

Reminder



Photos to be taken prior to commencement of the meeting
(from 12.15pm to 1.00pm).



COUNCIL MEETING AGENDA

Date	Wednesday, 20 February 2019
Venue	Rous County Council Administration Office, Level 4, 218-232 Molesworth Street, Lismore
Lunch	12.30pm
Meeting	1.00pm

AGENDA

1. Opening of the meeting

2. Acknowledgement of Country

Council would like to show its respect and acknowledge the Traditional Custodians of the Land, of Elders past and present on which this meeting takes place.

3. Public Access

4. Apologies and Leave of Absence – Cr Simon Richardson

5. Confirmation of minutes of previous meeting

i). Ordinary Council meeting 19 December 2018 1-4

6. Disclosure of Interest

7. Chair’s Minute

i). Annual performance review: General Manager (*refer Item 13. Confidential*)

8. General Manager reports

i). Termination of the current Electronic Document Records Management System (EDRMS) Project..... 5-9

9. Group Manager Corporate and Commercial reports

i). Quarterly budget review statement for quarter ending 31 December 2018 10-30

10. Group Manager Operations reports

i). Letting of Contract 2550.1: Water Management Database supply and implementation 31-37

ii). Drinking water quality: annual report..... 38-51



11. Policies

- i). Work Health and Safety (revised) 52-59

12. Information reports

- i). Investments – January 2019..... 60-66
- ii). Water production and usage – December 2018 and January 2019 67-75
- iii). Reports/actions pending 76
- iv). Delivery program progress update: 1 July to 31 December 2018..... 77-86

13. Confidential (move into Closed Council) 87

- i). Development Servicing Plan for Bulk Water Supply 2016 – request for deferred payment arrangement..... 88-91
- ii). Annual performance review: General Manager..... 92

14. Matters of urgency

15. Questions on Notice

16. Close of business



Phillip Rudd
General Manager



Rous County Council

MINUTES OF ORDINARY COUNCIL MEETING

19 December 2018

1. OPENING OF THE MEETING

Meeting commenced at 1.01pm.

In attendance:

Councillors

Keith Williams (Chair), Darlene Cook, Basil Cameron, Sharon Cadwallader, Vanessa Ekins (Deputy Chair), Sandra Humphrys, Robert Mustow and Simon Richardson.

Staff

Phillip Rudd (General Manager), Guy Bezrouchko (Group Manager Corporate and Commercial), Michael McKenzie (Group Manager Planning and Delivery), Helen McNeil (Group Manager People and Performance), Andrew Logan (Group Manager Operations), Ben Wilson (Risk and Compliance Coordinator), Anthony Acret (Natural Resource Management Planning Coordinator - from 1.10pm-2pm) and Noeline Smith (Minute taker).

2. ACKNOWLEDGEMENT OF COUNTRY

Council showed its respect and acknowledged the Traditional Custodians of the Land, of Elders past and present, on which this meeting took place.

3. PUBLIC ACCESS

Nil.

4. APOLOGIES AND LEAVE OF ABSENCE

Nil.

5. CONFIRMATION OF MINUTES

i). **Ordinary Council meeting minutes 21 November 2018** (182/13)

118/18 RESOLVED (Cadwallader/Mustow) that the minutes of the meeting held 21 November 2018 be confirmed as presented.

6. DISCLOSURE OF INTEREST

Nil.

7. GENERAL MANAGER REPORTS

i). Northern Rivers Watershed Initiative

119/18 RESOLVED (Ekins/Cadwallader) that Council:

1. Provides in-principle support of the proposed Northern Rivers Watershed Initiative discussion paper in relation to funding under the NSW Government's Snowy-Hydro Legacy Fund as attached to the report.
2. Note that the discussion paper forms the basis of consultation with constituent councils/key stakeholders.
3. Note that the finalised discussion paper following consultation will be supplied to the Northern Rivers Joint Organisation for its February 2019 meeting.

Cr Humphrys arrived at 1.15pm

ii). Southern Cross University: Rising Stars Scholarship (1348/12)

120/18 RESOLVED (Cadwallader/Cook) that:

1. Council approve the renewal of sponsorship for the Southern Cross University Rising Stars Scholarship program for an additional three years commencing 2019.
2. Preference to be given to a new or continuing female student enrolled in an engineering/science degree.

(Voting against: Humphrys/Mustow)

8. GROUP MANAGER PLANNING AND DELIVERY REPORTS

i). St Helena trunk main upgrade – Early Tender Involvement and tender processes for construction phase (9.8.8/18)

121/18 RESOLVED (Cadwallader/Humphrys) that tenders for construction segment 1 for the St. Helena trunk main replacement project be invited from:

- Ledonne Constructions Pty Ltd
- Leed Engineering & Construction Pty Ltd
- Mitchell Water Australia Pty Ltd
- Moody Civil & Pipe Pty Ltd
- O'Leary Infrastructure Pty Ltd; and
- TCM Civil Pty Ltd.,

subject to receiving satisfactory financial capability assessments.

ii). Letting of contract - Nightcap Water Treatment Plant tunnel bulkhead project (2293.5/16)

122/18 RESOLVED (Cadwallader/Cook) that:

1. The contract for the construction of the new tunnel bulkhead at Nightcap Water Treatment Plant be let to Tunnelling Solutions Pty Ltd, for \$2,682,877.93 (including GST), subject to receiving the final financial assessment from Bentley Financial Services Inc.
2. An additional amount of \$1.64M (inclusive of a 20% contingency) be allocated to the project from reserves.

9. GROUP MANAGER CORPORATE AND COMMERCIAL REPORTS

i). Retail water customer account assistance (2283/13)

123/18 RESOLVED (Richardson/Mustow) that Council in accordance with section 356 (1) of the *Local Government Act 1993* and its 'Retail Water Customer Account Assistance' policy, approve financial assistance as listed in Table 1 of the report.

10. POLICIES

i). 'Feedback and Complaints Handling' policy (172/17 & 2531/17)

124/18 RESOLVED (Mustow/Humphrys) that Council:

1. Revoke the policy titled 'Complaints Handling' attached to the report, and any policy revived as a result of that revocation; and
2. Adopt the draft policy titled 'Feedback and Complaints Handling' as attached to the report.

11. INFORMATION REPORTS

i). Investments – November 2018 (59/12)

125/18 RESOLVED (Richardson/Cadwallader) that Council receive and note the investments for November 2018.

ii). Water production and usage - November 2018 (5/12)

126/18 RESOLVED (Cadwallader/Cameron) that Council receive and note the report.

iii). Reports/actions pending (182/13)

127/18 RESOLVED (Cadwallader/Ekins) that Council receive and note the report.

iv). **Audit, Risk and Improvement Committee: meeting update** (847.7/17)

128/18 RESOLVED (Cook/Cameron) that the report and the minutes of the Audit, Risk and Improvement Committee held on 26 November 2018 be noted.

12. MATTERS OF URGENCY

Nil.

13. QUESTIONS ON NOTICE

Nil.

14. CLOSE OF BUSINESS

There being no further business the meeting closed at 2.37pm.

Termination of the current Electronic Document Records Management System (EDRMS) project

(414.2/18(2))

Business activity priority

Process management, improvement and innovation.

Goal 6

Continuous improvement through process management and innovative thinking.

Recommendations

That Council:

1. Receive this report;
2. Note the decision of Council's Leadership Team to terminate the current project to develop a 'custom' EDRMS and instead implement a commercial 'off the shelf' EDRMS;
3. Note that this matter was identified in the November 2018 Audit, Risk and Improvement Committee meeting as part of discussion in relation to outstanding internal audit actions (Tendering and Contract Management) and future updates will be provided through reporting on the "Status of Risk Register Actions Report".

1. BACKGROUND

Over five years ago, a review undertaken as part of the organisation's Internal Audit Plan recommended the implementation of a modern Electronic Document Records Management System ('EDRMS').

In 2013, the organisation's existing records access database RIMS was upgraded to address a number of records management issues identified by the review. Although the upgrade improved the reliability of RIMS and included the ability to share electronically scanned documents and other records via the RIMS interface, it was recognised that RIMS could not provide the same level of performance, functionality and other features as a modern EDRMS.

As a result, in 2015 approval was given by Council management to commence a project for the implementation of a modern, organisation-wide EDRMS.

1.1 The 'initial' EDRMS project

In early 2016, a project team comprising key staff members from IT, Records, Secretarial, Governance and Technical Services was formed and work to implement an EDRMS commenced.

An external technology consulting firm was engaged to implement an EDRMS based on standard State Archives and Records Authority of NSW compliant information architecture. The consultant anticipated this implementation would take around three months to complete and involve low development and installation costs. This was because it would be based on substantial utilisation of an existing compliant EDRMS (RecordPoint backend) implemented by another NSW council. This EDRMS was compatible with Rous's existing Intranet platform (SharePoint) and, as such, would ensure minimal disruption to records management during implementation.

A budget of \$192,000 was allocated to complete the implementation of this standard, compliant EDRMS.

1.2 Change to the 'initial' EDRMS project's scope

In mid-2016, however, a significant change to the scope of the initial EDRMS project was approved. Instead of implementing an EDRMS based on the standard State Archives and Records Authority of NSW compliant information architecture, the consultant was requested to develop an EDRMS based on a 'custom' information architecture.

This decision to change the project's scope coincided with the formation of Rous County Council, which occurred when the three existing county councils merged – Rous Water, Far North Coast Weeds and Richmond River County Council. The rationale for building a 'custom' information architecture was that it would provide an EDRMS that was better tailored to the new organisation's unique role and operations as a multi-purpose county council.

2. LEADERSHIP TEAM'S REVIEW OF THE EDRMS PROJECT

Since the EDRMS project's change in scope more than two years ago, it has still not been completed and continues to be impacted by major delays. At this stage, there is no certainty as to when, or if, the project will be completed.

The total project budget was increased to \$307,000 to develop the 'custom' EDRMS. To date, around \$270,000 of this budget has already been spent on or committed to the project, with no real solution having been delivered that will benefit the organisation.

The project's poor performance and failures to date have been attributed to a number of factors, including:

- Key members of the project team failing to properly assess and understand the ramifications associated with developing a 'custom' EDRMS.
- Poor project management by both Rous County Council (RCC) project manager and the consultant.
- Loss of the organisation's key internal project officer, who was the only staff member with some relevant software development experience and knowledge.

The RCC project manager recently requested an additional \$61,000 in order to implement the 'custom' EDRMS, which it estimates may be completed in April 2019. There is an extensive list of outstanding tasks that need to be completed, including:

- User acceptance testing by the project team
- RecordPoint configuration/integration
- Task management module
- Notes and related documents plug-in
- Advanced workflows
- User training
- Supporting policy and procedures
- Determining production deployment rollout schedule
- RIMS data migration
- Wiki data migration

However, in light of its poor track record the project was suspended in November 2018 while the Leadership Team undertook a review of potential options.

3. OUTCOME OF LEADERSHIP TEAM REVIEW

The Leadership Team's review found that the organisation still requires a modern, compliant and robust EDRMS to be implemented. For the reasons outlined below, the Leadership Team decided that in order to achieve this outcome it is in the organisation's best interests to terminate the current project to develop a 'custom' EDRMS and instead implement a commercial 'off the shelf' EDRMS. This included a review of Council's corporate risk register which resulted in an adjusted risk rating from 'Medium' to 'High' for Item 29 - Loss of Corporate Information (absence of/poor record keeping).

The current status of the project was the subject of discussions at the November 2018 Audit, Risk and Improvement Committee meeting in relation to the internal audit report by Grant Thornton (outstanding actions for the Tendering and Contract Management audit). Subsequent to Council receiving this report, the Audit, Risk and Improvement Committee will receive a further update at its March 2019 meeting.

3.1 Termination of the current EDRMS project

The Leadership Team's review found a number of significant issues and other considerable concerns in relation to the EDRMS project's status and implementation, including:

- i. There are a number of 'unknown' additional costs associated with completing and implementing the 'custom' EDRMS. Although the consultant has been unable to provide any firm estimate of these additional costs, it is likely that around \$100,000 in additional budget will be required to complete the project.
- ii. The project team and the consultant have consistently failed to meet the project's milestones, deadlines and other key performance indicators. Moreover, a review in late 2017 highlighted that due to the 'custom' nature of the EDRMS being developed, it was difficult to predict when the project would be completed.
- iii. Due to the substantial time that has elapsed, the organisation's needs have now increased.
- iv. Various components of the 'custom' EDRMS have consistently and continually failed initial testing requirements. The turnaround time on the consultant resolving the issues identified during each round of testing continues to contribute to extensive delays in the project's delivery timeframes.
- v. The 'custom' nature of the EDRMS means the organisation will remain heavily reliant on the consultant into the future, even though the level of customisation actually provided in comparison to a standard EDRMS is unclear. There are also major concerns as to the level of support the consultant will provide for the final customised solution when it is built for the organisation.
- vi. There is no certainty that the completed 'custom' EDRMS will be fully compliant with State Archives and Records Authority of NSW requirements.

Due to the ongoing uncertainty as to its cost, timeframes, benefits and ultimate deliverables, the Leadership Team considered that further investment in the development of a 'custom' EDRMS was not a justifiable option and consequently terminated the current project.

3.2 Implementation of an alternate commercial 'off the shelf' EDRMS

The Leadership Team decided that ceasing the development of a 'custom' EDRMS and implementing an alternate commercial 'off the shelf' (COTS) EDRMS currently provides the most viable option.

For comparative purposes as part of the Leadership Team's review, a project budget estimate was sought from another technology consulting firm to fully implement an alternate COTS EDRMS. Micro Focus Content Manager was selected as the COTS EDRMS for these purposes. Content Manager is used extensively by state and NSW councils and is compliant with State Archives and Records Authority of NSW requirements.

Based on the project budget estimate provided, Content Manager could be fully implemented as the organisation's EDRMS for a total estimated cost of \$116,500, with an additional annual licensing fee of \$8,500.

Content Manager is only one of a number of alternate COTS EDRMS available that may be appropriate for the organisation's needs. A review of the organisation's current needs post merger will need to be undertaken to determine whether Content Manager is the most suitable solution or another COTS EDRMS would be more appropriate. Among other considerations, it will be important to ensure any COTS EDRMS selected is offered by a number of external suppliers so that the organisation is not dependent on one supplier for ongoing support into the future, especially if more cost effective support is available through other suppliers.

As such, the Leadership Team has resolved to form a small project team to review the organisation's current needs post merger and inform the system specifications for a future COTS EDRMS.

3.3 Integration of current EDRMS project with an 'off the shelf' EDRMS

Given the significant expenditure to date on attempting to develop a 'custom' EDRMS for the organisation, the Leadership Team's review also recognised the importance of, wherever possible, integrating any system elements developed so far with the COTS solution eventually implemented. The table below outlines the major expenditure to date on developing a 'custom' EDRMS, along with those items that may be integrated with a COTS EDRMS and those that will need to be written off.

Total budget allocated	\$307,000	
Description	Expenditure	Write Off / Integrate
Wiki (production Sharepoint)	\$24,000	TBC pending 'off the shelf' EDRMS solution selected.
RecordPoint	\$57,000	Write off
Development SharePoint	\$20,000	TBC pending 'off the shelf' EDRMS solution selected.
Ezescan	\$7,800	Can be fully integrated with 'off the shelf' EDRMS solutions.
Harmon.i.e	\$15,000	TBC pending 'off the shelf' EDRMS solution selected.
GA39 IA (Old IA)	\$55,000	Can be integrated, but rework will be needed to meet requirements of 'off the shelf' EDRMS solution selected.
Consultants	\$48,800	Write off
Total amount spent	\$227,600	
Committed	\$43,100	
Budget remaining	\$36,300	

4. LESSONS LEARNT

4.1 Poor understanding of developing a 'custom' solution

This was the first major project that aimed to develop a 'custom' solution for the organisation, despite the availability of numerous, suitable COTS solutions. As a result, this made the project unnecessarily complex.

The failure of the project has shown that the decision to develop a 'custom' EDRMS and associated information architecture was poorly informed, and due to a lack of experience, grossly underestimated the full ramifications. This inexperience was exacerbated by the loss of the organisation's key internal project officer, who was the only staff member with some relevant software development experience and knowledge.

Ultimately, the organisation has learnt the valuable lesson that the financial and human resources and time required to develop a 'custom' solution – including defining requirements, testing, monitoring and managing a third party developer – are significant. In the future, the organisation will implement suitable COTS solutions wherever possible, unless a strong and detailed business case is made for the development of a custom solution.

4.2 Poor project management

The project's failure to meet its targets, ongoing delays and many other related issues, as well as the lack of clear and direct communication between key members of the project team and the organisation's management, are due to poor internal project management.

Such failures and other issues highlight the importance of the organisation's new Project Management Framework, which was implemented in May 2018 and applies to all major projects. In particular, the new framework addresses many of the project management deficiencies associated with the EDRMS project such as: documentation of the total project plan, contractor specifications and contracts for supply and quality, undocumented scope creep, budget management and lack of forthright communication and reporting.

The new framework also clearly outlines the roles and responsibilities of those involved in a project. It especially defines who is a project stakeholder and who is a project team member. Review of the EDRMS project to date shows that a wide 'project team' was engaged without having any tasks to complete. However, the new framework highlights that this 'project team' was really a 'project reference group' and, as such, the actual project team should have comprised fewer, key members.

5. CONCLUSION

The EDRMS project has been unsuccessful. The project's failure and ongoing uncertainty have mainly been caused by the poor assessment and understanding of the significant resources needed to develop a 'custom' EDRMS solution as well as poor project management.

As a result, the Leadership Team has decided it is in the organisation's best interests to terminate the current project to develop a 'custom' EDRMS and implement a commercial 'off the shelf' EDRMS instead.

Utilising the organisation's new Project Management Framework, the implementation of a COTS EDRMS will better manage the timely and cost-effective delivery of a modern, compliant and robust records management solution, which the organisation still requires.

Phillip Rudd
General Manager

Quarterly Budget Review Statement for the quarter ending 31 December 2018

(2333/13)

Business activity priority

Results and sustainable performance.

Goal 7

Sustainable performance.

Recommendation

That Council note the result presented in the Quarterly Budget Review Statement of 31 December 2018 and authorise the variations to the amounts from those previously estimated.

Background

The Integrated Planning and Reporting (IP&R) framework sets out minimum standards of reporting that will assist Council in adequately disclosing its overall financial position and to provide sufficient additional information to enable informed decision-making and enhance transparency.

The Quarterly Budget Review Statement (QBRs) is made up of a minimum six key statements:

- (QBRs1) Statement by the Responsible Accounting Officer on Council's financial position
- (QBRs2) Budget Review Income and Expenses Statement
- (QBRs3) Budget Review Capital Budget
- (QBRs4) Budget Review Cash and Investments Position
- (QBRs5) Budget Review Contracts and Other Expenses
- (QBRs6) Budget Review Key Performance Indicators

For the information of Council, the original 2018/19 budget, was adopted on 20 June 2018 as part of the 2018/19 Operational Plan and the 2017/21 Delivery Program.

Governance

Finance

(QBRs1) Report by Responsible Accounting Officer

The following statement is made in accordance with clause 203(2) of the *Local Government (General) Regulation 2005*.

"It is my opinion that the Quarterly Budget Review Statement of Rous County Council for the quarter ended 31 December 2018 indicates that Council's projected financial position at 30 June 2019 will be satisfactory at year end, having regard to the projected estimates of income and expenditure, the original budgeted income and expenditure and Council's short-term liquidity position."



Guy Bezrouchko
Responsible Accounting Officer

Summary of proposed changes whole organisation - December 2018

Table 1

BUDGET ITEMS	Original Budget 2018/19	2017/18 Carryovers *	September	December	Projected year end result 2018/19
			30-Sep-18	31-Dec-18	
			Quarter	Quarter	
Operating Income					
Flood	940,900	0	1,379,300	(38,900)	2,281,300
Weeds	1,288,500	0	40,600	37,900	1,367,000
Retail	2,454,400	0	0	0	2,454,400
RWL	783,800	0	0	0	783,800
Commercial Property	241,600	0	0	0	241,600
Fleet	94,300	0	0	0	94,300
Bulk	17,215,400	0	0	171,500	17,386,900
TOTAL OPERATING REVENUES	23,018,900	0	1,419,900	170,500	24,609,300
Operating Expenses					
Flood	1,773,800	548,900	1,463,200	20,900	3,806,800
Weeds	1,255,700	103,000	50,600	37,900	1,447,200
Retail	2,314,500	0	(58,100)	0	2,256,400
RWL	779,500	0	0	0	779,500
Commercial Property	313,200	0	0	0	313,200
Fleet	90,300	0	0	0	90,300
Bulk	18,014,200	446,500	(106,500)	(57,700)	18,296,500
TOTAL OPERATING EXPENSES	24,541,200	1,098,400	1,349,200	1,100	26,989,900
OPERATING RESULT	(1,522,300)	(1,098,400)	70,700	169,400	(2,380,600)
Exclude depreciatoin	6,540,400	0	0	0	6,540,400
Cash result	5,018,100	(1,098,400)	70,700	169,400	4,159,800
Capital Income	8,172,600	0	0	0	8,172,600
Capital Expense	11,646,600	3,628,800	0	904,000	16,179,400
Transfers to reserves	2,790,700	0	164,600	19,400	2,974,700
Transfers from reserves	3,637,300	4,727,200	93,900	754,000	9,212,400
Loan Repayments	2,390,700	0	0	0	2,390,700
Estimated cash movement	0	0	0	0	0

Commentary on proposed adjustments – December 2018 (Table 1)

The following notes detail proposed budget variations on a fund basis as compared to the original budget and quarterly adjustments. For reporting purposes, only changes over \$5,000 are individually referenced.

Flood mitigation fund

(QBR2) Income & Expenses - Flood

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Interest Income / Sundry	40,000	0	0	0	40,000	26,779
Lismore Loan Repayments	65,000	0	0	0	65,000	35,958
Operating Contributions	721,600	0	0	0	721,600	356,300
Operating Grants	114,300	0	1,379,300	(38,900)	1,454,700	53,578
Profit on Sale	0	0	0	0	0	0
Total Operating Income	940,900	0	1,379,300	(38,900)	2,281,300	472,615
Operating Expense						
Administration Expenses	156,800	0	0	0	156,800	65,577
Finance Costs	66,700	0	0	0	66,700	3,412
Building/Depot Expenses	16,800	0	0	0	16,800	5,164
Fleet Operations	0	0	0	0	0	243
Fleet Hire Income	0	0	0	0	0	0
Fleet Hire Expense	53,500	0	0	0	53,500	27,220
Training & Staff	20,000	0	0	0	20,000	1,440
Insurance	41,600	0	0	0	41,600	38,819
Members Expenses	11,400	0	0	0	11,400	5,700
Salaries & Wages	264,900	103,400	9,200	79,200	456,700	207,379
Operations Purchases	294,000	445,500	1,454,000	(58,300)	2,135,200	471,976
Depreciation	848,100	0	0	0	848,100	397,507
Loss on Sale	0	0	0	0	0	0
Total Operating Expense	1,773,800	548,900	1,463,200	20,900	3,806,800	1,224,437
Operating Result	(832,900)	(548,900)	(83,900)	(59,800)	(1,525,500)	(751,822)
Less Depreciation	848,100	0	0	0	848,100	397,507
Operating Result Excl. Non Cash	15,200	(548,900)	(83,900)	(59,800)	(677,400)	(354,315)
Add Capital Income	60,000	0	0	0	60,000	0
Less Capital Expenses	200,000	14,300	0	0	214,300	91,157
Less Transfer to Reserve	0	0	0	19,400	19,400	0
Add Transfer from Reserve	124,800	563,200	83,900	79,200	851,100	470,845
Less Loan Repayments	0	0	0	0	0	25,373
Net Cash Movement	0	0	0	0	0	0

Grant funding

Tuckean Floodgate Management Plan Review: Council advised the Office of Environment and Heritage (OEH) in December 2018 that it intended to withdraw from the 2016/17 Natural Disaster Resilience Program Floodplain Grants Scheme.

The original grant application was to obtain accurate ground and water levels in the Tuckean Swamp and surrounding farmland to prepare a hydraulic model. Subsequently, OzFish separately obtained funding for a similarly related project at the Tuckean. The OzFish grant changed the scope of the original Council grant and after considerable consultation with OEH staff, the decision was made by Council to withdraw from the grant. OEH has formally accepted the withdrawal.

As part of the approved grants not received in 2017/18, a budget allocation of \$58,300 was raised in the September 2018 Quarterly Review on a 2:1 basis (\$38,900 grant + \$19,400 matching). These funds now need to be reversed.

Operational revenue	Grants and contributions - operating	Tuckean Floodgate Management Plan	(\$38,900)
Operating expenditure	Materials and contracts	Tuckean Floodgate Management Plan	\$58,300
Restricted assets	Internally restricted	Transfer from Grant matching	(\$19,400)
		Impact on cash surplus	\$0

Voluntary House Raising (VHR): Notification was received from OEH that Council has been approved access to the VHR funding pool, under the 2018/19 Floodplain Management Program.

Council has been advised by OEH that VHR grants are offered as a pool of funding across NSW, and Council is not guaranteed funding. Council's application was for raising 15 houses over 3 years.

The funding pool is believed to be already low. Staff have reviewed the priority list and are reaffirming expressions of interest from homeowners that are high on the current priority list. This priority list is based on the current Lismore Flood Risk Management Plan.

The intention is to seek funding from the pool for up to five houses, in the first year, as per the original plan.

Irrespective of the level of success, the financial impact is zero, as all matching contributions are met by external sources (property owners).

Staff positions

A bulk funded staff member has commenced a secondment to undertake important community engagement tasks for flood mitigation (Floodplain Engagement Officer). This position requires a budget allocation of \$79,200 to be funded from flood reserves, with a corresponding decrease to reinstate the bulk fund.

Operating expenditure	Salary and wages		(\$79,200)
Restricted assets	Internally restricted	Transfer from infrastructure	\$79,200
		Impact on cash surplus	\$0

Weed biosecurity fund

(QBR2) Income & Expenses - Weeds

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Interest Income / Sundry	20,800	0	0	0	20,800	17,091
Operating Contributions	766,400	0	0	0	766,400	387,028
Operating Grants	501,300	0	40,600	37,900	579,800	0
Profit on Sale	0	0	0	0	0	0
Total Operating Income	1,288,500	0	40,600	37,900	1,367,000	404,119
Operating Expense						
Administration Expenses	225,400	0	0	0	225,400	113,065
Finance Costs	4,200	0	0	0	4,200	0
Building/Depot Expenses	15,700	0	0	0	15,700	7,668
Fleet Operations	1,500	0	0	0	1,500	188
Fleet Hire Income	0	0	0	0	0	0
Fleet Hire Expense	115,200	0	0	0	115,200	57,600
Training & Staff	21,200	0	0	0	21,200	6,589
Insurance	33,800	0	0	0	33,800	30,762
Members Expenses	12,500	0	0	0	12,500	6,500
Salaries & Wages	764,700	0	50,600	0	815,300	355,726
Operations Purchases	38,100	103,000	0	37,900	179,000	17,238
Depreciation	23,400	0	0	0	23,400	7,378
Loss on Sale	0	0	0	0	0	34,022
Total Operating Expense	1,255,700	103,000	50,600	37,900	1,447,200	636,736
Operating Result	32,800	(103,000)	(10,000)	0	(80,200)	(232,617)
Less Depreciation	23,400	0	0	0	23,400	7,378
Operating Result Excl. Non Cash	56,200	(103,000)	(10,000)	0	(56,800)	(225,239)
Add Capital Income	0	0	0	0	0	5,000
Less Capital Expenses	20,000	0	0	0	20,000	51,946
Less Transfer to Reserve	36,200	0	0	0	36,200	0
Add Transfer from Reserve	0	103,000	10,000	0	113,000	272,185
Less Loan Repayments	0	0	0	0	0	0
Net Cash Movement	0	0	0	0	0	0

Grant funding

Weeds Action Program (WAP): In December 2018, Local Land Services released the 2018/19 WAP funding split for the fourth year of the five-year grant.

In line with the Funding Deed, expenditure is allocated across the 15 objectives as specified in the project plan. These activities relate to the NSW Invasive Species Plan.

The original budget allocation for WAP funds was based on an estimate of \$501,300. An increase of \$37,900 to operating budgets is required to recognise the actual grant funding received, of \$539,200. Note: LLS have held recent discussions on funding and there is a chance that this amount may change again.

Operational revenue	Grants & contributions - operating	WAP 2018-19 (LLS)	\$37,900
Operating expenditure	Materials and contracts	WAP	(\$37,900)
		Impact on cash surplus	\$0

Staff positions

As discussed at the Council Workshop in November 2018 an additional one Weed Control Team member is required for two years.

As the region's local Weed Control Authority, Council has legislative functions that it must perform under the *Biosecurity Act 2015* (the Act). To perform these functions and ensure a consistent approach is applied throughout the north coast region, a Regional Weed Management Plan (the Plan) was developed by the North Coast Regional Weeds Committee. The Plan is built around the theory of the Prevention, Eradication, Containment and Asset Protection (PECA) curve, whereby it is acknowledged that generally, the further along the PECA when managing weeds, the less likely that control will be suitable and/or cost-effective.

To ensure Council can continue to meet its obligations under the Act and the targets set out in the Plan additional resources will be required. Control works targeting Prevention and Eradicate species is currently greater than the current control team can manage and will only increase as more regional weed threats are exposed. For example, there are more than 1072 sites across the six local government areas recorded as containing high priority weeds such as Miconia, Cecropia and Tropical Soda Apple, which require control.

In order to temporarily (2 years - until the end of the WAP funding) achieve the required level of control works, which will more reliably see that Prevention and Eradication species are rapidly managed using best practice management, will require an additional one staff member. An additional one person to the existing team of 2.5, bringing to a total of three full time staff in the field, would improve the efficiency of the operations.

For example:

A contractor brought in to carry out roadside weed control (a high-risk pathway), utilising existing funding, could be teamed up with the three weed control operators to establish two independent teams working in tandem along a section of road under traffic control.

An additional team control member would enable continuation of operations when one of the team is on leave or in training. With the current field-based team of two, when one is unavailable, it affects the productivity of the second staff member, whereas the third team member could allow work to continue as planned.

An additional team would allow more efficient use of spray equipment, particularly on roadsides, where minimisation of time on the roadsides is important for safety reasons. Council's spray equipment has two spray hoses attached to the tank, so one driver and two spraying is a very efficient way of covering an area quickly and comprehensively.

The budget required for the two-year placement of an additional team member is \$70,000 a year. The majority of the expenditure will occur in the next two financial years and will be recognised through the preparation of the 2019/20 budget. It is anticipated that the new staff member will commence in the last quarter of 2018/19. Additional WAP funding identified above will be allocated to the new staff wages.

Retail fund

(QBR2) Income & Expenses - Retail

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Water Sales	2,411,700	0	0	0	2,411,700	1,273,826
Interest Income / Sundry	14,700	0	0	0	14,700	16,434
Operating Grants	28,000	0	0	0	28,000	197
Profit on Sale	0	0	0	0	0	0
Total Operating Income	2,454,400	0	0	0	2,454,400	1,290,457
Operating Expense						
Administration Expenses	82,100	0	0	0	82,100	55,406
Administration - Bulk Water Cost	1,334,100	0	0	0	1,334,100	666,900
Building/Depot Expenses	500	0	0	0	500	844
Fleet Hire Expense	76,500	0	0	0	76,500	38,340
Salaries & Wages	586,800	0	(58,100)	0	528,700	232,805
Operations Purchases	100,400	0	0	0	100,400	76,518
Depreciation	134,100	0	0	0	134,100	81,722
Loss on Sale	0	0	0	0	0	0
Total Operating Expense	2,314,500	0	(58,100)	0	2,256,400	1,152,535
Operating Result	139,900	0	58,100	0	198,000	137,922
Less Depreciation	134,100	0	0	0	134,100	81,722
Operating Result Excl. Non Cash	274,000	0	58,100	0	332,100	219,644
Add Capital Income	0	0	0	0	0	14,590
Less Capital Expenses	350,000	0	0	0	350,000	233,554
Less Transfer to Reserve	0	0	58,100	0	58,100	680
Add Transfer from Reserve	76,000	0	0	0	76,000	0
Less Loan Repayments	0	0	0	0	0	0
Net Cash Movement	0	0	0	0	0	0

No budget adjustment required.

Richmond Water Laboratory fund

(QBR2) Income & Expenses - Richmond Water Laboratory

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Water Sales	777,100	0	0	0	777,100	382,585
Interest Income / Sundry	6,700	0	0	0	6,700	3,861
Total Operating Income	783,800	0	0	0	783,800	386,446
Operating Expense						
Administration Expenses	40,500	0	0	0	40,500	17,382
Building Expenses	56,300	0	0	0	56,300	19,012
Fleet Hire Expense	20,600	0	0	0	20,600	10,400
Salaries & Wages	449,400	0	0	(132,400)	317,000	165,619
Operations - Materials & Contract	157,100	0	0	132,400	289,500	140,732
Operations - Licences/Accreditatic	22,000	0	0	0	22,000	12,625
Operations - Equipment	8,600	0	0	0	8,600	17,397
Depreciation	25,000	0	0	0	25,000	6,527
Loss on Sale	0	0	0	0	0	0
Total Operating Expense	779,500	0	0	0	779,500	389,694
Operating Result	4,300	0	0	0	4,300	(3,248)
Less Depreciation	25,000	0	0	0	25,000	6,527
Operating Result Excl. Non Cash	29,300	0	0	0	29,300	3,279
Add Capital Income	0	0	0	0	0	0
Less Capital Expenses	30,000	0	0	0	30,000	6,889
Less Transfer to Reserve	0	0	0	0	0	0
Add Transfer from Reserve	700	0	0	0	700	3,610
Less Loan Repayments	0	0	0	0	0	0
Net Cash Movement	0	0	0	0	0	0

Staff positions

A number of labour hire personnel have been engaged to temporarily fill vacant positions that have arisen from unplanned leave and staff being seconded to other positions within Council. This has resulted in a budget saving to salary and wages, but an increase to contractors.

A reallocation of \$132,400 from salary and wages to contractors is required to meet future commitments for the remainder of the 2018/19 financial year.

This adjustment has no impact on forecast operating result.

Operating expenditure	Salary & wages		\$132,400
Operating expenditure	Materials and contracts		(\$132,400)
		Impact on cash surplus	\$0

Property fund

(QBR2) Income & Expenses - Commercial Properties

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Interest Income / Sundry	0	0	0	0	0	2,236
Property Income	241,600	0	0	0	241,600	105,498
Profit on Sale	0	0	0	0	0	0
Total Operating Income	241,600	0	0	0	241,600	107,734
Operating Expense						
Administration Expenses	40,000	0	0	0	40,000	13,600
Building - Maintenance	95,700	0	0	0	95,700	40,968
Building - Lease	68,100	0	0	0	68,100	34,803
Perradenya Estate Operations	60,000	0	0	0	60,000	18,754
Fleet Hire Expense	0	0	0	0	0	0
Members Expenses	0	0	0	0	0	0
Salaries & Wages	0	0	0	0	0	0
Operations Purchases	0	0	0	0	0	0
Depreciation	49,400	0	0	0	49,400	31,256
Loss on Sale	0	0	0	0	0	0
Total Operating Expense	313,200	0	0	0	313,200	139,381
Operating Result	(71,600)	0	0	0	(71,600)	(31,647)
Less Depreciation	49,400	0	0	0	49,400	31,256
Operating Result Excl. Non Cash	(22,200)	0	0	0	(22,200)	(391)
Add Capital Income	5,549,600	0	0	0	5,549,600	0
Less Capital Expenses	2,772,900	1,840,100	0	0	4,613,000	1,533,372
Less Transfer to Reserve	2,754,500	0	0	0	2,754,500	0
Add Transfer from Reserve	0	1,840,100	0	0	1,840,100	1,533,763
Less Loan Repayments	0	0	0	0	0	0
Net Cash Movement	0	0	0	0	0	0

No budget adjustment required.

Fleet fund

(QBR2) Income & Expenses - Fleet

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Interest Income / Sundry	94,300	0	0	0	94,300	47,603
Profit on Sale	0	0	0	0	0	21,305
Total Operating Income	94,300	0	0	0	94,300	68,908
Operating Expense						
Fleet Operations	412,000	0	0	0	412,000	202,552
Fleet Hire Income	(707,200)	0	0	0	(707,200)	(376,229)
Fleet Hire Expense	0	0	0	0	0	0
Training & Staff	0	0	0	0	0	0
Salaries & Wages	30,000	0	0	0	30,000	9,169
Operations Purchases	0	0	0	0	0	1,366
Depreciation	355,500	0	0	0	355,500	222,989
Loss on Sale	0	0	0	0	0	8,717
Total Operating Expense	90,300	0	0	0	90,300	68,564
Operating Result	4,000	0	0	0	4,000	344
Less Depreciation	355,500	0	0	0	355,500	222,989
Operating Result Excl. Non Cash	359,500	0	0	0	359,500	223,333
Add Capital Income	0	0	0	0	0	71,827
Less Capital Expenses	393,700	0	0	0	393,700	118,832
Less Transfer to Reserve	0	0	0	0	0	176,328
Add Transfer from Reserve	34,200	0	0	0	34,200	0
Less Loan Repayments	0	0	0	0	0	0
Net Cash Movement	0	0	0	0	0	0

No budget adjustment required.

Bulk fund

(QBR2) Income & Expenses - Bulk

	Original Budget 2018/19	2017/18 Carryovers	Approved Changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Operating Income						
Water Sales	16,483,800	0	0	0	16,483,800	8,241,906
Interest Income / Sundry	715,100	0	0	171,500	886,600	451,545
Property Income	14,400	0	0	0	14,400	8,785
Lismore Loan Repayments	0	0	0	0	0	0
Operating Contributions	0	0	0	0	0	1,000
Operating Grants	0	0	0	0	0	0
Profit on Sale	2,100	0	0	0	2,100	0
Total Operating Income	17,215,400	0	0	171,500	17,386,900	8,703,236
Operating Expense						
Administration Expenses	(609,800)	0	0	21,500	(588,300)	(340,484)
Finance Costs	1,760,100	0	0	0	1,760,100	521,375
Building/Depot Expenses	1,825,500	0	0	0	1,825,500	770,886
Fleet Operations	4,800	0	0	0	4,800	129
Fleet Hire Income	(11,900)	0	0	0	(11,900)	0
Fleet Hire Expense	360,600	0	0	0	360,600	179,820
Training & Staff	620,800	0	0	0	620,800	180,617
Insurance	202,200	0	0	0	202,200	176,439
Members Expenses	169,900	0	0	0	169,900	53,701
Salaries & Wages	5,397,900	276,600	(106,500)	(79,200)	5,488,800	2,576,052
Operations Purchases	3,189,200	169,900	0	0	3,359,100	1,322,941
Depreciation	5,104,900	0	0	0	5,104,900	2,650,121
Loss on Sale	0	0	0	0	0	84
Total Operating Expense	18,014,200	446,500	(106,500)	(57,700)	18,296,500	8,091,681
Operating Result	(798,800)	(446,500)	106,500	229,200	(909,600)	611,555
Less Depreciation	5,104,900	0	0	0	5,104,900	2,650,121
Operating Result Excl. Non Cash	4,306,100	(446,500)	106,500	229,200	4,195,300	3,261,676
Add Capital Income	2,563,000	0	0	0	2,563,000	1,665,809
Less Capital Expenses	7,880,000	1,774,400	0	904,000	10,558,400	2,331,836
Less Transfer to Reserve	0	0	106,500	0	106,500	1,427,984
Add Transfer from Reserve	3,401,600	2,220,900	0	674,800	6,297,300	0
Less Loan Repayments	2,390,700	0	0	0	2,390,700	1,167,665
Net Cash Movement	0	0	0	0	0	0

Investments

The original budget for investment interest of \$700,000 was based on a forecast average held balance of \$27M with a 2.5% rate of return. While the rate of return has remained unchanged, the portfolio size of funds held remains in excess of \$30M.

Based on these factors and considering anticipated cash flow requirements, the adjusted forecast investment interest for 30 June 2019 is expected to reach \$850,000. This is a positive budget adjustment of \$150,000.

It is proposed to restrict these additional funds within the infrastructure replacement reserve. By transferring the funds to restricted assets, these adjustments will have no impact on the forecast operating result.

Operational revenue	Interest and investment	Interest on investments	\$150,000
Restricted assets	Internally restricted	Infrastructure reserve	(\$150,000)
		Impact on cash surplus	\$0

Safety rebate

Rous received a Work Health and Safety early reporting incentive payment of \$21,500 from StateCover in relation to the 2017/18 financial year. It is proposed to utilise these funds to offset the cost of the WHS internal audit that will be undertaken by Grant Thornton in March 2019.

Operational revenue	Sundry revenue	StateCover	\$21,500
Operating expenditure	Materials and contracts	Internal audit	(\$21,500)
		Impact on cash surplus	\$0

Staff positions

As discussed at the Council Workshop in November 2018 an additional two Bush Regeneration Team members are required for three years.

As part of Council's catchment management program for the drinking water supply catchments, Council operates a Bush Regeneration team that consists of two full-time field-based positions and a full-time supervisor who is shared with the Weed Control team.

Council's bush regeneration program manages over 391 hectares and is regarded as a showcase example to illustrate bush restoration practices in Northern NSW.

The primary focus of this work is to undertake buffer zone establishment on Council-owned lands around our key water supply sources. This buffer zone work provides a key component of the water quality protection measures undertaken in our water catchment areas. In order to best estimate and plan for restoration works and associated costs, on Council land, a generalised assessment of site condition, weed composition and cover, and other management requirements, has been undertaken. The output of this is a Management Intensity Class (MIC) which quantifies the resources required to effectively maintain the Council estate.

Utilising this MIC for each parcel of land that Council owns within the catchment, it has been estimated that to effectively maintain the buffer zones on the Council estate will require an additional two (2) team members. This will bring the Bush Regeneration team up to 4.5 EFT, four of whom are full time field staff.

The engagement of two additional staff will have a financial impact of \$140,000 each year. It is anticipated that the new staff will commence in the final quarter of 2018/19. A budget allocation of \$35,000 to salaries and wages is required.

To meet our commitments to private landowners and school sites, will not require any additional staff. Through the use of external contractors, funding of \$221,000 over the next two years, will allow Council to bring these sites up to an acceptable level, so they can be handed back to the landowners and schools and they will be able to continue with the maintenance of these sites post-Council involvement. This funding will be added to the 2019/20 budget for Council consideration.

Operating expenditure	Salary & wages		(\$35,000)
Restricted assets	Internally restricted	Infrastructure reserve	\$35,000
		Impact on cash surplus	\$0

Capital Works

Nightcap Ozone Destructor System: It is proposed to increase the capacity of the ozone destructor system to draw off increased amounts of excessive ozone from the contact tank during water height changes. An additional amount of \$40,000 is required to purchase the destructor.

It is proposed to reallocate potential savings identified in the Rocky Creek Dam aerator budget. A brief is currently being prepared for a consultant to review the aerator and identify possible improvements. Given the current condition of the aerator, it is unlikely the original budget will be fully utilised.

Capital expenditure	Contractors	NCWTP	(\$40,000)
	Contractors	RCD Aerator	\$40,000
		Impact on cash surplus	\$0

RCD spillway: A number of activities have occurred in 2018/19 to progress this project, however they have been delayed due to unfavourable weather conditions. Heavy rains through mid-October 2018 caused the dam to spill over, with the dam water level continuing to sit around 90% through until later in 2018. An assessment determined that the risk was too high to attempt to commence construction works due to the summer storm season and the potential of heavy rainfall while works are being undertaken. Typically, the dam will spill over through from December \ January through until June \ July. Any further construction work will be postponed until suitable conditions are available between July and October 2019.

It is proposed to reallocate the remaining budget to the Water Management Database project (see below). Funding to complete the remaining remedial RCD spillway works will be requested via the 2019/20 budget process.

Rocky Creek Dam (RCD) Spillway			
Approved Budget	Actual	Committed	Reallocation
\$120,000	\$15,500	\$0	\$104,500

Dam Safety Emergency Plans (DSEP): Council has engaged a specialist dam hydrology and safety consultant to undertake a complete revision of the DSEP and incorporate the recommendations from the 2012 Surveillance report as directed by the NSW Dams Safety Committee.

It is proposed to transfer \$124,000 from the Emigrant Creek Dam anchors project as significant savings have been realised, as this project is now complete. There is no impact on operating result.

Emigrant Creek Dam (ECD) Anchors			
Approved Budget	Actual	Committed	Reallocation
\$474,000	\$290,270	\$21,775	\$131,500

Capital expenditure	Contractors	DSEP – Rocky Creek Dam	(\$46,400)
	Contractors	DSEP – Emigrant Creek Dam	(\$77,600)
	Contractors	ECD Anchors	\$124,000
		Impact on cash surplus	\$0

Nightcap Water Treatment Plant Tunnel Bulkhead Project: Council resolved [122/18] at the December 2018 meeting to fund an additional budget amount of \$1,640,000, to complete the existing project.

Of this amount \$1,000,000 will be allocated to the 2018/19 budget and the remaining \$640,000 to the 2019/20 budget.

Capital expenditure	Contractors	Tunnel project	(\$1,000,000)
Restricted assets	Internally restricted	Infrastructure reserve	\$1,000,000
		Impact on cash surplus	\$0

Water Management Database (WMDB): In 2016, Council's Internal Auditor noted a lack of periodic reporting with regard to water testing results for water quality, with records via a paper-based system and no centralised database to readily access information.

An internal project team of engineering and IT staff commenced the development of a specification for a WMDB. The objectives of the WMDB system are to improve Council's ability to monitor, analyse and report data, and to reduce demand on existing resources. In October 2018, tenders were called for the supply and implementation of a Commercial Off-the-Shelf (COTS) software solution to meet Council's water quality management needs.

An amount of \$100,000 was allocated in the 2018/19 budget for the WMDB project, of which \$83,000 remains. A further budget allocation in 2018/19 of \$177,000 is required to complete the project. It is proposed to reallocate the required funds from savings identified in three capital projects.

Electronic Document & Record Management System (EDRMS) (Project has been cancelled)			
Approved Budget	Actual	Committed	Reallocation
\$100,000	\$34,931	\$0	\$65,000

Capital expenditure	Contractors	WMDB	(\$177,000)
	Contractors	RCD Spillway	\$104,000
	Contractors	EDRMS (Cancelled)	\$65,000
	Contractors	ECD Anchors	\$7,500
		Impact on cash surplus	\$0

Budget review for the quarter ended 31 December 2018

(QBR3) Capital Budget

	Original Budget 2018/19	2017/18 Carryovers	Approved changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19	Actual YTD
Capital Funding:						
Capital grants & contributions	0	14,300	0	0	14,300	0
Internal restrictions						
- renewals	9,078,100	1,653,300	0	(96,000)	10,635,400	2,719,083
- new assets	200,000	210,200	525,000	1,000,000	1,935,200	1,453,975
External restrictions						
- infrastructure	0	0	0	0	0	0
Other capital funding sources						
- operating revenue	0	0	0	0	0	0
Income from sale of assets						
- plant and equipment	0	0	0	0	0	72,127
- land and buildings	5,549,600	0	0	0	5,549,600	0
Total capital funding	14,827,700	1,877,800	525,000	904,000	18,134,500	4,245,185
Capital Expenditure:						
New assets						
- office equipment	0	210,200	0	0	210,200	52,347
- inventory (land)	2,368,500	1,751,000	525,000	0	4,644,500	1,258,227
- infrastructure	200,000	0	0	1,000,000	1,200,000	143,401
- land and buildings	0	0	0	0	0	0
Renewals (replacement)						
- plant and equipment	428,700	0	0	0	428,700	149,571
- office equipment	270,000	40,600	0	0	310,600	80,935
- land and buildings	726,400	671,800	0	0	1,398,200	653,289
- infrastructure	7,653,000	955,200	0	(96,000)	8,512,200	1,907,415
Total capital expenditure	11,646,600	3,628,800	525,000	904,000	16,704,400	4,245,185

Budget review for the quarter ended 31 December 2018

(QBRs4) Cash & Investments

	Opening Balances 2018/19	Original Budget 2018/19	2017/18 Carryovers	Approved changes Sept Review	Recommend changes for Council Resolution	Projected year end result 2018/19
Unrestricted:						
Flood mitigation	703,759	0	0	0	0	703,759
Weeds biosecurity	918,513	0	0	0	0	918,513
Bulk water	991,244	0	0	0	0	991,244
Total externally restricted	2,613,516	0	0	0	0	2,613,516
Externally restricted:						
Flood grants	353,400	0	(353,400)	0	0	0
Weeds grants	93,500	0	(93,500)	0	0	0
Weeds other	306,500	0	0	0	0	306,500
Bulk grants	13,600	0	(13,600)	0	0	0
Bulk other	2,950,000	0	0	0	0	2,950,000
Total externally restricted	3,717,000	0	(460,500)	0	0	3,256,500
Internally restricted:						
Flood mitigation	1,327,547	(124,800)	(209,800)	(84,300)	(59,800)	848,847
Weeds biosecurity	55,722	36,200	(9,500)	0	0	82,422
Retail water	606,947	(76,000)	0	58,100	0	589,047
Richmond Water laboratories	351,308	(700)	0	0	0	350,608
Commercial Properties	1,395,495	2,754,500	(1,840,100)	0	0	2,309,895
Fleet	1,331,308	(34,200)	0	0	0	1,297,108
Bulk water	24,885,080	(3,401,600)	(2,207,300)	106,500	(674,800)	18,707,880
Total internally restricted	29,953,407	(846,600)	(4,266,700)	80,300	(734,600)	24,185,807
Total restricted	33,670,407	(846,600)	(4,727,200)	80,300	(734,600)	27,442,307

General comment only**(QBRs4) Cash and investments****Investment statement**

The Responsible Accounting Officer certifies that all funds including those under restriction have been invested in accordance with section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2005* and Council's Investment policy.

Cash bank statement

The Responsible Accounting Officer certifies that Council's bank statement has been reconciled up to and including 31 December 2018.

Reconciliation

The YTD cash and investment figure reconciles to the actual balances held as follows:

	\$
Cash at Bank (as per bank statements)	625,092
Investments on Hand	34,760,897
Reconciled Cash at Bank & Investments	35,385,989
Balance as per Review Statement:	35,385,989

(QBR5) contractors

Contractor	Contract details & purpose	Contract value (\$)	Comm. date	Duration of contract	Budgeted (Y/N)
Detection Services	Water loss management plan	96,710	30/11/2018	20 wks	Y
Premier 3D Painting	Repaint exposed steel pipes - St Helena	118,710	21/01/2019	12 wks	Y

Note: Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.

(QBR5) consultancy and legal expenses**Definition of 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 consultant from other contractors.

Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	\$47,417	Y
Legal Fees	\$3,147	Y

Comment: All consultancies and legal expenses incurred to date are within budget allocations. All figures exclude GST.

Legal fees		
	People and Performance – Land transfer	\$1,482
	People and Performance – Advice	\$1,665
Consultancies		
	Corporate and Commercial – RAP Advisory Group	\$2,459
	Corporate and Commercial – Development Servicing Review	\$5,928
	Corporate and Commercial – IT Strategy	\$16,452
	Corporate and Commercial – Software support	\$1,220
	Corporate and Commercial – RWL Review	\$4,480
	General Manager – NOROC	\$9,000
	Planning and Delivery – Flood Review	\$5,903
	Planning and Delivery – Asset Transfer	\$1,975

Statement of expenses for councillors

Councillor expenses for the quarter ending 31/12/18 (Q1)

	Other expenses	Official business of Council - excluding professional development	Official business of Council - professional development	Total by Councillor (Q2)	Total by Councillor YTD
Councillor Cadwallader	0	676	0	676	1,272
Councillor Cameron	0	207	0	207	258
Councillor Cook	0	180	0	180	714
Councillor Ekins	0	0	0	0	1,044
Councillor Humphrys	0	106	0	106	766
Councillor Mustow	0	0	0	0	0
Councillor Richardson	0	0	0	0	0
Councillor Williams	0	0	0	0	498
Councillor site visits	0	0	0	0	0
Total per expense type	0	1,169	0	1,169	4,553

Budget 2018/19 FY

39,500

Remaining budget

34,947

This information is provided in accordance with paragraph 6.2 of the 'Payment of expenses and provision of facilities for chairperson and councillors' policy.

(QBR56) key performance indicators

In assessing an organisation's financial position, there are several performance indicators that can assist to easily identify whether or not an organisation is financially sound. These indicators and their associated benchmarks, as stipulated by Office of Local Government, are set out below:

	# Performance Indicator		Flood	Weeds	Retail	RWL	Property	Fleet	Bulk	Consolidated	Local Government Bench Mark
1	Operating Performance	2018/19 Budget Sept Review	(1,525,500)	(80,200)	198,000	4,300	(71,600)	4,000	(909,600)	(2,380,600)	Surplus
		2017/18 Actual	(873,459)	50,845	326,215	81,631	(40,475)	90,853	2,000,165	1,635,775	
2	Current Ratio	2018/19 Budget Sept Review	10.16	3.30	30.67	33.20	8.60	59.91	3.50	4.03	> 1.5
		2017/18 Actual	26.10	4.30	31.49	55.57	18.24	62.78	6.14	6.30	
3	Debt Service Cover Ratio	2018/19 Budget Sept Review	(10.77)	-	-	-	-	-	1.45	1.44	> 2
		2017/18 Actual	2.80	-	-	-	-	-	2.57	2.81	
4	Own Source Operating Revenue Ratio	2018/19 Budget Sept Review	4%	2%	99%	100%	100%	100%	87%	77%	> 60%
		2017/18 Actual	9%	2%	99%	100%	100%	100%	78%	74%	
5	Building and Infrastructure Renewals Ratio	2018/19 Budget Sept Review	0.26 : 1	-	-	-	9.99 : 1	-	1.59 : 1	1.48 : 1	> 1:1
		2017/18 Actual	0.05 : 1	-	-	-	0.19 : 1	-	0.31 : 1	0.20 : 1	

Comments on key performance indicators

Please note that comments relate to the consolidated financial indicators.

1. Operating result before capital contributions

The operating result is the profit or loss that Council makes from normal operations excluding expenditure on capital items. A surplus is a positive financial indicator.

Comment: Council's operating result (deficit) before capital items has increased compared with the original budgeted deficit of \$1,522,300.

Original Budgeted Deficit	(\$1,522,300)
Projected year end result 2018/19	(\$2,380,600)
	(\$858,300)

The increase can be attributed to carry over works (\$1.098M) reinstated from 2017/18 and operating expenses (\$1.350M), offset by revenue from grant funding (\$1.419M), investment interest (\$150k) and insurance rebates (\$21k).

Carryovers/reinstatements	(\$1,098,400)
Expenses	(\$1,350,300)
Revenue	\$1,590,400
	(\$858,300)

Note: Operating results include depreciation of \$6,540,300 which is non-cash.

2. Current ratio liquidity

The current ratio measures Council's ability to pay existing liabilities in the next 12 months. A ratio greater than one is a positive financial indicator.

Comment: The above ratio means that for every dollar that Council owes in the short term, it has \$4.03 available in assets that can be converted to cash.

3. Debt service cover ratio

This ratio demonstrates the cost of servicing Council's annual debt obligations (loan repayments, both principal and interest) as a portion of available revenue from ordinary activities. A higher ratio is a positive financial indicator.

Comment: Ratio, as a percentage of ordinary revenue, is consistent with the Long Term Financial Plan. Due to the timing of loan repayments, the ratio is reduced in the first quarter as the majority of loan repayments occur in the second and fourth quarters.

4. 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. A Council's financial flexibility improves the higher the level of its own source revenue. A higher ratio is a positive financial indicator.

Comment: The above percentage demonstrates that the majority of Council's income is generated from user fees and charges, i.e. water sales.

5. Building and infrastructure renewal ratio

This ratio indicates the rate of renewal/replacement of existing assets against the depreciation of the same category of assets. A ratio greater than one is a positive financial indicator.

Comment: The current ratio reflects Council's normal practices, while past years have been impacted by new work associated with the relocation of assets for the Woolgoolga to Ballina Pacific Highway upgrade and the Rocky Creek Dam tunnel.

Legal

In accordance with clause 203 of the *Local Government (General) Regulation 2005*, Council's financial position is satisfactory having regard to the original estimate of income and expenditure and Council's projected short-term liquidity position.

Consultation

This report was prepared in consultation with the General Manager, managers and relevant staff.

Conclusion

In summary, all budget items other than those identified in the report have performed within the parameters set by Council in adopting the 2018/19 Operational Plan.

Guy Bezrouchko
Group Manager Corporate and Commercial

Letting of Contract 2550.1 – Water Management Database supply and implementation

(2550.1/18)

Business activity priority	Information and knowledge
Goal	Create value through applying knowledge

Recommendation

1. Contract 2550.1 for the Supply and Implementation of a Water Management Database software solution be let to SRA Information Technology Pty Ltd, for the amount of \$196,830 (excluding GST).
2. An additional amount of \$177,000 (inclusive of a \$37,800 contingency) be allocated to the project from savings in the 2018/19 budget.

Background

In 2016, Council's Internal Auditor noted a lack of reporting with regard to water testing results for water quality on a periodic basis, with records via paper-based system and no centralised database to readily access the information. This has remained as an incomplete item on the Internal Audit report to Council's Audit, Risk and Improvement Committee meetings.

The then Rous Water Executive Team had previously endorsed an internal project team of engineering and IT staff to develop a Water Management Database, approving a budget submission of \$150,000 for the 2016/17 financial year, which was subsequently adopted into that budget.

In 2016, a public call was made for Expressions of Interest (EOI) from software suppliers for a water quality management system. Product demonstrations from six shortlisted companies were held. In 2017, the scope of the project was amended to include Richmond Water Laboratories' (RWL) information. Three of the original respondents were requested to provide additional information to address this change. In 2018, the project was redefined, with a clear specification of Council's needs, and a public call for Tenders for the supply and implementation of a Commercial Off-the-Shelf (COTS) software product was undertaken.

It is noted that between the EOI in 2016/17 and the current Tender, the scope of work has been refined significantly and more detail has been provided on the needs of Council. At the time of the EOI, Council was less definitive about its needs and unclear about what the market could deliver.

Council staff have managed the document preparation and tendering process. The pre-Tender estimate for the redefined project was \$226,000 (excl GST), of which \$206,000 was the software product cost.

Purpose of the Water Management Database

The objectives of the Water Management Database (WMDB) system are to improve Council's ability to monitor, analyse and report data, and to reduce demand on existing resources. The system must be capable of:

- Automatic upload of data from external databases and other sources, including Richmond Water Laboratories and ClearSCADA.
- Real-time capture of data in the field.
- Automatic data-quality checking and alert monitoring.
- Statistical analysis and trending.
- Data export.
- Scheduled and custom reporting.

Council does not currently have a single computerised system to centrally record, analyse and report on multiple data sources in an efficient and accurate way. The identification of and response to a water quality event relies on a number of different staff at Council, and is subject to staff leave, manual review of data and data quality issues.

The current processes are resource intensive and inconsistent. Council's current reporting requirements include:

- An annual Drinking Water Management Strategy review.
- Reports on monthly water consumption and production.
- Monthly, annual and 5-year reports on water quality results, particularly exceedances and incidents.

All are resource-intensive tasks for Council staff and involve a significant amount of time collating and reviewing historical data. Other data reports, such as water quality performance, are not done, primarily because Council has no facility to do so.

The major benefits of introducing a WMDB include:

- Provides an enterprise approach to water quality data management.
- Provides improvement to existing work practices, including the ability to efficiently provide timely reporting to all relevant stakeholders.
- Reduces Council's exposure to risk, by reducing errors in data management and providing more timely information.
- Facilitates transparency by providing greater access and visibility of previous, current and emerging issues associated with water quality.
- The ability to look back at years' worth of data with absolute certainty of source, quality and accuracy.

Should a WMDB not be implemented, implications include:

- Continuation of inefficient manual practices in managing water quality data.
- Risk of missing a critical exception result associated with the manual entry of data from many disparate sources.
- Risk of non-action from incorrect manual review of data, and subsequent implications for Council, including potential legal action and damage to the organisation's reputation.

Tendering process

Tenders were called on Monday, 8 October 2018 and closed at 12 noon on Wednesday, 31 October 2018. Two addendums were issued during the Tender period to clarify items within the Tender documents.

Tenders from the following organisations were received:

1. Aquatic Informatics Australia Pty Ltd
2. Collab IT Systems Pty Ltd
3. Parasyn Controls Pty Ltd
4. SAFEGroup Automation
5. SRA Information Technology Pty Ltd

All Tenders included the completed schedules required to be submitted with the Tender.

Tender Evaluation

The Tender Evaluation Panel (the Panel) comprised:

Name	Position, Organisation
Andrew Logan	Chairperson, Rous County Council
Belinda Fayle	Member, Rous County Council (resigned from Rous during period)
Peter Power	Member, IT Project Management Consultant
Tom Lloyd	Member, Rous County Council
Kris Greensill	IT Systems technical adviser, Rous County Council (joined during evaluation)

The Tender evaluation process was conducted in two stages:

1. Evaluation against price and non-price criteria to establish a shortlist of a maximum of four Tenderers for on-site product demonstrations.
2. Evaluation against price and WMDB System Requirements (Demonstration) criteria via on-site production demonstrations for the shortlisted Tenderers.

The Panel members individually reviewed the Tender submissions and then convened to evaluate and assess the submitted Tenders in detail and to determine the outcome.

The criteria for assessment of Tenders was:

- Price (weighting 30%)
- Non-price (weighting 70%).

The following table shows the criteria and weightings used for the evaluation.

Assessment criteria	Weighting
Demonstrated fit to the System Requirements.	35%
Overall financial investment required to provide Council with a 'value for money' solution in accordance with the <i>NSW Local Government Act 1993</i> .	30%
Responses to the Schedule of Supporting Information.	15%
Vendor experience in similar projects (refer to Schedule of Comparable Experience).	5%
Project Plan (refer to Schedule of Project Plan).	5%
Technical skills of the team and organisation (people, systems, specific abilities).	10%
Compliance with Tender and Conditions of Contract and other documents.	Mandatory

Council's Procurement Policy typically requires a 60% (Price) : 40% (Non-Price) weighting. In establishing the 30% Price weighting for the Tender Evaluation, the Panel was deliberate in signalling that a solution that best met Council's needs was a higher priority than price alone.

The Tender evaluation was comprehensive, with the Tenderers required to submit the following as part of their initial Tenders:

- Responses to address 40 general Tender requirements.
- Information to address 140 specific technical requirements for the WMDB.

As part of the Stage 2 evaluation, the shortlisted Tenderers were required to demonstrate their product through:

- The provision of information to address 36 specific technical requirements for the WMDB, and
- The execution of four scenarios (60 requirements), which are real examples of what the WMDB will need to achieve for Council.

The evaluation was comprehensive and equitable, and alongside the price\non-price weighting split, was designed to provide Council with a solution that best met our requirements.

Prices

The Tenders were compared based on Adjusted Tender Amounts, calculated by adding together:

- Total Lump Sum Amount.
- Total Annual Recurring Prices, extended over a 1 and 5 year period, and
- Adjustments to these amounts based on qualifications, departures and feedback from the Tenderer during the evaluation.

The prices are summarised below. All prices are exclusive of GST.

	Total Lump Sum Amount		Total Annual Recurring Prices (from 2 nd year on)		Adjusted Tender Amount (5 year costs)	Recommended Tender Amount (incl 1 st year Annual Recurring Costs)
	Tendered	Adjusted	Tendered	Adjusted		
Aquatic Informatics Australia Pty Ltd	\$83,639	\$83,639	\$28,029	\$28,029	\$223,784	\$83,639
Collab IT Systems Pty Ltd	\$172,651	\$175,625	\$0	\$14,627.18	\$248,761	\$175,625
Parasyn Controls Pty Ltd	\$152,784	\$152,784	\$23,100	\$23,100	\$268,284	\$152,784
SAFEGroup Automation	\$90,674	\$90,674	\$46,800	\$46,800	\$325,424	\$90,674
SRA Information Technology Pty Ltd	\$209,630	\$196,830 ¹	\$0	\$20,250 + \$8,817 ² = \$29,067	\$342,165	\$196,830

Notes:

The 'Adjusted' amounts are the Tendered amounts plus (or minus) the Assessed Values of clarifications, qualifications and departures (anomalies) in the Tender.

1. During post-Tender discussions, SRA's scope and price were reduced by \$12,800, with the savings added to the project contingency.
2. \$8,817 added to SRA's Submitted Tender is a project cost that Council will incur and would not form part of the Recommended Tender Amount.

Stage 1 Evaluation score

The total price and non-price scores for Stage 1 of the Tender evaluation, are summarised below.

Tenderer	Weighted and Normalised non-price score	Weighted and Normalised price score	Weighted and Normalised total score	Rank	Invited for Stage 2 on-site demonstration?
Aquatic Informatics Australia Pty Ltd	3.9	3	6.94	1	Yes
Collab IT Systems Pty Ltd	3.6	2.6	6.26	4	No
Parasyn Controls Pty Ltd	3.9	2.5	6.44	2	Yes
SAFEGroup Automation	3.4	2.2	5.66	5	No
SRA Information Technology Pty Ltd	4.5	1.8	6.27	3	Yes

Based on the Stage 1 evaluation, Aquatic Informatics Australia Pty Ltd, Parasyn Controls Pty Ltd and SRA Information Technology Pty Ltd were invited to attend a one day on-site product demonstration.

Collab IT Systems Pty Ltd and SAFEGroup Automation were advised that they were unsuccessful.

Stage 2 Evaluation score

The total price and non-price scores for Stage 2 of the Tender evaluation, are summarised below.

Tenderer	Weighted and Normalised non-price score	Weighted and Normalised price score	Normalised total score	Rank
Aquatic Informatics Australia Pty Ltd	2.7	3.0	5.72	3
Parasyn Controls Pty Ltd	3.3	2.6	5.87	2
SRA Information Technology Pty Ltd	4.3	2.0	6.24	1

With approximately 240 requirements assessed, none of the Tenderers were able to fully meet the requirements of Council. However, the evaluation considered the importance of those items that were unable to be achieved.

The Tenderer with the highest total score was SRA Information Technology Pty Ltd, with their software product, EnviroSys.

SRA have provided a program as part of their tender, which shows that the project will be delivered within 6 months of commencement.

Additional Evaluation

There were some core requirements that were essential for the software to deliver as part of this project. For Aquatic Informatics and Parasyn Controls, their inability to deliver on these core requirements was the reason for their lower scores in the non-price criteria, and essentially removed the price advantage that these two Tenderers held over SRA. The Panel considered that this inability to deliver on these core requirements, meant that they not be considered further in the Tender process. As a result, if SRA was not awarded the Contract, the Panel would not recommend Aquatic Informatics or Parasyn Controls.

To assist with the evaluation, one of the Panel members visited Melbourne Water's offices on 18 January 2019. Melbourne Water had been nominated by SRA as an example project. The purpose of the visit was to assess the software from a current user's perspective. Melbourne Water uses EnviroSys to import laboratory data (from a large number of labs), check the data and report on exceptions. They reported that EnviroSys does this well and suits their needs, for much larger data sets and more complex exception reporting than Council will require. Melbourne Water have been a user for two years and reported very good support of the product after the initial sale.

A Panel member also contacted SRA's other referee projects – Anglo American Met Coal and the Federal Department of Environment and Energy. Both of these organisations appear to utilise a small proportion of EnviroSys' capability, but commented on the good relationship with SRA, their strong support and that upgrades to the software were done within the support arrangements, without additional cost.

SRA Information Technology Pty Ltd's Recommended Tender Amount of \$196,830 is 4.4% below the pre-Tender estimate of \$206,000.

Governance

Finance

The report proposes a budget increase of \$177,000.

An amount of \$100,000 was allocated in the 2018/19 budget for the WMDB project, of which \$83,000 remains (as of 1 January 2019). A further total budget allocation of \$177,000 is required across 2018/19 and 2019/20 to complete the project.

Annual ongoing costs (beyond the 1st year of operation) of \$29,067 will be included in the IT operational budget, similar to other software products used in Council.
The recommendation is supported.

Item	Amount (excl. GST)
Budget - Available as at 1 January 2019	\$83,000
Recommended Tender Amount	\$196,830
Project management support (2 hours per week for 26 weeks @\$120/hr)	\$6,500
Third party integration \ interface costs (e.g. SCADA changes)	\$10,000
Council IT hardware and software requirements (1 st year)	\$8,817
General project contingency (incl \$12,800 of deductions from SRA Tender)	\$37,800
Total project costs	\$259,947
Total additional funds required (2018/19 and 2019/20) (rounded)	\$177,000
Annual ongoing costs beyond 1 st year (not included in budget request)	\$29,067

Environment

Not applicable.

Legal

Given the tender threshold of \$150,000 was expected to be exceeded for the proposed contract, Council called for open Tenders via publicly advertised request for Tender process. The tendering process is outlined above and was undertaken in accordance with Council's Procurement policy, procedure and the *Local Government (General) Regulation 2005*.

The tender close date was 31 October 2018, and 16 weeks (required tender validity period) post this date is 20 February 2019. SRA has agreed to extend their tender validity period to 28 February 2019, which is considered sufficient to execute the Agreement, if approved by Council.

Consultation

The project team and Tender Evaluation Panel included representatives from the future users of the software and Council's IT team.

Conclusion

Tenders were called for the supply and implementation of a Commercial Off-the-Shelf (COTS) software solution to meet Council's water quality management needs. An open Tender process has been undertaken by Council staff.

The preferred Tenderer identified through the process is SRA Information Technology Pty Ltd (SRA), for their product EnviroSys. It is proposed that the contract be executed with SRA for an amount of \$196,830 (excl GST), which is 4.4% below the pre-Tender estimate.

To complete the project, an additional amount of \$177,000 (excl GST) is recommended over 2018/19 and 2019/20.

In terms of a comparison of Tenderer costs, it is noted that:

- Over one year, the four lowest Tenderers are all within 85% to 49% of the highest Tenderer's (SRA) price.
- Over five years, the four lowest Tenderers are all within 95% to 65% of the highest Tenderer's (SRA) price.

This indicates that despite the initial higher cost for SRA's solution compared to the others, over a term of five years and beyond, the different in cost between the Tenderers reduces.

The evaluation process showed that SRA's solution best met the requirements of Council. SRA's higher scores in the non-price criteria is reflective of their more developed product and clearer product development schedule. Neither of the other two shortlisted Tenderers were considered satisfactory, as the benefits compared to current processes were not evident.

SRA has a higher up-front cost, but ongoing costs are reasonable and comparable to other Tenderers.

Andrew Logan
Group Manager Operations

Drinking water quality: annual report card

150.8/18

Business activity priority

Strategy and planning

Goal 2

Align strategic direction to core functions and sustainability

Recommendation

That Council:

1. Note and receive this report.
2. Revoke resolution 64/10 point 3.
3. Resolve to receive an annual public report card on overall drinking water quality results, including fluoride, commencing for the 2018/19 reporting year.
4. Resolve to continue to utilise a specification for fluoridation chemicals which incorporates the requirement for all fluoridation chemicals to comply with current industry standards including the ADWG (Australian Drinking Water Guidelines) maximum permissible contamination levels.
5. Resolve to continue to require independent testing of fluoridation chemicals by a NATA certified laboratory, before delivery.

Background

In 2010, Council resolved (64/10) that:

1. *The report be received and noted.*
2. *A specification for fluoridation chemicals be prepared which incorporates independent testing by Rous Water of each batch of fluoridation chemical after it arrives in Australia and prior to it being shipped to Rous Water.*
3. *A fluoride performance report incorporating chemical suppliers testing data and dosing plant performance be provided to Council on a quarterly basis.*
4. *The Rous Water specification shall incorporate the requirement for all fluoridation chemicals to comply with ANSI/NSF Standard 60 and ADWG (Australian Drinking Water Guidelines) maximum permissible contamination levels.*

The fluoridation plants (4) commenced operation in September 2015 and were considered fully operational (defect free) by late 2016.

Fluoride chemical testing

A specification for the fluoridation chemicals was prepared which met the 2010 resolution requirements. Since the first chemicals were received in July 2015, there has been 100% compliance with the specification and therefore the ANSI/NSF Standard 60 and ADWG maximum permissible contamination levels. The chemical impurity testing is undertaken by NATA accredited laboratories within Australia. The attached Table 1 shows a summary of chemical suppliers testing data results for the fluoride compounds used by Rous County Council (RCC).

It is proposed that the approach going forward is to implement an expanded program of regular chemical testing of water undertaken at our sources and throughout the distribution network. This will include the full suite of possible impurities in all added water treatment chemicals, thereby providing a more effective and efficient way of assessing the potential impact of all chemicals added as part of the treatment process, not just fluoride.

The attached Table 2 shows a comparison of what is being tested in the raw water and distribution system at present by RCC and NSW Health, and what new testing would be required to include the full suite of chemicals used in RCC's water treatment, based on relevant industry standards including recommendations from the ADWG. The Table shows that there are only 5 chemicals that would need to be added to the existing RCC \ NSW Health regular testing to cover the full suite of potential chemicals (impurities) relevant for the RCC. The cost of this additional analysis is negligible in the context of the overall drinking water quality testing program.

Fluoride plants' performance

Performance is measured against three criteria:

1. NSW Health Code of Practice for Fluoridation of Public Water Supplies ('Code') - target over a calendar year that > 95% of samples (treated and distribution) are between 0.9 and 1.5mg/L;
2. The Code - consistently achieve an overall dosing of between 0.95 to 1.05 mg/L; and
3. ADWG Health guideline value upper limit of 1.5mg/L.

Attached to this report are eight charts, showing the results for each of the four fluoride plants, in comparison to the criteria above (Attachments 3 – 10). The key messages on plant performance since late 2016 when they were fully operational are as follows:

1. None of the plants have dosed water supplied to consumers above the ADWG Health guideline value of 1.5mg/L.
2. Clunes, Corndale, Dorrroughby and Knockrow have all operated within the Code target of 0.9 and 1.5 mg/L, as demonstrated by the 95th percentile for all sample results.
3. Clunes operated marginally above the Code's target of 1.05 mg/L for a two month period during November (1.06 mg/L) and December 2017 (1.065 mg/L).
4. Corndale operated marginally above the Code's target of 1.05 mg/L on two occasions in March 2017 (1.06mg/L) and September 2017 (1.112 mg/L).
5. Dorrroughby and Knockrow have operated within the Code's target of 0.95 to 1.05mg/L.

Overall, given the challenges of dosing into live water mains at multiple locations across the distribution system, operation of the fluoride dosing plants has consistently met the Code's performance requirements. Our reputation with NSW Health is excellent as a result of our consistent and diligent effort in reporting of results and maintaining high levels of communication regarding the status of the plants (including Form 5s).

Drinking Water Quality reporting

RCC does not currently provide a publicly accessible report card on overall drinking water quality. However, to meet current best practice in relation to customer service, there is a need for RCC to provide the public with a status information in terms of overall Drinking Water Quality, bringing it in line with many other leading water utilities.

Based on the results presented above, which show a high level of performance for the plants, rather than singling out an individual chemical, such as fluoride, an overall system wide drinking water quality report card is proposed, to be produced on an annual basis.

The proposed drinking water quality annual report card would incorporate fluoride testing results, and present all relevant chemical, biological, physical and aesthetic results for water supplied.

The proposed content for the annual drinking water quality report card is included as Table 3 (Attachment 11).

Governance**Finance**

There are no significant financial considerations for the proposed changes in water quality reporting. Existing recurrent budgets are sufficient to meet the minimal increase in cost of the expanded program.

Consultation

The fluoride plant and chemical supplier's test data performance, and proposed future drinking water quality reporting, were presented to Councillors in a workshop held in November 2018.

Conclusion

There is an opportunity for RCC to publicly report its performance in terms of overall drinking water quality, bringing it in line with other leading water utilities. The proposed annual drinking water quality report card would incorporate fluoride testing results, and present all relevant chemical, biological, physical and aesthetic results for water supplied.

It is also proposed that current regular chemical testing of water undertaken at our sources and throughout the distribution network is expanded to include the full suite of possible impurities in all added water treatment chemicals, thereby providing a more effective and efficient way of assessing the potential impact of all chemicals added as part of the treatment process, not just fluoride.

Andrew Logan
Group Manager Operations

Attachments:

1. Table 1 - Summary of chemical suppliers testing data results for the fluoride compounds used by Rous.
2. Table 2 - Comparison of current and new chemical testing of water to include the full suite of chemicals used in water treatment.
3. Chart 1 – Clunes Fluoride Plant Dosing Performance – Monthly 95th Percentiles - All Results
4. Chart 2 – Clunes Fluoride Plant Dosing Performance – Monthly 95th Percentiles - Daily Results
5. Chart 3 – Corndale Fluoride Plant Dosing Performance – Monthly 95th Percentiles - All Results
6. Chart 4 – Corndale Fluoride Plant Dosing Performance – Monthly 95th Percentiles - Daily Results
7. Chart 5 – Dorroughby Fluoride Plant Dosing Performance – Monthly 95th Percentiles - All Results
8. Chart 6 – Dorroughby Fluoride Plant Dosing Performance – Monthly 95th Percentiles - Daily Results
9. Chart 7 – Knockrow Fluoride Plant Dosing Performance – Monthly 95th Percentiles - All Results
10. Chart 8 – Knockrow Fluoride Plant Dosing Performance – Monthly 95th Percentiles - Daily Results
11. Table 3 - Proposed content for the annual drinking water quality report.

Table 1: Summary of chemical suppliers testing data results for the fluoride compounds used by Rous.

Fluoride Deliveries							
Supplier	Chemical	Date received	Batch no.	Delivered to	Total quantity received (kg)	Certificate of analysis meets spec?	Comments
Quantum Chemicals	Sodium Fluorosilicate	2/07/2015	140718203D	Corndale	2000	Yes	
Quantum Chemicals	Sodium Fluorosilicate	2/07/2015	140718203D	Knockrow	2000	Yes	
IXOM	Sodium Fluoride	31/07/2015	14-331-01	Corndale	5000	Yes	
Quantum Chemicals	Sodium Fluorosilicate	25/11/2015	15171450101A	Knockrow	2000	Yes	
Quantum Chemicals	Sodium Fluorosilicate	25/11/2015	15171450101A	Corndale	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	19/04/2016	151714502A	Corndale	5000	Yes	Returned due to moisture
Axieo Operations	Sodium Fluorosilicate	18/07/2016	151714503D	Corndale	3000	Yes	
Axieo Operations	Sodium Fluorosilicate	18/07/2016	151714503D	Knockrow	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	6/09/2016	151714504A	Corndale	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	6/09/2016	151714504A	Knockrow	1000	Yes	
Axieo Operations	Sodium Fluorosilicate	6/09/2016	151714504A	Corndale	2000	Yes	
IXOM	Sodium Fluoride	13/06/2017	213117	Corndale	960	Yes	
Axieo Operations	Sodium Fluorosilicate	25/07/2017	1717077B	Knockrow	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	25/07/2017	1717077B	Corndale	1000	Yes	
Axieo Operations	Sodium Fluorosilicate	24/07/2017	1717077B	Corndale	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	4/01/2018	1717184A	Knockrow	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	4/01/2018	1717184A	Corndale	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	11/05/2018	1717184D	Knockrow	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	30/06/2018	1717184D	Corndale	2000	Yes	
Axieo Operations	Sodium Fluorosilicate	22/10/2018	1817095A	Knockrow	2000	Yes	
	Total Sodium Fluorosilicate Supplied (kgs)				40,000		
	Total Sodium Fluoride Supplied (kgs)				5,960		

Table 2: Comparison of current and new chemical testing of water to include the full suite of chemicals used in water treatment.

Potential Chemical Impurities in Treated Water ¹	Tested by Rous ²		Tested by Dept of Health in Distribution System ³	Additional Testing Required \ Recommended ⁴
	Source	Treated \ Distribution System		
Aluminium		Multiple Samples Monthly	Single Sample Monthly	
Acrylamide	Quarterly			
Antimony		Multiple Samples Monthly	Single Sample Monthly	
Arsenic	Annual		Single Sample Monthly	
Barium			Single Sample Monthly	
Beryllium	Annual			Single Sample Distribution System Monthly
Boron	Annual		Single Sample Monthly	
Cadmium		Multiple Samples Monthly	Single Sample Monthly	
Calcium			Single Sample Monthly	
Chloride			Single Sample Monthly	
Chromium		Multiple Samples Annual	Single Sample Monthly	
Copper		Multiple Samples Monthly	Single Sample Monthly	
Cyanide		Multiple Samples Annual		
Fluoride			Single Sample Monthly	
Iodine	Annual		Single Sample Monthly	
Iron		Multiple Samples Monthly	Single Sample Monthly	
Lead		Multiple Samples Monthly	Single Sample Monthly	
Magnesium			Single Sample Monthly	
Manganese		Multiple Samples Monthly	Single Sample Monthly	
Mercury	Annual		Single Sample Monthly	
Molybdenum	Annual		Single Sample Monthly	
Nickel		Multiple Samples Monthly	Single Sample Monthly	
Nitrate			Single Sample Monthly	
Nitrite			Single Sample Monthly	
Selenium	Annual		Single Sample Monthly	
Silver	Annual		Single Sample Monthly	
Sodium			Single Sample Monthly	
Sulfate			Single Sample Monthly	
Thallium				Single Sample Distribution System Monthly
Uranium			Single Sample Monthly	
Zinc			Single Sample Monthly	
Beta Particle and photon activity	5 yrly			Single Sample Distribution System 5 yrly
Gross alpha activity	5 yrly			Single Sample Distribution System 5 yrly
Radium 226 & 228 (combined)				Single Sample Source and Distribution System 5 yrly

Notes:

1 – Based on ADWG Table 8.4 and American Water Works Association Specifications for Sodium Fluoride and Sodium Fluorosilicate.

2 – Testing is a combination of monthly, quarterly or annual.

3 – Monthly testing by NSW Health.

4 – Additional testing would remove need for fluoride chemical suppliers to test product before supply.

Chart 1
Clunes Fluoride Plant Dosing Performance
Monthly 95th Percentiles for All Results

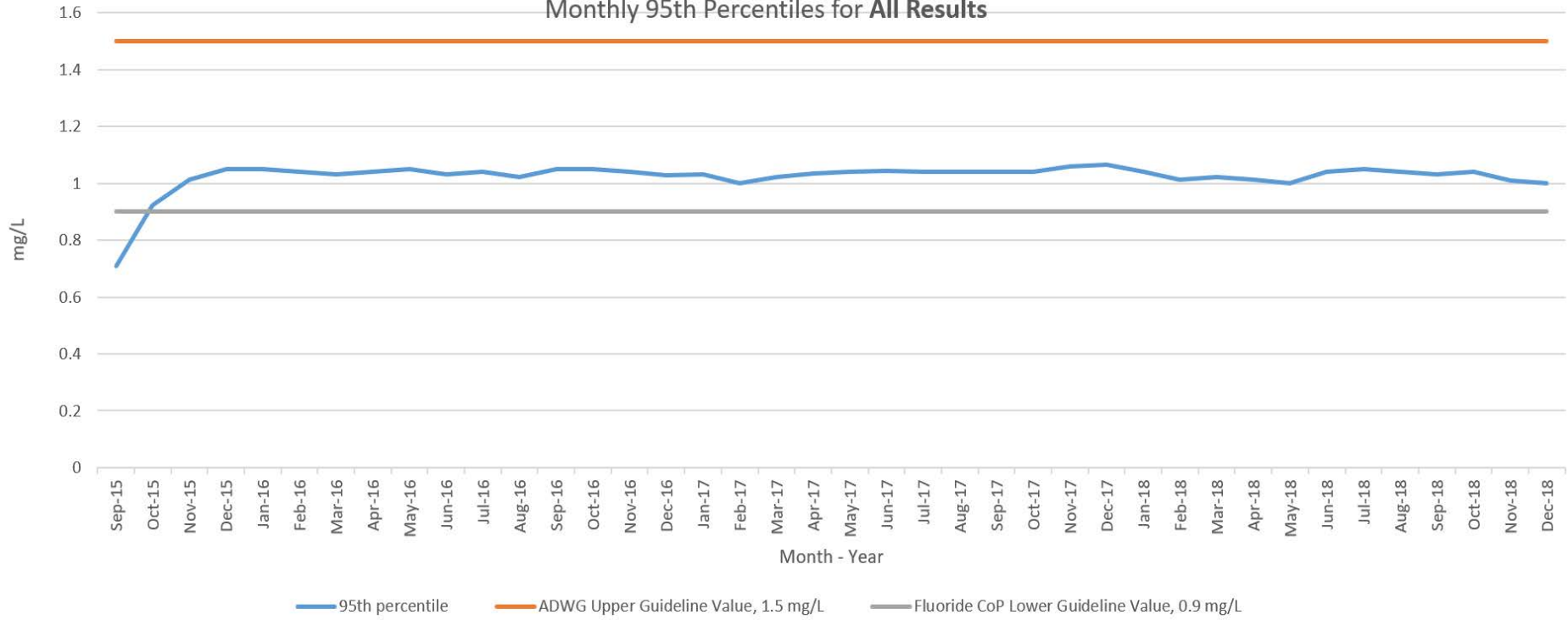


Chart 2
Clunes Fluoride Plant Dosing Performance
Monthly 95th Percentiles **Daily Results**

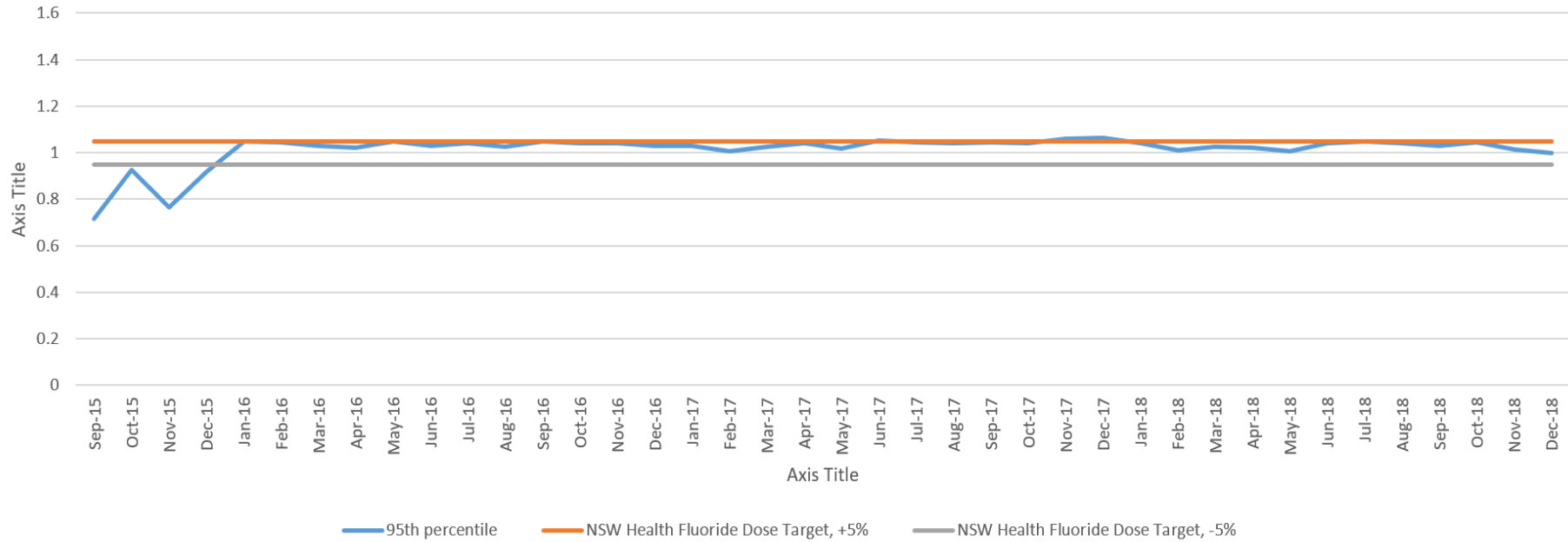


Chart 3
Corndale Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **All Results**

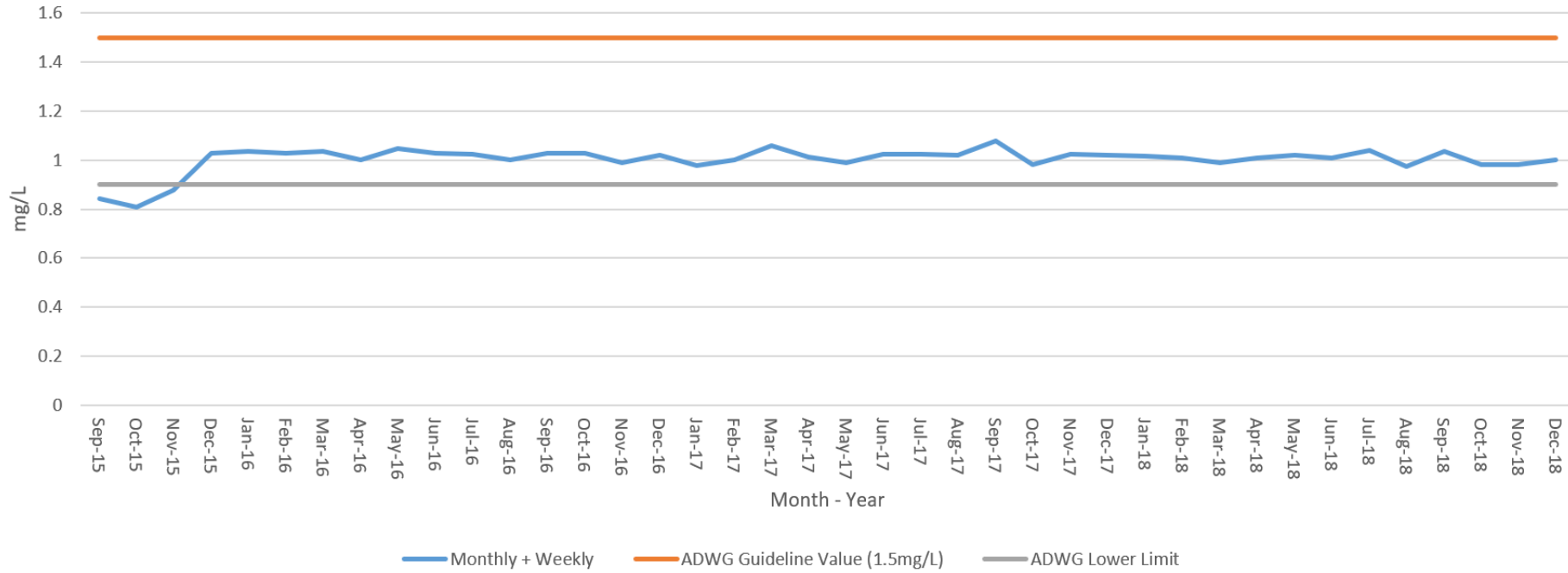


Chart 4
Corndale Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **Daily Results**

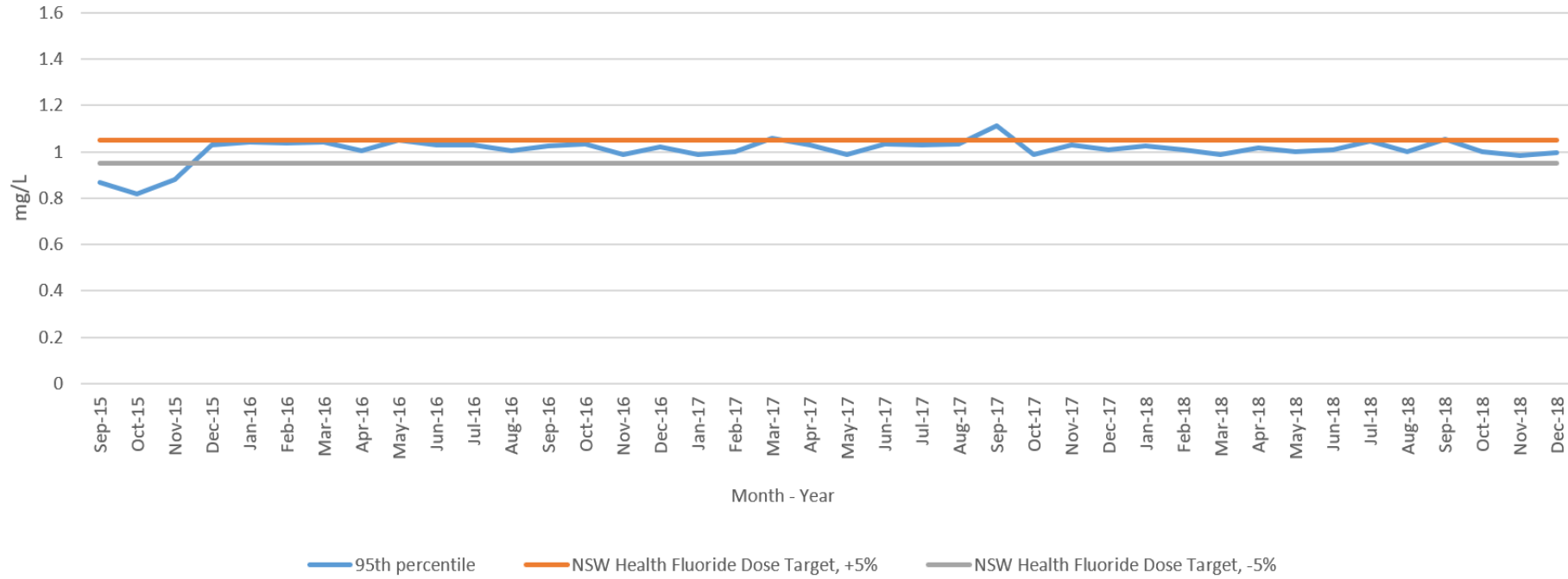


Chart 5
Dorroughby Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **All Results**

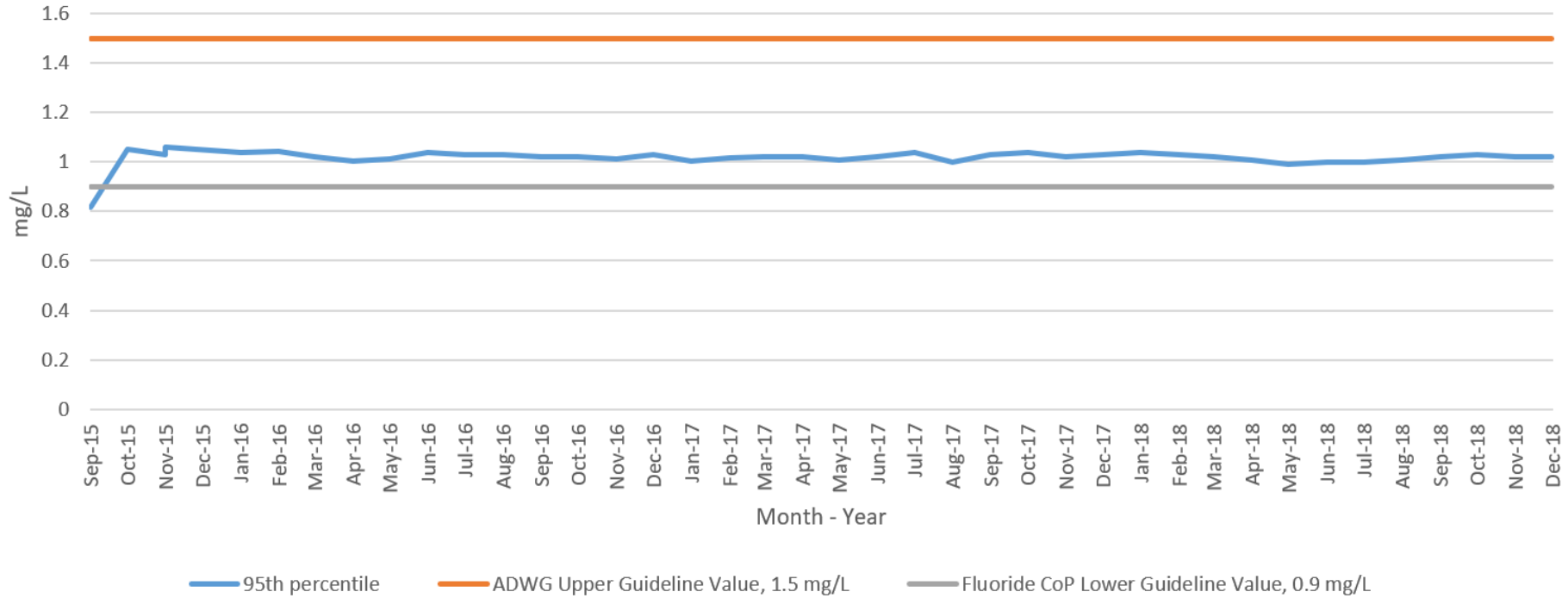


Chart 6
Dorroughby Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **Daily Results**

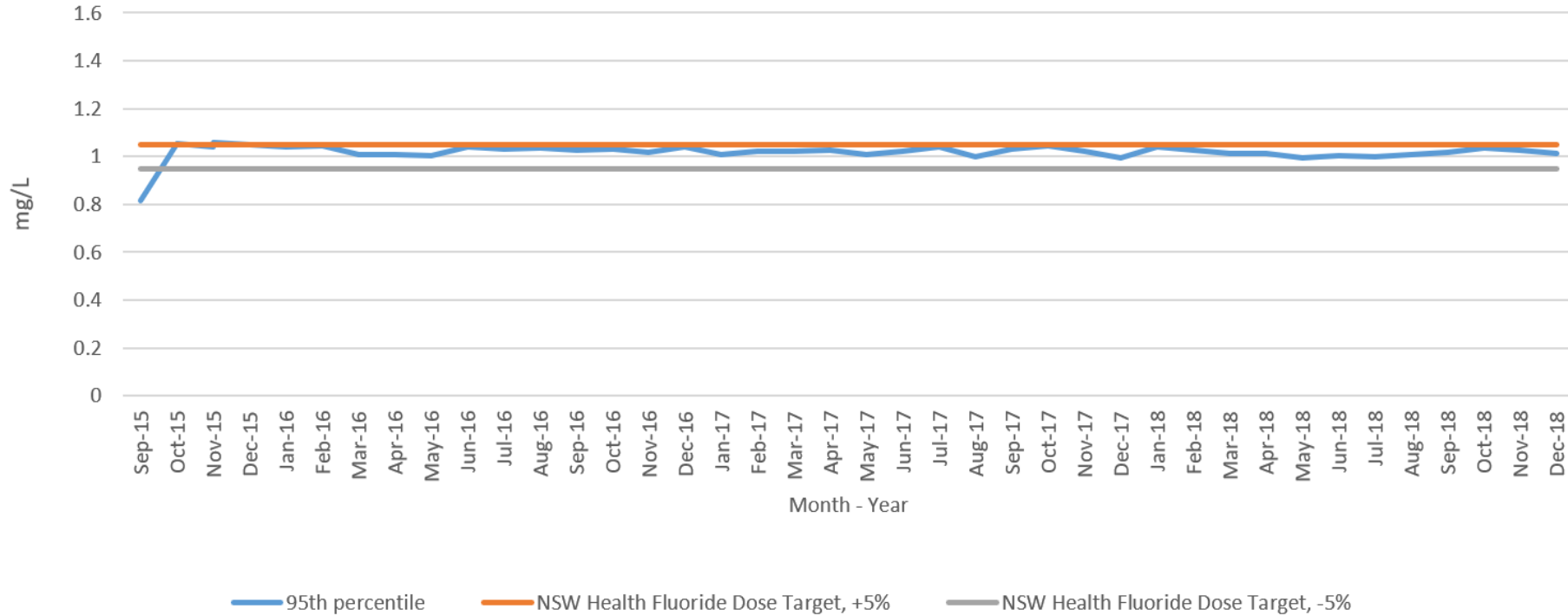


Chart 7
Knockrow Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **All Results**

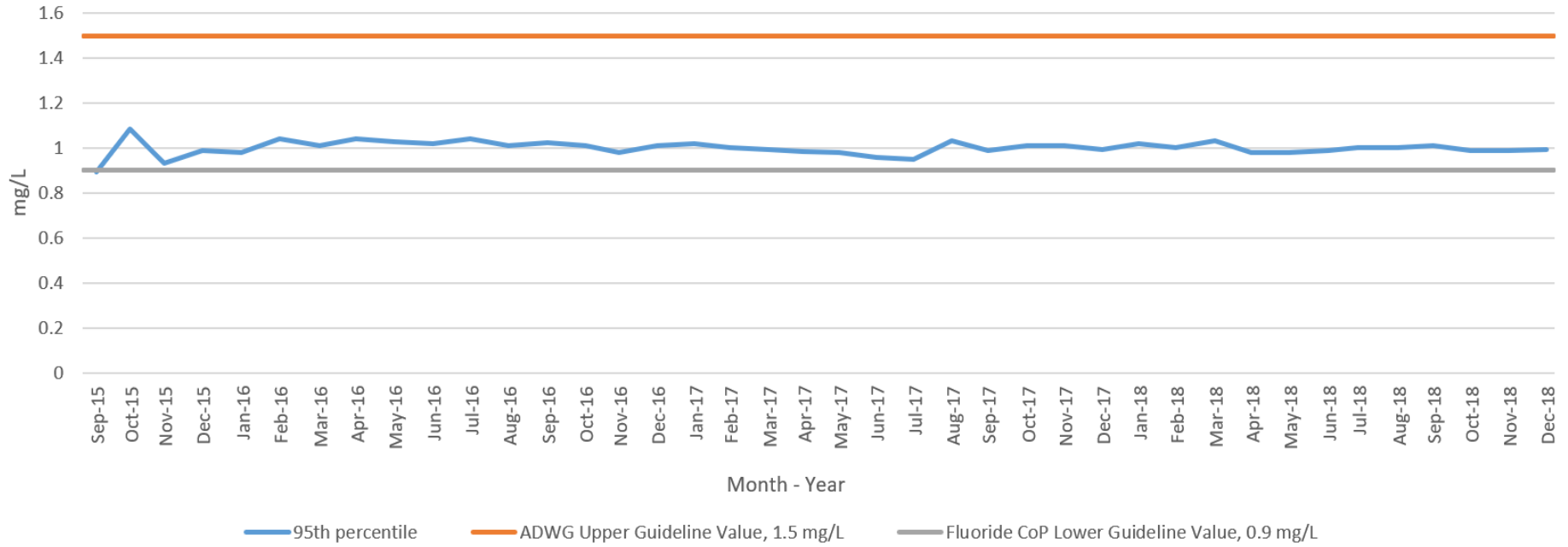
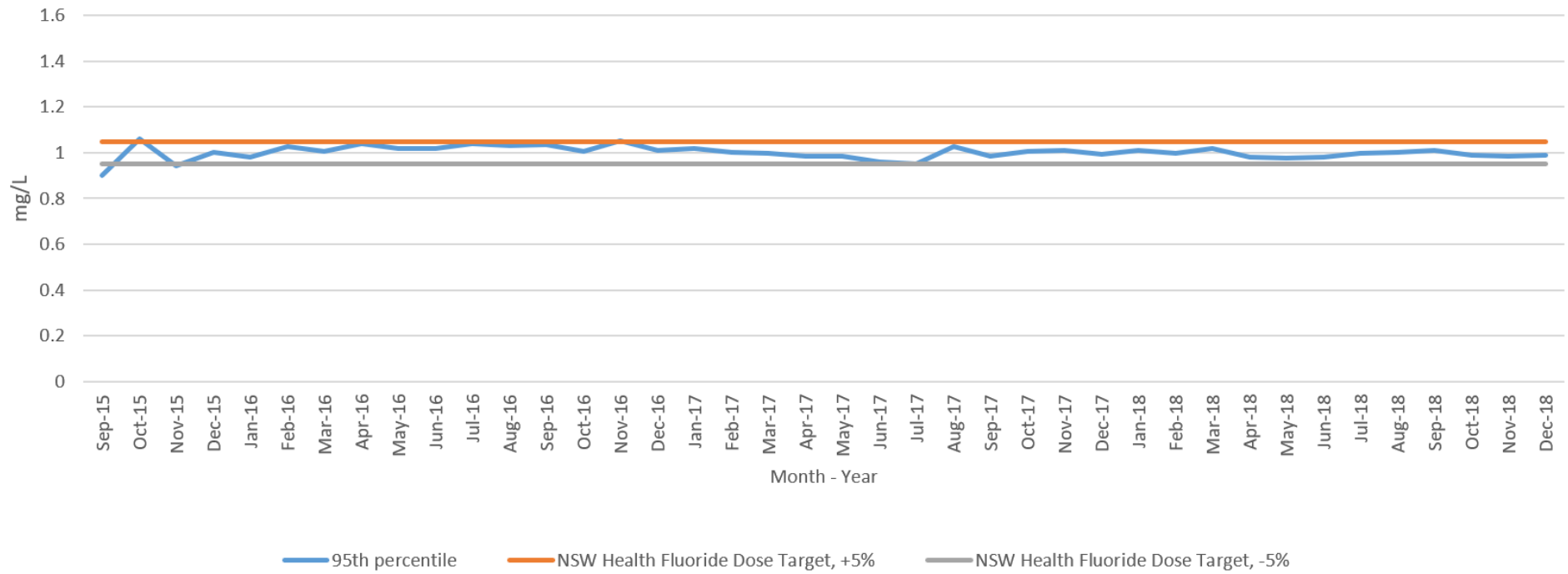


Chart 8
Knockrow Fluoride Plant Dosing Performance
Monthly 95th Percentiles for **Daily Results**



Attachment 11

Table 3: Proposed content for the annual drinking water quality report.

E. Coli					
Sampling Frequency	No. of samples	No of Complying Results	No. of Non-Complying Results	Maximum (organisms\100mL)	Met the ADWG (Y/N)
Weekly	10	10	0	0	Y

Parameter	Units	No. of Samples	Min	Max	95 th Percentile	ADWG Guidelines		Compliance Level (ADWG Health)
						Health	Aesthetic	
Aluminium	mg/L	25	0.05	0.18	0.75	NA	0.2	100%
Zinc	mg/L	12	0.55	1.55	0.95	NA	3	100%

Work Health and Safety policy (revised)

(172)

Business activity priority	Information and knowledge
Goal 3	Create value through applying knowledge

Recommendation

That Council:

1. Revoke the policies titled 'Work Health and Safety' dated 22 February 2016 for Richmond River County Council and Far North Coast County Council and dated 20 April 2016 for Rous County Council, and any policies revived as a result of that revocation.
2. Adopt the proposed policy titled 'Work Health and Safety' as attached to this report.

Background

Council has three separate Work Health and Safety (WHS) policies in place. This is a legacy from pre-June 2016 whereby Rous County Council, Richmond River County Council and Far North Coast County Council were separately constituted entities each with their own suite of policies. Each entity had a separate WHS policy which was preserved by operation of the proclamation that effected the merger of the counties. One policy represents the interests of Rous Water, and the others, which are identical, represent the previous interests of Richmond River County Council and Far North Coast County Council.

A review of the policies has been completed in consultation with workers and management and one policy has been developed. The revised policy:

- Provides a singular direction for the organisation with regard to WHS matters, including outlining the regulatory framework and referencing Council's Work Health and Safety Management System (WHS Management System).
- Outlines Council's expectations and commitment to worker and workplace health and safety.

Governance

The development of a WHS policy is considered a best practice activity for a person conducting a business or undertaking, such as Council. It is an endorsed commitment by management of the organisation to workers regarding their health and safety. Such a document is necessary to establish a direction for an organisation in its approach to WHS matters and to establish a foundation for the development and administration of an effective WHS Management System.

The WHS Policy is subject to a recurrent review every two years to ensure that the content remains current and relevant to the organisation's objectives, values and activities. The policy may be reviewed earlier than this if required as a result of organisational or compliance changes.

Consultation

The proposed WHS Policy was endorsed by Council's Health and Safety Committee on 13 December 2018.

Conclusion

The proposed policy has been reviewed and updated following consultation with workers and management. It reconfirms Council's strong position on worker and workplace health and safety and is designed to promote a culture where safety comes first. It is recommended that Council adopt the proposed policy.

Phillip Rudd
General Manager

Attachments:

1. Proposed Work Health and Safety Policy
2. Current Work Health and Safety Policy dated 22 February 2016 (for revocation)
3. Current Work Health and Safety Policy dated 20 April 2016 (for revocation)

Policy



Work health and safety

Approved by Council: xx/xx/xxxx

To establish Council's expectations and commitment to worker and workplace health and safety.

Safety

Teamwork

Accountability

Respect

Background

The Councillors and General Manager recognise and take seriously the need to ensure that the workplace is a healthy and safe environment for all workers and other persons. Workers have the right to expect that Council will keep them safe at work so that they can return home safe each day.

Policy statement

Council, as a Person Conducting a Business or Undertaking¹ commits to its workers and other persons that all decisions made will place the highest priority on achieving worker and workplace health and safety.

Council will do this by ensuring:

1. Compliance with relevant legislation, including the *Work Health and Safety Act 2011* and supporting regulations.
2. The implementation of the Work Health and Safety Management System (WHS Management System), and the plans, policies, procedures and programs necessary to support and implement this policy.

Council accepts responsibility for implementing and maintaining this policy and the WHS Management System. Therefore, so far as is reasonably practicable Council will make every effort to ensure:

1. There are established measurable safety performance objectives and targets and that they are reviewed to continually improve work health and safety performance, including regular workplace inspections and the prompt control of identified hazards.
2. Workers are trained on all health and safety matters relevant to their work.

¹ In the *Work Health and Safety Act 2011*, it states:

"(5) **Meaning of person conducting a business or undertaking**

...

(5) *An elected member of a local authority does not in that capacity conduct a business or undertaking.*"

In addition, it has been established that Council is the 'person conducting a business or undertaking' with respect to Rous Water.

3. Other workers (e.g. contractors) are fully aware of the hazards associated with their work, and implement appropriate hazard control measures.
4. All managers, supervisors, workers, contractors and other persons are inducted about the requirements of the WHS Management System and are accountable for carrying out their roles and responsibilities as defined in that system.
5. Adequate resources are provided to enable full implementation of this policy and the WHS Management System.
6. Effective worker and contractor consultation on work health and safety matters include the two-way communication of relevant information, toolbox meetings, reporting and feedback.
7. Effective systems are in place for monitoring the health of workers and workplace conditions i.e. health monitoring, drug and alcohol testing and workplace surveillance.
8. Support mechanisms are in place to assist workers to maintain or improve their psychological and physical health.
9. Return to work programs for injured workers are actively promoted.
10. This policy and the WHS Management System is reviewed every two years to ensure they remain relevant and appropriate.

All workers are required to comply with this policy and the WHS Management System.

Workers must cooperate with Council regarding actions taken to maintain work health and safety. In addition, workers shall take reasonable care of their own safety and not adversely affect the safety of others in the workplace.

This policy is to be posted throughout work sites.

Contact officer

General Manager.

Related documents

Policies N/A

Procedures

Work Health and Safety procedures

Health and Wellbeing procedure

Legislation

Local Government Act 1993

Work Health and Safety Act 2011

Work Health and Safety Regulation 2011

Other

Work Health and Safety Management System

Safe Work Method Statements

Contractor Insurance Management System

<i>Office use only</i>	File no.: 172/13	Next review date: [2 years]	
Version	Purpose and description	Date adopted by Council	Resolution no.

POLICY	Work Health and Safety		
OVERVIEW	To establish Council's expectations and commitment to worker and workplace health and safety.		
AUTHORISED BY COUNCIL	ROUS	RRCC	FNCW
	Separate policy	22/02/2016	22/02/016
REVIEW DATE	2 years		
FILE	172	1294	843

This Policy should be read in conjunction with the Work Health and Safety Management System.

POLICY

Council and the General Manager recognise and take seriously the legal and moral obligation to ensure that the workplace is a healthy and safe environment for all workers and other persons. Workers have the right to expect that Council will keep them safe at work so that they can return home safe each day. This means that Council, as a Person Conducting a Business or Undertaking, commits to its workers and other persons that all decisions made will place the highest priority on achieving worker and workplace safety. Council will do this by ensuring:

- Compliance with relevant legislation, including the WHS Act and supporting regulations.
- The implementation of the WHS Management System, and the plans, policies, procedures and programs necessary to support and implement this policy.

Council accepts responsibility for implementing and maintaining the WHS policy and WHS Management System. Therefore, so far as is reasonably practicable Council will make every effort to ensure:

- There are established measurable safety performance objectives and targets and that they are reviewed to continually improve WHS performance. This shall include regular workplace inspections and the prompt control of identified hazards.
- Workers are trained on all health and safety matters relevant to their work.
- Other workers (e.g. contractors) are fully aware of the hazards associated with their work, and implement appropriate hazard control measures.
- All managers, supervisors, workers, contractors and other person are inducted into the requirements of the WHS Management System and are accountable for enacting their roles and responsibilities as defined in the WHS Management System.
- Adequate resources are provided to enable full implementation of the WHS Policy and WHS Management System.
- Effective worker and contractor consultation on health and safety matters include the two-way communication of relevant information, toolbox meetings, reporting and feedback mechanisms.
- Effective systems are in place for monitoring the health of workers and workplace conditions i.e. health monitoring, drug and alcohol testing and workplace surveillance.
- Support mechanisms are in place to assist workers to maintain or improve their psychological and physical health.
- Return to work programs for injured workers are actively promoted.
- The WHS Policy and WHS Management System are reviewed every two years to ensure they remain relevant and appropriate to the organisation.

Secretarial use only	Policy History	Version 3.0 22/02/2016
Rous Policy	RRCC Policy	FNCW Policy
Authorised Council: 20/06/2012	Authorised Council: 08/08/2012; 22/02/2016	Authorised Council: 22/08/2012; 22/02/2016

All workers and are required to comply with this WHS Policy and WHS Management System at all times. Workers must cooperate with Council regarding WHS actions taken by Council to maintain health and safety. In addition, workers shall take reasonable care of their own safety and not adversely affect the safety of others at the workplace.

The WHS policy shall be posted at all sites.

PROCEDURES

Work Health and Safety procedures
Health and Wellbeing procedure

RELATED LEGISLATION

Local Government Act 1993
Work Health and Safety Act 2011
Work Health and Safety Regulation 2011

RELATED DOCUMENTS

Work Health and Safety Management System
Safe Work Method Statements
Contractor Insurance Management System

CONTACT OFFICERS

General Manager
Manager Governance

Secretarial use only	Policy History	Version 3.0 22/02/2016
Rous Policy	RRCC Policy	FNCW Policy
Authorised Council: 20/06/2012	Authorised Council: 08/08/2012; 22/02/2016	Authorised Council: 22/08/2012; 22/02/2016

POLICY	Work Health and Safety		
OVERVIEW	To establish Council's expectations and commitment to worker and workplace health and safety.		
AUTHORISED BY COUNCIL	ROUS	RRCC	FNCW
	20/04/2016	Separate policy.	Separate policy.
REVIEW DATE	2 years		
FILE	172	1294	843

BACKGROUND

The Councillors and General Manager recognise and take seriously the need to ensure that the workplace is a healthy and safe environment for all workers and other persons. Workers have the right to expect that Council will keep them safe at work so that they can return home safe each day.

POLICY

Council, as a Person Conducting a Business or Undertaking¹ commits to its workers and other persons that all decisions made will place the highest priority on achieving worker and workplace health and safety.

Council will do this by ensuring:

1. Compliance with relevant legislation, including the *Work Health and Safety Act 2011* and supporting regulations.
2. The implementation of the Work Health and Safety Management System (WHS Management System), and the plans, policies, procedures and programs necessary to support and implement this policy.

Council accepts responsibility for implementing and maintaining this policy and the WHS Management System. Therefore, so far as is reasonably practicable Council will make every effort to ensure:

1. There are established measurable safety performance objectives and targets and that they are reviewed to continually improve work health and safety performance, including regular workplace inspections and the prompt control of identified hazards.
2. Workers are trained on all health and safety matters relevant to their work.

¹ In the *Work Health and Safety Act 2011*, it states:

"(5) **Meaning of person conducting a business or undertaking**

...

(5) An elected member of a local authority does not in that capacity conduct a business or undertaking."

In addition, it has been established that Council is the 'person conducting a business or undertaking' with respect to Rous Water.

Secretarial use only	Policy History	Version 2.1 20/04/2016
Rous Council authorised: 20/06/2012; 20/04/2016	RRCC Council authorised: Separate policy	FNCW Council authorised: Separate policy

3. Other workers (e.g. contractors) are fully aware of the hazards associated with their work, and implement appropriate hazard control measures.
4. All managers, supervisors, workers, contractors and other persons are inducted about the requirements of the WHS Management System and are accountable for carrying out their roles and responsibilities as defined in that system.
5. Adequate resources are provided to enable full implementation of this policy and the WHS Management System.
6. Effective worker and contractor consultation on work health and safety matters include the two-way communication of relevant information, toolbox meetings, reporting and feedback.
7. Effective systems are in place for monitoring the health of workers and workplace conditions i.e. health monitoring, drug and alcohol testing and workplace surveillance.
8. Support mechanisms are in place to assist workers to maintain or improve their psychological and physical health.
9. Return to work programs for injured workers are actively promoted.
10. This policy and the WHS Management System is reviewed every two years to ensure they remain relevant and appropriate.

All workers are required to comply with this policy and the WHS Management System.

Workers must cooperate with Council regarding actions taken to maintain work health and safety. In addition, workers shall take reasonable care of their own safety and not adversely affect the safety of others in the workplace.

This policy is to be posted throughout work sites.

PROCEDURES

Work Health and Safety procedures

Health and Wellbeing procedure

RELATED LEGISLATION

Local Government Act 1993

Work Health and Safety Act 2011

Work Health and Safety Regulation 2011

RELATED DOCUMENTS

Work Health and Safety Management System

Safe Work Method Statements

Contractor Insurance Management System

CONTACT OFFICER

General Manager

Secretarial use only	Policy History	Version 2.1 20/04/2016
Rous Council authorised: 20/06/2012; 20/04/2016	RRCC Council authorised: Separate policy	FNCW Council authorised: Separate policy

Investments - January 2019

(59/12)

Business activity priority Results and sustainable performance

Goal 7 Sustainable performance

Recommendation

That Council receive and note the investments for January 2019.

Background

Clause 212 of the *Local Government (General) Regulation 2005* and Council's 'Investment' policy require that a report detailing Council's investments be provided. This report has been prepared for 31 January 2019.

Governance

Finance

The RBA cash rate remains unchanged

At the RBA's December 2018 meeting, it was decided to leave the cash rate unchanged at 1.50%. The 90-day average bank bill swap rate (BBSW) has increased to 2.06%.

Total funds invested for January 2019 was \$35,872,799

This is an increase of \$1,384,389 compared to the November 2018 figure. This is primarily due to section 64 development contributions received from constituent councils.

Return for January was 2.73%

The weighted average return on funds invested for the month of January was 2.73%. This represents an increase of six basis points compared to the November result (2.67%) and is 67 basis points above Council's benchmark (the average 90-day BBSW rate of 2.06%) (Refer: Graph D2).

Interest earned for January was \$82,163

Interest earned compared to the original budget is \$142,149 in excess of pro-rata budget (Refer: Attachment A).

Summary of indebtedness as at 31 January 2019

Information	Loan #1	Loan #2	Loan #3	Loan #4	Loan #5	Loan #6	Total
Institution	CBA	CBA	CBA	Dexia	NAB	NAB	
Principal Borrowed	\$ 2,000,000	\$ 3,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 45,000,000
Date Obtained	9-Jun-04	31-May-05	31-May-06	21-Feb-07	31-May-07	25-Sep-07	
Term (Years)	20	20	20	20	20	20	
Interest Rate	6.82%	6.25%	6.37%	6.40%	6.74%	6.85%	
Date Due	10-Jun-24	31-May-25	31-May-26	21-Feb-27	31-May-27	25-Sep-27	
Annual Commitment	\$ 184,785	\$ 264,921	\$ 891,595	\$ 893,507	\$ 917,390	\$ 925,933	\$ 4,078,130
Principal Repaid LTD	\$ 1,164,224	\$ 1,602,568	\$ 4,748,873	\$ 4,472,303	\$ 4,125,405	\$ 3,850,615	\$ 19,963,988
Interest Incurred LTD	\$ 1,515,160	\$ 1,973,861	\$ 6,396,066	\$ 6,251,593	\$ 6,424,575	\$ 6,334,644	\$ 28,895,900
Principal Outstanding	\$ 835,776	\$ 1,397,432	\$ 5,251,127	\$ 5,527,697	\$ 5,874,595	\$ 6,149,386	\$ 25,036,012
Interest Outstanding	\$ 180,542	\$ 324,552	\$ 1,435,837	\$ 1,621,567	\$ 1,943,915	\$ 2,195,898	\$ 7,702,310

Cheque account balance as at 31 January 2019 was \$80,557

Ethical holdings represent 75.96% of the total portfolio

Current holdings in Ethical Financial Institutions equals \$27,250,000. The assessment of Ethical Financial Institutions is undertaken using www.marketforces.org.au which is an affiliate project of the Friends of the Earth Australia (Refer: Graph D4).

Legal

All investments are in accordance with section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2005* and Council's 'Investment' policy.

Consultation

Nil.

Conclusion

A report on investments is required to be submitted to Council. As at 31 January 2019, investments total \$35,872,799 and the average rate of return is estimated at 2.73%.

Guy Bezrouchko
Group Manager Corporate and Commercial

Attachments.

Rous County Council – Investment Analysis Report – 31 January 2019

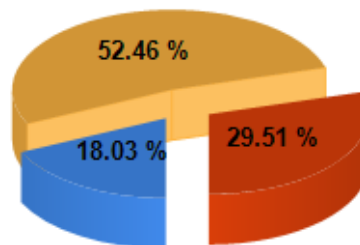
Attachment A

Funds Invested With	S & P Local Long Term Rating	Product Name	Ethical ADIs	Lodgement Date	Maturity Date	% of Portfolio	31 Jan 19 Balance	Rate of Return	Monthly Interest	Year-to-Date Interest
CBA Business Online Saver	AA-	CBA-BOS	No	At call		4.52	1,622,798.78	1.40	1,602.78	14,470.29
ING Bank Aust Ltd	A	TD	No	12/9/2017	10/9/2019	1.39	500,000.00	2.75	1,167.81	8,099.32
ING Bank Aust Ltd	A	TD	No	19/9/2017	17/9/2019	1.39	500,000.00	2.75	1,167.81	8,099.32
Defence Bank	BBB	TD	Yes	8/2/2018	5/2/2019	2.79	1,000,000.00	2.55	2,165.75	15,020.55
QBank	BBB-	TD	Yes	15/2/2018	12/2/2019	1.39	500,000.00	2.65	1,125.34	7,804.79
Bank of Sydney Ltd	UNRATED	TD	Yes	27/2/2018	26/2/2019	0.70	250,000.00	2.65	562.67	3,902.40
Gateway Bank Ltd	UNRATED	TD	Yes	6/3/2018	5/3/2019	1.39	500,000.00	2.55	1,082.88	7,510.27
National Australia Bank Limited	AA-	TD	No	13/3/2018	12/3/2019	1.39	500,000.00	2.55	1,082.88	7,510.27
The Capricornian Ltd	UNRATED	TD	Yes	27/3/2018	26/3/2019	1.39	500,000.00	2.70	1,146.58	7,952.05
Bendigo & Adelaide Bank	BBB+	TD	Yes	10/4/2018	2/4/2019	1.39	500,000.00	2.70	1,146.58	7,952.05
Railways Credit Union Ltd (T/As Move)	UNRATED	TD	Yes	10/4/2018	9/4/2019	1.39	500,000.00	2.93	1,244.25	8,629.45
Auswide Bank Ltd	BBB+	TD	Yes	13/4/2018	9/4/2019	1.39	500,000.00	2.71	1,150.82	7,981.51
Defence Bank	BBB	TD	Yes	17/4/2018	16/4/2019	1.39	500,000.00	2.75	1,167.81	8,099.32
Auswide Bank Ltd	BBB+	TD	Yes	24/4/2018	23/4/2019	1.39	500,000.00	2.73	1,159.32	8,040.41
Defence Bank	BBB	TD	Yes	24/4/2018	23/4/2019	1.39	500,000.00	2.75	1,167.81	8,099.32
ME Bank	BBB	TD	Yes	1/5/2018	30/4/2019	1.39	500,000.00	2.70	1,146.58	7,952.05
Auswide Bank Ltd	BBB+	TD	Yes	4/5/2018	7/5/2019	1.39	500,000.00	2.80	1,189.04	8,246.58
Beyond Bank Australia	BBB	TD	Yes	8/5/2018	16/4/2019	1.39	500,000.00	2.80	1,189.04	8,246.58
MyState Bank Limited	BBB+	TD	Yes	31/5/2018	19/2/2019	1.39	500,000.00	2.80	1,189.04	8,246.58
Police Credit Union SA	UNRATED	TD	Yes	5/6/2018	4/6/2019	1.39	500,000.00	2.90	1,231.51	8,541.10
Queensland Country CU (formerly ECU Aust)	UNRATED	TD	Yes	5/6/2018	21/5/2019	1.39	500,000.00	2.85	1,210.27	8,393.84
Bank of Queensland	BBB+	TD	Yes	12/6/2018	11/6/2019	2.79	1,000,000.00	2.75	2,335.62	16,198.63
Auswide Bank Ltd	BBB+	TD	Yes	19/6/2018	25/6/2019	1.39	500,000.00	2.85	1,210.27	8,393.84
MyState Bank Limited	BBB+	TD	Yes	3/7/2018	2/7/2019	1.39	500,000.00	2.85	1,210.27	8,315.75
Gateway Bank Ltd	UNRATED	TD	Yes	13/7/2018	9/7/2019	1.39	500,000.00	2.95	1,252.74	8,203.42
Bank of Sydney Ltd	UNRATED	TD	Yes	13/7/2018	16/7/2019	1.39	500,000.00	2.95	1,252.74	8,203.42
AMP Bank	A	TD	No	7/8/2018	6/8/2019	1.39	500,000.00	2.85	1,210.27	6,949.32
Bank of Queensland	BBB+	TD	Yes	14/8/2018	13/8/2019	1.39	500,000.00	2.75	1,167.81	6,441.78
ME Bank	BBB	TD	Yes	28/8/2018	27/8/2019	2.79	1,000,000.00	2.70	2,293.15	11,613.70
G & C Mutual Bank	BBB-	TD	Yes	11/9/2018	10/9/2019	1.39	500,000.00	2.85	1,210.27	5,582.88
Bendigo & Adelaide Bank	BBB+	TD	Yes	18/9/2018	17/9/2019	1.39	500,000.00	2.65	1,125.34	4,936.99
Maitland Mutual Building Society	UNRATED	TD	Yes	18/9/2018	24/9/2019	1.39	500,000.00	2.75	1,167.81	5,123.29
AMP Bank	A	TD	No	25/9/2018	24/9/2019	2.79	1,000,000.00	2.80	2,378.08	9,895.89
AMP Bank	A	TD	No	2/10/2018	1/10/2019	2.79	1,000,000.00	2.75	2,335.62	9,191.78

Funds Invested With	S & P Local Long Term Rating	Product Name	Ethical ADIs	Lodgement Date	Maturity Date	% of Portfolio	31 Jan 19 Balance	Rate of Return	Monthly Interest	Year-to-Date Interest
MyState Bank Limited	BBB+	TD	Yes	9/10/2018	8/10/2019	1.39	500,000.00	2.70	1,146.58	4,253.42
Police Credit Union SA	UNRATED	TD	Yes	9/10/2018	8/10/2019	1.39	500,000.00	2.90	1,231.51	4,568.49
Warwick Credit Union	UNRATED	TD	Yes	16/10/2018	15/10/2019	1.39	500,000.00	2.75	1,167.81	4,068.49
Railways Credit Union Ltd (T/As Move)	UNRATED	TD	Yes	23/10/2018	22/10/2019	1.39	500,000.00	2.90	1,231.51	4,012.33
Auswide Bank Ltd	BBB+	TD	Yes	26/10/2018	22/10/2019	1.39	500,000.00	2.76	1,172.05	3,705.21
Hunter United Employees Credit Union Ltd	UNRATED	TD	Yes	30/10/2018	29/10/2019	1.39	500,000.00	2.80	1,189.04	3,605.48
MyState Bank Limited	BBB+	TD	Yes	2/11/2018	29/10/2019	1.39	500,000.00	2.80	1,189.04	3,490.41
Rural Bank	BBB+	TD	Yes	13/11/2018	18/6/2019	1.39	500,000.00	2.70	1,146.58	2,958.90
MyState Bank Limited	BBB+	TD	Yes	20/11/2018	12/11/2019	1.39	500,000.00	2.80	1,189.04	2,800.00
National Australia Bank Limited	AA-	TD	No	4/12/2018	26/11/2019	2.79	1,000,000.00	2.73	2,318.63	4,412.88
Bank of Queensland	BBB+	TD	Yes	6/12/2018	23/7/2019	1.39	500,000.00	2.80	1,189.04	2,186.30
MyState Bank Limited	BBB+	TD	Yes	7/12/2018	26/11/2019	2.79	1,000,000.00	2.80	2,378.08	4,295.89
BankVic (Police Financial Services Ltd T/as)	UNRATED	TD	Yes	11/12/2018	10/12/2019	1.39	500,000.00	2.95	1,252.74	2,101.37
BankVic (Police Financial Services Ltd T/as)	UNRATED	TD	Yes	4/1/2019	17/12/2019	1.39	500,000.00	2.80	1,073.97	1,073.97
Australian Military Bank	UNRATED	TD	Yes	4/1/2019	7/1/2020	1.39	500,000.00	2.76	1,058.63	1,058.63
National Australia Bank Limited	AA-	TD	No	8/1/2019	3/12/2019	1.39	500,000.00	2.70	887.67	887.67
Queensland Country CU (formerly ECU Aust)	UNRATED	TD	Yes	15/1/2019	14/1/2020	1.39	500,000.00	2.80	652.05	652.05
The Capricornian Ltd	UNRATED	TD	Yes	22/1/2019	21/1/2020	1.39	500,000.00	2.85	390.41	390.41
Bank of Queensland	BBB+	TD	Yes	6/2/2018	4/2/2020	1.39	500,000.00	2.85	1,210.27	8,393.84
ING Bank Aust Ltd	A	TD	No	8/2/2018	11/2/2020	2.79	1,000,000.00	2.90	2,463.01	17,082.19
Rural Bank	BBB+	TD	Yes	13/2/2018	18/2/2020	1.39	500,000.00	2.85	1,210.27	8,393.84
Auswide Bank Ltd	BBB+	TD	Yes	27/3/2018	24/3/2020	1.39	500,000.00	2.77	1,176.30	8,158.22
Bank of Queensland	BBB+	TD	Yes	17/7/2018	14/7/2020	1.39	500,000.00	3.00	1,273.97	8,178.08
Bank of Queensland	BBB+	TD	Yes	24/7/2018	21/7/2020	1.39	500,000.00	3.00	1,273.97	7,890.41
AMP Bank	A	TD	No	21/8/2018	25/8/2020	1.39	500,000.00	2.95	1,252.74	6,627.40
Rural Bank	BBB+	TD	Yes	6/11/2018	3/11/2020	2.79	1,000,000.00	2.85	2,420.55	6,793.15
Newcastle Permanent Bldg Soc	BBB	TD	Yes	29/1/2019	19/1/2021	1.39	500,000.00	2.95	121.23	121.23
MATURED TDs									2,450.00	140,589.59
						100.00	35,872,798.78	2.73%	82,163.26	550,598.58
Total Investment Holdings						100.00	35,872,798.78		82,163.26	550,598.58
									Total YTD Interest	550,598.58
									Budget Interest @ 31 Jan 19	408,450.00
									Budget variance	142,148.58

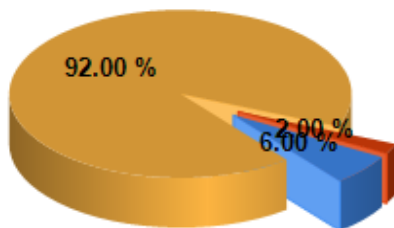
Deposits with Australian Deposit-taking institutions (ADI) are Government.
Guaranteed for balances totalling up to \$250,000 per customer, per institution.

Investment by Type



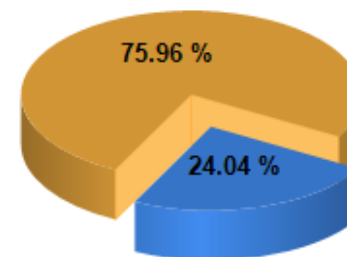
■ All A category term deposits
 ■ BBB+, BBB, BBB- category term deposits
 ■ Unrated Term Deposits

Investment by Fund



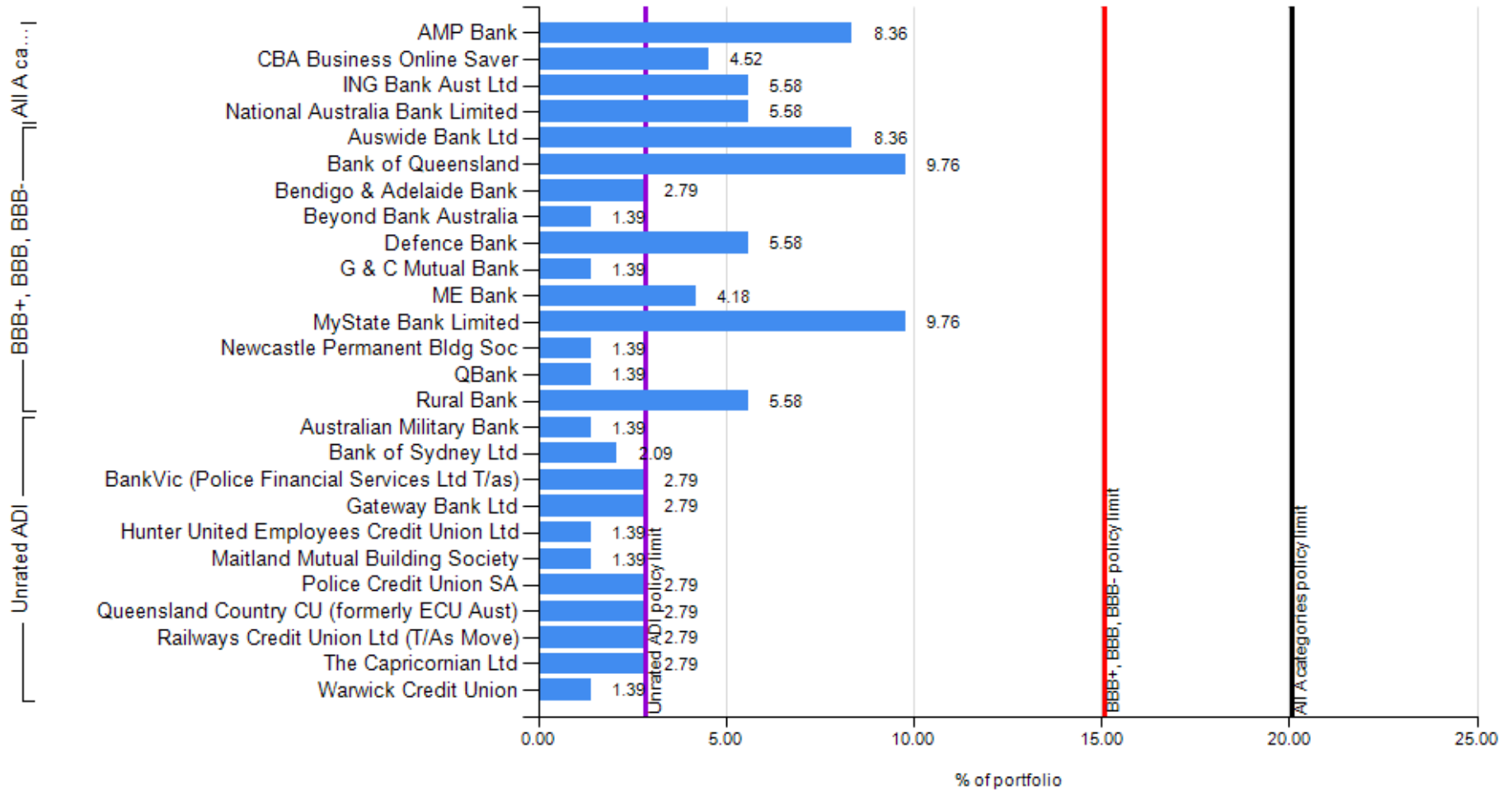
■ Flood fund
 ■ Water fund
 ■ Weeds fund

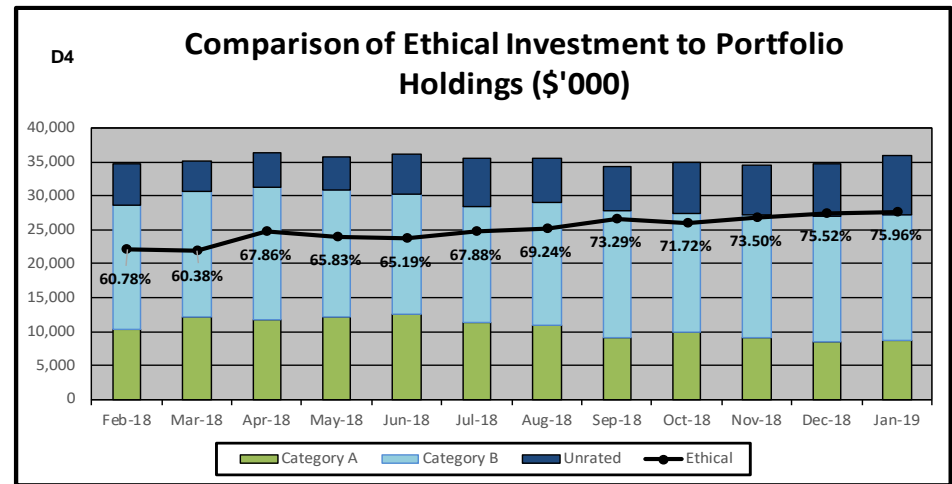
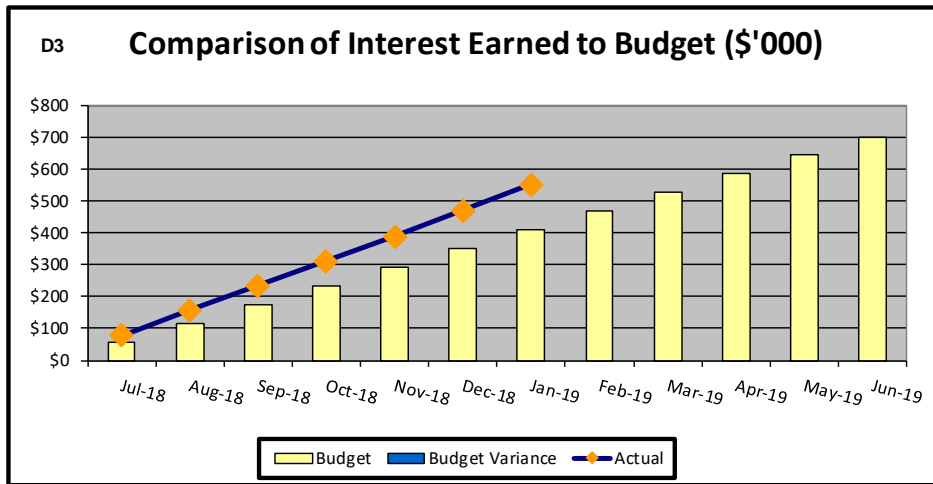
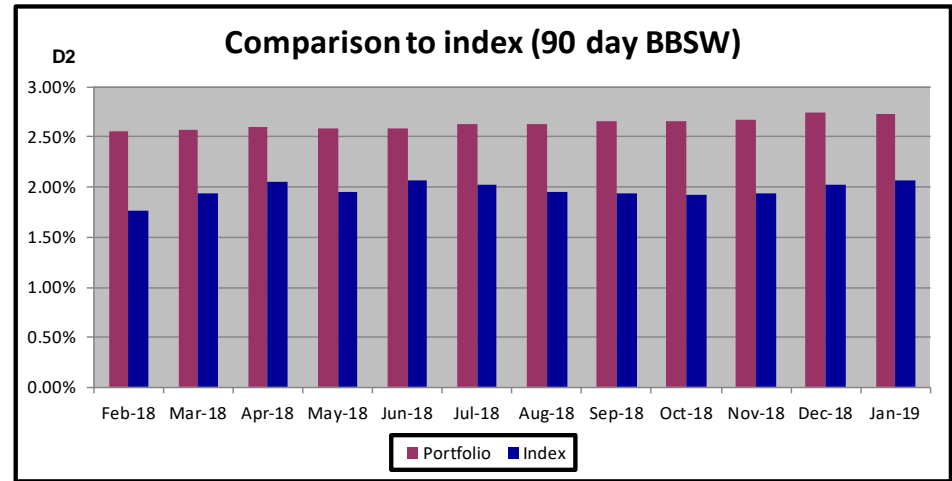
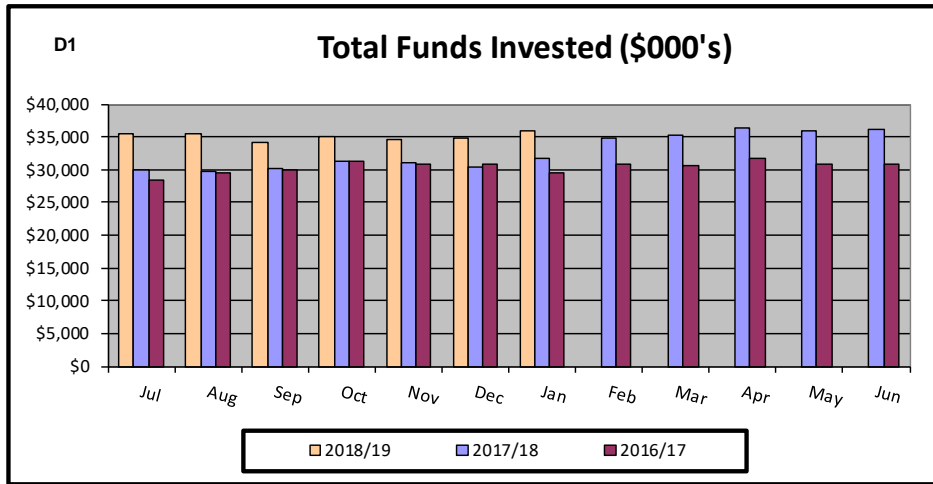
Ethical Investments as a % of Portfolio



■ Non ethical investments
 ■ Ethical investments

Investment by Institution





Water production and usage - December 2018 and January 2019

(5/12)

Business activity priority

Strategy and planning

Goal 2

Align strategic direction to core functions and sustainability

Recommendation

That Council receive and note this report.

Background

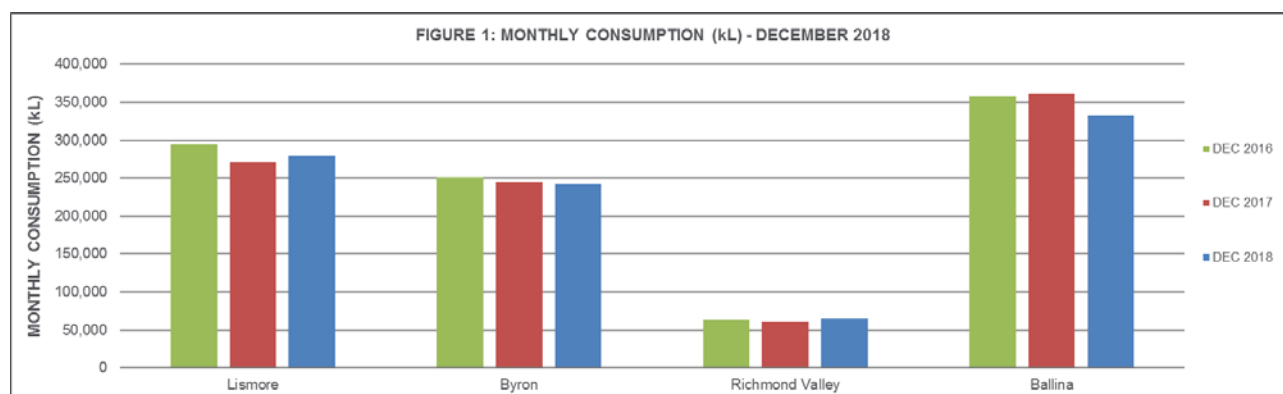
- Summary for December 2018**

The table below is the December 2018 bulk water sales to the constituent councils in kilolitres compared to November 2018 and the corresponding December for 2016 and 2017.

Council	Council area	Dec 2016	Dec 2017	Nov 2018	Dec 2018	Change on previous year %	% of Total
Lismore City Council	Dunoon/The Channon	14,220	12,121	12,420	15,507		
	Clunes	5,337	5,912	4,393	5,125		
	Pineapple Road	429	452	444	609		
	Holland Street	41,528	37,771	41,399	42,381		
	Ross Street	90,959	74,569	78,896	77,148		
	Tullera	1,696	2,294	1,541	1,984		
	No. 4 Reservoir	41,836	40,564	53,635	51,810		
	No. 9 Reservoir	90,895	91,236	85,533	78,134		
	Tanelawn	6,839	4,766	5,160	5,218		
	North Woodburn	893	756	710	844		
	TOTAL	294,632	270,441	284,131	278,760	↑ 3.08	30.36
Byron Shire Council	Bangalow	17,077	19,198	14,876	15,668		
	Byron Bay	55,672	38,347	54,334	56,979		
	Coopers Shoot	96,789	107,324	89,372	93,973		
	Wategos Beach	5,874	5,301	3,821	4,526		
	Brunswick Heads	22,888	22,086	17,811	21,455		
	Ocean Shores	53,346	52,254	46,146	49,414		
	TOTAL	251,646	244,510	226,360	242,015	↓ 1.02	26.36
Richmond Valley Council	Coraki	12,130	10,806	10,726	12,088		
	Woodburn	5,950	5,042	4,848	5,309		
	Broadwater	9,233	13,392	18,123	13,311		
	Evans Head	35,460	31,858	28,003	34,018		
	TOTAL	62,773	61,098	61,700	64,726	↑ 5.94	7.05
Ballina Shire Council	Ballina 375mm main	90,045	93,496	85,438	84,946		
	Lennox Head 200mm main	2,844	2,026	2,740	2,660		
	Basalt Crt 450mm main	180,083	193,366	159,285	169,332		
	Ballina Heights	9,313	6,847	9,555	7,907		
	Sub-Total	282,285	295,735	257,018	264,845		
	Wollongbar 375mm main	75,422	65,349	64,547	67,906		
	Lumley Park Bore	0	0	0	0		
	Converys Lane Bore	0	0	0	0		
	Sub-Total	75,422	65,349	64,547	67,906		
	TOTAL	357,707	361,084	321,565	332,751	↓ 7.85	36.24
TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS		966,758	937,133	893,756	918,252	↓ 2.01	100.00

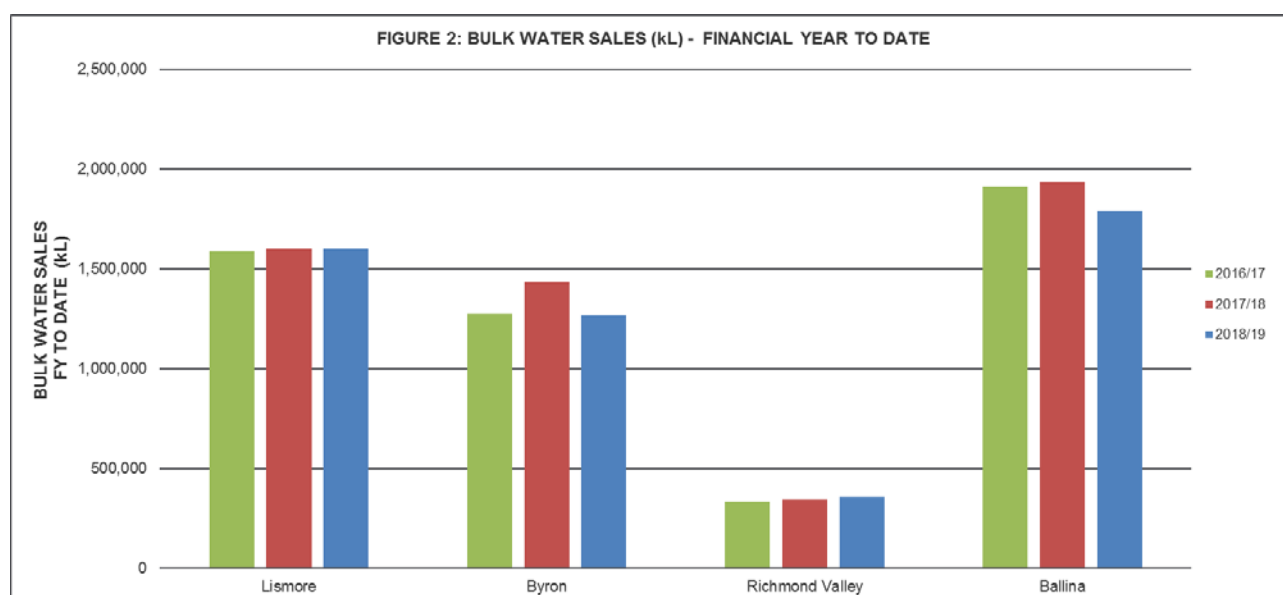
Monthly consumption by constituents

Figure 1 is the monthly consumption for each council area compared to the previous two years.



Sales to constituents – financial year to date

Figure 2 is the bulk water sales in kilolitres to the constituent councils for the financial year to date compared to previous financial years.



Source contribution

The table below is the source contributions in kilolitres for the month compared to the corresponding month of the previous two years.

Daily source usage for December 2018 averaged 34.133ML. This is an increase from the November 2018 daily average of 33.3787ML. Rocky Creek Dam as at 31 December 2018 was at 91.81% of full capacity (refer Attachment 1).

Source	Dec 2016	Dec 2017	Nov 2018	Dec 2018	Change on previous year %	% of Total
Rocky Creek Dam	787,152	1,080,025	946,254	790,202		74.68
Wilson River	209,567	16,043	7,461	148,413		14.03
Emigrant Creek Dam	77,867	10,926	47,622	119,523		11.30
Alstonville Plateau Bores	0		0	0		
Coastal Sands Bores	0		0	0		
TOTAL	1,074,586	1,106,994	1,001,337	1,058,138	4.41	100.00
YEAR TO DATE TOTAL	11,090,014	10,359,061	8,498,357	9,556,495	7.75	

New connections

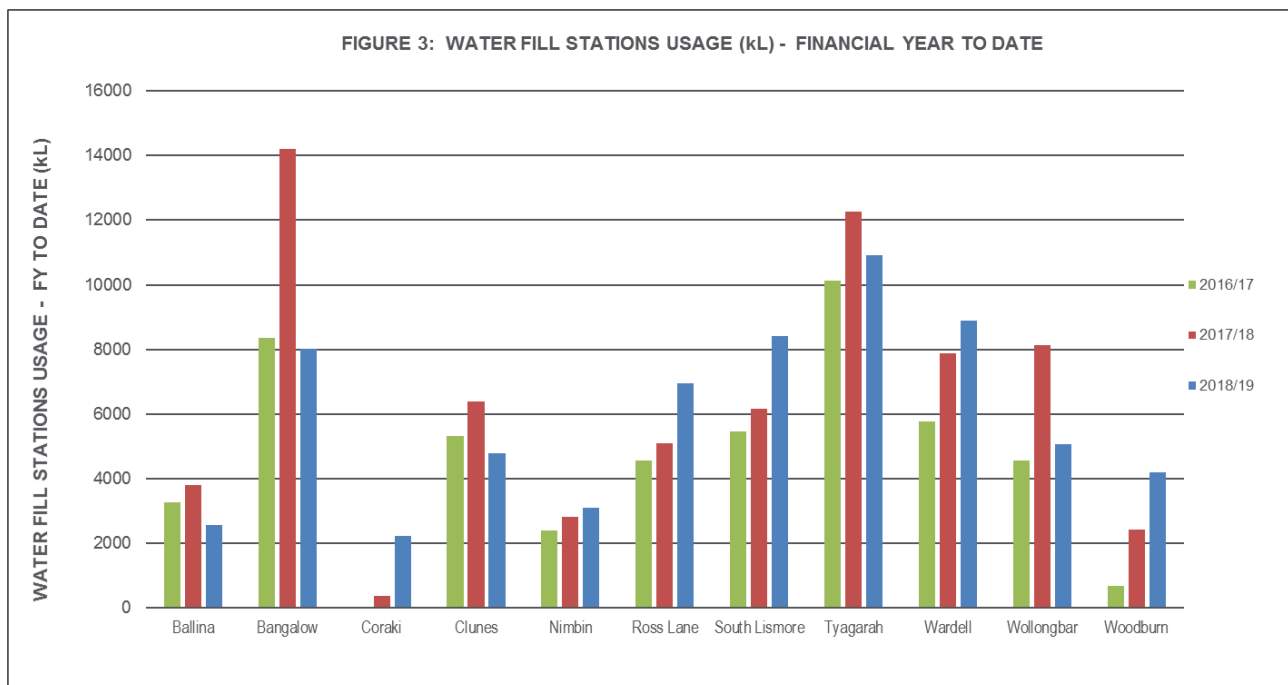
The table below is a summary of the new water connections for each council for the month. The kL/connection/day provides a comparison of the monthly consumption per connection per day.

Supply authority	New connections	Year to date total	Total connections	kL/Connection/Day
Lismore City Council	2	52	13,968	0.64
Byron Shire Council	22	97	9,969	0.78
Richmond Valley Council	N/A	33	2,686	0.78
Ballina Shire Council	19	198	15,114	0.71
Rous County Council	0	12	2,107	0.92
TOTAL	43	392	43,844	

Water fill stations

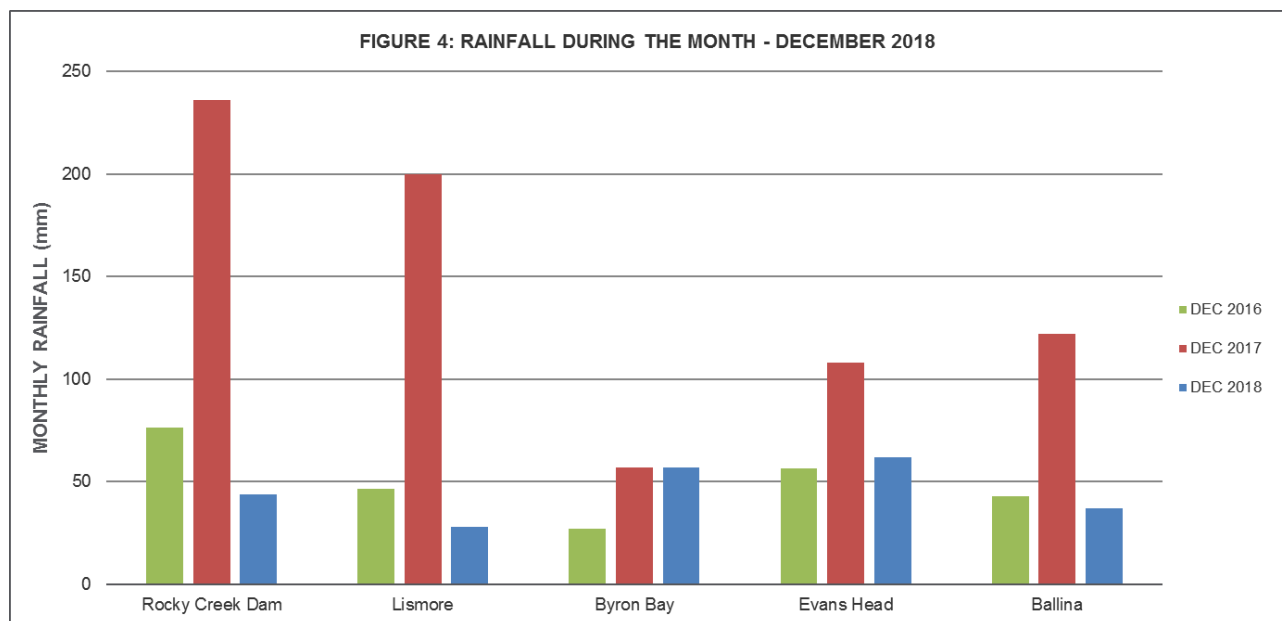
Figure 3 is the usage from the water fill stations for the financial year to date in kilolitres for each water fill station compared to previous financial years.

Total water usage for the water fill station network for December 2018 was 13,260kL, an increase from 8,992kL in November 2018.



Rainfall by area

Figure 4 is the monthly rainfall for Rocky Creek Dam and council areas compared to the previous two years.



Note: The Rocky Creek Dam rainfall reading is from the rain gauge at Nightcap Water Treatment Plant. Other rainfall data is from the Bureau of Meteorology.

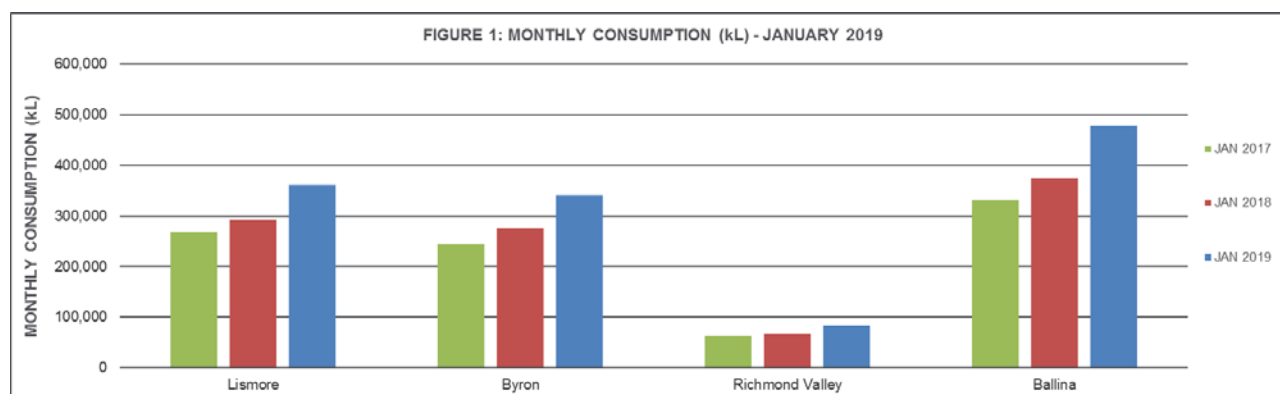
- Summary for January 2019**

The table below is the January 2019 bulk water sales to the constituent councils in kilolitres compared to December 2018 and the corresponding January for 2017 and 2018. The region experienced the lowest rainfall totals and the highest average daytime temperatures on record during the month of January. As a result, consumption for the month had significantly increased compared to this time last year.

Council	Council area	Jan 2017	Jan 2018	Dec 2018	Jan 2019	Change on previous year %	% of Total
Lismore City Council	Dunoon/The Channon	13,403	13,836	15,507	23,375		
	Clunes	4,523	7,466	5,125	6,223		
	Pineapple Road	331	474	609	607		
	Holland Street	36,497	41,392	42,381	57,829		
	Ross Street	84,822	81,396	77,148	102,847		
	Tullera	1,331	1,761	1,984	2,704		
	No. 4 Reservoir	35,227	47,500	51,810	70,130		
	No. 9 Reservoir	86,104	92,120	78,134	88,864		
	Tanelawn	4,957	5,456	5,218	7,170		
	North Woodburn	765	859	844	1,189		
	TOTAL	267,960	292,260	278,760	360,938	↑ 23.50	28.54
Byron Shire Council	Bangalow	15,405	22,278	15,668	23,510		
	Byron Bay	56,188	47,361	56,979	78,605		
	Coopers Shoot	93,445	120,205	93,973	133,104		
	Wategos Beach	5,441	5,883	4,526	6,861		
	Brunswick Heads	22,819	24,231	21,455	29,277		
	Ocean Shores	50,851	57,116	49,414	70,337		
	TOTAL	244,149	277,074	242,015	341,694	↑ 23.32	27.07
Richmond Valley Council	Coraki	12,095	11,378	12,088	13,662		
	Woodburn	5,573	5,356	5,309	7,422		
	Broadwater	8,774	12,952	13,311	16,286		
	Evans Head	36,238	37,245	34,018	46,019		
	TOTAL	62,680	66,931	64,726	83,389	↑ 24.59	6.59
Ballina Shire Council	Ballina 375mm main	90,996	92,806	84,946	90,188		
	Lennox Head 200mm main	2,240	2,146	2,660	3,219		
	Basalt Crt 450mm main	165,196	204,057	169,332	278,343		
	Ballina Heights	8,671	6,292	7,907	10,452		
	Sub-Total	267,103	305,301	264,845	382,202		
	Wollongbar 375mm main	65,247	69,235	67,906	96,481		
	Lumley Park Bore	0	0	0	0		
	Converys Lane Bore	0	0	0	0		
	Sub-Total	65,247	69,235	67,906	96,481		
	TOTAL	332,350	374,536	332,751	478,683	↑ 27.81	37.85
TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS		907,139	1,010,801	918,252	1,264,704	↑ 25.12	100.00

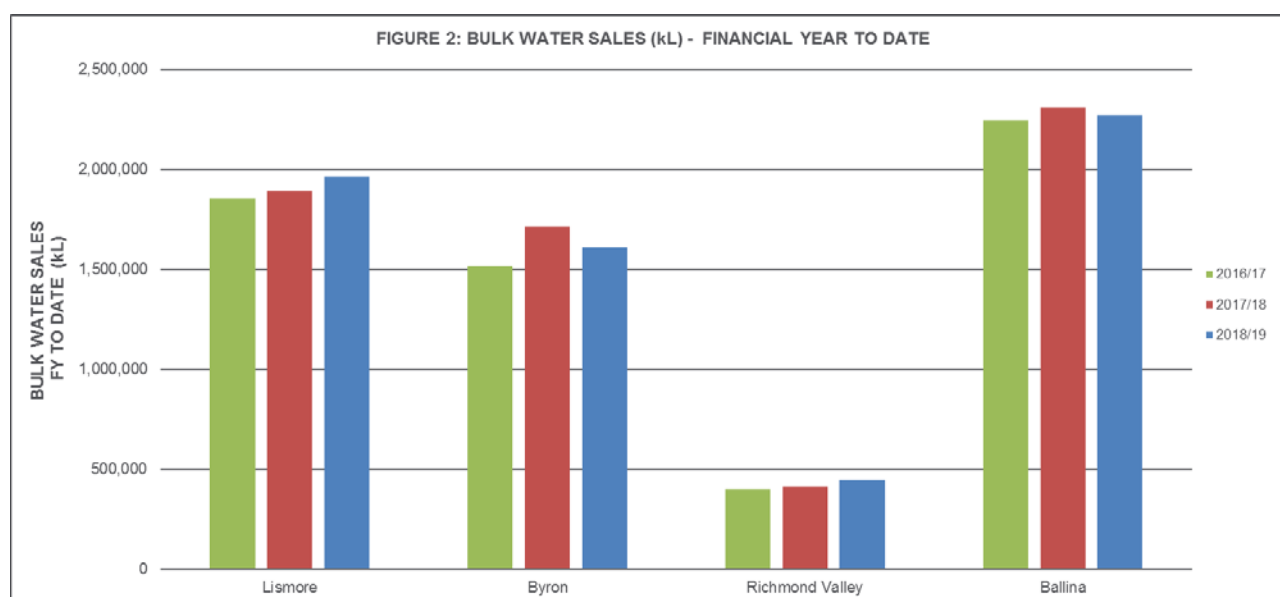
Monthly consumption by constituents

Figure 1 is the monthly consumption for each council area compared to the previous two years.



Sales to constituents – financial year to date

Figure 2 is the bulk water sales in kilolitres to the constituent councils for the financial year to date compared to previous financial years.



Source contribution

The table below is the source contributions in kilolitres for the month compared to the corresponding month of the previous two years.

Daily source usage for January 2019 averaged 45.516ML. This is a 33% increase from the December 2018 daily average of 34.1337ML. Rocky Creek Dam as at 31 January 2019 was at 82.12% of full capacity (refer Attachment 1).

Source	Jan 2017	Jan 2018	Dec 2018	Jan 2019	Change on previous year %	% of Total
Rocky Creek Dam	833,104	1,126,696	790,202	1,155,970		
Wilson River	59,663	11,822	148,413	115,164		
Emigrant Creek Dam	101,745	2,438	119,523	133,637		
Alstonville Plateau Bores	0		0	0		
Coastal Sands Bores	0		0	0		
TOTAL	994,512	1,140,956	1,058,138	1,404,771	↑ 23.12	
YEAR TO DATE TOTAL	994,512	1,140,956	9,556,495	1,404,771	↑ 23.12	

New connections

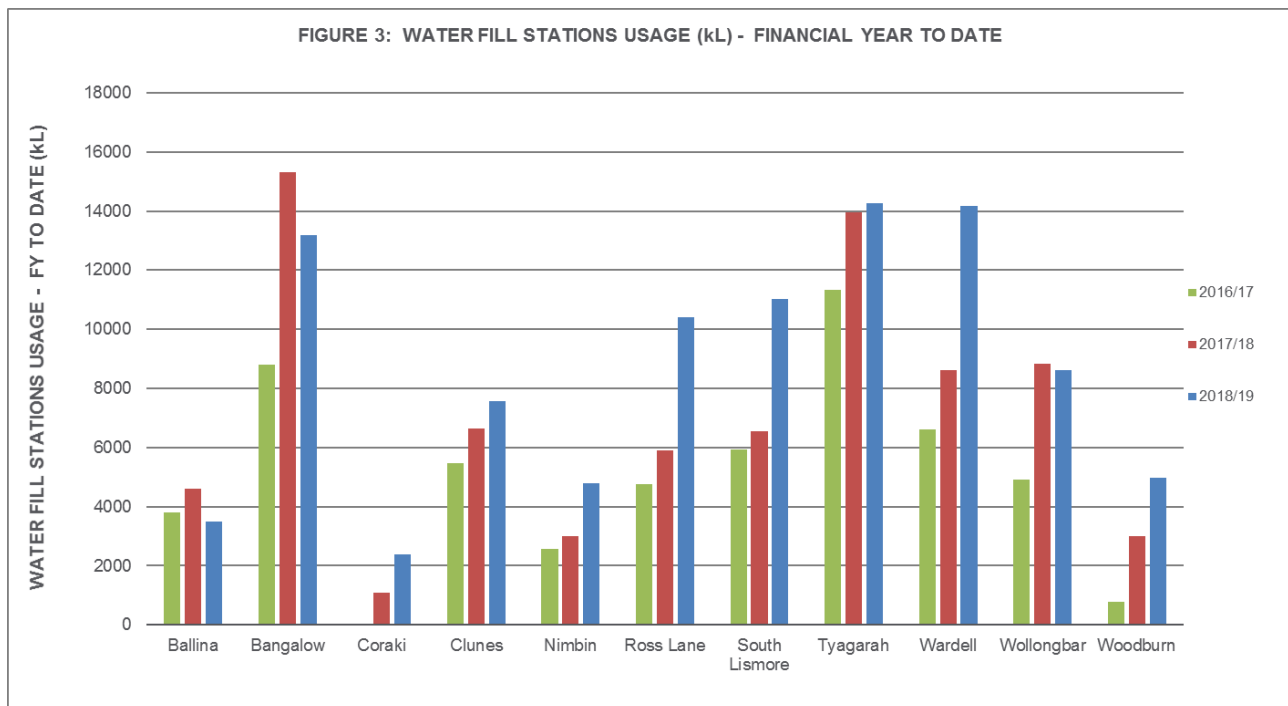
The table below is a summary of the new water connections for each council for the month. The kL/connection/day provides a comparison of the monthly consumption per connection per day.

Supply authority	New connections	Year to date total	Total connections	kL/Connection/Day
Lismore City Council	3	55	13,971	0.83
Byron Shire Council	8	105	9,977	1.10
Richmond Valley Council	N/A	33	2,686	1.00
Ballina Shire Council	19	217	15,133	1.02
Rous County Council	2	14	2,109	0.92
TOTAL	32	424	43,876	

Water fill stations

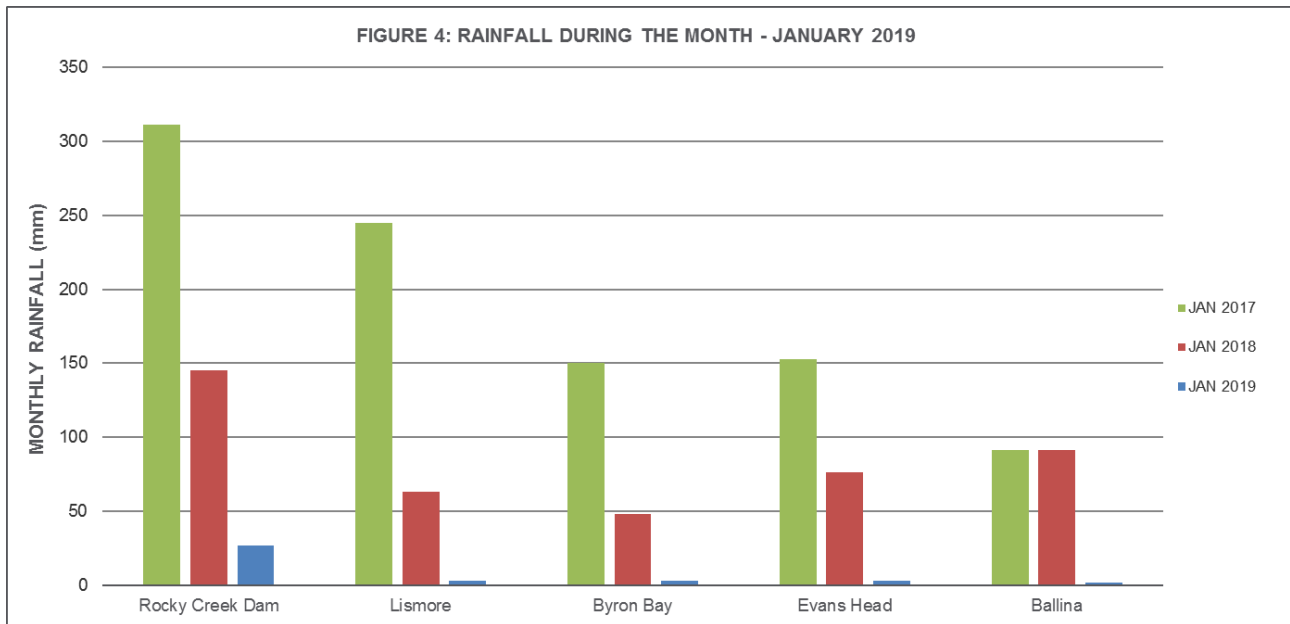
Figure 3 is the usage from the water fill stations for the financial year to date in kilolitres for each water fill station compared to previous financial years.

Total water usage for the water fill station network for January 2019 was 30,522kL, an increase from 13,260kL in December 2018.



Rainfall by area

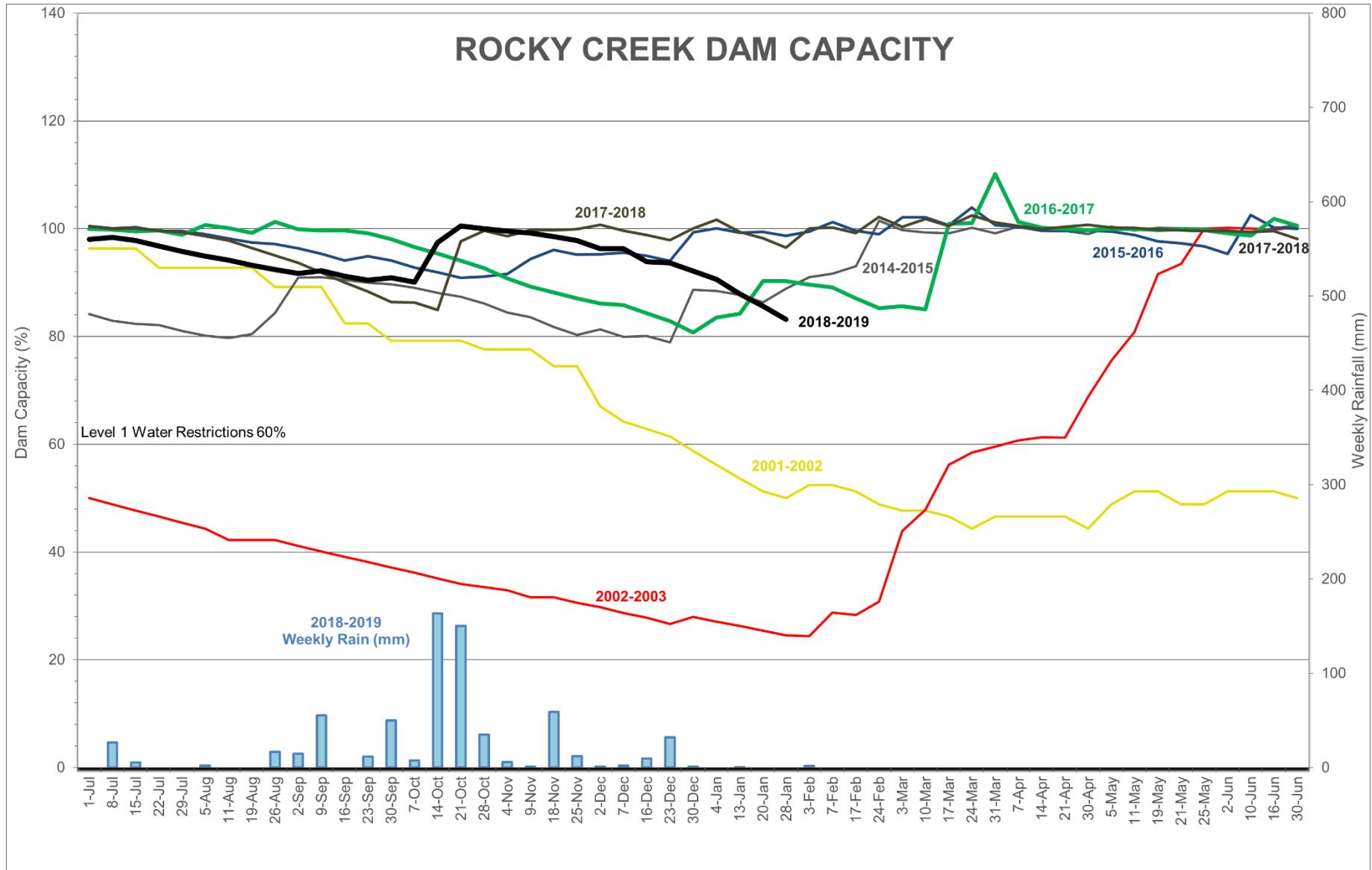
Figure 4 is the monthly rainfall for Rocky Creek Dam and council areas compared to the previous two years.



Note: The Rocky Creek Dam rainfall reading is from the rain gauge at Nightcap Water Treatment Plant. Other rainfall data is from the Bureau of Meteorology.

Michael McKenzie
Group Manager Planning and Delivery

Attachment: Rocky Creek Dam Capacity.



Reports/actions pending

(1181/12)

Business activity priority	Process management, improvement and innovation
Goal 6	Continuous improvement through process management and innovative thinking

Recommendation

That Council receive and note the report.

Background

Following is a list of pending resolutions with individual comments provided on current position and expected completion date.

Council meeting	Resolution	Status
20/06/18	<p>Perradenya – update on shared walking path/cycling track</p> <p>RESOLVED [46/18] (Ekins/Cadwallader) that Council:</p> <ol style="list-style-type: none"> 1. Receive a further report by December 2018 detailing: <ol style="list-style-type: none"> a). the estimated cost to construct both options; b). Perradenya community and Caniaba Public School opinion on the options available; c). options available to Rous County Council under DA 98/7. 	<p>Perradenya cycleway workshop presented to Councillors at the 21 November 2018 meeting. GMCC progressing next steps with a further workshop planned for May 2019.</p>

Phillip Rudd
General Manager

Delivery program progress update: 1 July to 31 December 2018

(2092/10)

Business activity priority	Results and sustainable performance
Goal 7	Sustainable performance

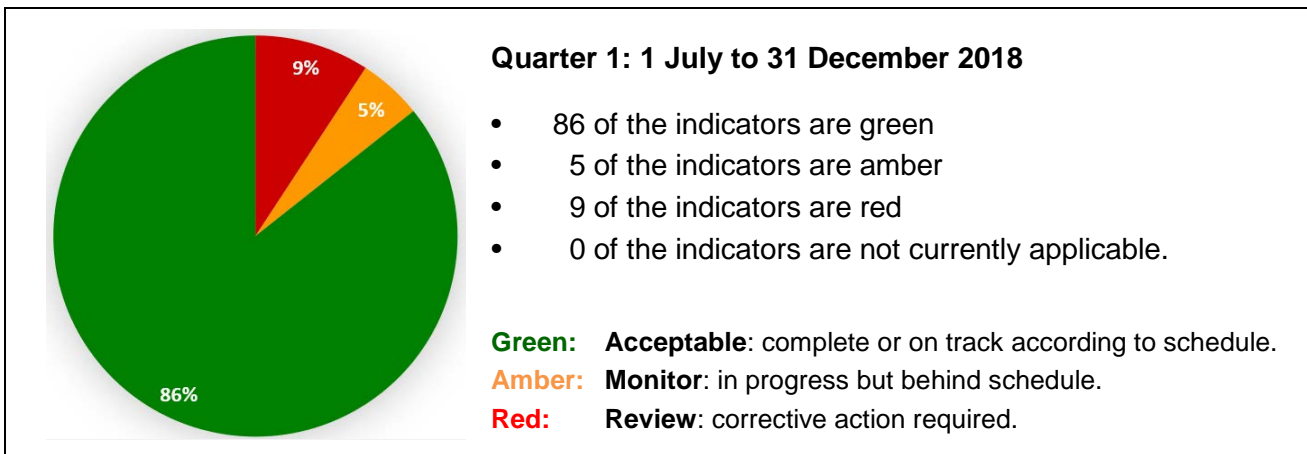
Recommendation

That Council receive and note this report and attachment.

Background

This report relates to and provides information about Council's achievement of the performance targets in the Integrated Planning and Reporting Delivery program for 2018/19.

- **Overview of Delivery program performance**



Refer to the Attachment for a traffic light indicator performance report based on exception reporting.

Governance

Legal

In accordance with the *Local Government Act 1993* the General Manager must ensure that regular reports (at least every six months) are provided to Council as to progress with respect to the achievement of the activities detailed in the Delivery program.

Consultation

This report has been compiled in consultation with management and staff.

Conclusion

Council's Integrated Planning and Reporting framework includes a four-year Delivery program. This report provides an update on the status of the actions in the Delivery program for Year 2 due to be completed on or before 30 June 2019.

Phillip Rudd
General Manager
 Attachment.

What we will do in Y1: 2018/19

IP&R Delivery Program / Operational Plan

Reporting period: 1 July 2018 to 31 December 2018

LEADERSHIP

Our goal: 1. Values based leadership and culture

What achieving our goal will look like:

1.1 Leaders are visible at all levels of the organisation and are supported to effectively lead and drive performance.

How we will achieve our goal:

1.1.1 Enhance management and leadership skills

Legend:

Green: Acceptable. Complete or on track according to schedule.

Amber: Monitor. In progress but behind schedule.

Red: Review. Corrective action required.

Activity	How we will measure our performance	Links to*	Comment	STATUS
1.1.1.1 Implement leadership program for the Leadership Team.	Improvement in leadership and management skills (assessed before, during and after undertaking the program).	WFMP		●
1.1.1.2 Develop leadership program for all supervisors.	Suite of leadership and management tools/resources available and being used.	WFMP		●
1.1.1.3 Develop a business management program for all supervisors.	Suite of leadership and management tools/resources available and being used.	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
1.1.1.4 Continue to implement and undertake ongoing review of activities associated with embedding the mission, vision and values.	Implementation activities completed and ongoing activities reviewed by the Leadership Team at least twice.	WFMP		●
1.1.1.5 Performance planning and management processes include discussion of individual staff member alignment with Council values.	Individual mission, vision and values discussion held with all staff members at least 6 monthly. Record of discussion made by the supervisor and reported to manager upon completion.	WFMP		●

STRATEGY AND PLANNING

Our goal: 2. Align strategic direction to core functions and sustainability

What achieving our goal will look like:

2.1 Being responsive to the impact of population growth on our core functions.

How we will achieve our goal:

2.1.1 Develop new Operational Plan (having regard to the actions outlined in the Delivery Program).

2.1.4 Subject to non-viability of key action 2., complete key action 3. of the Future Water Strategy (re-use).

What achieving our goal will look like:

2.2 Strategic partnerships/relationships supportive of our mission and vision.

How we will achieve our goal:

2.2.1 Partner with stakeholders to facilitate implementation of the Coastal Zone Management Plan for the Richmond River catchment.

2.2.2 Partner with stakeholders for the ongoing development of Flood Management Plans for the Richmond River catchment.

What we will do in Y1: 2018/19

What achieving our goal will look like:

2.3 Business activity contributes to local and regional growth and optimal environmental outcomes.

How we will achieve our goal:

2.3.1 Implement Reconciliation Action Plan.

2.3.2 Develop new Reconciliation Action Plan (informed by the Reconciliation Action Plan Advisory Group) that is endorsed by Reconciliation Australia.

2.3.4 Implement Greenhouse Gas Abatement Strategy.

2.3.5 Implement enhanced Demand Management Plan

2.3.6 Review effectiveness of energy efficiency measures (Administration building)

What achieving our goal will look like:

2.4 Converting strategy into action plans that anticipate and accommodate change and allocate accountability.

How we will achieve our goal:

2.4.2 Implement Capital Works Plan.

2.4.3 Implement Disability Inclusion Action Plan.

2.4.6 Complete operational readiness actions as identified in the Drought Management Plan.

2.4.7 Assess physical security review audit results and develop implementation plan .

2.4.8 Implement physical security review improvements.

2.4.9 Establish and embed a consistent and integrated approach to workforce planning.

2.4.10 Implementation of advanced asset management planning.

2.4.12 Staged implementation of IT Strategic Plan.

2.4.13 Staged implementation of Catchment Management activities.

2.4.14 Implement Rous County Council activities as outlined in the Coastal Zone Management Plan for the Richmond River catchment.

2.4.15 Develop a corporate properties management plan (proposed Dunoon Dam properties).

2.4.16 Service level agreement negotiation for exercise of 2 year option (Tweed Shire Council).

2.4.18 Develop Richmond Water Laboratories strategic business options paper.

2.4.24 Investigate the development of a targeted weed eradication and control plan.

Activity	How we will measure our performance	Links to*	Comment	STATUS
2.1.1.1 Develop Operational Plan for 2018/19.	Operational Plan adopted by 30 June 2019.	AMP; LTFP; WFMP		●
2.1.4.1 Undertake detailed investigations to assess the suitability of increased use of groundwater as a new water source.	Complete detailed assessment on the remaining 3 shortlisted ground water investigation areas for suitability as a new groundwater source.	FWS		●
2.2.1.1 Progress implementation of the Coastal Zone Management Plan for the Richmond River catchment through the CZMP Implementation Committee.	Progress of completion of actions under the Coastal Zone Management Plan for the Richmond River catchment.	CZMP		●
2.2.1.2 Determine a policy position governing the ownership and management of Rous County Council's non-critical flood mitigation infrastructure/assets.	Implement policy position.	AMS		●
2.2.2.1 Undertake update of Flood Risk Management Plan inclusive of flood evacuation routes areas protected by Lismore CBD and South Lismore Levees.	Achieved.	AMS		●
2.3.1.2 Develop and maintain mutually beneficial relationships with Aboriginal and Torres Strait Islander people, communities and organisations to support positive outcomes.	Establishment of communication protocol and evidence of engagement.	RAP		●

What we will do in Y1: 2018/19

2.3.1.3 Raise internal and external awareness of our Reconciliation Action Plan.	Evidence of internal and external awareness initiatives.	RAP		●
2.3.1.4 Engage employees in cultural learning opportunities to increase understanding and appreciation of Aboriginal and Torres Strait Islander cultures, histories and achievements.	Implement Councillor and staff processes to encourage and support engagement in Aboriginal and Torres Strait Islander community events.	RAP		●
2.3.1.5 Participate and celebrate National Reconciliation Week, NAIDOC, Close the Gap and other recognised events as supported via the communication protocol.	Evidence of participation.	RAP		●
2.3.1.6 Investigate Aboriginal and Torres Strait Islander supplier diversity.	Identify Aboriginal and Torres Strait Islander businesses based in the four constituent council areas.	RAP		●
2.3.1.7 Aboriginal and Torres Strait Islander employment outcomes within our workplace.	Successful implementation of employment outcomes.	RAP		●
2.3.1.8 Complete the Reconciliation Action Plan Impact Measurement Report.	Report to Reconciliation Australia annually on performance against key RAP targets to track and measure the broader impact of the RAP program.	RAP		●
2.3.2.1 Develop Reconciliation Action Plan 2018/19.	Reconciliation Action Plan endorsed by Reconciliation Australia.	RAP		●
2.3.4.1 Implement Greenhouse Gas Abatement Strategy.	Achieve year 1 actions of the Greenhouse Gas Abatement Strategy.	GGAS	Resourcing for the implementation year 1 actions is unresolved	●
2.3.5.1 Enhanced Demand Management Plan actions.	Achieve year 1 actions from the enhanced Demand Management Plan.	DMP		●
2.3.6.1 Assess effectiveness of energy efficiency measures implemented in the Rous County Council Administration building.	Report to the Leadership Team.	GGAS		●
2.4.2.1 Implement Capital Works Plan.	Less than 20% carried forward from 2018/19 capital works budget.	AMS		●
2.4.3.1 Review staff induction process to include access awareness.	All new staff inducted in Council's Disability Inclusion Action Plan, and how it relates to them and the community.	DIAP		●
2.4.3.2 Staff training in access awareness.	Design stage complete.	DIAP		●
2.4.3.3 Promote Council's Disability Inclusion Action Plan in local community.	Disability Inclusion Action Plan promoted on Council's website.	DIAP		●
2.4.3.4 Promote Council services and events that are inclusive/accessible.	Services and events promoted on Council's website.	DIAP		●
2.4.3.5 Establish a project team to assess accessibility reports relating to Council sites, determine priorities and resourcing for years 2-4.	Priorities determined and incorporated into the annual Operational Plan.	DIAP		●
2.4.3.6 Install signs as a result of signage audit.	Signs installed by 30 September 2018.	DIAP		●
2.4.3.7 Administration Centre - Level 2 (foyer) upgrade.	Level 2 (foyer) upgraded in accordance with the relevant accessibility building codes and standards (including Building Code of Australia, Australian Standard 1428.1).	DIAP		●
2.4.3.8 Administration Centre - Level 4 (foyer) upgrade.	Level 4 foyer upgraded in accordance with the relevant accessibility building codes and standards (including Building Code of Australia, Australian Standard 1428.1, Access to Premises Standards).	DIAP		●
2.4.3.9 Review event management documents/practices.	Event management documents/practices current and include accessibility content.	DIAP		●
2.4.3.10 Inclusion of accessibility requirements in 'Recruitment' procedure and related documents.	'Recruitment' procedure and related documents developed and implemented by 30 June 2019.	DIAP		●
2.4.3.11 Review 'Feedback' policy, procedure and other related documents.	'Feedback' policy, procedure and other related documents revised, developed (where appropriate) and implemented by 31 December 2018.	DIAP		●

What we will do in Y1: 2018/19

2.4.3.12 Review website to ensure WCAG 2.0 AA compliance.	Website compliant to standard.	DIAP		●
2.4.6.1 Complete Rous' operational readiness actions as identified in the Drought Management Plan.	Achieved.	DMP		●
2.4.8.1 Finalise the review of the enterprise keying system.	Achieved.	AMS		●
2.4.8.2 Install enterprise keying system in high risk sites.	Achieved.	AMS		●
2.4.9.1 Review the Succession Plan for business critical roles.	Two workforce planning sessions per annum (including review of Succession Plan).	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
2.4.9.2 Workforce planning sessions with the Leadership Team (for forecasting, assessment, challenge and review, monitoring and succession planning).	Two workforce planning sessions per annum (including review of Succession Plan and business critical roles).	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
	Biannual workforce report to the Leadership Team.		Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
2.4.10.1 Implement advanced asset management planning.	Achieved Y2 actions from the Asset Management Plan.	AMP		●
2.4.12.1 Review and prioritise actions from the IT Strategic Plan in line with enterprise priorities.	Recommendations reported to the Leadership Team and future position determined.	ITSP		●
2.4.13.1 Areas of buffer zones/catchment lands 'actively managed' for water quality control purposes through ongoing regeneration.	Develop site plans for priority areas and report to the Leadership Team for approval.	DWMS		●
	Priority buffer zones/catchment lands under 'active management'.			●
2.4.13.2 Report on Catchment Management Plan outcomes.	External audit of implementation of one Catchment Management Plan reported to the Leadership Team.	DWMS	This action has not started due to resources being re-deployed on other projects.	●
2.4.13.3 River Reach Plan - Implement Year 3 works identified in riparian zone restoration partnerships with property owners in Emigrant Creek catchment.	Implement bed and bank stabilisation on properties within the Emigrant Creek catchment.	DWMS		●
2.4.13.4 Implement Catchment Stakeholder Engagement Strategy.	Complete the planning and staging of the 20th annual Big Scrub Rainforest Day.	DWMS		●
2.4.14.1 Develop floodgate management plans/protocols for Rous County Council's critical infrastructure sites as identified in the Rous County Council Service Level Agreements (CZMP 4b).	5 plans developed based on the enhanced active floodgate management template	CZMP		●
2.4.14.2 Partner with constituent councils to develop educational collateral in relation to wastewater/onsite sewerage management and practices (CZMP 10b).	Achieved.	CZMP		●
2.4.16.1 Service Level Agreement two-year option agreed (Tweed Shire Council).	Option exercised and agreement in place for a further 2 years.	BAU		●
2.4.18.1 Develop Richmond Water Laboratories strategic business options paper.	Achieved.	BAU		●
2.4.24.1 Prepare a targeted weed eradication and control plan.	Reprioritisation of effort to achieve greatest return on investment.	Regional priorities		●
	Endorsement of plan by constituent councils.			●

What we will do in Y1: 2018/19

INFORMATION AND KNOWLEDGE

Our goal: 3. Create value through applying knowledge

What achieving our goal will look like:

3.1 We will better utilise the knowledge and expertise of our people and the knowledge embedded in our organisational systems to inform decision-making and enhance transparency, business continuity and resilience.

How we will achieve our goal:

3.1.1 Optimise current information management systems and processes.

3.1.2 Review and update the Emergency Response Plans.

3.1.3 Minimise risks and optimise efficiencies.

3.1.4 Maximise the full potential of our workforce.

3.1.5 Encourage transparency and an effective risk culture across Council.

3.1.6 Continually review Council's policies and procedures for suitability and currency.

3.1.7 Develop and implement a compliance and enforcement framework.

Activity	How we will measure our performance	Links to*	Comment	STATUS
3.1.1.1 Assess level of utilisation of existing systems (Confirm, PayGlobal, NAV, PropertyWise etc) and opportunities to enhance business efficiency, reduce double handling and waste through optimisation.	System owners deliver recommendations on potential improvements to Group Manager Corporate and Commercial, in consultation with users.	BAU		●
3.1.2.1 Review the Emergency Response Plans and supporting appendices to ensure currency.	Achieved.	ERP		●
3.1.3.1 Use business analysis techniques to map key end to end processes/workflows (linked to Merger Transition Plan).	Stage 1: Map and document key processes by 30 June 2019. Stage 2: Mapping and process documentation part of business as usual by 30 June 2022.	WFMP		●
3.1.3.2 Partial field exercise.	Exercise completed and lessons learned.	ERP		●
3.1.3.3 Perform security focused external review of a key Information Technology system.	Review result reported to the Leadership Team (including actions arising).	BAU		●
3.1.3.4 Implement the internal communications framework.	Organisational performance results accessible to all staff and discussed at Group/team meetings.	WFMP		●
3.1.4.1 Review roster arrangements in the Water Treatment and Dam Operations teams.	Roster review completed by 30 June 2019.	WFMP		●
3.1.4.2 Implementation of values-based reward and recognition program.	Outstanding values-based behaviours recognised and rewarded.	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
3.1.5.1 Develop a fit-for-purpose and effective Governance Framework.	Leadership Team endorsed Governance Framework by 30 June 2019 which is consistent with best practice (Lighthouse Model - Audit Office of NSW).	BAU		●
3.1.5.2 Provide regular communications and/or training to workforce covering risk and governance issues.	Release an e-bulletin and/or deliver training on a bi-monthly basis covering topical risk and governance-related issues.	BAU		●
3.1.6.1 Ongoing review of policies and procedures for suitability and currency.	Quarterly progress report on renewal status of policies and procedures to the Leadership Team.	BAU		●

What we will do in Y1: 2018/19

3.1.6.2 Internally review at least three categories of current policies and procedures against the Office of Local Government's <i>Promoting better practice self-assessment checklist</i> .	Review completed by 30 June 2019.	BAU	One category presently under review (HR). Review of other categories anticipated in 4th quarter.	●
3.1.7.1 Develop a fit-for-purpose and effective compliance and enforcement framework for weed biosecurity actions.	Leadership Team endorsed compliance and enforcement framework by 30 March 2019 which is modern, risk-based and outcomes focussed.	BAU		●

PEOPLE

Our goal: 4. Organisational capability through our people

What achieving our goal will look like:

4.1 A high performing team enriched through diversity.

How we will achieve our goal:

4.1.1 Measure and improve employee engagement.

4.1.2 Invest in employee skill development.

4.1.3 Build and attract a diverse workforce.

What achieving our goal will look like:

4.2 A workplace where safety and wellbeing come first.

How we will achieve our goal:

4.2.1 Implement the Work Health and Safety Management System.

4.2.2 External implementation audit of Work Health and Safety Management System.

Activity	How we will measure our performance	Links to*	Comment	STATUS
4.1.1.1 Conduct employee 'pulse' surveys.	Undertake a pulse survey annually (Y1, Y2, Y3).	WFMP	Implementation of organisational culture and effectiveness survey in progress but behind schedule.	●
	Improvements in employee engagement from initial survey results (measured using pulse survey).		Implementation of organisational culture and effectiveness survey in progress but behind schedule.	●
	Monthly employee communications using a variety of channels.		Implementation of organisational culture and effectiveness survey in progress but behind schedule.	●
4.1.2.1 Enhance the Rous three-month induction program (incl. best-fit options for electronic delivery of induction and refresher program).	At least 90% of new employees are satisfied with the three month induction program.	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
4.1.2.2 Develop a technical training program for the Dams and Treatment Operators (informed by 2.3 of the WFMP).	Technical training program established (aligned to skill steps).	WFMP	Deferred pending completion of recruitment to vacant positions post-organisation review in August 2018.	●
4.1.3.1 Implement graduate/traineeship program (targeting people from an Indigenous heritage and under 30's)(informed by 6.1 of the WFMP).	Achieved.	WFMP		●
4.1.3.2 Develop and implement a best practice recruitment and selection methodology.	Vacancies are filled within 90 business days (notice to acceptance).	WFMP		●
	Less than or equal to 5% turnover for new employees within first 18 months post probation.	WFMP		●
	Recruitment and selection activities promote and comply with Equal Employment Opportunity principles.	WFMP		●
4.2.1.1 Work Health and Safety (WHS) Management reporting.	Officers (Leadership Team) informed of WHS performance and accountable for continuous improvement in workplace safety.	WHSMS		●
4.2.1.2 Participate in National Safe Work month (October).	Program of safety related awareness raising activities undertaken.	WHSMS		●
4.2.2.1 External implementation audit of WHS Management System and gap analysis against ISO45001.	WHS Management System that is compliant and practical for Council's business needs.	WHSMS		●

What we will do in Y1: 2018/19

CUSTOMERS AND STAKEHOLDERS

Our goal: 5. Proactive management of relationships with member councils and key stakeholders

What achieving our goal will look like:

5.1 Mutual understanding of needs, priorities, expectations, functions, operations, service standards, span of control and influence.

How we will achieve our goal:

5.1.2 Participation in Performance Audits undertaken by the NSW Audit Office.

Activity	How we will measure our performance	Links to*	Comment	STATUS
5.1.2.1 Participation in NSW Audit Office performance audit reviews.	Achieved.	CSP		●
5.1.2.2 NSW Audit Office audit of fraud control.	Fraud controls assessed against the Audit Office's Fraud Control Improvement Kit.	CSP		●
5.1.2.3 NSW Audit Office audit of shared service arrangements.	Key enablers and barriers to effective and efficient shared services arrangements identified.	CSP		●

PROCESS MANAGEMENT, IMPROVEMENT AND INNOVATION

Our goal: 6. Continuous improvement through process management and innovative thinking

What achieving our goal will look like:

6.1 Recognising and being open to opportunities for improvement through innovation.

How we will achieve our goal:

6.1.2 Staged digitisation of paper records.

6.1.3 Review the relevancy of tests, limits and matrices in reference to customer service level agreements (Richmond Water Laboratories).

6.1.4 Determine appropriate NATA accreditation (Richmond Water Laboratories).

6.1.7 Develop business case for any proposed non-core business activity to inform decision on whether to proceed with the activity/project.

6.1.8 Create a performance culture linked to turnaround times for key business processes.

6.1.9 Optimise efficiencies in people management processes.

6.1.10 Audit administration of the Development Servicing Plan for Bulk Water Supply.

Activity	How we will measure our performance	Links to*	Comment	STATUS
6.1.2.1 Staged digitisation of paper records.	Plan for digitisation of paper records developed and costed.	BAU	As advised to Council and Audit Risk and Improvement Committee in December 2018.	●
6.1.3.1 Review scope for Richmond Water Laboratories equipment renewal or purchase.	Achieved.	RWLSP		●
6.1.4.1 Review Richmond Water Laboratories NATA accreditation and determine business requirements.	All NATA accredited tests reviewed.	RWLSP		●
6.1.7.1 Business case developed for any proposed non-core activity and submitted to the Leadership Team or Council for consideration/determination as appropriate.	Only non-core business activities/projects that are formally approved, have an acceptable level of risk and rate of return on investment, to be undertaken.	BAU		●

What we will do in Y1: 2018/19

6.1.8.1 Review and document Customer Service processes.	Business processes mapped and roles and responsibilities understood.	BAU		●
	Customer Service Charter reflects agreed service commitments.	BAU		●
6.1.8.2 Determine business needs for the centralised collection of customer service data to enable enhanced customer service outcomes and accurate performance measurement.	Customer relationship management resourcing solution identified and recommendation reported to the Leadership Team.	BAU		●
6.1.9.1 Implement electronic recruitment and candidate management.	Electronic recruitment and candidate management software 'live'.	WFMP	Preliminary investigations commenced for a business process mapping activity to document all HR workflows. This information will enable staff to identify opportunities to streamline existing business processes. An assessment will then be made regarding the suitability of existing corporate systems to meet identified business needs. If existing systems are determined to be unsuitable, a specification will be developed to go to market. If going to the market is the preferred course of action, procurement/implementation/go-live will not occur by 30 June 2019.	●
6.1.10.1 Review process for Rous' administration of the Development Servicing Plan for Bulk Water Supply 2016.	Desktop audit completed and recommendations reported to the Leadership Team.	BAU		●

RESULTS AND SUSTAINABLE PERFORMANCE

Our goal: 7. Sustainable performance

What achieving our goal will look like:

7.1 We are recognised as a valued regional service provider and reliable cost effective deliverer of our core functions and operations.

How we will achieve our goal:

7.1.1 Deliver functions and operations according to service level agreements in place.

7.1.2 Achieve or exceed financial budget forecast in net profit (Richmond Water Laboratories).

7.1.3 Deliver services according to service contracts in place (Richmond Water Laboratories).

7.1.4 Release Stage 5 (release 2) of the Perradenya Estate (construction and sale).

What achieving our goal will look like:

7.2 Levels of service align with agreed priorities, financial and asset capability and long-term financial plans.

How we will achieve our goal:

7.2.1 Water quality monitoring.

7.2.3 Monitor and report on actions to mitigate risk of environmental harm from activities (environmental action list).

7.2.4 Review water charges having regard to relevant best practice industry guidelines for non-metropolitan water utilities.

Activity	How we will measure our performance	Links to*	Comment	STATUS
7.1.1.1 Performance report issued to Service Level Agreement parties in relation to delivery of services subject to the Agreement.	Copy of performance report issued with Delivery Program report.	DP		●
7.1.1.2 Performance report issued to Council in relation to delivery of services subject to Service Level Agreements.	Copy of performance report issued with Delivery Program report.	DP		●
7.1.2.1 Achieve or exceed adopted financial budget forecast in net profit (Richmond Water Laboratories).	Achieved.	LTFP		●

What we will do in Y1: 2018/19

7.1.3.1 Deliver services according to service contracts in place (Richmond Water Laboratories).	Achieved.	RWLSP		●
7.1.4.1 Complete all development and construction requirements for the marketing of Perradenya Release 5 Stage 2.	Land Title registration achieved for individual lots.	BASP		●
7.1.4.2 Progress design, cost and construction of Perradenya cycle path in negotiation with Lismore City Council.	Construction budget and timetable adopted by Council.	BASP		●
7.2.1.1 Water quality monitoring report card for drinking water supply monitoring programs.	Report card produced and provided to NSW Health.	DWMS		●
7.2.3.1 Report on progress of actions to mitigate risk of environmental harm from activities (environmental action list).	Annual report to Council until actions on the action list are closed out.	BAU		●
7.2.4.1 Undertake a review of water charge methodology (retail).	Review completed and outcome reported to the Leadership Team.	BAU		●

Confidential matters

Recommendation

That Council move into Closed Council to consider the following matters and the meeting be closed to members of the public and press based on the grounds detailed below:

1. Report	Development Servicing Plan for Bulk Water Supply 2016 – request for deferred payment arrangement
Grounds for closure	Section 10A(2)(b) the personal hardship of any resident or ratepayer.
Public interest	Public discussion would not be in the public interest due to disclosure of commercial information.
2. Report	Chair's report: Annual performance review: General Manager
Grounds for closure	Section 10A(2)(a) personal matters concerning particular individuals (other than councillors).
Public interest	Public discussion would not be in the public interest due to disclosure of commercial information.

Section 10A, Local Government Act, 1993:

A Council may close to the public only so much of its meeting as comprises the receipt or discussion of any of the following:

Section 10A(2):

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

Section 10A(4):

Council may allow members of the public to make representations to or at a meeting before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

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