Riverina Water. Legislation includes the Government Information (Public Access) Act 2009; the Privacy and Personal Information Protection Act (PPIPA); Health Records and Information Privacy Act (HRIPA) 2002 and the NSW State Records Act 1998.

Riverina Water has adopted Records Management Guidelines that provide guidance on how to manage our official records. A record can be anything from a text message or email, to plans, reports, minutes, correspondence, timesheet, request or response. All deemed records are to be held within the approved records management system or information management systems and managed in accordance with the State Records Act 1998 (the Act). A Privacy policy and management plan are in place to ensure records and information are handled appropriately.

3.5 Risk management and internal control

3.5.1 Enterprise Risk Management

Riverina Water has an Enterprise Risk Management Framework and Plan that outlines Riverina Water's approach to management of risk. It is the supporting document to the Risk Management policy. This policy states that Riverina Water will adopt a risk management approach consistent with AS/NZS ISO 31000:2018 in its planning, approval, review and control processes.

The benefits of a risk aware culture, regular risk management thinking and managing organisation-wide risks includes:

- ◊ Better decision making and planning
- ◊ Better identification of opportunities and threats
- ◊ Proactive rather than reactive management
- ◊ More effective allocation and use of resources

- ◊ Improved stakeholder confidence and trust
- ◊ Improved compliance with key regulatory requirements
- ◊ Better corporate governance
- ◊ Enhanced communication and reporting of risk

Enterprise risks are listed in an enterprise risk register and reviewed every six months by management. An annual report is provided to the Audit Risk and improvement Committee on the management of risks. This report informs the internal audit forward plan.

3.5.2 Audit Risk & Improvement Committee

The ARIC comprises a Board member and three independent community members. No Board members will have a voting role on the Committee from 2023.

The objective of the Committee is to provide independent assurance to Riverina Water on risk management, control, governance, and external accountability responsibilities. The Internal Audit function reports directly to the ARIC. The Committee reviews all internal and external audit reports and consider significant issues identified in audit reports and action taken on issues raised.

The Audit Risk & Improvement Committee reviews whether management has:

- ◊ a comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud
- ◊ adequate internal controls, including over external parties such as contractors and advisors
- ◊ relevant policies and procedures, and that these are periodically reviewed and updated
- ◊ taken steps to embed a culture which is committed to ethical and lawful behaviour
- ◊ completed annual financial reports that comply with Australian Accounting Standards
- ◊ a performance management framework linked to organisational objectives and outcomes
- ◊ a system for monitoring compliance with relevant laws, regulations and associated government policies.

3.5.3 Internal Audit

The objective of internal audit is to provide independent assurance over the internal controls and risk management framework of Riverina Water. The ARIC requests Internal Audit to carry out particular audits each year in accordance with the Institute of Internal Auditors Australia's International Standards.

Reports of internal audit assignments and management responses to any audit recommendations are reported to the ARIC. The ARIC monitors completion of these actions through regular progress reports to the Committee.

3.5.4 External audit and self-audits

External audit, primarily financial audit, is an independent examination and opinion of council's financial statements, and whether the council is complying with accounting standards, laws and regulations.

The LG Act requires each council to have their annual financial reports externally audited by the NSW Auditor-General so that the community and Board have access to an independent opinion on its validity. The NSW Audit Office conducts these audits on behalf of the NSW Auditor-General.

Other external audits may from time to time be conducted and several self-audits are undertaken for external organisations, including State Records, Statewide Mutual and StateCover. The results of these audits are provided to the ARIC for information and, where appropriate, added to the Audit management actions register for regular monitoring and reporting to the ARIC.

3.6 Legislative framework

3.6.1 Delegations of Authority

Delegations of Authority form part of Riverina Water's decision-making approach. The LG Act provides certain delegations to the Board and to the CEO who in turn can delegate to staff.

Delegations of Authority provide the guidelines and limits of authority under which a particular position can perform and discharge its duties. This may include authority to act in certain situations, expenditure to certain limits, and the level of authority to make determinations. Delegation of Authority for staff are reviewed annually as part of the Skills Review.

3.6.2 Authorised Persons

Under the Act, the Board or the CEO under delegated authority can appoint persons or positions to perform particular functions. These persons are generally termed "authorised persons". Legislation or local laws or policies may specify that an authorised person can perform a particular function. An example of this would be appointment of a senior member of staff as the Public Officer.

3.6.3 Policies

Council policies, procedures and supporting documents are an integral part of Riverina Water's internal control environment. Policies and procedures are designed to influence and determine all major decisions and actions, and all activities take place within the boundaries set by them.

Policies guide the processes of decision making and inform the controls and behaviours that support effective accountability and performance. Essentially, council policies have the role of ensuring compliance with statutory responsibilities; setting council standards and improving the management of risk.

Public policies undergo a review every 4 years (unless required more frequently by legislation or necessity). All public policies are reviewed in the first 12 months of the term of the Board. Depending on the policy, they may be required to be publicly exhibited for feedback prior to adoption.

Riverina Water has a Policy Framework to inform the development of policies and keeps a policy register to ensure timely review.

Principle 4: Accountability

4.1 Accountability for activities

Ongoing monitoring and review ensure that Riverina Water is operating appropriately, and that the council and its people are accountable for their actions. Riverina Water's approach is evidenced by regular, meaningful internal reporting, development and maintenance of registers, complaints handling procedures and statutory reporting.

Regular updates are provided to the Board on progress of the Operational Plan including capital works program and financial reporting as required.

4.2 Performance management

Performance management at Riverina Water includes one-on-one discussions and regular team meetings. An annual skills review process is a formalised time for staff and their manager to discuss their performance and plans for the year ahead.

Matters of poor performance, including breaches of the Code of Conduct, are managed in line with the Riverina Water Enterprise Award 2022-2025.

Council employs three senior staff on performance- based contracts. The CEO's performance review panel undertakes two reviews per year and report the outcomes to the Board for endorsement. The CEO undertakes an annual performance review for the Director of Engineering and Director Corporate Services.

4.3 Compliance and reporting

The LG Act requires Riverina Water to submit several reports and returns/survey annually. These include the making of an Annual Report on its achievements with respect to the objectives and performance targets set out in the Operational Plan.

As a provider of potable water, Council also has significant reporting obligations to other levels of government, including the EPA and the NSW Department of Health.

The Office of Local Government Calendar of Compliance includes key deadlines for strategic management tasks for all councils. An annual compliance report is provided to the ARIC which includes the meeting of these deadlines, completion of other compliance obligations and any non-compliance matters.

4.4 Consultation and engagement

4.4.1 Legislative requirement to consult

The LG Act outlines requirements for consultation and engagement, including:

- ◊ Council must give notice to the public of the times and places of its Board meetings and have available copies of the agenda and associated business papers. This does not include matters that have been deemed confidential.
- ◊ Meetings of the Board are open for the public to attend, and meetings are live-streamed

- ◊ Significant plans and policies that may impact on the public or that are to do with the governance of council are advertised for public feedback for a period of no less than 28 days. Any public feedback is considered prior to final adoption of these plans and policies.

4.4.2 Strategies and plans

The BASP lists Our Community objective as: "*We enable our community and customers to thrive by providing exceptional service and demonstrating social responsibility"*. This objective is to be achieved by:

- ◊ Community engagement:
- ◊ Customer focus:
- ◊ Civic leadership:

The Riverina Water Community engagement strategy was developed in 2019 as a means of moving from a transactional relationship with our customers to a stronger engagement focus. The strategy aim is to engage the community in new and innovative ways to build lasting two-way relationships. The Community Engagement Strategy will be reviewed during 2022-23.

4.5.1 Access to information

Under the Government Information (Public Access) Act 2009 (GIPA Act), people have an enforceable right to access government information. Under the GIPA Act, all government agencies must disclose or release information unless there is an overriding public interest against disclosures.

Riverina Water has Requests for Information internal guidelines to manage request for information under the GIPA Act. There is a public interest in favour of disclosure.

4.5.2 Open access registers

There are several open access registers made available to the public under the GIPA Act. These include a Register of Returns from Board members and designated officers. The home addresses on these returns are redacted prior to being made publicly available on our website.

Council must keep a register of all land vested or under its control and this register must be available for public viewing. The Riverina Water land register is available on our website.

A register of contracts is to be made available for contracts over $250K including GST. This register is available on our website.

In addition to information provided on our website, Riverina Water must also make open access information available free of charge at the administration office during ordinary business hours.

Document Details

Responsible Area	**Governance**
Approved By	
Approval Date	
Legislation or Related Strategy	NSW Local Government Act 1993 Local Government Regulations 2021 Public Interest Disclosures Act 1994 Anti-Discrimination Act 1987 NSW Government Information (Public Access) Act 2009 Privacy & Personal Information Protection Act 1998 (PPIPA) Work Health & Safety Act 2011 Good Conduct & Administrative Practice Guidelines for State and Local Government NSW Government *Best Practice Management of Water Supply and Sewerage Guidelines (2007)*
Documents associated with this framework	Code of Conduct Policy 1.01 Code of Meeting Practice 1.02 Compliance Policy Enterprise Risk Management Policy 1.13 *Excellence in Governance in Local Government* CPA Australia 2005 ICT Governance Framework Legislative Compliance Register Records Management Policy 1.18 Related Parties Disclosure Policy 1.28 Risk Management Framework Risk Register Riverina Water *Integrated Water Cycle Management Strategy (2021)* Riverina Water *Business Activity Strategic Plan 2022* Statement of Business Ethics
Document History	Version 1 – approved by GM 31 May 2019
Review Schedule	This framework is to be reviewed every four years

R10 Work Health & Safety Policy

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	This report presents the revised Work Health & Safety Policy for adoption

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RECOMMENDATION that Council adopt Work Health and Safety Policy 3.04

Report

The Work Health & Safety Policy has been reviewed by management as part of the review of public policies being conducted in the first twelve months of the term of the new Board. It has also been reviewed by the Work Health & Safety Committee and is now presented to the Board for review and adoption.

The Work Health & Safety policy outlines Riverina Water's commitment to achieving a consistently high standard of workplace and community health and safety. It outlines our commitment to the prevention of work-related injury and ill health through the provision of safe and health work environments, facilities, equipment and systems.

There have been few changes made to the existing policy and the reviewed policy is now presented to the Board. As this does not directly affect or relate to the general public, it is not considered necessary to place this policy on public exhibition for comment

› **R10.1 Work Health and Safety Policy.docx**

Financial Implications

There are no financial implications associated with the adoption the policy.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Work Health and Safety Policy

Policy Statement

Riverina Water is committed to achieving a consistently high standard of workplace and community health and safety. Riverina Water will strive to acquire, sustain and continuously improve on a level of workplace health and safety which it considers to be best practice.

Our Commitment

Riverina Water is committed to the prevention of work-related injury and ill health, through the provision of safe and healthy work environments, facilities, equipment and systems for our workers, volunteers, contractors, visitors and members of the public.

Riverina Water, led by the Chief Executive Officer, will demonstrate this commitment, by:

1. Identifying, eliminating and/or minimising health and safety risks to reduce work related injury and illness

2. Ensuring Riverina Water has available and uses appropriate resources and processes to eliminate or minimise risks to safety, especially for higher risk activities

3. Establishing measurable health and safety objectives and targets and regularly reviewing our performance

4. Fulfilling all legal requirements and meeting the *AS/NZS ISO 45001 Standard* for safety

5. Continuously improving our Health and Safety Management System

6. Ensuring there are effective processes in place to record, investigate and carry out remedial actions to prevent a recurrence should an incident occur

7. Consulting and communicating with workers and the public (where relevant) to ensure they are empowered to actively participate in WHS risk management in the workplace and their community

Author: WHS Officer

EDRMS # 121133

Version 5
Last revised date Aug 2022
Next scheduled review August 2024

8. Ensuring workers understand their general responsibilities for work health and safety and the specific responsibilities for safety relating to their job descriptions.

Implementation

This policy will be implemented through the Work Health and Safety Management System.

Policy number	**3.04**
Responsible area	Chief Executive Officer / Work Health & Safety
Approved by	
Legislation or related strategy	Work Health & Safety Act 2011
Policy history	Vers 4 28 Oct 2020 – Res 20/112 Vers 3 22 August 2018 – Res 18/123 Vers 2 26 April 2017 – Res 17/60 Vers 1 23 April 2014 – Res 14/39 Adopted 22 Feb 2012 – Res 12/11
Review Schedule	This policy is to be reviewed every 2 years. Next review due August 2024

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Author: WHS Officer	**Version 5** **Last revised date Aug 2022**
EDRMS # 121133	**Next scheduled review August 2024**

R11 Equal Employment Opportunity Policy

Organisational Area **Corporate Services**

Author Wendy Reichelt, Governance & Records Officer

Summary The reviewed Equal Employment Opportunity Policy is presented to the Board for review and is recommended to be placed on public exhibition for a period of 28 days, prior to adoption in December 2022.

RECOMMENDATION that Council:

(a) review Equal Employment Opportunity Policy 1.21

(b) note that the Equal Employment Opportunity Policy will be placed on public exhibition for a period of 28 days

(c) note that a further report will be provided to the December meeting of the Board inclusive of any feedback received prior to adoption of the policy

Report

The Equal Employment Opportunity Policy has been reviewed as part of the public policy review program.

The policy statement outlines Riverina Water's commitment to ensuring the principles of equal employment opportunity, fair treatment and non-discrimination in the work environment.

Equal Employment Opportunity (EEO) laws apply to all areas of employment as well as the provision of goods and services. For this reason it is recommended that this policy be placed on public exhibition for a period of 28 days for information and feedback.

› **R11.1 EEO Policy.docx**

Financial Implications

There are no financial implications associated with the review of the policy

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

Equal Employment Opportunity Policy

Purpose

Riverina Water seeks to provide an environment where employees and others in the workplace are treated fairly and with respect, and are free from unlawful discrimination, harassment, vilification and bullying. Our aim is to ensure that when employment decisions are made, they are based on merit, not on irrelevant attributes or characteristics that an individual may possess.

Policy Statement

Riverina Water is committed to ensuring the principles of equal employment opportunity, fair treatment and non-discrimination in the work environment.

Our goal is to eliminate direct, systemic and indirect discrimination. Riverina Water will promote EEO and fulfil its obligations as outlined in the NSW Local Government Act 1993 and NSW Anti-Discrimination Act 1977.

We aim to:

- Establish an equitable working environment where equal employment opportunities based on merit are provided in relation to access to services and information, transparent decision making, recruitment and selection, learning and development and career advancement and professional development.

- Create a working environment of mutual trust in which diversity and inclusion is valued, is free from discrimination and harassment and where each person is treated fairly with dignity and respect.

Scope

This policy applies to employees, board members, members of Council committees, agents and contractors of Riverina Water, collectively referred to in this policy as 'workplace participants'. This policy is not limited to the workplace or work hours but extends to all functions and locations that are work-related such as work lunches, conferences, and Christmas parties.

Equal Employment Opportunity (EEO) laws apply to all areas of employment, as well as the provision of services.

Definitions

Riverina Water	This means 'Riverina Water County Council' – may also be referred to as Council
Discrimination	Discrimination occurs when a person or a group of people are treated less favourably than another person or group because of their background or certain personal characteristics
EEO Contact Officers	This is a staff member who assists employees who experience discrimination and harassment in the workplace
Harassment	Harassment is an unwelcome behaviour that intimidates, offends or humiliates a person. It may target personal characteristics such as age, race, gender, religion, disability, or sexuality.
Workplace Bullying	Workplace bullying is a repeated and unreasonable behaviour that is directed towards a person or a group of people that creates a risk to their health and safety.
Workplace Participant	Workers (employees, agents, board members, committee members and contractors) at the workplace under the management and control of Riverina Water

Principles

1 Discrimination

Discrimination is unlawful and may occur even if there is no intention to discriminate. Discrimination can be direct or indirect.

1.1 Direct Discrimination

Direct Discrimination in employment occurs when a person is treated less favourably than another in their employment because of a reason or ground which is prohibited by law. The prohibited grounds of discrimination are set out in the federal, state and territory anti-discrimination laws and include sex, race, age etc.

Relevant current prohibitive grounds for NSW are:

- ✓ Race (including colour, nationality, descent, ethnic, ethno-religious or national origin)
- ✓ Religious belief, affiliation, conviction or activity
- ✓ Sex
- ✓ Marital status, domestic status, relationship status

- ✓ Pregnancy (including potential pregnancy)
- ✓ Homosexuality, transsexuality, sexuality, sexual preference/orientation, lawful sexual activity, gender identity
- ✓ Carers' responsibilities, family responsibilities, carer or parental status, being childless
- ✓ Disability/impairment, including physical, mental and intellectual disability
- ✓ Breastfeeding
- ✓ Age (including compulsory retirement)
- ✓ Industrial/trade union membership, non-membership or activity
- ✓ Political belief, opinion, affiliation, conviction or activity
- ✓ Employer association membership, non-membership or activity
- ✓ Political opinion
- ✓ Medical record
- ✓ Association (i.e., association with a person who has one or more of the attributes for which discrimination is prohibited)

1.2 Indirect Discrimination

This occurs when a person (i.e., discriminator) imposes an unreasonable requirement, rule, policy, practice or procedure;

- ✓ that is more difficult for one group of people to meet than others: or
- ✓ disadvantages people with a particular attribute or condition.

An example of indirect discrimination would be if Riverina Water were to impose a height restriction on all applicants for the position of 'Maintenance Operator' in order to be successfully considered for the position. This requirement at first glance appears equitable because it applies to all applicants irrespective of gender. However, in practice this requirement will disadvantage women as a group because statistically, women are naturally shorter than men.

2. Vilification

Vilification is a public act which incites hatred, severe contempt or severe ridicule of a person or group, because of race, homosexuality, transgender, transsexuality or HIV/AIDS. Vilification is a particularly serious breach of EEO laws and will be dealt with accordingly.

3 Harassment

Harassment occurs when someone engages in unwelcome conduct that results in a person feeling offended, humiliated or intimidated, and in the circumstances, a reasonable person would have anticipated that the other person would have felt this way.

Examples of harassment can include:

- insulting/insensitive jokes about a particular racial group
- derogatory comments
- pranks
- deliberate exclusion
- abusive, threatening or insulting words and behaviours, and/or
- displaying abusive writing and pictures

Harassment can occur even when there is no intention to offend or humiliate.

3.1 Sexual Harassment

Sexual Harassment is an unwelcome conduct of a sexual nature, which makes a person feel offended, humiliated or intimidated. Conduct can amount to sexual harassment even if the person did not intend to offend, humiliate or intimidate the other person.

Examples of sexual harassment include, but are not limited to:

- physical contact such as pinching, touching, grabbing, kissing or hugging
- staring or leering at a person or at parts of their body
- sexual jokes or comments
- requests for sexual favours
- persistent requests to go out, where they are refused
- sexually explicit conversations
- displays of offensive material such as posters, screen savers, internet material etc.
- accessing or downloading sexually explicit material from the internet
- suggestive comments about a person's body or appearance
- sending rude or offensive emails, attachments or text messages.

Please refer to the Occupational Harassment and Bullying Policy on the intranet.

4 Bullying

Bullying is a repeated, unreasonable behaviour directed towards an individual or group that creates a risk to health and safety. Unreasonable behaviour means behaviour that a reasonable person, having regard to all the circumstances, would expect to victimise, humiliate, undermine or threaten another person. Single incidents of unreasonable behaviour

can also create a risk to health and safety and may escalate into bullying. There is no requirement that bullying be intentional.

Please refer to the Occupational Harassment and Bullying Policy on the intranet.

5 Victimisation

Victimisation is where a person is retaliated against or subjected to a detriment because they have:

- lodged a complaint against any person
- brought any other proceedings under the relevant legislation against any person
- given evidence or information, or produced a document, in connection with any proceedings under the relevant legislation
- or because the person believes that the other person or the associate has done, or intends to do any of the above

Examples of victimisation include:

- threatening behaviour
- disciplinary action that is not warranted and would not otherwise have been taken if a complaint had not been made
- exclusion or isolation
- unfair loss of benefits

Riverina Water I Officials must not retaliate against a person who raises a complaint or subject them to any detriment.

6 Gender equality in the workplace

Riverina Water aims to fulfil its obligations as outlined in the NSW Local Government Act 1993 and NSW Anti-Discrimination Act 1977, by developing and implementing a workplace program which will attempt to eliminate discrimination and contribute to gender equality in employment and in the workplace.

The aim is to:

- promote and improve gender equality (including equal remuneration between women and men) in employment and in the workplace.
- remove barriers to the full and equal participation of women in the workforce, in recognition of the disadvantaged position of women in relation to employment matters.
- promote the elimination of discrimination on the basis of gender identity in relation to employment matters (including in relation to family and caring responsibilities)

- foster workplace consultation on issues concerning gender equality in employment and in the workplace.
- improve the productivity and competitiveness of Riverina Water through the advancement of gender equality in the workplace.

7 Expectations and responsibilities

7.1 All workplace participants must:

- understand and comply with this Policy.
- treat each other with respect and ensure that their conduct complies with this policy.
- comply with Riverina Water's Code of Conduct
- ensure they do not engage in any unlawful conduct towards other workplace participants, customers/clients, or others with whom they come into contact through work.
- ensure they do not aid, abet, or encourage other persons to engage in unlawful conduct.
- follow the complaint procedure in this Policy if they experience any unlawful conduct.
- report any unlawful conduct they see occurring to others in the workplace in accordance with the complaint procedure in this Policy; and
- maintain confidentiality if they are involved in the complaint procedure.

Workplace participants should be aware that they can be held legally responsible for their unlawful conduct. Workplace participants, who aid, abet or encourage other persons to engage in unlawful conduct, can also be legally liable.

Managers have a duty to address issues and potential issues regarding harassment and/or discrimination. Any issue raised with a manager or People & Culture will follow Riverina Water's complaint handling procedure

7.2 Managers and supervisors must also:

- model appropriate standards of behaviour
- take steps to educate and make staff aware of their obligations under this policy and the law.
- intervene quickly and appropriately when they become aware of inappropriate behaviour.
- act equitably to resolve issues and enforce workplace behavioural standards, making sure relevant parties are heard.
- help staff resolve grievances informally

- refer formal grievances about breaches of this policy to the People and Culture unit for investigation
- ensure staff who raise an issue or grievance are not victimised
- ensure that recruitment decisions are based on merit
- consider requests for flexible work arrangements in an equitable manner.

8 Resolving Issues under this policy

Riverina Water strongly encourages any workplace participant who feels that they have been subjected to any form of inappropriate conduct contrary to this policy, or who observes, witness or is made aware of any behaviour that could be deemed as harassment or discrimination, to take action by talking to their unit manager or People & Culture.

The complaint procedure has different options available to suit the circumstances of each individual situation. The manner in which a complaint will be handled is solely at the discretion of the unit manager and People & Culture.

8.1 Ways in which a complaint can be dealt with

8.1.1 Confront the issue

If a workplace participant feels comfortable doing so, they should address the issue with the person concerned. A workplace participant should identify the offensive behaviour, explain that the behaviour is unwelcome and offensive and ask that the behaviour stop. It may be that the person was not aware that their behaviour was unwelcome or caused offence.

This is not a compulsory step. If a workplace participant does not feel comfortable confronting the person, or the workplace participant confronts the person and the behaviour continues, the workplace participant should report the issue to the unit manager or People & Culture.

If a workplace participant is unsure about how to handle a situation and is also unsure if they want to make a complaint, they should contact an EEO Contact Officer for support and guidance. The EEO Contact Officers aim to assist people uncertain about their rights. EEO Contact Officers are listed at the end of this EEO Policy.

8.1.2 Report the issue

A workplace participant should report the issue to a Complaints Officer. The Complaints Officer(s) is/are the People & Culture staff (People & Culture Officer and/or People & Culture Business Partner).

The Complaints Officer will aim to deal with the workplace participant's complaint in accordance with this Policy. There are two complaint procedures that can be used: informal

and formal (detailed further below). The type of complaint procedure used will be determined by the nature of the complaint that is made.

8.1.3 Informal complaint procedure

Under the informal complaint procedure there is a broad range of options for addressing the complaint. The procedure used to address the issue will depend on the individual circumstances of the case. Possible options include, but are not limited to:

- the Complaints Officer discussing the issue with the person against whom the complaint is made; and/or
- the Complaints Officer facilitating a meeting between the parties in an attempt to resolve the issue and move forward.

The informal complaint procedure is more suited to less serious allegations that if founded, would not warrant disciplinary action being taken.

8.1.4 Formal complaint procedure

The formal complaint procedure involves a formal investigation of the complaint. Formal investigations may be conducted by a Complaints Officer or a person from outside Riverina Water, appointed by Riverina Water.

An investigation generally involves collecting information about the complaint and then making a finding based on the available information as to whether or not the alleged behaviour occurred. Once a finding is made, the Complaints Officer or the external investigator will make recommendations about resolving the complaint.

If Riverina Water considers it appropriate for the safe and efficient conduct of an investigation, workplace participants may be required not to report for work during the period of an investigation. Riverina Water may also provide alternative duties or work during the investigation period. Generally, employees will be paid their normal pay during any such period.

8.1.5 Confidentiality

The Complaints Officer will endeavour to maintain confidentiality as far as possible. However, it may be necessary to speak with other workplace participants in order to determine what happened, to afford fairness to those against whom the complaint has been made and to resolve the complaint. If a complaint is raised and it appears that unlawful conduct has potentially occurred, Riverina Water will endeavour to take appropriate action in relation to the complaint.

All workplace participants involved in the complaint must also maintain confidentiality, including the workplace participant who lodges the complaint. Spreading rumours or gossip may expose workplace participants to a defamation claim. Workplace participants may

discuss the complaint with a designated support person or representative (who is not a workplace participant employed or engaged by Riverina Water). However, the support person or representative must also maintain confidentiality.

8.1.6 Employee Assistance Program

Riverina Water encourages employees who have experienced or witnessed discrimination, harassment, bullying or victimisation to seek support via its Employee Assistance Program (EAP). Contact details for Riverina Water's EAP can be found on the intranet.

8.2 Possible outcomes

The possible outcomes will depend on the nature of the complaint and the procedure followed to address the complaint. Where an investigation results in a finding that a person has engaged in unlawful conduct or breach of this Policy, that person may be disciplined. The type and severity of disciplinary action will depend on the nature of the complaint and other relevant factors.

Where the investigation results in a finding that the person complained against has engaged in serious misconduct, this may result in instant dismissal. Any disciplinary action is a confidential matter between the affected workplace participant and Riverina Water.

Agents and contractors (including temporary contractors) who are found to have engaged in unlawful conduct and/or breached this Policy may have their contracts with Riverina Water terminated or not renewed.

Riverina Water may take a range of other non-disciplinary outcomes to resolve a complaint, depending on the particular circumstances. Examples include, but are not limited to:

- training to assist in addressing the problems underpinning the complaint
- monitoring to ensure that there are no further problems
- implementing a new policy
- requiring an apology or an undertaking that certain behaviour stop; and/or
- changing work arrangements.

8.3 What to do if you are not satisfied with the outcome

If any of the parties are not satisfied with the way the complaint was handled or the outcome of the complaint process, they can contact People & Culture. The complaint handling process and/or the outcome may then be reviewed by the People & Culture Business Partner in consultation with the Executives. If a review is undertaken, the parties' (People and Culture, and Executives) decision in relation to the review will be final.

Riverina Water's goal is to resolve issues in-house wherever possible. Workplace participants can seek the assistance of an outside agency if they feel that their complaint has not been adequately addressed.

Policy Implementation

Riverina Water will establish appropriate training and information for all workplace participants, managers and EEO contact officers to assist the effective implementation of the EEO policy. Training will be organised by the People and Culture unit as required. Riverina Water reserves the right to vary, replace or terminate this policy.

Non-Compliance

All workplace participants are required to comply with this Policy at all times. If an employee breaches this Policy, they may be subject to disciplinary action. In serious cases this may include termination of employment.

Agents and contractors (including temporary contractors) who are found to have breached this Policy may have their contracts with Riverina Water terminated or not renewed. If a person makes an unfounded complaint or a false complaint in bad faith (for example, making up a complaint to get someone else in trouble or making a complaint where there is no foundation for the complaint), that person may be disciplined and may be exposed to a defamation claim.

EEO Contact Officers

EEO Contact Officer details can be found on the intranet.

Their pledge is to:

- do their best to be available to you
- listen and help you to determine what steps could be taken to stop the harassment or bullying and provide you with information of what options/assistance are available
- maintain your confidentiality
- provide ongoing support if required

Please note staff don't have to contact the EEO Contact Officer from their own department or division.

Policy number	1.21
Responsible area	CEO
Approved by	Riverina Water Board
Approval date	
Legislation or related strategy	Riverina Water County Council Award Racial Discrimination Act 1975 (Cth) Anti-Discrimination Act 1977 (NSW) Sex Discrimination Act 1984 (Cth) Sex Discrimination and Fair Work Amendment Bill (respect at work) 2021 Australian Human Rights Commission Act 1986 (Cth) Disability Discrimination Act 1992 (Cth) Age Discrimination Act 2004 (Cth) NSW Local Government Act 1993
Documents associated with this policy	Code of Conduct Policy 1.01 Occupational Harassment and Bullying Policy 3.20
Policy history	Vers 5 Equal Employment Opportunity Pol 4.1 22 Feb 2017 (Res 17/18) Vers 4 - 24 June 2015 (Res 15/86) Vers 3 - 27 June 2012 (Res 12/71) Vers 2 - 7 Dec 2007 (Res 07/108) Vers 1 – 19 Oct 2005 (Res 05/86) Original 27 Aug 1997 (Res 97/57)

Review schedule	Every 4 years

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

R12 Disclosure of Pecuniary Interest Returns

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	Board members and other designated persons are required to complete an annual Disclosure of Pecuniary Interest Return under Clause 4.21 of the Riverina Water Code of Conduct. These returns are tabled at this meeting.

RECOMMENDATION that Council:

a) Note the pecuniary interest returns of designated persons for the period of 1 Jul 2021 – 30 June 2022
b) Note that Board member pecuniary interest returns for Board members were previously tabled at the April 2022 Board meeting following the election of the new Board
c) Note that these pecuniary interest returns will be published to the Riverina Water website with personal addresses redacted.

Report

The lodgement of Declarations of Pecuniary Interest Returns for 2021-22 was required by 30 September 2022. However, this being the first year of the new Board, returns were received from Board members following their appointment to the Board which were tabled at the April 2022 Board meeting.

Advice was sought from the Office of Local Government regarding the necessity for Board members to lodge new returns. Advice received was that this was not necessary if lodged within 3 months of the end of the financial year, unless something had changed from April to end of June. Email advice to this effect was circulated to Board members and, as no new returns have been lodged, it is believed that the returns of April 2022 remain current and are again tabled at this meeting.

Disclosure of Pecuniary Interest Returns for the period 1 Jul 2021- 30 June 2022 have been received from other designated persons, namely the Executive, managers and independent committee members of the Audit Risk & Improvement Committee.

The pecuniary interest returns 2021-2022 are now tabled at this meeting in accordance with Clause 4.25 of the Code of Conduct, which states:

> *Returns are to be lodged with the Chief Executive Officer under Clause 4.21 (a) and (b)must be tabled at the first meeting of the board after the last day the return is required to be lodged.*

The information contained within these returns is to be made publicly available in accordance with the requirements of the Government Information (Public Access) Act 2009, the Government Information (Public Access) Regulation 2009 and any guidelines issued by the Information Commissioner.

In accordance with individual privacy concerns, these returns are published with home addresses redacted. Details of the returns to appear on the Riverina Water website are:

Clr Tim Koschel	Board member, Chairperson
Clr Pat Bourke	Board member
Clr Jenny McKinnon	Board member
Clr Georgina Davies	Board member, ARIC member
Clr Michael Henderson	Board member
Clr Doug Meyer	Board member, Deputy Chairperson
Clr Dan Hayes	Board member
Clr Gail Driscoll	Board member
Clr Tony Quinn	Board member
David Maxwell	ARIC Chairperson
Bryce McNair	ARIC member
Andrew Crakanthorp	Chief Executive Officer
Bede Spannagle	Director Engineering
Emily Tonacia	Director Corporate Services

Returns have also been received from the following staff:

Jason Ip, Manager Operations

Greg Vidler, Manager Projects

A decision has been made not to publish these returns to the website due to these staff not being on a senior contract. All returns are available to be viewed free of charge at council's administration office in line with the Information and Privacy Commission Guidelines.

Financial Implications

N/A

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

R13 Standard Contract of Employment for General Managers

Organisational Area	**Chief Executive Officer**
Author	Tim Koschel, Councillor
Summary	The "departmental chief executive" (of the Office of Local Government) has approved new standard contracts of employment for general managers/chief executive officers of Councils. Earlier this year Council and the CEO entered into a five year contract commencing 10 January 2023 and this report proposes the procedural actions required to ensure conformity with the new standard contract.

RECOMMENDATION that Council:

a) Have due regard to Council minute number 22/075 regarding the offer of continued employment to the Chief Executive Officer from 10 January 2023
b) Authority be granted to the Chairperson to execute the new (amended) standard contract for general managers as detailed in this report with an effective date of 10 January 2023.

Report

The new standard contracts have been developed in consultation with the sector in response to recommendations arising from ICAC's investigation of the former Canterbury City Council. New *Guidelines for the Appointment and Oversight of General Managers* have also been issued under Section 23A of the Local Government Act (the Act) to assist Councils in the implementation of new contracts.

The Guidelines have been updated to reflect the new standard contracts and to implement ICAC's recommendation that they include guidance that general managers' performance agreements include performance indicators related to the promotion of an ethical culture. The Guidelines also contain guidance on the importance of good working relationships between councils and general managers.

The changes are summarised in the attachment to this report.

Giving the timing of the release of the new contract and the fact that the CEO's new contract commences on 10 January 2023, it is proposed that Council resolve to execute a new contract with the CEO using the new standard contract of employment. It should be noted that clause of 19.2 of the existing contract allows the contract to be varied by agreement between the employee and the council to be consistent with the provisions of the new approved standard contracts. It is not proposed to pursue this option.

The Circular from the OLG also goes on to advise that a separate review is being undertaken of employment arrangements under the Act for "senior staff". Until the review is completed, councils should continue to use the existing approved standard contract of employment for senior staff. Council employs both Directors under this contract and the CEO has prepared a separate report on this matter in this business paper.

› **R13.1 Attachment from OLG re General Manager Contracts** ⇩

Financial Implications

There are no direct financial implications associated with this report.

Risk Considerations

Human Resources/People Management	
Accept	Council will accept risks in developing its Human Resources program/s to ensure attraction of the most suitable applicants for positions and retention and development of staff.

ATTACHMENT

What changes have been made to the standard contracts of employment for general managers of councils and executive officers of joint organisations to ensure greater security of employment?

A key focus of the amendments to the standard contracts of employment for general managers and executive officers is to strengthen access to mediation under the contract to manage and address conflict in the relationship when it arises and to ensure more rigour in decisions by councils to terminate the employment of the general manager.

These amendments include the following:

- Before terminating a general manager's or executive officer's employment for poor performance, the council or joint organisation must have first conducted a performance review, concluded that the general manager's or executive officer's performance falls short of the performance criteria or the terms of their performance agreement, and afforded the general manager or executive officer a reasonable opportunity to utilise dispute resolution.
- Where a council or joint organisation intends to terminate the employment of its general manager or executive officer utilising the 'no fault' termination provision (clause 10.3.1(e)), if either party requests it and both parties agree, they may participate in mediation in relation to the proposed decision to terminate. If the council or joint organisation does not agree to participate in mediation, it must give the general manager or executive officer reasons for its decision where the general manager or executive officer requests it.
- Councils and joint organisations and their general managers or executive officer may agree on a mediator when the contract is made.
- Where a council or joint organisation terminates the general manager's or executive officer's employment under the "no fault" termination provision (clause 10.3.1(e)), the council or joint organisation must give the general manager or executive officer reasons for its decision to terminate their employment where the general manager or executive officer requests it.
- Serious and persistent breaches of the council's code of conduct by the general manager or executive officer constitute grounds for summary dismissal.

What changes are being made to the standard contracts of employment for general managers and executive officers relating to their remuneration?

The following amendments have been made to the provisions of the contracts relating to general managers' and executive officers' remuneration:

- Clause 8.4 of the contract has been amended to clarify that a discretionary performance-based pay increase only applies for one year unless the council or joint organisation determines that it is to apply for the balance of the contract.

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- Clause 8.4 also allows for the payment of a retention bonus on one occasion during the term of the contract. This accrues on an annual, pro-rata basis for the remainder of the term of the contract and is to be paid to the general manager or executive officer at the end of the contract period.

What other changes are being made to the standard contracts of employment for general managers and executive officers?

Other changes include:

- Definitions and other provisions have been updated to reflect legislative and administrative changes made since the previous standard contracts were approved.
- A new provision has been included (clause 5.5) empowering the departmental chief executive of OLG to approve an extension of the timeframes prescribed under clause 5 for the renewal of the contract in exceptional or unforeseen circumstances.
- Minor amendments have been made to the functions and duties of general managers and executive officers prescribed under clause 6 to reflect legislative changes and to place an obligation on general managers and executive officers to ensure a safe workplace and to facilitate compliance with the *Work Health and Safety Act 2011*.
- A new provision (clause 7.12) has been included that confirms that the performance agreement, action plan and any associated records that contain information about the work performance or conduct of the general manager or executive officer are to remain confidential unless otherwise agreed to by the general manager or executive officer or required by law.
- The provision that provides that the contract automatically terminates where the employee becomes bankrupt (clause 10.4.2) has been extended to also apply if the employee is disqualified from managing a corporation under Part 2D.6 of the *Corporations Act 2001*.
- The service of notice provisions, (clause 18), have been updated to allow service by email.

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R14 Senior Staff Employment

Organisational Area	**Chief Executive Officer**
Author	Andrew Crakanthorp, Chief Executive Officer
Summary	The Office of Local Government (OLG) have released a discussion paper titled "Senior Staff Employment" which proposes changes to the Local Government Act which would result in only the general manager (CEO) being employed under a standard contract and all other employees, including senior executives, being employed under the Riverina Water Enterprise Award 2022

RECOMMENDATION that Council:

(a) determine if it wishes to make a submission to the questions asked in the discussion paper;

(b) Should Council resolve to make a submission to the discussion paper use the wording in the "suggested Council response" as referenced in the report (or any alternate wording as Council deems appropriate).

Report

In response to the findings and recommendations of the Independent Commission Against Corruption arising from its investigation of the former Canterbury City Council (Operation Dasha), the parties to the *Local Government (State) Award* (the Award), have requested the Government to amend the *Local Government Act 1993* (the Act) to remove the ability for councils to determine positions in their organisation structure to be "senior staff positions".

The Office of Local Government (OLG) has issued a discussion paper to seek the views of the broader local government sector on the changes requested by the parties to the Award. This feedback will be used to inform the Government's position on this issue.

A copy of the discussion paper is attached to this report. The paper sets out the arguments that have been put by the parties to the Award in support of the proposed changes and arguments that have been put by others who don't support the changes. It also sets out information on how the provisions of the Award currently apply to executive level employees employed under the Award, what legislative changes would be required to give effect to the outcomes sought by the parties to the Award and the transitional arrangements that may apply were the Act to be amended as suggested.

Councils are invited to make submissions indicating whether they would support the making of the legislative amendments requested by the parties to the Award set out in this paper.

The discussion paper seeks comments on four key questions which are:

• Do you agree that all council staff other than the general manager should be employed under an award such as the *Local Government (State) Award*?

Suggested Council response:

No, Council does not agree with that statement. Council believes that the current wording of the Act works well and provides legislative support for the Council and CEO to recruit senior staff on contracts that allows the Council to meet its key performance indicators in the adopted Operational and Delivery Plans.

Board Members are encouraged to read the information on pages 2 and 3 under the respective headings "What are the arguments for removing the ability for councils to determine positions to be "senior staff positions"?" and "what are the arguments for removing the ability for councils to determine positions to be "senior staff positions"?".

• Would you support amendments being made to the *Local Government Act 1993* to remove the option for councils to determine "senior staff positions" and to employ the holders of those positions under statutory contracts?

Suggested Council response:

No, Council does not support the abovementioned amendments to the Local Government Act for the reasons discussed in the first dot point (above). The current legislative arrangements work effectively, and the suggested change is an excessive reaction to the findings and recommendations of Operation Dasha. Councils should be able to retain the option to determine senior staff positions in its organisation structure.

• Do you have any comments on the amendments to give effect to this outcome that are set out in this paper?

Suggested Council response:

Based on Council's opposition to the proposed changes, Council has no comments on the amendments required to give effect to the suggested outcomes.

• If the Act were to be amended as has been suggested, what transitional arrangements should apply to current holders of senior staff positions?

Suggested Council response:

Council would support the option for existing senor staff to remain employed under their current employment contract until it expires.

Should the changes be legislated the Local Government Act would be amended and subsequently the Local Government State Award would also be amended in a timely manner. It could be reasonably expected that the Unions which are parties to the Riverina Water Enterprise Award 2022 would also seek for that Award to be amended in 2025.

The views expressed in this report represent the views of the CEO and are based on his experience in both being an employee employed under the Senior Staff provisions of the

Local Government Act and also as CEO and using the contracts to employ directors under then same contract.

Council is requested to consider if it wants to make a submission as the first step in debating the recommendation. Should Council decide it does not want to make a submission the CEO will make an individual submission. Should Council decide to make a submission, then the wording in this report is suggested as appropriate

In saying that, it appears that the NSW Government are likely to proceed with the amendments to the Act as the proposed changes enjoy the support of the four parties to the Award and thus the creation of the Discussion Paper. The matters in the report could already be a fait accompli – pending the consideration of the submissions by the Government

› R14.1 Senior Staff Employment Discussion Paper ⇩

Financial Implications

There are no immediate financial implications associated with the proposed changes to the Act.

Risk Considerations

Human Resources/People Management	
Accept	Council will accept risks in developing its Human Resources program/s to ensure attraction of the most suitable applicants for positions and retention and development of staff.

Senior Staff Employment

Discussion Paper

September 2022

NSW GOVERNMENT

ACCESS TO SERVICES

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Introduction

In March 2021, ICAC published its report on an investigation into the conduct of councillors of the former Canterbury City Council (Operation Dasha). The report identified a potential corruption risk with the "no reason" termination provision in the standard contracts approved by the "departmental chief executive" of the Office of Local Government (OLG) under section 338 of the *Local Government Act 1993* (the Act) and recommended a review. Arising from this, the parties to the *Local Government (State) Award* (the Award), Local Government NSW (LGNSW) and the three local government unions, the United Services Union (USU), the Local Government Engineers Association (LGEA) and the Development and Environmental Professionals' Association (depa) have requested the Government to amend the Act to remove the ability for councils to determine positions in their organisation structure to be "senior staff positions".

Under the current provisions of the Act, the holders of positions determined by councils to be "senior staff positions" must be employed using standard contracts of between 1–5 years duration. A council can only determine a position to be a senior staff position if the responsibilities, skills and accountabilities of the position are generally equivalent to those applicable to the Executive Band of the Award (executive level employees) and the total remuneration package is equal to or greater than the minimum remuneration package payable with respect to senior executives whose positions are graded Band 1 under the *Government Sector Employment Act 2013*.

Under the model proposed by the parties to the Award, only the general manager would be employed under a standard contract and all other employees, including senior executives, would be employed under the Award.

The purpose of this paper is to seek the views of the broader local government sector on the changes requested by the parties to the Award. This feedback will be used to inform the Government's position on this issue.

The paper sets out the arguments that have been put by the parties to the Award in support of the proposed changes and arguments that have been put by others who don't support the changes. It also sets out information on how the provisions of the Award currently apply to executive level employees employed under the Award, what legislative changes would be required to give effect to the outcomes sought by the parties to the Award and the transitional arrangements that may apply were the Act to be amended as suggested.

Councils are invited to make submissions indicating whether they would support the making of the legislative amendments requested by the parties to the Award set out in this paper. Information on how to make a submission is set out at the end of this paper.

What are the current arrangements for the employment of council senior staff?

Currently, the default position is that all council staff other than the general manager are employed under the Award unless the governing body of the council has determined their position to be a "senior staff position" under section 332 of the Act.

Councils may only determine a position to be a "senior staff position" if:

- the responsibilities, skills and accountabilities of the position are generally equivalent to those applicable to the Executive Band of the Award, and
- the total remuneration package payable with respect to the position is equal to or greater than the minimum remuneration package payable with respect to senior executives whose positions are graded Band 1 under the *Government Sector Employment Act 2013* (currently $201,350).

The holders of identified senior staff positions are employed under a fixed term contract of 1-5 years based on the standard contract of employment for senior staff approved by the "departmental chief executive" of OLG.

What are the arguments for removing the ability for councils to determine positions to be "senior staff positions"?

The parties to the Award argue that removing the ability for councils to determine positions to be senior staff positions will offer the following benefits:

- It will provide all council employees (other than the general manager) the security of being covered by the Award and subject to the jurisdiction of the Industrial Relations Commission of New South Wales (IRC) in the regulation of their employment.
- It will remove the insecurity in the employment of senior staff (other than the general manager) that makes them susceptible to improper pressure from councillors and others by providing them access to the 'unfair dismissal' jurisdiction of the IRC. As demonstrated by ICAC's report arising from Operation Dasha, this is particularly an issue for executive level employees who exercise planning and other regulatory functions. Future dismissals of executive level employees (other than the general manager) would need to be procedurally and substantively fair and for a 'valid reason'.
- It will ensure that all council employees (other than the general manager) have the same minimum terms and conditions of employment.
- It will assist with attracting and retaining executive level employees (other than the general manager) by giving councils flexibility to offer terms and conditions of employment that are not available under the

statutory contracts. Provided the award minimums are met, councils would be able to agree on terms and conditions of employment that they consider appropriate for the position.

- It will more readily promote the development of talented council staff to take on leadership roles. The lack of security of employment of senior staff operates as a significant disincentive for talented employees, particularly in regional areas, to take on more senior roles in councils.

What are the arguments against removing the ability for councils to determine positions to be "senior staff positions"?

The following arguments have been put against the changes proposed by the parties to the Award:

- It will remove the current flexibility councils have to determine whether executive level employees are employed under the Award or a statutory contract.
- It will diminish accountability by senior staff for their performance (rather than dismissing poor performing executive level employees for "no reason" or by not renewing their contract, councils would be expected to performance manage the employees, afford them procedural and substantive fairness, and have a 'valid reason' for their dismissal).
- It will reduce the current flexibility that allows general managers to "build" senior management teams.
- It will limit the ability of councils to attract talented executive level employees by offering attractive and competitive remuneration packages (though this could be addressed by offering remuneration and other benefits that are above the award minimums).

How does the Award currently apply to executive level employees?

It should be noted that many councils have chosen not to determine the positions held by their executive level employees to be senior staff positions under section 332 and the holders of those positions are employed under the Award and not on statutory contracts.

Councils that operate under these arrangements have indicated that they do not impede their flexibility or limit their ability to ensure that executive level employees are accountable for their performance.

Common misconceptions about the Award include the following:

The Award diminishes the accountability of executive level employees for their performance and the delivery of outcomes

Clause 10 of the Award expressly recognises that it is the intention of the parties to the Award to create a flexible award in which employers can increase the overall efficiency and effectiveness of local government services.

The Award encourages councils to consider developing enterprise key performance indicators which are specific to local needs and to use these to develop performance targets for teams or individual employees.

Councils can have performance agreements with Award employees setting out agreed performance criteria. Such performance agreements may be implemented as contractual conditions when offering employment to new employees, or may be implemented with existing employees in response to specific circumstances (e.g. performance improvement plans may be implemented as a form of disciplinary action). Even if there is no performance agreement, at common law, employees have a duty to obey their employer's lawful and reasonable directions and to exercise reasonable care and skill in performing their duties.

Councils cannot reward high performance under the Award

The Award is a minimum rates award (except for trainees) which sets the minimum terms and conditions of employment at the *industry level*. The Award requires councils to have a 'salary system' with a structure that complements the entry level rates of pay and skill descriptors in the Award by identifying grades. A council's salary system therefore represents the minimum Award rates at the *workplace level*.

Salary system rates of pay are only one component of the 'total reward' that councils provide to employees for their labour. Other components of the 'total reward' include, for example, allowances, statutory benefits (e.g. superannuation), and above-award payments and benefits (e.g. higher salary, performance bonuses, additional leave, etc). Provided the Award minimums and relevant statutory requirements are met, councils have flexibility to offer above-Award payments and other benefits to reward high performance.

Councils cannot restructure senior management teams under the Award

Councils are free to restructure their operations under the Award subject to complying with minimum notification and consultation requirements.

Subject to complying with the workplace change provisions of the Award, where the restructuring of the council's operations results in staff becoming redundant, councils may terminate their employment with appropriate notice (or payment in lieu of notice) and a severance payment. The entitlement under the Award for a redundant employee with 10 years or more service is 39 weeks comprising of 5 weeks' notice (or payment in lieu of notice) and 34 weeks' severance. This is one week more than the maximum termination payment available under the current approved standard contract of employment for senior staff.

The Award diminishes councils' ability to take disciplinary action against executive level employees

The Award allows councils to undertake disciplinary action where an employee's work performance or conduct is considered unsatisfactory (including summary dismissal in the case of serious misconduct). Penalties for unsatisfactory work performance or conduct include (but are not limited to):

- demotion to a lower paid position or a lower salary point/step
- suspension without pay
- termination of employment.

Councils may be exposed to an increased risk of unfair dismissal proceedings

While it is correct that executive level employees covered by the Award can access the IRC for relief from alleged unfair dismissal, it should also be noted that:

- Only 5% of unfair dismissal proceedings before the IRC result in reinstatement.
- The maximum monetary compensation that can be awarded by the IRC for unfair dismissal is 26 weeks (compared to 38 weeks under the current approved standard contract of employment for senior staff).
- The IRC is a cost-effective and efficient mechanism for the resolution of disputes involving the termination of employment of executive level employees compared to other available mechanisms:
    - All employees (including senior staff and Award employees) have access to remedies for unlawful termination of employment - see for example section 772 of the *Fair Work Act 2009* (Cth), sections 241 and 248 of the *Workers Compensation Act 1987* (NSW) and NSW and federal anti-discrimination legislation. These legislative remedies have a reverse onus of proof, meaning the employer must disprove the employee's alleged reason for dismissal (usually by proving that the employer had a valid and lawful reason for the dismissal).
    - All employees (including senior staff and Award employees) have access to remedies for breach of contract. Claims for breach of contract usually go before the Supreme Court of New South Wales and the Court has broad discretion to award damages to remedy a breach.
    - The IRC's power to award costs against a party in unfair dismissal proceedings is confined to where, in the opinion of the IRC, a party unreasonably failed to agree to a settlement of the claim or where the applicant's claim is frivolous or vexatious. This can be contrast with proceedings for unlawful termination of employment and breach of contract where legal costs usually follow the event and are payable by the unsuccessful party.

What legislative changes are required to give effect to the outcomes sought by the parties to the Award?

Legislative amendments are required to give effect to the outcomes sought by the parties to the Award. The required amendments are quite complex and wide ranging and are set out in detail below so that councils can have full visibility of their likely impact.

Some of these amendments may need to be subject to transitional arrangements to reflect the fact that some council staff may continue to be employed under existing senior staff contracts after the relevant provisions have been repealed.

Section 332 - Determination of the organisation structure

Section 332 requires the governing bodies of councils, after consulting with the general manager, to determine the senior staff positions within the organisation structure of the council, the roles and reporting lines (for other senior staff) of holders of senior staff positions, and the resources to be allocated towards the employment of staff. It also sets the criteria for identifying a position to be a "senior staff position".

Section 332 would need to be substantially amended to remove the option of determining senior staff positions and to remove subsections (2) and (3) which set out the criteria for identifying a position to be a senior staff position.

One option may be to amend section 332 so that it simply provides as follows:

- The council must, after consulting the general manager, determine the resources to be allocated towards the employment of staff.
- The general manager must, after consulting the council, determine the positions within the organisation structure of the council.
- The positions within the organisation structure of the council are to be determined so as to give effect to the priorities set out in the strategic plans (including the community strategic plan) and delivery program of the council.

Section 223(1)(j) – Role of the governing body in determining senior staff positions

Section 223(1)(j) provides that it is the role of the governing body to determine the senior staff positions within the organisation structure of the council. This provision will become redundant if councils no longer have the option of determining senior staff positions under section 332 and would need to be repealed. The governing body would still be responsible for determining the resources to be allocated towards the employment of staff.

Section 337 – Consultation with councillors on the appointment and termination of senior staff

Section 337 provides that the general manager may appoint or dismiss senior staff only after consultation with the council. The removal of the ability for councils to determine senior staff positions will make this provision redundant, and it will need to be repealed.

Section 338 - Nature of contracts for senior staff

Section 338 requires general managers and the holders of senior staff positions to be employed under fixed term contracts of between 1–5 years based on the standard contracts approved by the "departmental chief executive" of OLG.

Section 338 would need to be amended to omit any references to "senior staff" so that it applied only to general managers' contracts of employment.

Section 340 –NSW Industrial Relations Commission's jurisdiction in relation to senior staff

Section 340 of the Act provides that the employment of the general manager or another senior staff member, or any matter, question or dispute relating to any such employment, is not an "industrial matter" for the purposes of the *Industrial Relations Act 1996* and therefore cannot be considered by the IRC.

Section 340 would need to be amended to exclude references to "senior staff" and to limit its operation to general managers. This would, in effect extend the jurisdiction of the IRC to the employment of all council staff other than general managers.

Employment protection provisions

Amendments would be required to the provisions of the Act that protect the employment of staff affected by amalgamations to remove the current exclusions for senior staff. General managers would continue to be excluded from the application of the relevant provisions. In practical terms, this would extend the employment protections under the Act to all staff other than general managers.

The following provisions will need to be amended to remove references to "senior staff":

- Section 218CA – Maintenance of staff numbers in rural centres (This currently excludes senior staff from the definition of "regular staff" for the purpose of calculating the number of staff employed at a "rural centre" prior to an amalgamation for the purposes of that section)
- Section 354C – No forced redundancy of affected staff members during proposal period
- Section 354D – Preservation of entitlements of staff members
- Section 354F – No forced redundancy of non-senior staff members for 3 years after transfer
- Section 354G – Lateral transfer of non-senior staff members
- Section 354H – External advertising not required in certain circumstances
- Section 354I – Limitations on transfer of work base of non-senior staff

The following provisions of the *Local Government (General) Regulation 2021* (the Regulation) would also need to be repealed:

- Section 406C - Entitlements of senior staff on transfer following amalgamation or boundary alteration
- Section 406D - Entitlements of senior staff not transferred on boundary alterations.

Section 354A - Ministerial approval for termination payments

Section 354A requires ministerial approval to be given for termination payments to be made to general managers and senior staff unless exempted by the Regulation. Section 405 of the Regulation in turn exempts from the requirement for ministerial approval, termination payments that do not exceed the value of the general manager's or senior staff member's total remuneration package over the 12 months preceding the termination of their employment.

Amendments would be required to both section 354A of the Act and section 405 of the Regulation to remove references to "senior staff," limiting their application to general managers.

Section 405 of the Regulation would also need to be amended to incorporate the current provisions of section 332(3)(a)–(d) of the Act. These set out what comprises the total remuneration package. Because section 332(b) of the Act will need to be repealed (see above), its provisions will need to be incorporated into section 405 for the purposes of calculating the

value of a termination payment under that section.

Section 217(1)(c) of the Regulation – Annual reporting of senior staff remuneration

Section 217(1)(c) of the Regulation would need to be repealed.

This currently requires councils to publish a statement in their annual reports of the total remuneration comprised in the remuneration packages of all senior staff members (other than the general manager) employed during the year, expressed as the total remuneration of all the senior staff members concerned (not of the individual senior staff members) and including totals of each of the following:

- the total of the values of the salary components of their packages
- the total amount of any bonus payments, performance payments or other payments made to them that do not form part of the salary components of their packages
- the total amount payable by the council by way of the employer's contribution or salary sacrifice to any superannuation scheme to which any of them may be a contributor
- the total value of any non-cash benefits for which any of them may elect under the package
- the total amount payable by the council by way of fringe benefits tax for any such non-cash benefits.

Section 217(1)(d) of the Regulation – Annual reporting of labour statistics

Councils are required to publish labour statistics in their annual reports including in relation to the number of persons employed by the council as senior staff members. The requirement for councils to report on the number of persons employed as senior staff members would need to be repealed.

Other consequential repeals

The following provisions of the Act would also need to be repealed:

- The Dictionary definition of "senior staff".
- Section 334(2) – This provides that the position of general manager is a "senior staff position".

Senior executive remuneration under the Award

The minimum annual salary under the Award for executive level employees ranges from $100,480 (Band 4 / Level 1) to $187,569 (Band 4 / Level 4). The Band 4 / Level 4 rate is less than the current minimum permissible remuneration for holders of senior staff positions which is $201,350.

It should be noted that the minimum remuneration for holders of senior staff positions is inclusive of salary, compulsory employer superannuation contributions and other benefits including any fringe benefits tax payable on such benefits. Also, senior staff do not receive some of the benefits that Award-covered employees may be entitled to (e.g. allowances, overtime, portability of sick leave, protection from unfair dismissal, etc).

The Award requires councils to have a 'salary system' with a structure that complements the entry level rates of pay and skill descriptors in the Award by identifying grades. If the Act were to be amended to remove the option for councils to determine positions to be senior staff positions, some councils may need to review their salary system structures to ensure that they have appropriate minimum rates at the workplace level to attract and retain executive level employees.

Attraction and retention issues could also be addressed by offering additional remuneration (e.g. market allowances) and other above-Award benefits as part of the 'total reward' that councils provide to employees for their labour.

Transitional arrangements

If the Act were to be amended to remove the option for councils to determine positions to be senior staff positions, it would be necessary to put in place transitional arrangements for the current holders of senior staff positions employed under the standard contracts.

Possible transitional arrangements may include giving current occupants of senior staff positions who are employed under the standard contracts the option to either:

- transition immediately to the Award, or
- remain employed under their current employment contract until it expires.

Submissions

Have your say

We now want to hear from you.

Key questions to consider:

- Do you agree that all council staff other than the general manager should be employed under an award such as the *Local Government (State) Award*?
- Would you support amendments being made to the *Local Government Act 1993* to remove the option for councils to determine "senior staff positions" and to employ the holders of those positions under statutory contracts?
- Do you have any comments on the amendments to give effect to this outcome that are set out in this paper?
- If the Act were to be amended as has been suggested, what transitional arrangements should apply to current holders of senior staff positions?

How to make a submission

Submissions may be made in writing to the following addresses:

By email: olg@olg.nsw.gov.au

By post: Locked Bag 3015
NOWRA NSW 2541

Submissions should be labelled "senior staff employment" and marked to the attention of OLG's Council Governance Team.

Closing date

Close of business, 15 November 2022.

Privacy Notice

When you give us your feedback, OLG will be collecting some personal information about you, in particular:

- your name
- your email address
- the name of your organisation (if provided)

All feedback received through this consultation process may be made **publicly available**. Please do not include any personal information in your feedback that you do not want published.

As part of the consultation process, we may need to share your information with people outside OLG, including other public authorities and government agencies. We may also use your email contact details to send you notifications about further feedback opportunities or the outcome of the consultation.

You should also be aware there may be circumstances when OLG is required by law to release information (for example, in accordance with the requirements of the *Government Information (Public*

Access) Act 2009. There is also a privacy policy located on OLG's website that explains how some data is automatically collected (such as your internet protocol (IP) address) whenever you visit OLG's website. The link to that policy is http://www.olg.nsw.gov.au/privacy

Further information

For more information, please contact OLG's Council Governance Team on (02) 4428 4100 or via email at olg@olg.nsw.gov.au.


NSW
GOVERNMENT



R15 LGNSW Rural & Regional Summit

Organisational Area	**Chief Executive Officer**
Author	Andrew Crakanthorp, Chief Executive Officer
Summary	Local Government NSW are convening a new event specifically dedicated to their rural and regional members. This report recommends Council be represented at the Summit

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RECOMMENDATION that:

a) Riverina Water be represented at the Local Government New South Wales 2023 Rural and Regional Summit
b) The Chairperson or his nominee attend the Summit
c) Nominations of other Board Members to attend be called
d) The Chief Executive Officer or his nominee attend the Summit

Report

The Rural and Regional Summit is a one-day event for mayors, councillors, general managers and senior council staff to come together to discuss some of the key issues affecting rural and regional communities in the lead up to the NSW State Election.

Key topics to be discussed include:

- Housing supply issues and the associated affordability pressures
- Building back better after natural disasters
- Telecommunications and technology in rural areas
- Mental health following disasters
- Renewable energy - cost of energy and where it is distributed

The key topics of telecommunications, technology and renewable energy are of particular interest to Riverina Water.

It is recommended that the Chairperson and CEO together with a Board Member represent Council at the Summit.

A detailed program for the Summit is yet to be finalised.

Financial Implications

Attendance costs for travel and accommodation at the Summit are provided for in the adopted 2022/23 Operational Plan and are estimated at $900 per attendee

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

R16 Proposed Change of Date for Board Meeting in June 2023

Organisational Area **Chief Executive Officer**

Author Andrew Crakanthorp, Chief Executive Officer

Summary Earlier this year, Council resolved the dates for its board meetings in 2023. The date of the meeting in June 2023 was incorrectly set for the fifth Thursday of the month (and not the fourth Thursday of the month) This report proposes to change the date of the meeting to Thursday 22 June 2023

RECOMMENDATION that Council:

a) Change the date of the Council meeting from Thursday 29 June 2023 to Thursday 22 June 2023, and:
b) Provide appropriate public notice of the change of date.

Report

Earlier this year, Council resolved the dates for its board meetings in 2023. The date of the meeting in June 2023 was incorrectly set for the fifth Thursday of the month (and not the fourth Thursday of the month). The incorrect date was inadvertently included in the report of the business paper for the August 2022 meeting of the Board.

For reasons of consistency and also in light of the fact that Board members have cleared their diaries for the six Board meetings per year, based on being the fourth Thursday of every second month, this report recommends a change in date to allow as many Board Members as possible to attend the meeting.

Financial Implications

There are no financial implications associated with the change in date.

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

R17 Proposed Membership of Committee4Wagga

Organisational Area	**Chief Executive Officer**
Author	Andrew Crakanthorp, Chief Executive Officer
Summary	Riverina Water has been approached to consider becoming a member of the Committee4Wagga. This report provides further information on the benefits that membership provides.

RECOMMENDATION that Council become a Business Member of Committee4Wagga at an annual membership of $5,000 commencing July 2023

Report

Committee 4 Wagga is a not-for-profit, member funded network open to private, public and not-for-profit organisations, businesses and individuals in the Wagga Wagga region.

Their purpose is to:

- Support and promote the city to ensure accelerated populations growth
- Identify and implement opportunities that will enhance cultural, social, business and economic prosperity, and
- Provide a platform for community, business and government collaboration to effect positive change.

Further information regarding the Committee (including their four pillars, what they do and the benefits of membership) can be found via the attached link:
http://www.committee4wagga.com.au

The membership structure is in four categories, namely Corporate at an annual membership fee of $20,000, Executive at an annual membership of $10,000, Business at an annual membership of $5,000 and Associate at $2,500 per annum.

Wagga Wagga City Council is an Executive Member and the Committee4Wagga has 51 members and have been functioning for in excess of ten years. The Committee has always had a high-level strategic approach to promoting Wagga Wagga.

The passing of time has proven the success of the Committee and that they have an ongoing, sustainable business model.

Membership of the Committee would allow Riverina Water to meet a number of its stated objectives in the 2022 Strategic Business Action Plan, including:

- Actively support and participate in our community

- Understand and prepare to serve our customers of the future
- Share our knowledge and expertise to make a positive change in our global community

In addition, it would provide Council with a seat at the table for important events coordinated by C4W designed to promote the growth of Wagga Wagga

In 2019 Council provided sponsorship of $5,000 to the School Leaders Program which has resumed in 2022, following the impact of COVID 19. That program has been particularly well supported by local high schools.

The positive impact that Committee4Wagga has on the economic growth is proven and this growth aligns with Council's Mission "to provide our community with safe, reliable water at the lowest sustainable cost".

The continued growth of Wagga Wagga is in the long-term interests of the other three constituent Councils as has been recently seen in the growth of the populations of the three Council's and associated challenges that brings to those Councils.

The annual membership of $5,000 can be funded from existing revenue streams and it is proposed that Council commence its membership from July 2023 and that funds are included in future budgets for that purpose.

› R17.1 C4W Prospectus - Our Members Are Our Strength ⇩

Financial Implications

As described in the paragraph above, membership would come at an annual cost of $5,000 which can be funded from existing revenue sources.

Risk Considerations

Reputation	
Averse	Council is averse to taking risks that may adversely impact its reputation.

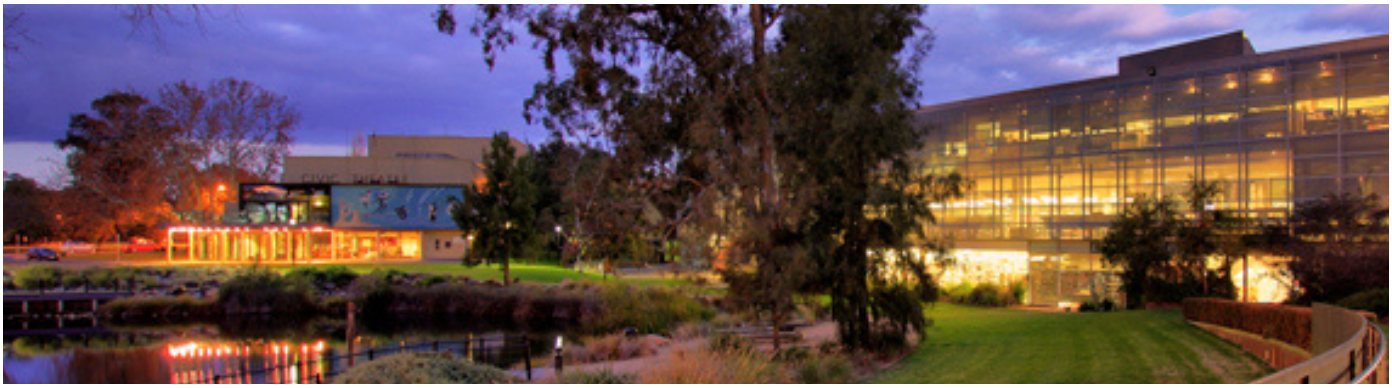
OUR MEMBERS ARE OUR STRENGTH

All Committee 4 Wagga Members enjoy:

- Promotional feature in the C4W newsletter
- Participate in strategic planning workshops, roundtables, taskforces and advocacy groups at all levels of Government
- Share news and ideas with the membership base via the C4W newsletter[1]
- Advertise events to the membership base and broader community through the C4W newsletter, website and social media pages [1]
- Opportunity to host C4W events and showcase your business
- AGM Voting Rights and Eligibility for Board nomination[2]
- Your logo on the Members Section of the C4W website and in the C4W Annual Report

	CORPORATE	EXECUTIVE	BUSINESS	ASSOCIATE
Naming rights to C4W event	●			
VIP meeting with keynote speakers prior to public events	●			
Nominate and elect to all C4W Board positions	●	●		
Logo on C4W website homepage and displayed predominantly in C4W newsletter	●	●		
Display your marketing banner at C4W functions	●	●	●	
Complimentary invitations to all C4W functions and marquee event	4 tickets	4 tickets	2 tickets	1 ticket

Membership is on a 12-month basis. Quarterly payment plans are available.
1: Subject to review and approval by C4W
2: The first 5 Board Members appointed to the Board of Management for a 3-year term are nominated, voted upon and elected by Foundation, Corporate and Executive Members only. The remaining 6 Board Members appointed to the Board of Management for a 2-year term are nominated, voted upon and elected by Foundation, Corporate, Executive, Business, Associate and Affiliate members.



R18 Electricity Market Conditions and Contract Arrangements

Organisational Area	**Operations**
Author	Jason Ip, Manager Operations
Summary	There are two current electricity retail contracts relating to Riverina Water's 25 large sites and 53 Small sites. The large site contract is with Origin Energy (via Local Government Procurement NSW's contract arrangements) and comprises approximately 82% of total annual electricity costs of $2.4M to $3.2M (depending on seasonal demands). The small site contract is with Next Business Energy (jointly with Goldenfields Water) and is the smaller component of electricity costs. Both electricity contracts expire on 31 December 2022 and high uncertainty exists regarding future electricity contractual arrangements due to the volatility of electricity retail costs.

RECOMMENDATION that Council:

a) Pursuant to s55(3)(i) of the Local Government Act 1993, the Board considers that a satisfactory result would not be achieved by inviting tenders before entering into a contract for the purchase of energy, due to extenuating circumstances, being:
    i. current energy market volatility and significant risk in entering into a fixed agreement
    ii. multiple options for purchasing energy, such as wholesale purchasing
    iii. flexibility in purchasing processes is required for speed of acting on low price demands within the National Energy Market (NEM)
b) Provide the CEO or their delegate the delegation to negotiate the purchase of energy and enter into any such Agreements necessary to continue the efficient operations of the Riverina Water supply network

Report

The energy market has seen a dramatic increase in costs over the last year, climbing from some of the lowest prices in recent years to the highest prices on record. The most dramatic change has occurred since February this year, due to a number of compounding factors, not limited to the war between Russia and the Ukraine, closure of domestic power stations and the impact on networks from renewable energy projects. Other factors include:

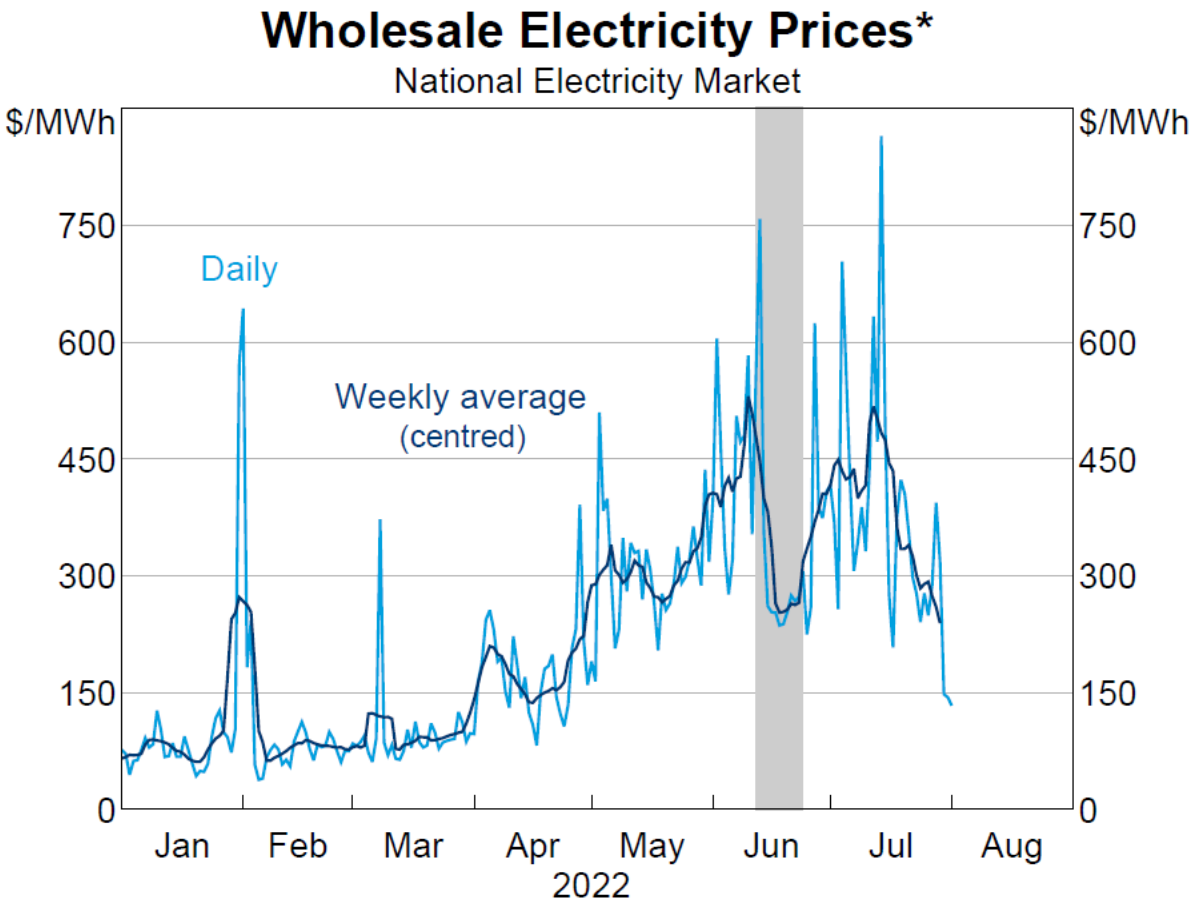
- Gas prices
- Coal Prices
- Changes to the generation mix (solar, wind, hydro, black and brown coal)

- Weather events (i.e.. cooler weather resulting in higher demands)

From 31 May to 13 June 2022, the volume weighted average spot price across the National Electricity Market ranged from $341 to $590/MWh. This is around 3.5 to 5.6 times higher than spot prices observed for quarter 1 during 2022, as shown in table below (taken from Australian Consumer Competition Inquiry into the National Electricity Market, Addendum 17 June 2022[1]).

On 15th June 2022 the Australian Energy Market Operator (AEMO) suspended the wholesale market in the National Electricity Market for the first time, which capped costs to$300MWh.

The wholesale electricity Prices over this period is illustrated below[2]:



* Shading covers the period between a price cap being introduced for the first time (which was in Queensland) through to the final day of the NEM suspension.

Riverina Water is a large consumer of electricity as its water supply source works, treatment and pumping systems are very energy dependent, typically using between 9.1 to 12.3GWh annually.

Both existing electricity retail contracts expire on 31st December 2022. Riverina Water and Goldenfields are considering a joint venture to procure electricity, totalling up to 20GWh to 27GWh annually. This will assist both councils in achieving economies of scale when going out to market.

However, there are disadvantages in locking-in a conventional contract term due to current electricity market volatility as described above.

It is recommended that Riverina Water not enter into any fixed term Agreement at this stage, and fall on default market purchasing prices with the existing provider until an amicable price and terms can be locked in.

Other purchasing arrangements could also be considered to effectively 'ride the price wave down' such as wholesale purchasing where a monthly/quarterly block of electricity is purchased in advance. This option would require the engagement of a third party to manage this process for council; however, it could be an option to provide some considerable savings during this volatile time.

In any case, these interim arrangements could be up to a period of 12-18 months before Riverina Water enter into term agreements in a more favourable market environment though it would require flexibility and agility to quickly act to electricity market opportunities.

Therefore, it is recommended that:

- The CEO be provided the delegation to negotiate the purchase of electricity and enter into any such agreement(s) required to facilitate council's efficient operation, and
- The Board consider an exemption of tendering pursuant to s55(3)(i) of the Local Government Act 1993, where the Board considers that a satisfactory result would not be achieved by inviting tenders for the purchase of energy.

References:

1 https://www.accc.gov.au/system/files/May%202022%20report%20-%20Addendum.pdf

2 https://www.rba.gov.au/publications/smp/2022/aug/box-a-recent-developments-in-energy-prices.html

Financial Implications

The operational cost of electricity is accommodated in the adopted budget.

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

R19 Digital metering trial

Organisational Area	**Engineering**
Author	Bede Spannagle, Director of Engineering
Summary	Council staff have been undertaking preliminary work to commence a digital metering trial this financial year, and this report seeks Council approval to bring forward funds from the 2023/24 capital works budget.

RECOMMENDATION that:

(a) Council approve the 2022/2023 budget increase of $150,000, for the proposed Internet of Things (IoT) strategy report and digital metering trial.

(b) That the change in budget be reflected in the December quarterly budget review

Report

At its June 2022 Board meeting, Riverina Water adopted a four-year capital works program that includes provision for the commencement of the transition to a digital meter fleet.

In preparation for this digital metering project, it is proposed initially to prepare an IoT implementation strategy report and digital metering business case, which will provide a roadmap for the subsequent digital meter trials and the decision-making process regarding the extent of a future digital meter rollout.

Riverina Water will take a phased approach to digital metering, to ensure the optimal solution is provided.

Phase 1 will be a digital metering trial of between 100 and 200 meters in a range of locations and situations that will bridge the concept of digital metering and provide the data required to ensure the data transfer systems are in place, (and working), to co-exist with our current meter reading processes. Key focus areas are;

- Testing meter hardware
- Testing frequency of reads and data synchronisation
- Testing of NBIoT Network
- Setting alarms and alerts highlighting non-revenue events and the business processes flowing from these events.
- Data and reporting from within the Temetra platform.
- Integration from Authority to the Infor ERP.

Phase 2 currently comprises a further rollout of 1000+ meters, and in particular address additional use cases such as:

- Hard to read meters
- Remote areas
- Demand management areas
- Commercial and industrial customers
- Poor network coverage.

The phase 1 and phase 2 budget of $500,000 was adopted for 2023/24, however to enable a suitable trial period for phase 1, it is proposed to implement phase 1 in the second half of this current financial year.

Financial Implications

The cost estimate for the strategy report and phase 1 digital metering trial is $150,000.

A budget of $500,000 for this project is available in the 2023/24 capital works budget, so it requires a Council resolution to bring forward $150,000 of this budget to commence the trial phase this financial year.

Risk Considerations

Projects	
Accept	Council will accept risk relating to projects by choosing options most likely for successful delivery with a reasonable degree of protection.

R20 Works Report covering August 2022

Organisational Area **Engineering**

Author Bede Spannagle, Director of Engineering

Summary This report provides an overview of water usage, connections, maintenance and water quality for the period 1st to 31 August 2022.

RECOMMENDATION that the Works Report covering August 2022 be received and noted.

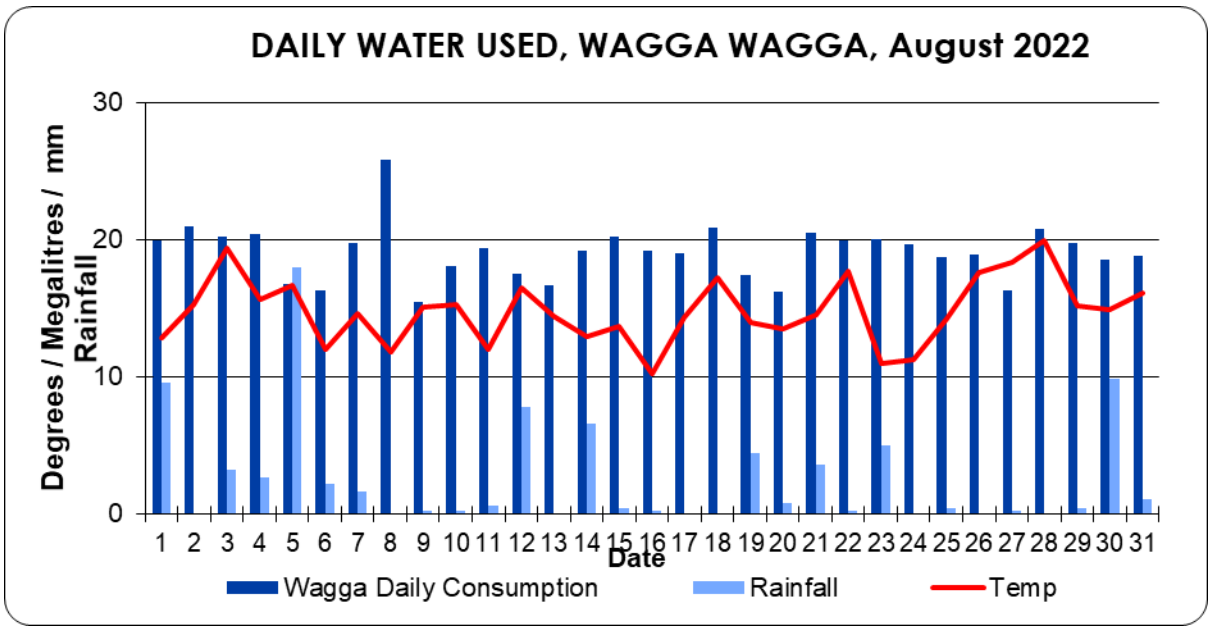
Report

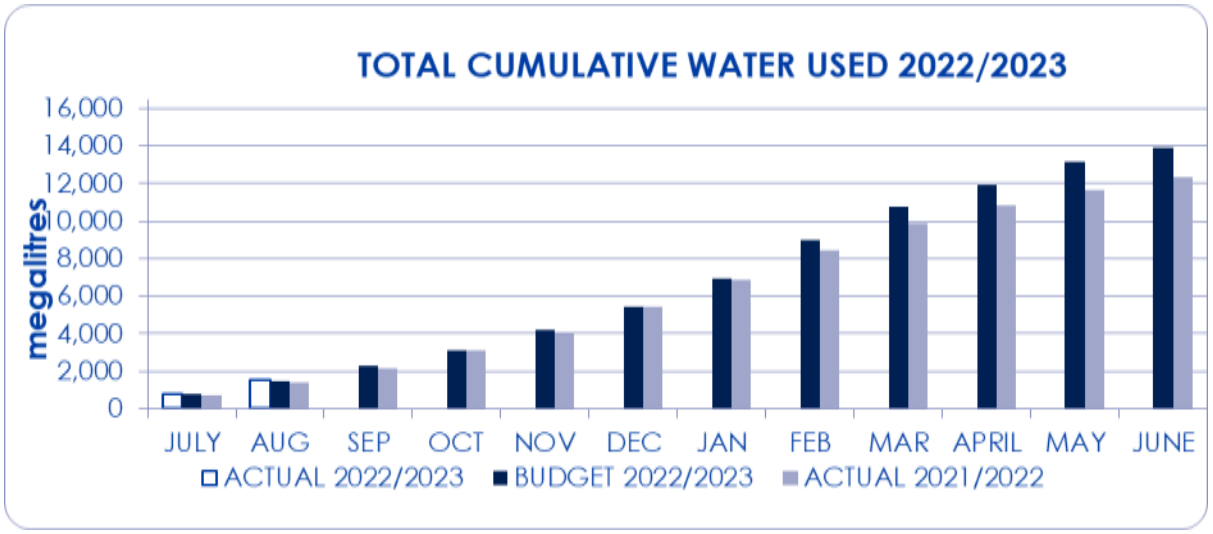
This report provides an overview of water usage, connections, maintenance and water quality matters for the period 1st to the 31st August 2022.

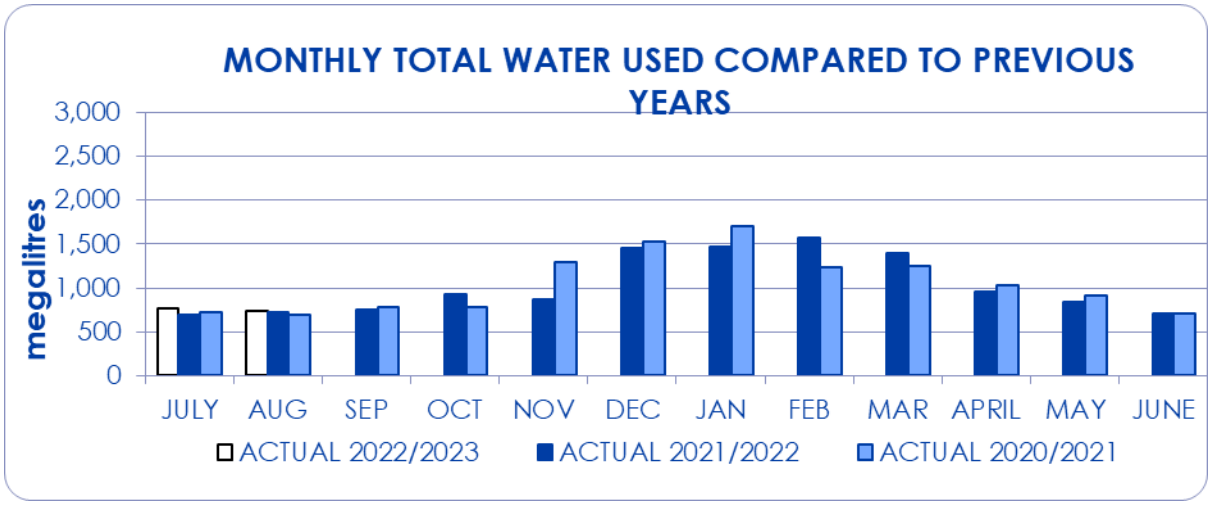
Water Sourced and Used

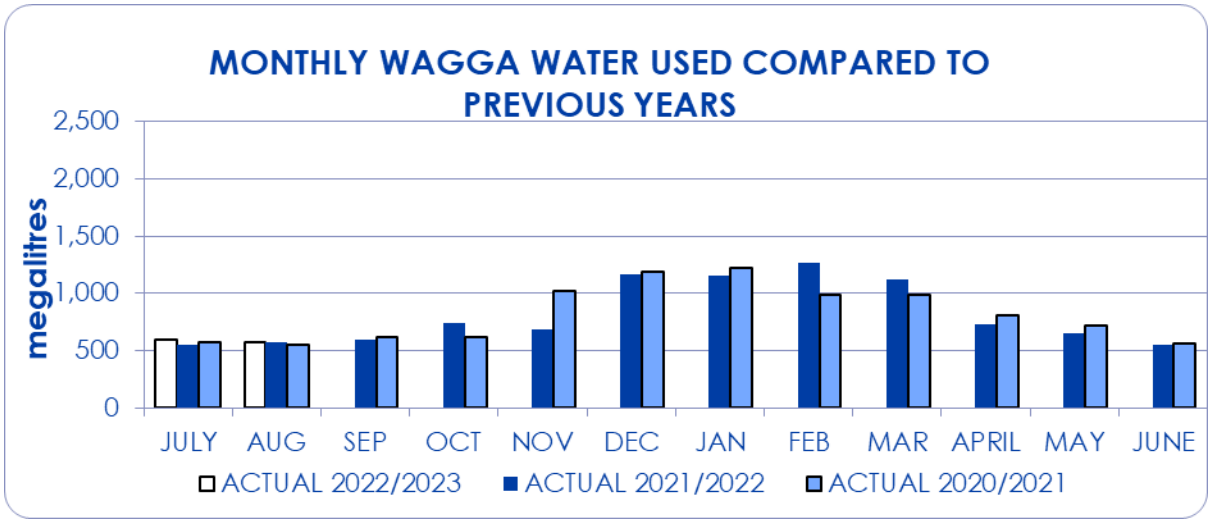
	2020	2021	2022
Rainfall	74.0	28.0	67.8
Wet days	12	10	23
Water sourced August 2022 (Megalitres)			
North Wagga bores	152.30	153.89	164.07
West Wagga bores	95.36	198.15	93.42
East Wagga bores	413.52	333.89	163.65
Murrumbidgee River	0.00	0.00	295.15
Sub Total	**661.18**	**685.93**	**716.29**
Bulgary bores	20.16	25.45	5.27
Urana source	0.00	0.00	0.00
Ralvona bores	12.72	17.54	16.17
Walla Walla bores	0.00	0.00	0.00
Goldenfields Water Supply System	3.15	0.74	1.61
Sub Total	36.03	43.73	23.05
Woomargama	0.67	0.79	0.80
Humula	0.27	0.79	0.26
Tarcutta	2.29	2.57	3.17
Oura	1.92	2.20	1.72
Walbundrie / Rand	1.73	2.67	2.30

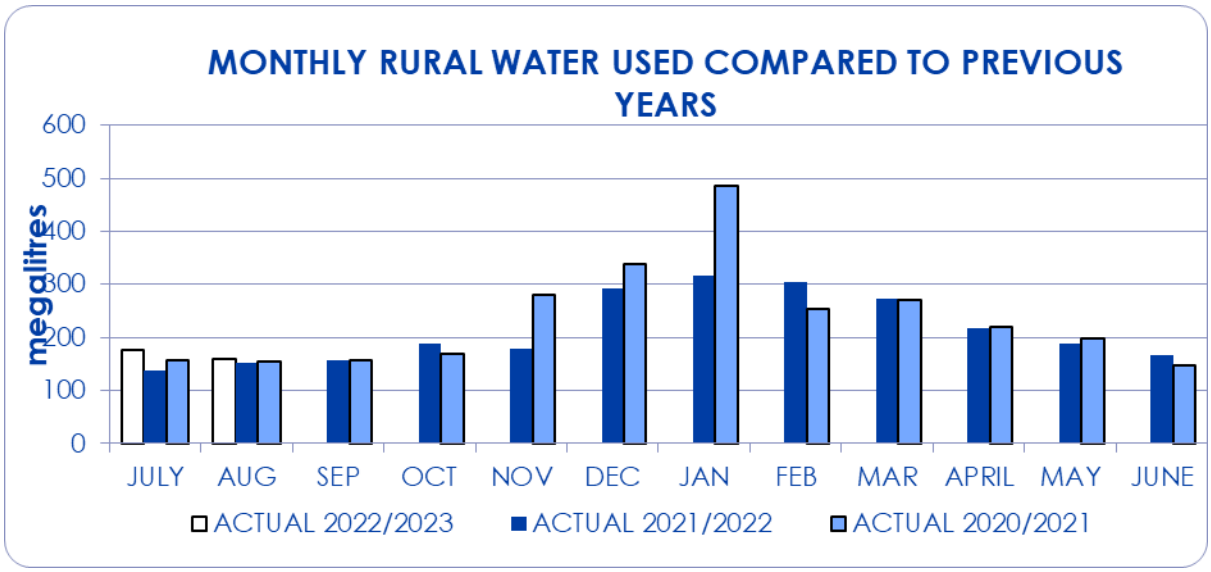
	2020	2021	2022
Morundah	0.63	0.46	0.56
Collingullie	5.44	6.41	2.91
Sub Total	**12.95**	**15.89**	**11.72**
Totals	**710.16**	**745.55**	**751.06**
Water used August 2022 (Megalitres)			
East Bomen	20.57	22.77	18.01
Estella	53.68	64.22	56.41
North Wagga	55.42	52.94	72.68
Wagga Wagga – low level	83.77	81.88	102.71
Wagga Wagga – high level	289.26	310.80	289.05
Wagga Wagga – Bellevue level	41.83	38.04	36.99
Sub Total	544.53	570.65	575.85
Ladysmith system	3.29	2.72	9.60
Brucedale scheme	21.48	11.36	13.09
Currawarna scheme	6.99	9.59	8.50
Rural Southern trunk main system	74.4	66.98	92.77
Rural Western trunk main system	22.17	29.93	7.33
Sub Total	128.36	120.58	131.29
Holbrook	12.70	17.13	16.20
Woomargama	0.67	0.79	0.80
Humula	0.27	0.79	0.26
Tarcutta	2.18	2.69	3.07
Oura	1.92	2.20	1.72
Walbundrie / Rand	1.73	2.67	2.30
Morundah	0.53	0.37	0.50
Collingullie	5.32	6.10	2.83
Sub Total	25.32	32.74	27.68
Totals	**698.21**	**723.97**	**734.82**


DAILY WATER USED, WAGGA WAGGA, August 2022
Degrees / Megalitres / mm Rainfall
30
20
10
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
Date
Wagga Daily Consumption
Rainfall
Temp


TOTAL CUMULATIVE WATER USED 2022/2023
megalitres
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
JULY AUG SEP OCT NOV DEC JAN FEB MAR APRIL MAY JUNE
ACTUAL 2022/2023
BUDGET 2022/2023
ACTUAL 2021/2022


MONTHLY TOTAL WATER USED COMPARED TO PREVIOUS YEARS
megalitres
3,000
2,500
2,000
1,500
1,000
500
0
JULY AUG SEP OCT NOV DEC JAN FEB MAR APRIL MAY JUNE
ACTUAL 2022/2023
ACTUAL 2021/2022
ACTUAL 2020/2021





New Service Connections, Repairs, Meters, Locations and Complaints

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga Wagga	**21**	**3**	**2**	**10**	**6**	**2**				**56**	**4**	
Wagga Wagga	1	3	2	3	3	2				22	1	
Forest Hill				2						3		
North Wagga	1									1		
Estella	1											
Kooringal				2						6		
Turvey Park										1		

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Lake Albert	1				2					6	2	
Ashmont										6		
Tolland	1									4		
Mt Austin				1						1		
Glenfield					1					5		
Lloyd	1			1								
Springvale											1	
Boorooma	1			1								
Moorong										1		
Gobbagombalin	13											
Gumly Gumly	1											
Oura										1		
San Isidore				1								
Tarcutta				1								
Collingullie					1					1		
Lockhart										2		
Pleasant Hills				1								
The Rock	2											
Uranquinty									1	1		
Yerong Creek		1										
Henty	4									3	1	
Holbrook				2		2				2		
Walla Walla	1											
Woomargama						1						
Rand				1								
Urana				1		1						
TOTAL	28	4	2	17	7	6	0	0	1	66	5	

Water System Repairs

Wagga Wagga							
Date	**Town**	**Main type**	**Cause**	**Live repair**	**Outage duration time**	**Customers affected**	**Water lost (Kl)**
5/8/2022	Tolland	100 AC	Pipe failure (not specified)	Yes		0	5

16/8/2022	Forest Hill	100 AC	Leaking collar	No		20	4
17/8/2022	Boorooma	100 BPVC	T/band broken/leaking	Yes		0	0
17/8/2022	Lake Albert	100 AC	Pipe failure (not specified)	Yes		0	5
19/8/2022	Lake Albert	100 AC	Pipe Failure (not specified)	No		20	0
22/8/2022	Wagga Wagga	75 AC	Tree Roots	Yes		0	5
23/8/2022	Wagga Wagga	100 AC	Pipe failure – ground movement	No		20	5

Rural							
Date	**Town**	**Main type**	**Cause**	**Live repair**	**Outage duration time**	**Customers affected**	**Water lost (Kl)**
12/8/2022	Pleasant Hills	63 PE	Leaking collar	Yes		0	12
15/8/2022	Pleasant Hills	63 PE	Pipe failure (not specified)	Yes		0	14
15/8/2022	Yerong Creek	63 PE	Pipe failure – ground movement	Yes		0	0
17/8/2022	Holbrook	100 AC	Pipe failure – ground movement	Yes		0	15
18/8/2022	Brucedale	32 PVC	Leaking collar	No		2	0
20/8/2022	Milbrulong	80 PVC	Pipe failure (not specified)	Yes		0	0
22/8/2022	The Rock	40 PE	Leaking collar	Yes		0	16
25/8/2022	Pleasant Hills	63 PE	Pipe failure – ground movement	No		0	37
26/8/2022	Pleasant Hills	63 PE	Pipe failure – ground movement	No		0	12
31/8/2022	Bulgary	63 PE	Pipe failure – ground movement	Yes		0	18

Water Quality Complaints

Date	**Town**	**Request details**	**Action Taken**
5/08/22	Lake Albert	Dirty water	No problem when I got there as the grounds man had flushed the main internally.

8/08/22	Wagga Wagga	Poor water quality	No water quality issue. If customer rings again refer her to Fiona.
8/08/22	Wagga Wagga	Water not quenching thirst	Advised water within Australian Drinking Water Guidelines
6/08/22	Glenfield Park	Dirty water	Flush cul-de-sac with standpipe, removed meter and flushed service
19/08/22	Lake Albert	Dirty water long term. Please knock-on door.	Flushed service
22/08/22	Collingullie	Water tastes bleachy	Tasted water. Tested Free chlorine. Total chlorine, pH, Turbidity - all within ADWG.
19/08/22	Wagga Wagga	Concerns about WQ, treatment process, inundation of Forest Hill WWTP, damage to tree foliage	WQ report sent - within ADWG, advised of treatment process. Advised Forest Hill managed by WWCC, no tree foliage damage viewed.
8/08/22	Wagga Wagga	Intermittent dirty water	Old gal pipe on both sides

New water mains laid

Location	**Project**	**63**	**100**		**150**		**200**		**300**	**450**
		PE	**OPVC**	**DICL**	**OPVC**	**DICL**	**OPVC**	**DICL**	**OPVC**	**DICL**
Brunslea Park	Road Crossing			6				24		
52 Plumpton	Subdivision		162			18				
Leitch's Lane	New main	280								

Replacement of Existing Mains

Location	**Project**	**50**	**63**	**100**		**150**	**150**	**200**	**300**		**375**
		PE	**OPVC**	**DICL**	**OPVC**	**DICL**	**OPVC**	**OPVC**	**OPVC**	**DICL**	**DICL**
Freet Street	Main Renewal			282							
Cochrane Street	Main renewal			30							
Low Level	Mains upgrade									14	6

Other Construction

Location or Project	Work done
19 Mary Street New service Road Crossing	20m x 20mm Copper
73 Dobney Ave Fire Service	Installed F/S 6m x 150 DICL
Cochrane Street	Renewal of all services

Major Repairs / Overhauls

Facility	Work done
3 Main Street	Fixed burst main
Urana WTP	Filter maintenance.
Tarcutta WTP	Iron Filter Clean out and repair
Tarcutta WTP	Iron Filter Pipework and Magflow Modifications
Walbundrie Pumps	Check valve and pipework replacement
Wagga Treatment Plant	Tapping band replacements and spear point upgrades
Milbrulong Balance Tank	PRV adjustments and optimisation
West Wagga Treatment Plant	Silica pump line and spear point maintenance

Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	5
Estella Farrer Road	69
Forest Hill Elizabeth Avenue	33
Glenfield Red Hill Road	21
Henty Olympic Way	4
Holbrook Millswood Road	13
Lake Albert Plumpton Road	27
Lockhart Napier Road	7
Pleasant Hills Manson Street	13
The Rock	1
Urana Federation Way	3
Walla Walla Short St	1

Fleet Disposals

Nil

Fleet Acquisitions

Nil

Financial Implications

Nil

Risk Considerations

Service Delivery	
Avoid	Council will avoid taking on any risks which may compromise water quality.

R21 Works Report covering September 2022

Organisational Area **Engineering**

Author Bede Spannagle, Director of Engineering

Summary This report provides an overview of water usage, connections, maintenance and water quality for the period 1st to the 30th September 2022.

RECOMMENDATION that the Works Report covering September 2022 be received and noted.

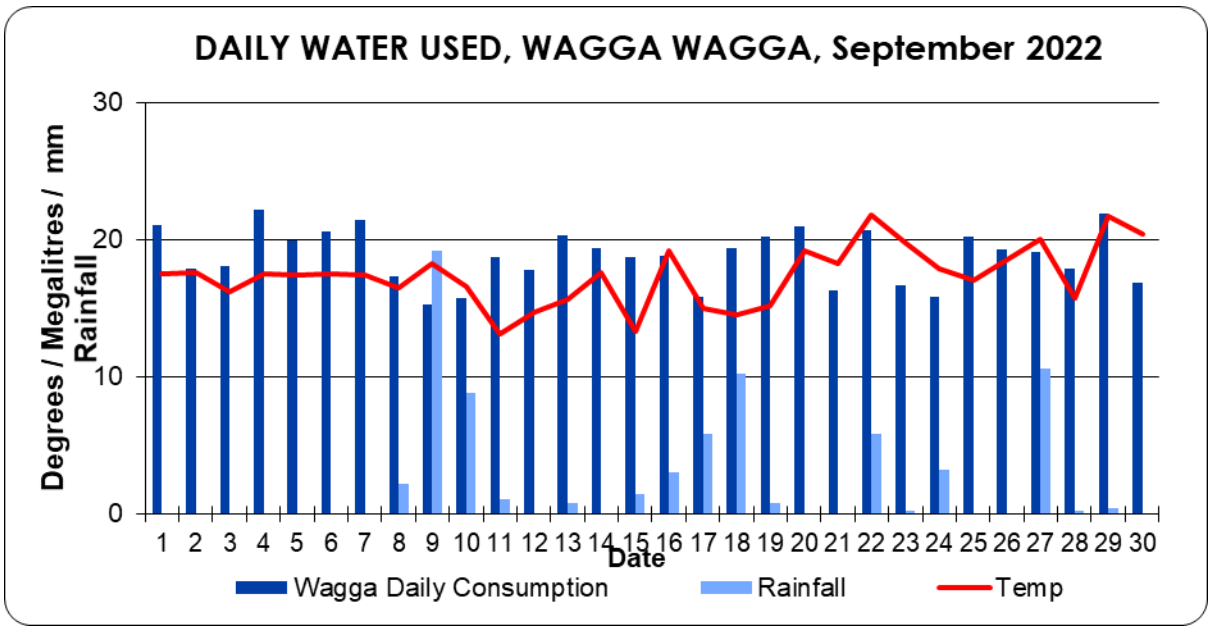
Report

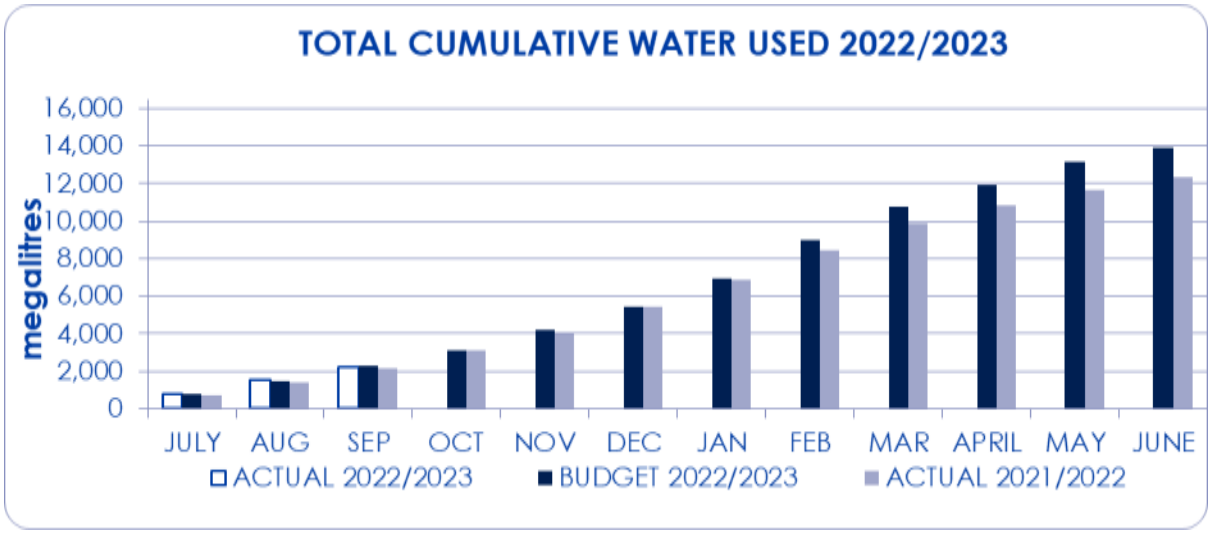
This report provides an overview of water usage, connections, maintenance and water quality matters for the period 1-30 September 2022.

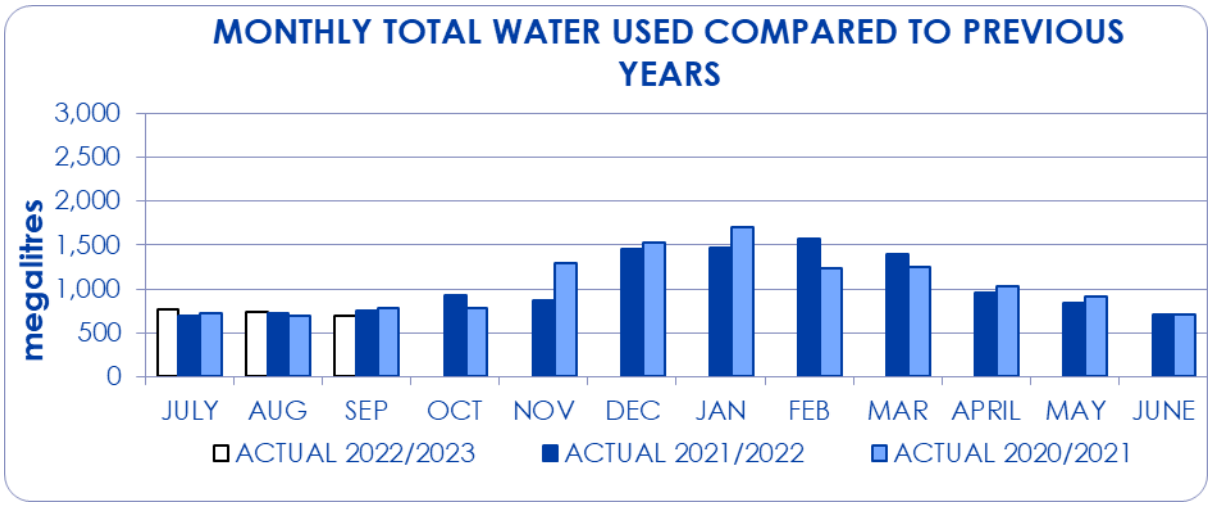
Water Sourced and Used

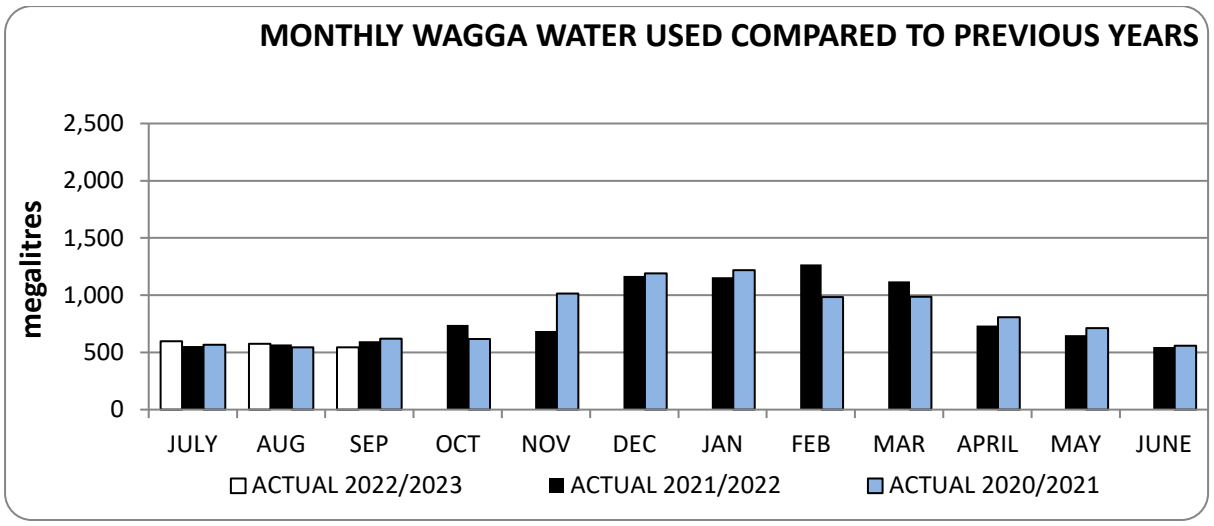
	2020	2021	2022
Rainfall	56.4	30.6	73.2
Wet days	11	8	16
Water sourced August 2022 (Ml)			
North Wagga bores	146.61	160.45	149.08
West Wagga bores	186.99	257.09	90.92
East Wagga bores	413.45	292.62	155.95
Murrumbidgee River	0.00	0.00	287.59
Sub Total	**747.05**	**710.16**	**683.54**
Bulgary bores	24.39	22.35	0.01
Urana source	0.00	0.00	0.00
Ralvona bores	13.68	18.21	15.53
Walla Walla bores	0.00	0.00	0.00
Goldenfields Water Supply System	5.30	0.78	2.19
Sub Total	**43.37**	**41.34**	**17.73**
Woomargama	0.77	0.65	0.91
Humula	0.52	0.15	0.22
Tarcutta	2.40	2.75	3.04
Oura	1.95	2.36	1.85

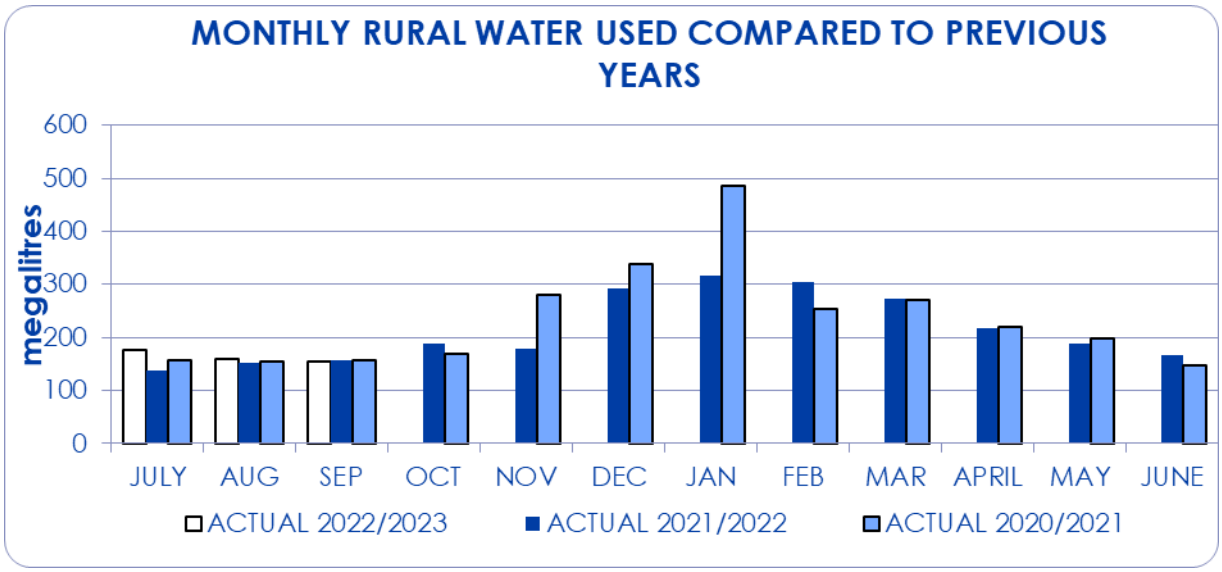
	2020	2021	2022
Walbundrie / Rand	2.03	2.78	2.79
Morundah	0.50	0.62	0.43
Collingullie	4.96	6.39	3.18
Sub Total	**13.13**	**15.70**	**12.42**
Totals	**803.55**	**767.20**	**713.69**
Water used August 2022 (Ml)			
East Bomen	5.83	20.97	19.72
Estella	56.71	59.85	55.37
North Wagga	56.95	57.50	54.44
Wagga Wagga – low level	126.91	85.43	100.72
Wagga Wagga – high level	326.21	326.89	273.57
Wagga Wagga – Bellevue level	46.43	46.95	40.13
Sub Total	**619.04**	**597.59**	**543.95**
Ladysmith system	2.83	2.88	9.05
Brucedale scheme	23.63	11.01	14.49
Currawarna scheme	10.34	9.29	9.85
Rural Southern trunk main system	73.4	74.30	91.01
Rural Western trunk main system	24.07	25.24	1.23
Sub Total	**134.25**	**122.72**	**125.63**
Holbrook	13.62	18.12	15.65
Woomargama	0.77	0.65	0.91
Humula	0.52	0.15	0.22
Tarcutta	2.40	2.65	3.00
Oura	1.95	2.36	1.85
Walbundrie / Rand	2.03	2.78	2.79
Morundah	0.39	0.54	0.41
Collingullie	2.26	6.04	3.11
Sub Total	**23.94**	**33.29**	**27.94**
Totals	**777.23**	**753.60**	**697.52**


DAILY WATER USED, WAGGA WAGGA, September 2022
Degrees / Megalitres / mm Rainfall
30
20
10
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
Date
Wagga Daily Consumption
Rainfall
Temp


TOTAL CUMULATIVE WATER USED 2022/2023
megalitres
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
JULY AUG SEP OCT NOV DEC JAN FEB MAR APRIL MAY JUNE
ACTUAL 2022/2023
BUDGET 2022/2023
ACTUAL 2021/2022


MONTHLY TOTAL WATER USED COMPARED TO PREVIOUS YEARS
megalitres
3,000
2,500
2,000
1,500
1,000
500
0
JULY AUG SEP OCT NOV DEC JAN FEB MAR APRIL MAY JUNE
ACTUAL 2022/2023
ACTUAL 2021/2022
ACTUAL 2020/2021





New Service Connections, Repairs, Meters, Locations and Complaints

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga Wagga	**35**	**4**	**2**	**13**	**3**	**3**				**71**	**2**	**3**
Wagga Wagga	1	3		4	1	3				15		
Forest Hill										5	1	1
North Wagga										2		
Estella										2		
Kooringal	1	1		3						7		
Turvey Park										2		

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Lake Albert			2	1	1					11		
Ashmont	1			1						6		1
Tolland										1		1
Bourkelands				2						4		
Glen Oak											1	
Tatton										1		
Glenfield					1					12		
Lloyd	3			1						1		
Springvale	3									1		
Boorooma	1											
Gobbagombalin	23			1						1		
Gumly Gumly	2											
Euberta				1								
Ladysmith				1								
Tarcutta										1		
Lockhart	2											
Milbrulong						1						
Uranquinty										1		
Yerong Creek	1											
Holbrook	2		1	1								
Morven										1		
Walla Walla	1									1		
Woomargama												1
Urana	1		1	1								
TOTAL	42	4	4	17	3	4	0	0	0	75	2	4

Water System Repairs

Wagga Wagga							
Date	**Town**	**Main type**	**Cause**	**Live repair**	**Outage duration time**	**Customers affected**	**Water lost (Kl)**
NIL							

Rural							
Date	**Town**	**Main type**	**Cause**	**Live repair**	**Outage duration time**	**Customers affected**	**Water lost (Kl)**
3/9/2022	Holbrook	50PVC	Pipe Failure (not specified)	No		0	0
7/9/2022	Walla Walla	100AC	Pipe Failure (not specified)	No		50	1
9/9/2022	Holbrook	50 PVC	Pipe failure – ground movement	Yes		5	10
12/9/2022	Osbourne	63 PE	Pipe failure – ground movement	Yes		0	23
12/9/2022	Pleasant Hills	63 PE	Pipe failure – ground movement	Yes		0	12
13/9/2022	Collingullie	40PVC	Pipe failure – ground movement	Yes		0	18
20/9/2022	Bidgeemia	63 PE	Pipe failure – ground movement	No		0	98
24/9/2022	The Rock	100 AC	Pipe failure – ground movement	No		0	34
25/9/2022	The Rock	80 PVC	Pipe failure – ground movement	No		0	4
30/9/2022	The Rock	63 PE	Accidental damage	No		0	0

Water Quality Complaints

Date	**Town**	**Request details**	**Action Taken**
5/09/22	Lake Albert	Neighbour has dirty water	Flushed water main
10/09/22	Glenfield Park	Dirty water	Problem is hot water service. Let the owner know.
27/09/22	Wagga Wagga	Dirty water	Took off water meter and flushed. Water was clear
30/09/22	Gobbagombalin	Light green water in bath	No visible colour, Cl 1.0mg/L, Turbidity 0.4NTU

Replacement of Existing Mains

Location	50	63	100		150	150	200	300		375
	PE	OPVC	DICL	OPVC	DICL	OPVC	OPVC	OPVC	DICL	DICL
Salmon St			102m							
Freer St			438m							
Plumpton Rd				145m		98m				

Other Construction

Location or Project	Work done
Byng Street Holbrook	18 x 100 OPVC Main Extension

Major Repairs / Overhauls

Facility	Work done
Bulgary Treatment Plant	General repairs and maintenance in preparation for summer operation.
Tarcutta Treatment Plant	Bore pipework modification to enable parallel flow through the iron filters.
Wagga High Lifts and Low Lifts pumps	Greasing of the large KSB pumps.
West Wagga Treatment Plant	Silica plant repairs
The Gap Pump House	Non-return replacement
Urana Treatment Plant	General repairs and maintenance in preparation for summer operation.
East Wagga Bore 1	Bore cleaning.
Wagga Sludge Treatment	Mono pump investigation and optimisation.
Walbundrie Treatment Plant	General repairs and maintenance in preparation for summer operation.

Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	9
Estella Farrer Road	89
Forest Hill Elizabeth Avenue	45
Glenfield Red Hill Road	17
Henty Olympic Way	1
Holbrook Millswood Road	4
Lake Albert Plumpton Road	35
Lockhart Napier Road	13
Pleasant Hills Manson Street	7
The Rock	4
Urana Federation Way	4
Walla Walla Short St	5
Yeong Creek Finlayson St	4

Fleet Disposals

Nil

Fleet Acquisitions

Nil

Financial Implications

Nil

Risk Considerations

Service Delivery	
Avoid	Council will avoid taking on any risks which may compromise water quality.

R22 Council Resolution Sheet

Organisational Area	**Chief Executive Officer**
Author	Andrew Crakanthorp, Chief Executive Officer
Summary	The report provides an update on the status of previous resolutions of the Council.

RECOMMENDATION that the report detailing the status of the active resolutions of Council be received.

Report

The attachment to this report provides details on the implementation of Council resolutions.

› **R22.1 Council Resolution Sheet** ⇩

Financial Implications

Nil

Risk Considerations

Corporate Governance And Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

OUTSTANDING ACTIONS REPORT

Printed: Thursday, 20 October 2022 8:37:44 AM

Meeting	Date	Officer	Title	Target
Board Meeting 24/08/2021	24/08/2021	Taylor, Tamarin	The Rock Reservoir Land Acquisition	7/09/2021
Resolution				

21/105 **RESOLVED:**

On the Motion of Councillors D Meyer OAM and T Quinn

That Council:

(a) approve the compulsory acquisition of Lot 1 in Deposited Plan 596611 to enable the future construction of The Rock Reservoirs

(b) classify the land as operational as defined by the Local Government Act.

(c) Delegate authority to the CEO to sign all documents relating to the compulsory acquisition

CARRIED

Notes For Action

19 Apr 2022 4:00pm Vincent, Melissa

The acquisition process is progressing as planned

Meeting	Date	Officer	Title	Target
Board Meeting 27/04/2022	27/04/2022	Vidler, Greg	Lease of Part of Lot 1 DP742224 to Mawsons	11/05/2022
Resolution				

22/079 **RESOLVED:**

On the Motion of Councillors T Quinn and MH Henderson

That Council:

a) Delegate authority to the CEO to progress a request to lease approximately 5900m^2 of Lot 1 DP 742224, Forge St, Wagga Wagga; and

b) Receive a further report for approval to enter a lease with proposed terms

CARRIED

Notes For Action

14 Jun 2022 3:46pm Vincent, Melissa

Discussions with teh potential leesee are continuing

Meeting	Date	Officer	Title	Target
Board Meeting 24/08/2022	24/08/2022	Crakanthorp, Andrew	Proposed Riverina Water Reconciliation Action Plan	7/09/2022
Resolution				

22/131 **RESOLVED:**

On the Motion of Councillors D Hayes and J McKinnon

That Council develop a draft Reconciliation Action Plan for Council's further consideration.

Cr Quinn requested that his vote against the motion be recorded.

CARRIED

Notes For Action

20 Oct 2022 8:36am Vincent, Melissa

The application process has commenced including the payment of the application fee of $1650

M1 Minutes of Audit, Risk and Improvement Committee held on 21 September 2022

Organisational Area	**Corporate Services**
Author	Wendy Reichelt, Governance & Records Officer
Summary	This report provides the minutes of the special financial review meeting of the ARIC held on 21 September 2022.

RECOMMENDATION that Council endorses the recommendations contained in the minutes of the Audit, Risk and Improvement Committee special meeting held on 21 September 2022.

Report

The Audit, Risk and Improvement Committee met on 21 September 2022. This meeting was a special meeting to review the draft financial statements only. All other business was deferred to the November 2022 meeting. The minutes of the meeting are attached.

› **M1.1 Audit, Risk and Improvement Committee Minutes 21 September 2022** ⇩

Minutes of the Audit, Risk and Improvement Committee held on Wednesday 21 September 2022

The meeting of the Riverina Water County Council Audit, Risk and Improvement Committee was declared open at 9:30am.

1 Acknowledgment of Country

I acknowledge the Wiradjuri people who are the Traditional Custodians of this Land. I also pay respect to the Elders both past and present of the Wiradjuri Nation and extend that respect to other Community members present.

2 Attendance and Apologies

Present

David Maxwell (Chairperson)
Bryce McNair
Georgie Davies
Shannon Buckley (teams)

In Attendance

Andrew Crakanthorp	Chief Executive Officer
Emily Tonacia	Director Corporate Services
Melissa Vincent	Executive Assistant to the CEO
Genevieve Taylor	Accounting Officer (teams)
Jason Gilbert	Crowe (teams)

Apologies

That an apology for non-attendance be received from Hong Wee Soh, NSW Audit Office, be received and noted.

22/042 **RESOLVED:**
On the Motion of D Maxwell and B McNair

That the committee note that Cr Davies has been granted a leave of absence from 26 October to 14 December 2022 and wish her all the best in the coming months.

CARRIED

3 Declaration interests

Nil

4 Minutes of Previous Meetings

To be reviewed at November 2022 meeting, along with any business arising from the minutes.

5 Committee Operations

5.1 Financial Statements 2021/2022

22/043 RESOLVED:
On the Motion of B McNair and S Buckley

That Audit, Risk and Improvement Committee report to Council that:

a) **it has reviewed the draft 2021/22 General Purpose Financial Statements, Special Purpose Financial Statements and Special Schedules, and directed such questions to finance staff and external audit as it considered appropriate.**
b) **it notes that external audit procedures have not yet been completed, and that Committee members will be advised of any material changes.**
c) **the Chairman will confirm the Committee's agreement with the finalised financial statements prior to their presentation to Council.**
d) **subject to the above, the Committee is not aware of any matter that would prevent Council from executing the certificate required by section 413(2)(c) of the Local Government Act".**
e) **Commends the Director Corporate Services and her staff on their preparation of the financial statements.**

CARRIED

This concluded the meeting of the Riverina Water County Council Audit, Risk and Improvement Committee which rose at 11:03am

CONF-1 The Rock Reservoir Land Acquisition

Organisational Area	**Engineering**
Author	Greg Vidler, Manager Projects
Summary	Work is progressing to finalise the purchase of land at The Rock for a new reservoir and this report is prepared on the advice of Councils Lawyers to formalise the purchase in accordance with the relevant legislation.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(a) personnel matters concerning particular individuals (other than councillors)

CONF-2 Proposed Pipeline Easement at Brucedale, Wagga Wagga

Organisational Area	**Works**
Author	Natalie Eisenhauer, Engineering Officer
Summary	Riverina Water have constructed a dedicated water supply pipeline through property at Brucedale from Brucedale Reservoir to the Brucedale Pump Station. This pipeline was constructed in consultation with the property owner, over a number of years. This report formalises the creation of an easement over the pipeline.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(di) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it