



**Ordinary meeting business paper**

**Wednesday, 13 December 2023**

commencing 10.00 am

Rous Administration Centre (L4), 218-232 Molesworth Street, Lismore

## **OPENING OF THE MEETING**

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In accordance with clause 5.21 of the *Local Government Act 1993*, attendees at today's Council meeting are advised that this meeting is being 'live' streamed (except for the confidential session).

- All speakers should refrain from making any defamatory comments or releasing any personal information about another individual without their consent.
- Council accepts no liability for any damage that may result from defamatory comments made by persons attending meetings. All liability will rest with the individual who made the comments.
- This meeting must not be recorded by others without the prior written consent of the Council in accordance with Council's Code of Meeting Practice.

Please ensure that mobile phones and other electronic devices are turned off or are in silent mode for the duration of the meeting.

## **STATEMENT OF ETHICAL OBLIGATIONS**

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In accordance with clause 3.23 of Council's Code of Meeting Practice, councillors are reminded of their Oath or Affirmation of Office made at or before their first meeting of the council made under section 233A of the Act, to undertake their civic duties in the best interests of the people they represent and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act, to the best of their ability and judgement.

## **CONFLICTS OF INTEREST**

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Councillors are reminded of their obligations under Council's Code of Conduct to disclose and appropriately manage conflicts of interest in matters being considered at council meetings. All declarations of conflicts of interest will be recorded in the minutes of the meeting at which the declaration was made.

## **APPLICATIONS TO ATTEND BY AUDIO VISUAL LINK**

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In accordance with clause 5.18 and 5.19 of Council's Code of Meeting Practice, Councillors may attend and participate in meetings by audio-visual link with the approval of the Council.

Requests by Councillors for approval to attend a meeting by audio-visual link must be made in writing to the General Manager prior to the meeting in question and provide reasons why the Councillor will be presented from attending the meeting in person.

Councillors attending a meeting by audio-visual link are reminded that they must ensure that no other person is within sight or hearing of the meeting at any time that the meeting is closed to the public under section 10A of the *Local Government Act 1993*.

Note: Consistent with clause 5.44 of Council's Code of Meeting Practice, attendance by Council staff at meetings of the Council by audio-visual link shall be with the approval of the General Manager.

**Copy of: CODE OF MEETING PRACTICE / CODE OF CONDUCT**

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# AGENDA

**1. Opening of the meeting**

**2. Acknowledgement of Country**

*Rous County Council acknowledges the Traditional Custodians of the land upon which we work and live. We pay our respects to the Elders of the past, present and emerging and acknowledge their continuing connection to Country who will guide us on our shared journey to the future.*

**3. Apologies and Applications for Leave of Absence or Attendance by Audio-Visual Link by Councillors**

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**12. Close of business**

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**MINUTES OF THE ORDINARY MEETING OF ROUS COUNTY COUNCIL HELD  
WEDNESDAY, 18 OCTOBER 2023 AT ADMINISTRATION OFFICE, 218-232  
MOLESWORTH STREET, LISMORE**

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**1 OPENING OF THE MEETING**

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The Chair opened the meeting at 10.02 am.

In attendance:

Councillors

- Cr Robert Mustow, Richmond Valley Council (Chair)
- Cr Sharon Cadwallader, Ballina Shire Council (Deputy Chair)
- Cr Rod Bruem, Ballina Shire Council
- Cr Michael Lyon, Byron Shire Council
- Cr Sarah Ndiaye, Byron Shire Council
- Cr Andrew Gordon, Lismore City Council
- Cr Big Rob, Lismore City Council
- Cr Sandra Humphrys, Richmond Valley Council

Council Officers

- Phillip Rudd, General Manager
- Andrew Logan, Group Manager Planning and Delivery
- Helen McNeil, Group Manager People and Performance
- Geoff Ward, Group Manager Corporate and Commercial
- Jonathan Patino, Finance Manager
- Guy Bezrouchko, Project Manager - Relocation and Properties
- Robyn Waldron, Executive Assistant/Minute Taker
- Noeline Smith, Executive Secretary
- Luka Taylor, ICT Systems Administrator
- James Clarke, IT Support Officer

Other attendees

- Richard Watkinson, Thomas Noble & Russell

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**2 ACKNOWLEDGEMENT OF COUNTRY**

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Rous County Council acknowledges the Traditional Custodians of the land upon which we work and live. We pay our respects to the Elders of the past, present and emerging and acknowledge their continuing connection to Country who will guide us on our shared journey to the future.

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**3 APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE OR ATTENDANCE  
BY AUDIO-VISUAL LINK BY COUNCILLORS**

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Nil.

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**4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

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**RESOLVED [43/23]** (Cadwallader/Bruem) that the Minutes of the meeting held 18 August 2023 be approved as presented.

<b>Confirmation of Minutes of previous meeting (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Robert Mustow and Cr Big Rob	6
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Cr Sarah Ndiaye/Cr Michael Lyon	2
<b>Carried</b>		

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**5 DISCLOSURE OF INTEREST**

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Nil.

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**6 MATTERS OF URGENCY**

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Nil.

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**7 NOTICES OF MOTION/QUESTIONS WITH NOTICE**

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Nil.

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**8 GENERAL MANAGER REPORTS**

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**8.1 2024 Council meeting schedule**

**RESOLVED [44/23]** (Cadwallader/Humphrys) that Council determine its meeting schedule for 2024 with meetings to be held on the third Wednesdays commencing 10.00am at the Rous County Council Administration Office on:

- 14 February
- 17 April
- 19 June
- 14 August
- October (to be determined following 14 September LG Elections)
- 11 December

<b>2024 Council meeting schedule (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Robert Mustow and Cr Big Rob	6
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Cr Sarah Ndiaye/Cr Michael Lyon	2
<b>Carried</b>		

Cr Sarah Ndiaye arrived 10.07am.

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**9 GROUP MANAGER CORPORATE AND COMMERCIAL REPORTS**

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**9.1 Annual Financial Reports and Audit Report for Year Ended 30 June 2023**

**RESOLVED [45/23]** (Gordon/Cadwallader) that Council:

1. In accordance with section 413 (2c) of the *Local Government Act 1993* and clause 215 of the *Local Government (General) Regulation 2021*, adopt the 2022/23 Audited Financial Reports and “Statement by Councillors and Management” for both the General-Purpose Financial Reports and the Special Purpose Financial Reports, with the Chairperson and Deputy Chairperson delegated to sign on behalf of Council.
2. Advertise the presentation of the draft 2022/23 Financial Reports to the public from 20 October 2023 for seven days and invite both inspection and submissions.
3. Forward a copy of the 2022/23 Audited Financial Reports to the Office of Local Government.
4. Present the 2022/23 Audited Financial Reports to the public at an additional meeting of Council on 15 November 2023 to be held on 10.00am.

<b>Annual Financial Reports and Audit Report for Year Ended 30 June 2023 (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	7
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Cr Michael Lyon	1
<b>Carried</b>		

**9.2 Quarterly Budget Review Statement for the quarter ending 30 September 2023**

**RESOLVED [46/23]** (Rob/Humphrys) that Council note the results presented in the Quarterly Budget Review Statement as at 30 September 2023 and authorise the variations to the amounts from those previously estimated.

<b>Quarterly Budget Review Statement for the quarter ending 30 September 2023 (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	7
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Cr Michael Lyon	1
<b>Carried</b>		

Cr Michael Lyon arrived 10.13am.

**9.3 Amendment to 2020/21 Loan Borrowing Terms**

**RESOLVED [47/23]** (Humphrys/Bruem) that Council:

1. Receive and note the report.
2. Authorise the amendments to the associated loan documentation to be completed under Seal.
3. Authorise any future amendments to the associated loan documentation which are considered of a minor nature and not adverse to Council to be completed under Seal.

<b>Amendment to 2020/21 Loan Borrowing Terms (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**10 GROUP MANAGER PLANNING AND DELIVERY REPORTS**

**10.1 Drought Management Plan Update**

**RESOLVED [48/23]** (Cadwallader/Ndiaye) that Council:

1. Receive and note report.
2. Support the implementation of an interim drought management response based on the existing Drought Management Plan (2016).
3. Endorse the adoption of the proposed Interim Water Restrictions System, as outlined in the report.

<b>Drought Management Plan Update (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**10.2 Renewable Energy and Emissions Reduction Plan (REERP)**

**RESOLVED [49/23]** (Bruem/Cadwallader) that Council note and receive the report and:

1. Endorse the adoption of the Renewable Energy and Emissions Reduction Plan (2023) with its recommendations, including achieving net zero for Rous by 2050.
2. Endorse the allocation of budgets to the Renewable Energy Projects as listed in the report and inclusion of the projects in the capital works program out to 2028.



<b>Renewable Energy and Emissions Reduction Plan (REERP) (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

## 11 POLICIES

<b>Policies for review (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

### 11.1 Policies Review

**RESOLVED [50/23]** (Bruem/Humphrys) that Council:

1. Revoke the following policies and any policy revived as a result of the revocation:
  - (a) Work Health Safety dated 20 October 2021
  - (b) Drinking Water Quality dated 21 March 2018
  - (c) Privacy dated 17 August 2022
  - (d) Public Interest Disclosures dated 17 August 2022
2. Approve the revised policies of the same name outlined in and attached to the report.

## 12 INFORMATION REPORTS

**RESOLVED [51/23]** (Rob/Bruem) that the following information reports be received and noted:

1. Investments – September 2023
2. Water production and consumption – September 2023
3. Reports/Actions pending.

<b>Information reports (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0

Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**13 CONFIDENTIAL MATTERS**

MOVED TO CLOSED COUNCIL

**RESOLVED [52/23]** (Cadwallader/Humphrys) that Council move into Closed Council with the press and public excluded from the meeting based on the grounds detailed below:

<b>Report</b>	<b>Workplace consolidation – Gallans Road update</b>
Grounds for closure	Section 10A(2)(d) commercial information of a confidential nature that would, if disclosed: i) prejudice the commercial position of the person who supplied it.

The meeting moved to Closed Council at 10.26am.

<b>Move to Closed Council (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

RESUME TO OPEN COUNCIL

**RESOLVED [53/23]** (Ndiaye/Cadwallader) that the meeting resume to Open Council.

The meeting moved to Open Council at 10.49am.

<b>Move to Open Council (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

The General Manager read to the meeting the following resolution of Council:

**13.1 Workplace Consolidation - Gallans Road Update**

**RESOLVED [54/23]** (Mustow/Cadwallader) that Council:

1. Notes the procurement approach outlined in the report, including the outcome of the expression of interest and the intended Request for Tender process with selected tenderers.
2. Approve amendments to the project budget as per 'revised estimates' in Table 4 of the report.
3. Delegate the General Manager authority to negotiate and execute the project contract(s) to the value identified in Table 4 of the report.
4. Receives quarterly project updates as per project probity plan.

<b>Workplace consolidation – Gallans Road update (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Sandra Humphrys, Cr Michael Lyon, Cr Robert Mustow, Cr Sarah Ndiaye and Cr Big Rob	8
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**14 CLOSE OF BUSINESS**

There being no further business the meeting closed at 10.50 am.

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**MINUTES OF THE EXTRAORDINARY MEETING OF ROUS COUNTY COUNCIL HELD  
WEDNESDAY, 15 NOVEMBER 2023 AT ADMINISTRATION OFFICE, 218-232  
MOLESWORTH STREET, LISMORE**

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The Chair opened the meeting at 10.15 am.

In attendance:

Councillors

- Cr Robert Mustow, Richmond Valley Council (Chair)
- Cr Sharon Cadwallader, Ballina Shire Council (Deputy Chair)
- Cr Rod Bruem, Ballina Shire Council
- Cr Michael Lyon, Byron Shire Council
- Cr Andrew Gordon, Lismore City Council
- Cr Big Rob, Lismore City Council

Council Officers

- Phillip Rudd, General Manager
- Geoff Ward, Group Manager Corporate and Commercial

Apologies

- Cr Sarah Ndiaye, Byron Shire Council
- Cr Sandra Humphrys, Richmond Valley Council

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**1 ACKNOWLEDGEMENT OF COUNTRY**

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

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**2 DISCLOSURE OF INTEREST**

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Nil.

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**3 APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE OR ATTENDANCE BY AUDIO-VISUAL LINK BY COUNCILLORS**

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**RESOLVED [55/23]** (Bruem/Cadwallader) that apologies for non-attendance be received and noted from Cr Humphrys and Cr Ndiaye; Cr Michael Lyon to join the meeting via 'Teams' platform.

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**4 REPORT**

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**4.1 2022/23 Audited Financial Reports**

**RESOLVED [56/23]** (Gordon/Rob) that Council acknowledge that the audited 2022/23 Financial Reports were presented to the public and no submissions were received.

<b>2022/23 Audited Financial Reports (Resolution)</b>		
For	Cr Rod Bruem, Cr Sharon Cadwallader, Cr Andrew Gordon, Cr Michael Lyon, Cr Robert Mustow and Cr Big Rob	6
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Cr Sandra Humphrys and Cr Sarah Ndiaye	0

Carried

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**5 CLOSE OF BUSINESS**

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There being no further business the meeting closed at 10.17 am.



## Notice of Motion

Council meeting 13 December 2023

### Proposed Dunoon Dam – acquisition of properties

*I hereby move the following motion:*

That Council resolves:

1. To reconfirm its prior position in relation to acquisition of land in the Proposed Dunoon Dam area as shown in the Attachment 1.
2. The terms of such acquisition are to be in accordance with Council's current 'Land Management' policy, Item 4 (Attachment 2), namely:
  - a. Acquisition to be upon offer of sale by existing landowner.
  - b. Meets the proposed operational need or strategic objective of the future water strategy 2060.
  - c. Such acquisition costs to be calculated with due consideration to market and strategic value.

Councillor Cr Rod Bruem

Date: 28 November 2023

Signature

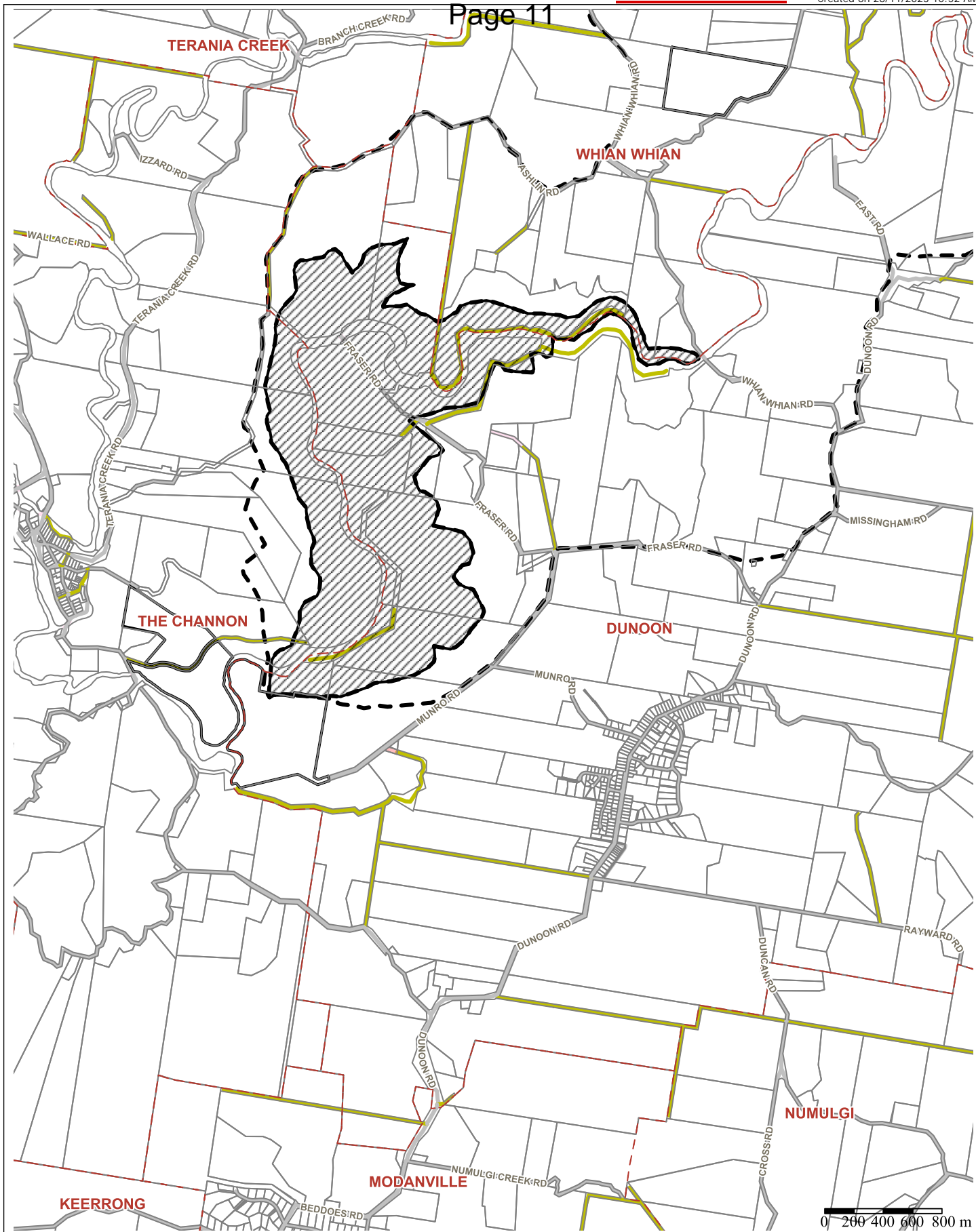
A handwritten signature in black ink, appearing to read "Rm", is written over the printed word "Signature".

#### **Staff comment:**

Staff will monitor the property market in the identified area consistent with the intention of this NoM and existing policy.

Given Rous' historical purchases of land in the identified area, it is considered that further strategic acquisition of land in this location does not represent a high-risk financial investment, considering incremental appreciation of land values achieved over time.

Should staff identify an appropriate parcel of land, a business case will be presented to Council at that time in accordance with the *Local Government Act 1993*.



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Created By: anonymous

Projection: GDA2020 / MGA zone 56

Date: 28/11/2023 10:52 AM

# Policy

## Attachment 2

### Land Management

Approved by Council: 21/04/2021

To set out the guiding principles governing decision making about land owned by or under Council control to support the organisation in achieving efficient ongoing operations.

Safety

Teamwork

Accountability

Respect

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### Definitions

In this document the following words or phrases have the following meanings unless expressed or implied to the contrary. Terms and phrases may or may not be capitalised.

**Land Related Matters** means a matter arising in connection with:

- (a) a legal or equitable interest in the land; or
- (b) an easement, rights, charge, power or privilege over, or in connection with, the land

### Background

Rous County Council's specialised service functions of bulk water supply, flood mitigation and weed biosecurity are operational in nature and all land owned is classified as operational land (not community land) in accordance with section 26 of the *Local Government Act 1993 (NSW)* 'the Act'<sup>1</sup>. This means Rous is not required to provide public spaces or public amenities, acquire or manage land for community purposes.



- **Firm policy position**

1. **Classification of Land**

**All Council land is and will be classified as Operational Land in accordance with the requirements of the Act.**

All land acquired by Council following the amalgamation on 1 July 2016 has been acquired for operational purposes and is classified as Operational Land to ensure Council can fulfil its functions and provide a safe working environment.

- **Guiding principles to decision making**

2. **Respect and stewardship**

**Council will be guided by the values and objectives set out in Council's Statement of Commitment and Reconciliation Action Plan in land related decision-making processes and activities undertaken by Council.**

Council recognises its activities and infrastructure network may be located where:

- cultural artifacts, items or places of significance occur, or
- legal protection exists.

Council is committed to treating all cultural and heritage sites with respect and consulting with traditional custodian knowledge holders to make informed decisions respectful of the deep cultural connection that exists to the land and water which may be impacted by Council's activities and/or infrastructure network.

Council will ensure that third parties with whom we propose to do business on land related matters are adequately educated, aware and held to account against agreed standards of performance.

3. **Sustainability and balance**

**Council will be guided by and have regard to the principles of Ecologically Sustainable Development in all decision-making processes and activities.**

Council is committed to protecting the environment now and into the future by giving consideration to the principles of Ecologically Sustainable Development ('ESD') summarised below and as defined in legislation:<sup>2</sup>

- **Conservation of Biological Diversity and Ecological Integrity**  
Maintain or enhance the environments of the floodplain and estuary regions.
- **Precautionary Principle**  
Minimise the chance of serious environmental problems even if we are not sure that these problems will occur.

---

<sup>1</sup> In 2016 Far North Coast County Council and Richmond River County Council were dissolved and their functions, operations, assets (including real property), rights and liabilities transferred by Proclamation to Rous County Council ('Council') - NSW Government Gazette No 52 of 22 June 2016. Real property transferred was and is classified as Operational Land.

<sup>2</sup> See *Protection of the Environment Administration Act 1991 (NSW)* and *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*.

- **Inter-generational and Intra-generational Equity**  
Reduce the impacts of activities on the environment that the community, now and in the future, relies on to meet its needs and expectations.
- **Improved Valuation and Pricing of Environmental Resources**  
Improve the way we determine the value of environmental costs and benefits and use this information when making decisions.

#### 4. Transparent and accountable

**Council will proactively release information to support open, accountable, effective and fair government for land related decision making consistent with the objectives of the *Government Information (Public Access) Act 2009*.**

Council recognises that its core functions are inherently related to the use of land and are of particular interest to the public. Council will seek to proactively share with the public information as authorised under the *Government Information (Public Access) Act 2009* (NSW) and the *Local Government Act 1993* (NSW) whilst endeavoring to deliver that information in a user-friendly, interactive and freely accessible way.

Council will be open and accountable in all decision-making processes and actions taken by Council in acquiring and disposing of land or Council's interest in land for best value.

In acquiring or disposing of land Council will have regard to all the principles set out in this policy and in determining whether to acquire land Council must also:

- Consider the purpose for which the land needs to be acquired,
- Consider the strategic objectives the acquisition would achieve,
- Identify and consider the value that such land has to the community,
- Demonstrate the land is necessary to support or facilitate the delivery of a service to the community.

#### 5. Secure and preserve

**Council will secure its rights over its infrastructure to ensure we can continue to perform our core services now and into the future.**

Council will adopt the position of the NSW Office of Local Government in securing access rights to its assets and water supply infrastructure over land, and private land in particular, by means of registered easement, licence agreement or other agreement between Council and the landholder(s) in order that the rights of entry under the Act are only utilised as a last resort.

Council will require the grant and registration of an easement over its infrastructure which contains the right to enter the burdened land at any time without notice for the purpose of construction, extending, maintaining, controlling, inspecting, replacing, and managing the work on the Council owned infrastructure.

Where Council has an unregistered interest in land, that is brought to their attention, Council will take the opportunity to register the interest by way of easement or other appropriate instrument.

Council commits to preserving its infrastructure through routine maintenance<sup>3</sup>, environmental management works, and construction works. In doing so, Council adopts the definition of routine maintenance works as set out in the SEPP<sup>4</sup> in relation to all council owned infrastructure.

---

<sup>3</sup> “The following works or activities are (subject to and without limiting that provision) taken to be routine maintenance works if they are carried out for that purpose-

- (a) Routine repairs to or replacement of equipment or assets,
- (b) Temporary construction yards,

## 6. Public use, health and safety

**Council will ensure that any Operational Land we invite the public to access is safe for users whilst prioritising the health of the community by preserving water quality within the catchment area.**

Council’s overriding objective is the protection of raw water quality throughout our catchment area. Protection of water sources and treatment are of paramount importance and must never be compromised (ADWG, 2011). Managing risks from human and livestock influences, significantly reduces the potable water risk profile of Council.

However, Council will at its discretion and where possible take steps to allow, in consultation with external stakeholders including the National Parks and Wildlife Service (Office of Environment and Heritage), the use of its land for private recreation, community events and commercial activities which pose minimal risk to the quality of the catchment area water supply.

Council maintains the right to charge a fee for a commercial entity to hold an annual permit where it is clear the entity is utilising operational land for a commercial benefit on a regular basis.

Council may close, refuse the use of or entry onto Council owned land by the public to maintain public safety, water quality and/or for operational reasons from time-to-time without notice.

## 7. Responsible land management

**Council is focused on good land management through responsible practices and natural resource management relating only to the environmental consequence resulting from the operation of our infrastructure on the environment.**

Council is focused on the prevention, elimination, minimisation and management of the biosecurity risk posed or likely to be posed by weeds on our own lands and will discharge our responsibilities as a landowner under the Biosecurity Act 2015.

Council will prioritise weed management programs utilising a consistent, robust and systematic process to achieve the greatest benefit in risk management.

Council is responsible for the construction, replacement, routine maintenance and operation of various flood mitigation infrastructure. This includes floodgates, levees and some rural drains and canals that serve a flood mitigation function.

Council adopts the definition of Flood Mitigation Work<sup>5</sup> as set out in part 3, Division 7, section 49 of the State Environmental Planning Policy (Infrastructure) 2007.

(c) Clearing of vegetation (including any necessary cutting, pruning, ringbarking or removal of trees) and associated rectification and landscaping.”

<sup>4</sup> See Part 1, section 5(4) of the State Environmental Planning Policy (Infrastructure) 2007.

<sup>5</sup> “Flood mitigation works means work designed and constructed for the express purpose of mitigating flood impacts. It involves changing the characteristics of flood behaviour to alter the level, location, volume, speed or timing of flood waters to mitigate flood impacts. Types of works may include excavation, construction or enlargement of any fill, wall or levee that will alter riverine flood behaviour, local overland flooding, or tidal action so as to mitigate flood impacts”.

## Related documents

### Policy

Policy Statement	Related Procedure	Related Policy	Related Standard Operating Procedures (SOP) and Management Plans
Policy Statement 1			
Policy Statement 2	<ul style="list-style-type: none"> <li>Environmental Aspect Procedure</li> <li>Environment Procedure</li> <li>Ecologically Sustainable Development Procedure</li> </ul>		
Policy Statement 3			<ul style="list-style-type: none"> <li>Rous County Council Land Register SOP</li> </ul>
Policy Statement 4			
Policy Statement 5			
Policy Statement 6	<ul style="list-style-type: none"> <li>Private Recreation, Community Events and Commercial Uses on Rous Controlled Land</li> <li>Commercial Activities on Rous Water Operational Land</li> </ul>		<ul style="list-style-type: none"> <li>Rocky Creek Dam Multi Year Master Plan (including Whian Whian Falls)</li> <li>Visitor Risk Management Plans</li> </ul>
Policy Statement 7			
Policy Statement 8			

### Legislation

- *Local Government Act 1993 (NSW)*
- *Real Property Act 1900 (NSW)*
- *Conveyancing Act 1919 (NSW)*
- *Government Information (Public Access) Act 2009*
- *Land Acquisition (Just Terms Compensation) Act 1991*
- *Native Title Act 1993 (Cth)*
- *Biosecurity Act 2015 (Cth)*
- *Environmental Planning and Assessment Act 1979 (NSW)*

### Other

NSW Local Government Filming Protocol

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## 2024 Council meeting schedule (updated)

Responsible Officer: General Manager (Phillip Rudd)

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### Recommendation

That Council confirms its updated meeting schedule for 2024 as below, with meetings to be held on the third Wednesdays commencing 10.00am at the Rous County Council Administration Office on:

- 21 February
- 17 April
- 19 June
- 21 August
- October (to be determined following 14 September LG Elections)
- 11 December

### Background

Council determined its 2024 meeting schedule at its October 2023 Council meeting.

However, two of the meeting dates were incorrect i.e. February and August. Those meetings dates should have stated 21 February and 21 August.

Meetings for 2024 will be scheduled for:

- 21 February
- 17 April
- 19 June
- 21 August
- October (to be determined following 14 September LG Elections)
- 11 December (*meeting has been scheduled the second rather than the third Wednesday*)

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## Update on interim arrangements for Lismore Levee Scheme

*Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)*

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### Recommendation

That Council in addition to previous resolutions on the matter:

1. Receive and note this update.
2. Authorise the General Manager to approve access to the Lismore Levee Scheme assets by Lismore City Council (LCC) for the purposes of progressing new asset construction and renewal and upgrade work under the *Northern Rivers Recovery and Resilience Program (NRRRP)*, subject to LCC's written confirmation that they will assume ownership of the new, upgraded and renewed assets.
3. Receive a further update before end of July 2024.

### Background

Recently, Council has received reports on the Lismore Levee scheme at its meetings of:

- December 2022
- April 2023
- August 2023

These reports have presented updates on actions proposed or taken to progress discussions with the General Manager of Lismore City Council (LCC) regarding solutions to effectively manage risk and progress a position with LCC on the future ownership of the Lismore Levee Scheme.

Progress has been inconsistent, however, with the appointment of a new General Manager for LCC in the first quarter of 2023, movement towards an outcome for both organisations has been better.

A clear date for an agreed position on the Lismore Levee Scheme for both organisations has not been agreed.

The need for a formal position to be adopted remains a high priority as work progresses by LCC on the \$30M *Northern Rivers Recovery and Resilience Program (NRRRP)* for the Lismore Levee Scheme.

### Comment

Since the last update to Council in August 2023, progress has been limited but productive. Following a meeting of the General Managers in July 2023, where agreement was reached on the need to jointly develop an Asset Management Plan, this work has progressed.

LCC engaged Morrison Low consultants in September 2023 to undertake a review of existing asset information for the levee scheme and provide an Asset Management Plan (AMP) for its ongoing management. The cost of this work is being equally funded by LCC and Rous. Following a request for information in late November, Rous staff have provided the requested asset information to LCC.

New asset construction, and asset renewal and upgrade work on the levee scheme by LCC, funded under the *Northern Rivers Recovery and Resilience Program (NRRRP)*, continues in the planning and design phase while the levee ownership discussion continues. Rous staff continue to provide asset and design details for the scheme to enable the planning and design work to continue.

Given the significant investment of \$30M planned for the scheme, the ongoing AMP development and the continuation of discussions with LCC surrounding the scheme's ownership, it is considered appropriate that LCC commit to assuming ownership of the new and upgraded assets of the levee.

Following the February \ March 2022 floods, in September 2022 Public Works were funded for the *Flood Levee Repair and Maintenance Program* to review the condition of urban flood levees across the state. Utilising geotechnical and structural engineers, the program inspected the Lismore Levee Scheme. The report on the Lismore Levee and any defects, is expected before the end of the calendar year. Based on a prioritisation process for defects across the eight affected Councils in the Northern Rivers, funding is expected be available for some of the identified defects in the Lismore Levee Scheme.

### **Finance**

Not applicable

### **Legal**

Not applicable

### **Conclusion**

With work progressing to resolve the ownership arrangement for the Lismore Levee Scheme, Rous continues to support LCC in the preparation of an Asset Management Plan for the Lismore Levee Scheme and for the planning and design work for new and upgraded assets of the levee under the NRRRP. It is recommended that LCC be approved to access the scheme assets to progress this work while the ownership arrangements continue, subject to LCC's written confirmation that they will assume ownership of the new, upgraded and renewed assets.

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## Staff investigation and response – Notice of Motion “Acquisition of low-lying, high-risk rural floodplain areas”

*Responsible officer: Group Manager Planning and Delivery (Andrew Logan)*

*Report Author: Flood Mitigation Manager (Chrisy Clay)*

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### Recommendation

That Council adopt the following position regarding the acquisition of low-lying, high-risk rural floodplain areas:

1. Acknowledge the challenges associated with coastal riverine floodplain land uses, particularly those relating to the lowest lying land (i.e. less than 1m above mean sea level); and
2. Write to the State Government requesting a review of current floodplain land uses and development of a long-term strategic direction on how different areas of the floodplain will be used, acknowledging all stakeholders, including First Nations, interests.

### Background

Of growing concern is how the lowest lying land on coastal riverine floodplains is zoned and used. There are a range of issues associated with these areas that are predicted to worsen under a changing climate and increased sea levels. The recommended resolution provides an agreed position for Rous and identifies a strategic approach which will benefit all stakeholders.

#### • Position summary/overview

Land use zonings and practices on the floodplain are historical and have changed very little since they were established. They do not reflect current scientific understanding or broad community values. Of highest concern is the lowest lying land on the floodplain (i.e. less than 1m above mean sea level). These areas are mostly privately owned and zoned suitable for agriculture but require intensive drainage for that to occur. These areas were once near permanent wetlands.

- These areas are already difficult to drain and landowner’s expected levels of service are generally not being met. This difficulty relates to the opportunity floodgates have to drain on the tidal cycle, not related to maintenance difficulties.
- A large proportion of the lowest lying land is marginal for agricultural use and mostly supports low intensity grazing. A few areas of higher value agriculture do exist in the Richmond.
- These areas were badly impacted in recent floods and property and life are high risk of future flooding.
- Drainage of these low-lying areas has a significant environmental impact on the health of the estuary.
- The lowest lying land represents 12% of the Richmond River floodplain (12,000ha).
- Rous has maintenance responsibility for the main canals and floodgates that drain these low-lying areas. These assets are usually the main control structures which connect large drainage networks to the river.



The issues associated with draining and farming the lowest lying land are all set to worsen under a changing climate and increased sea levels. It is widely accepted by researchers and all tiers of government that to prepare for the impact of sea level rise and improve the health of the estuary, drainage of the lowest lying land must cease. However, this would result in a change of land use (away from agriculture) and there are currently no supporting government policies or programs that facilitate the removal of drains, land use change or voluntary acquisition, and no fit for purpose external funding sources that can be utilised, or organisation that has the capacity to manage areas voluntarily acquired in the long-term.

As further research occurs, a long-term land use strategy is required for all floodplain stakeholders, industries and landowners. Such a strategy will provide confirmation and confidence in making future decisions. Given the strategic nature, the relevance at a state level, State Government has a key role in providing long-term strategic direction on how different areas of the floodplain will be used.

- **Further information**

### Role of Rous

- Rous is an infrastructure manager with maintenance responsibility for drains, canals, floodgates and levees across the Richmond River floodplain. Rous also has responsibility for reducing the environmental impact of this infrastructure.
- Although Rous is responsible for a large network of flood mitigation infrastructure, it has no influence over land use planning or land use practices.
- Currently flood mitigation at Rous is constrained by limited resources. As a result, current activities relate mainly to the maintenance and operation of existing infrastructure.
- A strategic review is currently underway to explore long-term direction and focus of flood mitigation at Rous.
- Despite these constraints, Rous is recognised as an authority and leader in floodplain management. As a respected front-line infrastructure manager Rous can make a valuable contribution by sharing the challenges it faces and its concerns for the future.

### Need for a position

A 'business as usual' approach is difficult to maintain due to:

- increasing difficulty in draining low-lying land,
- increasing concern of the environmental impact of draining the lowest lying land, and
- shifting values in the broader community.

Continuing the current approach is likely to result in a decline in the drainage provided by Rous infrastructure along with a continual decline in the health of the estuary.

### *Environmental impact*

- Despite all efforts, no appreciable improvement has been made to date in reducing the most critical environmental impacts of draining the lowest lying land. The environmental impact of draining the lowest lying land will worsen with climate change. There is scientific concern that ecological resilience of the estuary is unknown, and if impacts continue and worsen, that tipping points may be reached. Note that drainage on higher parts of the floodplain doesn't have the same environmental impact.

### *Difficulty in draining*

- Recent released studies show that there are already a high number of Rous floodgates that only drain for small periods in the tidal cycle. Similarly, there are parts of the floodplain where drainage of land is already very difficult. This is set to rapidly increase with only small changes to sea level. The recently released Richmond River Floodplain Prioritisation Study commissioned by the NSW State Government identifies floodgated drainage systems and areas most at risk.

*Community expectations*

- There is also a growing divide between the expectations of landowners in the lowest lying areas who are reliant on Rous drainage to allow their land to be suitable for agriculture and the broader downstream community who experiences the negative impact on the estuary. Managing the expectations of these two conflicting groups is a key challenge for Rous now.

Rous has a key role as a front-line organisation in observing, reporting and responding to these challenges. However, given the current capacity and resourcing of flood mitigation at Rous, there is limited opportunity to take a lead role or actively participate in the voluntary acquisition of properties.

With our current capacity and resourcing, Rous can make a valuable contribution by:

- highlighting emerging issues and concerns, and
- advocating for strategic decisions from State Government.

**Conclusion**

Recommended that Rous affirms an agreed position which will provide strategic direction that will benefit all stakeholders by a resolution of Council. This will allow Rous to continue to advocate and lobby for change as opportunities arise and consider this issue within the pending internal strategic review.

**Related documents**

**Operational Plans**

2022-2023	Review and identify the challenges in reducing the natural resource impact of flood mitigation assets in a changing climate.
2023-2024	Engage with the NSW Government and other floodplain stakeholders to pursue opportunities and funding to better understand the impacts of a changing climate on the floodplain and the strategic direction. <ul style="list-style-type: none"><li>• Discussion paper shared with stakeholders and NSW Government.</li><li>• Written representation to NSW Government agencies made on need for strategic direction on natural resource impact of flood mitigation assets.</li></ul>

**Other documents**

- Harrison A, Rayner D, Tucker T, Lumiatti G, Rahman P, Gilbert D and Glamore W (2023) Richmond River Floodplain Prioritisation Study. UNSW Water Research Laboratory. Report prepared for NSW State Government <https://www.marine.nsw.gov.au/projects/coastal-floodplain-study>
- Glamore, W and Rayner D (2023) A Discussion Paper on the Natural Resource Management Issues Arising from Flood Mitigation Infrastructure Managed by Rous County Council. Report written for Rous County Council.

## Investment policy (reviewed)

*Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)*

*Report Author: Finance Manager (Jonathan Patino)*

### Recommendation

That Council note this report and adopt the revised Investments policy with amendments.

### Background

The Investments policy is subject to an annual review and was last reviewed in June 2022. Proposed changes to this policy were presented to the governing body at the Councillor workshop in October 2023. Council's policy incorporates the best practice principles established by the NSW Office of Local Government, namely the Investment Policy Guidelines (May 2010), issued under section 23A of the *Local Government Act 1993* (Director-General's guidelines). The policy also includes specific local guidelines on diversification and application of credit rating risk that Council applies to its process and procedures for investment management.

- **Amendments to Ethical Investments**

Minor amendments have been made to section 6 to rename Ethical Investments to Investments That Do Not Support the Fossil Fuel Industry and to allow investments in these investments up to 30% of the total investment portfolio if they offer a competitive rate of return. The 30% limit has been set to comply with the threshold and exposure information below as most institutions that do not support the fossil fuel industry have a credit rating of BBB+ or lower.

- **Threshold and Exposure**

New South Wales Treasury Corporation (NSW TCorp) issued Council with a letter in October 2023 that amended borrowing terms in existing loan documentation with Rous which was reported to Council in October 2023 [47/23]. This allows Council more flexibility with its investment limits across different credit ratings, however any changes to the existing requirements could affect the ability to borrow funds for, NSW TCorp in the future. Due to the level of future borrowings required to complete the objectives of Council's Long-Term Financial Plan, the existing requirements have been maintained. This will support Council in maintaining a strong credit rating for its lending program in the future.

The existing policy establishes that the maximum percentage of the portfolio that may be invested with rated Authorised Deposit-Taking Institutions (ADIs) and unrated ADIs is set as follows:

Credit Rating (Standard & Poor's Long-Term)**	Maximum Limit	Single Entity Exposure Limit	Max Tenor
AAA	100%	100%	3 years
AA+ to AA-	100%	100%	3 years
A+ to A	100%	30%	3 years
A-	40%	20%	3 years
BBB+	30%*	10%	3 years
BBB		5%	1 year
BBB- & below – local ADIs	5%	5%	1 year
BBB- & below - other		\$250k	1 year

\*Sub-limit of 10% applies to ADIs rated BBB+ & BBB.

\*\* Where a counterparty has two or more ratings, it is the Standard & Poor's equivalent of the lower of those ratings that shall apply for the purposes of the Investments policy.

Council's current counterparty risk is considered appropriate and manageable in relation to Council's Investment policy. This view has been formed on the basis that Australian ADIs are soundly managed within the Australian Prudential Regulation Authority frameworks.

### **Finance**

Section 625 of the *Local Government Act 1993* provides that a council may invest money that is not, for the time being, required by it for any other purpose. Money may be invested only in a form of investment notified by order of the Minister published in the Gazette. The proposed policy is consistent with the '*Local Government Act 1993 – Investment Order*' issued 12 January 2011.

### **Consultation**

The current policy has been reviewed by the Finance Manager in combination with consideration of constituent councils' investment policies and investment guidelines issued by TCorp.

### **Conclusion**

The current policy complies with all regulatory requirements and Council's investment objectives. Some minor changes are proposed to the 2023 policy.

### Attachment

1. Revised Investment policy
2. Investment policy (adopted 15/06/2022)

# Policy



## Investments

Adopted by Council: XXX

To provide guidelines for the investment of Council money safeguarding capital, maintaining sufficient liquidity, maximising interest earnings and legislative compliance.

**Safety**

**Teamwork**

**Accountability**

**Respect**

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## Background

### 1. Policy objectives

- 1.1 To provide a framework for the investing of Council's funds at the most favourable rate of interest available to it at the time while having due consideration of risk and security for that investment type and ensuring that liquidity requirements are being met.
- 1.2 While exercising the power to invest, consideration is to be given to the preservation of capital, liquidity, and the return on investment in line with TCorp investment guidelines:
  - i). Preservation of capital is the principal objective of the investment portfolio.
  - ii). Investments are to be placed in a manner that seeks to ensure security and safeguarding the investment portfolio.
  - iii). Investments should be allocated to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring the risk of significant costs due to the unanticipated sale of an investment.
  - iv). Investments are expected to achieve a market average rate of return in line with Council's risk tolerance.
- 1.3 This policy only deals with Council's investments with financial institutions and does not consider investments Council may wish to make in other forms of capital, such as property.

## Policy statement

### 2. Legislative authority for investments

All investments are to comply with the following:

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Trustee Act 1925*
- *Banking Act 1959 (Cth)*
- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Division of Local Government circulars.

### 3. Delegation of authority

Authority for implementation of the 'Investment' policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager or a delegated representative has authority to invest Council's funds. Officers delegated with authority to manage Council's investments shall be recorded and required to acknowledge that they have received a copy of this policy and understand their obligations in this role.

The placement of investments requires a minimum of two signatures from officers with delegated authority to invest surplus funds.

### 4. Prudent person standard

The investment will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolios to safeguard the portfolio in accordance with the spirit of this policy. The matters to which a prudent person shall have regard when making an investment on behalf of another are an attachment to this policy (Section 14C *Trustee Act 1925* (NSW) and Ministerial Order).

It is expected that the skills of officers making investments will include:

- i). An understanding of this policy and associated legislation such that when placing an investment all relevant conditions are considered and weighed-up.
- ii). An understanding of the current positioning of the financial markets, i.e. what is the current 90-day Bank Bill Swap (BBSW) rate and yield curve.
- iii). An understanding of the type of investments in which they are dealing, i.e. investment rate offered, term to maturity and the organisation that is receiving and using the funds. Also the underlying conditions of the transaction that impact risk and reward, including circumstances in which the user of the funds may default in payment of capital and interest.
- iv). An understanding of the institution that will receive and use the funds, including their credit worth, i.e. current Standard and Poors rating/if they are Australian Prudential Regulation Authority (APRA) regulated.

The role of an investing officer will be to:

- i). Avail themselves of current market information and investment options.
- ii). Be aware of Council's current liquidity position and the options that best suit Council in terms of length of the investment.
- iii). In most instances the form of investment shall be a term deposit with an Authorised Deposit-taking Institution (ADI) and the investing officer shall consider at least three quotes from different ADIs. Typically, the investing officer becomes aware of daily rates by telephoning the institution or receiving an email.
- iv). Council's investment placement sheet is completed and then signed by two investment officers. The preferred institution is then advised by telephone or email that they have been successful, and arrangements are made for funds to be transferred as agreed, ensuring that the recipient institution provides Council with appropriate acknowledgement and documentation following their receipt of funds.
- v). Where the form of investment is not a term deposit, the matter shall be discussed between at least two investment officers prior to making a placement.

The investing officer shall maintain an investment register, which shall include:

- i). The source and the amount of money invested.
- ii). Particulars of the security or form of investment in which the money was invested.
- iii). The term of the investment (i.e. placement and maturity dates where applicable).
- iv). If appropriate, the rate of interest to be paid, and the amount of money that Council has earned, in respect of the money invested.

## **5. Conflict of interest**

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This policy requires officers to disclose any conflict of interest to the General Manager.

Officers are also required to provide written notice of any private employment or contract work that may conflict with their Council duties in accordance with section 353 of the *Local Government Act 1993*.

Independent advisors are also required to declare that they have no actual or perceived conflicts of interest.

## 6. Investments that do not support the fossil fuel industry

Council will attempt to give preference to financial institutions that do not invest in or finance the fossil fuel industry (along with: tobacco, coal mining or deforestation) where:

- The investment is compliant with Council's Investments policy.
- The investment rate of interest is competitive relative to other similar investments that may be on offer to Council at the time of the investment.
- The total percentage invested with institutions that do not support the fossil fuel industry is limited to a maximum of 30% of the total investment portfolio.

This information will be sourced from the following websites:

- [www.marketforces.org.au](http://www.marketforces.org.au) - which is an affiliate project of the Friends of the Earth Australia, and
- [www.climatebonds.net](http://www.climatebonds.net) – certification by the Climate Bond Initiative as meeting the Climate Bonds Standard criteria.

## 7. Approved and prohibited investments

7.1 Investments are limited to those allowed by the most current Ministerial Investment Order that has been issued by the NSW Minister for Local Government and include:

- Any public funds or securities issued by or guaranteed by the Commonwealth, any State of the Commonwealth, or a Territory.
- Any debentures or securities issued by a council (within the meaning of the *Local Government Act 1993*).
- Interest bearing deposits with, or any debentures or bonds issued by, an ADI (as defined in the *Banking Act 1959*), but excluding subordinated debt obligations.
- Any bill of exchange that has a maturity date of not more than 200 days; and if purchased for value confers on the holder in due course a right of recourse against a bank that has been designated as an ADI by APRA.
- A deposit with the Treasury Corporation or investments in an Hour-Glass investment facility of the Treasury Corporation.
- Investments grandfathered under the previous Ministerial Investment Order.

7.2 In accordance with the current Ministerial Investment Order, this policy prohibits any investment carried out for speculative purposes including but not limited to:

- Derivative-based instruments.
- Principal only investments or securities that provide potentially nil or negative cash flow.
- Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

## 8. Risk management guidelines

Council's strategy is to preserve the capital invested by diversifying with different approved financial institutions on the short-term money market (minimum 70% of portfolio to be 12 months or less).

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value (considering the time value of money).
- Diversification – setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk.
- Credit risk – the risk that Council has if an institution fails to pay the interest and or



- repay the principal of an investment.
- iv). Market risk – the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices.
  - v). Liquidity risk – the risk an investor is unable to redeem the investment at a fair price within a timely period.
  - vi). Maturity risk – the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities.
  - vii). Rollover risk- the risk that income will not meet expectations or budgeted requirement because interest rates are lower than expected in future.

## 9. Liquidity risk parameters

- 9.1 All investments are to be placed with institutions regulated by APRA in accordance with the *Banking Act 1959*, i.e. ADIs; the Local Government Financial Services Pty Ltd or the NSW Treasury Corporation but excluding subordinated debt obligations.
- 9.2 At least three quotations shall be obtained from qualifying institutions whenever an investment is proposed. The best quote of the day will be successful, providing the investment will not breach any parameters contained within this policy, and after allowing for administrative and banking costs.
- 9.3 Not more than 30% of the portfolio can be placed in investments exceeding 12 months to maturity and no investments exceeding three years to maturity.

## 10. Credit risk parameters

- 10.1 Investment portfolio parameters are risk-management tools used to manage credit risk by diversifying the portfolio to avoid a narrow concentration of investments. Investment credit risk parameters are based on credit rating bands as published by the credit rating agencies (e.g. Standard and Poor's, Moody's, Fitch).
- 10.2 Council will use Standard and Poor's long-term credit ratings (or Moody's or Fitch equivalents). The Standard and Poor's ratings are broadly defined as follows:

AAA	Extremely strong capacity to repay
AA+, AA, AA-	A very strong capacity to repay
A+, A, A-	A strong capacity to repay
BBB+, BBB	Adequate protection and adequate capacity to pay

- 10.3 The following credit risk parameters apply to the investment portfolio:

Credit Rating (S & P Long Term)**	Maximum Limit	Single Entity Exposure Limit	Max Tenor
AAA	100%	100%	3 years
AA+ to AA-	100%	100%	3 years
A+ to A	100%	30%	3 years
A-	40%	20%	3 years
BBB+	30%*	10%	3 years
BBB		5%	1 year
BBB- & below – local ADIs	5%	5%	1 year
BBB- & below - other		\$250k	1 year

This does not apply to the Commonwealth Bank as this institution deals with Council's transaction banking. Any excess funds that are unable to be invested in Term Deposits or other allowable instruments to allow for cash flow liquidity are placed with the Commonwealth Bank.

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## 11. Performance benchmarks

11.1 Investment performance will be measured monthly, in relation to both current month and 12-month rolling returns, against the:

- Average 90-day BBSW
- Earnings to the approved budget.

## 12. Reporting

12.1 The *Local Government (General) Regulation 2005* (clause 212) requires a report on investments be presented to Council at each ordinary meeting.

12.2 The report to Council will include, as a minimum:

- i). Total value of the portfolio and the balance of the trading bank account.
- ii). Complete list of all investments in the portfolio.
- iii). Break-up of the portfolio per institution, showing the rating for each institution and which investments are Australian Government guaranteed or not.
- iv). Comparison of interest earned to budget for the month and year to date.
- v). Comparison of weighted average interest rate and 90-day BBSW for the month and year to date.
- vi). Statement as to whether the investments are in accordance with the *Local Government Act 1993*, Regulation and Council's 'Investments' policy.
- vii). Commentary on portfolio performance and other matters of interest.

12.3 All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

## 13. Threshold breaches

13.1 This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, due to changes in the amount of Council's investment portfolio over time, situations may occur where these limitations or thresholds are breached.

13.2 Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, or a possible change in ratings of the financial institutions, the following process will apply:

- i). Immediate forced sale of the investments in breach of the limits or thresholds will not be required unless, in the General Manager's opinion, such sale is necessary to protect the value of the overall investment portfolio.
- ii). Immediate freeze on acquisitions of new investments in the relevant category, until the portfolio can be effectively managed back to align with the requirements of this policy.
- iii). The objective will be to manage the portfolio back in accordance with the policy limits, within three months from the date the portfolio first exceeds the limit or threshold.

## 14. Investment advisor

The Council's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended and is free to recommend the most appropriate product within the terms and conditions of the Investments policy. The independent advisor is required to provide written confirmation annually that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits in relation to the investments being recommended or reviewed.

**Contact officer**

Finance Manager

**Related documents****Policies**

N/A

**Procedures**

N/A.

**Legislation**

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Trustee Act 1925 (relevant provision extracted – refer to attachment).*
- *Banking Act 1959 (Cth)*

**Other**

- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government circulars.
- TCorp Investment Guidelines

<b>Office use only</b>	File no.: 472/13 D21/418	Next review date: Annually	
Version	Purpose and description	Date adopted by Council	Resolution no.
1.0		21/12/2011	106/11
2.0	Annual review	21/11/2012	109/12
3.0	Annual review	19/11/2014	114/14
4.0	Annual review	16/03/2016	19/16
5.0	Annual review, includes merger of three counties	15/03/2017	19/17
6.0	Annual review	16/05/2018	36/18
7.0	Annual review	17/04/2019	25/19
8.0	Annual review	21/04/2021	18/21
9.0	Annual review	15/06/2022	29/22
10.0	Annual review, minor amendments	13/12/2023	

**SECTION 14C NSW TRUSTEE ACT 1925**

NSW legislation website

**14C Matters to which trustee is to have regard when exercising power of investment**

- (1) Without limiting the matters that a trustee may take into account when exercising a power of investment, a trustee must, so far as they are appropriate to the circumstances of the trust, if any, have regard to the following matters:
  - (a) the purposes of the trust and the needs and circumstances of the beneficiaries,
  - (b) the desirability of diversifying trust investments,
  - (c) the nature of, and the risk associated with, existing trust investments and other trust property,
  - (d) the need to maintain the real value of the capital or income of the trust,
  - (e) the risk of capital or income loss or depreciation,
  - (f) the potential for capital appreciation,
  - (g) the likely income return and the timing of income return,
  - (h) the length of the term of the proposed investment,
  - (i) the probable duration of the trust,
  - (j) the liquidity and marketability of the proposed investment during, and on the determination of, the term of the proposed investment,
  - (k) the aggregate value of the trust estate,
  - (l) the effect of the proposed investment in relation to the tax liability of the trust,
  - (m) the likelihood of inflation affecting the value of the proposed investment or other trust property,
  - (n) the costs (including commissions, fees, charges and duties payable) of making the proposed investment,
  - (o) the results of a review of existing trust investments in accordance with section 14A (4).
- (2) A trustee may, having regard to the size and nature of the trust, do either or both of the following:
  - (a) obtain and consider independent and impartial advice reasonably required for the investment of trust funds or the management of the investment from a person whom the trustee reasonably believes to be competent to give the advice,
  - (b) pay out of trust funds the reasonable costs of obtaining the advice.
- (3) A trustee is to comply with this section unless expressly forbidden by the instrument (if any) creating the trust.

**LOCAL GOVERNMENT ACT 1993 – INVESTMENT ORDER**

(Relating to investments by councils)

I, the Hon. Barbara Perry MP, Minister for Local Government, in pursuance of section 625(2) of the *Local Government Act 1993* and with the approval of the Treasurer, do, by this my Order, notify for the purposes of section 625 of that Act that a council or county council may only invest money (on the basis that all investments must be denominated in Australian Dollars) in the following forms of investment:

- (a) any public funds or securities issued by or guaranteed by, the Commonwealth, any State of the Commonwealth or a Territory;
- (b) any debentures or securities issued by a council (within the meaning of the *Local Government Act 1993* (NSW));
- (c) interest bearing deposits with, or any debentures or bonds issued by, an authorised deposit-taking institution (as defined in the *Banking Act 1959* (Cwth)), but excluding subordinated debt obligations;
- (d) any bill of exchange which has a maturity date of not more than 200 days; and if purchased for value confers on the holder in due course a right of recourse against a bank which has been designated as an authorised deposit-taking institution by the Australian Prudential Regulation Authority;
- (e) a deposit with the New South Wales Treasury Corporation or investments in an Hour-Glass investment facility of the New South Wales Treasury Corporation;

All investment instruments (excluding short term discount instruments) referred to above include both principal and investment income.

Transitional Arrangements

- (i) Subject to paragraph (ii) nothing in this Order affects any investment made before the date of this Order which was made in compliance with the previous Ministerial Orders, and such investments are taken to be in compliance with this Order.
- (ii) Paragraph (i) only applies to those investments made before the date of this Order and does not apply to any restructuring or switching of investments or any re-investment of proceeds received on disposal or maturity of such investments, which for the avoidance of doubt must comply with this Order.

Key Considerations

An investment is not in a form of investment notified by this order unless it also complies with an investment policy of council adopted by a resolution of council.

All councils should by resolution adopt an investment policy that is consistent with this Order and any guidelines issued by the Chief Executive (Local Government), Department of Premier and Cabinet, from time to time.

The General Manager, or any other staff member, with delegated authority by a council to invest funds on behalf of a council must do so in accordance with the council's adopted investment policy.

Councils have a fiduciary responsibility when investing. Councils should exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons.

When exercising the power of investment councils should consider, but not be limited by, the risk of capital or income loss or depreciation, the likely income return and the timing of income return, the length of the term of the proposed investment, the liquidity and marketability of the proposed investment, the likelihood of inflation affecting the value of the proposed investment and the costs (including commissions, fees, charges and duties payable) of making the proposed investment.

Dated this 12<sup>th</sup> day of January 2011

  
Hon BARBARA PERRY MP  
Minister for Local Government

# Policy



## Investments

Adopted by Council: 15 June 2022

To provide guidelines for the investment of Council money safeguarding capital, maintaining sufficient liquidity, maximising interest earnings and legislative compliance.

**Safety**

**Teamwork**

**Accountability**

**Respect**

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## Background

### 1. Policy objectives

- 1.1 To provide a framework for the investing of Council's funds at the most favourable rate of interest available to it at the time while having due consideration of risk and security for that investment type and ensuring that liquidity requirements are being met.
- 1.2 While exercising the power to invest, consideration is to be given to the preservation of capital, liquidity, and the return on investment in line with TCorp investment guidelines:
  - i). Preservation of capital is the principal objective of the investment portfolio.
  - ii). Investments are to be placed in a manner that seeks to ensure security and safeguarding the investment portfolio.
  - iii). Investments should be allocated to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring the risk of significant costs due to the unanticipated sale of an investment.
  - iv). Investments are expected to achieve a market average rate of return in line with Council's risk tolerance.
- 1.3 This policy only deals with Council's investments with financial institutions and does not consider investments Council may wish to make in other forms of capital, such as property.

## Policy statement

### 2. Legislative authority for investments

All investments are to comply with the following:

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Trustee Act 1925*
- *Banking Act 1959 (Cth)*
- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Division of Local Government circulars.

### 3. Delegation of authority

Authority for implementation of the 'Investment' policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager or a delegated representative has authority to invest Council's funds. Officers delegated with authority to manage Council's investments shall be recorded and required to acknowledge that they have received a copy of this policy and understand their obligations in this role.

The placement of investments requires a minimum of two signatures from officers with delegated authority to invest surplus funds.

### 4. Prudent person standard

The investment will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolios to safeguard the portfolio in accordance with the spirit of this policy. The matters to which a prudent person shall have regard when making an investment on behalf of another are an attachment to this policy (Section 14C *Trustee Act 1925* (NSW) and Ministerial Order).

It is expected that the skills of officers making investments will include:

- i). An understanding of this policy and associated legislation such that when placing an investment all relevant conditions are considered and weighed-up.
- ii). An understanding of the current positioning of the financial markets, i.e. what is the current 90-day Bank Bill Swap (BBSW) rate and yield curve.
- iii). An understanding of the type of investments in which they are dealing, i.e. investment rate offered, term to maturity and the organisation that is receiving and using the funds. Also the underlying conditions of the transaction that impact risk and reward, including circumstances in which the user of the funds may default in payment of capital and interest.
- iv). An understanding of the institution that will receive and use the funds, including their credit worth, i.e. current Standard and Poors rating/if they are Australian Prudential Regulation Authority (APRA) regulated.

The role of an investing officer will be to:

- i). Avail themselves of current market information and investment options.
- ii). Be aware of Council's current liquidity position and the options that best suit Council in terms of length of the investment.
- iii). In most instances the form of investment shall be a term deposit with an Authorised Deposit-taking Institution (ADI) and the investing officer shall consider at least three quotes from different ADIs. Typically, the investing officer becomes aware of daily rates by telephoning the institution or receiving an email.
- iv). Council's investment placement sheet is completed and then signed by two investment officers. The preferred institution is then advised by telephone or email that they have been successful, and arrangements are made for funds to be transferred as agreed, ensuring that the recipient institution provides Council with appropriate acknowledgement and documentation following their receipt of funds.
- v). Where the form of investment is not a term deposit, the matter shall be discussed between at least two investment officers prior to making a placement.

The investing officer shall maintain an investment register, which shall include:

- i). The source and the amount of money invested.
- ii). Particulars of the security or form of investment in which the money was invested.
- iii). The term of the investment (i.e. placement and maturity dates where applicable).
- iv). If appropriate, the rate of interest to be paid, and the amount of money that Council has earned, in respect of the money invested.

### **5. Conflict of interest**

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This policy requires officers to disclose any conflict of interest to the General Manager.

Officers are also required to provide written notice of any private employment or contract work that may conflict with their Council duties in accordance with section 353 of the *Local Government Act 1993*.

Independent advisors are also required to declare that they have no actual or perceived conflicts of interest.



## 6. Ethical investment

This policy is limited in accommodating ethical investment considerations. However, Council will attempt to give preference to financial institutions that do not invest in or finance the fossil fuel industry or other unethical institutions where:

- The investment is compliant with Council's Investments policy.
- The investment rate of interest is favourable to Council relative to other similar investments that may be on offer to Council at the time of the investment.

This information will be sourced from the following websites:

- [www.marketforces.org.au](http://www.marketforces.org.au) - which is an affiliate project of the Friends of the Earth Australia, and
- [www.climatebonds.net](http://www.climatebonds.net) – certification by the Climate Bond Initiative as meeting the Climate Bonds Standard criteria.

## 7. Approved and prohibited investments

7.1 Investments are limited to those allowed by the most current Ministerial Investment Order that has been issued by the NSW Minister for Local Government and include:

- i). Any public funds or securities issued by or guaranteed by the Commonwealth, any State of the Commonwealth, or a Territory.
- ii). Any debentures or securities issued by a council (within the meaning of the *Local Government Act 1993*).
- iii). Interest bearing deposits with, or any debentures or bonds issued by, an ADI (as defined in the *Banking Act 1959*), but excluding subordinated debt obligations.
- iv). Any bill of exchange that has a maturity date of not more than 200 days; and if purchased for value confers on the holder in due course a right of recourse against a bank that has been designated as an ADI by APRA.
- v). A deposit with the Treasury Corporation or investments in an Hour-Glass investment facility of the Treasury Corporation.
- vi). Investments grandfathered under the previous Ministerial Investment Order.

7.2 In accordance with the current Ministerial Investment Order, this policy prohibits any investment carried out for speculative purposes including but not limited to:

- i). Derivative-based instruments.
- ii). Principal only investments or securities that provide potentially nil or negative cash flow.
- iii). Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

## 8. Risk management guidelines

Council's strategy is to preserve the capital invested by diversifying with different approved financial institutions on the short-term money market (minimum 70% of portfolio to be 12 months or less).

Investments obtained are to be considered in light of the following key criteria:

- i). Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value (considering the time value of money).
- ii). Diversification – setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk.
- iii). Credit risk – the risk that Council has if an institution fails to pay the interest and or repay the principal of an investment.

- iv). Market risk – the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices.
- v). Liquidity risk – the risk an investor is unable to redeem the investment at a fair price within a timely period.
- vi). Maturity risk – the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities.
- vii). Rollover risk- the risk that income will not meet expectations or budgeted requirement because interest rates are lower than expected in future.

## 9. Liquidity risk parameters

- 9.1 All investments are to be placed with institutions regulated by APRA in accordance with the *Banking Act 1959*, i.e. ADIs; the Local Government Financial Services Pty Ltd or the NSW Treasury Corporation but excluding subordinated debt obligations.
- 9.2 At least three quotations shall be obtained from qualifying institutions whenever an investment is proposed. The best quote of the day will be successful, providing the investment will not breach any parameters contained within this policy, and after allowing for administrative and banking costs.
- 9.3 Not more than 30% of the portfolio can be placed in investments exceeding 12 months to maturity and no investments exceeding three years to maturity.

## 10. Credit risk parameters

- 10.1 Investment portfolio parameters are risk-management tools used to manage credit risk by diversifying the portfolio to avoid a narrow concentration of investments. Investment credit risk parameters are based on credit rating bands as published by the credit rating agencies (e.g. Standard and Poor's, Moody's, Fitch).
- 10.2 Council will use Standard and Poor's long-term credit ratings (or Moody's or Fitch equivalents). The Standard and Poor's ratings are broadly defined as follows:

AAA	Extremely strong capacity to repay
AA+, AA, AA-	A very strong capacity to repay
A+, A, A-	A strong capacity to repay
BBB+, BBB	Adequate protection and adequate capacity to pay

- 10.3 The following credit risk parameters apply to the investment portfolio:

Credit Rating (S & P Long Term)**	Maximum Limit	Single Entity Exposure Limit	Max Tenor
AAA	100%	100%	3 years
AA+ to AA-	100%	100%	3 years
A+ to A	100%	30%	3 years
A-	40%	20%	3 years
BBB+	30%*	10%	3 years
BBB		5%	1 year
BBB- & below – local ADIs	5%	5%	1 year
BBB- & below - other		\$250k	1 year

This does not apply to the Commonwealth Bank as this institution deals with Council's transaction banking. Any excess funds that are unable to be invested in Term Deposits or other allowable instruments to allow for cash flow liquidity are placed with the Commonwealth Bank.

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## 11. Performance benchmarks

11.1 Investment performance will be measured monthly, in relation to both current month and 12-month rolling returns, against the:

- Average 90-day BBSW
- Earnings to the approved budget.

## 12. Reporting

12.1 The *Local Government (General) Regulation 2005* (clause 212) requires a report on investments be presented to Council at each ordinary meeting.

12.2 The report to Council will include, as a minimum:

- Total value of the portfolio and the balance of the trading bank account.
- Complete list of all investments in the portfolio.
- Break-up of the portfolio per institution, showing the rating for each institution and which investments are Australian Government guaranteed or not.
- Comparison of interest earned to budget for the month and year to date.
- Comparison of weighted average interest rate and 90-day BBSW for the month and year to date.
- Statement as to whether the investments are in accordance with the *Local Government Act 1993*, Regulation and Council's 'Investments' policy.
- Commentary on portfolio performance and other matters of interest.

12.3 All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

## 13. Threshold breaches

13.1 This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, due to changes in the amount of Council's investment portfolio over time, situations may occur where these limitations or thresholds are breached.

13.2 Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, or a possible change in ratings of the financial institutions, the following process will apply:

- Immediate forced sale of the investments in breach of the limits or thresholds will not be required unless, in the General Manager's opinion, such sale is necessary to protect the value of the overall investment portfolio.
- Immediate freeze on acquisitions of new investments in the relevant category, until the portfolio can be effectively managed back to align with the requirements of this policy.
- The objective will be to manage the portfolio back in accordance with the policy limits, within three months from the date the portfolio first exceeds the limit or threshold.

## 14. Investment advisor

The Council's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended and is free to recommend the most appropriate product within the terms and conditions of the Investments policy. The independent advisor is required to provide written confirmation annually that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits in relation to the investments being recommended or reviewed.

**Contact officer**

Group Manager Corporate and Commercial.

**Related documents****Policies**

N/A

**Procedures**

N/A.

**Legislation**

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Trustee Act 1925 (relevant provision extracted – refer to attachment).*
- *Banking Act 1959 (Cth)*

**Other**

- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government circulars.
- TCorp Investment Guidelines

<b>Office use only</b>	File no.: 472/13 D21/418	Next review date: Annually	
Version	Purpose and description	Date adopted by Council	Resolution no.
1.0		21/12/2011	106/11
2.0	Annual review	21/11/2012	109/12
3.0	Annual review	19/11/2014	114/14
4.0	Annual review	16/03/2016	19/16
5.0	Annual review, includes merger of three counties	15/03/2017	19/17
6.0	Annual review	16/05/2018	36/18
7.0	Annual review	17/04/2019	25/19
8.0	Annual review	21/04/2021	18/21
9.0	Annual review	15/06/2022	-

**SECTION 14C NSW TRUSTEE ACT 1925**

NSW legislation website

**14C Matters to which trustee is to have regard when exercising power of investment**

- (1) Without limiting the matters that a trustee may take into account when exercising a power of investment, a trustee must, so far as they are appropriate to the circumstances of the trust, if any, have regard to the following matters:
  - (a) the purposes of the trust and the needs and circumstances of the beneficiaries,
  - (b) the desirability of diversifying trust investments,
  - (c) the nature of, and the risk associated with, existing trust investments and other trust property,
  - (d) the need to maintain the real value of the capital or income of the trust,
  - (e) the risk of capital or income loss or depreciation,
  - (f) the potential for capital appreciation,
  - (g) the likely income return and the timing of income return,
  - (h) the length of the term of the proposed investment,
  - (i) the probable duration of the trust,
  - (j) the liquidity and marketability of the proposed investment during, and on the determination of, the term of the proposed investment,
  - (k) the aggregate value of the trust estate,
  - (l) the effect of the proposed investment in relation to the tax liability of the trust,
  - (m) the likelihood of inflation affecting the value of the proposed investment or other trust property,
  - (n) the costs (including commissions, fees, charges and duties payable) of making the proposed investment,
  - (o) the results of a review of existing trust investments in accordance with section 14A (4).
- (2) A trustee may, having regard to the size and nature of the trust, do either or both of the following:
  - (a) obtain and consider independent and impartial advice reasonably required for the investment of trust funds or the management of the investment from a person whom the trustee reasonably believes to be competent to give the advice,
  - (b) pay out of trust funds the reasonable costs of obtaining the advice.
- (3) A trustee is to comply with this section unless expressly forbidden by the instrument (if any) creating the trust.

**LOCAL GOVERNMENT ACT 1993 – INVESTMENT ORDER**

(Relating to investments by councils)

**I, the Hon. Barbara Perry MP, Minister for Local Government, in pursuance of section 625(2) of the *Local Government Act 1993* and with the approval of the Treasurer, do, by this my Order, notify for the purposes of section 625 of that Act that a council or county council may only invest money (on the basis that all investments must be denominated in Australian Dollars) in the following forms of investment:**

- (a) any public funds or securities issued by or guaranteed by, the Commonwealth, any State of the Commonwealth or a Territory;
- (b) any debentures or securities issued by a council (within the meaning of the *Local Government Act 1993* (NSW));
- (c) interest bearing deposits with, or any debentures or bonds issued by, an authorised deposit-taking institution (as defined in the *Banking Act 1959* (Cwth)), but excluding subordinated debt obligations;
- (d) any bill of exchange which has a maturity date of not more than 200 days; and if purchased for value confers on the holder in due course a right of recourse against a bank which has been designated as an authorised deposit-taking institution by the Australian Prudential Regulation Authority;
- (e) a deposit with the New South Wales Treasury Corporation or investments in an Hour-Glass investment facility of the New South Wales Treasury Corporation;

All investment instruments (excluding short term discount instruments) referred to above include both principal and investment income.

Transitional Arrangements

- (i) Subject to paragraph (ii) nothing in this Order affects any investment made before the date of this Order which was made in compliance with the previous Ministerial Orders, and such investments are taken to be in compliance with this Order.
- (ii) Paragraph (i) only applies to those investments made before the date of this Order and does not apply to any restructuring or switching of investments or any re-investment of proceeds received on disposal or maturity of such investments, which for the avoidance of doubt must comply with this Order.

Key Considerations

An investment is not in a form of investment notified by this order unless it also complies with an investment policy of council adopted by a resolution of council.

All councils should by resolution adopt an investment policy that is consistent with this Order and any guidelines issued by the Chief Executive (Local Government), Department of Premier and Cabinet, from time to time.

The General Manager, or any other staff member, with delegated authority by a council to invest funds on behalf of a council must do so in accordance with the council's adopted investment policy.

Councils have a fiduciary responsibility when investing. Councils should exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons.

When exercising the power of investment councils should consider, but not be limited by, the risk of capital or income loss or depreciation, the likely income return and the timing of income return, the length of the term of the proposed investment, the liquidity and marketability of the proposed investment, the likelihood of inflation affecting the value of the proposed investment and the costs (including commissions, fees, charges and duties payable) of making the proposed investment.

Dated this 12<sup>th</sup> day of January 2011

  
**Hon BARBARA PERRY MP**  
**Minister for Local Government**

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## Information reports

*Responsible Officer: General Manager (Phillip Rudd)*

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### **Recommendation**

That the following information reports be received and noted:

1. Investments – November 2023
2. Water production and consumption – November 2023
3. Environmental Management System Action List Progress Update 2023
4. Update on Bungawalbyn (East) Levee funding requests
5. Audit Risk and Improvement Committee – meeting update
6. Annual Model Code of Complaints Statistics
7. Disclosure of Interest Returns 2022/23
8. Reports/Actions pending

### **Background**

Copies of the abovementioned reports are attached for information.

### **Consultation**

The reports have been prepared in consultation with the General Manager, relevant Group Managers and staff.

### Attachments

Information reports 1-8

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## Investments - November 2023

*Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)*

*Report Author: Finance Manager (Jonathan Patino)*

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### Recommendation

That Council receive and note the Investments for November 2023.

### Background

Clause 212 of the *Local Government (General) Regulation 2021* ('Regulation') and Council's 'Investments' policy require that a report detailing Council's investments be provided. This report has been prepared as at 30 November 2023.

- **Finance Report**

#### The RBA cash rate is 4.35%

At the RBA's 7<sup>th</sup> November 2023 meeting the board decided to raise the cash rate by 25 basis points to 4.35%. The Board had held interest rates steady since June following an increase of 4 percentage points since May last year. It had judged that higher interest rates were working to establish a more sustainable balance between supply and demand in the economy. Furthermore, it had noted that the impact of the more recent rate rises would continue to flow through the economy. It had therefore decided that it was appropriate to hold rates steady to provide time to assess the impact of the increase in interest rates so far.

Returning inflation to target within a reasonable timeframe remains the Board's priority. High inflation makes life difficult for everyone and damages the functioning of the economy. It erodes the value of savings, hurts household budgets, makes it harder for businesses to plan and invest, and worsens income inequality. And if high inflation were to become entrenched in people's expectations, it would be much more costly to reduce later, involving even higher interest rates and a larger rise in unemployment.

The 90-day average bank bill swap rate (BBSW) is 4.38%.

#### Total funds invested is \$34,318,872

This excludes cheque account and Weel balances.

#### Weighted Average Return is 4.54%

This represents an increase of 12 basis points compared to the October 2023 result (4.42%) and is 41 basis points above Council's benchmark (the average 90-day BBSW rate of 4.13%) (Refer: Graph D2 - Attachment D).

#### Interest earned is \$142,779

Interest earned compared to the original budget is \$236,094 above the pro-rata budget. (Refer: Attachment A).

#### Cheque account balance is \$1,026,843

#### Weel account balance is \$11,837

This is a bank account with Cuscal Limited and is used to hold funds for a prepaid credit card app that is now in use by all corporate card holders at Rous.



Investments with institutions that do not support the fossil fuel industry is \$5,500,000 (16.04% of current holdings)

The assessment of Ethical Financial Institutions is undertaken using [www.marketforces.org.au](http://www.marketforces.org.au) which is an affiliate project of the Friends of the Earth Australia (Refer: Graph D4 - Attachment D).

## **Legal**

In accordance with section 212(1)(b) of the Regulation, the Responsible Accounting Officer (currently the Finance Manager) certifies the investments identified in this report have been made in accordance with section 625 of the *Local Government Act 1993*, section 212 of the Regulation, and the provisions of Council's 'Investments' policy.

## **Conclusion**

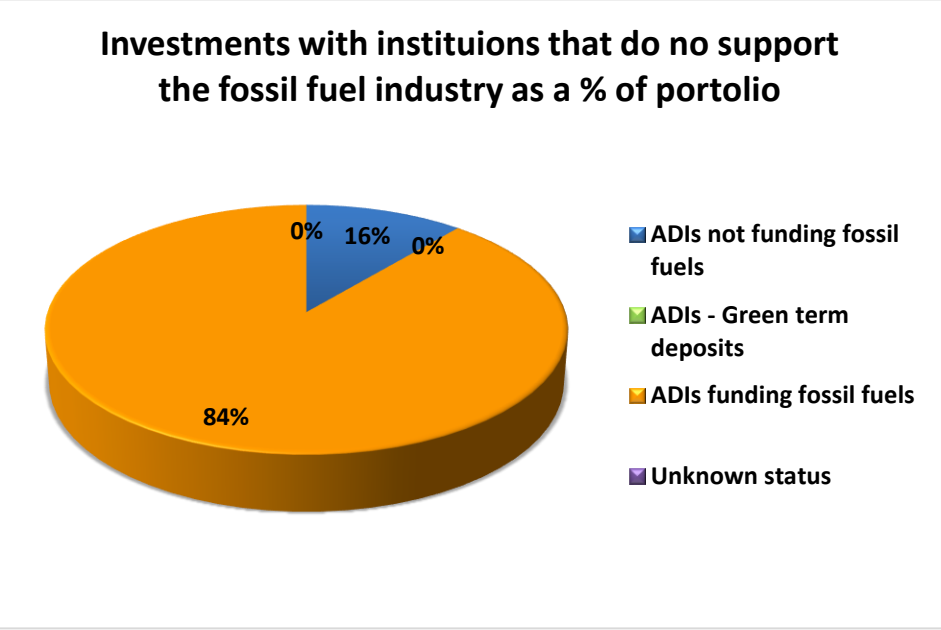
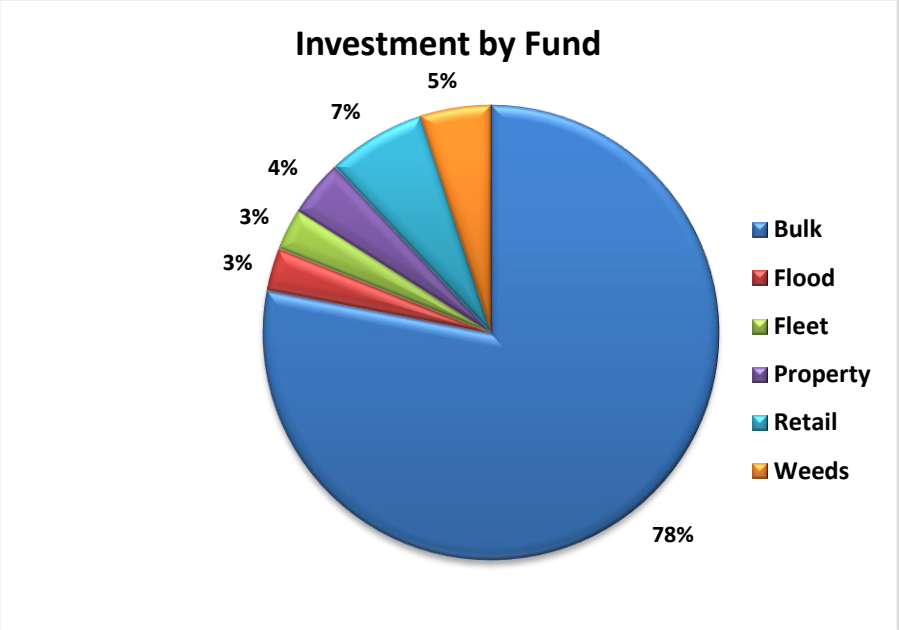
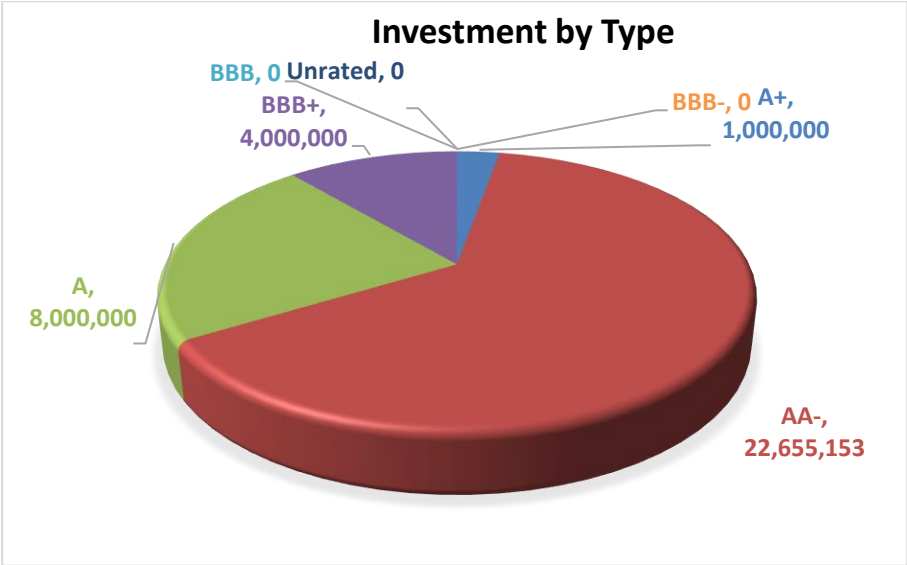
A report on investments is required to be submitted to Council. As at 30 November 2023, investments total \$34,318,872 and the average rate of return is estimated at 4.54%.

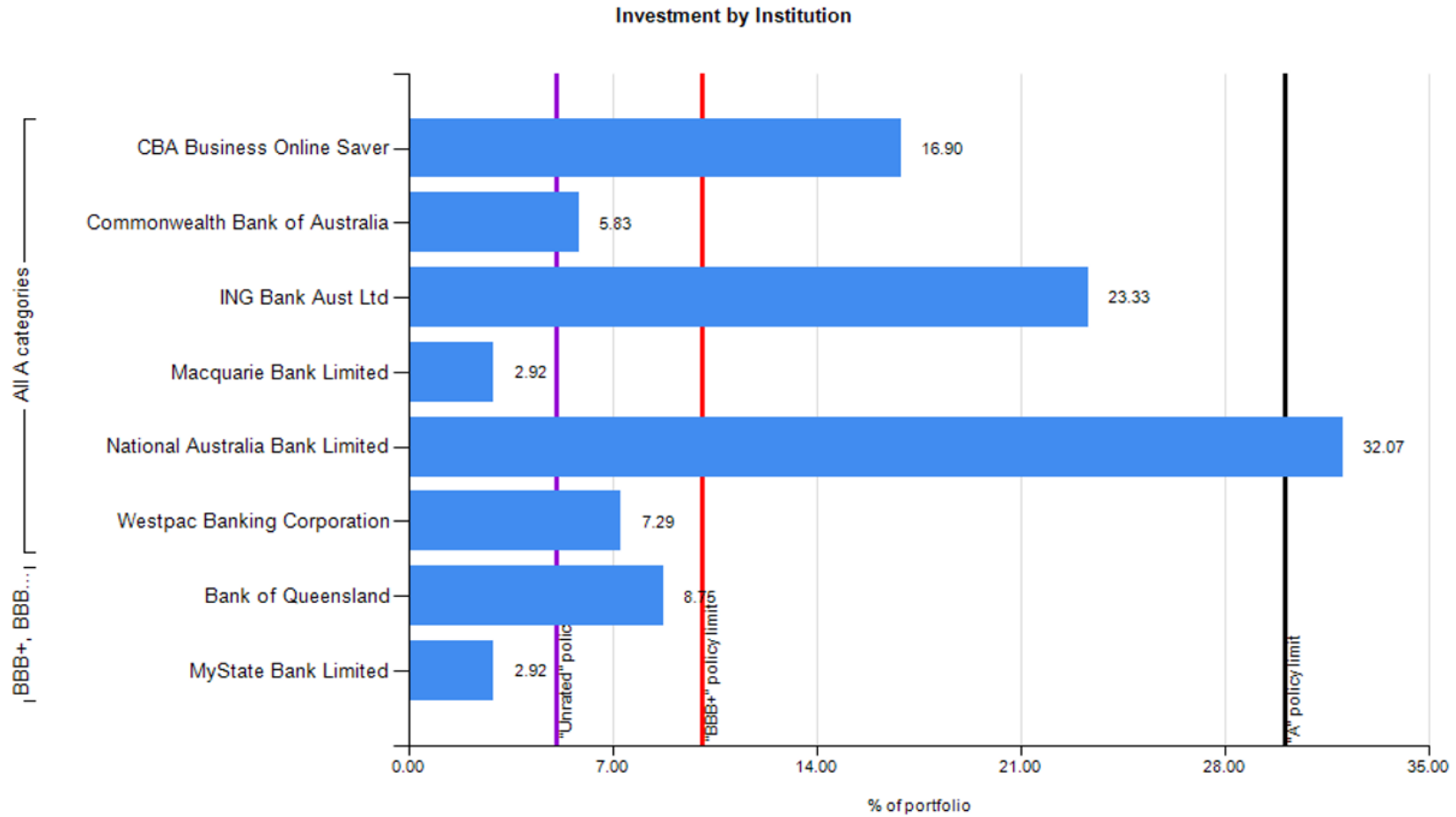
### Attachments

- A. Investment analysis
- B. Investment by type
- C. Investment by Institution
- D. Total funds invested - comparisons
- E. Summary of indebtedness

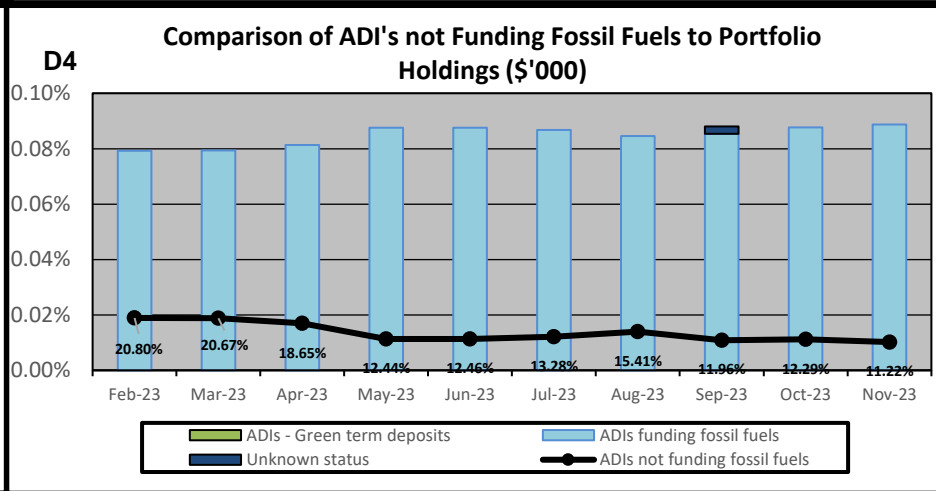
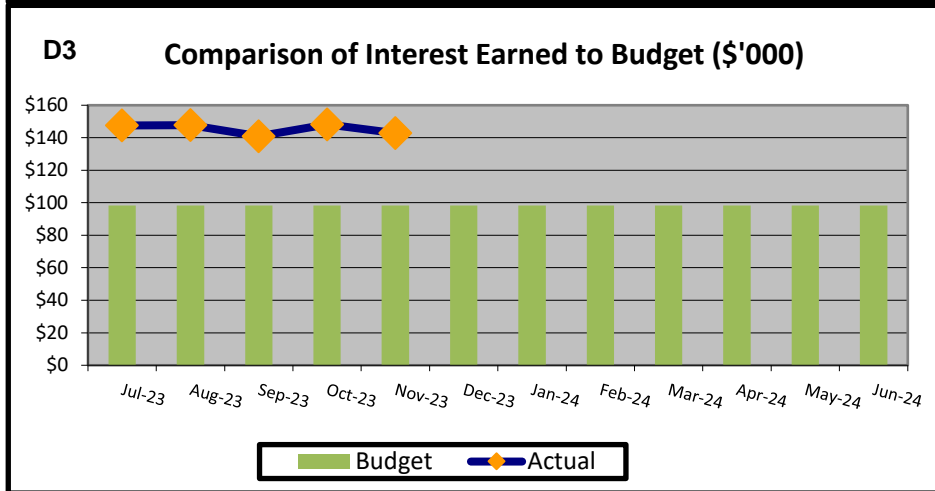
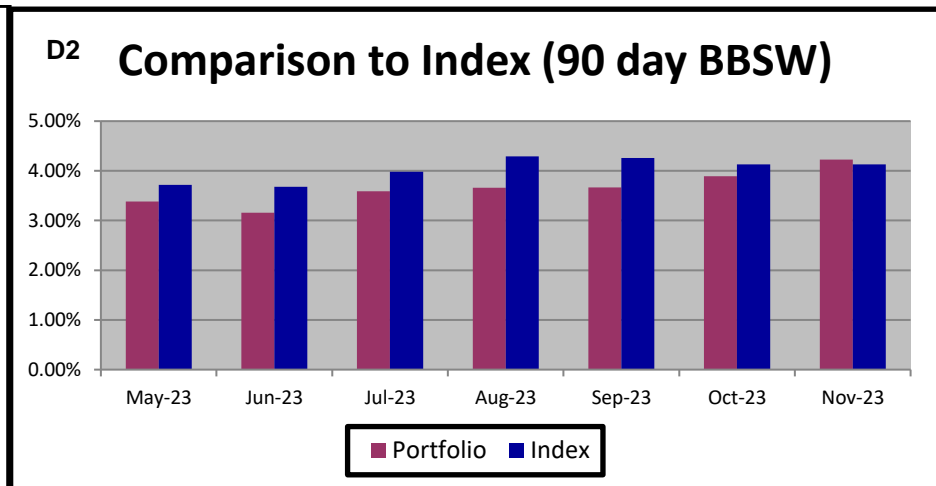
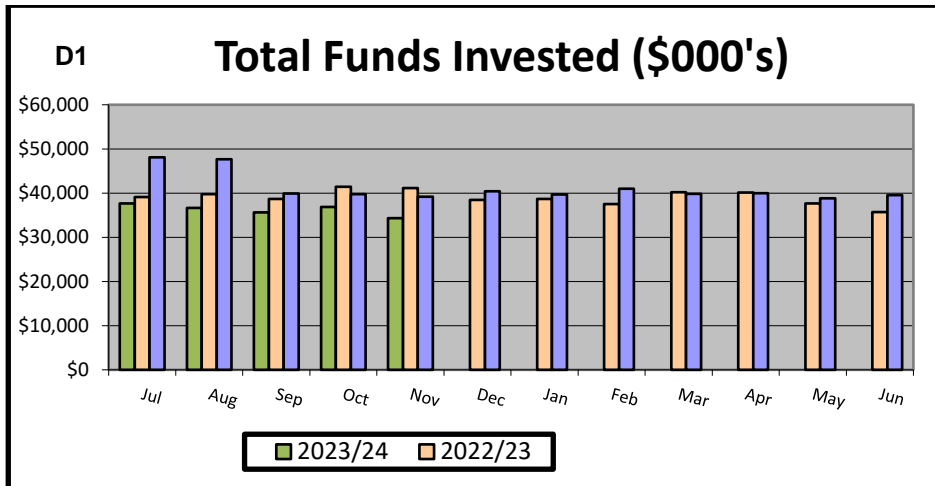
## Investment Analysis

Funds Invested With	S & P Local Long Term Rating	Product Name	Not Fossil Fuel Al	Lodgement Date	Maturity Date	% of Portfolio	30 November 23 Balance	Rate of Retu	Monthly Interest†	Year-to-Date Interest
CBA Business Online Saver	AA-	CBA-BOS	No	At call		16.90	5,818,872.41	1.95	21,888.66	115,268.93
Westpac Banking Corporation	AA-	TD	No	6/12/2022	5/12/2023	2.92	1,000,000.00	4.29	3,526.03	17,982.74
ING Bank Aust Ltd	A	TD	No	8/3/2023	12/3/2024	2.92	1,000,000.00	4.98	4,093.15	20,875.07
Macquarie Bank Limited	A+	TD	No	22/3/2023	19/3/2024	2.92	1,000,000.00	4.69	3,854.79	19,659.45
ING Bank Aust Ltd	A	TD	No	28/3/2023	26/3/2024	2.92	1,000,000.00	4.60	3,780.82	19,282.19
ING Bank Aust Ltd	A	TD	No	4/4/2023	2/4/2024	5.83	2,000,000.00	4.68	7,693.15	39,235.07
National Australia Bank Limited	AA-	TD	No	2/5/2023	6/2/2024	5.83	2,000,000.00	4.53	7,446.58	37,977.53
National Australia Bank Limited	AA-	TD	No	10/5/2023	23/1/2024	5.83	2,000,000.00	4.70	7,726.03	39,402.74
National Australia Bank Limited	AA-	TD	No	23/5/2023	27/2/2024	2.92	1,000,000.00	4.83	3,969.86	20,246.30
Bank of Queensland	BBB+	TD	Yes	6/6/2023	5/3/2024	4.37	1,500,000.00	5.15	6,349.32	32,381.51
ING Bank Aust Ltd	A	TD	No	27/6/2023	25/6/2024	2.92	1,000,000.00	5.62	4,619.18	23,557.81
ING Bank Aust Ltd	A	TD	No	4/7/2023	2/7/2024	8.75	3,000,000.00	5.67	13,980.82	69,904.11
National Australia Bank Limited	AA-	TD	No	26/7/2023	7/5/2024	2.92	1,000,000.00	5.43	4,463.01	19,042.19
Bank of Queensland	BBB+	TD	Yes	1/8/2023	30/4/2024	1.46	500,000.00	5.40	2,219.18	9,024.66
Commonwealth Bank of Australia	AA-	TD	No	23/8/2023	22/8/2024	5.83	2,000,000.00	5.47	8,991.78	29,972.60
National Australia Bank Limited	AA-	TD	No	13/9/2023	17/9/2024	4.37	1,500,000.00	5.18	6,386.30	16,817.26
National Australia Bank Limited	AA-	TD	No	19/9/2023	17/9/2024	2.92	1,000,000.00	5.22	4,290.41	10,440.00
National Australia Bank Limited	AA-	TD	No	17/10/2023	16/7/2024	2.92	1,000,000.00	5.07	4,167.12	6,250.68
Bank of Queensland	BBB+	TD	Yes	24/10/2023	14/5/2024	2.92	1,000,000.00	5.15	4,232.88	5,361.64
National Australia Bank Limited	AA-	TD	No	24/10/2023	30/1/2024	4.37	1,500,000.00	4.87	6,004.11	7,605.21
MyState Bank Limited	BBB+	TD	Yes	31/10/2023	4/6/2024	2.92	1,000,000.00	5.22	4,290.41	4,433.42
Westpac Banking Corporation	AA-	TD	Yes	28/11/2023	3/12/2024	4.37	1,500,000.00	5.44	670.68	670.68
MATURED TDs									8,134.93	161,910.41
						<b>100.00</b>	<b>34,318,872.41</b>	<b>4.54</b>	<b>142,779.21</b>	<b>727,302.22</b>
<b>Total Investment Holdings</b>						<b>100.00</b>	<b>34,318,872.41</b>		<b>142,779.21</b>	<b>727,302.22</b>
									Total YTD Interest	<b>727,302.22</b>
Deposits with Australian Deposit-taking institutions (ADI) are Government.									Budget Interest @ 30 November 2023	<b>491,208.00</b>
Guaranteed for balances totalling up to \$250,000 per customer, per institution.									Budget variance	<b>236,094.22</b>





Note: Institutions shown with "\*" and in red are in breach of council policy.



Summary of indebtedness

Information	Loan #1	Loan #2	Loan #3	Loan #4	Loan #5	Loan #6	Loan #7	Total
Institution	CBA	CBA	CBA	Dexia	NAB	NAB	Tcorp	
Principal Borrowed	\$ 2,000,000	\$ 3,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 13,500,000	\$ 58,500,000
Date Obtained	9-Jun-04	31-May-05	31-May-06	21-Feb-07	31-May-07	25-Sep-07	7-Jun-21	
Term (Years)	20	20	20	20	20	20	20	
Interest Rate	6.82%	6.25%	6.37%	6.40%	6.74%	6.85%	2.68%	
Date Due	10-Jun-24	31-May-25	31-May-26	21-Feb-27	31-May-27	25-Sep-27	7-Jun-41	
Annual Commitment	\$ 184,785	\$ 264,921	\$ 891,595	\$ 893,507	\$ 917,390	\$ 925,933	\$ 876,390	\$ 4,954,520
Principal Repaid LTD	\$ 1,824,326	\$ 2,626,220	\$ 7,968,956	\$ 7,237,651	\$ 7,165,758	\$ 6,798,972	\$ 1,050,052	\$ 34,671,936
Interest Incurred LTD	\$ 1,686,591	\$ 2,274,812	\$ 7,633,959	\$ 7,507,706	\$ 7,971,171	\$ 8,015,950	\$ 702,728	\$ 35,792,916
Principal Outstanding	\$ 175,674	\$ 373,780	\$ 2,031,044	\$ 2,762,349	\$ 2,834,242	\$ 3,201,029	\$ 12,449,948	\$ 23,828,065
Interest Outstanding	\$ 9,111	\$ 23,601	\$ 197,944	\$ 365,454	\$ 397,319	\$ 514,593	\$ 3,325,076	\$ 4,833,098

## Water production and consumption - November 2023

*Responsible Officer: Group Manager Operations (Adam Nesbitt)*

### Recommendation

That the report be received and noted.

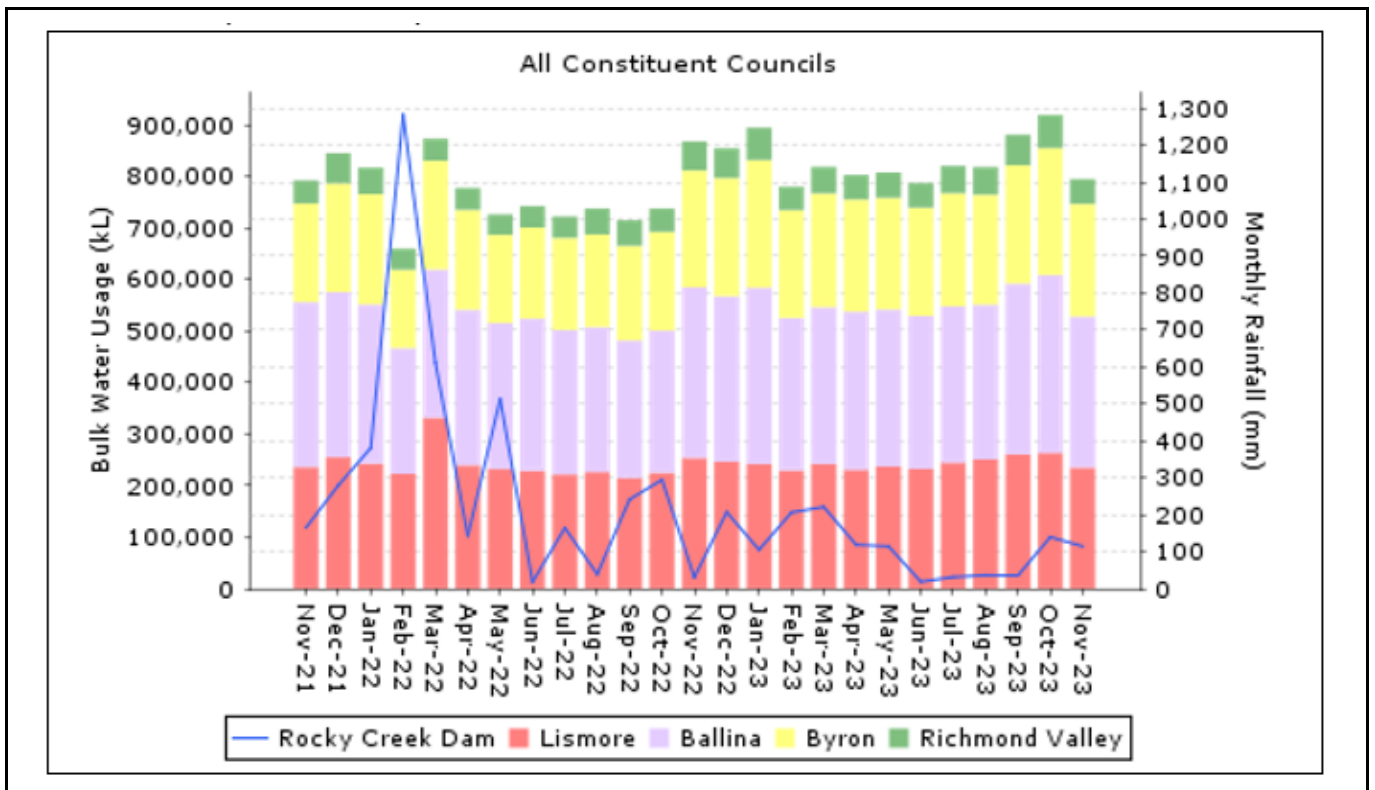
### Background

The table below is the November 2023 bulk water sales to the constituent councils in kilolitres compared to the corresponding November sales for 2022 and 2021.

Council	Nov 2021 (kL)	Nov 2022 (kL)	Nov 2023 (kL)	% of Total Sales
Ballina Shire Council	320,651	331,316	293,157	36.84%
Byron Shire Council	191,761	227,106	218,865	27.51%
Lismore City Council	236,001	253,952	235,296	29.57%
Richmond Valley Council	44,386	56,091	48,347	6.08%
<b>TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS</b>	<b>792,799</b>	<b>868,465</b>	<b>795,665</b>	

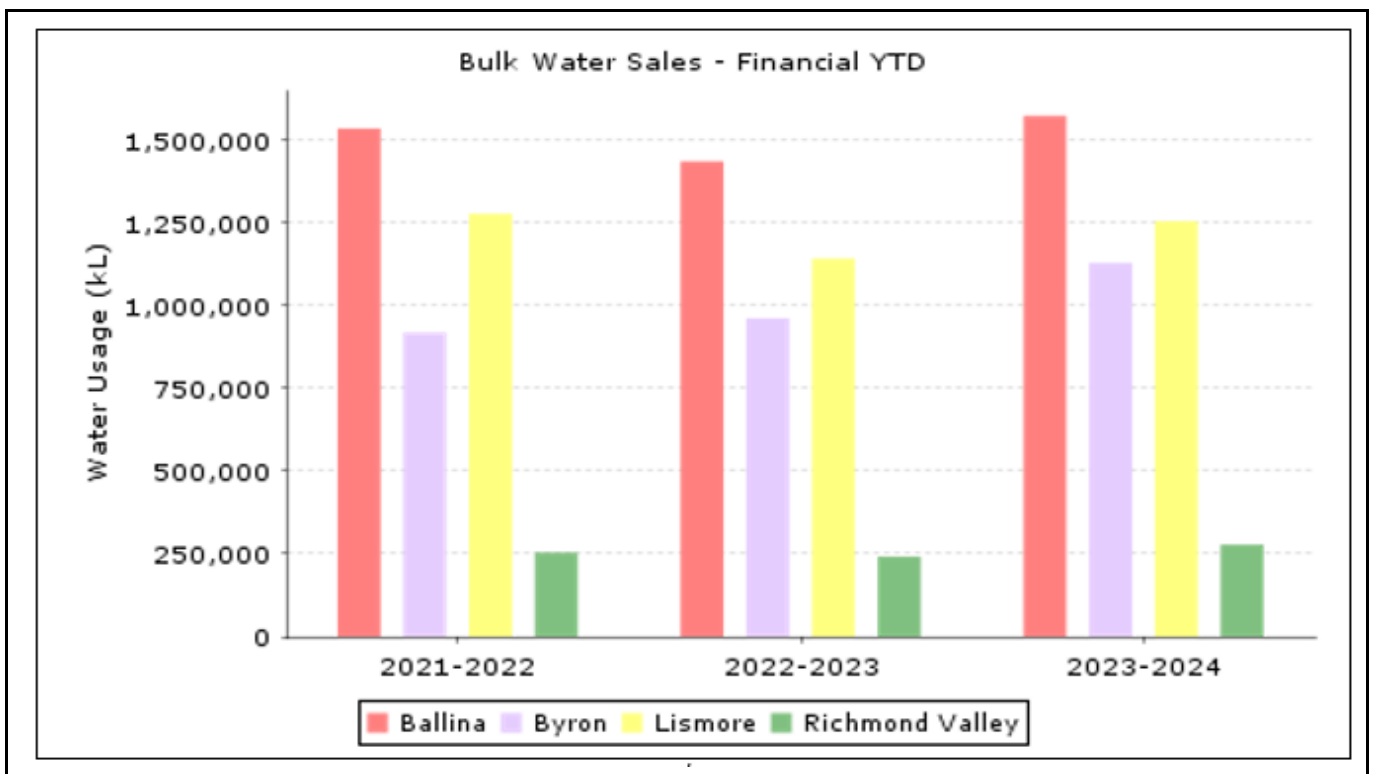
**Water usage - all constituent councils**

**Figure 1** shows the combined monthly bulk water consumption and rainfall at Rocky Creek Dam for the previous two years.



**Figure 1: Total monthly consumption by constituent council and rainfall**

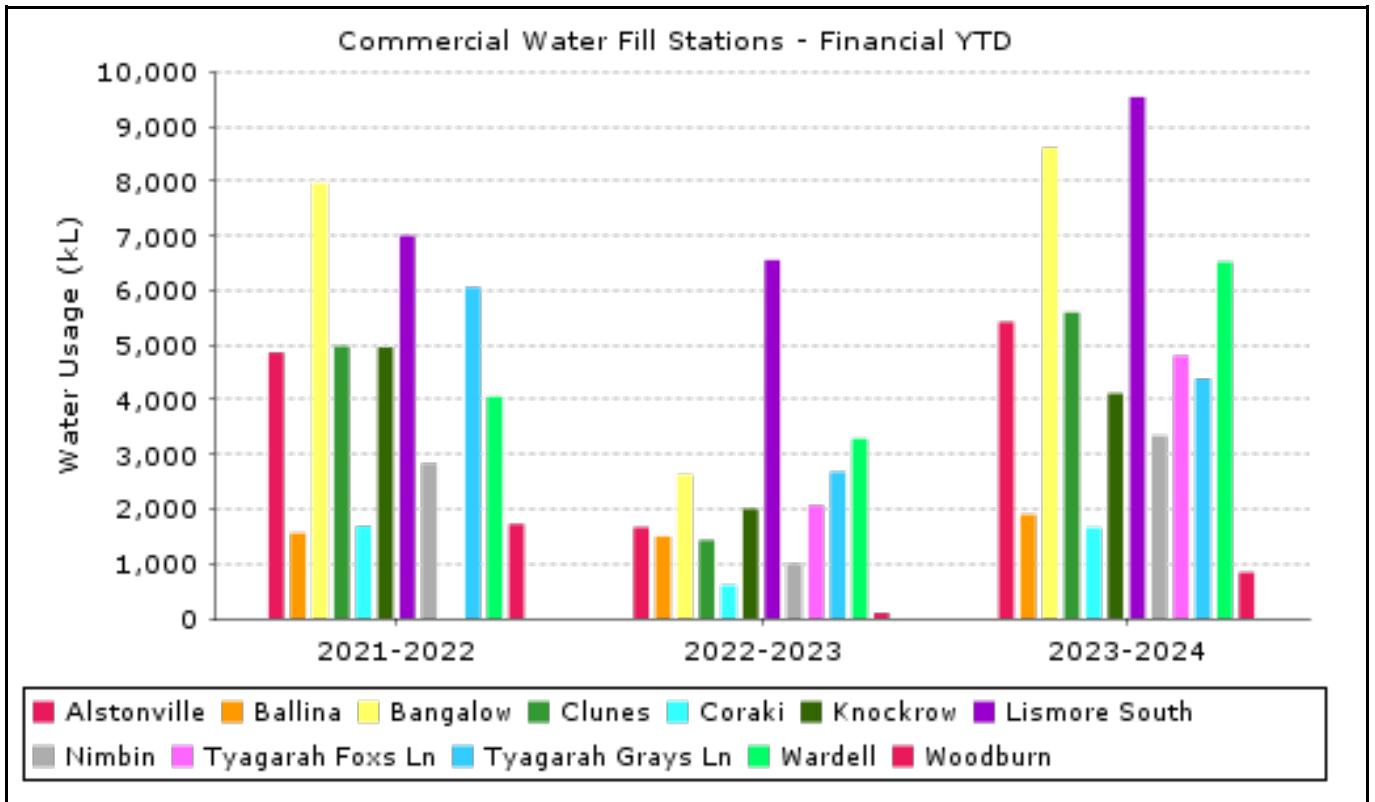
**Figure 2** shows the total bulk water sales for the financial year to date compared with the previous two years.



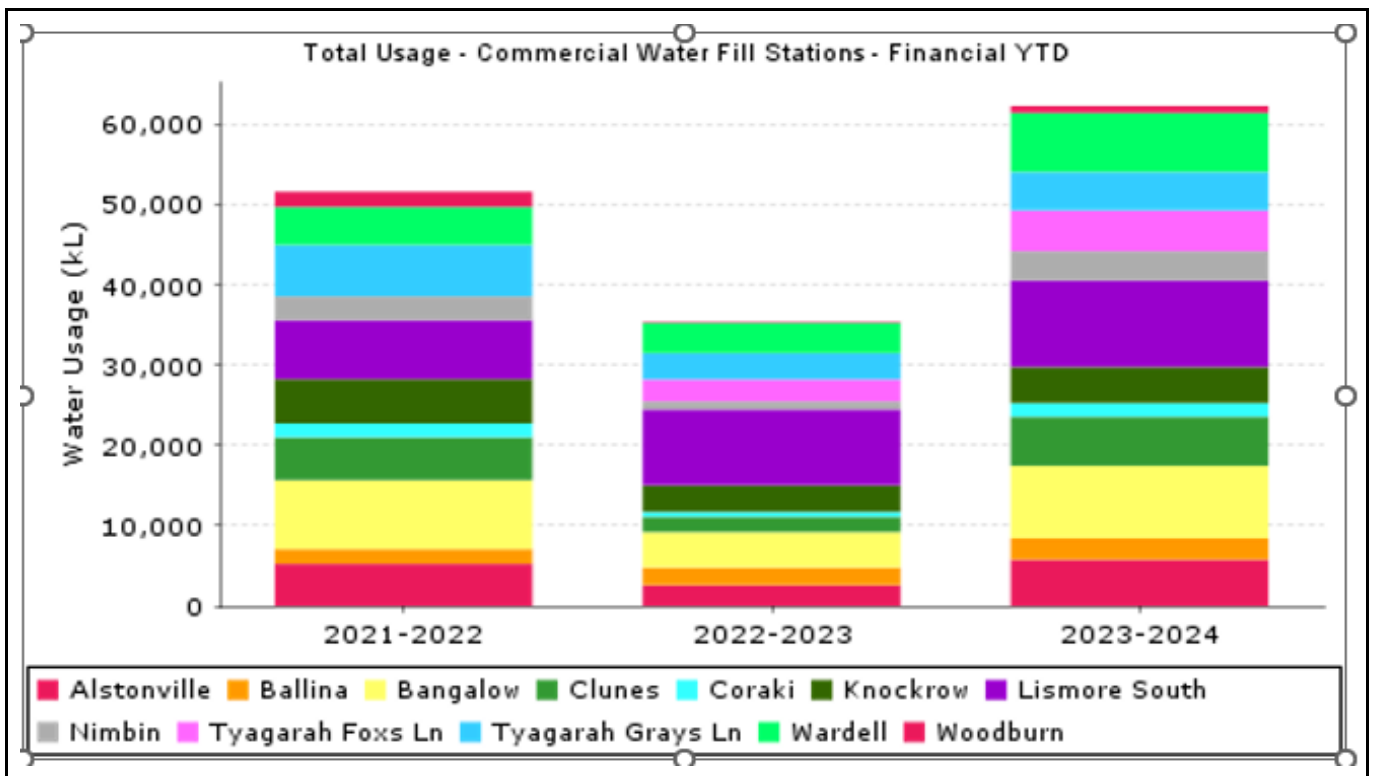
**Figure 2: Bulk water sales by constituent council 1 July to 30 November**



**Figure 3 and 4** shows the total usage of individual commercial water fill stations for the financial year to date compared with the previous two years.

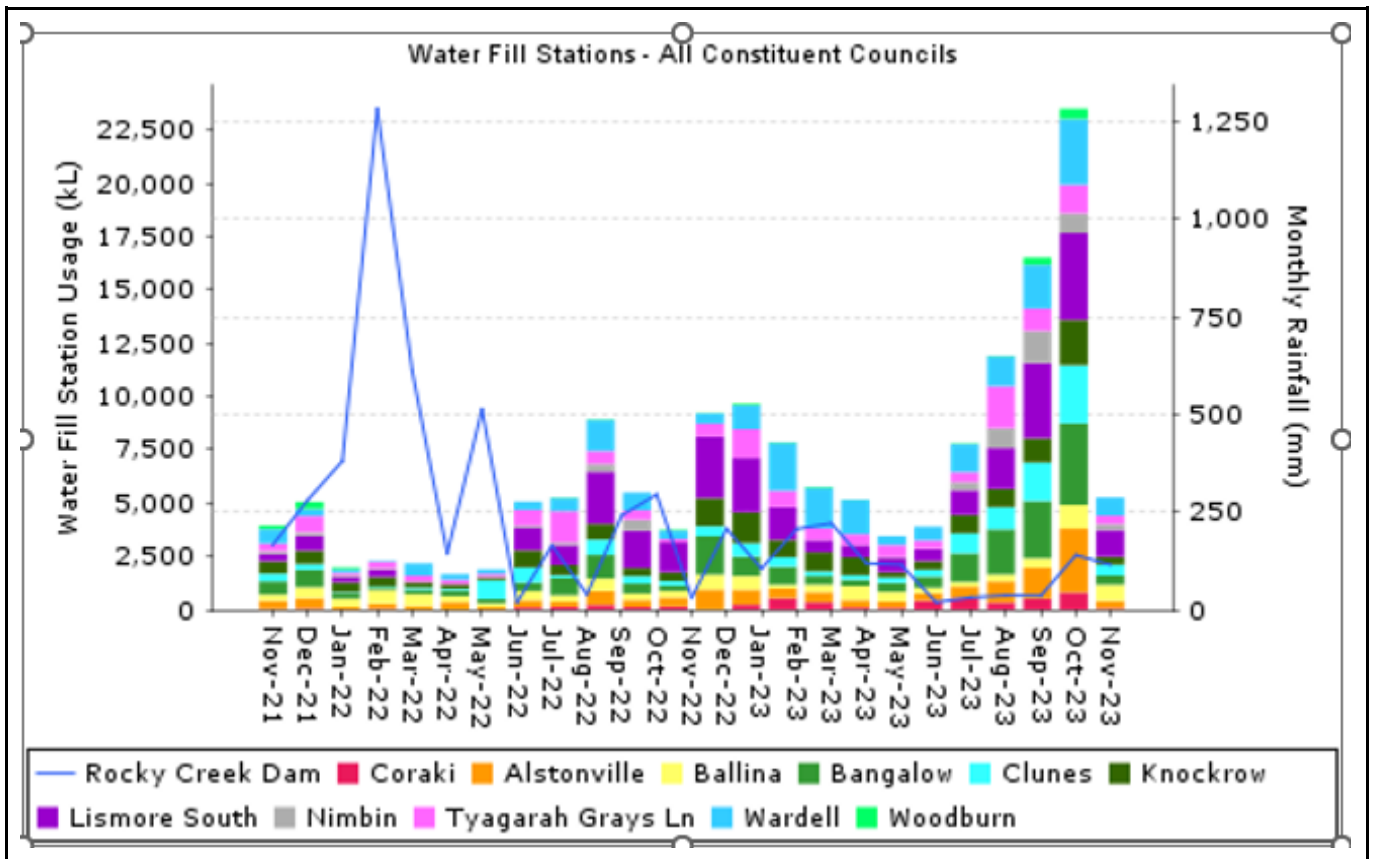


**Figure 3: Comparison of commercial water fill stations total consumption 1 July to 30 November**



**Figure 4: Total usage of commercial water fill stations 1 July to 30 November**

**Figure 5** shows the combined water fill station monthly consumption for the previous two years. Rainfall data is from the rain gauge at Rocky Creek Dam.



**Figure 5: Total monthly consumption for commercial water fill stations and rainfall**

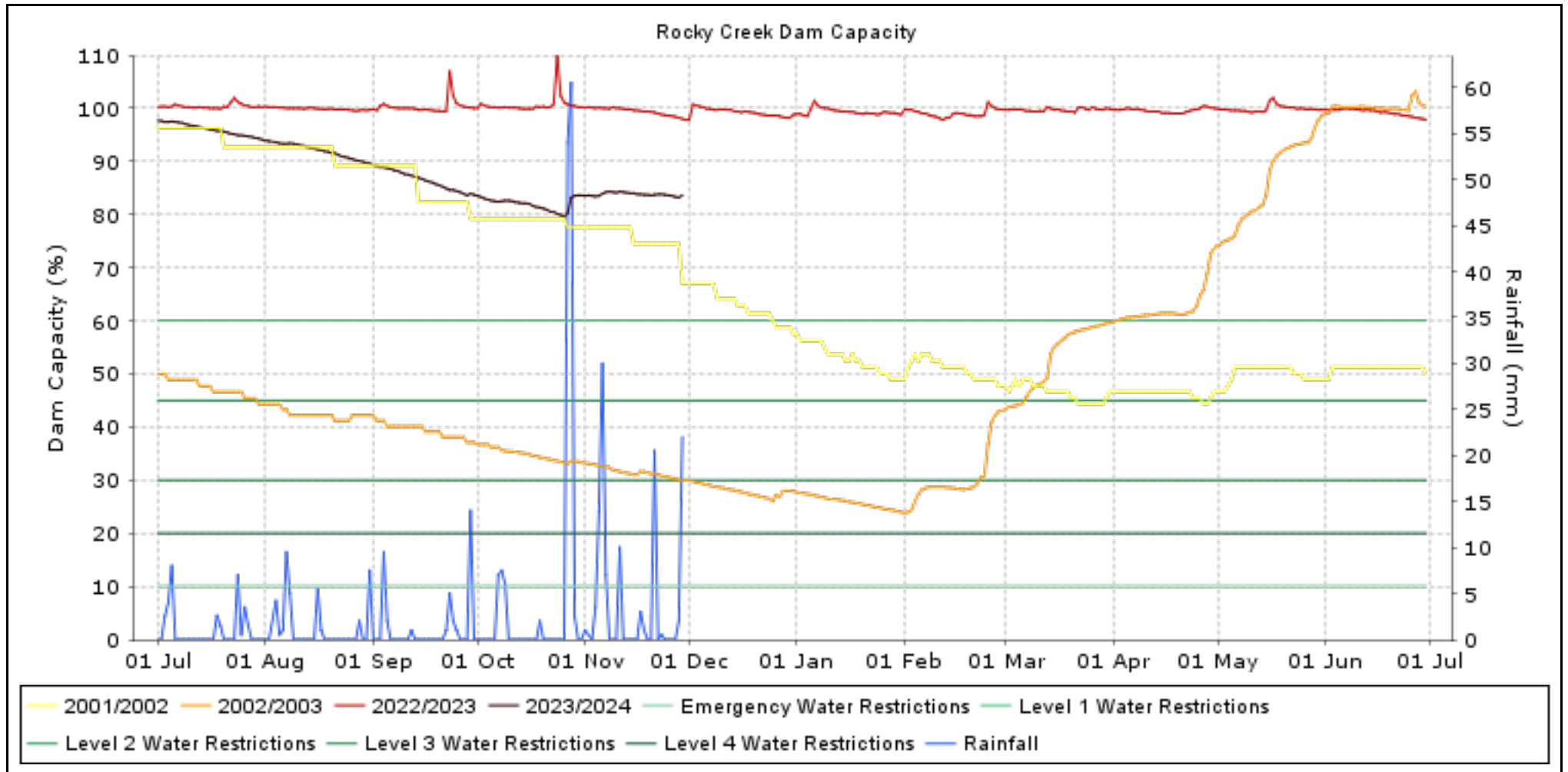
**Source Contribution**

Rocky Creek Dam capacity as of 30 November 2023 was 83.6%  
 Emigrant Creek Dam capacity as of 30 November 2023 was 101.0%

Source	November 2023 (kL)		Cumulative total 2023-2024 (kL)	
Rocky Creek Dam	524,256	61.33%	4,114,641	86.38%
Wilson River	247,254	28.92%	465,066	9.76%
Emigrant Creek Dam	83,362	9.75%	183,667	3.86%
Alstonville Plateau Bores	0	0.00%	0	0.00%
Coastal Sands	0	0.00%	0	0.00%
	<b>854,872</b>		<b>4,763,374</b>	

## Rocky Creek Dam

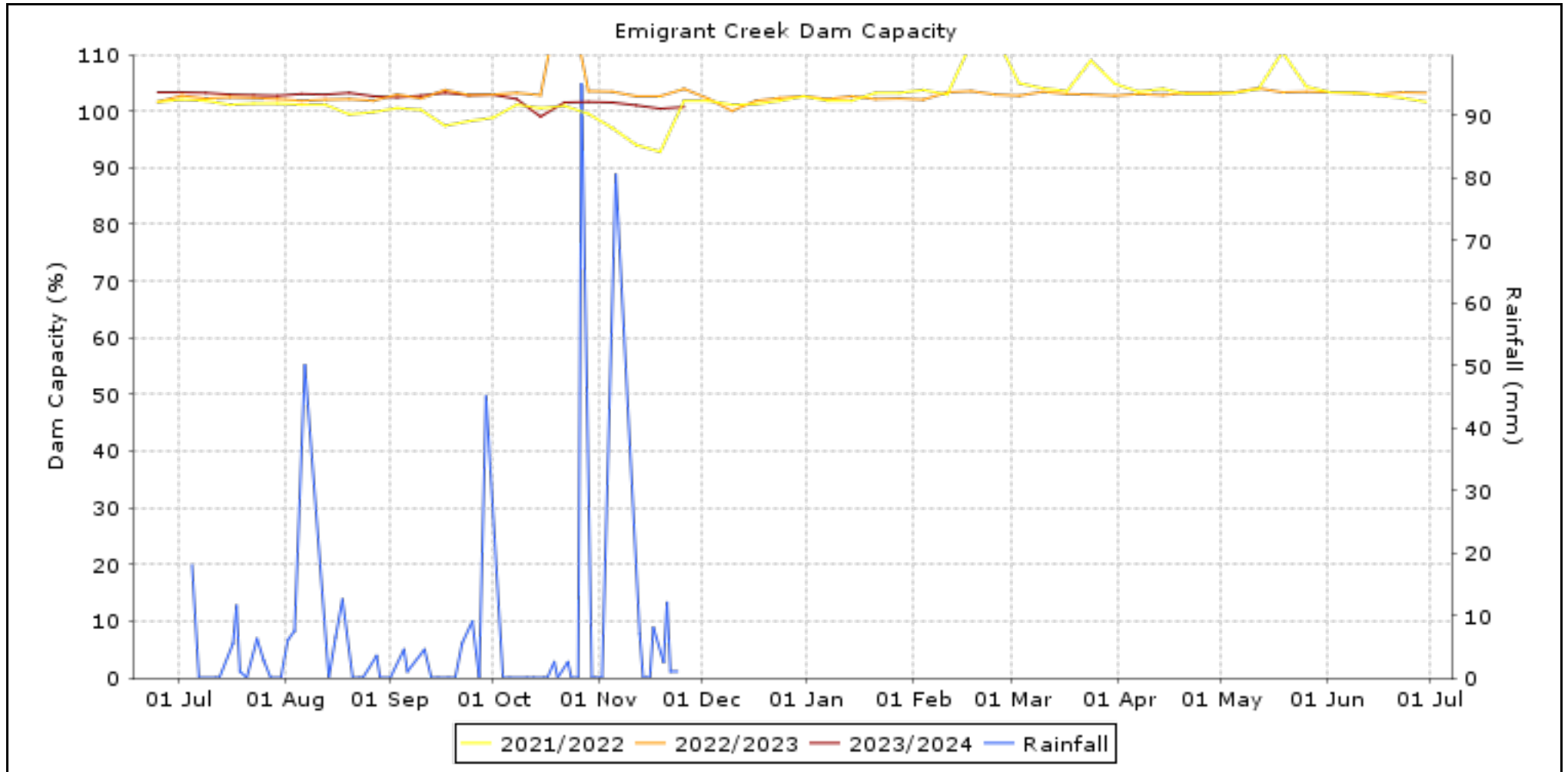
**Figure 6** shows Rocky Creek dam current water level and compares to previous years when levels reached lowest recorded dam level. Rainfall data is for the current financial year only.



**Figure 6: Rocky Creek Dam capacity and rainfall**

## Emigrant Creek Dam

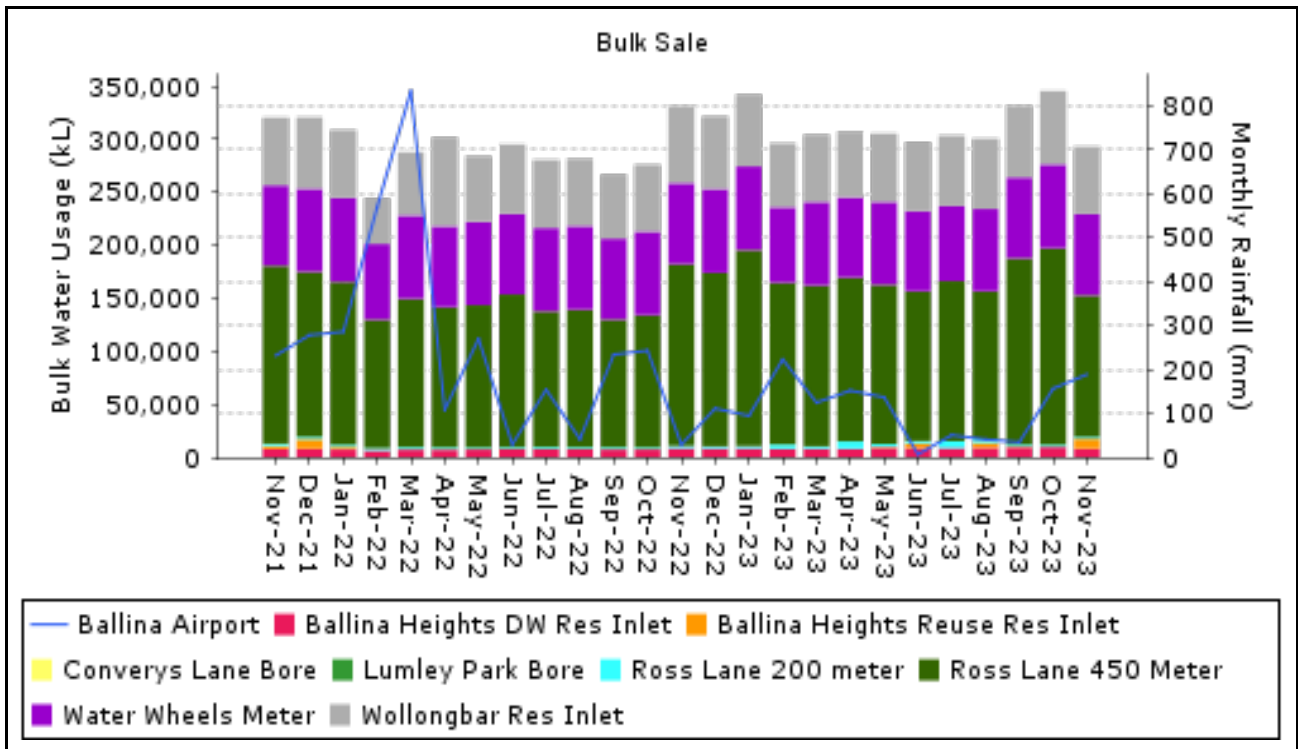
**Figure 7** show Emigrant Creek dam current water level and compares to previous two years. Rainfall data is for the current financial year only.



**Figure 7: Emigrant Creek Dam capacity and rainfall**

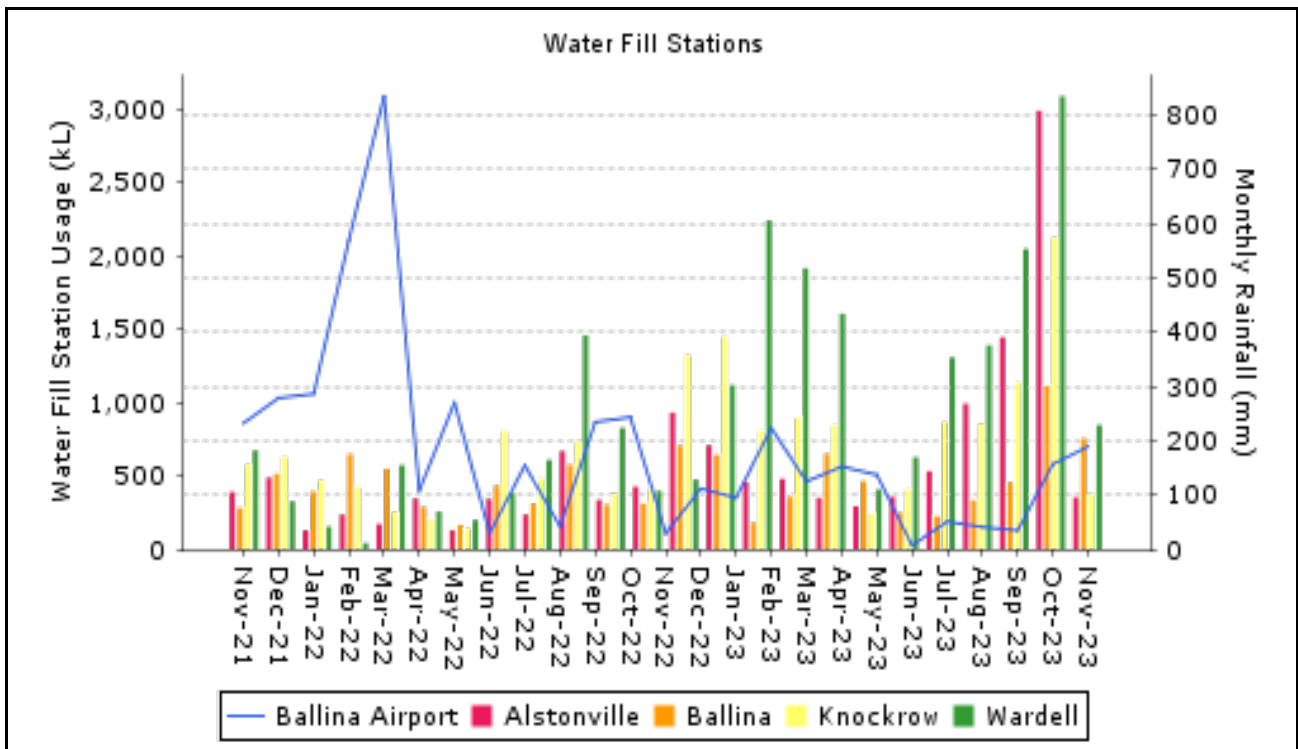
### Monthly consumption by constituents - Ballina Shire Council

**Figure 8** shows the monthly consumption for Ballina Shire Council area for the previous two years. Rainfall data is from Bureau of Meteorology rainfall station Ballina



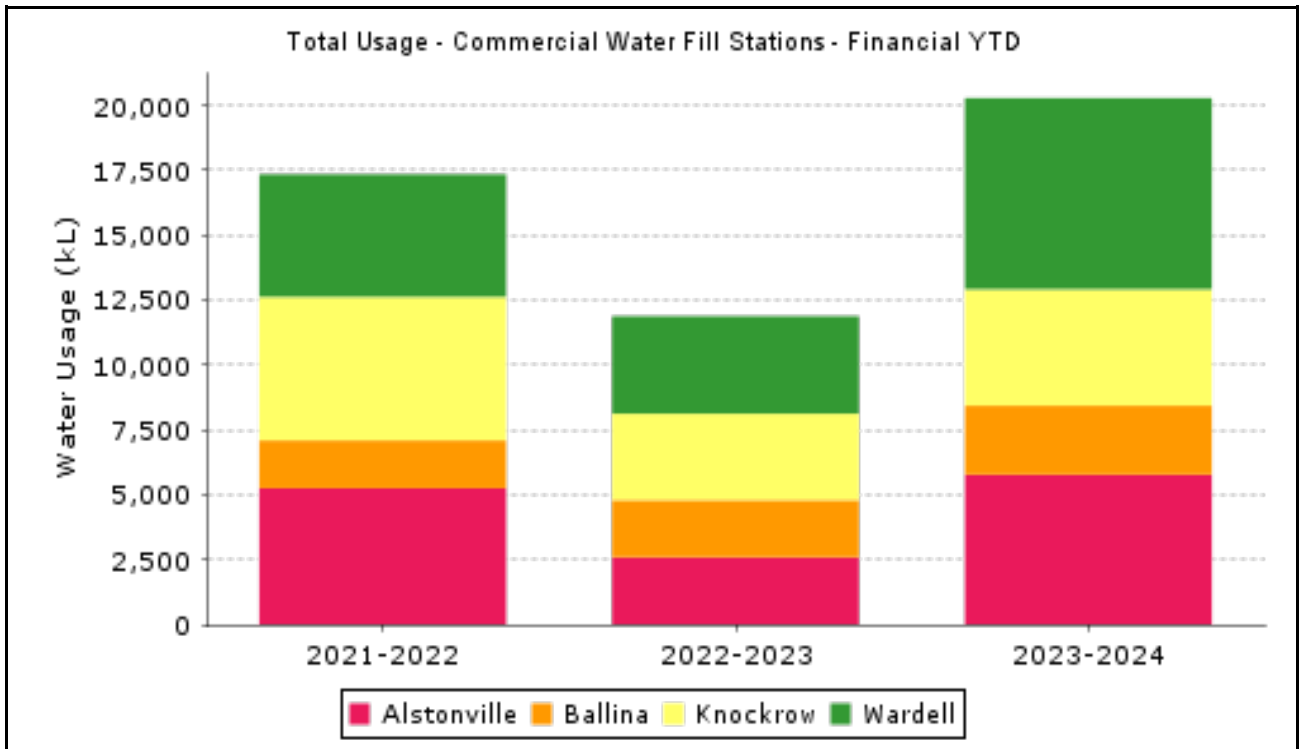
**Figure 8: Monthly consumption and rainfall - Ballina Shire Council**

**Figure 9** shows the monthly consumption for water fill stations for Ballina Shire Council and the rainfall for the previous two years.



**Figure 9: Monthly consumption commercial water fill station and rainfall**

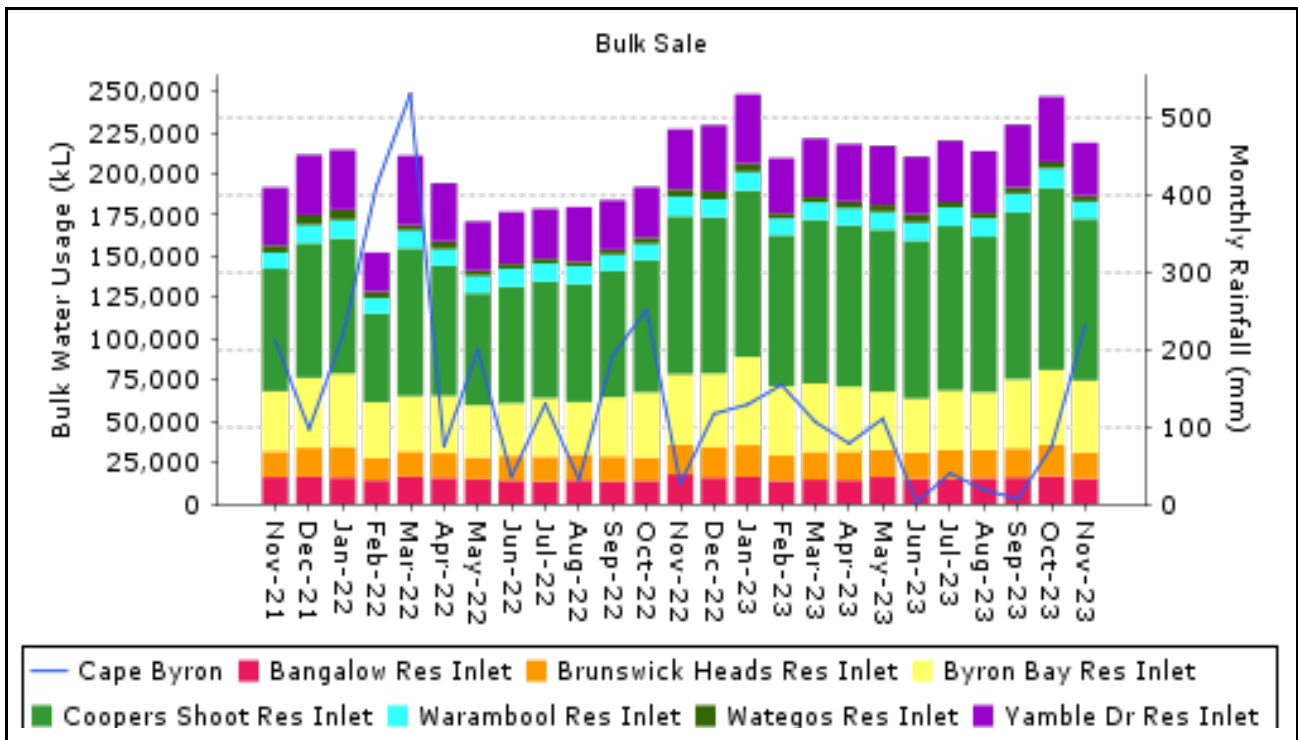
**Figure 10** shows the total usage of individual commercial water fill stations for the financial year to date compared with the previous two years.



**Figure 10: Total usage of commercial water fill stations 1 July to 30 November**

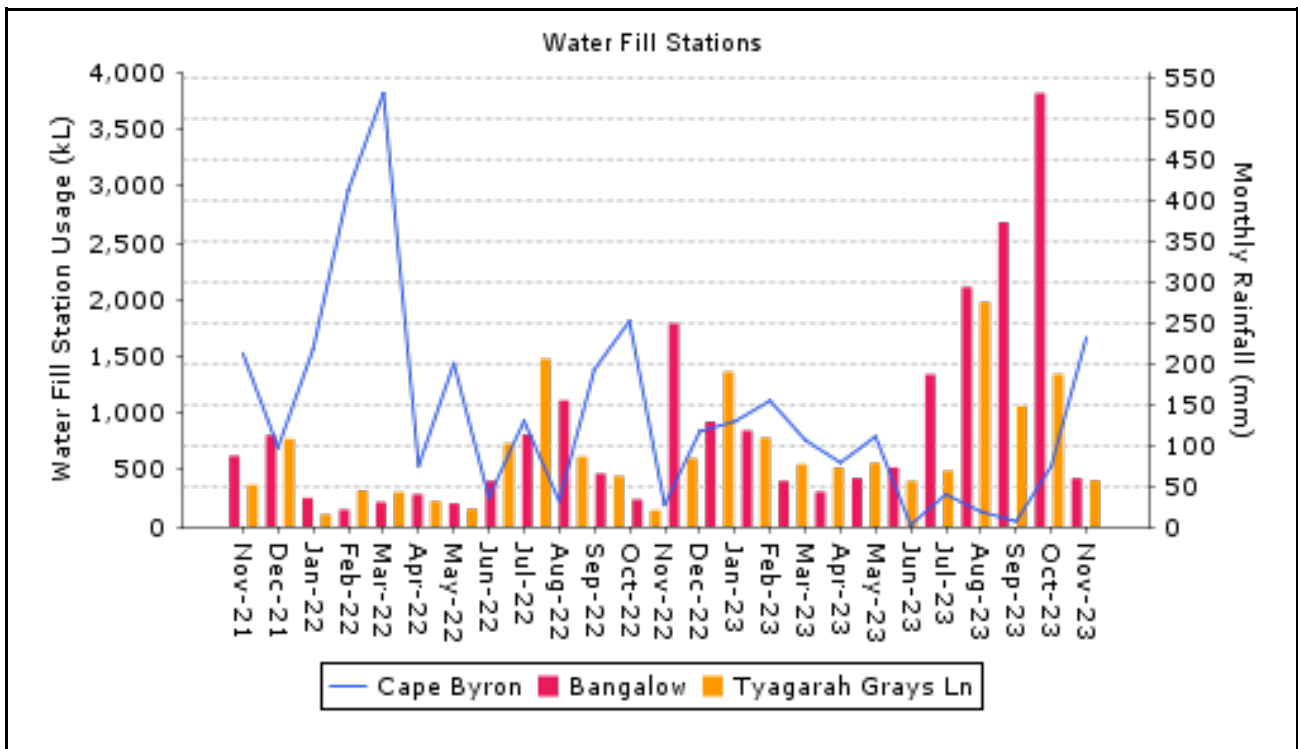
### Monthly consumption by constituents - Byron Shire Council

**Figure 11** shows the monthly consumption for Byron Shire Council area for the previous two years. Rainfall data is from the Bureau of Meteorology rainfall station Cape Byron.



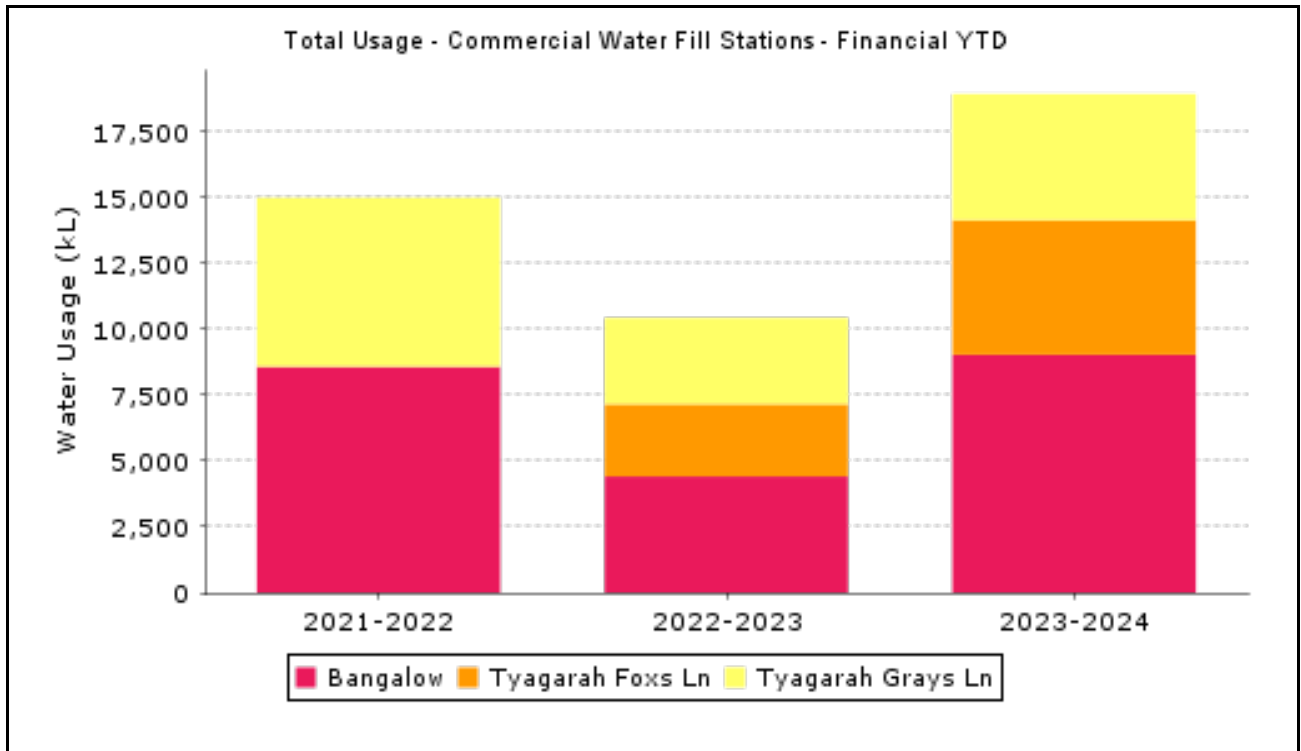
**Figure 11: Monthly consumption and rainfall - Byron Shire Council**

**Figure 12** shows the monthly consumption for water fill stations for Byron Shire Council and the rainfall for the previous two years.



**Figure 12: Monthly consumption commercial water fill station and rainfall**

**Figure 13** shows the total usage of individual commercial water fill stations for the financial year to date compared with the previous two years.

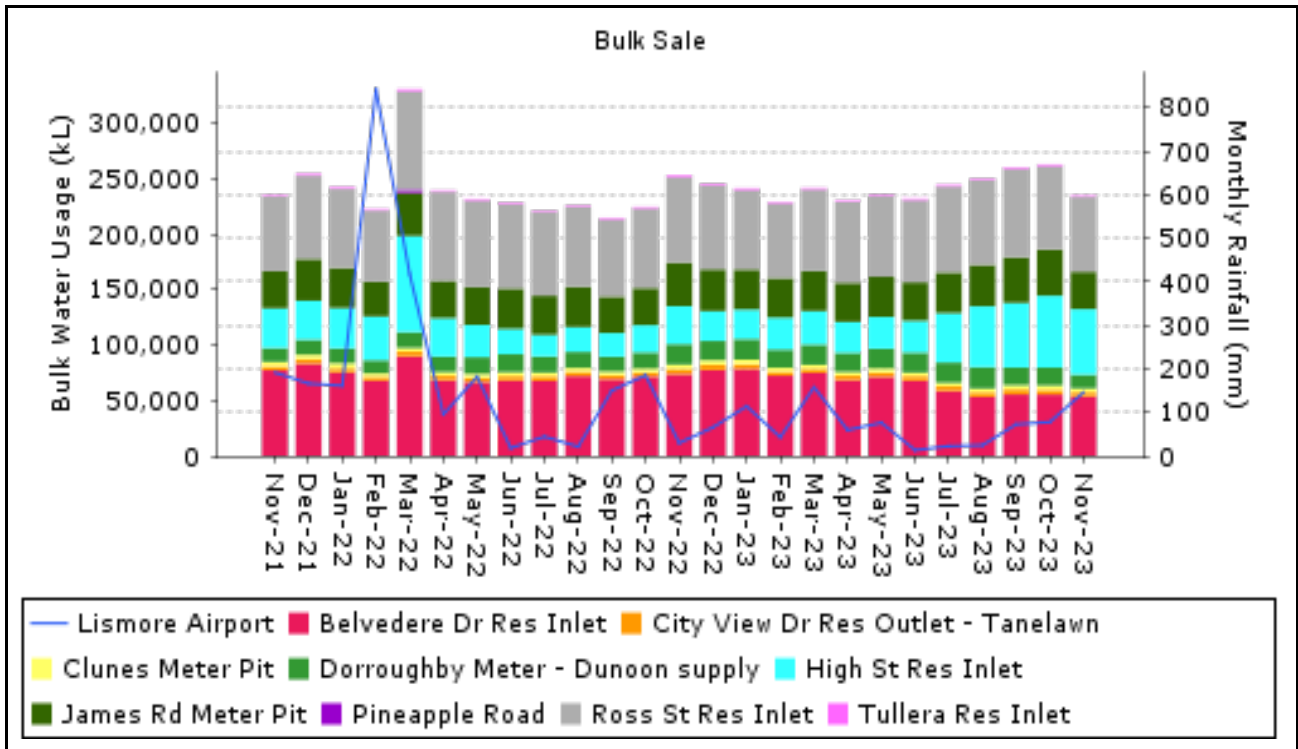


**Figure 13: Total usage of commercial water fill stations 1 July to 30 November**



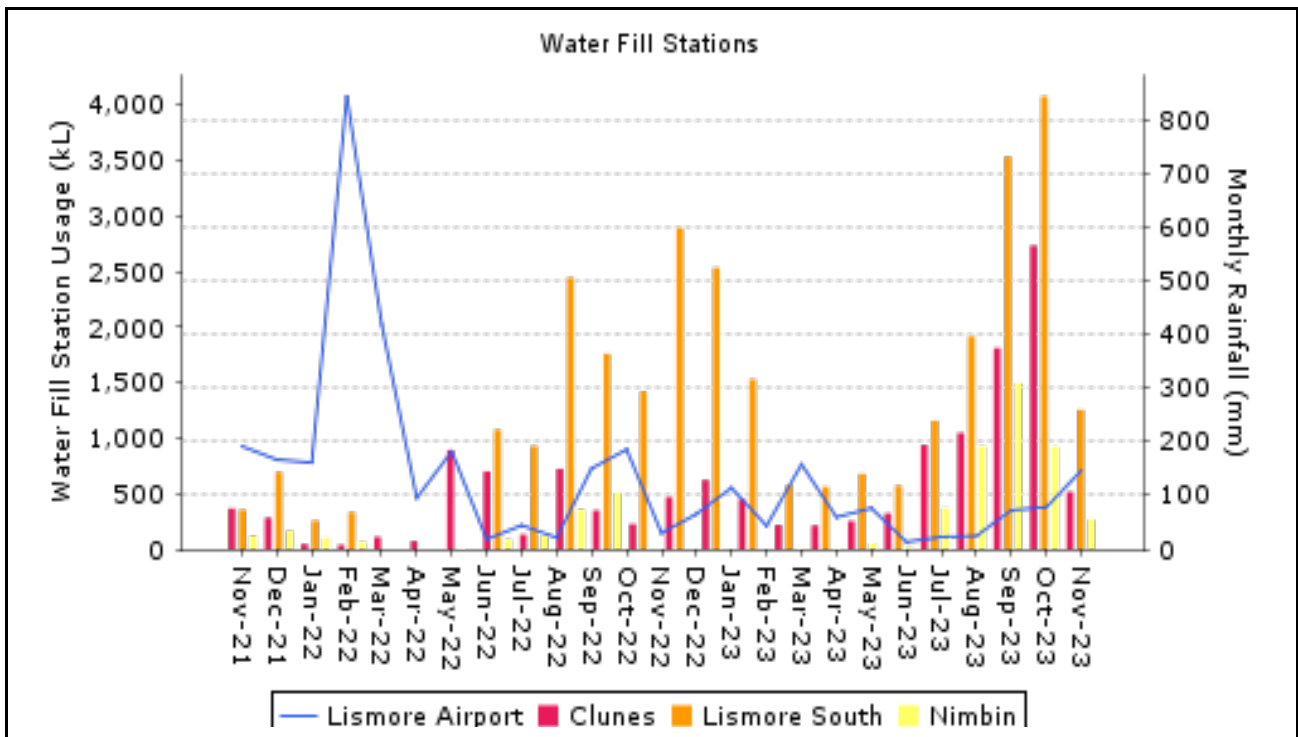
**Monthly consumption by constituents - Lismore City Council**

**Figure 14** shows the monthly consumption for Lismore City Council area for the previous two years. Rainfall data is from the Bureau of Meteorology rainfall station Lismore Airport.



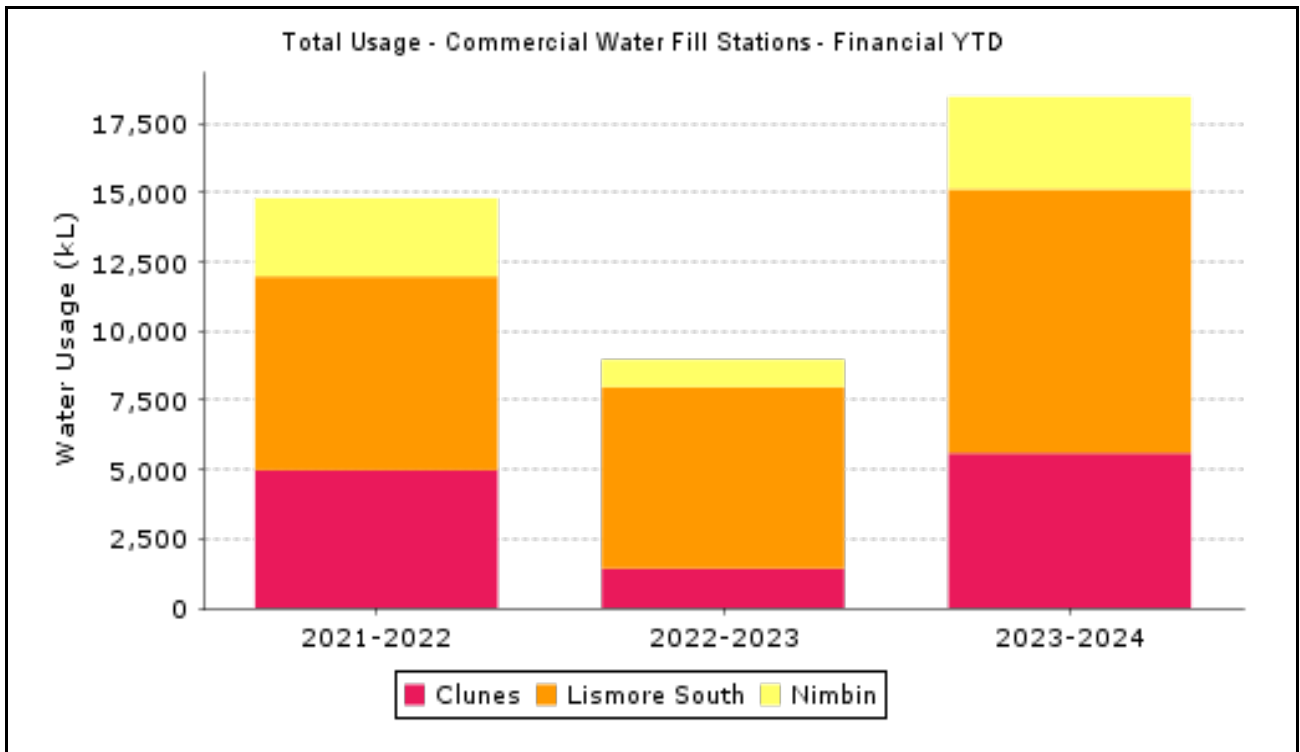
**Figure 14: Monthly consumption and rainfall - Lismore City Council.**

**Figure 15** shows the monthly consumption for water fill stations for Lismore City Council and the rainfall for the previous two years.



**Figure 15: Monthly consumption commercial water fill station and rainfall**

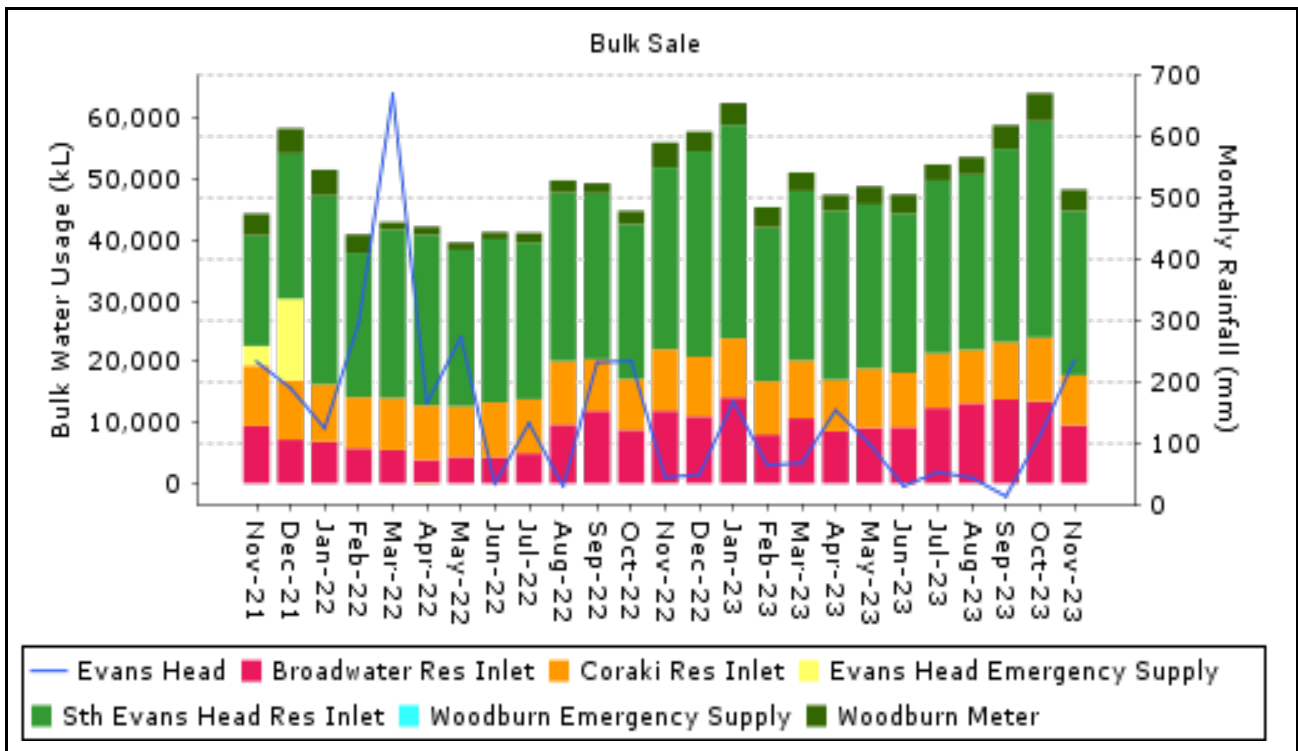
**Figure 16** shows the total usage of individual commercial water fill stations for the financial year to date compared with the previous two years.



**Figure 16: Total usage of commercial water fill stations 1 July to 30 November**

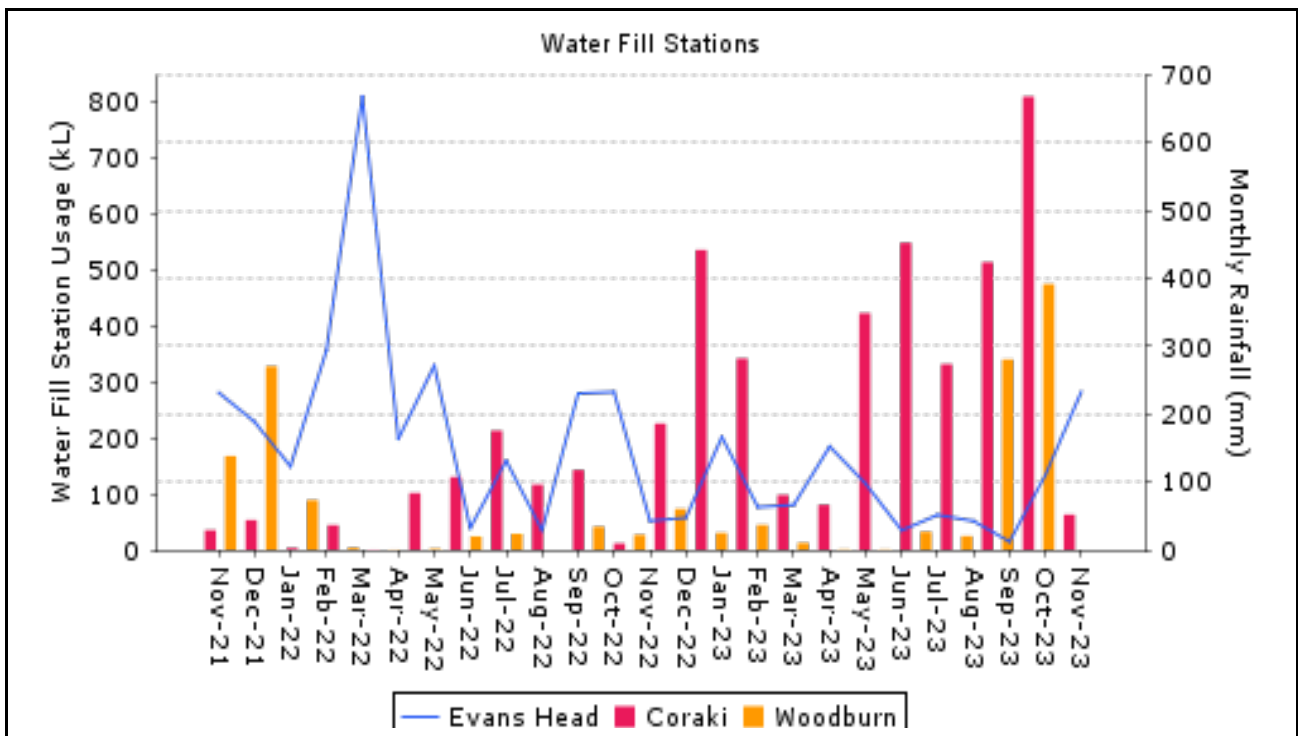
**Monthly consumption by constituents - Richmond Valley Council**

**Figure 17** shows the monthly consumption for Richmond Valley Council area for the previous two years. Rainfall data is from the Bureau of Meteorology rainfall station Evans Head.



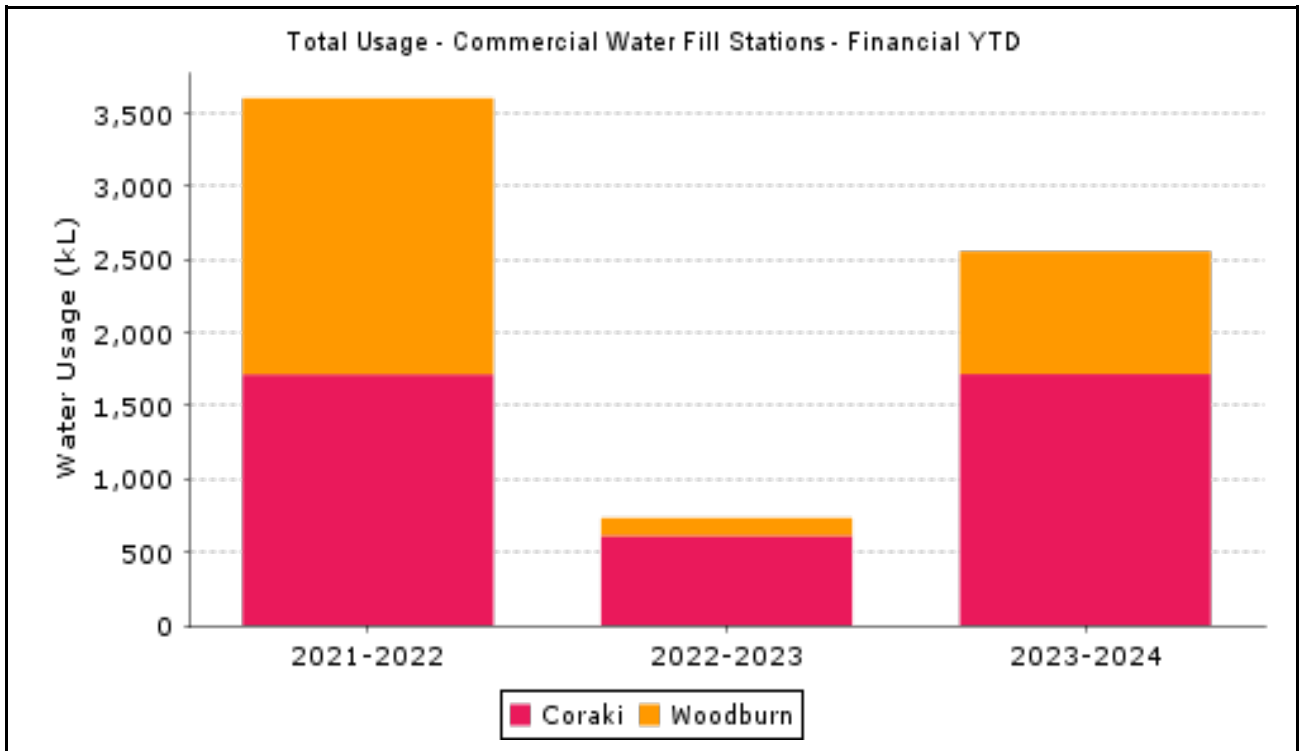
**Figure 17: Monthly consumption and rainfall - Richmond Valley Council.**

**Figure 18** shows the monthly consumption for water fill stations for Richmond Valley Council and the rainfall for the previous two years.



**Figure 18: Monthly consumption commercial water fill station and rainfall.**

**Figure 19** shows the total usage of individual commercial water fill stations for the financial year to date compared with the previous two years.



**Figure 19:** Total usage of commercial water fill stations. 1 July to 30 November

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## Environmental Management System Action List Progress Update 2023

*Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)*

*Report Author : Distribution Engineering Manager (Samuel Curran)*

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### Recommendation

That Council receive and note the report on the progress of actions to mitigate risk of environmental harm from activities.

### Background

The purpose of this report is to update Council on the progress of actions from the Environmental Management System (EMS) Action List to mitigate risk of environmental harm from Council activities. A previous progress report was provided to Council on 16 February 2022.

### EMS Action List – progress update

Since the last update report, staff have continued to progress the completion of the outstanding EMS actions.

Action C1 – COMPLETE: Lime cleaning systems for both Nightcap Water Treatment Plant (WTP) and Emigrant Creek WTP have been implemented with standard operating procedures developed.

Action LM8 – COMPLETE: Spill control equipment registers and provision of chemical spill kits for Council vehicles who carry chemicals, have been completed.

Action C3 – ONGOING: The primary outstanding action remains the upgrade and augmentation of the bulk chemical storage facilities at Nightcap Water Treatment Plant (NCWTP). Investigations into the preferred location, chemical options and storage requirements have now been completed. Preliminary design of the bulk chemical storage area is expected to be completed in early 2024 with construction of the new facility to commence in winter of 2024. The procurement and construction works may take 12-24 months to complete.

### Conclusion

Attachment 1 provides recommendations from Council staff on the management of the six outstanding EMS actions.

Annual reports on the progress towards addressing the active EMS actions will be provided to Council as part of the Integrated Planning and Reporting updates, until the outstanding actions are closed out.

### Attachment

1. Environmental Management System Actions.

## Attachment: Environmental Management System Actions

Action No.	Description	GeoLINK Review - March 2021	Rous Staff comment - January 2022	Rous Staff comment - November 2023
C1	<p>Review process allowing wash down of lime to the environment at both Nightcap WTP and Emigrant Creek WTP and identify options for eliminating/addressing the hazard.</p> <p>Prepare a SWMS for wash down of lime handling equipment. Train relevant staff in execution of SWMS.</p>	<p><b>Status: Active</b></p> <p>A review of lime washdown procedures has been undertaken.</p> <p>At Nightcap WTP - the lime slurry system is cleaned by either of two methods: a) removal and washing out of slurry hoses along roadway with lime discharging to drains through litter baskets. It is noted that litter baskets are not designed to capture lime; b) recirculation of citric acid through lime slurry delivery system for approximately 1 hour with lime/acid solution dumped to wastewater system. Operators advise the acid wash is quite effective, however not all operators trained in this operation yet and occasional hose washout is still required.</p> <p>At Emigrant WTP - the lime slurry system is cleaned by either of two methods. a) as per above. c) circulation of air/water through lime slurry delivery system to dislodge lime which is discharged to drains (no litter basket). drains head to dam.</p> <p><b>Measures to complete action:</b></p> <p>Implement method b) - recirculation of citric acid through lime slurry system with lime waste discharged to wastewater treatment system. Where occasional hose washout required, discharge to be captured and directed to wastewater treatment.</p> <p>Also see comments relating to C2 - upgrade to bulk storage facility, below.</p>	<p>Recirculation of citric acid is now the adopted practice of cleaning lime lines at Nightcap WTP with all operators trained and instructed to use this method. A permanent solution for storage and dosing of citric acid will be included in the bulk chemical storage upgrade.</p> <p>At Emigrant Creek Dam WTP, lime hoses are hosed out, however the slurry and solids are captured and directed to the drying beds which eliminates the hazard of these waste materials ending up in the dam.</p> <p>Operating Procedures will be finalised for the lime cleaning operations once a permanent solution has been implemented at Nightcap WTP in 2023/2024.</p>	<p>Water treatment staff are cleaning lime dosing systems at Nightcap WTP and Emigrant Creek WTP using citric acid. At Emigrant WTP lime solids are captured in the drying beds for offsite disposal. These practices have eliminated the wash down of lime to the environment.</p> <p>Standard Operating Procedures (SOPs) have been developed for these operations and applicable staff have been trained.</p> <p style="color: green;"><b>Recommend this action be marked COMPLETE.</b></p>

Action No.	Description	GeoLINK Review - March 2021	Rous Staff comment - January 2022	Rous Staff comment - November 2023
C2	Establish appropriate bunding for all chemical storages. Establish and implement procedures for the management of chemical storage areas, including the delivery of chemicals at both Nightcap WTP and Emigrant Creek WTP (and specifically the management of the driveway valve system). Train relevant staff in execution of procedures.	<p><b>Status: Active</b>  Bunded delivery bay and bulk storage facility is still an outstanding item and is currently with planning and delivery for implementation. The upgrade will address bunding of chemical storage tanks and tanker unloading areas. Upgrade of bulk chemical storage to address environmental risks is on hold pending the completion of a current review of treatment chemicals to address finished water pH issues. Chemical types and storage volumes may change because of the review. In April 2020, a 13kL self-bunded tank was installed at Nightcap WTP to store Caustic Soda. This replaces a 5kL un-bunded tank and reduces the risk of major chemical spill from tank rupture.</p>	<p>The project team for the Nightcap WTP Strategic Review is progressing the Nightcap WTP bulk chemical storage upgrade. A preferred location has been determined for the new facility and further investigations are being undertaken to determine the preferred long term chemical option for disinfection. Once this has been completed, preliminary design of the bulk chemical storage upgrade can proceed. The upgrade will include appropriate bunding in accordance with modern standards.</p> <p>Two 21,000L self-bunded tanks have been purchased and installed for storage of Aluminium Hydro-Chlorate (ACH). A temporary pallet bund is being used for the citric acid. The chlorine tanks are bunded however the bunding is in fair to poor condition and is proposed to be tested and if required, remediated.</p> <p><b>Recommend this action remain on the list until the Nightcap WTP Chemical Storage Upgrade works are completed in 2023/2024.</b></p>	<p>Investigations into the preferred location, chemical options and storage requirements have been completed. Preliminary design of the bulk chemical storage area is expected to be completed in early 2024 with construction of the new facility to commence in winter of 2024. The procurement and construction works may take 12-24 months to complete.</p> <p>Testing of the Nightcap WTP chlorine bund has been completed with minor deficiencies found and being rectified.</p> <p><b>Recommend this action remain on the list until the Nightcap WTP Chemical Storage Upgrade works are completed.</b></p>
C3	Design and implement a stormwater management system to collect and treat runoff from the internal and external areas (incl. chemical storage areas) at Nightcap WTP. To include sealing all drains in bunded areas and removal of all penetrations and valves in bund walls.	<p><b>Status: Active</b>  Stormwater treatment basins have been installed at Nightcap WTP and are designed to stop pollutants in stormwater from entering the dam. Litter baskets have been installed, though it is noted that they were not in place in all drains at the time of site visit.</p> <p><b>Measures to complete action:</b>  Note that litter baskets should be re-installed immediately after being cleaned.</p>	<p>The Nightcap WTP lime dosing hoses are now being cleaned using citric acid re-circulation which eliminates the need for litter baskets and point of discharge collection. Bunds and bund drains, and valves will be addressed as part of the bulk chemical storage upgrade.</p> <p><b>Recommend this action remain on the list until the Nightcap WTP Chemical Storage Upgrade works are completed in 2023/2024.</b></p>	<p>Refer updated for Action C2 above.</p> <p><b>Recommend this action remain on the list until the Nightcap WTP Chemical Storage Upgrade works are completed.</b></p>

Action No.	Description	GeoLINK Review - March 2021	Rous Staff comment - January 2022	Rous Staff comment - November 2023
		<p>Train staff in procedure and update relevant SWMS.</p> <p>Sealing of all drains in bunded areas and removal of all penetrations and valves in bund walls is outstanding and will be addressed as part of bulk chemical storage upgrade. See comments relating to C2.</p>		
C6	<p>Review the approved contractors pack with view to the inclusion of the Rous Water Environmental policy and associated procedures into the specification. The purpose of this review is to ensure that any approved contractor has in place an appropriate methodology for addressing the environmental impacts of their activities they are performing on behalf of Rous Water.</p>	<p><b>Status: Semi-Complete</b></p> <p>Contractors' Handbook final is dated June 2014. Note however this information is not routinely provided to contractors. Ensure that contractor's handbook is provided to all contractors</p>	<p>Contractors' Handbook currently being reviewed for currency and whether a handbook is the best form for delivery of this information.</p> <p><b>Recommend this action remain on the list until a position is adopted on its need and value.</b></p>	<p>Not a current priority of Council.</p> <p><b>Recommend this action remain on the list until a position is adopted on its need and value.</b></p>
LM2	<p>Develop written procedure for the recording of catchment inspections.</p>	<p><b>Status: Semi-Complete</b></p> <p>Refer to guide entitled <i>Catchment Surveillance Inspections Program</i> that has been established and is stored in hard copy on technical library at depot in sealed box. Inspection program entered into CONFIRM until 2016. Since 2016 catchment inspections have not been recorded through CONFIRM and have only been occurring on ad hoc basis. A suitable inspection frequency should be implemented, and all future inspections recorded through CONFIRM.</p>	<p>Catchment Inspection program and resourcing will be reviewed.</p> <p><b>Recommend this action remain on the list until a position is adopted.</b></p>	<p>No further progress.</p> <p><b>Recommend this action remain on the list until a position is adopted.</b></p>



Action No.	Description	GeoLINK Review - March 2021	Rous Staff comment - January 2022	Rous Staff comment - November 2023
LM8	<p>(i) Ensure that spill control equipment is available at all locations where hazardous chemicals/fuels are stored, and for all vehicles that transport and/or use chemicals/fuels.</p> <p>(ii) Keep a register of spill control equipment.</p> <p>(iii) Conduct a regular inspection of all spill control equipment and ensure that all requirements are kept up to date.</p> <p>Ensure that all staff that use and/or transport chemicals/fuels have received training in the use of spill control equipment.</p>	<p><b>Status: Semi-Complete</b></p> <p>Spill control equipment inspections are recorded in CONFIRM (spill control checks undertaken as part of safety shower monthly checks).</p> <p>Note: all staff identified as handling chemicals have been trained in SWMS 79 and training recorded in PayGlobal HR system. Outstanding items - spill control equipment register, spill kit in all WTPO and WO utes that carry chlorine on a regular basis.</p>	<p>Outstanding items from this action - spill control equipment register, spill kit in all WTP Office and Water Operations vehicles that carry chlorine on a regular basis. This action has been tasked to the Dams and Treatment team to complete.</p> <p><b>Recommend this action remain on the list until it is completed.</b></p>	<p>A spill control equipment register has been created. All staff carrying chemicals have appropriate spill control equipment in the vehicles.</p> <p><b>Recommend this action be marked COMPLETE.</b></p>

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## Update on Bungawalbyn (East) Levee Funding Requests

*Responsible Officer and Author : Group Manager Planning and Delivery (Andrew Logan)*

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### Recommendation

That the Council:

1. Receive and note the report providing an update on the work completed and actions taken to obtain funding for the resilience improvements to the Bungawalbyn Levee, following the 2022 floods.
2. Receive an update on the status of funding for the resilience improvements to the Bungawalbyn Levee in July 2024.

### Background

The Bungawalbyn (East) Levee is an earth levee that is approximately 8km long and runs along the eastern side of Bungawalbyn Creek. The levee starts downstream of the intersection of Moonem-New Italy Road and Bungawalbyn-Whiporie Road and runs downstream to opposite the entrance of Bora Creek (refer Attachment 1). Its construction date is unknown, but based on the available information, it is likely to have been built in the 1920s and further improved in the 1940-1950s. The levee was constructed to prevent minor and moderate floods from naturally spilling out across the floodplain and keep them within the creek banks. The levee protects properties along the eastern side of Bungawalbyn Creek, and in some instances around to Swan Bay and towards Rocky Mouth Creek. The section around Boggy Creek Road is historically known as a natural break-out point for floodwaters.

The Bungawalbyn Levee has been overtopped by four floods since 2017, two of which resulted in the levee breaching (ie. failed - part of the levee has given way, creating an opening through which floodwater may pass), in the same location, once in 2017 and again in 2021 (refer Attachment 2). In the period since March 2017 and until the end of the 2022/23 FY, Rous County Council (Rous) has spent more than half a million dollars of Disaster Recovery Funding Arrangements (DRFA) on reinstating the levee to its pre-flood condition each time.

During March 2017, the levee breached for the first time since it was constructed during an overtopping flood. The breach occurred upstream of Boggy Creek Road, adjacent to Bungawalbyn-Whiporie Rd. During the March 2021 flood, the levee was overtopped, and a larger breach occurred in the same location. Rous repaired the breach and at our costs, placed rock armouring either side of the failure point for further protection. At the time Rous acknowledged that in the long-term, further investigations and possible new work on the levee would be required. During the February and March 2022 floods, the levee was overtopped in both floods. While the top of the levee eroded, it did not breach or fail like it did during the 2021 and 2017 floods. The erosion mostly occurred in the same location as the previous breaches, over a 1.5km stretch of the levee.

Under the DRFA between the Commonwealth and State, assets damaged by natural disasters cannot be improved as part of the re-build, limiting the work to what is required to its pre-disaster condition.

Bungawalbyn Creek runs close to the levee where the breaches occurred. In this area, erosion and slumping of the creek bank (and the rock armouring) is putting the levee at risk of breaching again. The creek bank erosion, undercutting of the bank and slumping in this area have not been resolved and is beyond Council's current resources. Significant investment is required to address creek bank erosion and slumping in this area and increase the levee's long-term resilience. Rous's attempts to secure funding to improve the levee's resilience and address longer-term work have been unsuccessful.

## Current situation

At this time, the levee is still present and is intact, and in its current condition, the levee will continue to provide protection against minor and moderate floods. Rous staff will continue with regular inspections of the entire levee and routine maintenance such as clearing access and addressing erosion of the levee.

The outstanding element of work from the 2022 floods is the reinstatement of the slumped rock armouring, which is under investigation and planned for completion by the end of May 2024. The grant of \$237,000 is being funded under the DRFA Natural Disaster Essential Public Asset Restoration (EPAR).

There remain some community concerns around the condition of the levee and its long-term reliability. Although the levee is in place, it is unknown what damage could occur if the levee were overtopped. The creek bank slumping and erosion puts the levee at risk, making it more vulnerable to further breaches. Levees reduce flood risk, but they do not eliminate it. It is always possible that the levee can overtop or breach. Rous has encouraged residents and landowners to determine their own risk and have a flood evacuation plan developed for all sized events and possibilities. Landowners are encouraged to follow advice provided locally by the NSW State Emergency Service (SES). If the levee is breached again, landowners can expect deeper and prolonged inundation. There is also the risk if the levee is breached, it will not provide protection against future smaller floods until it is repaired. If a smaller flood occurs soon after a breach, the levee may not be fixed in time.

Rous has funded an inspection of the levee by engineers under the NSW Public Works Flood Levee Repair and Maintenance Program, which is being undertaken for urban levees across the State. This work is expected to be finalised by the end of the calendar year.

Rous has also funded an assessment by the NSW Soil Conservation Service of sections of the Bungawalbyn Creek and the erosion occurring along the creek bank, particularly below the levee.

In the 21 months since the flood, in addition to the DRFA grants, Rous has applied for funding through the following State and Federal Government programs, all of which have been unsuccessful or are yet to be determined. These include:

1. NSW Floodplain Management Program 2022 – NSW DPE (May 2022).
2. Northern Rivers Reconstruction Corporation.
3. NSW Flood Levee Repair and Maintenance Program – NSW Public Works.
4. CSIRO \ NEMA – Northern Rivers Resilience Initiative – Tranche 1 and 2.
5. NSW Betterment Program – Infrastructure Betterment Fund (Nov 2022).
6. Disaster Ready Fund – Round 1 (Dec 2022).
7. Disaster Ready Fund – Round 2 (Dec 2023) – awaiting outcome.
8. Flagship Fish Habitat Action Grant – NSW Government Recreational Fishing Trusts (Oct 2023) – awaiting outcome.

It is disappointing for the community that funding for the levee has not become available. The levee requires further investment to increase its resilience. These improvements are needed to increase the long-term viability of the structure and reduce the damage that overtopping events currently cause. Without this work, the levee will remain in a cycle of being damaged during floods, that damage being repaired and then the next flood causing more damage.

Staff have estimated that funding of \$3,000,000 will allow for investigations, design and on-ground works to address some of the major issues that the levee faces as a result of changes occurring in the catchment and the climate, which are affecting its ability to protect the local community.

The levee is a critical asset within the mid-Richmond floodplain. Within the area that it protects, there is farmland, residential and farm buildings, and local roads. There are 15 residential dwellings directly protected by the levee and more than 90 indirectly impacted through closure of evacuation routes.

- **Finance**

Detailed in the body of this report.

### **Consultation**

Throughout 2022 and 2023, Rous has engaged proactively and constructively with a broad range of stakeholders. As described previously, the purpose of this engagement has been to inform, bring attention to and collaborate to bring about a better result for the community benefiting from the Bungawalbyn Levee.

The forms of consultation have included:

- A Landholder Information Sheet (May 2023) to local residents affected by the levee to update them on the levee, work completed since the Feb\Mar 2022 floods and actions taken to obtain more funding.
- NSW SES to advise of the status of the levee and improve future communication during an event.
- Richmond River Cane Growers to update them on the levee, work completed since the Feb\Mar 2022 floods and actions taken to obtain more funding.
- Richmond Valley Council to ensure that the levee is included in their upcoming Flood Risk Management Plan, so that funding can be applied for under the Floodplain Management Program.
- The Hon. Richie Williamson, MP (Member for Clarence) to update him on the levee and actions taken to obtain more funding – September 2023.
- The Hon. Janelle Saffin MP (Member for Lismore and Parliamentary Secretary for Disaster Recovery) - to update her on the levee and actions taken to obtain more funding - letters 9 August and 21 November 2023.
- Letter to Minister for Emergency Management Senator Hon Murray Watt – requesting re-consideration of funding for the levee under the CSIRO \ NEMA funding - August 2023.

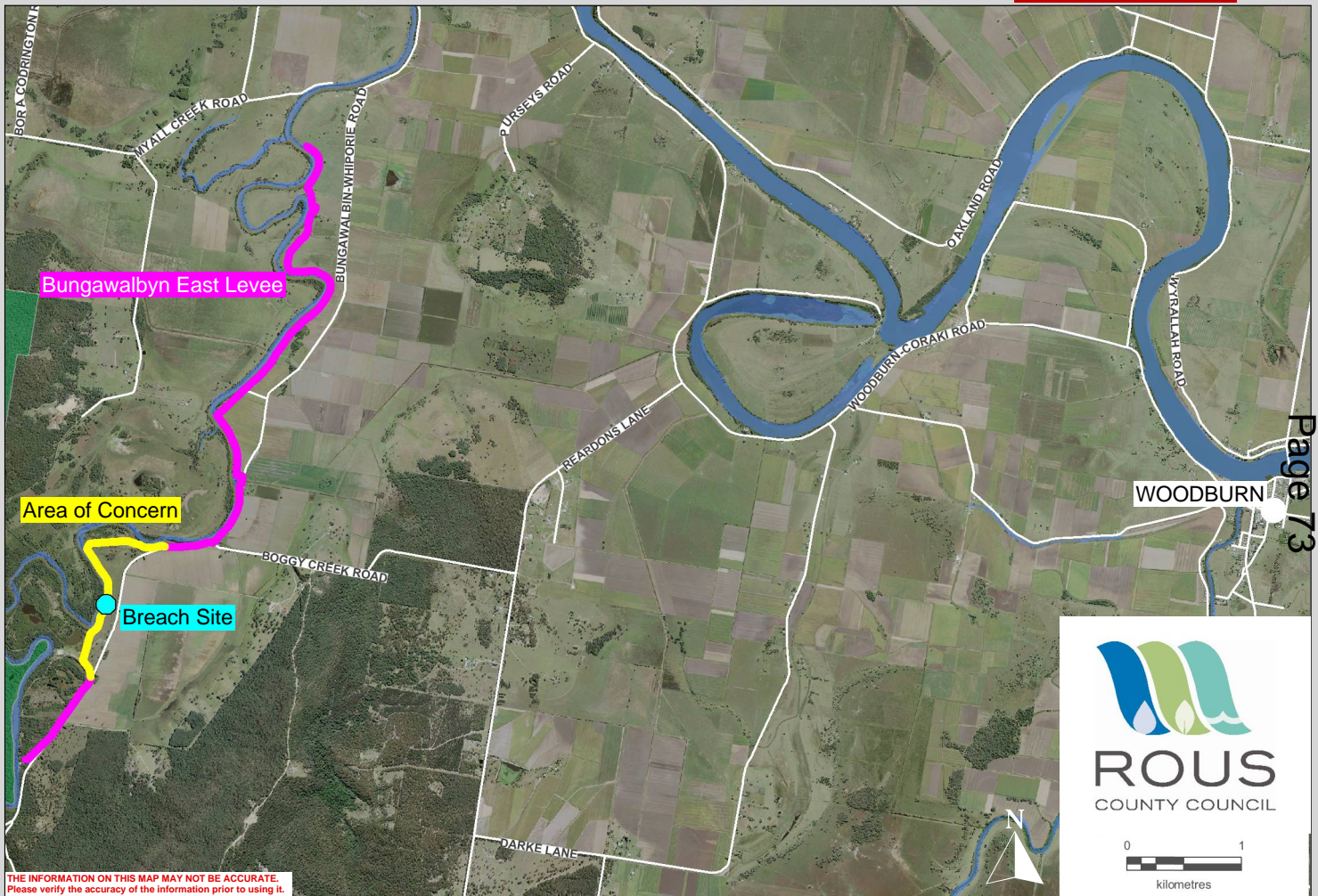
### **Conclusion**

The Bungawalbyn (east) levee is a critical flood mitigation asset within the mid-Richmond floodplain. The levee requires further investment to increase its resilience. These improvements are needed to increase the long-term viability of the structure and reduce the damage that overtopping events currently cause. Without this work, the levee will remain in a cycle of being damaged during floods, that damage being repaired and then the next flood causing more damage.

Rous will continue to pursue funding opportunities to improve the levee and the creek bank. Rous has engaged regularly and cooperatively with stakeholders to listen to concerns and raise awareness of the importance of the Bungawalbyn Levee and the need for further investment.

Attachments:

1. Bungawalbyn East Levee – Aerial Photo
2. Bungawalbyn East Levee Photos



THE INFORMATION ON THIS MAP MAY NOT BE ACCURATE.  
Please verify the accuracy of the information prior to using it.

ROUS  
COUNTY COUNCIL

0 1  
kilometres

**Image 1 - Drone shot of Bungawalbyn Creek in flood on left and overtopping of levee prior to major breach to levee – 2021.**



**Image 2 - Looking south-east after major breach in levee has occurred - 2021.**



**Image 3 - Looking south-east post flood at the major levee breach 2021.**



**Image 4 - One of the several minor erosion \ scours as a result of levee overtopping.**



Attachment 1


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**MINUTES OF AUDIT RISK AND IMPROVEMENT COMMITTEE HELD MONDAY, 16 OCTOBER 2023 AT ADMINISTRATION OFFICE, 218-232 MOLESWORTH STREET, LISMORE**


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The Chair opened the meeting at 10.03 am.

In attendance:

Voting Committee:

- Laurie Lefcourt, Independent Member (Chair)
- Andrew MacLeod, Independent member
- Raymond Wong, Independent Member
- Cr Big Rob, Rous Councillor

Rous County Council staff:

- Phillip Rudd, General Manager
- Helen McNeil, Group Manager People and Performance
- Geoff Ward, Group Manager Corporate and Commercial
- Jonathan Patino, Finance Manager
- Vicky Scott, Financial Accountant
- Robyn Waldron, Executive Assistant (Minute Taker)
- Noeline Smith, Executive Secretary

Other attendees:

- Quentin Wong, Audit Office of NSW
- Adam Bradfield, Thomas Noble & Russell

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**1 ACKNOWLEDGEMENT OF COUNTRY**


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

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**2 DISCLOSURE OF INTEREST**


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- Chair Lefcourt advised she is a member of the ARIC meetings for Kyogle Council.
- Andrew MacLeod advised he is a member of ARIC meetings for Lismore and Tweed Councils.

---

**3 REPORTS**


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**3.1 Annual Financial Reports for year ended 30 June 2023**

**RECOMMENDATION** (Cr Rob/MacLeod) that the Audit Risk and Improvement Committee:

1. Receive and endorse the attached draft 'Annual Financial Statements for the year ended 30 June 2023' and the NSW Audit Office draft 'Report on the Conduct of the Audit for the year ended 30 June 2023' to Rous County Council for adoption.
2. Receive and note the NSW Audit Office 'Engagement Closing Report for the year ended 30 June 2023'.



<b>Annual Financial Reports for year ended 30 June 2023 (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob and Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

### 3.2 ARIC 2024 meeting schedule

**AGREED** that the report be deferred to allow consideration to holding meetings the week prior to proposed dates and report back to the Committee.

It was noted:

- Monday meetings work well for Raymond Wong.
- The Chair requested a change to the May and July meetings (suggest 19 August).
- Cr Rob advised Mondays not best day for his attendance in person due to another commitment. However, able to attend Monday meetings via video conferencing.

### 4 OTHER BUSINESS ARISING

Nil.

### 5 CONFIRMATION OF MINUTES 16 OCTOBER 2023

**RECOMMENDATION** (Rob/MacLeod) that the minutes of the Audit Risk and Improvement Committee of 16 October 2023 be accepted as presented.

<b>Confirmation of Minutes 16 October 2023 (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob and Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

### 6 NEXT MEETING

27 November 2023.

### 7 CLOSE OF BUSINESS

There being no further business the meeting closed at 11.10 am.

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## Audit Risk and Improvement Committee - meeting update

*Responsible Officer: Group Manager People and Performance (Helen McNeil)*

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### Recommendation

That Council receive and note the attached minutes from the Audit, Risk and Improvement Committee meetings of 16 October 2023 and 27 November 2023.

### Background

The Audit, Risk and Improvement Committee ('Committee') met on 16 October 2023 and 27 November 2023. A copy of the minutes of the meetings are attached ([Attachment 1 and 2](#)).

### Key Messages

#### 1. Finance

##### a. Annual financial reports

An update on and copies of the reports in relation to the following matters were furnished to the Audit, Risk and Improvement Committee at its meeting on 16 October 2023 and subsequently reported to Council at its 18 October 2023 meeting:

- Annual Financial Report for the year ending 30 June 2023;
- Engagement Closing Report for the year ending 30 June 2023; and
- Final Management Letter – Audit for the year ending 30 June 2023.

##### b. Standard financial management reports

The Committee received and noted the information presented in the Financial Management Report – November 2023 regarding:

- Annual Financial Statements for the year ending 30 June 2023;
- Audit Office of NSW Management letter on the final phase of the audit for the year ended 30 June 2023;
- The Quarterly Budget Review report furnished to Council's 18 October 2023 meeting applicable for the quarter ending 30 September 2023; and
- The investment report furnished to Council's October 2023 meeting applicable for the month of 30 September 2023.

#### 2. Risk and Compliance

A presentation was provided to the Committee on the findings of the review of Council policy and procedures on risk management and an indicative improvement activity timeline.

The improvement activities are proposed to ensure Council is in a position to comply with the requirements of the new '[Risk Management and internal audit guidelines for local government in NSW](#)' (the 'Guidelines'), issued by the Office of Local Government ('OLG'), from 1 July 2024.

An analysis of the results and key insights arising from a recent staff survey on fraud and corruption controls within Council was also presented to the Committee.

Overall, an average of 91% of survey participants agreed or strongly agreed that ethical behaviour policies and disciplinary processes were in place and responsibilities established for minimising fraud in the workplace.

However, rates of participation in the survey were significantly lower (28 out of 95 participating) compared to when the survey was run in 2020 (58 out of 95 staff participating).

To validate the results of the survey in light of the low participation rates, initial next steps will include a second, shortened random survey targeted at work teams with the lowest engagement.

### **3. Governance**

#### **a. Policy**

The Committee received its regular snapshot of the currency and review cycle of Council's 28 adopted policies and those policies recently updated or newly adopted.

Since the previous update to the Committee, 5 policies had been approved/reapproved by Council. Currently, 14 policies are due for review based (as a general rule, some exceptions apply) on a 4 yearly review cycle.

#### **b. Volunteer floodgate operator program**

A copy of the rolling minutes of the volunteer floodgate operator program (section 355 committee) were provided to the Committee together with a note that the participants have now reengaged with the program following the catastrophic floods of 2022.

### **4. Safety**

The Committee considered reporting performance and insights relating to health and safety matters over the period July – October 2023 including statistical reporting on frequency / type of incidents, near misses, and injuries.

During this period, an increase in reports of near misses when compared to previous months was observed and is believed to be reflective of an improvement in reporting culture. The majority of injuries/illnesses suffered during this period were categorised as strains or sprains.

### **5. Audit**

The Committee received its regular update on staff progress implementing improvement recommendations arising from internal, external, and in-house service audits across the practice areas of ICT, safety, procurement, and emergency management.

During the period July – November 2023, 2 additional ICT related recommendations were made, within the 2023 Final Management Letter issued by the NSW Audit Office, and 1 ICT related recommendation was implemented and closed out by staff.

As at November 2023, 11 Internal Audit recommendations, 2 External Audit recommendations, and 6 In-house Audit recommendations (arising from the 2022 Floods Organisational Debrief) remain in progress.

Progress towards implementing and closing out audit recommendations is impacted by staff resourcing challenges; however a number of vacant roles have been or are currently in the process of being recruited.

## 6. ICT

A progress update was provided on several significant operational initiatives that were commenced or have been completed since the last update to the Committee in May 2023, including digitising hardcopy records, implementing multifactor authentication, and relocating critical communication infrastructure for improved resilience, as well as statistical reporting on ICT service desk notifications and requests.

## 7. Dam Safety Audit

A progress update was provided to the Committee on the corrective actions identified in the audit of Council's dams by Dam Safety NSW in March 2023. During the period since the first report to the Committee, all but one item of non-compliance remains outstanding.

### Revised Committee Charter

A revised Audit, Risk and Improvement Committee Charter was presented to the Committee at its November 2023 meeting with the intention of submitting the same to Council for approval in December 2023.

Subsequently, the Office of Local Government released [circular 23-15](#) on 4 December 2023 notifying of the making of the foreshadowed amendments to the Local Government Regulation and finalisation of the new Guidelines.

Presentation to Council of the revised Committee Charter will now be deferred to the February 2024 ordinary meeting to enable a final review against the requirements of the new Guidelines and Local Government Regulation.

As the first meeting of the Committee in 2024 will occur in March, the deferral of the presentation of the Committee Charter to the February 2024 Council meeting will have no material impact on Committee operations.

### Consultation

This report was prepared in consultation with the Audit, Risk and Improvement Committee Chairperson.

### Conclusion

This report provides a summary of the key messages from the 16 October 2023 and 27 November 2023 Committee meetings. It also includes a recommendation to adopt an amended Committee Charter.

### Attachment

1. Audit, Risk and Improvement Committee meeting minutes 16 October 2023
2. Audit, Risk and Improvement Committee meeting minutes 27 November 2023

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**MINUTES OF ROUS COUNTY COUNCIL AUDIT RISK AND IMPROVEMENT COMMITTEE HELD MONDAY, 27 NOVEMBER 2023 AT ROUS ADMINISTRATION OFFICE, 218-232 MOLESWORTH STREET, LISMORE**

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**1 MEETING OPENING**

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The Chair opened the meeting at 9.55 am.

In attendance:

Voting Committee:

- Laurie Lefcourt, Audit Risk and Improvement Committee (Chair)
- Andrew MacLeod, Independent member
- Raymond Wong, Audit Risk and Improvement Committee (*via 'Teams'*)
- Cr Big Rob, Rous Councillor

Rous County Council:

- Phillip Rudd, General Manager
- Helen McNeil, Group Manager People and Performance
- Geoff Ward, Group Manager Corporate and Commercial
- Lauren Edwards, Governance and Risk Manager
- Jonathan Patino, Finance Manager
- Vicky Scott, Financial Accountant
- Joseph Yeadon, ICT Manager – (*via 'Teams'*)
- Michael Wells, Strategic Planning Engineer
- Andrew Logan, Group Manager Planning and Delivery – (*via 'Teams'*)
- Robyn Saurine, Risk and Assurance Specialist
- Simona Pacleanu, Minutes taker

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**2 ACKNOWLEDGEMENT OF COUNTRY**

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

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**3 APOLOGIES**

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Nil.

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**4 MINUTES OF PREVIOUS MEETING**

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Minutes of the meeting held 16 October 2023 were confirmed at the previous meeting. Copy provided to the meeting for information only.

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**5 DISCLOSURE OF INTEREST**

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Nil.

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**6 ARIC SCHEDULE OF REPORTING**

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Noted as presented. Copy provided for information.

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**7 REPORTS**


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**7.1 Financial Management**

**RECOMMENDED** (MacLeod/Rob) that the Audit, Risk and Improvement Committee receive and note the information presented in the Financial Management Report – November 2023 regarding:

1. Annual Financial Statements for year ending 30 June 2023.
2. Audit Office of NSW Management letter on the final phase of the audit for year ended 30 June 2023.
3. The Quarterly Budget Review report furnished to Council's October 2023 meeting applicable for the quarter ending 30 September 2023.
4. The Investment report furnished to Council's October 2023 meeting applicable for the month of 30 September 2023.

<b>Financial Management (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**7.2 Audit**

**RECOMMENDED** (Rob/MacLeod) that the Audit, Risk and Improvement Committee receive and note the information presented in this report on progress against actions arising from:

1. Internal audits.
2. External audits.
3. In-house audits

<b>Audit (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

**7.3 Strategy implementation**

**RECOMMENDED** (MacLeod/Rob) that the Audit, Risk and Improvement Committee receive and note the information presented in the report regarding performance against delivery of the actions of the Delivery program for the period 1 April 2023 to 30 June 2023, which was reported to Council at its meeting on 16 August 2023.

<b>Strategy Implementation (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

#### 7.4 Work Health and Safety

**RECOMMENDED** (Wong/Rob) that the Audit, Risk and Improvement Committee receive and note the information presented in the report regarding Health Safety and Environment systems, compliance and reviews.

<b>Work Health and Safety (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

#### 7.5 Risk and Compliance

**RECOMMENDED** (MacLeod/Wong) that the Audit, Risk and Improvement Committee receive and note the information presented in this report regarding enterprise risk management and fraud management.

<b>Risk and Compliance (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

#### 7.6 Governance

**RECOMMENDED** (MacLeod/Rob) that the Audit, Risk and Improvement Committee:

1. Receive and note the information contained in the report on:
  - Policy currency/review status; and
  - The governance of Council's section 355 Committee.
2. Endorse the amended Audit Risk and Improvement Committee Charter and recommend it to the governing body for approval – subject to any amendments received from Raymond Wong being approved by the Committee by circular resolution.

<b>Governance (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

*Cr Big Rob physically left the meeting at 11.35am and rejoined online (via Teams). Cr Big Rob returned to the meeting in-person at 11.55am.*

#### 7.7 ICT Report

**RECOMMENDED** (Rob/MacLeod) that the Audit, Risk and Improvement Committee receive

and note the ICT update report for November 2023.

<b>ICT Report (Resolution)</b>		
For	Laurie Lefcourt, Andrew MacLeod, Cr Big Rob, Raymond Wong	4
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	None	0
<b>Carried</b>		

*Andrew MacLeod left the meeting at 12.03pm.*

## **8 NON-STANDARD REPORTS**

### **8.1 Dam Safety Audit Reporting**

**RECOMMENDATION** (Rob/Wong) that the Committee:

1. Note the report on addressing the results of Dams Safety NSW's Dam Safety Management System Audit.
2. Receive a further update at the July 2024 Committee meeting.

<b>Dam Safety Audit Reporting (Resolution)</b>		
For	Laurie Lefcourt, Cr Big Rob and Raymond Wong	3
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Andrew MacLeod	1
<b>Carried</b>		

### **8.2 ARIC meeting schedule 2024**

**RECOMMENDATION** (Wong/Rob) that the Committee:

- a) Receive and note the information contained in the report.
- b) Confirm its four ordinary meeting dates for 2024 as 25 March 2024, 6 May 2024, 22 July 2024, 14 October 2024 (Financial statements) and 25 November 2024.
- c) Note its meetings in 2024 will be held at the Rous Administration Office, Molesworth Street, Lismore (or other location as determined by the Committee from time to time) and/or via video conferencing commencing at 10.00am.

<b>ARIC meeting schedule 2024 (Resolution)</b>		
For	Laurie Lefcourt, Cr Big Rob and Raymond Wong	3
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Andrew MacLeod	1
<b>Carried</b>		

## **9 OTHER BUSINESS ARISING**

Nil.



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**10 CONFIRMATION OF MINUTES**


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**RECOMMENDATION** (Rob/Wong) that the Minutes of the meeting 27 November 2023 be confirmed as presented.

<b>Confirmation of Minutes 27 November 2023 (Resolution)</b>		
For	Laurie Lefcourt, Cr Big Rob, Raymond Wong	3
Against	None	0
Abstain	None	0
Conflict of Interests	None	0
Absent	Andrew MacLeod	1
<b>Carried</b>		

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**11 NEXT MEETING**


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Monday, 25 March 2024.

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**12 CLOSE OF BUSINESS**


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There being no further business the meeting closed at 12.15pm.

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## Annual 'Model Code of Complaint Statistics'

*Responsible Officer: Group Manager People and Performance (Helen McNeil)*

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### Recommendation

That Council note the information contained in the attached 'Model Code of Conduct Complaints Statistics' report and the requirement to provide the report to the Office of Local Government.

### Background

In accordance with Part 11 of the Code of Conduct Procedures, Council's Complaints Coordinator must arrange for annual Code of Conduct complaints statistics to be reported to Council and to the Office of Local Government within three months of the end of September each year (being 31 December 2023).

- **Code of Conduct Complaints Statistics**

The Model Code of Conduct complaints statistics for the reporting period 1 September 2022 to 31 August 2023 are provided at Attachment 1.

### Consultation

This report has been prepared in consultation with staff responsible for the handling of Code of Conduct complaints.

### Conclusion

In accordance with Council's reporting requirements, the 'Model Code of Conduct Complaints Statistics' report has been prepared and is submitted to Council for its information and consideration.

### Attachment

1. Annual Code of Conduct Complaints Statistics for reporting period 1 September 2022 – 31 August 2023

## Model Code of Conduct Complaints Statistics 2022-23

### Rous County Council

#### Number of Complaints

1	The total number of complaints <b>received</b> in the reporting period about councillors and the General Manager (GM) under the code of conduct from the following sources:	
i	Community	0
ii	Other Councillors	0
iii	General Manager	0
iv	Other Council Staff	0
2	The total number of complaints <b>finalised</b> about councillors and the GM under the code of conduct in the following periods:	
i	3 Months	0
ii	6 Months	0
iii	9 Months	0
iv	12 Months	0
v	Over 12 months	0

#### Overview of Complaints and Cost

3	a	The number of complaints <b>finalised at the outset</b> by alternative means by the GM or Mayor	0
	b	The number of complaints <b>referred to the Office of Local Government (OLG)</b> under a special complaints management arrangement	0
	c	The number of code of conduct complaints <b>referred to a conduct reviewer</b>	0
	d	The number of code of conduct complaints <b>finalised at preliminary assessment</b> by conduct reviewer	0
	e	The number of code of conduct complaints <b>referred back to GM or Mayor</b> for resolution after preliminary assessment by conduct reviewer	0
	f	The number of finalised code of conduct complaints <b>investigated by a conduct reviewer</b>	0
	g	Cost of dealing with code of conduct complaints via preliminary assesment	0
	h	Progressed to <b>full investigation by a conduct reviewer</b>	0
	i	The number of finalised complaints investigated where there was found to be <b>no breach</b>	0
	j	The number of finalised complaints investigated where there was found to be <b>a breach</b>	0
	k	The number of complaints referred by the GM or Mayor <b>to another agency</b> or body such as the ICAC, the NSW Ombudsman, OLG or the Police	
	i	ICAC	0
	ii	NSW Ombudsman	0
	iii	OLG	0

iv	Police	<input type="text" value="0"/>
v	Other Agency (please specify)	<input type="text" value="0"/>
	<input type="text"/>	
l	The number of complaints being investigated that are <b>not yet finalised</b>	<input type="text" value="0"/>
m	The <b>total cost</b> of dealing with code of conduct complaints within the period made about councillors and the GM including staff costs	<input type="text" value="0"/>

**Preliminary Assessment Statistics**

4	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:	
a	To take no action (clause 6.13(a) of the 2020 Procedures)	<input type="text" value="0"/>
b	To resolve the complaint by alternative and appropriate strategies (clause 6.13(b) of the 2020 Procedures)	<input type="text" value="0"/>
c	To refer the matter back to the GM or the Mayor, for resolution by alternative and appropriate strategies (clause 6.13(c) of the 2020 Procedures)	<input type="text" value="0"/>
d	To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, OLG or the Police (clause 6.13(d) of the 2020 Procedures)	<input type="text" value="0"/>
e	To investigate the matter (clause 6.13(e) of the 2020 Procedures)	<input type="text" value="0"/>
f	Other action (please specify)	<input type="text" value="0"/>
	<input type="text"/>	

**Investigation Statistics**

5	The number of investigated complaints resulting in a determination that there was <b>no breach</b> , in which the following recommendations were made:	
a	That the council revise its policies or procedures	<input type="text" value="0"/>
b	That a person or persons undertake training or other education (clause 7.40 of the 2020 Procedures)	<input type="text" value="0"/>
6	The number of investigated complaints resulting in a determination that there <b>was a breach</b> in which the following recommendations were made:	
a	That the council revise any of its policies or procedures (clause 7.39 of the 2020 Procedures)	<input type="text" value="0"/>
b	In the case of a breach by the GM, that action be taken under the GM’s contract for the breach (clause 7.37(a) of the 2020 Procedures)	<input type="text" value="0"/>
c	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 (clause 7.37(b) of the 2020 Procedures)	<input type="text" value="0"/>
d	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 and that the matter be referred to OLG for further action (clause 7.37(c) of the 2020 Procedures)	<input type="text" value="0"/>
7	Matter referred or resolved after commencement of an investigation (clause 7.20 of the 2020 Procedures)	<input type="text" value="0"/>

**Categories of misconduct**

8 The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:

a	General conduct (Part 3)	0
b	Non-pecuniary conflict of interest (Part 5)	0
c	Personal benefit (Part 6)	0
d	Relationship between council officials (Part 7)	0
e	Access to information and resources (Part 8)	0

**Outcome of determinations**

9 The number of investigated complaints resulting in a determination that there was a breach in which the council:

a	Adopted the independent conduct reviewers recommendation	0
b	Failed to adopt the independent conduct reviewers recommendation	0

10 The number of investigated complaints resulting in a determination where:

a	The external conduct reviewers decision was overturned by OLG	0
b	Council's response to the external conduct reviewers recommendation was overturned by OLG	0

11 Date Code of Conduct data was presented to council 13.12.2023

## **Disclosure of Interests 2022/23**

*Responsible Officer: General Manager (Phillip Rudd)*

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### **Recommendation**

That Council receive and note the report.

### **Background**

Councillors and designated persons are required under clause 4.21 of the Code of Conduct to lodge a completed Disclosure of Interest within three months of the end of the financial year.

It is also a requirement that the Register of Returns is tabled at the first meeting following the lodgement date. Accordingly, the Disclosure of Interest Returns Register is now tabled as a public record and is available for inspection.

## Reports/Actions pending

*Responsible Officer: General Manager (Phillip Rudd)*

### Recommendation

That the report be received and noted.

### Background

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

COUNCIL MEETING 11/12/2019	
<b>Report</b>	<b>Richmond River Cane Growers Association submission: Review of Tuckombil Canal fixed weir</b> (Letters 118585 / 53238)
	<i>Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)</i>
<b>ACTION</b>	October 2023 – Richmond Valley Council has recently adopted a report on the <i>Richmond Valley Flood Study</i> which includes a new flood model. With this work now finalised, Rous can consider relevant results from this work, the scope of the review of the Tuckombil Canal fixed weir and how the work will be funded as part of a future budget.  The scope of work for the review of the Tuckombil Canal fixed weir and a budget will be considered as part of the annual budget process commencing in November 2023 for the 2024/25 year. Council will be able to consider this in April 2024, as part of the draft budget for 2024/25.
COUNCIL MEETING 20-08-2023	
<b>Report</b>	<b>Retail Water Bad Debt Write-off</b>
	<i>Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)</i>
<b>Resolution</b>	(Ndiaye/Humphrys): 1. That Council defers the decision until the February 2024 Council meeting with no interest to be applied to the account during that period. 2. Staff to continue to work with the customer for the debt recovery of \$2,500.
<b>ACTION</b>	Update report to be provided to the February 2024 Council meeting.
COUNCIL MEETING 20-08-2023	
<b>Report</b>	<b>Proposed change to ownership - Lismore Levee Scheme</b>
	<i>Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)</i>
<b>Resolution</b>	(Cadwallader/Bruem) that Council: 1. Acknowledges that the devastating and widespread impact of the 2022 Floods has highlighted the importance of local government partnering and working cooperatively for the benefit of the community. 2. Note that Lismore City Council has been successful in independently securing grant funding under the Northern Rivers Recovery and Resilience Program for upgrade and improvement works to the Lismore Levee Scheme and that

<p><b>ACTION</b></p>	<p>Lismore is seeking to engage with Rous regarding consent to undertake those works.</p> <ol style="list-style-type: none"><li>3. Recognising that the historic role of Rous in urban flood mitigation has changed and having regard to the Lismore Levee Scheme asset renewal, replacement and upgrade works independently completed and planned by Lismore City Council, resolve to transfer the Lismore Levee Scheme to Lismore City Council and enable centralised control, ownership, operation and maintenance by that Council as the local government entity serving the community directly benefited by the Scheme.</li><li>4. Invite the Lismore City Council Mayor and General Manager to meet with the Rous Chair and General Manager to negotiate and agree next steps.</li><li>5. Confirms its commitment to work with Lismore City Council to ensure no delay to any planned upgrade and improvement works for the Lismore Levee Scheme.</li><li>6. Write to relevant funding bodies to request financial assistance to affect the transfer of the Lismore Levee Scheme to ensure no cost is borne by either Lismore City Council or Rous.</li><li>7. Revoke point 1(b) of resolution [84/22] arising from Council's meeting of 14 December 2022.</li><li>8. Authorise the General Manager to affect all necessary actions associated with and ancillary to the implementation of this resolution of Council.</li></ol> <p>Councillors receive a further update before December 2023.</p>
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