



Ordinary meeting business paper

Wednesday, 21 February 2024

commencing 10.00 am

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

OPENING OF THE MEETING

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

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

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

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

AGENDA

1. Opening of the meeting

2. Acknowledgement of Country

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

3. Apologies and Leave of Absence or attendance by audio - virtual link

4. Confirmation of Minutes of previous meeting

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5. Disclosure of Interest

6. Notices of Motion / Questions with notice

Nil.

7. General Manager reports

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10.6 Reports / Actions Pending 97 - 98

11. Confidential matters
Nil.

12. Close of business

**MINUTES OF THE ORDINARY MEETING OF ROUS COUNTY COUNCIL HELD
WEDNESDAY, 13 DECEMBER 2023 AT ROUS ADMINISTRATION OFFICE, 218-232
MOLESWORTH STREET, LISMORE NSW 2480**

1 OPENING OF THE MEETING

The Chair opened the meeting at 10.07 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
- Adam Nesbitt, Group Manager Operations
- Geoff Ward, Group Manager Corporate and Commercial
- Jonothan Patino, Finance Manager
- Robyn Waldron, Executive Assistant
- Noeline Smith, Minute Taker

2 ACKNOWLEDGEMENT OF COUNTRY

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

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

Nil.

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

4.1 Ordinary Council meeting minutes 18 October 2023

RESOLVED [57/23] (Cadwallader/Breum) that the Minutes of the meeting held 18 October 2023 be approved as presented.

| Ordinary Council meeting minutes 18 October 2023 (Resolution) | | |
|--|--|---|
| 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 |
| Carried | | |

4.2 Extraordinary Council meeting minutes 15 November 2023

RESOLVED [58/23] (Cadwallader/Rob) that the Minutes of the extraordinary meeting held 15 November 2023 be approved as presented.

| Extraordinary Council meeting minutes 15 November 2023 (Resolution) | | |
|--|--|---|
| 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 |
| Carried | | |

5 DISCLOSURE OF INTEREST

Nil.

6 MATTERS OF URGENCY

Nil.

7 NOTICE OF MOTION

7.1 Proposed Dunoon Dam - acquisition of properties

RESOLVED [59/23] (Breum/Cadwallader) that Council:

1. To reconfirm its prior position in relation to acquisition of land in the Proposed Dunoon Dam area as shown in the Attachment 1 and strategic interest to the Future Water Strategy 2060.
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.

3. Report back to Council regarding strategic land purchases for the Future Water Strategy 2060.

| Proposed Dunoon Dam - acquisition of properties (Resolution) | | |
|---|--|---|
| 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 |
| Carried | | |

8 GENERAL MANAGER REPORTS

8.1 Council meeting schedule 2024 (updated)

RESOLVED [60/23] (Cadwallader/Rob) 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

| Council meeting schedule 2024 (updated) (Resolution) | | |
|---|--|---|
| 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 |
| Carried | | |

9 GROUP MANAGER PLANNING AND DELIVERY REPORTS

9.1 Update on interim arrangements for Lismore Levee Scheme

RESOLVED[61/23] (Rob/Cadwallader) 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.

| Update on interim arrangements for Lismore Levee Scheme (Resolution) | | |
|---|--|---|
| 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 |
| Carried | | |

9.2 Staff investigation and response - Notice of Motion "Acquisition of low-lying, high-risk rural floodplain areas"

RESOLVED [62/23] (Bruem/Nyiaye) 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).
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.
3. This position also be referred to the State and Federal Government seeking funding.

| Staff investigation and response - Notice of Motion "Acquisition of low-lying, high-risk rural floodplain areas" (Resolution) | | |
|--|--|---|
| 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 |
| Carried | | |

10 POLICIES

10.1 Investment (review)

RESOLVED [63/23] (Lyon/Bruem) that Council note this report and adopt the revised Investments policy with amendments.

| Investment (review) (Resolution) | | |
|---|--|---|
| 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 |
| Carried | | |

11 INFORMATION REPORTS (COVER REPORT)

RESOLVED [64/23] (Cadwallader/Rob) 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.

| Information reports (cover report) (Resolution) | | |
|--|--|---|
| 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 |
| Carried | | |

12 CLOSE OF BUSINESS

There being no further business the meeting closed at 11.15 am.

Election of chairperson and deputy chairperson

Responsible Officer: General Manager (Phillip Rudd)

Recommendation

That Council conduct an election for a chairperson and deputy chairperson consistent with the election process for chairpersons of county councils in the *Local Government Act 1993* and the *Local Government (General) Regulation 2021* and that:

1. If there is more than one nomination, council resolve the method of election (to be either by preferential ballot, ordinary ballot, or open voting); and
2. The result of the election (including the names of those elected) be declared at the meeting, and
3. Those elected hold office until the ordinary local government elections expected to occur in September 2024.

Background

Cr Robert Mustow was elected chairperson and Cr Sharon Cadwallader elected deputy chairperson of Rous County Council ('Council') at its ordinary council meeting on 16 February 2022 for a two-year term (expiring February 2024) in accordance with section 391 of the *Local Government Act 1993* ('LG Act').

An election to fill these positions for the remainder of the current council term is required to be conducted in accordance with Schedule 8 of the *Local Government (General) Regulation 2021* ('LG Regulation').

A website link to Schedule 8 of the LG Regulation which prescribes the procedure to be followed to elect the chairperson is provided [HERE](#). A summary of this process is also set out in [Attachment 1](#).

Election of a deputy chairperson – local rule

Council's Code of Meeting Practice contains a local rule that makes provision for the election of a deputy chairperson to occur at the same time and in the same manner as the election of the chairperson. This local rule is for administrative convenience given the LG Act does not make provision for the election of a deputy chairperson as it does for the election of a deputy mayor of a local council.

Term of office – chairperson and deputy chairperson

Due to the 12-month postponement of the ordinary local government elections originally scheduled for September 2020 (to mitigate the risks posed by COVID-19), the current term of council was shortened to three-years.¹

This means the chairperson and deputy chairperson elected at this meeting will hold office until September 2024, when the next ordinary local government elections are expected to occur, being a term of less than two-years.

¹ Refer to Office of Local Government [Circular 20-10](#) dated 25 March 2020.

Governance

This report has been prepared having regard to the requirements of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

Finance

The fees paid to members (including the chairperson) are in accordance with the 'Chairperson and member fees' policy and budget adopted in conjunction with the 2023/24 Operational plan. The policy provides that the fees payable to the chairperson and members are 100% of the maximum determined by the Local Government Remuneration Tribunal.

Legal

Refer to the 'Background' section of the report.

The General Manager is the returning officer for the purposes of holding the election for chairperson and deputy chairperson.²

The office of chairperson commences on the day the person elected is declared to be elected, being the day of the council meeting at which the election is held by the returning officer.³

The office of chairperson becomes vacant, on the earlier of, when the person's successor is declared to be elected to the office, on the occurrence of a casual vacancy in the office, or on the polling day of the ordinary local government elections.⁴

Consultation

Not applicable.

Conclusion

Ordinarily, Council elects a chairperson and deputy chairperson every second year. The election process for the chairperson is set out in Schedule 8 of the LG Regulation and Council has determined through its Code of Meeting Practice that that process will also apply to the election of the deputy chairperson.

Attachment:

1. Summary of Schedule 8 LG Regulation election process.
2. Nomination forms (*copies will also be available at the meeting*).

² [Part 1](#) Schedule 8 *Local Government (General) Regulation 2021* (NSW).

³ Section [391](#)(3)(a) *Local Government Act 1993*.

⁴ Section [391](#)(3)(b) *Ibid*.

Summary of election process

All references cited in the following tables relate to the *Local Government (General) Regulation 2021*.

| | |
|---|---------------------|
| General manager (or delegate) is the returning officer | Sch. 8 cl. 2 |
| The general manager (or a person appointed by the general manager) is the returning officer. | |
| Nominations (Nomination forms enclosed) | Sch. 8 cl. 4 |
| <p>(1) A councillor may be nominated for election as chairperson/deputy chairperson without notice.</p> <p>(2) Nominations must be in writing by two or more councillors (one of whom may be the nominee) and include the nominee's written consent to the nomination.</p> <p>(3) Nominations are to be delivered or sent to the returning officer.</p> <p>(4) The returning officer is to announce the names of the nominees at the meeting at which the election is to be held.</p> | |
| Resolving method of election | Sch. 8 cl. 5 |
| <p>One nomination The nominee is elected.</p> <p>More than one nomination Council must resolve whether the election is to proceed by:</p> <p>(a) Preferential <i>ballot</i>* (Attachment 1 (Sch. 8 Part 3 clauses 10-13) refer to the green tables below), or</p> <p>(b) Ordinary <i>ballot</i>* or (Attachment 1 (Sch. 8 Part 2 clauses 6-9) refer to the red tables below), or</p> <p>(c) <i>Open voting</i>** (Attachment 1 (Sch. 8 Part 2 clauses 6-9) refer to the red tables below).</p> <p>*<i>ballot</i> has its normal meaning of secret ballot. **<i>open voting</i> means voting by a show of hands or similar means.</p> | |

| | |
|--|----------------------|
| PREFERENTIAL BALLOT | |
| • Ballot-papers and voting | Sch. 8 cl. 11 |
| <p>The ballot-papers are to contain the names of all the candidates. Place the numbers '1', '2' and so on against the names listed to indicate the order of preference for all the candidates.</p> <p>An informal ballot-paper is one that has not been initialled on the front by an election official (except where the ballot-paper bears the name of the council), or contains a mark or writing that, in the returning officer's opinion, would enable the elector to be identified (cl. 305(2); cl. 345(1)(b) and (c) and (5)).</p> <p>An informal ballot-paper must be rejected at the count.</p> | |
| • Count | Sch. 8 cl. 12 |
| <p>(1) If a candidate has an <i>absolute majority</i>* of first preference votes, that candidate is elected.</p> | |

PREFERENTIAL BALLOT

- (2) If not, the candidate with the lowest number of first preference votes is excluded and the votes on the unexhausted ballot-papers counted to the person are transferred to the candidates with second preferences on those ballot-papers.
- (3) A candidate who then has an absolute majority of votes is elected, but, if no candidate then has an absolute majority of votes, the process of excluding the candidate who has the lowest number of votes and counting each of his or her unexhausted ballot-papers to the candidates remaining in the election next in order of the voter's preference is repeated until one candidate has received an absolute majority of votes. That candidate is elected.

***absolute majority** in relation to votes, means a number that is more than one-half of the number of unexhausted formal ballot-papers.

- **Tied candidates**

Sch. 8 cl. 13

- (1) If, on any count of votes, there are 2 candidates in, or remaining in, the election and the numbers of votes cast for the 2 candidates are equal - **the candidate whose name is first chosen by lot is taken to have received an absolute majority of votes and is therefore taken to be elected.**
- (2) If, on any count of votes, there are 3 or more candidates in, or remaining in, the election and the numbers of votes cast for 2 or more candidates are equal and those candidates are the ones with the lowest number of votes on the count of the votes - **the candidate whose name is first chosen by lot is taken to have the lowest number of votes and is therefore excluded.**

Count: choosing by lot

Sch. 8 cl. 14

To choose a candidate by lot, the names of the candidates who have equal numbers of votes are written on similar slips of paper by the returning officer, the slips are folded by the returning officer so as to prevent the names being seen, the slips are mixed and one is drawn at random by the returning officer and **the candidate whose name is on the drawn slip is chosen.**

**ORDINARY BALLOT
OPEN VOTING**

- **Marking of ballot-papers**

Sch. 8 cl. 7

An informal ballot-paper is one that has not been initialled on the front by an election official (except where the ballot-paper bears the name of the council), or contains a mark or writing that, in the returning officer's opinion, would enable the elector to be identified (cl. 305(2); cl. 345(1)(b) and (c) and (5)).

An informal ballot-paper must be rejected at the count.

- **Count**

Sch. 8 cl. 8-9

Count: 2 candidates

- (1) If there are only 2 candidates, the candidate with the higher number of votes is elected.
- (2) If there are only 2 candidates and they are tied, **the one elected is to be chosen by lot.**

Count: 3 or more candidates

- (1) If there are 3 or more candidates, **the one with the lowest number of votes is to be excluded.**

- (2) If 3 or more candidates then remain, a further vote is to be taken of those candidates and **the one with the lowest number of votes from that further vote is to be excluded.**
- (3) If, after that, 3 or more candidates still remain, the procedure set out at (2) above is repeated until only 2 candidates remain.
- (4) A further vote is to be taken of the 2 remaining candidates:
 - (a) The candidate with **the higher number of votes is elected.**
 - (b) If the 2 candidates are tied, **the one elected is to be chosen by lot.**
- (5) If at any stage during a count under (1) or (2) above, 2 or more candidates are tied on the lowest number of votes, **the one excluded is to be chosen by lot.**

Count: choosing by lot

Sch. 8 cl. 14

To choose a candidate by lot, the names of the candidates who have equal numbers of votes are written on similar slips of paper by the returning officer, the slips are folded by the returning officer so as to prevent the names being seen, the slips are mixed and one is drawn at random by the returning officer and the candidate whose name is on the drawn slip is **chosen.**

Result

Sch. 8 cl. 15

The result of the election (including the name of the elected chairperson and deputy chairperson) must be:

- (a) declared to the councillors at the council meeting at which the election is held by the returning officer, and
- (b) delivered or sent to the Chief Executive Officer and to the Secretary of Local Government NSW.



NOMINATION FORM

Chairperson

We nominate Councillor:

.....

for the position of Chairperson of Rous County Council.

...../...../2024
(name / signature)

...../...../2024
(name / signature)

I consent to the nomination:

...../...../2024
Signature



NOMINATION FORM

Deputy Chairperson

We nominate Councillor:

.....

for the position of Deputy Chairperson of Rous County Council.

...../...../2024
(name / signature)

...../...../2024
(name / signature)

I consent to the nomination:

...../...../2024
Signature

Audit, Risk and Improvement Committee - Revised Charter and Appointment of Councillor Member

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

Recommendation

That Council:

1. Revoke the [Audit, Risk and Improvement Committee Charter dated 16 December 2020](#) and any other revisions revoked as a result,
2. Approve the revised Audit, Risk and Improvement Committee Charter attached to this report, and
3. Invite nominations from amongst the membership of Council's governing body (excluding the Chair) for appointment as a non-voting councillor member, and substitute non-voting councillor member, on the Audit, Risk and Improvement Committee for a 2-year term or until a casual vacancy occurs, whichever is the earlier.

Background

From 1 July 2024, the composition, operations, and responsibilities of the Audit, Risk and Improvement Committee ('Committee') will need to comply with the ['Risk Management and internal audit guidelines for local government in NSW'](#) (the 'Guidelines') issued by the Office of Local Government ('OLG') and the associated amendments to the *Local Government (General) Regulation 2021* ('LG Regulation')

Historically, a voting councillor member was included on Council's Committee in accordance with the provisions of its Charter. The term of the current councillor member – Cr Rob – expired recently on 16 February 2024. Under the new Guidelines Council has the option (i.e. it is not a mandatory requirement) to permit a non-voting councillor member on the Committee. The experience, since the Committee was first established by Council in 2013, has been that the inclusion of a councillor member adds value in establishing and maintaining a direct line of communication between the governing body and the Committee. For this reason, staff recommend the continuation of the practice of appointing a councillor member to the Committee and a substitute councillor member in the event the primary member is unable to attend a Committee meeting/s.

As a result of the above regulatory changes, a review of the Committee Charter was undertaken, and a revised Committee Charter prepared ([Attachment 1](#)) with reference to the OLG's new Model Terms of Reference for Committees.

To give effect to the terms of the revised Charter and the above regulatory changes, the call for councillor member nominations in 2024 has also been altered to call for nominations of a non-voting councillor member to the Committee. The nomination form is provided as [Attachment 2](#) to the report.

Governance

Council's Committee is currently constituted of the following 3 voting members:

1. **Independent Chair** – Four-year term – Occupied by Laurie Lefcourt until September 2027;
2. **Independent Member** – Four-year term – Occupied by Andrew MacLeod until April 2025;
3. **Independent Member** – Four-year term - Occupied by Raymond Wong until September 2027.

The Committee meets five times a year with meetings in 2024 to commence from 10am on 25 March, 6 May, 22 July, 14 October (TBC) and 25 November.

The October meeting is reserved for consideration of Council's Financial Statements prior to being furnished to Council.

Committee Members can attend meetings in-person (at the Council Administration building) or remotely via Microsoft Teams. Both methods of attendance have been utilised by Committee members previously without any impact to meetings.

A report on the key points of business and a copy of the minutes of each Committee meeting are, where possible, provided to the Council at the next Council meeting following that meeting of the Committee.

Committee members are covered by Council's Public Liability, Professional Indemnity and Voluntary Workers' Insurance (excluding medical expenses) subject to the applicable policy terms and conditions.

Shared Arrangements

Under the new Guidelines and amendments to the LG Regulation, councils are permitted to share their Committee with other local government organisations. Council currently shares its Committee with the Northern Rivers Joint Organisation ('NRJO').

Under this arrangement, the NRJO achieves a cost saving in relation to the payment of Committee member sitting fees (i.e. NRJO pays 70% of the rate Council pays to its Committee members – excluding the councillor member) and Council achieves a cost saving in relation to the reimbursement of travel costs incurred by Committee members by sharing these 70:30 with the NRJO.

To support the continuation of this shared arrangement and future opportunities for entering into shared arrangements with other local government organisations, additional provisions have been included in the revised Committee Charter at page 8 and schedule 3.

Finance

Council maintains a recurrent budget allocation that covers all costs associated with payment for three independent Committee members and contract internal auditors. For 2023/24 the budget allocation is \$32,800 distributed as follows:

| Description | Rate | Budget allocation |
|---|---|---|
| Independent Chair | \$553 per meeting (CPI increase annually) | \$2,765 |
| Independent Member x2 | \$336 per meeting (CPI increase annually) | \$3,360 |
| Travel expenses – Chair and Independent Members | Vehicle expenses – as per Local Government (State) Award 2023 | E\$2,842.81 (E\$1,989.67 under 70:30 cost sharing arrangement) |
| Internal audit services | - | 17,850 |

The councillor member on the Committee does not receive a sitting fee, however actual travel and out-of-pocket expenses will be reimbursed upon request. The councillor member is also excluded

from the membership of the Committee when it is delivering services to another local government organisation (e.g. the Northern Rivers Joint Organisation) under a shared services arrangement.

Legal

In accordance with the Guidelines and amendments to the LG Regulation, the approval of the revised Committee Charter and the appointment of a non-voting councillor member to the Committee must occur by way of council resolution.

A 2-year term is proposed for the position of non-voting councillor member, however this may be much shorter if a casual vacancy occurs due, for example, to the results of the ordinary local government elections scheduled for September 2024.

Council remits compulsory superannuation guarantee contributions on behalf of the Committee Chairperson and Independent Members, where they are remunerated, in accordance with the requirements of the Guidelines. Local Government NSW ('LGNSW') are in the process of seeking a Class Ruling from the Australian Taxation Office ('ATO') to clarify whether this requirement is correct and, if so, details around ABN requirements etc. Developments in this respect are being monitored by Council staff.

Consultation

The revised Committee Charter was presented to the Committee at its November 2023 meeting and approved for referral to Council for adoption subject to modest amendments predominantly to the shared arrangement provisions.

Should the revised Committee Charter be approved by Council, it will be presented to the board of the NRJO for its approval as well.

Conclusion

The revisions to the Committee Charter are necessary to ensure compliance with the Guidelines and the LG Regulation from 1 July 2024.

The revised Committee Charter is recommended to Council for approval and nominations sought to fill the vacant non-voting councillor member position on the Committee for a 2-year term, or until a casual vacancy occurs, whichever occurs first.

Attachment

1. Revised Committee Charter (**for approval**)
2. Nomination forms (*copies also available at the meeting*)



Audit, Risk and Improvement Committee Charter

A document governing Committee
composition, operation and conduct

| Version | Purpose and description | Date adopted by Council | Resolution no. |
|---------|---|---|---|
| 0.1 | Draft – Green Paper. | DRAFT (24/01/2013) | DRAFT |
| 0.2 | Draft – Update of Insurance details + Other Miscellaneous changes. | DRAFT (18/02/2013) | DRAFT |
| 1.0 | Adoption at Council meeting 20 March 2013. | 20 March 2013 | 19/13 |
| 0.1 | Risk and Audit Committee – minor amendments. | 4 May 2016 | Item 6. i) |
| 2.0 | Adoption at Council meeting 18 May 2016, subject to the following changes: <ul style="list-style-type: none"> The term of appointment of the Internal Auditor (consultant) from two years to four years. Secretariat title change from Manager Governance to Manager Governance and Human Services. Removal of references to Richmond River County Council and Far North Coast County Council. | 18 May 2016 | 49/16 Refer page 13 Refer page 11 |
| 2.1 | Review as a result of the <i>Local Government Amendment (Governance and Planning) Act 2016</i> (Audit, Risk and Improvement Committee) and organisation restructure. | DRAFT for 15 October 2018 RAC Committee meeting | Adopted 15/10/18 |
| 2.2 | Incorporating proposed amendments from Risk and Audit Committee meeting of 15 October 2018. Audit Risk and Improvement Committee Charter 2018. | 21 November 2018 Council meeting | 104/18 |
| 3.0 | Scheduled review and update incl. changes in anticipation of amendments to s428A of the <i>Local Government Act 1993</i> . | 16 December 2020 (Council) | 66/20 |
| 4.0 | Reviewed and updated to align with the new ' <i>Guidelines for risk management and internal audit for local government in NSW</i> ' | | |

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Background

Rous County Council (**Council**) has established an Audit, Risk and Improvement Committee (**Committee**) in compliance with section 428A of the *Local Government Act 1993* and the Departmental Chief Executive's '*Guidelines for risk management and internal audit for local government in NSW*'. This Charter sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

Objective

The objective of the Committee is to provide independent assurance to Council by monitoring, reviewing and providing advice about the Council's governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

Independence

The Committee is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide Council with robust, objective and unbiased advice and assurance.

It has an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of Council. The Committee will provide independent advice to Council that is informed by Council's internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.

The Committee must ensure it maintains a direct reporting line to and from Council's internal audit function and act as a mechanism for internal audit to report to the governing body and the General Manager on matters affecting the performance of the internal audit function.

Authority

Council authorises the Committee, for the purposes of exercising its responsibilities, to:

- access any information it needs from the Council
- use any Council resources it needs
- have direct and unrestricted access to the General Manager and senior management of Council
- seek the General Manager's permission to meet with any other Council staff member or contractor
- discuss any matters with the external auditor or other external parties
- request the attendance of any employee at Committee meetings, and
- obtain external legal or other professional advice in line with councils' procurement policies and where an available budget allocation exists or is obtained with the approval of the governing body.

Information and documents pertaining to the Committee are confidential and are not to be made publicly available. The Committee may only release Council information to external parties that are assisting the Committee to fulfil its responsibilities with the approval of the General Manager, except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

Composition and tenure

The Committee consists of an independent Chair and a minimum of two independent members who have voting rights and one non-voting Councillor/board member, as required under the '*Guidelines for risk management and internal audit for local government in NSW*'

The governing body is to appoint by resolution the Chair and members of the Committee. Current Committee members are:

| | |
|-----------------|--------------------------------------|
| Laurie Lefcourt | Independent Chair (voting) |
| Andrew Macleod | Independent member (voting) |
| Raymond Wong | Independent member (voting) |
| Cr Big Rob | Councillor/board member (non-voting) |

All Committee members must meet the independence and eligibility criteria prescribed under the *Local Government (General) Regulation 2021*.

Members will be appointed for up to a four-year term. Members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as Chair of the Committee. Members who have served an eight-year term (either as a member or as Chair) must have a two-year break from serving on the Committee before being appointed again. To preserve the Committee's knowledge of Council, ideally, no more than one member should retire from the Committee because of rotation in any one year.

The terms and conditions of each member's appointment to the Committee are to be set out in a letter of appointment. New members will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Prior to approving the reappointment or extension of the Chair's or an independent member's term, the governing body is to undertake an assessment of the Chair's or Committee member's performance. Reappointment of the Chair or a Committee member is also to be subject to that person still meeting the independence and eligibility requirements.

Members of the Committee must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of Council, the environment in which Council operates, and the contribution that the Committee makes to the Council. At least one member of the Committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of Council's financial reporting responsibilities to be able to contribute to the Committee's consideration of Council's annual financial statements.

The General Manager is authorised to determine the method and conduct of the recruitment for independent members if and when a vacancy occurs.

In addition to the Councillor/board member appointed to the Committee, Council may also appoint an alternate Councillor/board member. The alternate Councillor/board member will be a substitute for the primary Councillor/board member when and if that Committee member is absent or unable to attend Committee meetings.

Payments and insurances

A sitting fee/rate is not payable to the Councillor/board member. Reasonable travel and other Committee-related expenses are reimbursable subject to production of valid tax invoices or other evidence, as required.

The General Manager is authorised to negotiate a sitting fee/rate for the Chair and independent Committee members. The sitting fee/rate is to be commensurate with the Committee member's skills, experience and qualifications and is payable subject to attendance and participation at meetings.

Reasonable travel and other Committee-related expenses are reimbursable subject to production of valid tax invoices or other evidence, as required.

Compulsory superannuation guarantee contributions, for eligible Committee members (e.g. those paid a sitting fee) will be remitted to a complying superannuation fund nominated by the Committee member.

Committee members will be covered by the following insurances held by Council:

- Public Liability and Professional Indemnity subject to the terms and conditions provided by the insurance policy held, as amended from time to time.
- Voluntary Workers' Insurance (including members of committees established by Council).

It is recommended that Committee members have private medical insurance in place appropriate for their individual circumstances as Council's 'Voluntary Workers' Insurance' policy does not cover medical expenses.

Under a shared arrangement, the above insurances are required to be held by the Participating Organisation in respect of Committee meetings held on its behalf - refer to the terms of the applicable Shared Arrangement Agreement.

Shared arrangements

Council may share its Committee with other local government organisations, such as (but not limited to) joint organisations, county councils, and general-purpose councils, constituted under the *Local Government Act 1993* (the Act) (hereinafter referred to as 'Participating Organisation/s').

A register of Participating Organisations is contained within Schedule 2 and will be updated by Council staff as required from time to time.

Participating Organisations will be required to enter into a Shared Arrangement Agreement with Council in the form, and on the terms, as negotiated and determined by the General Manager of Rous County Council. The agreement will cover the respective obligations of

Council and the Participating Organisation including (but not limited to) the payment of fees, insurance, secretariat, and the recruitment/appointment of Committee Members.

Where shared arrangements are in place, voting Committee members will be:

- Required to attend additional Committee meetings (scheduled to occur consecutively with Council's Committee meetings, where possible);
- Paid a sitting fee (amount to be agreed) plus superannuation guarantee contributions in respect of these additional meetings from the Participating Organisation;
- Required to maintain the confidentiality of the Participating Organisation's information and take all reasonable steps to ensure that information is not disclosed (without consent) to Council or any other third parties;
- Required to adhere to the Code of Conduct (including provisions relating to the management of conflicts of interest) and other policies and procedures of the Participating Organisation; and

Council's non-voting councillor/board member is excluded from participation in shared arrangements and, in lieu of, the Participating Organisation may elect to appoint a non-voting councillor/board member from within its organisation to participate in the Participating Organisation's Committee meetings only. In servicing the Participating Organisation, the terms of this Charter will continue to govern Committee members and operations, and references to 'Council', 'General Manager' and 'Chairperson' will be substituted and interpreted, where appropriate, with the equivalent terms of the Participating Organisation, being respectively the:

- Name of the Participating Organisation
- Head of the other local government agency
- Mayor or other elected official equivalent to a Mayor or Chairperson of the other local government organisation.

Role

As required under section 428A of the Act, the role of the Committee is to review and provide independent advice to Council regarding the following aspects of Council's operations:

- Compliance
- Risk management
- Fraud control
- Financial management
- Governance
- Implementation of the strategic plan, delivery program and strategies
- Service reviews
- Collection of performance measurement data by Council, and
- Internal audit.

The Committee must also provide information to Council for the purpose of improving Council's performance of its functions. *An overarching objective is to encourage innovative thinking and problem solving across the spectrum of Council function and activities.*

The Committee's specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to this Charter.

The Committee will act as a forum for consideration of Council's internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.

The Committee has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

The Committee is directly responsible and accountable to the governing body for the exercise of its responsibilities. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the governing body and the General Manager.

The responsibilities of the Committee may be revised or expanded in consultation with, or as requested by, the governing body from time to time.

Responsibilities of members

Independent members

The Chair and members of the Committee are expected to understand and observe the requirements of the Office of Local Government's '*Guidelines for risk management and internal audit for local government in NSW*'. Members are also expected to:

- Make themselves available as required to attend and participate in meetings
- Contribute the time needed to review and understand information provided to it
- [Exercise due diligence including declaring conflicts of interest and maintaining the confidentiality of the information provided](#)
- Apply good analytical skills, objectivity and judgement
- Act in the best interests of Council
- [Respect and comply with Council's Code of Conduct](#)
- [Inform themselves of the relevant legislative and regulatory requirements applicable to Council](#)
- Have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- Maintain effective working relationships with Council
- Have strong leadership qualities (Chair)
- Lead effective Committee meetings (Chair), and
- Oversee Council's internal audit function (Chair).

Councillor/board members

To preserve the independence of the Committee, the Councillor/board member of the Committee is a non-voting member. Their role is to:

- Relay to the Committee any concerns the governing body may have regarding the Council and issues being considered by the Committee

- Provide insights into local issues and the strategic priorities of Council that would add value to the Committee's consideration of agenda items
- Advise the governing body (as necessary) of the work of the Committee and any issues arising from it, and
- Assist the governing body to review the performance of the Committee.

Issues or information the Councillor member raises with or provides to the Committee must relate to the matters listed in Schedule 1 and issues being considered by the Committee.

The Councillor/board member of the Committee must conduct themselves in a non-partisan and professional manner. The Councillor/board member of the Committee must not engage in any conduct that seeks to politicise the activities of the Committee or the internal audit function or that could be seen to do so.

If the Councillor/board member of the Committee engages in such conduct or in any other conduct that may bring the Committee and its work into disrepute, the Chair of the Committee may recommend to the Council, that the Councillor/board member be removed from membership of the Committee. Where Council does not agree to the Committee Chair's recommendation, the Council must give reasons for its decision in writing to the Chair.

Conduct

Independent Committee members are required to comply with Council's Code of Conduct.

Complaints alleging breaches of Council's Code of Conduct by an independent Committee member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The General Manager must consult with the governing body before taking any disciplinary action against an independent Committee member in response to a breach of the Council's Code of Conduct.

Conflicts of interest

Once a year, Committee members must provide written declarations to the Council stating that they do not have any conflicts of interest that would preclude them from being members of the Committee. Independent Committee members are 'designated persons' for the purposes of the Council's Code of Conduct and must also complete and submit returns of their interests.

Committee members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where a Committee member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from Committee deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

[Where a real or perceived conflict of interest is deemed by the Chair to exist \(or in the case of the Chair by the majority of the Committee\) the relevant person will be excused from Committee deliberations and leave the meeting on the issue from which the conflict arises.](#)

Confidentiality

Voting and non-voting committee members, invitees, observers and Council officials/employees are bound by Council's confidentiality requirements including the provisions of the Code of Conduct.

Independent Committee members are required to sign a confidentiality agreement as a condition of appointment.

Standards

Committee members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and current Australian risk management standard, where applicable.

Work plans

The work of the Committee is to be thoroughly planned and executed. The Committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the Committee and considered by the internal audit function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The Committee may, in consultation with the governing body, vary the strategic work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the Committee to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the Committee.

The Committee must also develop an annual work plan to guide its work, and the work of the internal audit function over the forward year.

The Committee may, in consultation with the governing body, vary the annual work plan to address new or emerging risks. The governing body may also, by resolution, request the Committee to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the Committee.

When considering whether to vary the strategic or annual work plans, the Committee must consider the impact of the variation on the internal audit function's existing workload and the completion of pre-existing priorities and activities identified under the work plan.

Assurance reporting

The Committee must regularly report to the Council to ensure that it is kept informed of matters considered by the Committee and any emerging issues that may influence the strategic direction of the Council or the achievement of the Council's goals and objectives.

The Committee will provide an update to the governing body and the General Manager of its activities and opinions after every Committee meeting.

The Committee will provide an annual assessment to the governing body and the General Manager on the Committee's work and its opinion on how the Council is performing. The Committee will provide a comprehensive assessment every council term of the matters listed in Schedule 1 to the governing body and the General Manager.

The Committee may at any time report to the governing body or the General Manager on any other matter it deems of sufficient importance to warrant their attention. The Chairperson

and the Chair of the Committee may also meet at any time to discuss issues relating to the work of the Committee.

Should the governing body require additional information, a request for the information may be made to the Chair by resolution. The Chair is only required to provide the information requested by the governing body where the Chair is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the Act. Individual Councillors/board members are not entitled to request or receive information from the Committee.

Administrative arrangements

Meetings

The Committee will meet at least quarterly, at a time as agreed by the Committee, for ordinary business and once a year (generally in October) for a special meeting to review Council's financial statements prior to being referred to the governing body.

The Committee can hold additional meetings when significant unexpected issues arise, or if the Chair is asked to hold an additional meeting by a Committee member, the General Manager or the governing body.

All Committee meetings are closed to the public.

Committee meetings can be held in person, by telephone or videoconference. Proxies are not permitted to attend meetings if a Committee member cannot attend (except for the alternate Councillor/board member).

If the Chairperson is unable to attend a Committee meeting, they must nominate one of the voting independent members of the Committee to preside over the meeting. If the Chairperson is unable to attend a Committee meeting and does not nominate a member to preside over the meeting, then the voting independent member elected by the voting and non-voting Committee members present at the meeting will preside over the meeting.

A quorum will consist of a majority of independent voting members. Where the vote is tied, the Chair has the casting vote.

The Audit Office of NSW (AO), the AO's contracted external auditor, and Council's internal auditor (consultant) have a 'standing' invitation to meetings as independent, non-voting observers. This includes receiving all business papers and meeting minutes.

The General Manager and senior management attend Committee meetings as non-voting observers. The Chair can request Council employees, contractor/s of Council, and any subject matter expert to attend Committee meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the Chair at any time.

The Committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the Committee present.

The Committee must meet separately with the head of the internal audit function and the Council's external auditor at least once each year.

Each Committee meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the Committee.

Voting is to be by open means (such as by voice or by show of hands or other means of indicating a vote).

The Committee may, at any time, resolve to adopt multiple items of business on the agenda together by way of a single resolution. A recommendation to adopt multiple items of business together must identify each of the items of business to be adopted and state that they are to be adopted as recommended in the business paper.

Dispute resolution

Members of the Committee and Council's management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the Committee and the General Manager or other senior managers, the dispute is to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the NSW Office of Local Government Departmental Chief Executive or equivalent as appointed from time to time, in writing.

Secretariat

The General Manager will nominate a staff member to provide secretariat support to the Committee. The secretariat will ensure the agenda for each meeting and business papers (in hardcopy or electronic form) are circulated to the Committee at least **5 working days** (inclusive of the day of issue) before the meeting and ensure that minutes of meetings are prepared and maintained. **Where possible, meeting minutes will be reviewed and confirmed at the end of each Committee meeting.**

The agenda and business papers will include a copy of the annual calendar / schedule of reporting to the Committee, for information only.

Resignation and dismissal of members

Where the Chair or a Committee member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give a minimum three months, but ideally six months, notice to the Chair and the governing body prior to their resignation to allow the Council to ensure a smooth transition to a new Chair or Committee member.

The governing body can, by resolution, terminate the appointment of the Chair or an independent Committee member before the expiry of their term where that person has:

- Breached council's Code of Conduct
- Performed unsatisfactorily or not to expectations
- Declared, or is found to be in, a position of a conflict of interest which is unresolvable
- Been declared bankrupt or found to be insolvent
- Experienced an adverse change in business status

- Been charged with a serious criminal offence
- Been proven to be in serious breach of their obligations under any legislation,
- Experienced an adverse change in capacity or capability, or
- In the circumstances outlined above in the shared arrangements.

The position of a Councillor/board member on the Committee can be terminated at any time by the governing body by resolution.

Review arrangements

At least once every Council term, the governing body must review or arrange for an external review of the effectiveness of the Committee.

This Charter must be reviewed annually by the Committee and once each council term by the governing body. Any substantive changes are to be approved by the governing body.

Further information

For further information on Council's Audit Risk and Improvement Committee, contact Council's Governance and Risk Manager by phone on (02) 6623 3800.

Schedule 1 – Audit, risk and improvement committee responsibilities

Audit

Internal audit

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the governing body, General Manager, senior management, the internal audit function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise Council:
 - on whether Council is providing the resources necessary to successfully deliver the internal audit function
 - if Council is complying with internal audit requirements
 - if Council's internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the Council are suitable
 - of the strategic four-year work plan and annual work plans of internal audits to be undertaken by Council's internal audit function
 - if Council's internal audit activities are effective, including the performance of the head of the internal audit function and the internal audit function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - of the implementation by Council of these corrective actions
 - on the appointment of the head of the internal audit function and external providers, and
 - if the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities

External audit

- Act as a forum for communication between the governing body, General Manager, senior management, the internal audit function and external audit
- Coordinate as far as is practicable, the work programs of internal audit and external audit
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided
- Review all external plans and reports in respect of planned or completed audits and monitor council's implementation of audit recommendations
- Provide advice to the governing body and/or General Manager on action to be taken on significant issues raised in relevant external audit reports and better practice guides

Risk

Risk management

- Review and advise Council:
 - if a current and appropriate risk management framework that is consistent with the Australian risk management standard is in place
 - whether Council is providing the resources necessary to successfully implement its risk management framework
 - whether Council's risk management framework is adequate and effective for identifying and managing the risks the Council faces, including those associated with individual projects, programs and other activities
 - if risk management is integrated across all levels of Council and across all processes, operations, services, decision-making, functions and reporting
 - of the adequacy of risk reports and documentation, for example, the Council's risk register and risk profile
 - whether a sound approach has been followed in developing risk management plans for major projects or undertakings
 - whether appropriate policies and procedures are in place for the management and exercise of delegations
 - if the Council has taken steps to embed a culture which is committed to ethical and lawful behaviour
 - if there is a positive risk culture within Council and strong leadership that supports effective risk management
 - of the adequacy of staff training and induction in risk management
 - how the Council's risk management approach impacts on Council's insurance arrangements
 - of the effectiveness of Council's management of its assets, and
 - of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal controls

- Review and advise Council:
 - whether Council's approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
 - whether Council has in place relevant policies and procedures and that these are periodically reviewed and updated
 - whether appropriate policies and procedures are in place for the management and exercise of delegations
 - whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with

- if Council's monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately

Compliance

- Review and advise Council of the adequacy and effectiveness of Council's compliance framework, including:
 - if Council has appropriately considered legal and compliance risks as part of the Council's risk management framework
 - how the Council manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
 - whether appropriate processes are in place to assess compliance.

Fraud and corruption

Review and advise Council of the adequacy and effectiveness of Council's fraud and corruption prevention framework and activities, including whether Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

Financial management

- Review and advise Council:
 - if Council is complying with accounting standards and external accountability requirements
 - of the appropriateness of Council's accounting policies and disclosures
 - of the implications for Council of the findings of external audits and performance audits and Council's responses and implementation of recommendations
 - whether Council's financial statement preparation procedures and timelines are sound
 - the accuracy of Council's annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by Council to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
 - if effective processes are in place to ensure financial information included in Council's annual report is consistent with signed financial statements
 - if Council's financial management processes are adequate
 - the adequacy of cash management policies and procedures
 - if there are adequate controls over financial processes, for example:

- appropriate authorisation and approval of payments and transactions
- adequate segregation of duties
- timely reconciliation of accounts and balances
- review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of Council are adequate
- if Council's grants and tied funding policies and procedures are sound.

Governance

- Review and advise Council regarding its governance framework, including Council's:
 - decision-making processes
 - implementation of governance policies and procedures
 - reporting lines and accountability
 - assignment of key roles and responsibilities
 - committee structure
 - management oversight responsibilities
 - human resources and performance management activities
 - reporting and communication activities
 - information and communications technology (ICT) governance, and
 - management and governance of the use of data, information and knowledge.

Improvement

Strategic planning

- Review and advise Council:
 - of the adequacy and effectiveness of Council's integrated, planning and reporting (IP&R) processes
 - if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
 - whether Council is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW government agencies, Commonwealth government agencies, insurance bodies)
- Review and advise Council:
 - If Council has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance

- if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and

how Council can improve its service delivery and Council's performance of its business and functions generally.

Performance data and measurement

- Review and advise Council:
 - if Council has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
 - if the performance indicators Council uses are effective, and
 - of the adequacy of performance data collection and reporting.

DRAFT

Schedule 2 – Register of Participating Organisations under shared arrangements

| Name of Participating Organisation | Appointed Head of Participating Organisation | Elected Head of Participating Organisation's governing body | Contact Person for Participating Organisation | Date of Shared Arrangement Agreement | Date/Resolution No. of approval of variations to Committee Charter |
|------------------------------------|--|---|--|--------------------------------------|--|
| Northern Rivers Joint Organisation | Name: Phillip Rudd | Name: Sharon Cadwallader | Sharon Cadwallader E: Sharon.cadwallader@ballina.nsw.gov.au T: 0428 339 023 | | |
| | Position Title: Executive Officer | Position Title: Chairperson | | | |
| | Name: | Name: | | | |
| | Position Title: | Position Title: | | | |
| | Name: | Name: | | | |
| | Position Title: | Position Title: | | | |
| | Name: | Name: | | | |
| | Position Title: | Position Title: | | | |
| | Name: | Name: | | | |
| | Position Title: | Position Title: | | | |
| | Name: | Name: | | | |
| | Position Title: | Position Title: | | | |



ROUS
COUNTY COUNCIL

NOMINATION FORM 2024
Audit, Risk and Improvement
Committee

Councillor Member (non-voting)

We nominate:

.....
(Councillor name)

for the position of **councillor member (non-voting)** of the Audit, Risk and Improvement Committee.

.....
(Councillor/signature)

.....
(Councillor/signature)

Date:

I consent to the nomination.

.....
(Councillor/signature)

Date:

Request for MC for International Women's Day event

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

Recommendation

That Council approve one councillor to be the MC for the International Women's Day event.

Background

In honour of International Women's Day (IWD), Rous County Council is hosting a private event at Invercauld House on 12 March 2024 with Rabia Saddique as the keynote speaker.

Rabia will provide a 45-minute presentation followed by a Q+A session with a small number of panellists associated with Rous. Attendees will be Rous staff and, if any seats are available, staff from constituent councils.

Rabia is a retired British army officer, criminal and human rights lawyer, and former terrorism and war crimes prosecutor. The theme Rabia will focus on is *'the power we have to overcome adversity when we call upon our resilience, and the capacity we all have to create ripples of positive change – in our lives and in the lives of those around us'*.

Nomination of councillor as Master of Ceremonies (MC)

A Rous councillor is sought to undertake the duties of the Master of Ceremonies (MC) for this IWD event.

The event celebrating International Women's Day (IWD), will run from 9 am to 12 noon and includes morning tea. Invitations will be sent to all councillors for their attendance.

Finance

Not applicable – the MC is a volunteer role.

Legal

Not applicable.

Consultation

This request is being sought by Rous's Communications and Customer Service team, who are leading preparations for the event, and in consultation with the General Manager and Chairperson.

Conclusion

To enable the efficient conduct of Rous's 2024 IWD event, it is recommended that a councillor be approved to act as MC at the event.

Quarterly Budget Review Statement Quarter ending 31 December 2023

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

Recommendation

That Council note the results presented in the Quarterly Budget Review Statement as at 31 December 2023 and authorise the variations to the amounts from those previously estimated.

Background

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

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

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


For the information of Council, the original 2023/24 budget was adopted on 21 June 2023 as part of the 2023/24 Operational plan and the 2023/27 Delivery program.

Finance

(QBRs1) Report by Responsible Accounting Officer

The following statement is made in accordance with clause 203(2) of the *Local Government (General) Regulation 2021*.

"It is my opinion that the Quarterly Budget Review Statement of Rous County Council for the quarter ended 31 December 2023 indicates that Council's projected financial position at 30 June 2024 will be satisfactory at year end, having regard to the projected estimates of income and expenditure, the original budgeted income and expenditure and Council's short-term liquidity position."



Jonathan Patino
Responsible Accounting Officer

Commentary on Proposed Adjustments – December 2023 (Table 1)

The following table details proposed budget variations as compared to the original budget and quarterly adjustments. The tables that follow summarise the changes on a reporting unit basis. For reporting purposes, only changes over \$5,000 are individually referenced.

Revenue has increased by \$2.0M, operating expenditure has decreased by \$0.7M, capital expenditure has decreased by \$0.4M and loan drawdowns have been decreased by \$15.0M, resulting in an overall change of \$11.5M to be transferred from reserves.

Significant Adjustments

Capital Works Program

Management have taken the QBRS as an opportunity to review the capital work program and the resources available to complete works. This remains an important focus with a complete review of proposed capital works to be undertaken as part of the annual budget process.

Impact on Reserves as a Whole

Despite significant savings being identified the removal of the loan drawdown will result in an decrease to our budgeted reserves, however, this means that Council will not be adding any new debt this financial year. The overall internal reserves policy position is still forecast to be met, along with the New South Wales Treasury Corporation loan covenant requirement to hold reserves that equal 6 months of the next financial year's operating expenditure less depreciation.

(QBR2) Table 1: Summary of Proposed Changes Whole Organisation – December 2023

| BUDGET ITEMS | Original Budget 2023/24 | 2022/23 Carryovers | September | December | Ref | Projected Year End Result 2023/24 |
|-------------------------------------|-------------------------|--------------------|--------------------|-------------------|--|-----------------------------------|
| | | | 30-Sep-23 | 31-Dec-23 | | |
| | | | Quarter | Quarter | | |
| Operating Income | | | | | | |
| Bulk | 28,798,700 | 0 | 114,000 | 620,900 | BW1, BW2, BW3, BW4, BW5 | 29,533,600 |
| Retail | 3,512,700 | 0 | 0 | (153,500) | RW1 | 3,359,200 |
| Flood | 1,174,200 | 0 | 1,546,900 | 1,574,000 | FM1, FM2, FM3 | 4,295,100 |
| Weeds | 1,722,200 | 0 | 0 | 0 | | 1,722,200 |
| Property | 197,800 | 0 | 140,000 | 0 | | 337,800 |
| Fleet | 126,100 | 0 | 0 | 0 | | 126,100 |
| TOTAL OPERATING INCOME | 35,531,700 | 0 | 1,800,900 | 2,041,400 | | 39,374,000 |
| Operating Expenses | | | | | | |
| Bulk | 30,132,300 | 1,053,500 | 708,300 | (1,017,300) | BW4, BW6, BW7, BW8, BW9, BW10, BW11, BW12, BW13, BW14, BW15, BW16, BW17, BW18, BW19, BW20, BW28, BW29, BW30, BW31, BW32 | 30,876,800 |
| Retail | 3,617,400 | 0 | (8,500) | 0 | | 3,608,900 |
| Flood | 1,922,700 | 122,000 | 133,600 | 237,500 | FM3 | 2,415,800 |
| Weeds | 2,667,100 | 113,500 | 13,300 | 0 | | 2,793,900 |
| Property | 321,600 | 0 | 82,500 | 0 | | 404,100 |
| Fleet | 129,400 | 0 | (2,100) | 105,000 | F1 | 232,300 |
| TOTAL OPERATING EXPENSES | 38,790,500 | 1,289,000 | 927,100 | (674,800) | | 40,331,800 |
| OPERATING RESULT | (3,258,800) | (1,289,000) | 873,800 | 2,716,200 | | (957,800) |
| Exclude Depreciation | 8,305,100 | 0 | 0 | 0 | | 8,305,100 |
| Cash Result | 5,046,300 | (1,289,000) | 873,800 | 2,716,200 | | 7,347,300 |
| Less: Capital Expense | 26,611,600 | 4,564,500 | (5,621,100) | (385,100) | BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27, RW2, P1, F2 | 25,169,900 |
| Add: Loan Funds | 15,000,000 | 0 | 0 | (15,000,000) | BW28 | 0 |
| Less: Loan Repayments | 4,191,300 | 0 | 0 | (365,900) | BW28 | 3,825,400 |
| Add: From/Less: (To) Reserve | 10,756,600 | 5,853,500 | (6,494,900) | 11,532,800 | | 21,648,000 |
| Estimated Cash Movement | 0 | 0 | 0 | 0 | | 0 |

Budget Adjustments Required this Quarter

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|--|----------------|--|------------|--------------------------|--------------------------|--|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| New | Flood Insurance Claim | BULK | Operating Revenue | BW1 | (150,000) | 0 | The second progress payment for flood damage has been received from Statewide Insurance. The related expenditure has already been incurred and included in the budget. |
| Existing | Interest on Investments | BULK | Operating Revenue | BW2 | (250,000) | 0 | Increased rates of return currently offered on term deposits along with the higher than expected cash reserves have led to an increase in forecast interest on investments. |
| Existing | Water Loss Implementation Grant Funding | BULK | Operating Revenue | BW3 | 57,000 | 0 | Grant funding from the Department of Planning and Environment of \$114,000 towards the Water Loss Implementation project was recognised in the September 2023 QBRs. However, \$57,000 of this had already been accrued in the 2022/23 financial year and, therefore, needs to be removed from the budgeted income for the 2023/24 financial year. |
| New | Grant Funding - Wilsons River Tidal Pool | BULK | Operating Revenue Operating Expenditure | BW4 BW4 | (27,900) 27,900 | 0 | Rous has been successful in obtaining grant funding for a project to revegetate and rehabilitate 675m of riparian length and 1.5ha of riparian and gully habitat fronting the Wilsons River Tidal Pool at Woodlawn, upstream of Lismore. This area is of high ecological importance and contributes to estuary health in the Richmond River catchment. The project includes subtropical rainforest plantings along the Wilsons River edge, with new stock-proof fencing, improved farm management and open woodland and wetlands plantings in the gully line. The project will be a demonstration of best practice methods for water quality protection within the Wilsons River Tidal Pool. |
| New | Wilsons River Water Main Crossing | BULK | Operating Revenue Capital Expenditure | BW5 BW5 | (250,000) 250,000 | (2,185,000) 2,185,000 | Rous has been successful in obtaining a State Government grant under the Infrastructure Betterment Fund for the burial of an elevated water main crossing of the Wilsons River near Bexhill. Grant payments will be staged with 4 instalments over the current financial year and the 2024/25 and 2025/26 financial years. Some expenditure on planning will be incurred in the current financial year, with most of the construction to occur from May to July 2025. This project will be fully grant-funded. |
| New | Implementation of Enterprise Risk Management Framework | BULK | Operating Expenditure | BW6 | 60,000 | 0 | Council staff have identified the need to implement an Enterprise Risk Management (ERM) Framework to comply with local government regulations. While, some of this work will be performed in-house, external consultants would be required for a Risk Culture Change Management Plan and Implementation Support, ERM Framework Design Assistance and Organisation Change Material Development. A budget of \$60,000 for consultants fees is requested for the 2023/24 financial year and any changes to future years forecasts will be assessed as part of the annual budget process. |
| New | Drought Communications & Engagement Officer Role | BULK | Operating Expenditure | BW7 | 35,000 | 0 | Council staff have identified the need for a Drought Communications and Engagement Officer to manage effective delivery of the drought management plan to meet Council's legislated requirements and agreed levels of service. This position will be a 6-month contract and will coordinate the development and implementation of a broad range of internal and external communication services with a particular focus on the implementation of water restrictions across the region, should this be necessary. |

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|--|----------------|--|------------|--------------------------|------------------------|---|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| Existing | Payroll Support Officer | BULK | Operating Expenditure Operating Expenditure | BW8 BW8 | (63,600) 63,600 | | 0 The Payroll Support Officer role is currently being filled through labour hire on a 6-month term. Payroll processes are being assessed as part of the ongoing Digital Transformation project and, in the meantime, this resource is required to assist with payroll functions and provide cover for leave. The movement from salaries to contractors has an overall budget impact of nil. |
| Existing | Cultural Education Information Centre | BULK | Operating Expenditure | BW9 | (74,000) | | 0 The 2023/24 budget includes a budget allocation of \$109,100 for the establishment of a new space in the shopfront area on Level 2 of the Molesworth Street administration building as an engagement space across Rous's respective service delivery areas. This space is also intended to provide further opportunity to deepen partnerships with local First Nations people and organisations as part of Council's Reconciliation Action Plan. This space is now operational as a cultural, environmental and information centre, consistent with the concept originally envisaged at the Visitor Information Centre building that was damaged in the floods of February and March 2022. Whilst operational and being well used by both Rous and community organisations, it remains a work in progress as there remain additional engagement tools to be finalised, as well as support for targeted engagement activities. The budget allocation was also intended to review and update Council's Reconciliation Action Plan. It is not anticipated that this work will be fully completed in the 2023/24 financial year and therefore \$74,000 can be returned to reserve. Any changes to future years forecasts will be assessed as part of the annual budget process. |
| New | Recruitment of Planning and Development Engineer | BULK | Operating Expenditure | BW10 | 18,800 | | 0 The role of Planning and Development Engineer has been vacant for some time and has proved extremely difficult to fill. Council staff would like to engage a specialist recruiter to assist with filling this important role and are requesting a budget of \$18,800 for this purpose. |
| Existing | Mains Swabbing | BULK | Operating Expenditure | BW11 | 7,800 | | 0 This project is complete but additional costs were incurred. This was caused by an unknown valve in the network resulting in a cleaning swab becoming lodged in a pipe and requiring additional internal staff and contractor labour and machinery to locate and remove it. Therefore, an additional \$7,800 is requested from the bulk water reserve. |
| Existing | Chemicals Expense | BULK | Operating Expenditure | BW12 | 580,000 | | 0 There have been significant price increases for the chemicals used at the water treatment plants since the budget for the 2023/24 financial year was set. This includes high CO2 prices as the supplier is currently implementing a surcharge while sourcing from interstate and overseas. It is hoped that the high CO2 prices are temporary as the supplier is expecting to have a new processing facility operational mid-2024. In the meantime, a transfer of \$580,000 is requested from the bulk water reserve to cover the extra cost. |
| New | ELMO System Support | BULK | Operating Expenditure | BW13 | 5,000 | | 0 The ELMO system is Council's Human Resources employee hub. Additional support is requested to deliver continuous improvement to workflows and functionality, further development of the system, improvement of processes and upskilling of team members across the system. A transfer of \$5,000 would be required from the bulk water reserve in the current financial year and any changes to future years forecasts will be assessed as part of the annual budget process |

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|--|----------------|---|----------------------|--------------------------------|-------------------------|--|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| New | Leadership and Culture Program | BULK | Operating Expenditure | BW14 | 70,000 | 0 | This project would involve the engagement of a Leadership and Culture consultant to deliver a culture transformation program, including utilisation of the Human Synergistics tools. A transfer of \$70,000 would be required from the bulk water reserve in the current financial year. |
| New | Health and Wellbeing Initiatives | BULK | Operating Expenditure | BW15 | 10,000 | 0 | The purpose of this project is to deliver relevant training programs and initiatives to support Council's Health and Wellbeing Strategy for the 2023/24 financial year, including Mental Health First Aid and Psychosocial Hazard training. A transfer of \$10,000 would be required from the bulk water reserve in the current financial year. |
| New | Change Management Consultant | BULK | Operating Expenditure | BW16 | 175,000 | 0 | This resource is proposed to develop a change management framework, scoping and delivery for the Gallans Road relocation and the Digital Transformation project. A transfer of \$175,000 would be required from the bulk water reserve in the current financial year and any changes to future years forecasts will be assessed as part of the annual budget process. |
| Existing | Future Water Project - Secure Yield Assessment | BULK | Operating Expenditure | BW17 | 75,000 | 0 | Additional costs are expected to be incurred in the Secure Yield Assessment part of the Future Water Project to enable updating of the source model in accordance with DPE modelling requirements, extraction of climate sequence information and additional secure yield modelling. Therefore, a transfer of \$75,000 is requested from the bulk water reserve. |
| Existing | Digital Transformation Project - Replacement of Payroll System | BULK | Capital Expenditure Capital Expenditure Operating Expenditure | BW18 BW18 BW18 | (140,000) 140,000 15,000 | (25,000) 25,000 0 | As part of the Digital Transformation Project, the current PayGlobal payroll system is being replaced and Employee Self Service capability is being introduced. It is proposed to transfer \$140,000 from the Digital Transformation budget in the 2023/24 financial year and \$25,000 in the 2024/25 financial year to cover this expenditure, which has a nil effect on the budget. Additional operating expenditure of \$15,000 is required in the 2023/24 financial year and a transfer from the bulk water reserve is requested to cover this. |
| Existing | Future Water Project - Direct Potable Reuse Pilot Scheme | BULK | Capital Expenditure Operating Expenditure | BW19 BW19 | (50,000) 15,000 | 0 0 | Development of a Direct Potable Reuse Pilot Plant cannot be justified due to the significant costs associated with doing so and the limited ability to advance this option based on the current regulatory framework. Therefore, it is proposed to transfer \$15,000 of the budget to operating expenditure to cover costs incurred in reaching this point and return the balance of \$35,000 to the bulk water reserve. |
| Existing | Future Water Project - Project Management | BULK | Capital Expenditure Operating Expenditure | BW20 BW20 | (800,000) 400,000 | 0 0 | The approved capital budget for project management of the Future Water Project will not all be required in the current financial year. Therefore, it is proposed to return \$400,000 to the bulk water reserve. Council finance staff have advised that the remaining budget should be moved to operating expenditure as this cost can not be capitalised. |
| Existing | Future Water Project - Woodburn Bores | BULK | Capital Expenditure | BW21 | (450,000) | 450,000 | Some of the work on this project planned for the current financial year will not be completed by June 2024. Therefore, \$450,000 of the budget should be deferred to the 2024/25 financial year. |
| Existing | Renewable Energy and Emissions Reduction Plan (REERP) - Nightcap Raw Water Pumps | BULK | Capital Expenditure | BW22 | 135,000 | 0 | Council adopted the Renewable Energy and Emissions Reduction Plan (REERP) at the 18 October 2023 Council Meeting (49/23). This project is to install a further 100-kW system on the roof of the water reservoir next to the Nightcap Water Treatment Plant and investigate the potential of augmenting the system with a battery storage unit for capturing exports during the day; however, this project will be completed over the current 2023/24 financial year and the 2024/25 financial year. As such, 50% of the project budget is included in this year's budget, with the remainder to be included in Council's updated budget, which is due to be presented to Council at the March 2024 workshop. |

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|--|----------------|--|----------------------|--|------------------------|--|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| Existing | Ross Street 375 Upgrade | BULK | Capital Expenditure | BW23 | 28,400 | | 0 This project is complete but was overbudget due to higher than estimated costs for steel pipes and extension of pipeline replacement alignment beyond road corridor to provide safe future operation. Therefore, an additional \$28,400 is requested from the bulk water reserve. |
| Existing | Drainage Work at Rocky Creek Dam Wall | BULK | Capital Expenditure | BW24 | 14,900 | | 0 This project to repair flood damage near the Rocky Creek Dam wall will be overbudget as quotes from contractors were higher than expected. However, the work is essential and, therefore, an additional \$14,900 is requested from the bulk water reserve. |
| Existing | Debubblers for Turbidity Instruments | BULK | Capital Expenditure | BW25 | 6,600 | | 0 This equipment was ordered in the 2022/23 financial year from the budget for turbidity instruments. However, due to supplier delays, it wasn't received and invoiced until the current financial year. Therefore, a transfer of \$6,600 is requested from the bulk water reserve to cover this extra cost. |
| Existing | Wilsons River Source Low Lift Pump Station | BULK | Capital Expenditure | BW26 | 90,000 | | 0 As part of Council's engagement with PWA for the reinstatement of the Wilsons River Source Low Lift Pump Station, there are some items which we have been advised will not be funded by PWA. This includes an extension to the platform and an upgrade to the platform access stairs to an enclosed staircase. The platform extension would provide additional space to accommodate the Backblast vessel and allow periodic safe inspections and maintenance to be undertaken. The enclosed staircase will provide safe access to the platform for personnel, particularly if there is a need to carry tools and/or equipment from the ground to the platform (6 meters above ground level) where all platform equipment (switchboard, compressors, instruments, controls) is located. Often operators and/or trades are working alone and the existing access arrangement presents difficulty in extracting and rescuing, should this be necessary. A transfer of \$90,000 is requested from the bulk water reserve to fund this project. |
| Existing | St Helena 300 Upgrade | BULK | Capital Expenditure | BW27 | (400,000) | 400,000 | A portion of the budget for this project was brought forward from the 2027/28 financial year to the current financial year to avail of expected savings to be made by aligning the installation of a planned section of the St Helena 450mm pipeline at Rankin Drive, Bangalow with planned work by a developer on the site. The developer is required to contribute to the cost of the work and is not in a position to do so at the moment. They are currently exploring other options to reduce costs as well as working through some other issues associated with their development application. Therefore, this work is not expected to commence this financial year and it is proposed to defer the \$400,000 budget from the 2023/24 financial year to the 2024/25 financial year. |
| Existing | External Borrowings | BULK | Loan Drawdowns Loan Repayments Operating Expenditure | BW28 BW28 BW28 | 15,000,000 (365,900) (1,050,000) | | 0 Original budget estimates indicated the need for a \$15M loan to fund capital works. 0 Council's Long-Term Financial Plan includes a significant level of capital works that is 0 to be partially funded through loan borrowings. Due to increased cash reserves from the previous financial year and budget savings that have been identified throughout the year, this is no longer required. Removing this loan from the budget reduces principal and interest repayments by \$1.4M. |

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|---|----------------|--|------------|--------------------------|------------------------|--|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| Existing | Backflow Device Fees | RETAIL | Operating Revenue | RW1 | 153,500 | | 0 The installation of the backflow devices for retail customers has been delayed. While they will be installed by the end of the 2023/24 financial year, no income will now be received until the 2024/25 financial year. |
| New | North Lismore Water Filling Station | RETAIL | Capital Expenditure | RW2 | 40,000 | | 0 Council staff propose to install a new water filling station in Lake Street, North Lismore to improve access to water for rural customers when the area experiences drier conditions. During the recent Nimbin water restrictions there were queues and delays of up to an hour at the South Lismore filling station and longer travel times for water carters to deliver water to Nimbin and surrounds, resulting in fewer loads able to be delivered each day. This station will better service customers north of Lismore and take pressure off the single existing station in South Lismore. Lismore City Council staff have approved the installation of the station on their network. |
| New | Grant Funding - Coraki Riparian Project | FLOOD | Operating Revenue | FM1 | (40,000) | | 0 Rous has been successful in obtaining additional funding from the Department of Planning and Environment for the Coraki Riparian project under the Coastal & Estuary Implementation Program. This allows Rous to revise the project scope and location from Windsor Park to East Coraki Reserve. The expenditure for this extension to the project has already been included in the budget. |
| New | Flood Grant - West Coraki Levee Flood Grant - Bungawalbin East Levee | FLOOD | Capital Income Operating Revenue | FM2 FM2 | (1,096,000) (200,500) | | 0 Two public assets located within the Richmond Valley Council area were damaged during the March/April 2021 flood event. These assets were the West Coraki Levee, which required a substantial capital works restoration to be completed, and the Bungawalbin Levee, which required some repairs. Works were completed to restore these assets to their pre-flood condition under the NSW Natural Disaster Funding and this funding has now been received. |
| New | Grant Funding - Bungawalbin Levee Rock Armour Repairs | FLOOD | Operating Revenue Operating Expenditure | FM3 FM3 | (237,500) 237,500 | | 0 The Bungawalbin Levee was damaged during the 2022 flood event, with the creek side of the levee slumping into the creek. Rous has been successful in obtaining funding under the Natural Disaster Relief Assistance Program to undertake investigations into the preferred reinstatement approach and undertake the repairs. |
| Existing | Perradenya | PROPERTY | Capital Expenditure | P1 | 500,000 | (500,000) | Some expenditure on this project has been brought forward to the current financial year. |
| Existing | Fleet Operating Expenses | FLEET | Operating Expenditure | F1 | 105,000 | | 0 The operating expenses for Council's fleet of vehicles are increasing due to increased fuel costs and the increased costs of repairs and maintenance for an aging fleet. Therefore, a transfer of \$105,000 is requested from the fleet reserve to fund this increased budget in the current financial year. It is expected that repair and maintenance costs would return to normal levels in future years as vehicle replacement returns to the usual schedule. However, fuel costs are not expected to decrease significantly. Any changes to future years forecasts will be assessed as part of the annual budget process. The internal hire charges as currently being assessed and any required adjustments will be made in the March 2024 QBRs. |

| New / Existing | Description | Reporting Unit | Category | Ref | Adjustment Amount | | Notes |
|----------------|--|----------------|-----------------------|------|--------------------------|------------------------|--|
| | | | | | Current Budget (2023/24) | LTFP (2024/25-2032/33) | |
| Existing | Vehicle Replacement | FLEET | Capital Expenditure | F2 | 250,000 | | 0 Vehicle replacements fell behind schedule over the last few years due to the difficulty sourcing new vehicles and the prioritisation of replacing flood-damaged equipment. Vehicles are now becoming more readily available and the fleet team has begun to source vehicles more widely. Therefore, a transfer of \$250,000 is requested from the Fleet reserve to fund the additional replacement of vehicles in the 2023/24 financial year. |
| Existing | Budget Savings Identified Electricity Expense | BULK | Operating Expenditure | BW29 | (1,000,000) | | 0 The increase in electricity contract rates has not had as significant an impact as originally expected. Council staff also budgeted for the cost of running the Wilsons River Source for the whole year which has not been the case. Therefore, there will be savings in the electricity budget and \$1,000,000 can be returned to the bulk water reserve in the current financial year. Any additional savings in future years will be assessed as part of the annual budget process. |
| | Waste Solids Disposal - Nightcap Water Treatment Plant | BULK | Operating Expenditure | BW30 | (360,000) | (3,240,000) | 0 Council have engaged contractors to remove the waste produced at the Nightcap Water Treatment Plant. Previous budget estimates for this activity were \$690,000 per annum; the revised cost is \$330,000 per annum allowing \$360,000 per annum to be returned to reserve. |
| | Employee Self Service Application | BULK | Operating Expenditure | BW31 | (9,000) | | 0 The balance of this project is no longer required as it is now part of the Digital Transformation project. Therefore, the remaining budget of \$9,000 can be returned to reserves. |
| | Salary Savings - Planning and Development Engineer | BULK | Operating Expenditure | BW32 | (18,800) | | 0 A portion of the salary budget has been saved through the role of Planning and Development Engineer being vacant and can be returned to reserves. |
| | | | | | 11,532,800 | (2,890,000) | |

Bulk Water Reporting Unit

(QBR52) Income & Expenses - Bulk

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|---|---|-------------------|
| Operating Income | | | | | | | |
| Water Sales | 21,796,700 | 0 | 0 | 0 | | 21,796,700 | 10,924,700 |
| Interest Income / Sundry | 1,103,100 | 0 | 0 | 400,000 | BW1, BW2 | 1,503,100 | 1,163,700 |
| Property Income | 20,800 | 0 | 0 | 0 | | 20,800 | 10,600 |
| Operating Grants and Contributions | 1,507,100 | 0 | 114,000 | 220,900 | BW3, BW4, BW5 | 1,842,000 | 71,400 |
| Profit on Sale | 0 | 0 | 0 | 0 | | 0 | 0 |
| Capital Income | 4,371,000 | 0 | 0 | 0 | | 4,371,000 | 1,936,600 |
| Total Operating Income | 28,798,700 | 0 | 114,000 | 620,900 | | 29,533,600 | 14,107,000 |
| Operating Expense | | | | | | | |
| Administration Expenses | 755,500 | 0 | 20,000 | 0 | | 775,500 | 708,000 |
| Administration - Retail Water Cost | (2,041,000) | 0 | 0 | 0 | | (2,041,000) | (1,005,500) |
| Finance Costs | 2,259,300 | 0 | 0 | (1,050,000) | BW28 | 1,209,300 | 592,300 |
| Building/Depot Expenses | 612,500 | 0 | (17,600) | 0 | | 594,900 | 282,600 |
| Fleet Hire Expense | 629,000 | 0 | 16,400 | 0 | | 645,400 | 323,000 |
| Training & Staff | 368,200 | 0 | 0 | 0 | | 368,200 | 110,300 |
| Insurance | 385,700 | 0 | 26,000 | 0 | | 411,700 | 365,500 |
| Members Expenses | 169,100 | 0 | 0 | 0 | | 169,100 | 61,900 |
| Salaries & Wages | 9,040,400 | 0 | 101,500 | (47,400) | BW7, BW8 | 9,094,500 | 4,259,300 |
| Operations Purchases | 11,244,500 | 1,053,500 | 562,000 | 80,100 | BW4, BW6, BW8, BW9, BW10, BW11, BW12, BW13, BW14, BW15, BW16, BW17, BW18, BW19, BW20, BW29, BW30, BW31, RW3? | 12,940,100 | 3,510,700 |
| Depreciation | 6,709,100 | 0 | 0 | 0 | | 6,709,100 | 3,097,700 |
| Total Operating Expense | 30,132,300 | 1,053,500 | 708,300 | (1,017,300) | | 30,876,800 | 12,305,800 |
| Operating Result | (1,333,600) | (1,053,500) | (594,300) | 1,638,200 | | (1,343,200) | 1,801,200 |
| Less: Depreciation | 6,709,100 | 0 | 0 | 0 | | 6,709,100 | 3,097,700 |
| Operating Result Excl. Non Cash | 5,375,500 | (1,053,500) | (594,300) | 1,638,200 | | 5,365,900 | 4,898,900 |
| Less: Capital Expenses | 20,175,300 | 2,143,300 | (3,820,100) | (1,175,100) | BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27 | 17,323,400 | 3,522,900 |
| Add: Loan Funds | 15,000,000 | 0 | 0 | (15,000,000) | BW28 | 0 | 0 |
| Less: Loan Repayments | 4,191,300 | 0 | 0 | (365,900) | BW28 | 3,825,400 | 1,885,000 |
| Transfer from/(to) Reserve | 3,991,100 | 3,196,800 | (3,225,800) | 11,820,800 | | 15,782,900 | 509,000 |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Bulk Water Reserve

The required changes above will result in \$11,820,800 being transferred from the Bulk Water reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$12,994,900 which is short of the internal reserves policy target of 6 months operating expenditure or \$15,438,400.

Retail Water Reporting Unit

(QBR2) Income & Expenses - Retail

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|-----|---|------------------|
| Operating Income | | | | | | | |
| Water Sales | 3,417,900 | 0 | 0 | (153,500) | RW1 | 3,264,400 | 1,820,000 |
| Interest Income / Sundry | 79,800 | 0 | 0 | 0 | | 79,800 | 11,200 |
| Capital Income | 15,000 | 0 | 0 | 0 | | 15,000 | 4,700 |
| Total Operating Income | 3,512,700 | 0 | 0 | (153,500) | | 3,359,200 | 1,835,900 |
| Operating Expense | | | | | | | |
| Administration Expenses | 2,282,100 | 0 | 0 | 0 | | 2,282,100 | 1,113,900 |
| Fleet Hire Expenses | 91,400 | 0 | 0 | 0 | | 91,400 | 45,700 |
| Salaries and Wages | 684,300 | 0 | (8,500) | 0 | | 675,800 | 345,000 |
| Operations Purchases | 139,400 | 0 | 0 | 0 | | 139,400 | 93,600 |
| Depreciation and Amortisation | 420,200 | 0 | 0 | 0 | | 420,200 | 133,200 |
| Total Operating Expense | 3,617,400 | 0 | (8,500) | 0 | | 3,608,900 | 1,731,400 |
| Operating Result | (104,700) | 0 | 8,500 | (153,500) | | (249,700) | 104,500 |
| Less Depreciation | 420,200 | 0 | 0 | 0 | | 420,200 | 133,200 |
| Operating Result Excl. Non Cash | 315,500 | 0 | 8,500 | (153,500) | | 170,500 | 237,700 |
| Less: Capital Expenses | 3,591,600 | 1,024,200 | 0 | 40,000 | RW2 | 4,655,800 | 1,342,600 |
| Transfer from/(to) Reserve | 3,276,100 | 1,024,200 | (8,500) | 193,500 | | 4,485,300 | 1,104,900 |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Retail Water Reserve

These required changes above will result in a \$193,500 transfer from the Retail Water reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$225,000 which is short of the internal reserves policy target of 8 months operating expenditure or \$2,405,900. This includes a planned transfer of \$2,000,000 from Bulk Water reserves to fund the smart metering/backflow project.

Flood Mitigation Reporting Unit

(QBR2) Income & Expenses - Flood

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|------------------|---|--------------------|
| Operating Income | | | | | | | |
| Grants and Contributions | 1,150,400 | 0 | 1,533,100 | 1,574,000 | FM1, FM2, FM3 | 4,257,500 | 1,840,700 |
| Interest Income / Sundry | 23,800 | 0 | 13,800 | 0 | | 37,600 | 22,800 |
| Capital Income | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Income | 1,174,200 | 0 | 1,546,900 | 1,574,000 | | 4,295,100 | 1,863,500 |
| Operating Expense | | | | | | | |
| Administration Expenses | 216,400 | 0 | 0 | 0 | | 216,400 | 107,300 |
| Building/Depot Expenses | 9,900 | 0 | 0 | 0 | | 9,900 | 8,900 |
| Fleet Hire Expenses | 78,200 | 0 | 0 | 0 | | 78,200 | 39,100 |
| Insurance | 4,700 | 0 | 1,500 | 0 | | 6,200 | 6,200 |
| Salaries and Wages | 490,600 | 0 | 50,500 | 0 | | 541,100 | 242,100 |
| Operations Purchases | 417,200 | 122,000 | 81,600 | 237,500 | FM3 | 858,300 | 103,500 |
| Depreciation and Amortisation | 705,700 | 0 | 0 | 0 | | 705,700 | 388,800 |
| Loss on Sale | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Expense | 1,922,700 | 122,000 | 133,600 | 237,500 | | 2,415,800 | 895,900 |
| Operating Result | (748,500) | (122,000) | 1,413,300 | 1,336,500 | | 1,879,300 | 967,600 |
| Less Depreciation | 705,700 | 0 | 0 | 0 | | 705,700 | 388,800 |
| Operating Result Excl. Non Cash | (42,800) | (122,000) | 1,413,300 | 1,336,500 | | 2,585,000 | 1,356,400 |
| Less: Capital Expenses | 156,400 | 1,368,000 | 59,000 | 0 | | 1,583,400 | 86,400 |
| Transfer from/(to) Reserve | 199,200 | 1,490,000 | (1,354,300) | (1,336,500) | | (1,001,600) | (1,270,000) |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Flood Mitigation Reserve

These required changes above will result in a \$52,600 transfer to the Flood Mitigation reserve in the 2023/24 financial year with the remainder being transferred back to Bulk Water reserves. The projected balance as at 30 June 2024 will increase to \$678,800 which is short of the internal reserves policy target of 5 months operating expenditure or \$1,006,600.

Weed Biosecurity Reporting Unit

(QBR2) Income & Expenses - Weeds

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|-----|---|------------------|
| Operating Income | | | | | | | |
| Grants and Contributions | 1,640,000 | 0 | 0 | 0 | | 1,640,000 | 430,800 |
| Interest Income / Sundry | 82,200 | 0 | 0 | 0 | | 82,200 | 42,100 |
| Capital Income | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Income | 1,722,200 | 0 | 0 | 0 | | 1,722,200 | 472,900 |
| Operating Expense | | | | | | | |
| Administration Expenses | 338,700 | 0 | 0 | 0 | | 338,700 | 176,900 |
| Building/Depot Expenses | 13,900 | 0 | 0 | 0 | | 13,900 | 8,200 |
| Fleet Hire Expenses | 232,000 | 0 | 0 | 0 | | 232,000 | 116,400 |
| Training & Staff | 0 | 0 | 0 | 0 | | 0 | 13,600 |
| Salaries and Wages | 1,457,400 | 54,500 | 13,300 | 0 | | 1,525,200 | 766,700 |
| Operations Purchases | 594,100 | 59,000 | 0 | 0 | | 653,100 | 104,400 |
| Depreciation and Amortisation | 31,000 | 0 | 0 | 0 | | 31,000 | 15,800 |
| Total Operating Expense | 2,667,100 | 113,500 | 13,300 | 0 | | 2,793,900 | 1,202,000 |
| Operating Result | (944,900) | (113,500) | (13,300) | 0 | | (1,071,700) | (729,100) |
| Less Depreciation | 31,000 | 0 | 0 | 0 | | 31,000 | 15,800 |
| Operating Result Excl. Non Cash | (913,900) | (113,500) | (13,300) | 0 | | (1,040,700) | (713,300) |
| Less: Capital Expenses | 0 | 0 | 0 | 0 | | 0 | 0 |
| Transfer from/(to) Reserve | 913,900 | 113,500 | 13,300 | 0 | | 1,040,700 | 713,300 |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Weed Biosecurity Reserve

Nil for this quarter.

Property Reporting Unit

(QBR2) Income & Expenses - Property

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|-----|---|-----------------|
| Operating Income | | | | | | | |
| Interest Income / Sundry | 36,800 | 0 | 140,000 | 0 | | 176,800 | 18,500 |
| Property Income | 161,000 | 0 | 0 | 0 | | 161,000 | 95,000 |
| Capital Income | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Income | 197,800 | 0 | 140,000 | 0 | | 337,800 | 113,500 |
| Operating Expense | | | | | | | |
| Administration Expenses | 53,200 | 0 | 0 | 0 | | 53,200 | 26,800 |
| Building/Depot Expenses | 187,800 | 0 | 14,200 | 0 | | 202,000 | 91,600 |
| Salaries and Wages | 11,100 | 0 | 68,300 | 0 | | 79,400 | 42,000 |
| Operations Purchases | 26,300 | 0 | 0 | 0 | | 26,300 | 14,200 |
| Depreciation and Amortisation | 43,200 | 0 | 0 | 0 | | 43,200 | 24,600 |
| Total Operating Expense | 321,600 | 0 | 82,500 | 0 | | 404,100 | 199,200 |
| Operating Result | (123,800) | 0 | 57,500 | 0 | | (66,300) | (85,700) |
| Less Depreciation | 43,200 | 0 | 0 | 0 | | 43,200 | 24,600 |
| Operating Result Excl. Non Cash | (80,600) | 0 | 57,500 | 0 | | (23,100) | (61,100) |
| Less: Capital Expenses | 2,266,900 | 29,000 | (1,860,000) | 500,000 | P1 | 935,900 | 151,500 |
| Transfer from/(to) Reserve | 2,347,500 | 29,000 | (1,917,500) | 500,000 | | 959,000 | 212,600 |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Property Reserve

These required changes above will result in a \$500,000 transfer from the Property reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$646,500 which is beyond the internal reserves policy target of 6 months operating expenditure or \$202,000.

Fleet Reporting Unit

(QBR52) Income & Expenses - Fleet

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|--|----------------------------|-----------------------|------------------------------------|---|-----|---|----------------|
| Operating Income | | | | | | | |
| Interest Income / Sundry | 126,100 | 0 | 0 | 0 | | 126,100 | 64,000 |
| Capital Income | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Income | 126,100 | 0 | 0 | 0 | | 126,100 | 64,000 |
| Operating Expense | | | | | | | |
| Fleet Operations | 582,100 | 0 | 50,900 | 105,000 | F1 | 738,000 | 298,900 |
| Fleet Hire Income | (1,030,600) | 0 | (16,400) | 0 | | (1,047,000) | (523,500) |
| Salaries and Wages | 182,000 | 0 | (36,600) | 0 | | 145,400 | 59,500 |
| Depreciation and Amortisation | 395,900 | 0 | 0 | 0 | | 395,900 | 201,300 |
| Loss on Sale | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Operating Expense | 129,400 | 0 | (2,100) | 105,000 | | 232,300 | 36,200 |
| Operating Result | (3,300) | 0 | 2,100 | (105,000) | | (106,200) | 27,800 |
| Less Depreciation | 395,900 | 0 | 0 | 0 | | 395,900 | 201,300 |
| Operating Result Excl. Non Cash | 392,600 | 0 | 2,100 | (105,000) | | 289,700 | 229,100 |
| Less: Capital Expenses | 421,400 | 0 | 0 | 250,000 | F2 | 671,400 | 579,900 |
| Transfer from/(to) Reserve | 28,800 | 0 | (2,100) | 355,000 | | 381,700 | 350,800 |
| Net Cash Movement | 0 | 0 | 0 | 0 | | 0 | 0 |

Impact on Fleet Reserve

These required changes above will result in a \$355,000 transfer from the Fleet reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$761,100 which is beyond the internal reserves policy target of 4 months operating expenditure or \$426,400.

Budget Review for the Quarter Ended 31 December 2023

(QBR3) Capital Budget

| | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Ref | Projected Year End Result 2023/24 | Actual YTD |
|----------------------------------|----------------------------|-----------------------|------------------------------------|---|---|---|------------------|
| Capital Funding: | | | | | | | |
| Capital Grants & Contributions | 0 | 1,300,000 | 0 | 0 | | 1,300,000 | 0 |
| Internal Restrictions | | | | | | | |
| - Renewals | 10,834,730 | 2,336,485 | (867,000) | (925,100) | | 11,379,115 | 3,518,800 |
| - New Assets | 11,405,870 | 928,015 | (4,754,100) | 540,000 | | 8,119,785 | 223,200 |
| External Restrictions | | | | | | | |
| - Infrastructure | 0 | 0 | 0 | 0 | | 0 | 0 |
| Other Capital Funding Sources | | | | | | | |
| - Operating Revenue | 0 | 0 | 0 | 0 | | 0 | 0 |
| - S64 Contributions | 4,371,000 | 0 | 0 | 0 | | 4,371,000 | 1,941,300 |
| Income from Sale of Assets | | | | | | | |
| - Plant and Equipment | 0 | 0 | 0 | 0 | | 0 | 0 |
| - Land and Buildings | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Capital Funding | 26,611,600 | 4,564,500 | (5,621,100) | (385,100) | | 25,169,900 | 5,683,300 |
| Capital Expenditure: | | | | | | | |
| New Assets | | | | | | | |
| - Plant and Equipment | 0 | 0 | 0 | 0 | | 0 | 0 |
| - Office Equipment | 880,000 | 0 | (70,000) | 0 | | 810,000 | 26,200 |
| - Inventory (Land) | 2,200,000 | 0 | (2,000,000) | 500,000 | P1 | 700,000 | 67,800 |
| - Land and Buildings | 4,087,800 | 0 | 0 | 0 | | 4,087,800 | 711,500 |
| - Infrastructure | 8,609,070 | 928,015 | (2,684,100) | 40,000 | RW2 | 6,892,985 | 1,359,000 |
| Renewals (Replacement) | | | | | | | |
| - Plant and Equipment | 421,400 | 0 | 23,000 | 250,000 | F2 | 694,400 | 579,200 |
| - Office Equipment | 543,700 | 0 | (161,000) | 0 | | 382,700 | 143,000 |
| - Land and Buildings | 66,900 | 29,000 | 140,000 | 0 | | 235,900 | 59,600 |
| - Infrastructure | 9,802,730 | 3,607,485 | (869,000) | (1,175,100) | BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27 | 11,366,115 | 2,737,000 |
| Total Capital Expenditure | 26,611,600 | 4,564,500 | (5,621,100) | (385,100) | | 25,169,900 | 5,683,300 |

Impact on Capital Works Program

The required adjustments above will result in a further reduction in capital works of \$385,100 being transferred to reserves reducing the total capital works program for 2023/24 to \$25,169,900. As at 30 September, \$5,683,300 or 22.57% of these works have been completed while another \$5,500,000 or 21.85% has been committed.

Budget Review for the Quarter Ended 31 December 2023

(QBRs4) Cash & Investments

| | Opening Balances 2023/24 | Original Budget 2023/24 | 2022/23 Carryovers | Approved Changes Sept Review | Recommend Changes for Council Resolution | Projected Year End Result 2023/24 |
|------------------------------------|--------------------------|-------------------------|--------------------|------------------------------|--|-----------------------------------|
| Unrestricted: | | | | | | |
| Flood Mitigation | 99,000 | 0 | 0 | 0 | 0 | 99,000 |
| Weeds Biosecurity | 25,800 | 0 | 0 | 0 | 0 | 25,800 |
| Retail Water | 100,000 | 0 | 0 | 0 | 0 | 100,000 |
| Property | 100,000 | 0 | 0 | 0 | 0 | 100,000 |
| Fleet | 50,000 | 0 | 0 | 0 | 0 | 50,000 |
| Bulk Water | 2,354,000 | 0 | 0 | 0 | 0 | 2,354,000 |
| Total Unrestricted | 2,728,800 | 0 | 0 | 0 | 0 | 2,728,800 |
| Externally Restricted: | | | | | | |
| Flood Grants | 416,800 | (310,600) | 0 | 23,000 | 0 | 129,200 |
| Weeds Grants | 771,500 | (263,500) | 0 | 0 | 0 | 508,000 |
| Weeds Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Bulk Water Grants | 826,000 | (826,000) | 0 | 0 | 57,000 | 57,000 |
| Bulk Water Other | 2,740,900 | (1,380,900) | 0 | 0 | 0 | 1,360,000 |
| Total Externally Restricted | 4,755,200 | (2,781,000) | 0 | 23,000 | 57,000 | 2,054,200 |
| Internally Restricted: | | | | | | |
| Flood Mitigation | 445,300 | 1,111,400 | (1,490,000) | 331,300 | 52,600 | 450,600 |
| Weeds Biosecurity | 1,060,700 | (650,400) | (113,500) | (13,300) | 0 | 283,500 |
| Retail Water | 2,610,300 | (1,276,100) | (1,024,200) | 8,500 | (193,500) | 125,000 |
| Property | 1,505,500 | (1,347,500) | (29,000) | 917,500 | (500,000) | 546,500 |
| Fleet | 1,092,800 | (28,800) | 0 | 2,100 | (355,000) | 711,100 |
| Bulk Water | | | | | | |
| - Buildings & Structures | 66,200 | 0 | 0 | 0 | 0 | 66,200 |
| - Assets & Programs | 16,815,200 | (5,784,200) | (3,196,800) | 5,225,800 | (10,458,900) | 2,601,100 |
| - Employee Leave Entitlement | 2,393,300 | 0 | 0 | 0 | 0 | 2,393,300 |
| - Electricity | 2,610,500 | 0 | 0 | 0 | 0 | 2,610,500 |
| - Office Equipment & Computer | 1,403,600 | 0 | 0 | 0 | 0 | 1,403,600 |
| - Greenhouse Gas Abatement | 284,200 | 0 | 0 | 0 | (135,000) | 149,200 |
| Total Internally Restricted | 30,287,600 | (7,975,600) | (5,853,500) | 6,471,900 | (11,589,800) | 11,340,600 |
| Total Restricted | 35,042,800 | (10,756,600) | (5,853,500) | 6,494,900 | (11,532,800) | 13,394,800 |

Investment and Cash Bank Statement

The Responsible Accounting Officer certifies that all funds including those under restriction have been invested in accordance with section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2021* and Council's 'Investment' policy. Council's bank statement has been reconciled up to and including 31 December 2023.

Reconciliation

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

| | |
|--|-------------------|
| | \$ |
| Cash at Bank (as per bank statements) | 6,806,174 |
| Investments on Hand | 28,500,000 |
| Reconciled Cash at Bank & Investments | 35,306,174 |

A comparison of the actual cash and investment balance above of \$35,306,174 as at 31 December 2023 to the forecast cash and investment balance of \$16,123,600 as at 30 June 2024, indicates significant spending will need to occur before 30 June 2024 if all forecast works are to be completed.

(QBR5) Contractors

| Contractor | Contract Details & Purpose | Contract Value (\$) Excluding GST | Contract Date | Duration of Contract | Budgeted (Y/N) |
|--|---|--------------------------------------|---------------|----------------------|----------------|
| Staplyton Resource Recovery (QLD) Pty Ltd. | Disposal of Water Treatment Plan Residual Waste. | 70,909 | 13/10/2023 | 3 mths | Y |
| Hunter H2O Holdings Pty Ltd | Peer review of Emigrant Creek Dam safety review. | 52,587 | 23/10/2023 | 7 mths | Y |
| Hunter H2O Holdings Pty Ltd | Strategic review of Emigrant Creek Dam | 190,000 | 24/10/2023 | 11 mths | Y |
| Safegroup Automation Pty Ltd | Wilson River Pump Station Upgrade | 60,000 | 27/10/2023 | 6 mths | Y |
| Net Communications Pty Ltd | IT Switches Upgrade | 60,184 | 31/10/2023 | 3 mths | Y |
| ACS Equip Pty Ltd | Bore Retrieval Works - Lumley Park | 70,000 | 3/11/2023 | 1 year | Y |
| Kingfisher Environmental Consultancy Pty Ltd | East Coraki Bush Regeneration | 79,200 | 10/11/2023 | 3 years | Y |
| HARC Services Pty Ltd | Secure Yield Data Project at Dunoon Dam and Maron Creek Weir | 50,430 | 22/11/2023 | 3 mths | Y |
| Brightsparkes Cleaning Service | Cleaning Contract for Molesworth Street, Wyrallah Road and Gallans Road Buildings | 62,000 | 27/11/2023 | 8 mths | Y |
| Change2020 Pty Ltd | Project Management Office Services for Gallans Road Project | 114,200 | 29/11/2023 | 18 mths | Y |
| GHD Pty Ltd | Tyagarah Ground Water Scheme Project | 386,490 | 11/12/2023 | 14 mths | Y |
| O'Brien Electrical & Plumbing Lismore | Construct New Switch Room at Nightcap Water Treatment Plant | 270,211 | 14/12/2023 | 5 mths | Y |

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

(QBR5) Consultancy and Legal Expenses**Definition of Consultant**

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

| Expense | Expenditure YTD \$ | Budgeted (Y/N) |
|---------------|--------------------|----------------|
| Consultancies | \$525,000 | Y |
| Legal Fees | \$5,700 | Y |

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

| Consultancies | | |
|---------------|---|---------|
| | Corporate & Commercial - RAP Advisory | 39,500 |
| | Corporate & Commercial - IT Strategy | 11,100 |
| | Corporate & Commercial - Revaluation of Land and Buildings | 7,000 |
| | People & Performance - International Womens Day Keynote Speaker | 1,000 |
| | Planning & Delivery – Coraki Riparian Project Revegetation | 17,900 |
| | Planning & Delivery – Dam Safety Management System | 356,300 |
| | Planning & Delivery – Modelling Connection Data | 4,500 |
| | Planning & Delivery - Renewable Energy Emissions Reduction Plan | 3,000 |
| | Future Water Project – Purified Recycled Water for Drinking Investigation | 35,100 |
| | Future Water Project – FWP 2060 - Emergency Desalination Investigation | 49,600 |
| Legal Fees | | |
| | Easement Matters | 5,100 |
| | Legal Services - Lease Variation Molesworth Street | 500 |
| | Legal Services - Register Rous Business Name | 100 |

Statement of Expenses for Councillors
Councillor Expenses for the Quarter Ending 31/12/2023 (Q2)

| Quarter 2 | Other Expenses | Official Business of Council - Travel | Official Business of Council - Professional Development/Training | Total by Councillor (Q2) |
|-------------------------------|----------------|---------------------------------------|--|--------------------------|
| Councillor Bruem | 0 | 0 | 3,500 | 3,500 |
| Councillor Cadwallader | 0 | 0 | 0 | 0 |
| Councillor Gordon | 0 | 0 | 0 | 0 |
| Councillor Humphrys | 0 | 0 | 0 | 0 |
| Councillor Lyon | 0 | 0 | 0 | 0 |
| Councillor Mustow | 0 | 0 | 0 | 0 |
| Councillor Ndiaye | 0 | 355 | 0 | 355 |
| Councillor Rob | 0 | 0 | 0 | 0 |
| Total Per Expense Type | 0 | 355 | 3,500 | 3,855 |


| | Q1 | Q2 | Q3 | Q4 | Total by Councillor YTD |
|-------------------------------|--------------|--------------|----------|----------|-------------------------|
| Councillor Bruem | 0 | 3,500 | 0 | 0 | 3,500 |
| Councillor Cadwallader | 0 | 0 | 0 | 0 | 0 |
| Councillor Gordon | 0 | 0 | 0 | 0 | 0 |
| Councillor Humphrys | 0 | 0 | 0 | 0 | 0 |
| Councillor Lyon | 0 | 0 | 0 | 0 | 0 |
| Councillor Mustow | 0 | 0 | 0 | 0 | 0 |
| Councillor Ndiaye | 0 | 355 | 0 | 0 | 355 |
| Councillor Rob | 5,496 | 0 | 0 | 0 | 5,496 |
| Total Per Expense Type | 5,496 | 3,855 | 0 | 0 | 9,350 |


This information is provided in accordance with paragraph 6.2 of the *'Payment of Expenses and Provision of Facilities for Chairperson and Councillors'* policy.

(QBR6) Key Performance Indicators

In assessing an organisation's financial position, there are several performance indicators that can assist to easily identify whether an organisation is financially sound. These indicators and their associated benchmarks, as stipulated by Office of Local Government, are set out below:

| | # Performance Indicator | | Flood | Weeds | Retail | Property | Fleet | Bulk | Consolidated (Whole Organisation) | Local Government Bench Mark |
|---|--|-----------------------|-----------|-------------|-----------|-----------|-----------|-------------|-----------------------------------|-----------------------------|
| 1 | Operating Performance | 2023/24 Budget Review | 1,879,300 | (1,071,700) | (264,700) | (66,300) | (106,200) | (5,714,200) | (5,343,800) | Surplus |
| | | 2022/23 Actual | (875,000) | 22,000 | (48,000) | (124,000) | 127,000 | 158,000 | (970,000) | |
| 2 | Current Ratio | 2023/24 Budget Review | 5.91 | 2.95 | 13.33 | 84.31 | 3.74 | 1.78 | 2.00 | > 1.5 |
| | | 2022/23 Actual | 9.88 | 3.14 | 61.26 | 208.52 | 5.58 | 3.65 | 3.99 | |
| 3 | Debt Service Cover Ratio | 2023/24 Budget Review | - | - | - | - | - | 0.44 | 0.83 | > 2 |
| | | 2022/23 Actual | - | - | - | - | - | 1.57 | 1.71 | |
| 4 | Own Source Operating Revenue Ratio | 2023/24 Budget Review | 1% | 5% | 100% | 100% | 100% | 93% | 78% | > 60% |
| | | 2022/23 Actual | 0% | 2% | 100% | 100% | 100% | 77% | 74% | |
| 5 | Building and Infrastructure Renewals Ratio | 2023/24 Budget Review | 2.24 : 1 | - | 7.02 : 1 | 5.46 : 1 | - | 1.08 : 1 | 1.48 : 1 | > 1:1 |
| | | 2022/23 Actual | 0.17 : 1 | - | 1.49 : 1 | 0.00 : 1 | - | 0.95 : 1 | 0.97 : 1 | |



 Projected result meets or exceeds benchmark.

 Projected result does not meet benchmark.

(QBR6.2) Key Performance Indicators (including Capital Revenue)

An alternative set of Key Performance Indicators is provided below. This is due to capital revenue from Section 64 Developer Contribution being the second highest revenue source for Council. These indicators differ from those that are stipulated by Office of Local Government.

| | # Performance Indicator | | Flood | Weeds | Retail | Property | Fleet | Bulk | Consolidated (Whole Organisation) | Local Government Bench Mark |
|---|--|-----------------------|-----------|-------------|-----------|-----------|-----------|-------------|-----------------------------------|-----------------------------|
| 1 | Operating Performance | 2023/24 Budget Review | 1,879,300 | (1,071,700) | (249,700) | (66,300) | (106,200) | (1,343,200) | (957,800) | Surplus |
| | | 2022/23 Actual | (875,000) | 22,000 | (48,000) | (124,000) | 127,000 | 5,333,000 | 4,205,000 | |
| 2 | Current Ratio | 2023/24 Budget Review | 5.91 | 2.95 | 13.33 | 84.31 | 3.74 | 1.78 | 2.00 | > 1.5 |
| | | 2022/23 Actual | 9.88 | 3.14 | 61.26 | 208.52 | 5.58 | 3.65 | 3.99 | |
| 3 | Debt Service Cover Ratio | 2023/24 Budget Review | - | - | - | - | - | 1.31 | 1.70 | > 2 |
| | | 2022/23 Actual | - | - | - | - | - | 2.57 | 2.62 | |
| 4 | Own Source Operating Revenue Ratio | 2023/24 Budget Review | 1% | 5% | 100% | 100% | 100% | 94% | 80% | > 60% |
| | | 2022/23 Actual | 0% | 2% | 100% | 100% | 100% | 77% | 74% | |
| 5 | Building and Infrastructure Renewals Ratio | 2023/24 Budget Review | 2.24 : 1 | - | 7.02 : 1 | 5.46 : 1 | - | 1.08 : 1 | 1.48 : 1 | > 1:1 |
| | | 2022/23 Actual | 0.17 : 1 | - | 1.49 : 1 | 0.00 : 1 | - | 0.95 : 1 | 0.97 : 1 | |

 Projected result meets or exceeds benchmark.
 Projected result does not meet benchmark.

Key Performance Indicator Definitions

Please note that comments relate to the consolidated financial indicators.

1. Operating Result Before Capital Contributions

The operating result is the surplus or deficit that Council makes from normal operations (including depreciation) excluding expenditure on capital items. A surplus is a positive financial indicator.

2. Current Ratio Liquidity

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

3. Debt Service Cover Ratio

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

4. Own Source Operating Revenue Ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A Council's financial flexibility improves the higher the level of its own source revenue. A higher ratio is a positive financial indicator.

5. Building and Infrastructure Renewal Ratio

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

Grant application information

This table provides information on grant applications that have been approved or submitted up to time of preparation of the QBRS. Any grants that may have been approved after that date or that have been applied for, will be covered in future reports. The details of new grants, including grants awaiting a determination, are provided below. A financial update on existing grants has also been provided.

Note: all totals are GST exclusive

| Grant Name | Reporting Unit | Synopsals | Funding Body | Program | Project Length | Total Project Value | Grant Funding | Council Funding | Total Expenditure to Date | Balance of Approved Funds to Spend | Completed |
|--|----------------|---|-----------------------|--|------------------------|---------------------|---------------|-----------------|---------------------------|------------------------------------|-----------|
| New Grant Applications Awaiting Outcome | | | | | | | | | | | |
| Coastal Management Plan - Stage 2 | Flood | Development of the Coastal Management Plan for the Richmond River Estuary - Stage 2 | DPE | NSW Department of Planning and Environment Coastal and Estuaries Grants Program. 2:1 funding ratio and contributions from all councils in the Richmond River catchment will make this amount much more affordable. | 36 mths | 1,038,000 | 692,000 | 346,000 | | | |
| Active Grants | | | | | | | | | | | |
| Water Quality Monitoring 2019-22 | Flood | Richmond River water quality monitoring project | DPIE | Coastal & Estuary Grants Program | 36 mths | 199,768 | 99,884 | 99,884 | 29,333 | 170,435 | |
| Flood Maintenance 2018-22 | Flood | Fourth year of a four year grant. Each year Council approves spending on this project in excess of the required 1:2 (funding per the agreement \$169,200). | DPIE | Floodplain Management Grants Scheme | 48 mths | 676,800 | 84,600 p.a. | 84,600 p.a. | 660,726 | 16,074 | |
| Coraki Riparian Project | Flood | Richmond River coastal riparian project at Coraki | DPIE | Fish Habitat Action Grant | 12 mths | 112,160 | 40,000 | 72,160 | 61,646 | 50,514 | |
| Richmond and Wilsons Rivers NSW Flood Mitigation Planning | Flood | This planning project is anticipated to reduce the risk and improve resilience of the community to floods in the natural environment by conducting a comprehensive scan of strategic disaster risks and mitigation options for the Richmond River Catchment. | DISER | Preparing Australian Communities – Local Stream Program | 3 years | 250,000 | 250,000 | - | 1,485 | 248,515 | |
| Natural Resource Management Flood Water Sustainability Project Grant | Water | Emergency Repairs Claim | Public Works Advisory | Northern Rivers March 2022 Flood/Water Sewerage Program | 2 years | 1,600,000 | 1,600,000 | 0 | 242,890 | 1,357,110 | |
| Safe & Secure Water Program 2022-2024 (SSWP479) - Tranche 3 | Water | Funding for Stage 1 of Rous County Council - FWP2060. Planning, Investigation and Design Project. DPE is funding 25% of the estimated actual project costs. | DPE | Rous Water Customers Water Security Program | 15 mths (31.05.24) | 8,037,600 | 2,009,400 | 0 | 631,471 | 1,377,929 | |
| Local Water Utility Grants | Water | Regional Leakage Reduction Program – Local Water Utility Grants A maximum total amount of 114,025.00 (GST exclusive) payable in instalments. This is based on 2% of \$45,100.00 (total project costs). If total project costs are less than this, the payment will be adjusted accordingly. | DPIE | Regional Leakage Reduction Program | 15 mths (31.05.24) | 456,100 | 114,025 | 0 | - | 456,100 | |
| Weeds Action Program 2020-25 (2024) | Weeds | Funding allocated annually | DPIE | North Coast Weeds Action Program 2020-25 | 12 mths | 642,500 | 642,500 | - | 619,244 | 23,256 | |
| North Coast Bushfire Recovery – Delivery of – W1 Tropical Soda Apple Landholder Engagement Project in the North Coast (5 years) - YR 2 | Weeds | Tropical Soda Apple Landholder Engagement and Compliance Program – delivery of 210 property inspections | LLS & DPI | NSW Bushfire Recovery Stimulus | 60 mths | 236,000 | 214,000 | 22,000 | 166,000 | 61,146 | |
| North Coast Bushfire Recovery – Delivery of – W1 Tropical Soda Apple Landholder Engagement Project in the North Coast (5 years) - YR 3 | Weeds | Tropical Soda Apple Landholder Engagement and Compliance Program – delivery of 210 property inspections | LLS & DPI | NSW Bushfire Recovery Stimulus | 60 mths | 72,000 | 37,000 | 35,000 | 82,314 | 0 | |
| Tropical Soda Apple (Riparian/High Risk Pathways) | Weeds | Tropical Soda Apple - strategic and ongoing control in high-risk pathways. | LLS | Small Grants Funding | 8 mths | 47,750 | 42,750 | 5,000 | 23,364 | 24,386 | |
| Miconia 2022-2023 | Weeds | Miconia weed surveillance and control services in Northern NSW | QLD DAF | Miconia Weed Surveillance 2022-2024 | 12 mths | 99,000 | 99,000 | 0 | 47,783 | 51,217 | |
| Early Needs Weed Management | Weeds | Early Needs Weed Management Project | LLS | Early Needs Weed Management Program | 24 mths | 710,000 | 710,000 | 0 | 491,410 | 218,590 | |
| Priority Weeds Washdown Facility | Weeds | Funding to support essential programs and treatments of new incursions of prohibited weeds - Priority weeds washdown facility | DPI | 2022-2023 New Weed Incursion - Priority Weeds Washdown Facility | 12m | 49,995 | 49,995 | - | - | 49,995 | |
| Parthenium 2023 | Weeds | Surveillance, control, site maintenance of high risk properties. Distribution of educational materials. | DPI | New Weed Incursion - Parthenium Weed (Parthenium hysterophorus) Response | 12 mths | 30,000 | 20,000 | 10,000 | 952 | 29,048 | |
| Frogbit 2023 | Weeds | Expand inspections areas, treatment of Frogbit infestation and follow up treatment | DPI | New Weed Incursion - Frogbit (Limnolobium laevigatum) Rapid Response | 6 mths | 30,000 | 20,000 | 10,000 | 13,099 | 16,901 | |
| Tropical Soda Apple High Risk Pathways | Weeds | Next 12 months -Continue surveillance/control of the Tropical Soda apple in identified high risk pathways | DPI | Tropical Soda Apple High Risk Pathways | 12 mths | 32,000 | 30,000 | 2,000 | 52 | 31,948 | |
| Coraki Riparian Project | Flood | East Coraki reserve coastal and estuary implementation program | DPI | 2021-22 Coastal and Estuary Implementation Program | 3 years | 40,000 | 40,000 | - | - | 40,000 | |
| Wilsons River Elevated Crossing Bexhill | Water | Grant - Bexhill Mains Elevated Crossing | DRNSW | Infrastructure Betterment Fund Department of Regional NSW | 18 months (30.05.2025) | 2,435,000 | 2,435,000 | - | - | - | |
| Wilsons River Reach - Fish Habitat Action Grant 2023 | Flood | Boat Harbour Riparian Repair Project | DPIE | Fish Habitat Action Grant | 1 year | 96,737 | 40,000 | 56,737 | - | - | - |

Legal

In accordance with clause 203 of the *Local Government (General) Regulation 2021*, Council's financial position is satisfactory having regard to the original estimate of income and expenditure and Council's projected short-term liquidity position.

Consultation

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

Conclusion

In summary, all budget items other than those identified in the report have performed within the parameters set by Council in adopting the 2023/24 Operational Plan.

An update will be provided at a future Council meeting regarding a revision of the current internal reserves policy.

Retail Water Bad Debt Write-off

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

Recommendation

That Council, in accordance with its 'Debt Management and Financial Hardship' policy, approve the write-off of one (1) retail water billing customer's account (10451-10000-1) of \$5,759.01 for Mr MJ Hammer.

Background

As per Council resolution [50/22], the amount above which debts may be written off only by resolution of Council is \$5,000 (inc. GST).

The below debt write-off request is over \$5,000 and therefore requires Council approval to proceed.

Retail water billing customer debt write-off

A number of factors have contributed to this request for a retail water billing customer debt write-off.

- This customer has a long history of disputes over multiple issues for the last decade with Council. Multiple attempts were made to resolve the issues but with no success. Debt recovery procedures were commenced in September 2022 as the last resort. With the customer currently residing overseas, our debt collection agency advised that it would be costly and unlikely they would be able to serve the required court documents to the customer which means the balance owing is unlikely to be recovered.
- Upon receiving the correspondence from the debt collection agency, the customer offered a payment of \$2,000 to clear the account (account balance \$10,759.01 in September 2022). The debt collection agency recommended Council to counteroffer \$5,000 due to his residence outside of Australia. The Group Manager Corporate and Commercial approved the counteroffer option and the customer accepted the counteroffer.
- This customer has now paid \$5,000 as per the agreement. They have also set up a payment plan to pay charges that have occurred since the debt recovery procedure began in September 2022 totalling \$1,428.62. They have adhered to the payment schedule to date. They have also agreed to pay any new accounts in full by the due date as part of the condition of the payment arrangement.
- We recommend \$5,759.01 of the original balance be written off due to the difficulty and costs of recovering the full amount.

Legal

The proposal has been assessed against the write-off criteria under clause 131 of the *Local Government (General) Regulation 2021* and it satisfies the requirements of that provision. Under section 131 (4)(d) General Manager believes on reasonable grounds it is not cost effective to seek recovery.

Finance

Rous does not encounter many instances where debt write-off is required through active debtor management or through water meter malfunction. This write-off is immaterial to Council's long term financial plan.

Conclusion

It is recommended that Council approve the write-off of \$5,759.01 (Retail water billing customer).

Information reports

Responsible Officer: General Manager and Group Managers

Recommendation

That the following information reports be received and noted:

1. Sustainable Water Partner Program Pilot
2. Retail Water Customer Account Assistance Information Report
3. Investments – January 2024
4. Water production and consumption – January 2024
5. Integrated Planning and Reporting Framework
6. 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

1. Information reports 1-5

Sustainable Water Partner Pilot Program

Responsible Officer: Group Manager Planning and Delivery (Scott Turner Acting)

Recommendation

The council receive and note the report and support:-

1. Rous continue to promote the program to high water users and specific priority industry sectors, including a subset of each target business type across the region.

Overview / Background

The approved Rous Regional Demand Management Plan 2023 – 2026 includes a targeted and broader approach to delivery of the Sustainable Water Partner Program (SWPP) as this expenditure has previously been cost effective and the program provides valuable customer engagement.

The Sustainable Water Partner Program (Pilot) implemented in 2023 built on the success of work undertaken previously which targeted businesses using more than 5 megalitres of water per annum.

Objectives

The objectives of the SWPP are to assist non-residential customers to improve water efficiency and reduce water/sewer bills. The SWPP consists of three parts: water efficiency plans, water efficiency projects and recognition.

The Pilot was modified as follows:

- Rous identified target business types that were likely to benefit from the program with a subset (e.g. three) of each target business type across the region. The Pilot was rolled-out to the businesses participating in the pilot program with the aim of refining the program based on the outcomes of the pilot programs.
- Fully funded water efficiency plans were made available to all businesses included in the pilot program.
- Rebates for water efficiency projects identified in the water efficiency plans developed through the pilot program are funded (50% of the cost of each approved project) to a maximum of \$15,000 per business. The range of water efficiency projects eligible for funding included all water efficient products certified by The Water Conservancy and through the WELS program (Smart Approved WaterMark - The Water Conservancy).
- Mechanisms for ongoing monitoring and engagement were developed with each participating customer as part of the pilot program to measure the success of SWPP initiatives.

Implementation

To undertake this work Rous County Council invited several consultancies to quote on delivery of the services. The Water Conservancy was awarded the contract which included the installation of smart meters to provide data usage.

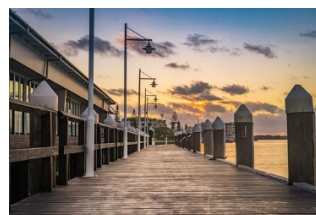
Pilot Program Deliverables

1. Lead initial engagement with targeted businesses.
2. Conduct onsite water assessment of businesses.
3. Produce a water efficiency plan for each business including water efficiency project of works.

Participating businesses



- St Finbarr's Primary School Byron Bay
- Southern Cross Public School Ballina
- Primary School Ballina



- RSL Ballina
- Cherry Street Bowling Club Ballina
- Bowling Club Evans Head
- The Federal Hotel Alstonville
- Bamboo Thai Bangalow



- Settlers Motel Alstonville
- Waves Bryon Bay
- The Arabella Garden Inn Alstonville



- Aquatic Centre Evans Head
- Memorial Pool Ballina
- Aquatic Centre Alstonville

Three restaurants were approached to participate on the basis that inefficient wok cooking burners can use an excess amount of water for cooling. Only one restaurant agreed to participate.

Results

Water efficiency plans with a program of works were developed for every business except the Ballina War Memorial Pool where there were limited options for achieving further water savings. Across the 14 businesses the water efficiency programs of works identified a potential water savings of 11,206 kL/year.

If all businesses proceed with the water efficiency projects identified, Rous will pay out a total rebate of \$61,815. The Ballina RSL, Cherry Street Bowling Club, The Federal Hotel and St Finbarr's Primary School have implemented some or all of the changes outlined in their programs of work and have received a rebate. Rous is continuing to encourage the other businesses to adopt the measures identified in their reports. The program end date is 30 June 2024.

Evaluation

- Installation of smart metering
 - provides good insight into water use generally and issues related to the functioning of the main water meter
 - provides an instant response to high usage
 - can detect leaks across a site which is particularly useful after hours when venues such as schools are closed.
- Grouping the work together in a short period of time is an effective way of utilising time and resources and is beneficial in comparing similar businesses.
- There are substantial cost savings for each business that implements the water efficiency projects of works in full.
- The potential water savings from these works are not significant for Rous in the context of reducing overall water demand across its customer base. The cost of engaging the consultant was considerable given the results achieved. It is considered that Rous could deliver better value for money through training its own staff to undertake future assessments and support businesses to implement changes.

Retail Water Customer Account Assistance Information Report

Responsible Officer: Group Manager Corporate & Commercial (Geoff Ward)

Recommendation

That Council receive and note the Retail Water Customer Account Assistance listed in Table 1 of this report approved in the six-month period July to December 2023 by the General Manager under delegated authority.

Background

Two applications for financial assistance, in accordance with section 356 (1) *Local Government Act 1993* (LG Act) and Council's '*Retail Water Customer Account Assistance*' policy, were received in the six-month period July to December 2023. Details of the applications are set out below:

Table 1

| Section 356 (Natural disaster relief) | | | | | | |
|--|---------------------------|---------------|--|----------------------------|--|---|
| Account | Date application received | Date approved | Nature of relief | Original water charges due | S356 financial assistance to be approved | Adjusted water charges due after approval |
| 10641-11000-1 | 18-Jul-23 | 14-Aug-23 | Due to the major February/March 2022 floods events, this customer used additional water to clean. Due to financial restrictions the customer was only able to clean their property in November 2022. The property is located in the identified flood affected areas and no previous flood relief has been granted for the 2022 events. The proposed credit adjustment was calculated based on the usage in the same supply period of the previous year, i.e.. 01/11/2021 to 07/02/2022. This is consistent with other customers who were affected by these flood events. | \$650.36 | \$550.22 | \$100.14 |
| Total | | | | \$0.00 | \$550.22 | \$0.00 |
| Section 356 (Non pensioner) | | | | | | |
| Account | Date application received | Date approved | Nature of leak | Original water charges due | S356 financial assistance to be approved | Adjusted water charges due after approval |
| 10574-10000-3 | 5-Sep-23 | 30-Aug-23 | A leak was found in a poly pipe 40m from the water meter. The tree root system of a large tree had strangled the poly pipe underground causing it to rupture and resulting the leak. | \$1,925.28 | \$349.32 | \$1,575.96 |
| 11215-11000-5 | 22-Aug-23 | 30-Aug-23 | A leak was found located under the cement slab of the house. The cause is likely due to the ground movement following the major floods event in February 2022 . | \$2,595.04 | \$847.74 | \$1,747.30 |
| 11157-13000-3 | 22-Aug-23 | 27-Oct-23 | A leak was found in a pipe located underground in a paddock near a cattle trough. Plumber has repaired the leak and usage has returned to usual pattern. | \$11,063.40 | \$7,175.97 | \$3,887.43 |
| Total | | | | \$15,583.72 | \$8,373.03 | \$7,210.69 |

Finance

The 2023/24 financial year budget allocation for applications made in accordance with the 'Retail Water Customer Account Assistance' policy is \$25,000.

| Budget Table S356/S582 | | |
|--|--------------------|-----------------------------------|
| 2023/24 financial year budget | \$25,000.00 | <u>No. of applications</u> |
| Natural disaster - Major Feb/Mar 22 Flood events | \$550.22 | 1 |
| S356 assistance approved financial year to date | \$8,373.03 | 3 |
| S582 assistance approved financial year to date | \$0.00 | |
| S582 assistance approved since last request | \$0.00 | |
| Budget remaining 2023/24 financial year | \$16,076.75 | |

Legal

Section 356 of the LG Act allows Council to 'contribute money or otherwise grant financial assistance'.

Section 377(1A) of the LG Act allows Council to delegate to the General Manager authority to grant financial assistance provided it is (a) part of a specified program (b) included in the Operational Plan (c) the program budget does not exceed 5% of Council's income for that year, and (d) the program applies to all persons uniformly.

Conclusion

The total value of financial assistance granted by the General Manager under delegated authority, and in accordance with Council's 'Retail Water Customer Account Assistance' policy, during the period July to December 2023 equated to \$ 8,923.25.

Investments - January 2024

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

Recommendation

That Council receive and note the Investments for January 2024.

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 31 January 2024.

Finance Report

The RBA cash rate is 4.35%

At the RBA's 5th December 2023 meeting (note: the board did not meet in January) the board decided to leave the cash rate unchanged at 4.35% following a period of four months where it had held interest rates steady.

While the economy has been experiencing a period of below-trend growth, it was stronger than expected over the first half of the year. Underlying inflation was higher than expected at the time of the August forecasts, including across a broad range of services.

Conditions in the labour market had eased but remained tight. Housing prices were continuing to rise across the country as was the number of new mortgages. Given this, the Board judged that the risk of inflation remaining higher for longer had risen and an increase in interest rates was therefore warranted to be more assured that inflation would return to target in a reasonable timeframe.

The 90-day average bank bill swap rate (BBSW) is 4.34%.

Total funds invested is \$35,778,872

This excludes cheque account and Weel balances.

Weighted Average Return is 4.70%

This represents an increase of 25 basis point compared from the December 2023 result (4.45%) and is 57 basis points above Council's benchmark (the average 90-day BBSW rate of 4.34%) (Refer: Graph D2 - Attachment D).

Interest earned is \$149,275

Interest earned compared to the original budget is \$310,588 above the pro-rata budget. (Refer: Attachment A).

Cheque account balance is \$668,942

Weel account balance is \$18,838

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 \$6,500,000 (18.17% of current holdings)

The assessment of Ethical Financial Institutions is undertaken using www.marketforces.org.au which is an affiliate project of the Friends of the Earth Australia (Refer: Graph D4 - 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 31 January 2024, investments total \$35,778,872 and the average rate of return is estimated at 4.70%.

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 | Lodgement Date | Maturity Date | % of Portfolio | 31 January 24 Balance | Rate of Return | Monthly Interest | Year-to-Date Interest |
|---------------------------------|------------------------------|--------------|-----------------|----------------|---------------|----------------|-----------------------|----------------|-------------------|-----------------------|
| CBA Business Online Saver | AA- | CBA-BOS | No | At call | At call | 14.75 | 5,278,872.41 | 1.95 | 25,028.22 | 138,553.35 |
| ING Bank Aust Ltd | A | TD | No | 8/3/2023 | 12/3/2024 | 2.79 | 1,000,000.00 | 4.98 | 4,229.59 | 29,334.25 |
| Macquarie Bank Limited | A+ | TD | No | 22/3/2023 | 19/3/2024 | 2.79 | 1,000,000.00 | 4.69 | 3,983.29 | 27,626.03 |
| ING Bank Aust Ltd | A | TD | No | 28/3/2023 | 26/3/2024 | 2.79 | 1,000,000.00 | 4.60 | 3,906.85 | 27,095.89 |
| ING Bank Aust Ltd | A | TD | No | 4/4/2023 | 2/4/2024 | 5.59 | 2,000,000.00 | 4.68 | 7,949.59 | 55,134.25 |
| National Australia Bank Limited | AA- | TD | No | 2/5/2023 | 6/2/2024 | 5.59 | 2,000,000.00 | 4.53 | 7,694.79 | 53,367.12 |
| National Australia Bank Limited | AA- | TD | No | 23/5/2023 | 27/2/2024 | 2.79 | 1,000,000.00 | 4.83 | 4,102.19 | 28,450.68 |
| Bank of Queensland | BBB+ | TD | Yes | 6/6/2023 | 5/3/2024 | 4.19 | 1,500,000.00 | 5.15 | 6,560.96 | 45,503.42 |
| ING Bank Aust Ltd | A | TD | No | 27/6/2023 | 25/6/2024 | 2.79 | 1,000,000.00 | 5.62 | 4,773.15 | 33,104.11 |
| ING Bank Aust Ltd | A | TD | No | 4/7/2023 | 2/7/2024 | 8.38 | 3,000,000.00 | 5.67 | 14,446.85 | 98,797.81 |
| National Australia Bank Limited | AA- | TD | No | 26/7/2023 | 7/5/2024 | 2.79 | 1,000,000.00 | 5.43 | 4,611.78 | 28,265.75 |
| Bank of Queensland | BBB+ | TD | Yes | 1/8/2023 | 30/4/2024 | 1.40 | 500,000.00 | 5.40 | 2,293.15 | 13,610.96 |
| Commonwealth Bank of Australia | AA- | TD | No | 23/8/2023 | 22/8/2024 | 5.59 | 2,000,000.00 | 5.47 | 9,291.51 | 48,555.62 |
| National Australia Bank Limited | AA- | TD | No | 13/9/2023 | 17/9/2024 | 4.19 | 1,500,000.00 | 5.18 | 6,599.18 | 30,015.62 |
| National Australia Bank Limited | AA- | TD | No | 19/9/2023 | 17/9/2024 | 2.79 | 1,000,000.00 | 5.22 | 4,433.42 | 19,306.85 |
| National Australia Bank Limited | AA- | TD | No | 17/10/2023 | 16/7/2024 | 2.79 | 1,000,000.00 | 5.07 | 4,306.03 | 14,862.74 |
| Bank of Queensland | BBB+ | TD | Yes | 24/10/2023 | 14/5/2024 | 2.79 | 1,000,000.00 | 5.15 | 4,373.97 | 14,109.59 |
| MyState Bank Limited | BBB+ | TD | Yes | 31/10/2023 | 4/6/2024 | 2.79 | 1,000,000.00 | 5.22 | 4,433.42 | 13,300.27 |
| Westpac Banking Corporation | AA- | TD | Yes | 28/11/2023 | 3/12/2024 | 4.19 | 1,500,000.00 | 5.44 | 6,930.41 | 14,531.51 |
| Westpac Banking Corporation | AA- | TD | Yes | 5/12/2023 | 5/9/2024 | 2.79 | 1,000,000.00 | 5.23 | 4,441.92 | 8,310.68 |
| National Australia Bank Limited | AA- | TD | No | 23/1/2024 | 22/10/2024 | 2.79 | 1,000,000.00 | 5.12 | 1,262.47 | 1,262.47 |
| National Australia Bank Limited | AA- | TD | No | 23/1/2024 | 25/6/2024 | 2.79 | 1,000,000.00 | 5.02 | 1,237.81 | 1,237.81 |
| National Australia Bank Limited | AA- | TD | No | 30/1/2024 | 29/10/2024 | 4.19 | 1,500,000.00 | 5.07 | 416.71 | 416.71 |
| ING Bank Aust Ltd | A | TD | No | 30/1/2024 | 5/3/2024 | 2.79 | 1,000,000.00 | 4.46 | 244.38 | 244.38 |
| Commonwealth Bank of Australia | AA- | TD | No | 30/1/2024 | 2/4/2024 | 2.79 | 1,000,000.00 | 4.62 | 253.15 | 253.15 |
| MATURED TDs | | | | | | | | | 11,469.73 | 253,028.77 |
| | | | | | | 100.00 | 35,778,872.41 | 4.70 | 149,274.52 | 998,279.79 |

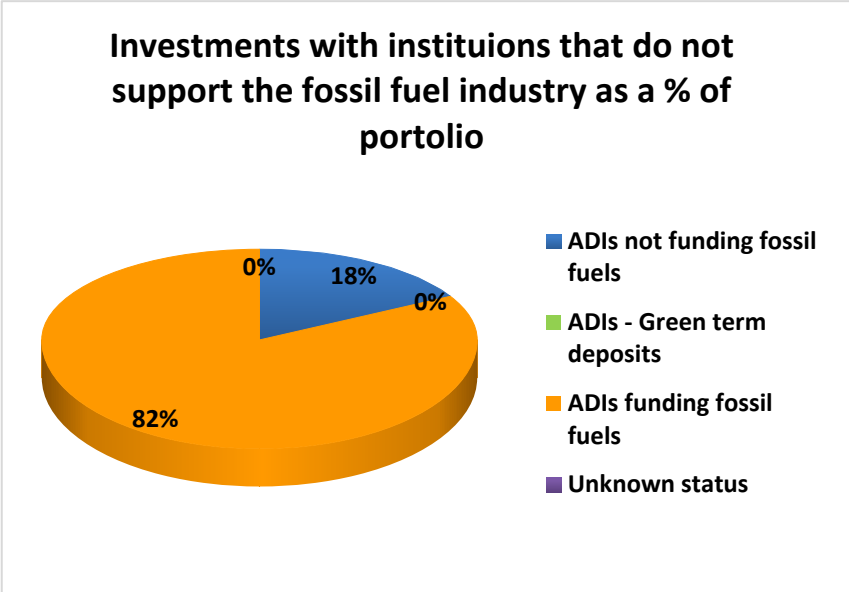
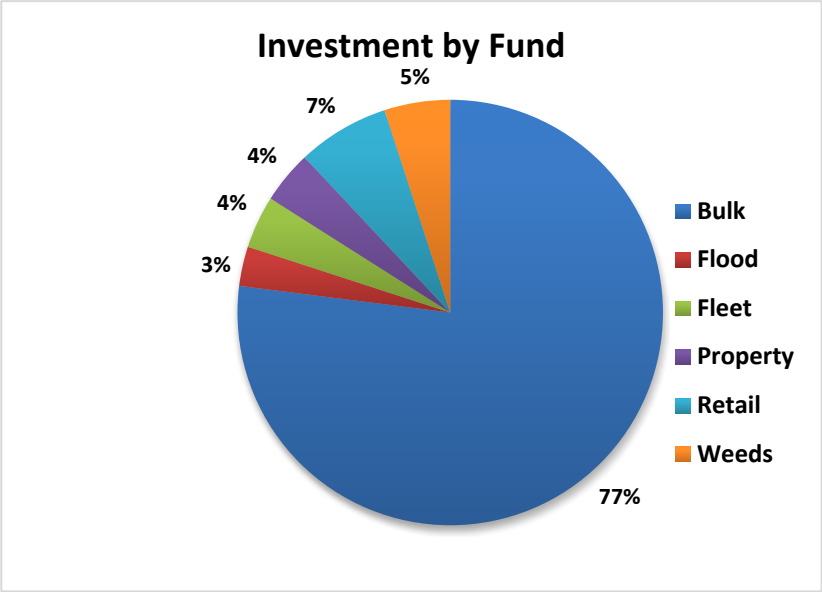
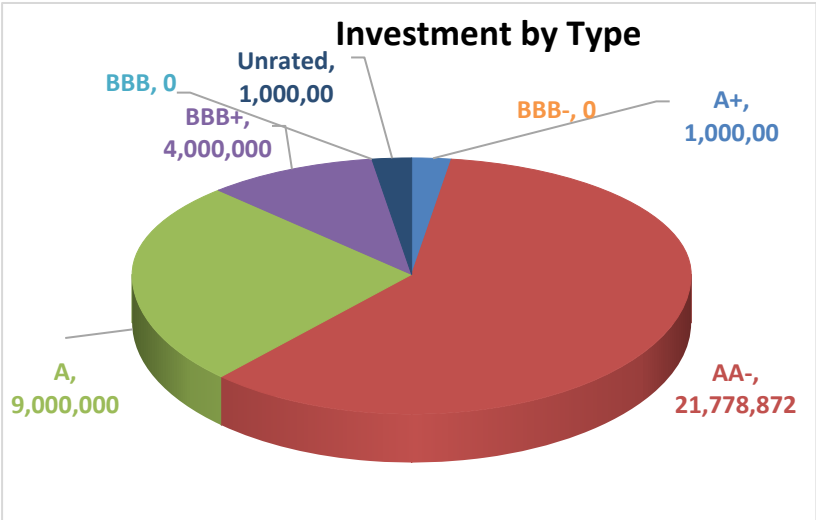
Total Investment Holdings **100.00** **35,778,872.41** **4.70** **149,274.52** **998,279.79**

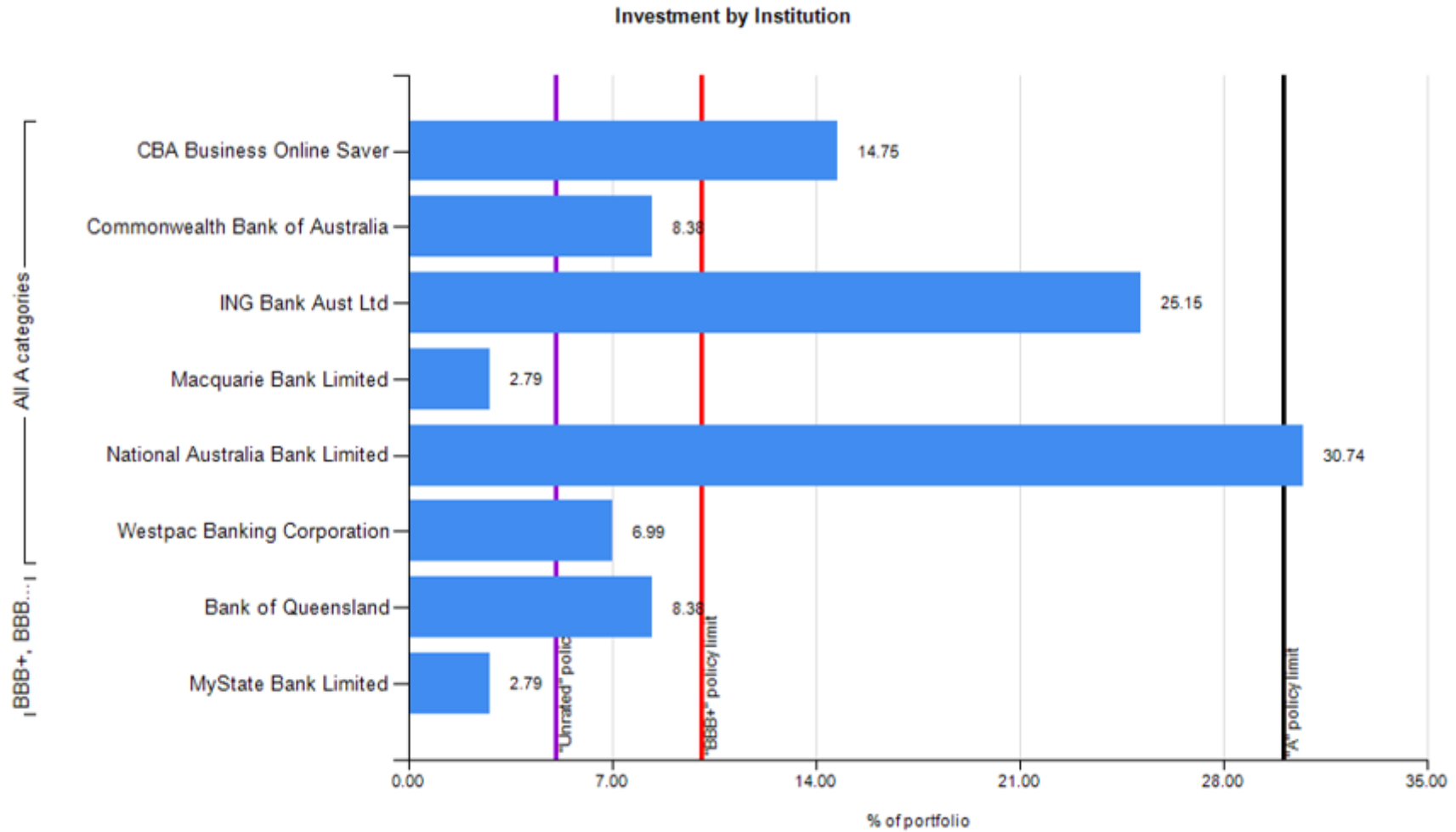
Total YTD Interest **998,279.79**

Yes

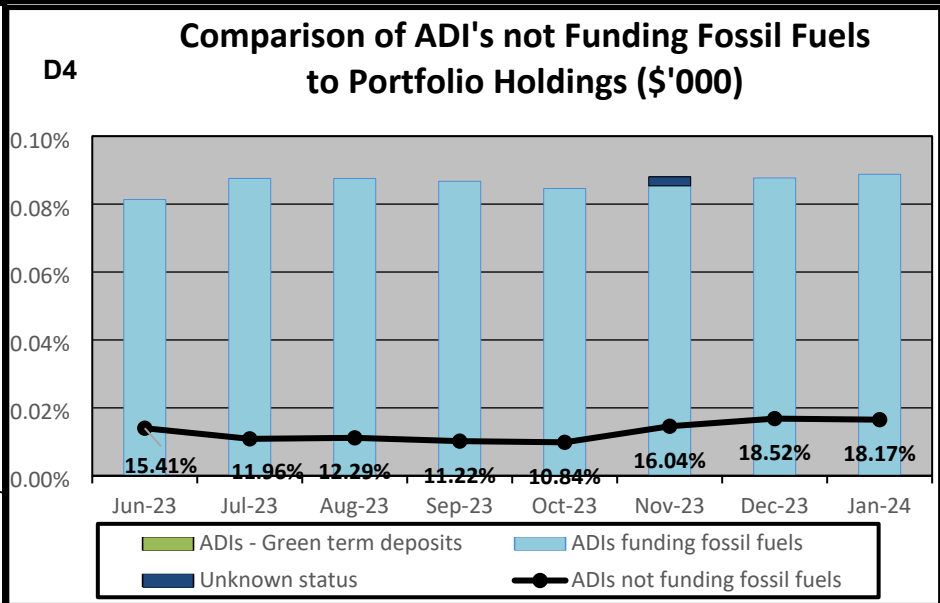
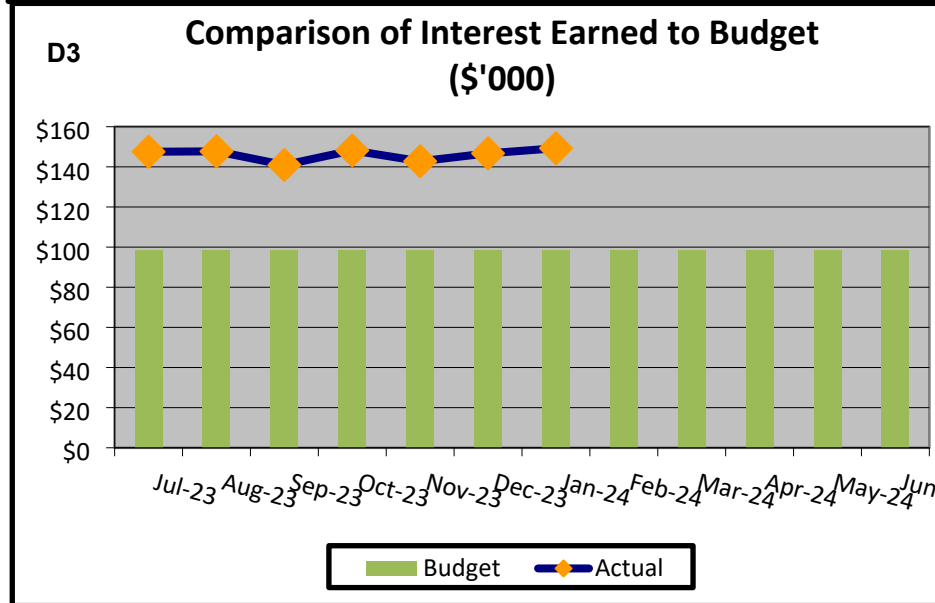
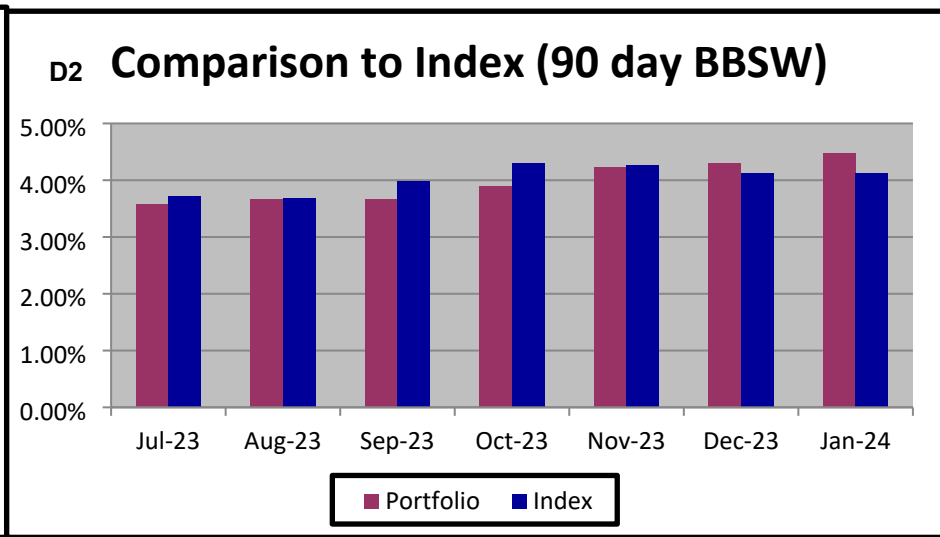
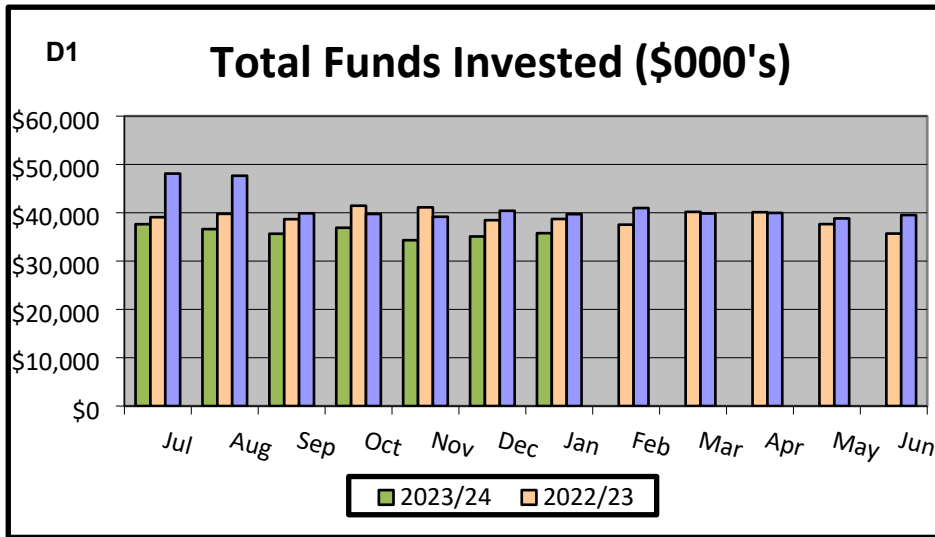
Deposits with Australian Deposit-taking institutions (ADI) are Government.
 Guaranteed for balances totalling up to \$250,000 per customer, per institution.

Budget Interest @ 31 January 2024 **687,692.00**
 Budget variance **310,587.79**





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 | \$ 1,910,646 | \$ 2,626,220 | \$ 7,968,956 | \$ 7,595,346 | \$ 7,165,758 | \$ 6,798,972 | \$ 1,321,418 | \$ 35,387,317 |
| Interest Incurred LTD | \$ 1,692,663 | \$ 2,274,812 | \$ 7,633,959 | \$ 7,596,840 | \$ 7,971,171 | \$ 8,015,950 | \$ 869,557 | \$ 36,054,952 |
| Principal Outstanding | \$ 89,354 | \$ 373,780 | \$ 2,031,044 | \$ 2,404,654 | \$ 2,834,242 | \$ 3,201,029 | \$ 12,178,582 | \$ 23,112,684 |
| Interest Outstanding | \$ 3,039 | \$ 23,601 | \$ 197,944 | \$ 276,320 | \$ 397,319 | \$ 514,593 | \$ 3,158,247 | \$ 4,571,062 |

Water production and consumption - January 2024

Responsible Officer: Group Manager Operations (Adam Nesbitt)

Recommendation

That the report be received and noted.

Background

The table below is the January 2024 bulk water sales to the constituent councils in kilolitres compared to the corresponding January sales for 2023 and 2022.

| Council | Jan 2022 (kL) | Jan 2023 (kL) | Jan 2024 (kL) | % of Total Sales |
|--|----------------|----------------|----------------|------------------|
| Ballina Shire Council | 308,887 | 342,324 | 309,700 | 36.11% |
| Byron Shire Council | 214,550 | 248,277 | 247,009 | 28.8% |
| Lismore City Council | 243,023 | 242,167 | 243,506 | 28.39% |
| Richmond Valley Council | 51,616 | 62,565 | 57,420 | 6.7% |
| TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS | 818,076 | 895,333 | 857,635 | |

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.

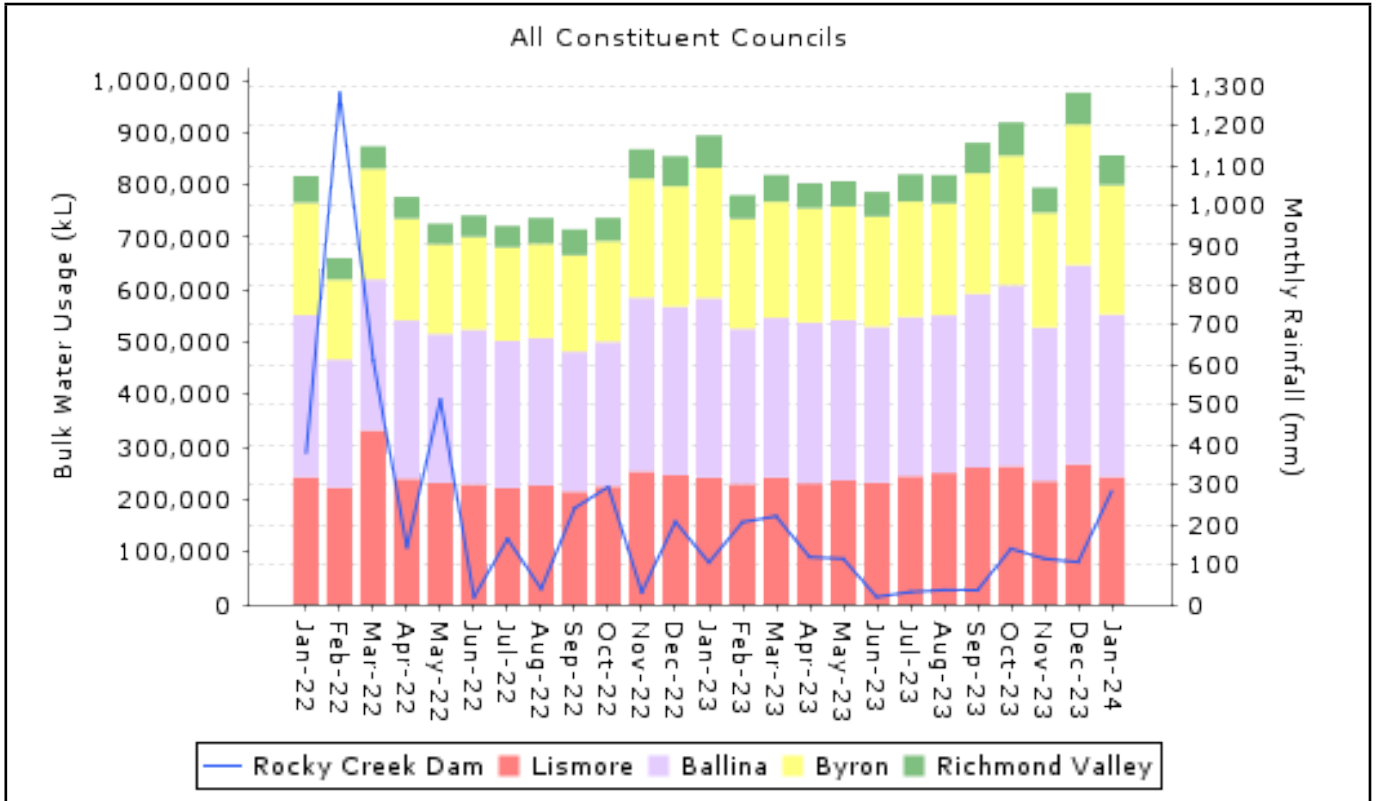


Figure 1: Total monthly consumption by constituent council and rainfall.

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

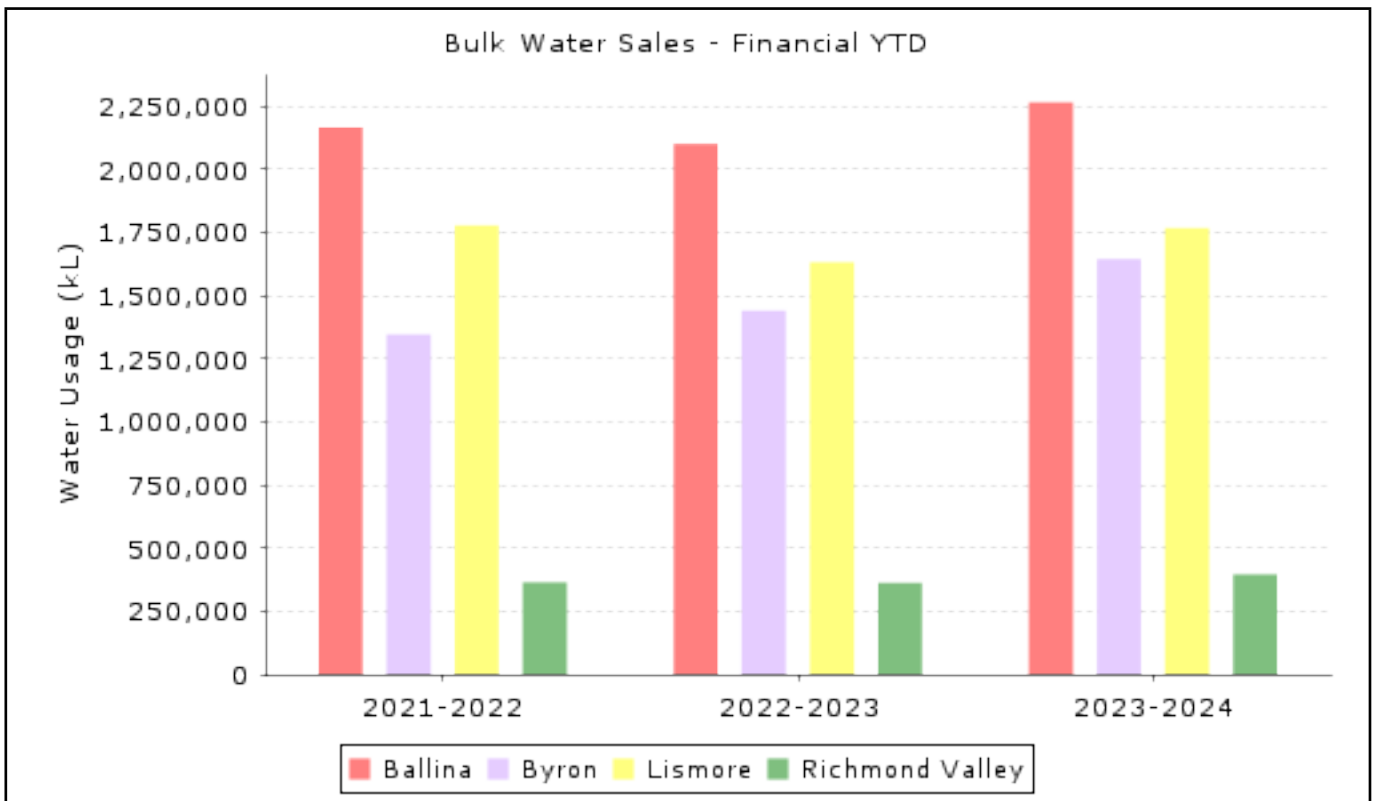


Figure 2: Bulk water sales by constituent council - 1 July to 31 January

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.

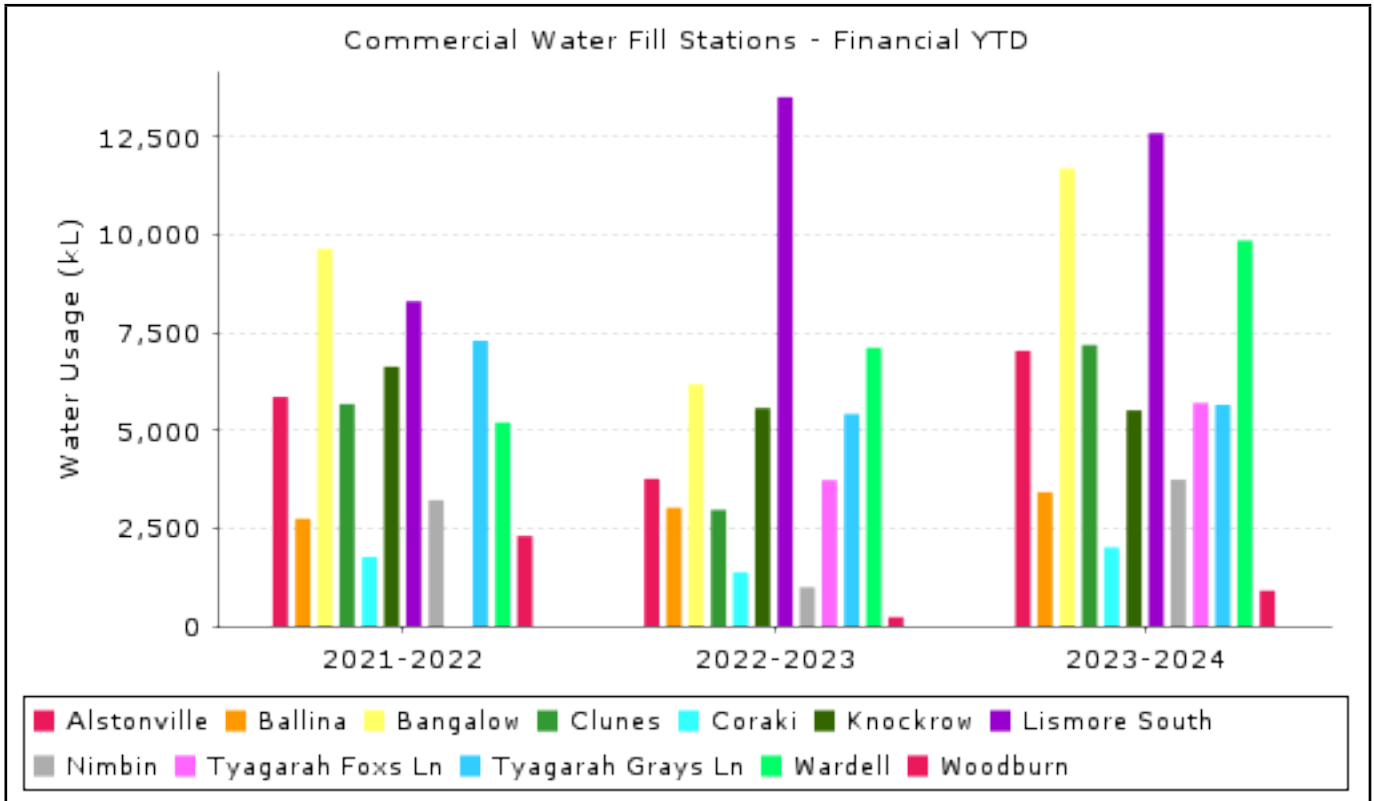


Figure 3: Comparison of commercial water fill stations total consumption - 1 July to 31 January

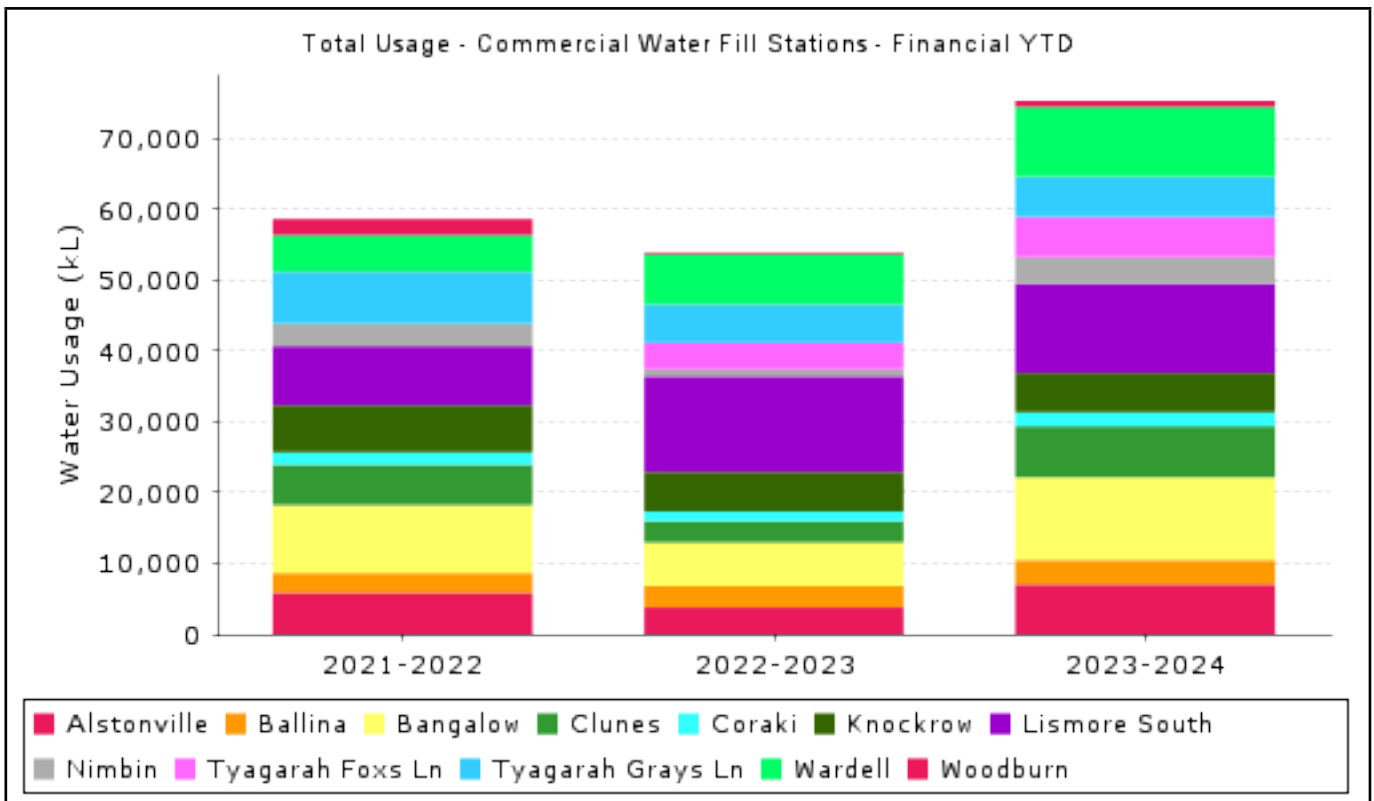


Figure 4: Total usage of commercial water fill stations - 1 July to 31 January

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.

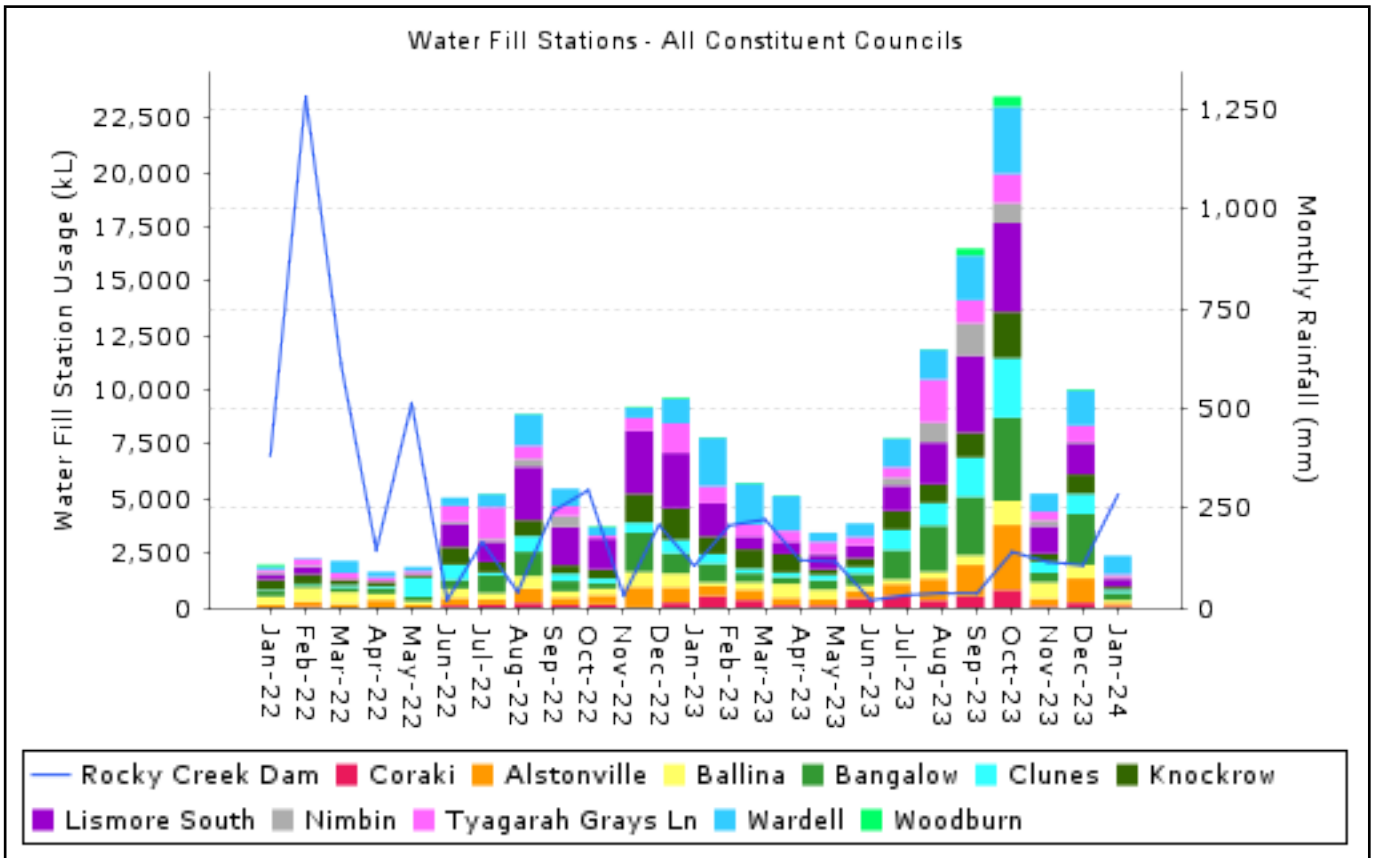


Figure 5: Total monthly consumption for commercial water fill stations and rainfall.

Source Contribution

Rocky Creek Dam capacity as of 31 January 2024 was 99.8%
 Emigrant Creek Dam capacity as of 31 January 2024 was 100.9%

| Source | January 2024 (kL) | | Cumulative total 2023-2024 (kL) | |
|---------------------------|-------------------|--------|---------------------------------|--------|
| Rocky Creek Dam | 858,023 | 89.10% | 5,863,537 | 85.81% |
| Wilson River | 8,543 | 0.89% | 600,608 | 8.79% |
| Emigrant Creek Dam | 96,420 | 10.01% | 368,657 | 5.40% |
| Alstonville Plateau Bores | 0 | 0.00% | 0 | 0.00% |
| Coastal Sands | 0 | 0.00% | 0 | 0.00% |
| | 962,986 | | 6,832,802 | |

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.

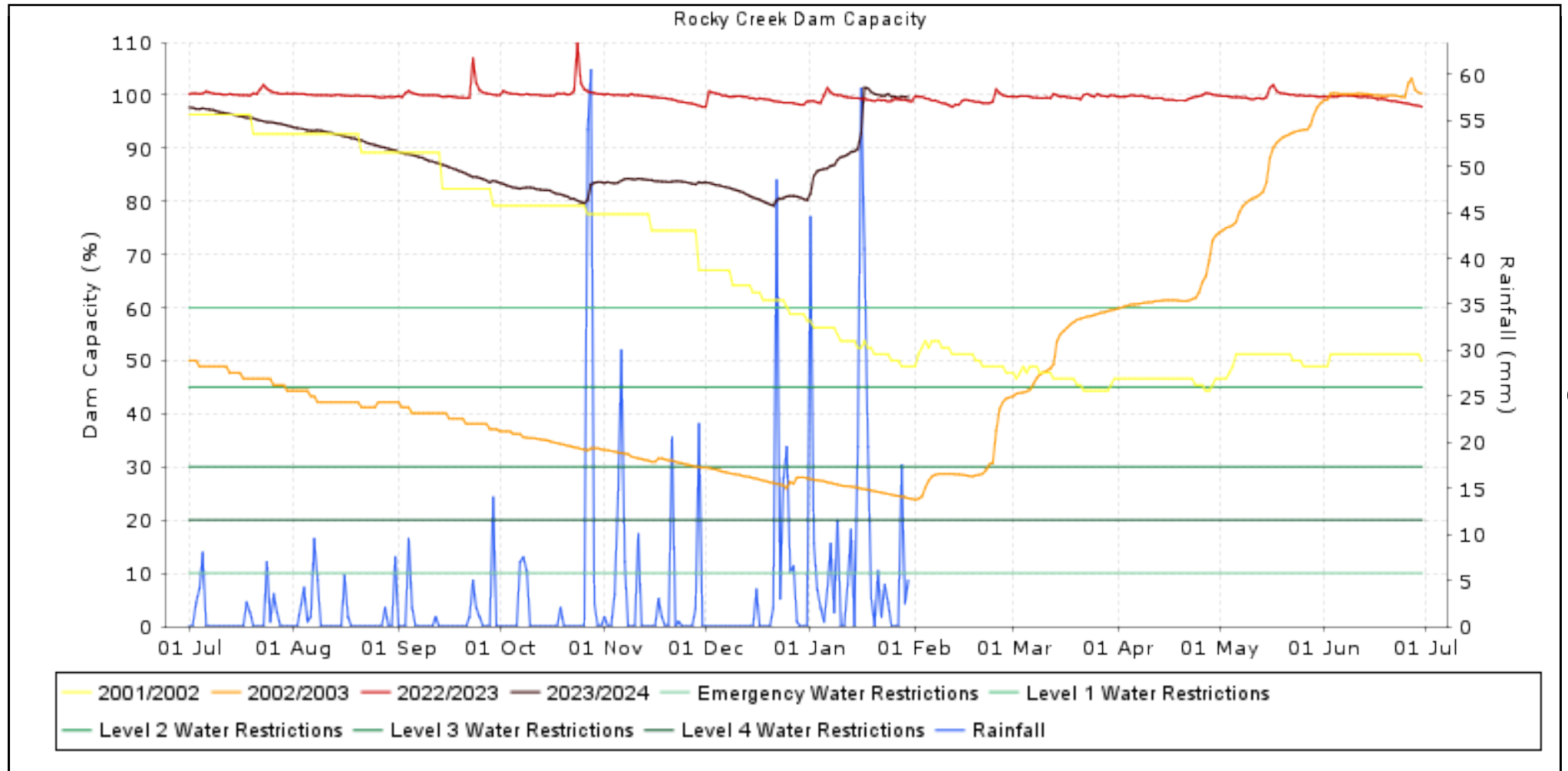


Figure 6: Rocky Creek Dam capacity and rainfall

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.

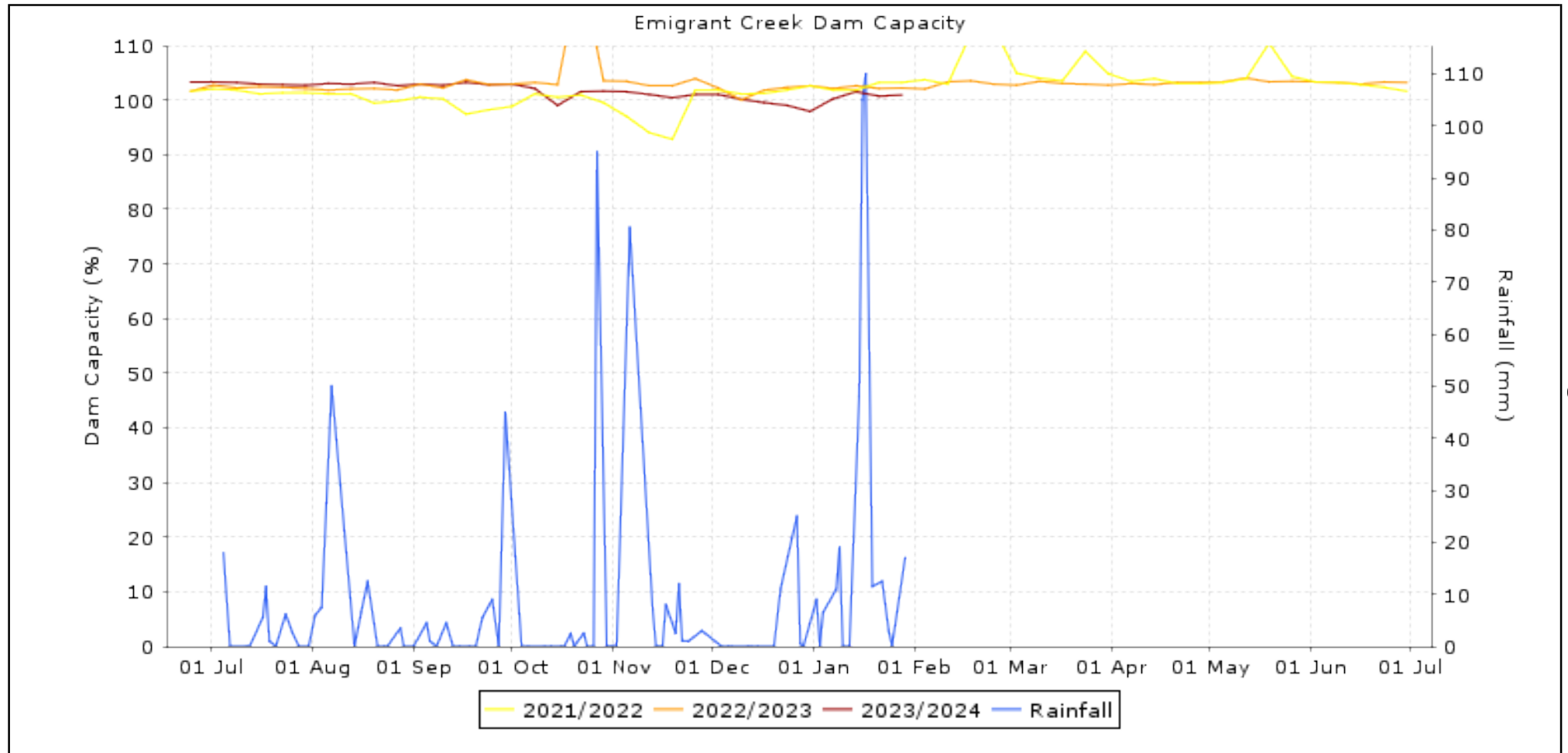


Figure 7: Emigrant Creek Dam capacity and rainfall

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 the Bureau of Meteorology rainfall station Ballina Airport.

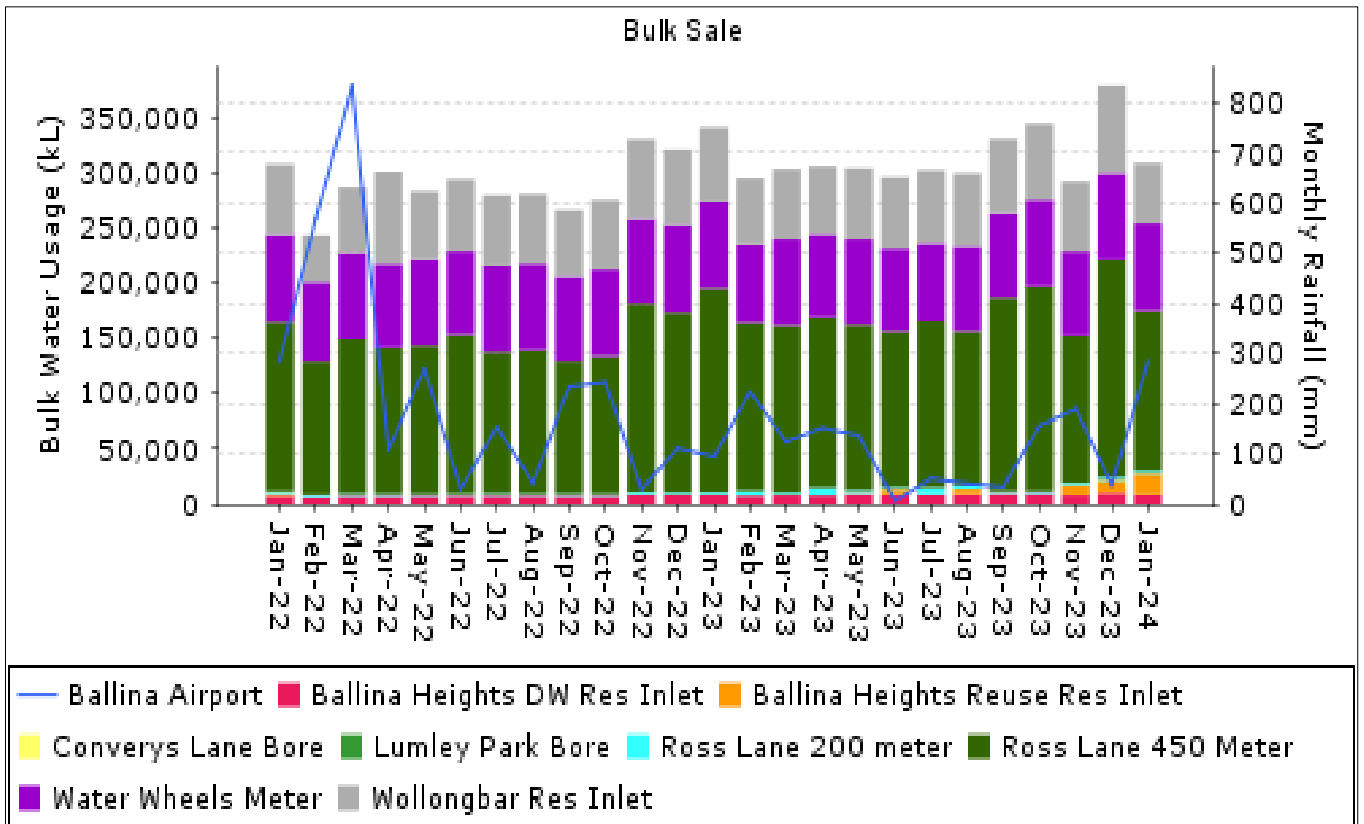


Figure 8: Monthly consumption and rainfall - Ballina Shire Council.

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

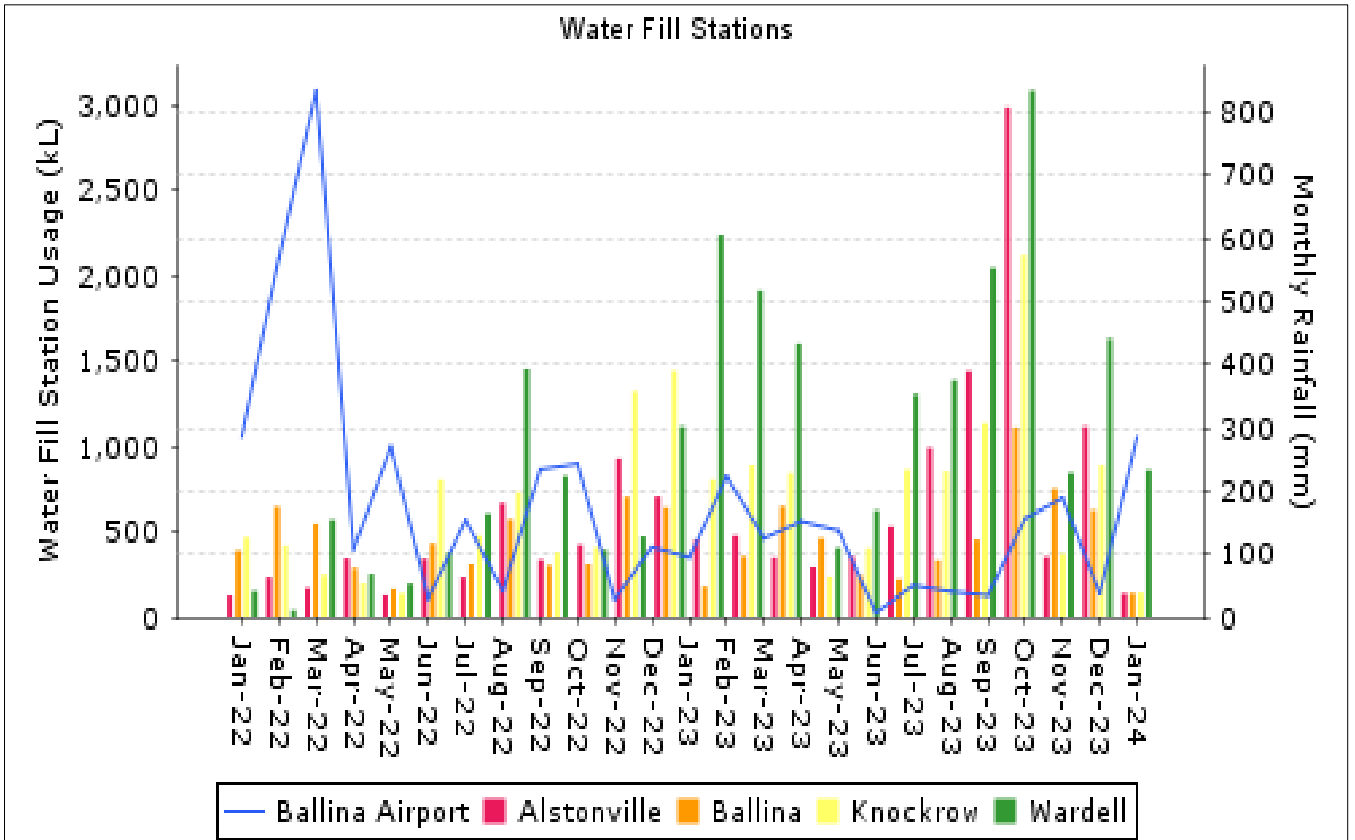


Figure 9: Monthly consumption commercial water fill station and rainfall.

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

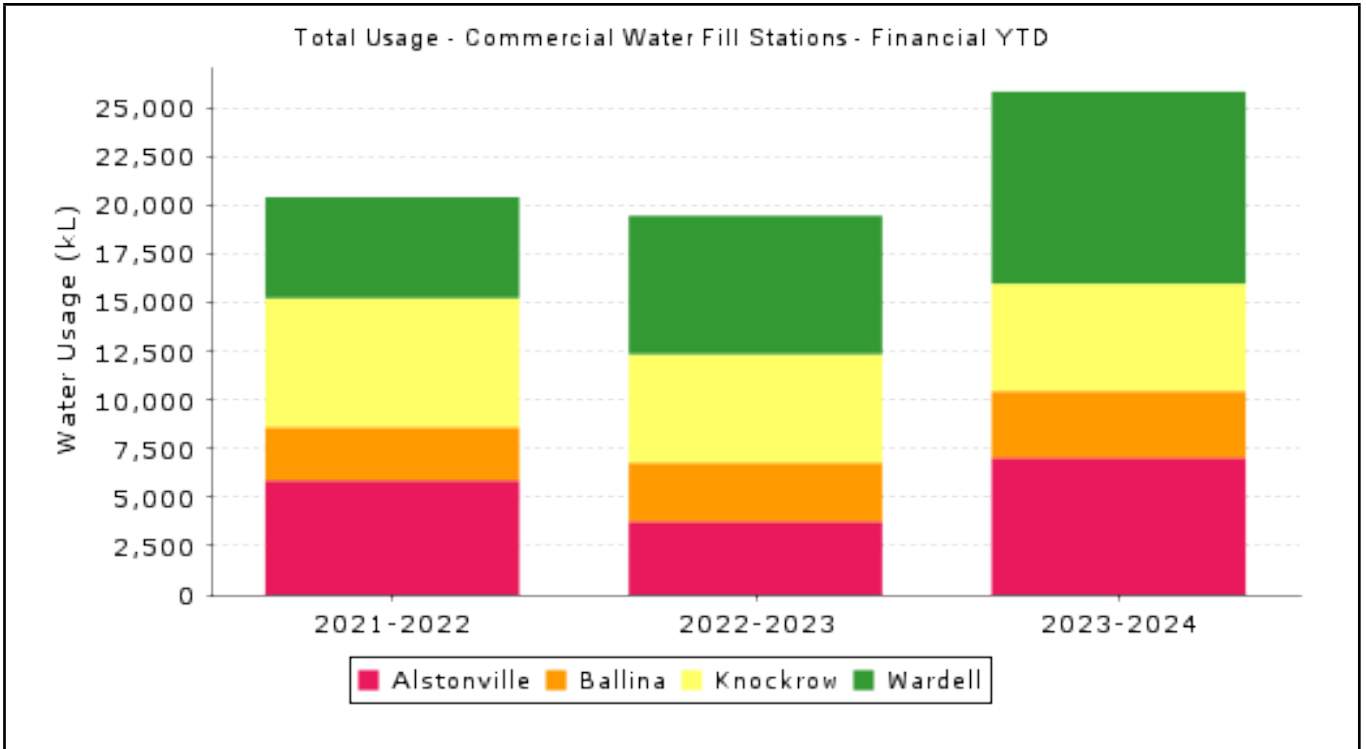


Figure 10: Total usage of commercial water fill stations. 1 July to 31 January

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.

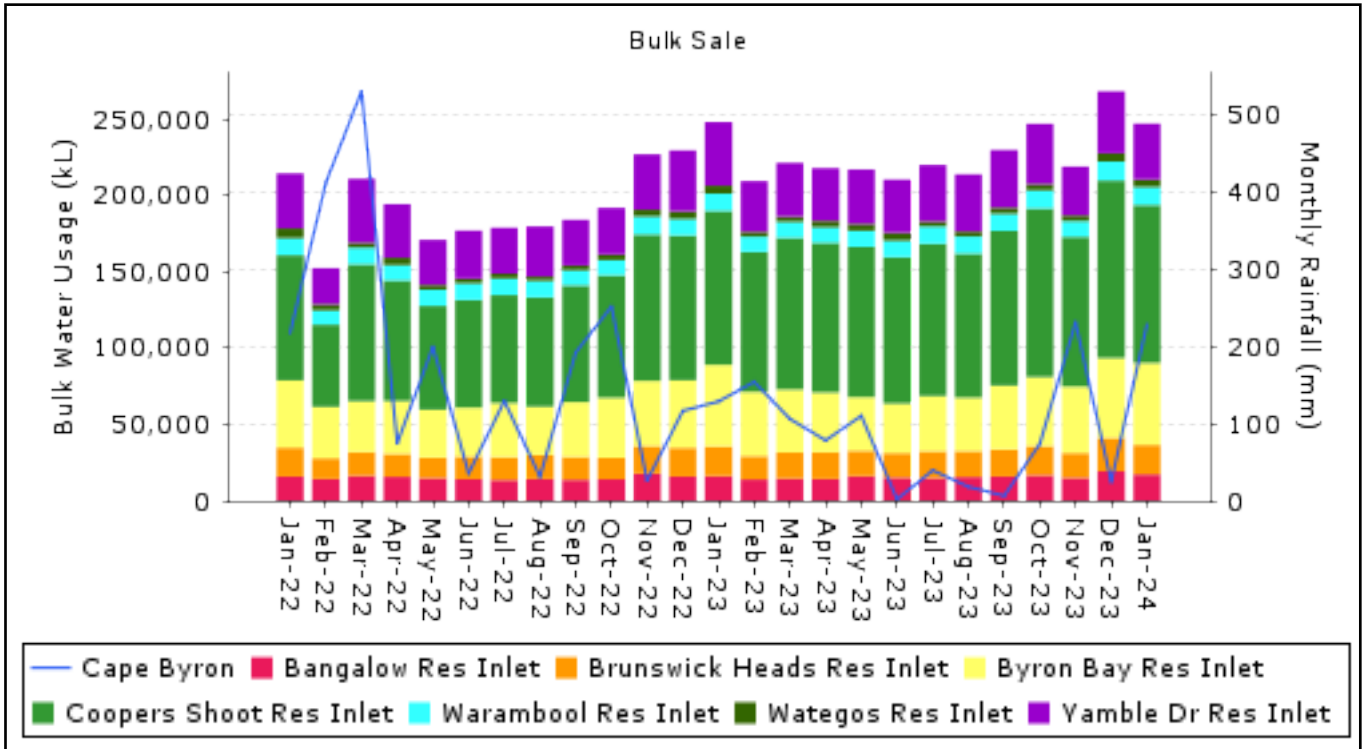


Figure 11: Monthly consumption and rainfall - Byron Shire Council.

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

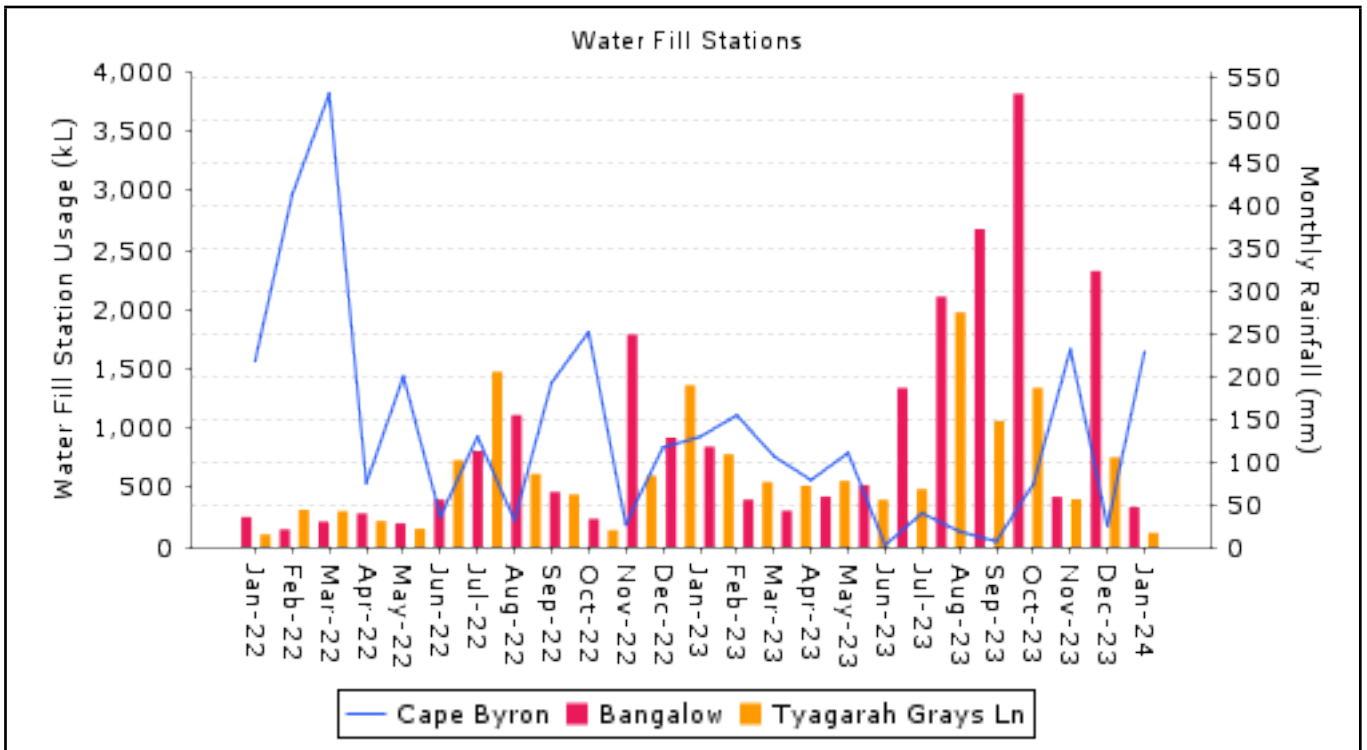


Figure 12: Monthly consumption commercial water fill station and rainfall.

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

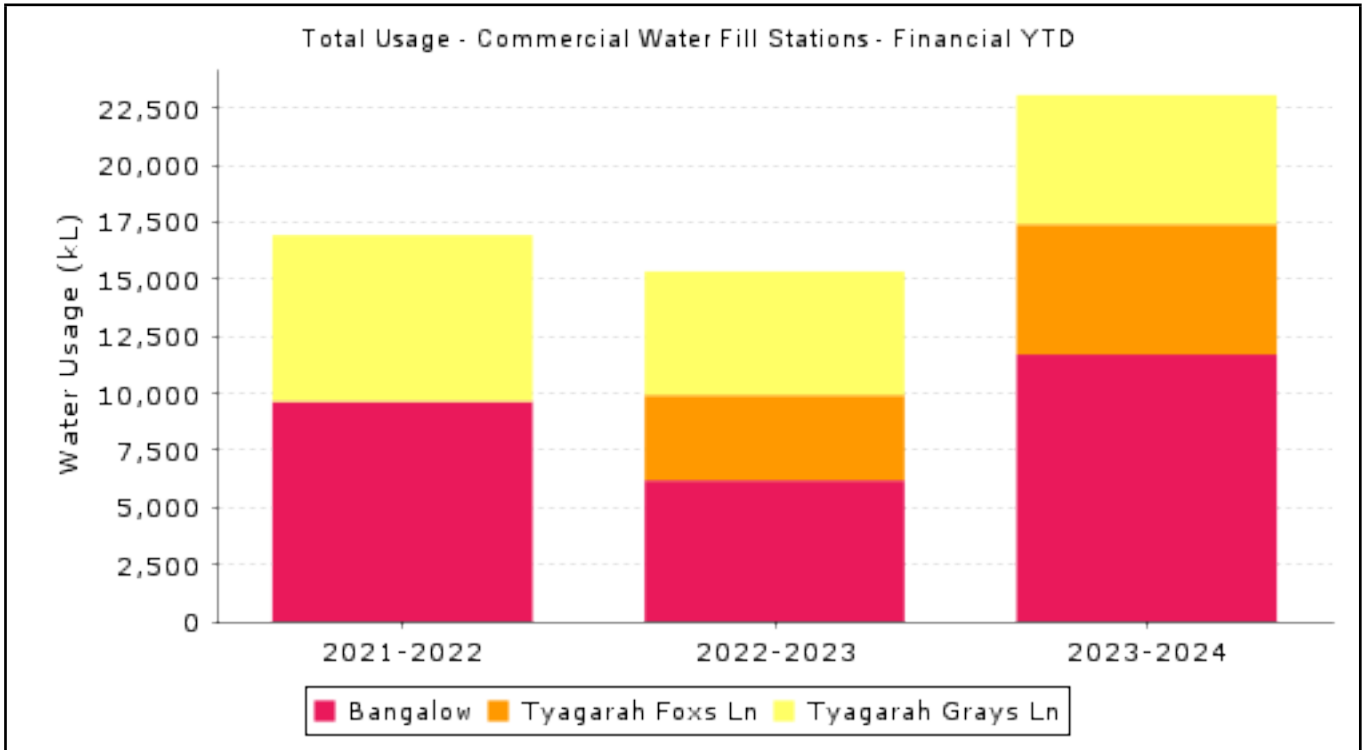


Figure 13: Total usage of commercial water fill stations. 1 July to 31 January

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.

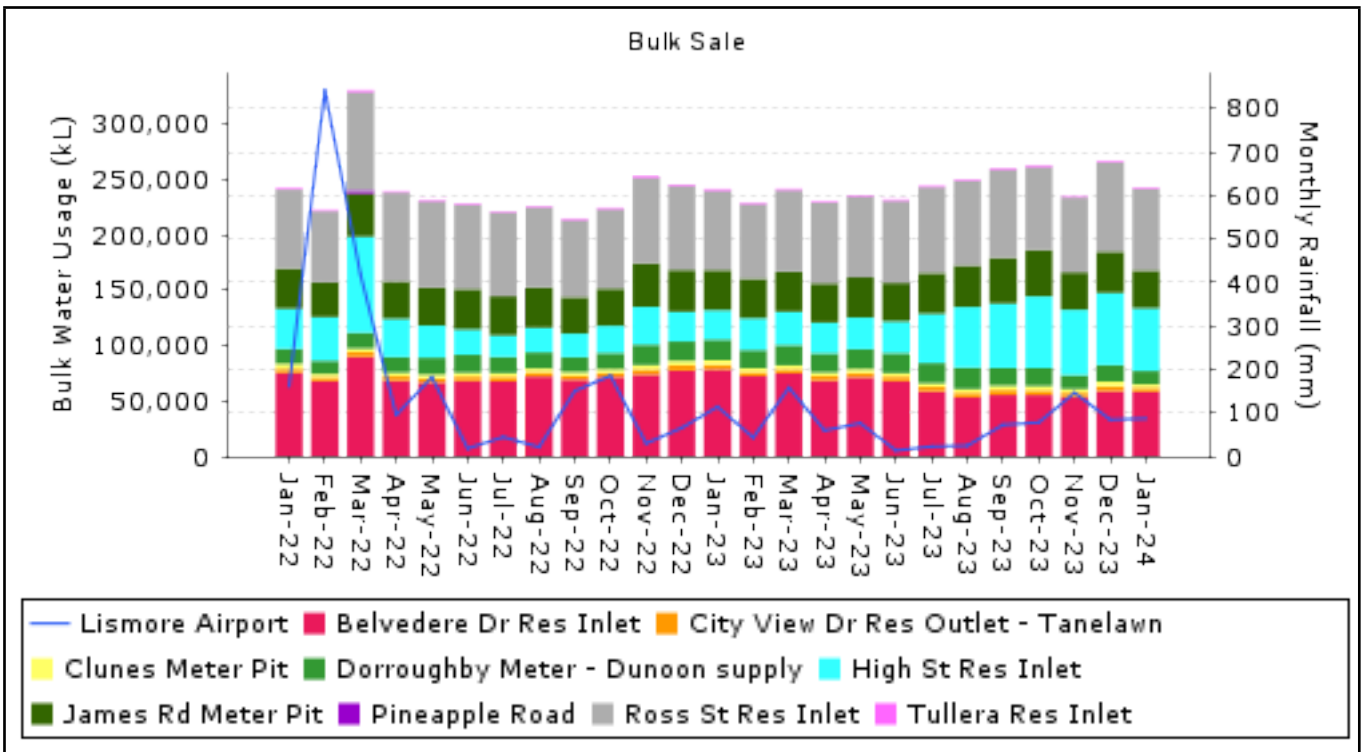


Figure 14: Monthly consumption and rainfall - Lismore City Council.

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

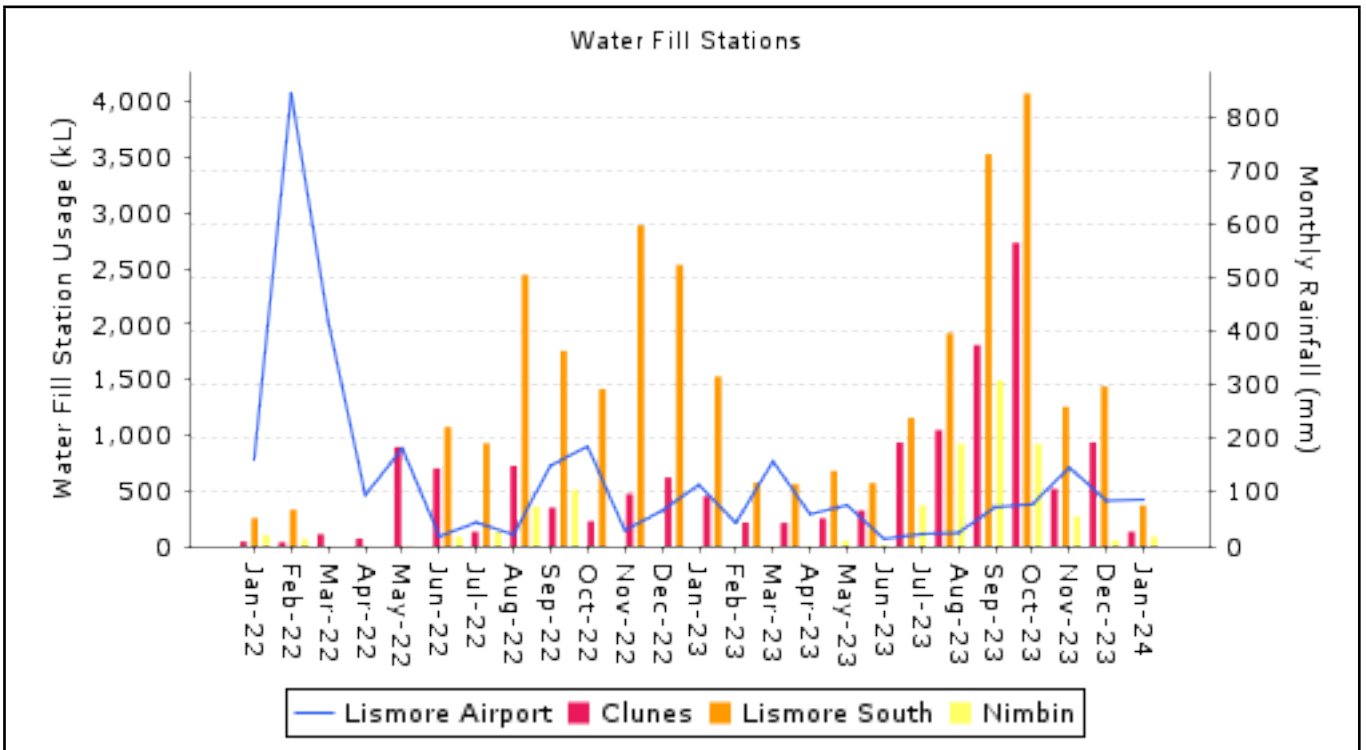


Figure 15: Monthly consumption commercial water fill station and rainfall.

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

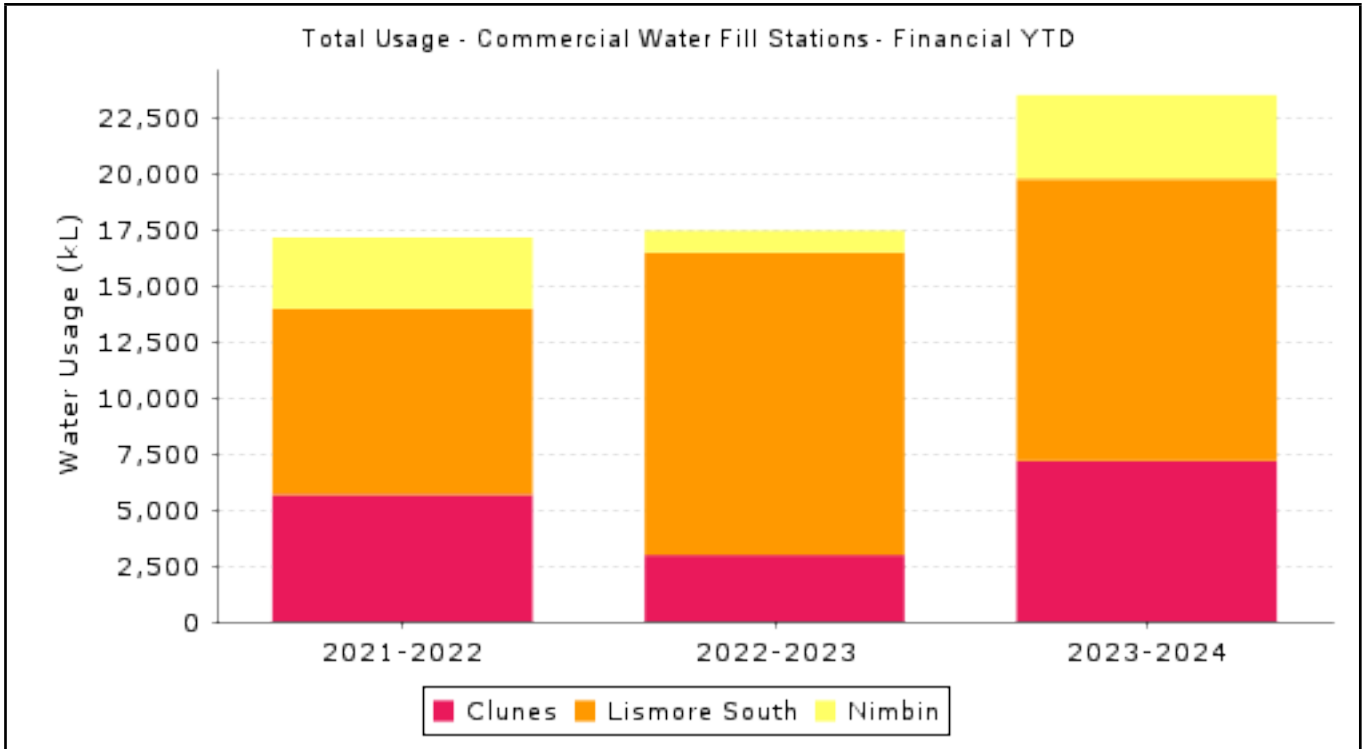


Figure 16: Total usage of commercial water fill stations. 1 July to 31 January

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.

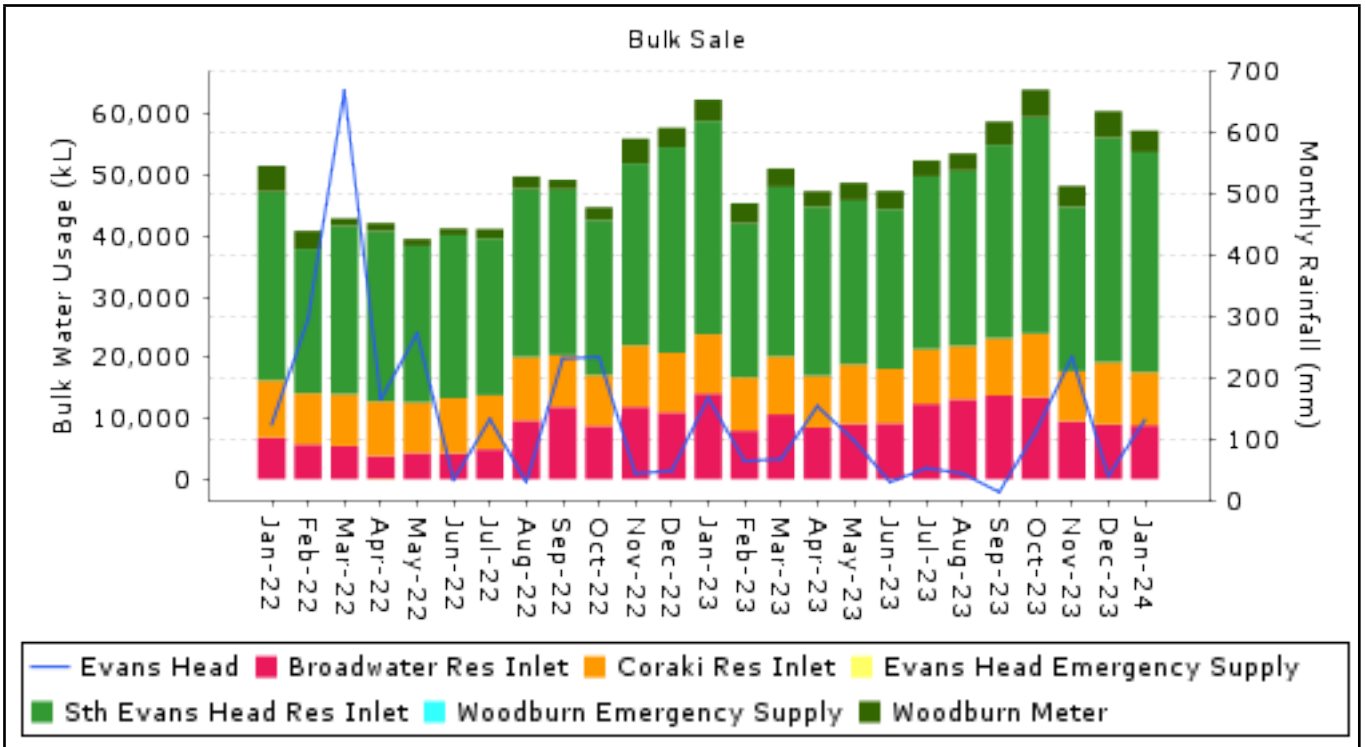


Figure 17: Monthly consumption and rainfall - Richmond Valley Council.

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

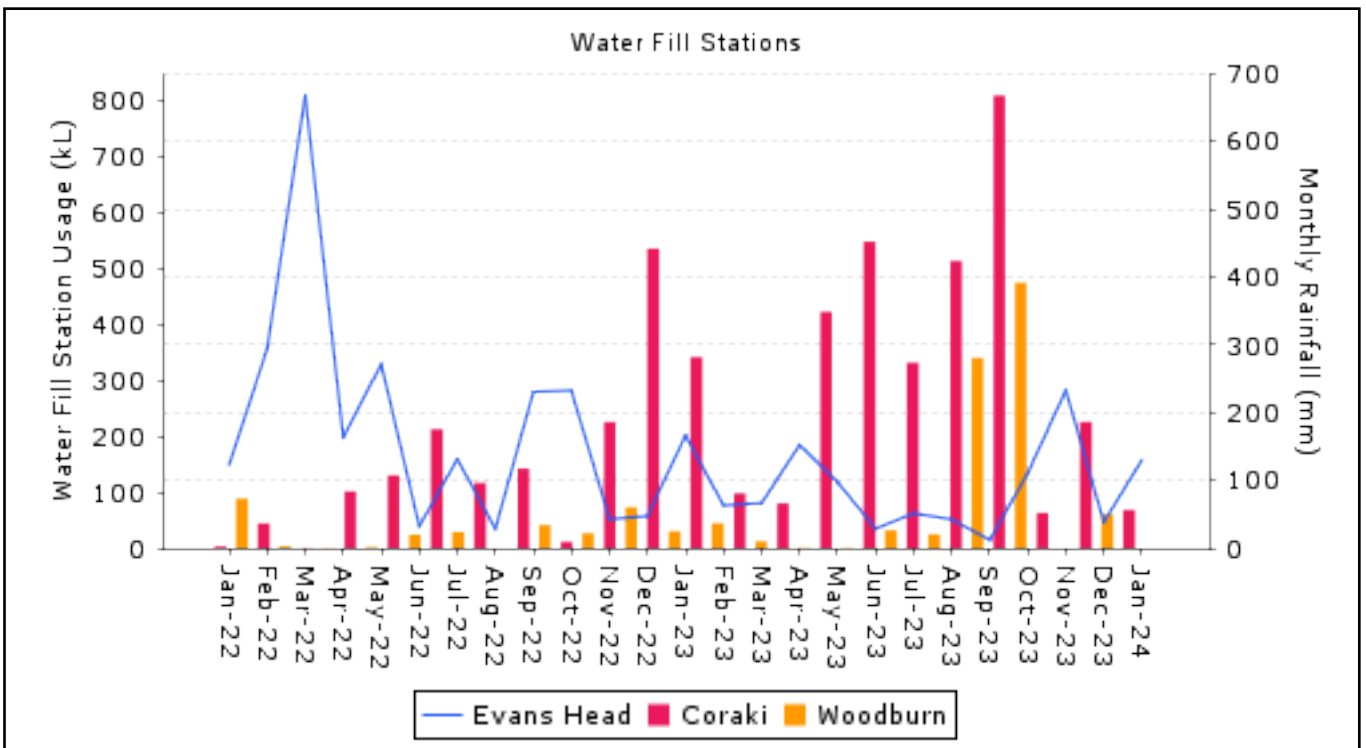


Figure 18: Monthly consumption commercial water fill station and rainfall.

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

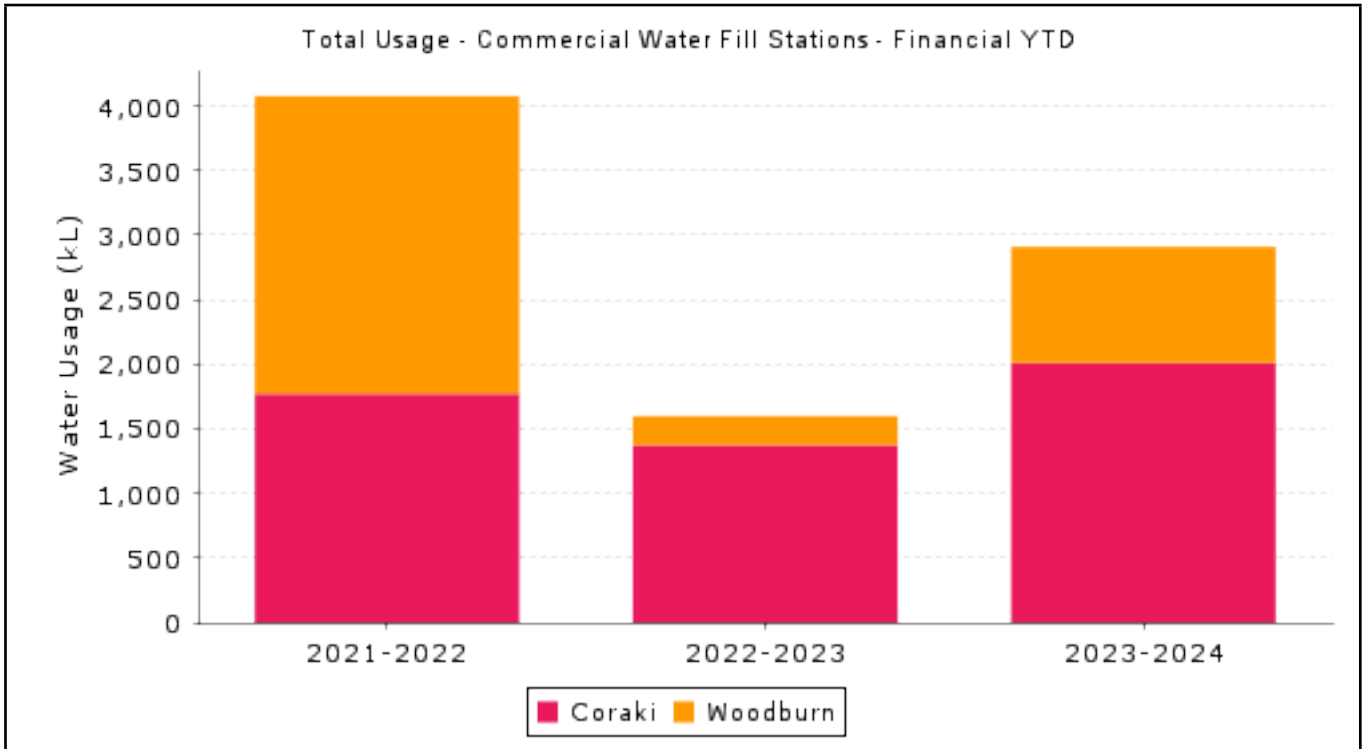


Figure 19: Total usage of commercial water fill stations. 1 July to 31 January

Integrated Planning and Reporting Framework: Delivery program | Operational plan progress update

1 October 2023 to 31 December 2023

Responsible Officer: Phillip Rudd, General Manager

Recommendation

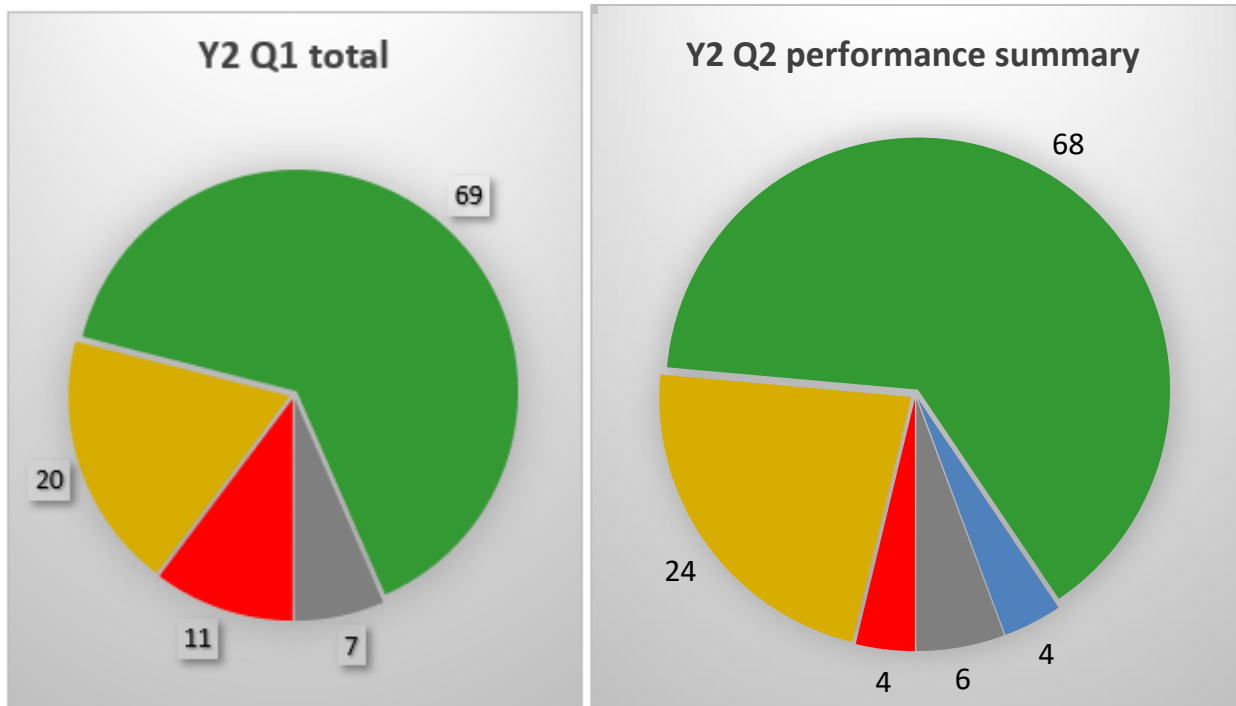
That Council receive and note this report and performance for the period 1 October to 31 December 2023 under the Integrated and Reporting and Planning delivery program | operational plan.

Background

The *Local Government Act 1993* requires that Council receive a report on implementation progress of the Delivery program at least every 6 months. This report satisfies that requirement.

A report on performance for the 12 month period ending 30 June 2024 is due to be furnished to Council's August 2024 meeting.

Performance at a glance



The reduction in the total number of actions from 107 to 106 for Q2 is the result of merging two actions.

Refer to the attachment for comments on **Amber**, **Red**, and **Grey** items.

Blue: COMPLETE.

Green: ACCEPTABLE. On track according to schedule or not yet due to have started.

Amber: MONITOR. In progress but behind schedule.

Red: REVIEW. Corrective action required.

Grey: NO LONGER REQ.

Governance

Council adopted its current Integrated Planning and Reporting Framework on 15 June 2022. The Framework is applicable for the period 1 July 2022 – 30 June 2025. The term was reduced to 3 years instead of 4 years across the sector due to the impact of the deferral of the scheduled September 2020 local government election. This occurred in response to the COVID19 pandemic. The cycle at the time was extended from 4 years to 5 years which then required the following cycle to be shorter to resynch with the timing of the 2024 local government election.

Finance

Refer to the report contained in this business paper titled 'Quarterly Budget Review Statement for the quarter ending 31 December 2023'.

Consultation

This report has been compiled in consultation with management staff.

Attachment

1. Implementation status for the period 1 October 2023 to 31 December 2023

IP&R Operational Plan

Reporting period: Quarter 2 - 1 October 2023 to 31 December 2023

Sustainable delivery

Our priorities include:

- Contributing to the protection and enhancement of our region's environment and natural resources.
- Taking steps to strengthen our response to climate change impacts and reducing our carbon emissions.
- Planning for future demands as our region's population grows.
- Sustainably using our available resources.
- Sound business planning and ongoing improvement.

Objectives:

- 1.1 A healthy environment.
- 1.2 Responding to climate change.
- 1.3 Water security, quality and sustainable consumption.
- 1.4 A sustainable Council.



Legend:

- Blue: COMPLETE. Comment mandatory.
- Green: ACCEPTABLE. On track according to schedule or not yet due to have started.
- No comment required.
- Amber: MONITOR. In progress but behind schedule. Comment mandatory.
- Red: REVIEW. Corrective action required. Comment mandatory.
- Grey: NO LONGER REQ. Comment mandatory.

NO COMMENTS REQUIRED IF GREEN

| Delivery objectives | 2023-2024 Actions | What is being measured | Target | Responsibility | Comment Q2 UPDATE | STATUS for this quarter |
|---|---|---|---|---|--|-------------------------|
| 1.1.1 Environmentally responsible procurement. | 1.1.1.1 Review local supplier relationships and resourcing of specialist procurement arrangements. | At least one in-house preferred supplier panel established. | By June 2024 | HSEL | | ● |
| 1.1.2 Sustainable river system health through natural resource management. | 1.1.2.1 Undertake scheduled 2023-24 actions of the Catchment and Coastal Zone Management plans. | % of scheduled actions completed. | At least 90% | CCAM | | ● |
| | 1.1.2.2 Continue to deliver the Active Floodgate Management Program – highlighting the expected improvement to water quality. | All required training of landowner volunteers completed. All required plans reviewed and updated. | By June 2024 | FMM | Assignment of responsibility changed to Flood Mitigation Manager. | ● |
| 1.1.3 Enhance the region's biosecurity through combatting the spread of targeted weeds. | 1.1.3.1 Deliver scheduled 2023-24 actions of the Weed Action Plan. | % of scheduled actions completed. | At least 95% | WBRM | Monthly check-ins indicate we are on track to meet scheduled WAP targets for 2023-24 | ● |
| | 1.1.3.2 Liaise with constituent councils about possible Rous role in fee for service weed control in local parks, reserves and roadsides. | Explore opportunities, cost options and discuss with constituents. | By June 2024 | WBRM | Still in discussion phase with Tweed. Idea discussed at Kyogle Council workshop. Kyogle said they are happy with current arrangement. Not discussed with other councils yet. | ● |
| 1.2.1 Achieve carbon neutrality. | 1.2.1.1 Deliver schedule 2023-24 actions of the Renewable Energy and Emissions Reduction Plan. | % of scheduled actions completed. | At least 90% | IPM | Renewable Energy and Emissions Reduction Plan adopted in October 2023 for implementation from 2024/25. | ● |
| | 1.2.1.2 Plant trees to contribute to offsetting our carbon emissions. | # of trees planted. | Subject to Plan outcomes | CCAM WBRM | | ● |
| 1.2.2 We are prepared and able to respond to climate change impacts. | 1.2.2.1 Collate and analyse data to inform the Strategic Review of Flood Mitigation. | Collation and analysis complete. | By June 2024 | GMPD | | ● |
| | 1.2.2.2 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 | Discussion paper shared with stakeholders and NSW Government. Written representation to NSW Government agencies made on need for strategic direction on natural resource impact of flood mitigation assets. | By June 2024 | FMM | | ● |
| 1.3.1 Short-term (to 2040) water supply demands are able to be met. | 1.3.1.1 (2022/23) Undertake scheduled 2022-23 actions of the Future Water Project. | % of scheduled actions completed. | At least 90% | FWPM | Marom Cix transfer process has been delayed due to the slower than forecasted development process of the initiating binding instrument of agreement. A draft agreement has now been received and formal consultation with Ballina Shire Council has now commenced. Woodburn Groundwater Scheme has further been delayed due to a change in the scope of works of the NSW Public Works Flood Recovery Program. As a result of this change, this project timeline has been re-benchmarked with completion scheduled in the second quarter of the 2025/26 financial | ● |
| | 1.3.1.1 Implement project plans for Stage 1 of Future Water Project for Aistonville and Woodburn groundwater schemes. | % of scheduled actions completed. | At least 90% | FWPM | As above. | ● |
| | 1.3.1.2 Administer residential rainwater tank rebates. | # of rebates processed. | Report by occurrence | WSO | Nine rebates applied for and paid from 1/10/2023 - 31/12/2023 \$15,250 paid in rebates 01/07/2023 - 31/12/2023 which is 30.5 % of the allocated budget. | ● |
| | 1.3.1.3 Monitor water quality to ensure compliance with Australian Drinking Water Guidelines. | # of occasions of non-compliance. | Results meet Australian Drinking Water Guidelines 95th percentile compliance. | DTM DEM | | ● |
| | 1.3.1.4 Implement Future Water Project stakeholder communication and engagement plans. | Y1 actions completed. | By June 2024 | FWPM | | ● |
| | 1.3.1.5 Implement a project plan for the planning and investigations of a groundwater scheme at Tyagarah (Stage 2 of the Future Water Project). | % of scheduled actions completed. | At least 80% | FWPM | The Tyagarah Groundwater Scheme has recommenced after initial consultation with key stakeholders. As a result of this delay, the project timeline has been re-benchmarked without significant impacts to the IWCM's estimated implementation timeframes for this scheme | ● |
| 1.3.2 Source options to meet long-term water supply demands are better understood. | 1.3.1.6 Continue investigations and planning to ensure drought readiness. | Emergency sources determined. | By June 2024 | FWPM | | ● |
| | 1.3.2.1 Undertake further investigations of Stage 3 source options to support future decision making | Study completed. | By June 2024 | FWPM | The proposed Dunoon Dam Biodiversity and Cultural Heritage Assessments have been delayed due to extended consultation with key stakeholders. The successful consultants will be appointed in February 2024 and have been given 12 months to complete the assessments. | ● |
| | 1.3.2.2 Investigate potential to source groundwater from the Richmond Area Coastal Floodplain Alluvial Groundwater Source. | Study completed. | By June 2024 | FWPM | Delays have been experienced in the appointment process of the lead consultant to support the investigations of the potential groundwater source. The appointment process is expected to be completed by the end | ● |
| 1.3.3 Our water supply is valued and used responsibly. | 1.3.2.4 Review and update secure yield assessment with latest data and modelling tools. | Secure yield assessment completed. | By June 2024 | FWPM | | ● |
| | 1.3.3.1 (2022/23) Undertake scheduled 2022-23 actions for the Regional Demand Management Plan. | % of scheduled actions completed. | At least 90% by December 2023 | WSO | Target of at least 90% by December 2024 achieved. | ● |
| | 1.3.3.1 Undertake scheduled 2023-24 actions for the Regional Demand Management Plan. | % of scheduled actions completed. | At least 90% | WSO | At least 80% of scheduled actions completed. | ● |
| | 1.3.3.2 Design a behaviour-change pilot program to understand community attitudes to responsible water use. | Consultant engaged and initial program designed. | By June 2024 | WSO | Contractor not appointed after tender process, so reassess of the direction for this work underway. This is a 4 year project, a minor delay will not impact the overall program | ● |
| | 1.3.3.3 Develop a Regional Water Education Program. | Program approved by Leadership Team. | By December 2023 | RWEO | Completed | ● |
| | 1.3.3.4 Implement a Regional Water Education Program. | % of scheduled actions for 2023-24 completed. | At least 80% | RWEO | 80% completed by December 2023 | ● |
| 1.3.3.5 Implement the Water Loss Management Plan. | % of scheduled 2023-24 actions completed. | At least 90% | IPM | On track for completion. Meters purchased. Regional Leakage Reduction Program grant funding received. | ● | |
| | 1.3.3.6 Continue implementation of smart metering and backflow prevention program for retail customers. | On ground works completed. | By June 2024 | SMPM | | ● |

| | | | | | | |
|---|--|--|---|---|--|---|
| | 1.3.3.7 Provide an interim update to the Drought Management Plan while investigations continue into future water sources. | Interim Drought Management Plan adopted by Council | By December 2023 | WSO | Complete. | ● |
| | 1.3.3.8 Strategic Review of the Emigrant Creek Water Treatment Plant to optimise operations, maintenance, utilisation and production capability. | Study completed. | By June 2024 | SPE | The Contract has been awarded and is progressing. The service delivery plan indicates delivery of the majority of the project in 2023/24, with the final deliverables achieved in 1st quarter of 2024/25 | ● |
| 1.3.4 The region's water supply capacity is enhanced. | 1.3.4.1 Undertake studies into purified recycled water and determine a position regarding purified recycled water as a future water security option. | Report to Council | June 2024 | RWPM | | ● |
| 1.4.1 Our resources are planned, prioritised and implemented to ensure Rous's sustainability | 1.4.1.1 Undertake scheduled actions within the 2023-24 Resourcing Strategy. | % of scheduled actions completed - Asset Management Strategy and Plan. | At least 90% | AMSO | | ● |
| | | % of scheduled actions completed - Workforce Management Plan. | At least 90% | PCM | 12/02 PC: 18 month initiative plan delivered to LT in late 2023. Further amendments required. | ● |
| | 1.4.1.2 Deliver the 2023-24 Capital Works program. | % of program completed. | At least 80% | PM DTEM DEM | Capital Construction Program to date has been progressing well and has been on track. However, there are several projects scheduled for completion in Q3 and Q4 where investigations and preliminary work has identified risks and cost issues which are likely to affect progress in delivering these works by 30 June 2024. Work will continue with necessary adjustments made as part of the relevant OBRs. | ● |
| | | % of spending achieved. | At least 80% of funds committed or spent. | PM DTEM DEM | | ● |
| 1.4.1.3 Develop a guiding strategy and plan for the finalisation of Perradenya land development. | Strategy adopted by Council. | By December 2023 | PMRP | | ● | |
| | | Scheduled actions for 2023-2024 completed. | At least 90% | PMRP | Identified actions are in progress although it is unlikely to be 90% complete by June 2024. | ● |
| 1.4.2 Rous's revenue stream is strengthened. | 1.4.2.1 Implement the adopted development servicing plans for Bulk Water and Retail Water supplies. | Revenue through developer fees is increased. | 5% on 2022-2023 levels | PDE | | ● |
| 1.4.3 A positive risk management culture is embedded and sustained. | 1.4.3.1 (2022/23) Review the currency and operability of Emergency Response plans following recent major flood events. | Review complete. | By December 2023 | RAS | Review identified - (a) document management system issues that required priority remediation (now completed), (b) supporting material sufficient with modest administrative updates only required, (c) Emergency Response Plans/ Incident Response Plans require technical and administrative inputs/updates, which are to be undertaken over the remainder of the 2023/24 FY. | ● |
| | 1.4.3.1 Test emergency response plans and update business continuity plans. | Plans tested and updated. | At least once by June 2024 | RAS | | ● |
| | 1.4.3.2 (2022/23) Update Council's Risk Management Plan and review the Risk Register to respond to outcomes of recent major flood events. | Plan and Register closed. | By June 2024 | RAS | | ● |
| | 1.4.3.2 Update Council's annual Risk Management Plan and update Risk Register structure and format. | Plan and Register closed. | By June 2024 | RAS | | ● |
| | 1.4.3.3 Implementation of the Dams Safety Management System in compliance with Dams Safety Regulation 2019. | Updated operations and maintenance 'manuals' and 'plans' for Emigrant Creek Dam and Rocky Creek Dam. | By December 2023 | GMPD SPE DTEM | | ● |
| Complete detailed risk assessments and safety review report for Emigrant Creek Dam. | | By December 2023 | GMPD SPE DTEM | In progress. Expect finalising in 3rd Quarter 2024 Financial Year. Delay due to complexity and availability of specialised service providers. | ● | |
| Progressing with detailed risk assessments and safety review report for Rocky Creek Dam. | | By June 2024 | GMPD SPE DTEM | | ● | |
| 1.4.4 Ongoing service reviews, audits and business improvements achieve enhanced organisational outcomes. | 1.4.4.1 Complete prioritised service reviews based on recommended focus areas identified by Audit, Risk and Improvement Committee. | # of service reviews completed. | At least 1 | GRM | | ● |
| | | % of review recommendations implemented. | At least 50% within 12 months of date of recommendation | GRM | | ● |
| | 1.4.4.2 Progressive implementation of works management system. | Evidence of proactive works allocation and completion. | Upward trend. | DEM DTEM | | ● |
| | 1.4.4.3 Progressive updating of Dam Safety Management System documents and plans. | Annual completion of surveillance inspections and updating of dam safety documents and plans as required in the Dam Safety Management System document. | By December 2023 | GMO SPE DTEM | | ● |
| | | Completion of the Dam Safety Standard reports for Emigrant Creek Dam and Rocky Creek Dam. | By 31 March 2024 | GMO SPE DTEM | | ● |
| | 1.4.4.4 (2022/23) Review and align all proactive operational maintenance plans for water and flood assets as part of ongoing improvements to service | All operational maintenance plans reviewed, updated and implemented. | By June 2024 | DEM DTEM | | ● |
| 1.4.4.4 Business process capture and re-engineering. | # of processes reviewed that directly relate to the Digital Transformation program. | As per project plan | GMCC | Superseded by Digital Transformation program. | ● | |
| | Delivery of process efficiency improvements. Measured in time or cost savings; with consideration to risk. | Reduction in time, cost, and/or risk. | GMCC | Superseded by Digital Transformation program. | ● | |

External relationships

Our priorities include:

- Building community understanding of the breadth of functions and results that Council delivers across the region.
- Being well positioned to respond to the diversity of our communities' needs and aspirations.
- Ensuring we proactively and positively engage with our constituent councils so that they understand and support our future direction.
- Maintaining strong relationships with others to promote positive business, environment and community outcomes.
- Being well positioned to win State Government funding opportunities.
- Sound business planning and ongoing improvement.

Objectives:

- 2.1 Strong and mutually respectful relationships with our constituent councils.
- 2.2 People across our region understand the work that we do.
- 2.3 Our working relationships with political, regulatory and industry stakeholders are effective and achieve results.

NO COMMENTS REQUIRED IF GREEN

| Delivery objectives | 2023-2024 Actions | What is being measured | Target | Responsibility | Comment Q2 UPDATE | STATUS for this quarter |
|---|---|---|--------------------------|----------------|---|-------------------------|
| 2.1.1 Effective collaboration and communication with our constituent councils. | 2.1.1.1 Improve relationships with constituent councils' Communications and Engagement teams through regular catch-up events. | Number of events. | At least 2 events. | CCM | | ● |
| | 2.1.1.2 Evaluate pricing model methodology. | Update of bulk water methodology to reflect a 2-part (fixed/variable) tariff. | By October 2023 | FM | Finance have completed the calculations of the proposed methodology change and the associated impacts on each Constituent Council. This information will be presented to the Constituent Councils as part of the March budget workshop. | ● |
| 2.2.1.1 Identify target businesses for the Sustainable Water Partnership pilot program. | | Spread across target groups. | At least 2 target groups | WSO | On-site water assessments for 14 business' completed, reports provided and 4 rebates have been paid. | ● |

| | | | | | | |
|---|--|--|---|----------------|--|---|
| 2.2.1 Communities across our region are kept informed of Rous's work and have opportunities to engage with us. | 2.2.1.2 Provide opportunities for engagement through face-to-face activities, social media, website and customer service offerings. | Increase in social media followers. | At least 1,500 in total across all social media platforms | CCM | Social media following across all platforms currently totals 2030. | ● |
| | | # of telephone call-backs received. Increase in website visitation. Use of available online tools, i.e., e-forms, SMS alert registrations, 'report a weed' form, views of Issuu documents. | No target Report by occurrence | CCM | | ● |
| | 2.2.1.3 Monitor Rous website to ensure content complies with WCAG level AA standards. | Compliance. | 100% | CCM | | ● |
| | 2.2.1.4 Provide timely and accurate information using appropriate media. | Number of media releases. Number of social media posts. Number of website news articles. | No target Report by occurrence | CCM | Media Releases: 3 Instagram: 53 (+ 2 stories) Facebook: 73 LinkedIn: 7 Total = 138 Website news articles = 9 | ● |
| | 2.2.1.5 Support Rous projects and activities through the development and implementation of communication and marketing campaigns. | Number of projects and activities supported. | No target Report by occurrence | CCM | Future Water, Smart Meter project, Miconia campaign, Weed Biosecurity campaign, water conservation and drought management campaigns. | ● |
| 2.3.1 Our positive working relationships support the achievement of regional outcomes. | 2.3.1.1 Pursue funding opportunities that support agreed regional objectives where delivery is primarily Rous's responsibility. | \$ value of funding received. | At least \$100,000 | GM | | ● |
| | 2.3.1.2 Actively participate in the Northern Rivers Joint Organisation. | % of scheduled meetings attended. | 100% | GM | | ● |
| | 2.3.1.3 Provide end to end support for the Northern Rivers Joint Organisation. | NRJO is compliant with its obligations and services provided within budget allocation. | 100% | GM | | ● |
| 2.3.2 Water consuming businesses and industry are engaged to promote sustainable water consumption. | 2.3.2.1 (2022/23) Undertake scheduled 2022-23 actions of the Regional Demand Management Plan. | % of scheduled Rous's actions completed. | At least 90% by December 2023 | WSO | Target of at least 90% by December 2024 achieved. | ● |
| | 2.3.2.1 Undertake scheduled 2023-24 actions of the Regional Demand Management Plan. | % of scheduled Rous's actions completed. | At least 90% | WSO | At least 90% of scheduled actions completed. | ● |
| 2.3.3 Local Aboriginal history and culture is respected, and we positively engage with our First Nations communities. | 2.3.3.1 Implement Rous's Reconciliation Action Plan. | Review actions to ensure relevance and currency. Complete scheduled actions. | By June 2024 By assigned due date | CCAM | | ● |
| | 2.3.4.1 Undertake scheduled 2023-24 actions of the Communications and Engagement Strategy. | % of scheduled actions completed. | At least 90% | CCM | 74% of 2023/24 scheduled actions completed. | ● |
| 2.3.5 Regional collaboration informs policy and innovative approaches to priority issues. | 2.3.5.1 Actively contribute to the Weeds and Pest Advisory Committees as part of our flood and water policy contribution. | # of meetings participated in. Nature of outcomes achieved. | At least 90% Report by occurrence | GM | | ● |
| | 2.3.5.2 Collaborate with State and other agencies including Health, Local Land Services, Dept of Primary Industries and Water Services Association of Australia. | Nature of collaboration outcomes. | Report by occurrence | WBIRM DTEM DEM | No change in status since last update - no specific opportunities identified. | ● |

Our people

Our priorities include:

- Forecasting future workforce skill needs.
- Being an employer our employees are proud to work for.
- Creating opportunities for our staff to learn and develop skills that are needed for achieving our organisational objectives.

Objectives:

- Our future workforce requirements are confirmed.
- Innovative solutions are applied to addressing skills gaps.
- Leaders at all levels.
- We are recognised as an employer of choice.

NO COMMENTS REQUIRED IF GREEN

| Delivery objectives | 2023-2024 Actions | What is being measured | Target | Responsibility | Comment Q2 UPDATE | STATUS for this quarter |
|--|--|---|---------------------------------|----------------|--|-------------------------|
| 3.1.1 We know our workforce and skills requirements to achieve our Delivery Program commitments. | 3.1.1.1 Develop a Change Management Framework. | % of respondents reporting and understanding of rationale and impact of change through pulse surveys. | Upward trend | PCM | 12/02 PC: External Consultant (ChangeWorks) has been engaged and commenced in late January 2024. Change Framework to be completed by the end of Q3 23/24. | ● |
| 3.2.1 Specialist and hard-to-recruit skills are available to Rous when needed. | 3.2.1.1 Implement Workforce Management Plan actions related to filling hard-to-recruit roles. | % of positions advertised and filled following recruitment process. | At least 90% | PCM | 12/02 PC: Continuous improvement initiative, with several options tried and tested. Lesson learn will now drive our preferred initiative, to be documented. | ● |
| | 3.2.1.2 Create alternative employment pathways: scholarships, cadetships, graduate or trainee programs. | % of staff are employed via this pathway. | At least 4% | PCM | 12/02 PC: 18 month initiative plan delivered to LT in late 2023. Further amendments required. | ● |
| | 3.2.1.3 Review, update and expand the visibility of the Employee Value Proposition. | Employee Value Proposition is publicly available. | By 31 December 2023 | PCM | 12/02 PC: Discussions in play re: timing of this initiative. Operational plan with timing by end of Feb 2024 | ● |
| | 3.2.1.4 Complete staff skills and interests inventory through annual performance appraisal process. | Inventory complete. | By 31 January 2024 | PCM | | ● |
| | 3.2.1.5 Ensure succession planning for business critical roles. | Succession plans in place. | By 31 December 2023 | PCM | | ● |
| | 3.2.1.6 Establish a suite of workforce metrics that support managers with workforce planning. | Suite of workforce metrics developed and reporting available to managers. | By 31 December 2023 | PCM | 12/02 PC: Initiative to be pushed out until mid 2024 to align with new Payroll system and additional information/data that will be available | ● |
| 3.3.1 Our leaders and emerging leaders are provided with development opportunities. | 3.3.1.1 Implement leadership development actions of the Workforce Management Plan. | % of scheduled actions completed. | At least 90% | PCM | 12/02 PC: Quotes for Leadership and Culture support consultant currently being sourced, with the intent to engage and kick-off leadership and culture initiative in Q4 23/24 | ● |
| 3.4.1 Our staff are proud to work for Rous. | 3.4.1.1 Recognise and celebrate achievements and staff contributions through regular staff communications. | % of staff who report being proud to work for Rous. Open rate of internal e-newsletter. | At least 90% At least 90% | PCM CCM | | ● ● |
| | 3.4.1.2 Implement changes to internal communication with a focus on staff engagement and feedback. | Impact of internal communication initiatives on level of staff engagement and satisfaction. | Upward trend quarter-on-quarter | PCM | 12/02 PC: CCM and PCM currently working through who is responsible for employee engagement. Action: PC to update before end of Feb. | ● |
| | 3.4.2.1 Develop new Disability Inclusion Action Plan. | Plan finalised and approved. | By 31 December 2023 | PCM | Defer to a later date due to competing priorities. | ● |
| | 3.4.2.2 (2022/23) Review the Work Health and Safety Management System. | Review completed. | By December 2023 | HSEL | Due to be completed by end March 2024. | ● |
| | 3.4.2.2 Coordinate and deliver a NSW Women's Week 2024 event. | Event delivered. | By April 2024 | CCM | Due to be delivered in March 2024. | ● |

| | | | | | | |
|--|---|-------------------------------------|-----------------------------------|------|---|---|
| 3.4.2 Our workplace is accessible, inclusive and safe. | 3.4.2.3 Implement Council's Health Safety and Environment policy and systems. | Employee days lost. | 0 lost time injuries | HSEL | We are committed to fostering a safe work environment and implementing measures to minimize such occurrences in the future. | ● |
| | | Event reporting. | Upward trend | HSEL | Event reporting has remained stable with one exception Weekly Motor Vehicle Inspection, this has been a focus area and is a work in progress. | ● |
| | | Digitisation of business processes. | No paper-based business processes | HSEL | Transitioned to BAU. | ● |

Leadership and innovation

Our priorities include:

- Confirming our role as a regional leader.
- Expanding Rous's role in the region to provide a more consistent and cohesive service delivery model on behalf of our constituent councils.
- Exploring new technologies and approaches to addressing regional issues where Council may contribute to the solution.
- Responding proactively to a changing regulatory environment.

Objectives:

4.1 Be recognised for leadership in what we do.

4.2 Effective use of technology supports the achievement of organisational objectives.

4.3 We embrace innovation and continually improve the way we do business.

NO COMMENTS REQUIRED IF GREEN

| Delivery objectives | 2023-2024 Actions | What is being measured | Target | Responsibility | Comment Q2 UPDATE | STATUS for this quarter |
|---|---|---|---|----------------|--|-------------------------|
| 4.1.1 Embed reconciliation in Rous's culture through its people and partners. | 4.1.1.1 Undertake scheduled 2023-24 actions of the Reconciliation Action Plan. | % of scheduled actions completed. | At least 90% | CCAM | | ● |
| 4.1.2 Demonstrate effective leadership through the delivery of our commitments and reporting on our progress and results. | 4.1.2.1 Prepare an annual Operational Plan, Budget and Annual Report to demonstrate Council's progress in achieving its Delivery Program commitments. | 2024-25 Operational Plan and Budget adopted. | By June 2024 | GMPP FBP | | ● |
| | 4.1.2.2 Report on Service Level Agreement implementation and performance. | 2022-23 Annual Report published. | By 30 November 2023 | CCM | Complete. | ● |
| 4.2.1 Our business systems and data support us to achieve organisational results. | 4.2.1.1 Deliver enhanced financial budgets actuals reporting. | Reports provided to constituent councils. | 6-monthly | GMO | | ● |
| | 4.2.1.2 Deliver enhanced financial budgets actuals reporting. | Timeliness of and access to data through management reporting. | By December 2023 | FM | | ● |
| 4.2.2 Finding and promoting opportunities for technology alignment and compatibility across our region's councils. | 4.2.2.1 Commence implementation of digital transformation program. | Adherence to project plan. | Achieved | GMCC | | ● |
| | 4.2.2.1 Initiate the development of a position paper through the Northern Rivers Information Technology Managers Group. | Position paper completed and reported to LT. Number of quick wins implemented as a result of the position paper. | By December 2023 At least 1 | ICTM ICTM | Looking to descope - current priority is Digital Transformation. Microsoft licensing deal delivered and implemented across Council. | ● ● |
| 4.3.1 Successful consolidation of Rous administration and depots to achieve business improvements and optimisation. | 4.3.1.1 Develop and implement scope of works for workplace consolidation plan and commence relocation to Galfans Road site. | Obtain regulatory approval. | By August 2023 | PMRP | DA lodged with Ballina Shire Council. | ● |
| | | Confirm site plan and project scheduling. | By August 2023 | PMRP | Tender closed 1 December 2023. Evaluation to be complete by 20 December 2023. | ● |
| | | Award construction contract. | By December 2023 | PMRP | On track to advise preferred contractor by 20 December 2023. Contract negotiations to be finalised over Jan / Feb 2024. | ● |
| | | Adherence to Project Communication Plan. | Achieved | PMRP | Information is being made available as appropriate. | ● |
| 4.3.2 Continuous improvement in our delivery of a bulk water supply. | 4.3.2.1 Report on Service Level Agreement implementation and performance. 4.3.2.2 Proactively seek feedback from constituent councils on bulk water supply delivery performance. | Project information updates available, timely and accessible to staff, incl. feedback loop pathways in place. | At least 90% open rate for information shared via digital channels (incl. ELMO) | PMRP | | ● |
| | | Reports provided to constituent councils. | 6-monthly | DEM | | ● |
| 4.3.3 Proactive contribution as part of a regional response to flood mitigation. | 4.3.3.1 Actively participate in ongoing flood response initiatives. | Performance of Rous bulk water supply delivery. | 6-monthly engagement with key contacts at constituent councils | GMO | | ● |
| | | Betterment of Rous flood mitigation urban levee asset condition. | Lismore Levee, East Coraki, Woodburn town drain | PCE | Public Works managing the condition assessments which have taken longer than expected. Anticipating their finalisation in early 2024 with program of works to extend over next 2 years | ● |
| | | Performance of Rous flood mitigation. | 90% of Rous rural floodgate assets at condition score of 3 or better | FMM | | ● |
| | 4.3.3.2 (2022/23) Progress discussions with Lismore City Council regarding the long-term arrangements for the Lismore Levee. | Revised draft MOU available for discussion. | By June 2024 | GM | No change in status since last update. | ● |

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 | |
|----------------------------|---|
| Report | Richmond River Cane Growers Association submission: Review of Tuckombil Canal fixed weir (Letters 118585 / 53238) |
| | <i>Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)</i> |
| ACTION | <p>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.</p> <p>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.</p> |
| COUNCIL MEETING 20-08-2023 | |
| Report | Retail Water Bad Debt Write-off |
| | <i>Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)</i> |
| Resolution | <p>(Ndiaye/Humphrys):</p> <ol style="list-style-type: none"> That Council defers the decision until the February 2024 Council meeting with no interest to be applied to the account during that period. Staff to continue to work with the customer for the debt recovery of \$2,500. |
| ACTION | Update report to be provided to the February 2024 Council meeting. |
| COUNCIL MEETING 13-12-2023 | |
| Report | Proposed Dunoon Dam - acquisition of properties |
| | <i>Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)</i> |
| Resolution | <p>(Breum/Cadwallader) that Council:</p> <ol style="list-style-type: none"> To reconfirm its prior position in relation to acquisition of land in the Proposed Dunoon Dam area as shown in the Attachment 1 and strategic interest to the Future Water Strategy 2060. The terms of such acquisition are to be in accordance with Council's current 'Land Management' policy, Item 4 (Attachment 2), namely: |

| | |
|---|---|
| <p>ACTION</p> | <p>b. Acquisition to be upon offer of sale by existing landowner.</p> <p>c. Meets the proposed operational need or strategic objective of the future water strategy 2060.</p> <p>d. Such acquisition costs to be calculated with due consideration to market and strategic value.</p> <p>Report back to Council regarding strategic land purchases for the Future Water Strategy 2060.</p> |
| <p>Report</p> | <p>Update on interim arrangements for Lismore Levee Scheme</p> |
| | <p><i>Responsible Officer: Group Manager Planning and Delivery (Andrew Logan)</i></p> |
| <p>Resolution</p> <p>ACTION</p> | <p>(Rob/Cadwallader) that Council in addition to previous resolutions on the matter:</p> <ol style="list-style-type: none"> 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 <i>Northern Rivers Recovery and Resilience Program(NRRRP)</i>, subject to LCC's written confirmation that they will assume ownership of the new, upgraded and renewed assets. <p>Receive a further update before end of July 2024.</p> |
| <p>Report</p> | <p>Staff investigation and response - Notice of Motion "Acquisition of low-lying, high-risk rural floodplain areas"</p> |
| | <p><i>Responsible officer: Group Manager Planning and Delivery (Andrew Logan)</i></p> |
| <p>Resolution</p> <p>ACTION</p> | <p>(Bruem/Ndiaye) that Council adopt the following position regarding the acquisition of low-lying, high-risk rural floodplain areas:</p> <ol style="list-style-type: none"> 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). 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. <p>This position also be referred to the State and Federal Government seeking funding.</p> <p>Write to the State Government requesting a review of current floodplain land uses as in point (2) and seek funding from State and Federal Government.</p> |