



# **AGENDA FOR ORDINARY COUNCIL MEETING**

**Monday, 27<sup>th</sup> June 2022**

**NOTICE IS HEREBY GIVEN** pursuant to clause 7 of Council's Code of Meeting Practice that the Council Meeting of Castlereagh Macquarie County Council will be held at the Coonamble Shire Council Chambers on **27<sup>th</sup> June 2022** commencing at **10:30pm** to discuss the items listed in the Agenda.

Michael Urquhart  
**GENERAL MANAGER**

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1. OPENING OF MEETING

Time:\_\_\_\_\_am

2. ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

*We acknowledge the Traditional Owners of the land we gather upon today and pay respect to the Elders both past, present and emerging.*

3. LEAVE OF ABSENCE

Leave of Absence
<p><b>Recommendation:</b></p> <p>That the leave of absence received from _____are accepted and a leave of absence granted.</p> <p><b>Moved:</b></p> <p><b>Seconded:</b></p>

#### 4. OATH AND AFFIRMATION FOR COUNCILLORS

##### **LOCAL GOVERNMENT ACT 1993 - SECT 233A**

##### **Oath and affirmation for councillors**

##### **233A Oath and affirmation for councillors**

Section 233A of the Local Government Act 1993 (the Act) requires Councillors (including Mayors) to take an oath or make an affirmation of office.

The legislation provides as follows:

1. A councillor must take an oath of office or make an affirmation of office at or before the first meeting of the council after the councillor is elected.
2. The oath or affirmation may be taken or made before the general manager of the council, an Australian legal practitioner or a justice of the peace and is to be in the following form—

Oath: I [name of councillor] swear that I will undertake the duties of the office of councillor in the best interests of the people of [name of council area] and the [name of council] and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Affirmation: I [name of councillor] solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of [name of council area] and the [name of council] and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

3. A councillor who fails, without a reasonable excuse, to take the oath of office or make an affirmation of office in accordance with this section is not entitled to attend a meeting as a councillor (other than the first meeting of the council after the councillor is elected to the office or a meeting at which the councillor takes the oath or makes the affirmation) until the councillor has taken the oath or made the affirmation.
4. Any absence of a councillor from an ordinary meeting of the council that the councillor is not entitled to attend because of this section is taken to be an absence without prior leave of the council.
5. Failure to take an oath of office or make an affirmation of office does not affect the validity of anything done by a councillor in the exercise of the councillor's functions.
6. The general manager must ensure that a record is to be kept of the taking of an oath or the making of an affirmation (whether in the minutes of the council meeting or otherwise).

**Summary:**

At the first meeting of the Council after the council elections, it is a requirement that either the oath or affirmation is taken by each Councillor. Councillors absent from the 28<sup>th</sup> February 2022 meeting must now take either the Oath or Affirmation.

The prescribed words of the oath and affirmation are provided below.

**Oath**

I \_\_\_\_\_ swear that I will undertake the duties of the office of councillor in the best interests of the people of \_\_\_\_\_ and the Castlereagh Macquarie County Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgement.

**Affirmation**

I \_\_\_\_\_ solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of \_\_\_\_\_ and the Castlereagh Macquarie County Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgement.

**Action:**

Each Councillor proceed to take the Oath or make an Affirmation of office as required by the Local Government Act and that the General Manager record such action in the Meeting Minutes and voice recording.

## 5. DECLARATION OF INTERESTS

*Councillors and senior staff are reminded of their obligation to declare their interest in any matters listed before them.*

*In considering your interest you are reminded to include pecuniary, non-pecuniary and conflicts of interest as well as any other interest you perceive or may be perceived of you.*

*Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.*

*Councillors must state their reasons in declaring any type of interest.*

Councillor	Item No.	Pecuniary/ Non-Pecuniary	Reason

6. CONFIRMATION OF MINUTES/MATTERS ARISING

6.1 MINUTES OF ORDINARY COUNCIL MEETING HELD 3<sup>rd</sup> May 2022

**Minutes of Ordinary Council Meeting – 3<sup>rd</sup> May 2022**

**Recommendation:**

That the minutes of the ordinary Council meeting held 3<sup>rd</sup> May 2022, having been circulated be confirmed as a true and accurate record of that meeting.

**Moved:**

**Seconded:**

**Attachments:**

Meeting Minutes – 3<sup>rd</sup> May 2022.

**CASTLEREAGH MACQUARIE COUNTY COUNCIL MINUTES**

**MINUTES OF THE MEETING OF THE CASTLEREAGH MACQUARIE COUNTY COUNCIL  
HELD AT LIGHTNINGRIDGE BOWLING CLUB ON TUESDAY 3<sup>rd</sup> MAY 2022 AT 2:00PM.**

**PRESENT:** Cllrs D. Batten, B. Fisher, M Cooke, I. Woodcock, D.Todd, N. Kinsey, P. Cullen and G. Peart

**ABSENT:** Cllr A Brewer and Cllr Z Holcombe

**STAFF MEMBERS:** M. Urquhart (General Manager), A. Fletcher (Senior Biosecurity Officer), and R Wilson (Minute Secretary).

**WELCOME:** Meeting was opened at 2:40pm and Chairman Cllr D Batten welcomed all councillors and staff to the meeting.

**05/22/1 Leave of Absence**

**Resolved:**

That the leave of absence received from Councillors Andrew Brewer and Zoe Holcombe are accepted and a leave of absence granted.

**Moved:** Cllr Kinsey  
**Seconded:** Cllr Cullen

**Carried**

**Declaration of oath/Affirmation of Office**

Pursuant to Section 233A of the Local Government Act 1993, the following Councillors took an Oath of Office;

- Cllr Greg Peart

**DECLARATIONS OF INTEREST - Nil**

**05/22/2 Minutes of Ordinary Council Meeting – 28<sup>th</sup> February 2022**

**Resolved:**

That the minutes of the ordinary Council meeting held 28<sup>th</sup> February 2022, having been circulated be confirmed as a true and accurate record of that meeting.

**Moved:** Cllr Kinsey  
**Seconded:** Cllr Todd

**Carried**



**05/22/3 Response African Boxthorn Bio Control**

**Resolved:**

1. That Council receive and note the correspondence received from Ben Gooden CSIRO in relation to Bio Control for African Boxthorn.
2. That the Senior Bio Security Officer register interest in Bio Control Program.

**Moved:** Clr Fisher

**Seconded:** Clr Cooke

**Carried**

**05/22/4 Quarterly Budget Review Statement – March 2022**

**Resolved:**

That Council adopt the attached Quarterly Budget Review Statement for 31<sup>st</sup> March 2022 as tabled.

**Moved:** Clr Peart

**Seconded:** Clr Kinsey

**Carried**

**05/22/5 Third Quarter Operational Plan for 2021/2022**

**Resolved:**

That Council accept the progress made on the 2021/2022 Operational Plan as at 31<sup>st</sup> March 2022.

**Moved:** Clr Woodcock

**Seconded:** Clr Cooke

**Carried**

**05/22/6 Circulars Received From the NSW Office of Local Government**

**Resolved:**

That the information contained in the following Departmental circulars 22-02 to 22-11 from the Local Government Division Department of Premier and Cabinet be received and noted.

**Moved:** Clr Peart

**Seconded:** Clr Kinsey

**Carried**

**05/22/7 Cash and Investment Report- 28<sup>th</sup> February 2022 and 31<sup>st</sup> March 2022**

**Resolved:**

That the investment report for 28<sup>th</sup> February 2022 and 31<sup>st</sup> March 2022 be received and noted.

**Moved:** Clr Woodcock

**Seconded:** Clr Cooke

**Carried**

**05/22/8 Business Activity Strategic Plan 2022/23 – 2031/32, Delivery Program 2022/23 – 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 – 2031/32, Asset Management Plan 2022/23 – 2031/32 and Workforce Strategy 2022/24**

**Resolved:**

1. That the Draft Business Activity Strategic Plan 2022/23 – 2031/32, Delivery Program 2022/23 – 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 – 2031/32, Asset Management Plan 2022/23 – 2031/32 and Workforce Strategy 2022/24 be placed on public exhibition for a period of 28 days from the 10<sup>th</sup> May 2022 until 4:30pm on the 6<sup>th</sup> June 2022, inviting submissions from the public during this time.

**Moved:** Clr Fisher

**Seconded:** Clr Cullen

**Carried**

**05/22/09 Important Dates for Councillors – Upcoming Meetings and Events**

**Resolved:**

1. That Council receive and note the list of coming meetings and events.

2. That the Council note that the General Manager is meeting with the Minister for Agriculture on Friday 6<sup>th</sup> May 2022

**Moved:** Clr Kinsey

**Seconded:** Clr Cullen

**Carried**

**05/22/10 Senior Biosecurity Officer's Report**

**Resolved:**

That the report be received and noted.

**Moved:** Cllr Peart

**Seconded:** Cllr Fisher

**Carried**

**Late Correspondence**

**06/22/11 Letter from Lightning Ridge Area Opal Reserve seeking support in attempts to obtain additional resources for Hudson Pear Control in Walgett Shire**

**Resolved:**

1. That Council supports Lightning Ridge Area Opal Reserve in attempts to obtain additional resources to deal with Hudson Pear in Walgett Shire and express interests in managing the program (should funding be successful) for a period of five (5) years.

2. That Council acknowledge the correspondence from the Lightning Ridge Area Opal Reserve on 27 April 2022 and provide written support for attempts to obtain additional funding.

**Moved:** Cllr Cullen

**Seconded:** Cllr Cooke

**Carried**

Date of the next CMCC Council Meeting to be Monday 27<sup>th</sup> June 2022 in Coonamble Shire Council Chambers, commencing at 10:30am

**Close of Meeting**

The meeting closed at 3:30pm

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
General Manager

## 7. REPORT OF THE GENERAL MANAGER

### ITEM 7.1 COUNCIL'S DECISION ACTION REPORT – JUNE 2022

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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**Summary:**

This schedule summarises the current position of action taken in respect of matters considered at the previous meetings of Council when the outcomes have not been finalised.

**Background:**

Attached is the Resolution Register which summaries outstanding action in respect of all resolutions which required action and are still outstanding. The exception is for the last meeting where items that have been completed are included. Councillors are reminded that any queries should be raised with the General Manager prior to the meeting.

**Current Position:**

Details of actions taken/being taken are flagged for each motion. Over time the register may grow in size because, whilst resolutions are actioned after the meeting, it is not always possible to resolve issues quickly, especially if other government agencies are involved or Council's own in-house resources are stretched, Council has to prioritise work commitments.

In these circumstances the register becomes the simple tool of keeping track of matters awaiting attention.

Again, Councillors are reminded that any queries should be raised with the General Manager prior to the meeting as this would streamline the meeting process and also resolve minor issues more expediently.

**Relevant Reference Documents/Policies:**

Resolution Register.

**Governance Issues:**

Standard Procedure dictates that Council resolutions should be implemented as soon as practicably be achieved.

**Environmental Issues:**

Nil.

**Stakeholders:**

Castlereagh Macquarie County Council

**Alternative Solutions/Options:**

Nil.

**Conclusion:**

That the Resolution Register be received and noted. It is requested that any queries be raised with the General Manager prior to meeting day to facilitate proceedings at the meeting.

<b>Council's Decision Action Report – June 2022</b>
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**Recommendation:**

That the Resolution Register June 2022 be received and noted.

**Moved:**

**Seconded:**

**Attachment:**

Action Resolution Register.



## **CMCC ACTION RESOLUTION REGISTER**

28.02.22		That the General Manager write to all constituent Council's advising of an increase of 0.7% to annual co-contributions, in line with IPART's 2022-2023 Rate Peg.	GM	10.03.22 – Letter's sent to Coonamble Shire Council, Warren Shire Council, Gilgandra Shire Council, Warrumbungle Shire Council and Walgett Shire Council advising of 0.7% increase to annual co-contributions.	
28.02.22	02/22/15	That the General manager write to North and Central West Local Land Services requesting information on any activity or action planned to support the control of African Boxthorn.	GM	11.04.22 – E-mail sent to DPI to investigate African Boxthorn controls.  21.04.22 – E-mail response received from CSIRO in relation to registering interest in participating in African Boxthorn Bio Control Program in Coonamble and Warrumbungle Shire Council areas.	
03.05.22	05/22/08	That the Draft Business Activity Strategic Plan 2022/23 – 2031/32, Delivery Program 2022/23-2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23-2031-32, Asset Management Plan 2022/23 – 2031/32 and Workforce Strategy 2022/24 be place on public exhibition for a period of 28days from 10 <sup>th</sup> May 2022 until 4:30pm on the 6 <sup>th</sup> June 2022, inviting submissions from the public during this time.	GM	10.05.22 – Advertisement of Draft Plans placed on public exhibition on 10.05.22. Advertising placed in Walgett Spectator and Western Magazine and on CMCC website.	
03.05.22	06/22/11	1. That Council supports Lightning Ridge Area Opal Reserve in attempts to obtain additional resources to deal with Hudson Pear in Walgett Shire and express interest in managing the program (should funding be successful) for a period of (5) years.	GM	General Manager and Senior Biosecurity Officer met with DPI and Minister for Agriculture Advisor to discuss additional funding for Hudson Pear Control. DPI Advised there is no additional funding available. They reinforced the stance that Landholders have a responsibility under the Act to control weeds. General Manager informed Reserve Manager the CRIF program	

		2. That Council acknowledge the correspondence from the Lightning Ridge Area Opal Reserve on 27 April 2022 and provide written support for attempts to obtain additional funding.		was open and an application should be lodged for assistance with Hudson Pear control on the reserve.	
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**ITEM 7.2 BUSINESS ACTIVITY STRATEGIC PLAN 2022/23 to 2031/32, DELIVERY PROGRAM 2022/23 to 2024/25, OPERATIONAL PLAN 2022/23, LONG TERM FINANCIAL PLAN 2022/23 to 2031/32, ASSET MANAGEMENT PLAN 2022/23 and WORKFORCE STRATEGY 2022/24**

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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**Summary:**

This report recommends the Business Activity Strategic Plan 2022/23 to 2031/32, Delivery Program 2022/23 to 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 to 2031/32, Asset Management Plan 2022/23 and Workforce Strategy 2022/24 be formally adopted as required under the Local Government Act (1993).

**Background**

Business Activity Strategic Plan 2022/23 to 2031/32, Delivery Program 2022/23 to 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 to 2031/32, Asset Management Plan 2022/23 and Workforce Strategy 2022/24 were placed on exhibition on 10<sup>th</sup> May 2022, and public comment invited with submissions closing at 4.30pm on the 6<sup>th</sup> June 2022.

**Current Position**

Submissions will be tabled on the day.

**Relevant Reference Documents/Policies**

Local Government Act 1993 and Integrated Planning and Reporting legislation.

Local Government Act 1993

Local Government General Regulation 2021

**Governance issues**

Council must comply with the Local Government Act 1993 and Integrated Planning and Reporting legislation.

**Stakeholders**

Castlereagh Macquarie County Council

Constituent Councils

Office of Local Government

Ratepayers in the Castlereagh County Council area

**Financial Implications**

Provision is made in the Draft 2022/23 Operational Plan and LTFP 22/23 to 31/32 to resource the control of Noxious Weeds in the County area in accordance with the Bio Security Act 2015.

**Conclusion**

The Business Activity Strategic Plan 2022/23 to 2031/32, Delivery Program 2022/23 to 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 to 2031/32, Asset Management Plan 2022/23 and Workforce Strategy 2022/24 have been on display for the statutory 28 days, and it is now recommended they be formally adopted.



**Adoption of Business Activity Strategic Plan 2022/23 to 2031/32, Delivery Program 2022/23 to 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 to 2031/32, Asset Management Plan 2022/23 and Workforce Strategy 2022/24**

**Recommendation:**

That Council after having considered any submissions received by the 6<sup>th</sup> June 2022;

Adopts the Draft Business Activity Strategic Plan 2022/23 to 2031/32, Delivery Program 2022/23 to 2024/25, Operational Plan 2022/23, Long Term Financial Plan 2022/23 to 2031/32, Asset Management Plan 2022/23 and Workforce Strategy 2022/24

**Moved:**

**Seconded:**

**Attachments:**

Nil

## ITEM 7.3 REVISED INVESTMENT POLICY

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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**Summary:**

Council must review its Investment Policy each year in accordance with the provisions of its policy.

**Background:**

Each year Council must review its Investment policy. The writer has examined the policy to ensure it meets current legislation and the Office of Local Government guidelines and now submits a revised policy for Council's consideration.

**Current Position:**

The revised Investment Policy was last adopted in 2021. The policy makes provision to maximise the rate of return on invested funds in terms of Institutional balances.

**Governance issues:**

Ministers Order July 2008

Local Government Act 1993

Local Government Act 1193 – Investment Order dated 132th January 2011

Local Government (General) Regulation 2021

Trustee Act 1925 (NSW)

Australian Accounting Standards issued by the Australian Accounting Standards Board

**Environmental issues:**

N/A

**Stakeholders:**

Castlereagh Macquarie County Council

Financial institutions

Constituent Councils

County Council LGA Ratepayers

**Financial Implications:**

Council investments are made in accordance with the Investment policy.

**Alternative Solutions/Options:**

N/A

**Conclusion:**

There General Manager is recommending the revised Investment Policy be adopted.

<b>Revised Investment Policy</b>
<b>Recommendation:</b>  1. That the report be received. 2. That Council adopts the revised Investment Policy as presented  <b>Moved:</b> <b>Seconded:</b>



**Attachments:**

Investment Policy



## INVESTMENT POLICY AND PROCEDURES

Adoption Date: 24 June, 2020

Review Date: 28 June, 2021

Responsible Officer: General Manager

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### POLICY STATEMENT

This policy provides the framework in which council funds are to be invested. Council has developed this policy to ensure it or its representatives exercise the care, diligence and skill that a prudent person would exercise in investing council funds.

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### OBJECTIVES:

- To provide a framework for the investing of surplus Council funds at the most favourable rate of interest available whilst having due regard of risk and security for investments ensuring its liquidity requirements are being met.
- Whilst exercising the power to invest, consideration must be given to the preservation of capital, liquidity and the return on investment.
- Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to ensure the security and safeguarding of the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.
- Investments should be allocated to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements as and when they fall due, without incurring the risk of significant costs due to the unanticipated sale of investments.
- Investments are expected to achieve a market average rate of return in line with Council's risk management guidelines.

### Council Policy Reference

Investment Policy and Procedures – June 2021

### Related CMCC Policies

Financial Management Policy and Procedures

Purchasing Policy

Fraud Control Policy

### Relevant Reference Documents/Policies:

Draft Investment Policy and Procedures – June, 2022

Castlereagh Macquarie County Council – Investment Policy and Procedures – 27 June 2022

### **Statutory Requirements**

Trustee Act 1925 (NSW)

Australian Accounting Standards issued by the Australian Accounting Standards Board

### **Government References**

Local Government Act (1993) – Sections 12, 413 and 625

Local Government Act (1993) – Revised Ministerial Investment Order - 12 January, 2011

Local Government (General) Regulation 2005 – Clause 212

NSW OLG Investment Policy Guidelines – May, 2010

Local Government Code of Accounting Practice and Financial Reporting – Update 27 – 29 March, 2019.

NSW OLG Circulars relating to Investments 06/70, 08/48, 09/20,

### **Investment Guidelines**

#### **1. Authority for Investment**

All investments are to be made in accordance with:

- Local Government Act 1993 – Section 625, Section 413 and Section 12
- Local Government Act 1993 – Revised Ministerial Investment Order dated 5<sup>th</sup> January 2016
- Local Government (General) Regulation 2005 – Clause 212
- Australian Accounting Standards issued by the Australian Accounting Standards Board
- Trustee Act 1925 (NSW) – Section 14

#### **2. Delegation of Authority**

The General Manager has the authority to invest surplus funds and may delegate this function to the Administrative Officer. All investments must be signed by two (2) signatories. The following officers have the authority to sign investments:

- General Manager
- Administrative Officer

#### **3. Ministerial Order**

The Minister for Local Government issued a revised order pursuant to Section 625 of the Local Government Act 1993 dated 5 January, 2016.

#### **4. Prudent Person Standard**

Council investments will be managed with the care, diligence and skill that a prudent person would exercise. As Trustees of public monies, Officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this investment policy and not for speculative purposes.

#### **5. Ethics and Conflicts of Interest**

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

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

## **6. Forms of Investment**

All forms of investment for the purposes of Section 625 (2) of the local Government Act 1993 are by Order of the Minister notifying forms of investment. A copy of the Investment Order is attached as "Annexure A".

## **7. Legislative Obligations**

All investments are to be made exercising care, diligence and skill that a prudent person of business would exercise in managing the affairs of another person. Investments that are high risk, speculative or hazardous in nature are to be avoided.

## **8. Legislative Requirements**

All investments are to be made in accordance with the provisions of the Local Government Act 1993, with particular regard to the following:

- The purpose of the investment
- The desirability of diversifying council investments
- The nature of and risk associated with council investments
- The desirability of maintaining the real value of the capital and income of the investment
- The risk of capital or income loss or depreciation
- The potential for capital appreciation
- The likely income return and the timing of income return
- The length of the term of the proposed investment
- The Period for which the investment is likely to be required
- The probable duration of the investment
- The liquidity and marketability of a proposed investment during, and on the determination of, the term of the investment
- The aggregate value of the assets of the council
- The effect of the proposed investment in relation to any tax liability
- The likelihood of inflation affecting the value of the proposed investment
- The costs (including commission, fees and charges) of making a proposed investment
- The results of any review of existing council investments
- Such other matters as appropriate

## **9. Prohibited Investments**

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

- Derivative based investments
- Principal only investments or securities that provide potentially NIL or negative cash flow and
- Stand-alone securities issues that have underlying options, forward contracts and swaps of any kind.

## **10. Operational Requirements**

- The working account balance of Council is to be kept at a level no greater than is required to meet Council's immediate working operational requirements except where the rate of return is comparable to the rate of return of other investments

- The Administrative Officer will notify the General Manager that excess funds exist in the working account or that an existing investment is due for maturity and funds are not required to meet Council's immediate working operational requirements
- The General Manager will authorise the Administrative Officer to investigate investment options

#### 11. Quotations

- Three (3) quotations will be obtained from authorised institutions before making an investment
- The Code of Accounting Practice and Financial Reporting requires that Council maintains a separate record of these quotations
- All quotations are to be attached to the investment authorisation to be signed by the authorised signatories and filed in the Financial Investment Voucher Folder

#### 12. Risk Management Guidelines

Investments are to comply with the following criteria:

- Preservation of capital – the requirement for preventing losses in an investment portfolio's total value (considering the time value of money)
- Institutional Diversification
  - Not less than three (3) quotations shall be obtained from authorised institutions when an investment is made
  - Individual investments shall not exceed \$500,000
  - The maximum amount to be held by any one (1) institution at any one time shall not exceed forty (40%) percent of the total portfolio at the time when the deposit was made
  - All term deposit investments are to be made with authorised deposits taking institutions covered under the Australian Government Guarantee
- Maturity Risk
  - The investment portfolio shall be invested within the following constraints:

OVERALL PORTFOLIO MATURITY		
Portfolio % < 1 Year	Minimum - 40%	Maximum – 100%
Portfolio % > 1 Year, < 3 Years	Minimum – 0%	Maximum – 60%
Portfolio % > 3 Years, < 5 Years	Minimum – 0%	Maximum - \$40%
Portfolio % > 5 Years	Minimum – 0%	Maximum – 10%

#### 13. Market/Credit Risk

Consideration shall be given to the risk that the fair value or the future cash flows of an investment will fluctuate due to changes in market prices, or the risk of failure to repay principal or pay interest of an investment.

#### 14. Liquidity Risk

- Investment maturity shall correspond with cash flow requirements



- Access to a minimum \$100,000 or 5% of the investment portfolio is available within seven (7) days

#### **15. Investment Register**

The Code of Accounting Practice requires Council to maintain a separate record of money it has invested under Section 625 (2) of the Local Government Act 1993. The record must specify:

- Date the investment is made
- The amount of money invested
- Particulars of the security or form the money is invested
- Name of the institution
- Due date and term of the investment
- If available, the rate of interest to be paid
- The amount of money that the Council has earned, in respect to the money invested
- The investment number consisting of three digits/financial year (e.g. 123/19)
- When being rolled over, the investment being closed should refer to the new investment number. When the new investment is being made the investment number of the closed investment should be recorded

An Investment Register is held by Council both in hard copy and electronically. The Investment Register held in hard copy contains all information as above and any documentation relating to the investment and is maintained by the Administration Officer. An electronic copy of all investment information is to be filed in Council's records under Financial Management – Investments.

#### **16. Financial Investment Voucher Folder**

- The Financial Investments Voucher Folder is maintained and updated by the Administration Officer with all correspondence both inward and outward relating to the investment
- Each Investment will be allocated a section labelled with the investment number
- The section within the folder will contain all correspondence, confirmation of the term deposit/investment, coupon payment advices etc.
- All correspondence must be filed in Council's records under Financial Management – Investments

#### **17. Maturity**

Once an investment has matured the following may occur:

- Rollover the investment – if it is determined that the investment will be rolled over (taking into account Part 8 of this procedure), then the investment will be rolled over and issued with a new investment number. The interest paid and the new investment number will be recorded in the investment register under the number of the investment being rolled over. The new investment number will refer to the previous investment number.



- Redeem the investment - Interest paid, principal repaid will be recorded in the investments register.

#### **18. Reports on Council Investments**

The Responsible Accounting Officer (RAO) must provide Council with a written report detailing all money that Council has invested. The report must be made up to the last day of the month immediately preceding the meeting. The Information must be presented in accordance with Section 625 (2) of the Local Government Act 1993 and must be presented at each ordinary meeting of Council under the provisions of Clause 212 of the Local Government (General) Regulation 2005. This report must include a certificate as to whether or not the investment has been made in accordance with the Act, the regulations and Council's investment policy.

#### **19. Independent Investment Advisors**

- Any investment advisor or investment dealer acting on behalf of Council must be licenced with the Australian Securities and Investment Commission
- These third parties are expected to exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of another person
- This procedure is to be presented to all third parties to ensure that they are delivering appropriately and complying with Council's requirements, including the Ministerial Investment Order
- The RAO should obtain written confirmation from independent financial advisors that they do not have any actual or potential conflicts of interest in relation to the investment they are recommending or reviewing including that they are not receiving any commissions or other benefits in relation to the investments they are recommending or reviewing
- Product manufacturers/distributors should be excluded from being appointed investment advisors to Council.

#### **20. Withdrawal of Investments**

- In the event that a credit rating of a security, company or body issuing the security falls below the minimum requirement, as set out in the Minister's Order, Council must make all necessary arrangements to withdraw the deposit as soon as possible
- In the case of existing securities excluded by a recently revised Investment Order, they are to be grandfathered. These investments become ultra vires under the new Investment Order and can continue to be held to maturity, redeemed or sold. Before disposing of these investments Council will seek independent financial advice by an independent investment advisor or dealer licenced by the Australian Securities and Investment Commission ASIC) ([www.asic.gov.au](http://www.asic.gov.au)).

#### **21. Annual Review**

Investment performance will be reviewed monthly and the outcomes will be reported to Council. The investment policy and procedures will be reviewed annually, or immediately following the release of any OLG Guidelines or Circulars aimed at assisting Councils in developing investment policy or procedures.

## APPENDIX “B” – INVESTMENTS REGISTER

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date	Interest \$
Details							

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date	Interest \$
Details							

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date	Interest \$
Details							

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date	Interest \$
Details							

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date	Interest \$
Details							

## ITEM 7.4 CIRCULARS RECEIVED FROM THE NSW OFFICE OF LOCAL GOVERNMENT

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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### **Summary:**

Copies of circulars received from the Local Government Office Department of Premier and Cabinet are attached for Councillors information. Circulars are emailed to Councillors when published from LGNSW.

### **Background:**

The General Manager has listed the following circulars issued by the Office of Local Government:

- 22-12 Proposed amendments to the standard contract of employment for general managers
- 22-13 Councillor and general manager financial management responsibilities – information sessions
- 22-14 2022/23 Determination of the Local Government Remuneration Tribunal
- 22-15 Guidance for Councils on the publication of disclosure of interest returns
- 22-16 Increases to companion animal fees for 2022/23
- 22-17 Increase in tendering threshold for natural disaster response and recovery related contracts
- 22-18 Updated statutory forms under the Land Acquisition (Just Term Compensation) Act 1991 to take effect from 8 June 2022

### **Governance Issues:**

All circulars have Governance implications. Where necessary the subject of particular circulars will be raised in following reports.

### **Stakeholders:**

Councillors  
Castlereagh Macquarie County Council staff

### **Financial Implications:**

Obviously some circulars will have a financial impact and where this is the case, Councillors particular attention will be drawn to them.

### **Conclusion:**

Council will need to comply with the various requirements set out in the circulars.

<b>Circulars Received From the NSW Office of Local Government</b>
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**Recommendation:**

That the information contained in the following Departmental circulars 22-12 to 22-18 from the Local Government Division Department of Premier and Cabinet be received and noted.

**Moved:**

**Seconded:**

**Attachments:**

Circulars 22-12 to 22-18



Office of  
Local Government

## Circular to Councils

<b>Circular Details</b>	22-12 /16 May 2022/ A812271
<b>Previous Circular</b>	N/A
<b>Who should read this</b>	Councillors / General Managers / Human Resources Staff
<b>Contact</b>	Mr Doug Friend, Council Governance Team / 02 4428 4201 / <a href="mailto:doug.friend@olg.nsw.gov.au">doug.friend@olg.nsw.gov.au</a>
<b>Action required</b>	Information / Response to OLG

### Proposed amendments to the standard contract of employment for general managers

#### What's new or changing

- As a result of its investigation of the former Canterbury City Council, the Independent Commission Against Corruption (ICAC) recommended that the Department of Planning and Environment conduct a review into the "no fault" termination provision in the standard contract of employment for general managers.
- In response to ICAC's recommendation, the Office of Local Government (OLG) has undertaken a review of the standard contract of employment for general managers in consultation with the parties to the *Local Government (State) Award*, (Local Government NSW, the United Services Union, the Development and Environmental Professionals' Association and the Local Government Engineers Association of NSW).
- OLG is consulting with councils on the proposed amendments to the standard contract arising from that review before they are approved by the "departmental chief executive" under section 338 of the *Local Government Act 1993* (the Act).

#### What this will mean for your council

- Under section 338 of the Act, general managers must be employed under performance-based contracts of terms between 12 months and 5 years based on a standard contract approved by the departmental chief executive of OLG.
- Once approved by the departmental chief executive, the amended standard contract will not alter existing employment contracts between councils and their general managers.
- However, where a council renews the employment contract of its general manager or appoints a new general manager, they must be employed under the approved standard contracts as amended.

#### Key points

- Submissions on the proposed amended standard contract may be made by email to [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

- Submissions should be labelled 'Standard Contract of Employment for General Managers' and marked to the attention of OLG's Council Governance Team.
- Submissions should be made before 14 June 2022.

**Where to go for further information**

- The proposed amended standard contract is available [here](#). The proposed amendments are highlighted in the contract.
- Information about the proposed amendments to the standard contract is set out in the attachment to this circular.
- For further information please contact Doug Friend of OLG's Council Governance Team on (02) 4428 4201 or by email at [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**  
**Deputy Secretary, Crown Lands and Local Government**

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468



## ATTACHMENT

### **What changes are being made to the standard contract of employment for general managers to ensure greater security of employment?**

As a result of its investigation of the former Canterbury City Council, ICAC recommended that the Department of Planning and Environment conduct a review into the “no fault” termination provision in the standard contract of employment for general managers. ICAC recommended that the review should canvass options such as requiring a two-thirds majority vote of a council, an absolute majority vote or the availability of mediation.

The Government does not support the first two of these options.

A good working relationship between the governing bodies of councils and their general managers is essential to councils being able to exercise their functions effectively. Experience has repeatedly demonstrated that where, for whatever reason, general managers lose the support and confidence of a majority of councillors, the council can become dysfunctional. Councils cannot focus on serving their communities if councillors and the general manager are at war with each other. General managers also cannot hope to perform effectively in their role in circumstances where they have lost the confidence and the support of a majority of councillors. Councils therefore need to have the flexibility to terminate the employment relationship with the general manager with appropriate compensation, where that relationship breaks down.

A key focus of the proposed amendments to the standard contract of employment for general managers is to strengthen access to mediation under the contract to manage and address conflict in the relationship when it arises and to ensure more rigour in decisions by councils to terminate the employment of the general manager.

These amendments include the following:

- Before terminating a general manager's employment for poor performance, the council must have first conducted a performance review, concluded that the general manager's performance falls short of the performance criteria or the terms of their performance agreement, and afforded the general manager a reasonable opportunity to utilise dispute resolution.
- Where a council intends to terminate the employment of its general manager utilising the 'no fault' termination provision (clause 10.3.1(e)), if either party requests it and both parties agree, they may participate in mediation in relation to the proposed decision to terminate. If the council does not agree to participate in mediation, it must give the general manager reasons for its decision where the general manager requests it.
- Councils and general managers may agree on a mediator when the contract is made.
- Where a council terminates the general manager's employment under the “no fault” termination provision (clause 10.3.1(e)), the council must give the

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

general manager reasons for its decision to terminate their employment where the general manager requests it.

- Serious and persistent breaches of the council's code of conduct by the general manager constitute grounds for summary dismissal.

**What changes are being made to the standard contract of employment for general managers relating to their remuneration?**

The following amendments are proposed to the provisions of the contract relating to general managers' remuneration:

- Clause 8.4 of the contract has been amended to clarify that a discretionary performance-based pay increase only applies for one year unless the council determines that it is to apply for the balance of the contract.
- Clause 8.4 also allows for the payment of a retention allowance on one occasion during the term of the contract. This accrues on an annual, pro-rata basis for the remainder of the term of the contract and is to be paid to the general manager at the end of the contract period.

**What other changes are being made to the standard contract of employment for general managers?**

Other changes include:

- Definitions and other provisions have been updated to reflect legislative and administrative changes made since the previous standard contract was approved.
- A new provision has been included (clause 5.5) empowering the departmental chief executive of OLG to approve an extension of the timeframes prescribed under clause 5 for the renewal of the contract in exceptional or unforeseen circumstances.
- Minor amendments have been made to the functions of the general manager's duties prescribed under clause 6 to reflect legislative changes and to place an obligation on general managers to ensure a safe workplace and to facilitate compliance with the *Work Health and Safety Act 2011*.
- A new provision (clause 7.12) has been included that confirms that the performance agreement, action plan and any associated records that contain information about the work performance or conduct of the general manager are to remain confidential unless otherwise agreed to by the general manager or required by law.
- The service of notice provisions, (clause 18), have been updated to allow service by email.





Office of  
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## Circular to Councils

<b>Circular Details</b>	22-13/19 May 2022 / A813903
<b>Previous Circular</b>	21-21 / 6 August 2021 / A773025
<b>Who should read this</b>	Councillors / General Managers / All council staff
<b>Contact</b>	Policy Team / (02) 4428 4100 / <a href="mailto:code@olg.nsw.gov.au">code@olg.nsw.gov.au</a>
<b>Action required</b>	Information

### Councillor and general manager financial management responsibilities – Information sessions

#### What's new or changing

- Between 5 – 8 March 2022, the Office of Local Government (OLG) delivered information sessions to councillors and general managers on their responsibilities in relation to the financial management of councils.
- The general manager recording is available on [OLG's Council Portal](#) and on OLG's [YouTube channel](#)
- A recording of the councillor training session is available on [OLG's Council Portal](#).
- Further, OLG has also developed an in-depth walk through of the Code of Accounting Practice and Financial Reporting, including the primary statements and disclosure notes. This recording is available on [OLG's Council Portal](#) and on OLG's [YouTube channel](#).
- These most recent recordings are in addition to, and supplement, the 1-hour information session about the fundamental aspects of accounting and financial reporting released by OLG in August 2021.
- The fundamental aspects of accounting and financial reporting recording is available on [OLG's Council Portal](#) and on OLG's [YouTube channel](#).
- OLG encourages councils to widely circulate these recordings to councillors, general managers and staff.

#### What this will mean for your council

- Councils manage significant finances on behalf of their communities.
- Many staff and all general managers and councillors play a key role in council financial decision making and it is vital decision makers hold an adequate level of financial literacy.
- To support this, OLG has developed various information sessions on accounting and financial reporting and financial management responsibilities.
- These information sessions are delivered via an audio recording and PowerPoint presentation.
- The information sessions add to OLG's growing suite of financial and accounting resources.

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

**Where to go for further information**

- The recordings are available on [OLG's Council Portal](#) and on OLG's [YouTube channel](#).
- Further financial guidance for councils is also available on [OLG's website](#) and [OLG's Council Portal](#).

**Melanie Hawyes**  
**Deputy Secretary Crown Lands and Local Government**

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468



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## Circular to Councils

<b>Circular Details</b>	Circular No 22-14/ 22 May 2022 / A817449
<b>Previous Circular</b>	21-06 – 2021/22 Determination of the Local Government Remuneration Tribunal
<b>Who should read this</b>	Councillors / General Managers
<b>Contact</b>	Council Governance Team / 02 4428 4100 / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a>
<b>Action required</b>	Council to Implement

### 2022/23 Determination of the Local Government Remuneration Tribunal

#### What's new or changing

- The Local Government Remuneration Tribunal has determined an increase of 2% to mayoral and councillor fees for the 2022-23 financial year, with effect from 1 July 2022.
- The Tribunal is required to determine the remuneration categories of councils and mayoral offices at least once every three years under section 239 of the *Local Government Act 1993*. The Tribunal last undertook a significant review of the categories as part of its 2020 determination and will next review these categories in 2023.
- The Tribunal found that the allocation of councils into the current categories continued to be appropriate having regard to the 2020 review, the current category model and criteria and the evidence put forward in the submissions received.

#### What this will mean for your council

- Sections 248 and 249 of the Act require councils to fix and pay an annual fee to councillors and mayors from 1 July 2022 based on the Tribunal's determination for the 2022-23 financial year.

#### Key points

- The level of fees paid will depend on the category the council is in.
- A council cannot fix a fee higher than the maximum amount determined by the Tribunal.
- If a council does not fix a fee, the council must pay the minimum fee determined by the Tribunal.

#### Where to go for further information

- The Tribunal's report and determination is available [here](#).
- For further information please contact the Council Governance Team on 02 4428 4100 or by email at [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**  
Deputy Secretary, Crown Lands and Local Government

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468



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## Circular to Councils

<b>Circular Details</b>	Circular No 22-15 / 23 May 2022 / A815881
<b>Previous Circular</b>	19 – 21 Release of IPC Guideline 1 Returns of Interest
<b>Who should read this</b>	Councillors / General Managers / Council Governance Staff
<b>Contact</b>	Council Governance / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a> / (02) 4428 4100
<b>Action required</b>	Information

### Guidance for councils on the publication of disclosure of interest returns

#### What's new or changing

- The Information and Privacy Commission (IPC) has developed a video animation which provides guidance to councils on the requirement to publish disclosure of interest returns on their websites. The video is available [here](#).
- Councils should review how they currently publish disclosure of interest returns on their websites by applying the principles set out in the video animation.

#### What this will mean for your council

- The IPC's video has been developed to complement the compliance report it published last year following an audit of councils' compliance with the requirement to publish councillors' and designated persons' disclosure of interest returns on their websites in accordance with the *Government Information (Public Access) Act 2009* (the GIPA Act).
- The report makes several recommendations for councils to implement to promote openness and transparency in relation to disclosure of interest returns and a policy framework for managing their publication.
- The IPC's compliance report is available [here](#).

#### Key points

- Section 6 of the GIPA Act provides for the mandatory proactive release by NSW public sector agencies (including councils) of open access information. The GIPA Act provides that open access information must be made publicly available free of charge on a website maintained by the agency.
- Councillors' and designated persons' disclosure of interest returns are prescribed as open access information for local government under Schedule 1 to the *Government Information (Public Access) Regulation 2018*.
- The IPC has issued *Information Access Guideline 1 - For Local Councils on the disclosure of information (returns disclosing the interest of councillors and designated persons)* under sections 12(3) and 14(3) of the GIPA Act to assist councils to determine the public interest considerations for and against disclosure of information contained in disclosure of interest returns when publishing them on their websites. Guideline 1 is available [here](#).

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

**Where to go for further information**

- The IPC's video is available [here](#).
- The IPC's report on councils' compliance with the requirement to publish councillors' and designated persons' disclosure of interest returns on their websites is available [here](#).
- The IPC's Guideline 1 is available [here](#). Further information on open access information requirements for local government is available [here](#).
- For more information on these requirements contact the IPC at 1800 472 679 or by email to [ipcinfo@ipc.nsw.gov.au](mailto:ipcinfo@ipc.nsw.gov.au).
- The Office of Local Government (OLG) has issued guidance on the completion of disclosure of interest returns which is available [here](#).
- For more information on these requirements, contact OLG's Council Governance Team by telephone on 4428 4100 or by email to [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**

**Deputy Secretary, Crown Lands and Local Government**

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468





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## Circular to Councils

<b>Circular Details</b>	22-16 / 2 June 2022 / A821940
<b>Previous Circular</b>	21-15
<b>Who should read this</b>	Councillors / General Managers / Council finance staff / Companion Animal Enforcement and Administration Officers
<b>Contact</b>	Program Delivery Team – (02) 4428 4100 or 1300 134 460 <a href="mailto:pets@olg.nsw.gov.au">pets@olg.nsw.gov.au</a>
<b>Action required</b>	Council to Implement

### Increases to companion animal fees for 2022/23

#### What's new or changing

- All registration and annual permit fees have been adjusted for 2022/23.
- The 2022-23 registration and permit fees effective from 1 July 2022 are prescribed below:

Registration Category	New fee amount
Dog – Desexed (by relevant age)	\$69
Dog – Desexed (by relevant age eligible pensioner)	\$29
Dog – Desexed (sold by pound/shelter)	\$0
Dog – Not Desexed or Desexed (after relevant age)	\$234
Dog – Not Desexed (not recommended)	\$69
Dog – Not Desexed (recognised breeder)	\$69
Dog – Working	\$0
Dog – Service of the State	\$0
Assistance Animal	\$0
Cat – Desexed or Not Desexed	\$59
Cat – Eligible Pensioner	\$29
Cat – Desexed (sold by pound/shelter)	\$0
Cat – Not Desexed (not recommended)	\$59
Cat – Not Desexed (recognised breeder)	\$59
Registration late fee	\$19
Annual permit category	New fee amount
Cat not desexed by four months of age	\$85
Dangerous dog	\$206
Restricted dog	\$206
Permit late fee	\$19

- Councils must continue to register eligible pound/shelter animals through the NSW Companion Animals Register. Free registration for these animals does not mean that registration is not required. The established process of 'flagging' an animal as being purchased from an eligible pound/shelter is required to validate a free registration.

- When processing a registration for an eligible pensioner whose pet has been recommended by a vet to not undergo desexing (either temporarily or permanently), select the new “not desexed (not recommended – pensioner)” category. This will allow the eligible pensioner to claim the discounted registration.

#### Key points

- The *Companion Animals Regulation 2018* has been amended so that
  - cl.18(2)(a) sets the baseline registration fee for a dog at \$69; and
  - cl.18(2)(c) has been removed and replaced by a new clause under section 18(4) to prescribe that no registration fee is payable for a companion animal that is desexed and sold to the owner by a rehoming organisation.
- Clause 18(2)(b) is unchanged in that the registration fee for a cat would remain at \$10 less than the registration fee for a dog (\$69). However, to avoid doubt, a new clause prescribed as 18(6C) sets out the registration fee for a dog and cat at \$69 and \$59. The amounts include the CPI adjustment.
- The CPI adjusted registration fee for pensioners, the additional fee for a non-desexed dog, late fee and permit fees remain as per the notice (as outlined in the table above).
- The NSW Pet Registry will be updated to include the new fees for online registration and permit payments made by pet owners from 1 July 2022.
- Both the old and new fee structures will be maintained on the Companion Animals Register to allow councils to correct registration details for existing records and catch up on data entry backlogs (i.e. where fees have been receipted before 1 July 2022 but not entered on the Register).

#### Where to go for further information

- A list of registration categories, current fees and the new fees for 2022/23 is provided on the Office of Local Government's (OLG) website at [www.olg.nsw.gov.au/public/dogs-cats/nsw-pet-registry/microchipping-and-registration](http://www.olg.nsw.gov.au/public/dogs-cats/nsw-pet-registry/microchipping-and-registration).
- Information relating to the processing of registration fees is available in *Companion Animals Guideline 1 – Registration Agents*, available on OLG's website at [www.olg.nsw.gov.au/councils/responsible-pet-ownership/nsw-pet-registry/the-cat-and-dog-register](http://www.olg.nsw.gov.au/councils/responsible-pet-ownership/nsw-pet-registry/the-cat-and-dog-register).



**Ally Dench**  
Executive Director  
Local Government



Office of  
Local Government

## Circular to Councils

<b>Circular Details</b>	Circular No 22-17 / 10 June 2022 / A824946
<b>Previous Circular</b>	N/A
<b>Who should read this</b>	Councillors / General Managers / All council staff
<b>Contact</b>	Council Governance Team / 02 4428 4100 / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a>
<b>Action required</b>	Information

### Increase in tendering threshold for natural disaster response and recovery related contracts

#### What's new or changing

- The *Local Government (General) Regulation 2021* has been amended to prescribe a tendering threshold of \$500k for contracts entered into by councils for the purpose of responding to, or recovering from, a declared natural disaster within 12 months of the declaration of the natural disaster.

#### What this will mean for your council

- The amendment means that councils are not required to tender prior to entering into a contract with a value of less than \$500k where the contract:
  - is primarily for the purpose of response to or recovery from a "declared natural disaster", and
  - is entered into within 12 months after the date on which the natural disaster is declared.

#### Key points

- The phrase, "*declared natural disaster*", is defined in the Regulation to mean a natural disaster that has been declared in relation to the area of a council by either:
  - a Natural Disaster Declaration for the purposes of the Natural Disaster Relief and Recovery Arrangements jointly administered by the Commonwealth and the States and Territories, or
  - a declaration under the *State Emergency and Rescue Management Act 1989*, section 33.

#### Where to go for further information

- For further information please contact the Council Governance Team on 4428 4100 or by email at [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**  
Deputy Secretary, Crown Lands and Local Government

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468





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## Circular to Councils

<b>Circular Details</b>	Circular No 22-18 / 14 June 2022 / A824952
<b>Previous Circular</b>	
<b>Who should read this</b>	General Managers / Staff responsible for land acquisitions
<b>Contact</b>	Performance Team
<b>Action required</b>	Information

### Subject

**Updated statutory forms under the *Land Acquisition (Just Terms Compensation) Act 1991* to take effect from 8 June 2022**

### What's new or changing

- New versions of the statutory forms have been developed by the Department of Planning and Environment.
- The updated statutory forms are designed to be easier for both acquiring authorities and property owners to use, and contain more detail and instructions.
- The new statutory forms will supersede all previous versions and are to operate from 12:00 am on Wednesday, 8 June 2022.

### What this will mean for your council

- Councils carrying out property acquisitions under the *Land Acquisition (Just Terms Compensation) Act 1991* are required to use these updated statutory forms from 12:00 am on 8 June 2022.
- Previous versions of the statutory forms should be archived in line with the council's information management policies and their usage should cease as from 12:00 am on 8 June 2022.
- Updated statutory forms should be issued to property owners and interest holders who are in possession of previous versions that are yet to be submitted.

### Key points

- The updated statutory forms have been approved by the Minister for Lands and Water, the Hon. Kevin Anderson MP. Notice of Minister Anderson's approval was published in NSW Government Gazette No. 148 of 8 April 2022.
- The Department of Planning and Environment worked in consultation with the Centre for Property Acquisition, acquiring authorities, and the NSW Valuer General to update the statutory forms.
- The updates have been made to align with the recommendations from the Pratt Review of Housing Acquisition completed by the then Customer Service Commissioner, Mike Pratt, in 2016 that communications and collateral be reviewed to ensure they are clear, accurate, and current.
- The updated statutory forms will be made available to the general public on the [Property Acquisition NSW website](https://www.propertyacquisition.nsw.gov.au) from 8 June 2022.

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

**Where to go for further information**

- The updated forms can be viewed at the Centre for Property Acquisition's Property Acquisition Portal, a resource available to all NSW acquiring authorities, including councils. You may register for access to the Property Acquisition Portal by [emailing the Centre for Property Acquisition](#).
- Enquiries about the new statutory forms may be directed to the Centre for Property Acquisition by [email](#) or by phone on 1300 029 146.
- Further information about the compulsory acquisition process can be found on the [Office of Local Government website](#).

**Karin Bishop**  
Director, Sector Performance & Intervention

Office of Local Government  
5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541  
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209  
E [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) W [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au) ABN 20 770 707 468

## ITEM 7.5 CASH ON HAND AND INVESTMENT REPORT AS AT 30<sup>th</sup> APRIL 2022 AND 31<sup>st</sup> MAY 2022

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

### Summary:

This report provides a summary and analysis of Council's cash and investments for the period ending 30<sup>th</sup> April 2022 and 31<sup>st</sup> May 2022.

### Background:

The investment portfolio consists of bank accounts and fixed rate interest bearing deposits. The portfolio is regularly reviewed in order to maximise investment performance and minimise risk. Council's investment portfolio is not subject to share market volatility.

Comparisons are regularly made between existing investments with available products that are not part of Council's portfolio, but that meet Council's policy guidelines.

All investments at 30<sup>th</sup> April 2022 and 31<sup>st</sup> May 2022 are compliant with the Relevant Reference Documents and Policies listed later in this report.

### Current Position:

Council at 31<sup>st</sup> May 2022 held a total of \$1,234,619.03 in on-call and interest bearing deposits with financial institutions within Australia. All investments are held with approved deposit taking institutions with a short term rating A-2(A2)/BBB or higher. Council does not have any exposure to unrated institutions.

### 30<sup>th</sup> April 2022

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date
PART472250081929 ELE Reserve	07/05/2021	86,381.61	CBA	0.35	12 months	07/05/2022
PART 472250081929 Plant	07/05/2021	40,227.00	CBA	0.35	12 months	07/05/2022
PART472250081929 Building Reserve	07/05/2021	20,000.00	CBA	0.35	12 months	07/05/2022
PART 472250081929 Investment Reserve	07/05/2021	17,268.00	CBA	0.35	12 months	07/05/2022
1711077	22/02/2022	\$500,000.00	Judo Bank	0.85	6 months	22/08/2022
General Fund Bank Account Balance		678,445.37	CBA			N/A
<b>TOTAL</b>		<b>\$1,342,321.98</b>				

### 31<sup>st</sup> May 2022

Investment Number	Date invested	Amount \$	Lodged With	Rate % per annum	Term	Due Date
1711077	22/02/2022	\$500,000.00	Judo	0.85	6 months	22/08/2022
General Fund Bank Account Balance		\$734,619.03	CBA			N/A
<b>TOTAL</b>		<b>\$1,234,619.03</b>				

#### Relevant Reference Documents/Policies:

Local Government Act (NSW), 1993  
 Local Government (General) Regulation 2005  
 Ministerial Investment Order 5<sup>th</sup> January 2016  
 Investment Policy

#### Governance issues:

Nil

#### Environmental issues:

Nil

#### Financial Implications:

As per report

#### Alternative Solutions/Options:

Nil

#### Stakeholders:

Castlereagh Macquarie County Council  
 Constituent Councils  
 Residents of Constituent Councils  
 Financial Institutions

#### Certification – Responsible Accounting Officer

1. I hereby certify that the investments listed in the attached report have been made in accordance with Section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2005*, the *Investment Order (of the Minister) 5<sup>th</sup> January 2016* and Council's Investments Policy.
2. I hereby certify that Council's cash book and ledger have been reconciled to the bank statement as at the end of month.

Michael J Urquhart

#### General Manager – Responsible Accounting Officer

**Conclusion:**

As at 31<sup>st</sup> May 2022, Council's available cash and invested funds totalled \$1,234,619.03

<b>Cash and Investment Reports – 30<sup>th</sup> April 2022 and 31<sup>st</sup> May 2022</b>
--

<p><b>Recommendation:</b></p>
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<p>That the investment report for 30<sup>th</sup> April 2022 and 31<sup>st</sup> May 2022 be received and noted.</p>
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<p><b>Moved:</b></p>
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<p><b>Seconded:</b></p>
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**Attachments:**

Nil

## ITEM 7.6 MEMERS FEES, LOCAL GOVERNMENT RENUMERATION TRIBUNAL

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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### Summary:

This report sets out the Local Government Remuneration Tribunals range of fees for Councillors/Members and Mayor/Chairperson within each category for 2022/2023. The County Council section includes Castlereagh Macquarie County Council.

### Background:

The Remuneration Tribunal in accordance with section 239 and 241 of the Local Government Act 1993 each year makes its determination for the annual fees payable to Chairperson's and Members of County Council's. Under sections 248 (4) and 249 (4) of the Act a Council that does not fix its fees must pay the appropriate minimum fee determined by the Remuneration Tribunal.

### Current Position:

The tribunal has increased the fees for the forthcoming year by 2% in the minimum and maximum fees applicable to each category.

The table below sets out the new fee structure applicable for 2022/2023 and Council must now formally adopt fees within the range as shown. The Chairperson fee is paid in addition to the Member fee.

<b>Category "County Councils" Fees</b>	<b>Category Minimum</b>	<b>Category Maximum</b>
Chairperson	<b>4,080</b>	<b>11,510</b>
Member	<b>1,900</b>	<b>6,300</b>

Castlereagh Macquarie County Council has traditionally set the fees at a minimum for both Chairperson and Member.

Currently the annual fees payable to Members and the Chairperson for the 2021/22 financial year are the minimum fee fixed at \$1,860 per annum for a Member, and an additional fee of \$4,000 for the Chairperson.

In making its determination, the Remuneration Tribunal reviewed the key economic indicators, including the Consumer Price Index and Wage Price Index, and had regard to budgetary limitations imposed by the Independent Pricing and Regulatory Tribunal rate pegging. It determined a 2 per cent increase per annum. The 2 per cent increase will apply to the minimum and maximum of the ranges for all existing categories.

### Superannuation contribution payments

A recent amendment to the *Local Government Act 1993* permits Council to resolve on superannuation contribution payments to Councillors/Members, effective from 1 July 2022. This would be payable at the same frequency as the Councillor/Member fees (monthly) at the current rate of 10.5%, which is equivalent to amount under the Commonwealth superannuation legislation if the Councillor/Member were an employee of the Council. The rate will increase by 0.5% percent each year until 1 July 2025 when it reaches 12%. This payment is in addition to Councillor/Member fees.

In order to make a superannuation contribution payment, Council is required to formally resolve to do so at an open meeting before the 1<sup>st</sup> July 2022.

A Councillor who does not wish to receive a superannuation contribution payment, may agree in writing to forgo or reduce the payment.

Councillors should nominate a superannuation account before 30 June 2022. *Superannuation account* means an account for superannuation or retirement benefits from a scheme or fund to which the Commonwealth superannuation legislation applies.

**Relevant Reference Documents/Policies:**

Local Government Act 1993

Local Government Tribunal Annual Report and Determination 20th April 2022.

**Governance issues:**

Council is obliged to adopt a Chairperson and Member fee for the forthcoming financial year in accordance with the provisions as set out in the Local Government Act 1993.

**Environmental issues:**

Nil

**Stakeholders:**

Castlereagh County Council

Castlereagh County Council Members'

**Financial Implications:**

The 2022/2023 Operational Plan has made provision for the Member fees of \$18,619 (\$381 adjustment required at September QBR) and a Chairperson fee of \$4,010 pa (Adjustment of \$70 required at September QBR). A superannuation allocation of \$2,376 has been made for 22/23 (an adjustment of \$47 required at the September QBR)

**Alternative Solutions/Options:**

Council may adopt an alternate fee.

**Conclusion:**

The report recommends that Council adopt the minimum fee for Members and Chairperson for 2022/2023.

Member Fees, Local Government Remuneration Tribunal
<p><b>Recommendation:</b></p> <p>That the Member fees be set at the minimum level set by the Local Government Remuneration Tribunal for a County Council Category;</p> <ol style="list-style-type: none"><li>1. The member fee for 2022/2023 be fixed at \$1,900</li><li>2. The Chairperson fee for 2022/2023 be fixed at \$4,080</li><li>3. Makes a superannuation contribution payment to its Councillors/Members in accordance with section 254B of the Local Government Act 1993.</li></ol> <p><b>Moved:</b> <b>Seconded:</b></p>

**Attachments:**

Nil

## ITEM 7.7 AUDIT, RISK AND IMPROVEMENT COMMITTEE

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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### **Summary:**

The purpose of this report is for Council to be made aware of the requirements for all Councils and Joint Organisations to establish an Audit, Risk and Improvement Committee as detailed in section 428 Of the Local Government Act 1993 (the Act )

Section 428B of the Act provides for the establishment of shared Committee Members.

The Far North West Joint Organisation and its member Councils plan on participating in a shared Committee which will be appointed by the Far North West Joint Organisation and service the JO, all three (3) member Councils.

The writer has approached the FNWJO requesting Castlereagh Macquarie County Council be included in the shared Committee. The member Councils have informally advised they are in agreement with the proposal.

### **Background:**

428A of the Local Government Act 1993 requires Councils to have Audit, Risk and Improvement Committee (ARIC) to independently review and advise on the following areas of Councils 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 the council
- and any other matter prescribed by regulation

The ARIC must develop a strategic plan every four years and must develop an annual work plan. A report must be provided to Council after every committee meeting detailing its opinion and activities. A quarterly report must be provided to Council – the content to be determined by Council. The ARIC must also provide an annual assessment.

The establishment of a Shared Committee is seen as a way of reducing costs but retaining the ability to attract suitably qualified and skilled persons to be part of the committee given that the draft guidelines will be reasonably prescriptive in this regard.

### **Core Requirement- 1 Composition of Committee**

All JO member Councils, CMCC and the JO fall into tier one general purpose Councils ie population less than 20,000 and predominately rural in nature.

Under the proposed guidelines tier one Councils are required to have as a minimum:



- Three independent voting members, a Chair who must be prequalified under the NSW Government Scheme. Two voting committee members – who not being required to be prequalified are required to meet independence requirements, and eligibility requirements.
- One non-voting Councillor, who must also have the appropriate experience and exposure to business operations.

At this stage Councils do not have access to the prequalification scheme and as such need not have a pre-qualified chairperson.

### **Core Requirement 2 – Risk Management**

Each Council, County Council and Joint Organisation must implement a risk management framework that is consistent with current Australian Standards for Risk Management.

Councils risk management framework must demonstrate the following six elements:

1. Leadership and commitment: - management must demonstrate strong leadership.
2. Integration: - risk must be managed in every part of Council's operations.
3. Design: - the design must be structured to meet Council's needs.
4. Implementation: - risk management activities must be understood and practiced.
5. Evaluation: - Councils must regularly evaluate the framework to ensure relevance.
6. Improvement: - each Council must continually adapt and improve the design of the framework

Councils must provide sufficient resources to deliver and implement the risk management framework. Council's provide strategic leadership, the General Manager operational leadership, Internal Function – provides review and assurance and the ARIC provides advice and assurance.

### **Core Requirement 3 – Internal Audit**

Each Council must have an independent internal audit function that reports to the Audit, Risk and Improvement Committee and is consistent with current international standards for internal audit.

The Councils internal audit function must operate independently of the Council and cannot be subject to direction by Council. It reports administratively to the General Manager and functionally to the ARIC.

Each Council must have a head of in-house internal audit function. This must be a Council employee and cannot be outsourced, other than through a shared arrangement with another Council, and meet the eligibility and independence criteria for the position.

Internal audit documents can be accessed by the governing body (Council), subject to the approval of the Chair of the committee.

Councils are required to have an ARIC of some type by June 2022 and will then have two years, until 30 June 2024 to comply with the risk management and internal audit requirements under the guidelines, and five years to comply with the audit, risk and improvement committee requirements.

However, advice to the JO has been that the establishment of a committee proposed would be regarded as part of the implementation phase.

## Legal Framework

Section 428B of the Local Government provides as follows

*A council may enter into an arrangement with another council, or a body prescribed by the regulations for the purposes of this section, to jointly appoint an Audit, Risk and Improvement Committee to exercise functions for more than one council or body.*

### **Section 355 of the Local Government Act details how Councils can exercise their functions**

#### **355 How a council may exercise functions**

*A function of a council may, subject to this Chapter, be exercised—*

- (a) by the council by means of the councillors or employees, by its agents or contractors, by financial provision, by the provision of goods, equipment, services, amenities or facilities or by any other means, or*
- (b) by a committee of the council, or*
- (c) partly or jointly by the council and another person or persons, or*
- (d) Jointly by the council and another council or councils (including by means of a joint organisation or a Voluntary Regional Organisation of Councils of which the councils concerned are members), or*
- (e) by a delegate of the council (which may, for example, be a joint organisation or a Voluntary Regional Organisation of Councils of which the council is a member).*

### **Section 377 of the Local Government Act details the ability of Councils to Delegate**

#### **377 General power of the council to delegate**

- (1) A council may, by resolution, delegate to the general manager or any other person or body (not including another employee of the council) any of the functions of the council under this or any other Act, other than the following—*
- (a) the appointment of a general manager,*
  - (b) the making of a rate,*
  - (c) a determination under section 549 as to the levying of a rate,*
  - (d) the making of a charge,*
  - (e) the fixing of a fee,*
  - (f) the borrowing of money,*
  - (g) the voting of money for expenditure on its works, services or operations,*
  - (h) the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment),*
  - (i) the acceptance of tenders to provide services currently provided by members of staff of the council,*
  - (j) the adoption of an operational plan under section 405,*
  - (k) the adoption of a financial statement included in an annual financial report,*
  - (l) a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6,*
  - (m) the fixing of an amount or rate for the carrying out by the council of work on private land,*

- (n) the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work,*
- (o) the review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the Environmental Planning and Assessment Act 1979,*
- (p) the power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194,*
- (q) a decision under section 356 to contribute money or otherwise grant financial assistance to persons,*
- (r) a decision under section 234 to grant leave of absence to the holder of a civic office,*
- (s) the making of an application, or the giving of a notice, to the Governor or Minister,*
- (t) this power of delegation,*
- (u) any function under this or any other Act that is expressly required to be exercised by resolution of the council.*
- (1A) Despite subsection (1), a council may delegate its functions relating to the granting of financial assistance if—*
  - (a) the financial assistance is part of a specified program, and*
  - (b) the program is included in the council's draft operational plan for the year in which the financial assistance is proposed to be given, and*
  - (c) the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and*
  - (d) the program applies uniformly to all persons within the council's area or to a significant proportion of all the persons within the council's area.*
- (2) A council may, by resolution, sub-delegate to the general manager or any other person or body (not including another employee of the council) any function delegated to the council by the Departmental Chief Executive except as provided by the instrument of delegation to the council.*
- (3) A council may delegate functions to a joint organisation only with the approval, by resolution, of the board of the joint organisation.*

Additionally, the proposed guidelines provide for the establishment of an Audit Risk and Improvement Committee (ARIC) by a Joint Organisation which may be shared with the member Councils.

It is important to note that the Guidelines are yet to be adopted, however, given they will be at some stage in the not too distant future it would be prudent to utilise the guidelines as the basis on which to establish a committee.

The guidelines are some 116 pages in length and cover a wide variety of provisions in relation to establishment and operation of an ARIC.

#### **Current Position:**

At the last meeting of the Far West Joint Organisation (JO) a report tabled detailing the establishment of an ARIC Committee by the JO to be utilised by the JO and each of the member Councils. There was an agreement by all members that the proposal would have significant benefits for each of the member Councils and should deliver economies of scale.

The Board of the FNWJO have agreed to undertake the necessary steps to appoint an ARIC, the Committee members of which would also be the membership of the ARIC of each member Council.

Whilst the Committee Members would be on a shared basis, each of the Councils are still required to have their own committee meeting utilising the same three (3) appointed committee members with

the meetings to be held on the same day to reduce travel costs and make it easier to schedule meetings. It may also be advantageous for the Committee to review the same areas for each Council at the one time.

The guidelines refer to pre-qualified chairs and committee members, however, as detailed earlier, at this stage Local Government does not have access to the pre-qualification list.

In respect of tier 1 Councils only the chair needs to be pre-qualified but until the pre-qualification list is available to Local Government this requirement need not be met.

A Terms of Reference for the proposed Audit Risk and Improvement Committee has been developed and is consistent with the model as provided in the guidelines issued by the Office of Local Government.

The Terms of Reference document is attached. See page 55.

CMCC, each constituent Council and the FNWJO is required to adopt their own terms of reference document which will effectively mirror that contained within the guidelines, subject to any minor amendments that may be required including references to a JO instead of a Council as appropriate.

The JO have developed an expression of interest document to be provided to potential applicants who respond to an advertising process and within that document is a schedule of fees payable which has been adopted by the JO Board.

The fees payable have been determined following a review of the fees payable by other Councils including those are operating on a shared basis as is proposed by the FNWJO and the fees as detailed are fair and reasonable and reflect both the fact that there are five (5) entities involved and time taken in attending meetings, travel and preparatory work.

The fees adopted by the Far North West Joint Organisation are as follows

The Independent Chair be paid \$650.00 per meeting per FNWJO member (ie. \$2600.00 per day exclusive of GST).

The Independent Members be paid \$500.00.00 per meeting per FNWJO member (ie. \$2000.00 per day exclusive of GST).

In both instances the daily rate is inclusive of preparation time and travel time for any face to face meeting(s).

Reasonable travel, accommodation and sustenance costs of members required to travel to meetings upon provision of tax invoices. A cents per kilometre travel costs will be paid in line with the Local Government Award (NSW).

No additional costs will be provided for members attending meetings remotely.

The Committee would be required to meet four (4) times a year and it would be proposed that at this stage only one (1) of these would be face to face and the others via audio visual means.

**Relevant Reference Documents/Policies:**

Local Government Act 1993

**Governance issues:**

Council must comply with the relevant provisions of the Local Government Act.

**Environmental issues:**

NIL

**Stakeholders:**

Far North West Joint Organisation and Constituent Councils  
Castlereagh Macquarie County Council

**Financial Implications:**

The projects considered will be 100% grant funded and not impact upon Council's budget bottom line for 2022-2023.

It is difficult to accurately determine the actual cost for each Council as it will depend, in part, where each of the committee members are located and travel costs involved.

A figure of around \$10,000 per Council and the JO per year is seen as an indicative budgetary figure which would include the fees and estimated travel costs together with some of the secretarial work associated with the committee.

This figure does not include all staff time nor does it include the cost involved in the appointment of an internal auditor who will need to be appointed in 2024 under the current guidelines.

**Alternative Solutions/Options:**

No alternate solution

**Conclusion:**

The writer recommends Council participate in the FNWJO ARIC proposal.

**AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**Recommendation**

That:

1. That Council join with the Far North West Joint Organisation and its member Councils in establishing a Shared Audit Risk and Improvement Committee in accordance with section 428B of the Local Government Act 1993
2. That Council delegate authority to the Far North West Joint Organisation to appoint the chair and two (2) independent members to form the Shared Audit Risk And Improvement Committee to serve the Far North West Joint Organisation, all three member Councils and Castlereagh Macquarie County Council.
3. That Council appoint a Member to serve as the non-voting board member on the ARIC for this Council only.
4. That Council adopt the Draft Terms of Reference developed for the operation of the Audit Risk and Improvement noting the initial revised term to cater for the shorter period to be served by the current Council and the fact that there is no current need for the Chair to be pre-qualified at this stage.

**Moved:**

**Seconded:**

**Attachments:**

Terms of Reference



## AUDIT, RISK & IMPROVEMENT COMMITTEE

### TERMS OF REFERENCE

#### 1.0 Introduction

1.1 The Audit, Risk and Improvement Committee has been established in accordance with Section 428A of the *Local Government Act 1993* and Clauses {insert clauses when established} of the Local Government (General) Regulation 2021.

1.2 These Terms of Reference set out the ARIC's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

#### 2.0 Definitions

2.1 “**Act**” means the *Local Government Act 1993*

2.2 “**ARIC**” means Audit Risk and Improvement Committee

2.3 “**Council**” means Castlereagh Macquarie County Council

2.4 “**Governing body**” means the elected officials of Castlereagh Macquarie County Council

2.5 “**Guidelines**” means the *Risk Management and Internal Audit for local councils in NSW Guidelines*, as amended.

2.6 “**IP&R**” means Integrated Planning and Reporting

2.7 “**Internal Audit**” means the independent, objective approach receive independent assurance that Council is performing its functions legally, effectively and efficiently and to advise on how it can improve its performance.

#### 3.0 Independence

3.1 The ARIC 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 provide Council with robust, objective and unbiased advice and assurance.

3.2 The ARIC is to provide an advisory and assurance role only and is to have no administrative function, delegated financial responsibility or any management functions of the Council.

3.3 The ARIC will provide independent advice to the Council that is informed by the Council's internal audit and risk management activities and information and advice provided by Council staff, relevant external bodies and subject matter experts.

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

#### **4.0 Authority**

- 4.1 Council authorises the ARIC, for the purposes of exercising its role and responsibilities, to:
- 4.1.1 Access any information it needs from the Council
  - 4.1.2 Use any Council resources it needs
  - 4.1.3 Have direct and unrestricted access to the General Manager and senior management of the Council
  - 4.1.4 Seek the General Manager's permission to meet with any other Council staff member or contractor
  - 4.1.5 Discuss any matters with the external auditor or other external parties
  - 4.1.6 Request the attendance of any employee at committee meetings
  - 4.1.7 Obtain external legal and professional advice within the budget set for such expenses for the ARIC.
- 4.2 Information and documents pertaining to the ARIC are confidential and are not to be made publicly available. The ARIC may only release Council information to external parties that are required to assist with the ARIC fulfilling its responsibilities with the approval of the Governance Coordinator, 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.
- 4.3 Clause 4.2 does not limit or extinguish Council's responsibilities under the *Government Information (Public Access) Act 2009* and requests to access the information from members of the public should be subject to the public interest test applicable under that legislation.

#### **5.0 Composition and Tenure**

- 5.1 The Committee will consist of one independent prequalified, voting Chair, two independent voting members and one non-voting councillor member.
- 5.2 The Council is to appoint the Chair and members of the Committee by resolution.
- 5.3 All committee members are to meet the independence and eligibility criteria prescribed in the Guidelines at the time of their appointment and at all times during their tenure.
- 5.4 The term of members, including the Chair, will be no less than three years and no more than four years on a staggered basis to ensure continuity of independent membership is maintained. Members can be reappointed for a further term but the total period of continuous membership cannot exceed eight years.



- 5.5 The non-voting councillor member will be appointed at the beginning of each term and hold a position for a duration of not less than one year and not more than the length of the Council term. The total period of continuous membership cannot exceed eight years.
- 5.6 Members who have served an eight-year term (either as a member or a Chair) must have a two-year break from serving on the ARIC before being appointed again.
- 5.7 To preserve the ARIC's knowledge of Council, ideally, no more than one member should leave the ARIC because of rotation on any one year.
- 5.8 Specific member terms and conditions are to be disclosed 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 ARIC responsibilities.
- 5.9 Prior to approving the reappointment or extension of the Chair's or an independent member's term, the Council is to undertake an assessment of their performance. Reappointment will also be subject to the individual still meeting independence and eligibility requirements.
- 5.10 Members of the Committee are to 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 ARIC makes to the Council.
- 5.11 At least one member of the ARIC must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment.
- 5.12 All members should have sufficient understanding of the Council's financial reporting responsibilities to be able to contribute to the ARIC's consideration of the annual financial statements.

## **6.0 Role**

- 6.1 In accordance with Section 428A of the Act, the role of the ARIC is to keep under review and provide independent advice to the Council regarding the following aspects of the Council's operations:
  - 6.1.1 Compliance
  - 6.1.2 Risk management
  - 6.1.3 Fraud control
  - 6.1.4 Financial management
  - 6.1.5 Governance
  - 6.1.6 Implementation of the strategic plan, delivery program and strategies
  - 6.1.7 Service reviews
  - 6.1.8 Collection of performance measurement data by the Council
  - 6.1.9 Any other matters prescribed by the regulation

- 6.2 The ARIC must also provide information to the Council for the purpose of improving Council's performance of its functions.
- 6.3 The ARIC's specific audit, risk and improvement responsibilities, pursuant to Section 428A of the Act are outlined in **Schedule 1**.
- 6.4 The ARIC will comply with the specific implementation timeframes for these responsibilities as provided for by the Office of Local Government.
- 6.5 The ARIC will act as a forum for the Council's internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.
- 6.6 The ARIC will have no power of direction over external audit or the manner in which the external audit is planned or undertaken but will act as a forum for the consideration of external audit findings.
- 6.7 The ARIC is directly accountable to the governing body of the Council for the exercise of its responsibilities and must at all times recognise that the primary responsibility for the management of the Council rests with the governing body and the General Manager.
- 6.8 The responsibilities of the ARIC may be revised or expanded in consultation with, or as requested by, the governing body of the Council from time to time.

## **7.0 Independent Member responsibilities**

- 7.1 The Chair and members of the ARIC are expected to understand and observe the requirements of the Guidelines as attached as **Schedule 2**.
- 7.2 Independent Members are also expected to:
  - 7.2.1 Make themselves available as required to attend and participate in meetings
  - 7.2.2 Contribute the time needed to review and understand information provided to it
  - 7.2.3 Apply good analytical skills, objectivity and judgement
  - 7.2.4 Act in the best interests of the Council
  - 7.2.5 Have the personal courage to raise and deal with tough issues, express opinions respectfully and frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
  - 7.2.6 Maintain effective working relationships with the Council
- 7.3 In addition to those expectations listed in 7.2, the Chair is expected to:
  - 7.3.1 Have strong leadership qualities
  - 7.3.2 Ability to lead effective meetings
  - 7.3.3 Oversee the Council's internal audit function

## 8.0 Councillor Members

- 8.1 To preserve the independence of the ARIC, the Councillor member is a non-voting member. Their role is to:
- 8.1.1 Relay to the ARIC any concerns the governing body may have regarding the Council and issues being considered by the ARIC
  - 8.1.2 Provide insights into local issues and the strategic priorities of the Council that would add value to the ARIC's consideration of agenda items
  - 8.1.3 Advise the governing body (as necessary) of the work of the ARIC and any issues arising from it, and
  - 8.1.4 Assist the governing body to review the performance of the ARIC.
- 8.2 Issues or information the Councillor Member raises with or provides to the ARIC must relate to the matters listed in **Schedule 1** and issues being considered by the ARIC.
- 8.3 The Councillor Member must conduct themselves in a non-partisan and professional manner and not engage in any conduct that seeks to politicise the activities of the ARIC or the internal function or that could be seen to do so.

## 9.0 Conduct

- 9.1 All members of the ARIC are required to comply with the Council's Code of Conduct and be held to the same ethical, behavioural and conduct standards as Council Officials.
- 9.2 Complaints in relation to alleged breaches of the Code of Conduct will 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 prior to undertaking any disciplinary action against an independent member in response to a breach of the Council's Code of Conduct.
- 9.3 Prequalified ARIC members are also required to comply with the code of conduct governing the NSW Government's *Audit and Risk Committee Independent Chairs and members Prequalification Scheme*.

## 10.0 Conflicts of Interest

- 10.1 Once a year, ARIC members will 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 ARIC.
- 10.2 ARIC members are also 'designated persons' and must complete and submit returns of interest.
- 10.3 ARIC members and observers must declare any pecuniary or non-pecuniary conflicts of interest they have at the start of each meeting, before discussion of

the relevant agenda item or issue and when the issue arises and should be managed in accordance with Council's Code of Conduct.

- 10.4 Declared conflicts of interest, and whether an ARIC member has left the meeting, will be minuted.

## **11.0 Standards**

- 11.1 ARIC 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 the current Australian risk management standard, where applicable.

## **12.0 Workplans**

- 12.1 The work of the ARIC is to be thoroughly planned and executed to ensure that all activities and functions are reviewed.
- 12.2 The ARIC must develop a strategic plan every four years to ensure that all matters listed in **Schedule 1** are reviewed by the ARIC and the internal audit function over each Council term. The strategic plan must be reviewed annually to ensure it remains current.
- 12.3 The ARIC may, in consultation with the Council's 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 ARIC to approve a variation to the strategic work plan. However, any decision to vary the strategic work plan must be made by the ARIC.
- 12.4 The ARIC must also develop an annual workplan to guide its work, and the work of Internal Audit, over the forward year.
- 12.5 The ARIC may, in consultation with the Council's governing body, vary the annual work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the ARIC to approve a variation to the strategic work plan. However, any decision to vary the strategic work plan must be made by the ARIC.
- 12.6 When considering whether to vary the strategic or annual work plans, the ARIC must have regard for 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 workplan.

## **13.0 Assurance Reporting**

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

- 13.2 The update will keep the governing body informed of matters considered by the ARIC and any emerging issues that may influence the strategic direction of the Council or the achievement of the Council's goals and objectives.
- 13.3 The ARIC will provide an annual assessment to the governing body and General Manager each year on the ARIC's work and its opinion on how Council is performing.
- 13.4 The ARIC will provide a comprehensive assessment every council term of all the matters listed in **Schedule 1** to the governing body and General Manager.
- 13.5 The ARIC may, at any time, report to the governing body or General Manager on any other matter it deems of sufficient importance. If the ARIC intends to report directly to the governing body, they first need to notify the General Manager of this.
- 13.6 The Mayor and the Chair of the ARIC may also meet at any time to discuss issues relating to the work of the ARIC.
- 13.7 Should the governing body require additional information, a request for the information may be made to the Chair by resolution. The Chair may also 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 *Local Government Act 1993*. Individual councillors are not entitled to request or receive information from the ARIC.

#### **14.0 Meetings**

- 14.1 The ARIC will meet at least four (4) times per year, with one special meeting to review the Council's financial statements.
- 14.2 The ARIC can hold additional meetings when significant unexpected issues arise or if the Chair is asked to hold an additional meeting by an ARIC member, the General Manager or the governing body.
- 14.3 ARIC meetings can be held in person, by telephone or videoconference. Proxies are not permitted if a member is unable to attend a meeting.
- 14.4 A quorum will consist of a majority of voting members. Where the vote is tied, the Chair has the casting vote.
- 14.5 The Chair of the ARIC will decide the agenda for each meeting. Each meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the ARIC.
- 14.6 The General Manager and Governance Coordinator are to attend meetings as non-voting observers. The external auditor (or their representative) is to be invited to each meeting as an independent observer.

14.7 The Chair can request the Council's Finance Manager, senior managers, any councillors, any employee or contractor of the council and any subject matter expert to attend meetings. These individuals must attend and provide any information requested, where possible.

14.8 Observers have no voting rights and can be excluded from a meeting by the Chair at any time.

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

## **15.0 Voting**

14.1 Voting at a meeting of the ARIC is to be by open means, such as by voice or a show of hands.

## **16.0 Dispute Resolution**

16.1 Members of the ARIC and Council's management should maintain an effective working relationship and seek to resolve any difference they may have directly in an amicable and professional way via discussion and negotiation.

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

16.3 Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Secretary of the Department of Planning, Industry and Environment in writing.

## **17.0 Secretariat**

17.1 The General Manager will appoint a Council employee to provide secretariat support to the ARIC.

17.2 The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the Chair at least two (2) weeks before the meeting and ensure that minutes of meetings are prepared and maintained.

17.3 Minutes must be approved by the Chair and circulated within two (2) weeks of the meeting to each member.

## **18.0 Resignation and dismissal of members**

18.1 Where the Chair or a member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give three (3) months notice to the Chair and governing body prior to their resignation to enable the Council to ensure a smooth transition to a new ARIC member.

18.2 The position of a councillor member on the ARIC can be terminated at any time by the governing body via resolution.

18.3 Temporary vacancies that occur on the ARIC affecting the quorum may be filled by a suitably qualified person, appointed by the General Manager, following consultation with the ARIC chairperson and/or Councillor member on the ARIC.

18.4 The governing body can terminate, via resolution, the engagement of any Chair or independent member before the expiry of their term where the individual has:

18.4.1 Breached the conditions or, or become ineligible under, the NSW Government's *Audit and Risk Committee Independent Chairs and Members Prequalification Scheme*

18.4.2 Breached the Council's Code of Conduct

18.4.3 Performed unsatisfactorily or not to expectations

18.4.4 Been declared bankrupt or found to be insolvent

18.4.5 Experienced an adverse change in business status

18.4.6 Been proven to be in a serious breach of their obligations under any legislation, or

18.4.7 Declared, or is found to be in, a position of a conflict of interest which is unresolvable.

## 19.0 Review Arrangements

19.1 At least once every council term the governing body must conduct an external review of the effectiveness of the ARIC.

19.2 This Terms of Reference is to be reviewed annually by the ARIC and once each council term by the governing body. Any substantive changes are to be approved by the governing body.

## HISTORY

Terms of Reference drafted by	Governance	
Terms of Reference reviewed by Managers' Meeting	[Date]	
Terms of Reference reviewed by Manex	[Date]	
Terms of Reference reviewed by ARIC	[Date]	
Council Resolution Number, if applicable	[Date]	
Date of Adoption	[Date]	
Review Date	[Date]	
This Terms of Reference works in conjunction with these policies	[Policy Name]	[Records Manager No]
This Terms of Reference works in conjunction with these procedures:	[Procedure Name]	[Records Manager No]



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## Schedule 1: Audit, Risk and Improvement Committee Responsibilities

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### 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 the Council:
  - On whether the Council is providing the resources necessary to successfully deliver the internal audit function
  - If the Council is complying with internal audit requirements, including conformance with the International Professional Practices Framework
  - If the 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 plan and annual work plan of internal audits to be undertaken by the 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 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 taken on significant issues raised in relevant external audit reports and better practice Guides

## **Risk**

### *Risk management*

Review and advise the Council:

- If the council has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- Whether the council is providing the resources necessary to successfully implement its risk management framework
- Whether the council's risk management framework is adequate and effective for identifying and managing the risks the council faces, including those associated individual projects, programs and other activities
- If risk management is integrated across all levels of the 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 council has taken steps to embed a culture which is committed to ethical and lawful behaviour
- If there is a positive risk culture within the 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 the 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 the 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 the 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 the council of the adequacy and effectiveness of the council's framework, including:

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

### *Financial management*

Review and advise the 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 the Council's financial statement preparation procedures and timelines are sound
- The accuracy of the Council's annual financial statements prior to external audit, including:
  - management compliance/representations
  - significant accounting and reporting issues
  - the methods used by the 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 the Council's report is consistent with signed financial statements
- If the 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 the Council are adequate
- If Council grants and tied funding policies and procedures are sound.

## Governance

Review and advise the Council regarding its governance framework, including the 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 the Council:

- Of the adequacy and effectiveness of the Council's IP&R processes
- If appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- Whether the 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 the 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 the Council can improve its service delivery and the Council's performance of its business and functions generally.

### *Performance data and measurement*

Review and advise the 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

## ITEM 7.8 IMPORTANT DATES – UPCOMING MEETINGS AND EVENTS

**REPORTING SECTION:** General Manager  
**AUTHOR:** Michael Urquhart

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**Summary:**

A list of upcoming meetings and events is provided for Councillors information.

**Background:**

This report provides Councillors with an overview of upcoming meetings and events that Castlereagh Macquarie County Council staff are involved in.

**Current Position:**

Councillors are requested to raise any queries prior to the meetings listed.

**Conclusion:**

Provided there are no changes it is appropriate to receive and note the information.

Important Dates For Councillors - Upcoming Meetings & Events
<p><b>Recommendation:</b></p> <p>That Council receive and note the list of upcoming meetings and events.</p> <p><b>Moved:</b></p> <p><b>Seconded:</b></p>

**Attachments:**

Calendar of events 2022

**IMPORTANT DATES - Upcoming Meetings and Events - 2022**

DATE	MEETING/FUNCTION	LOCATION	NOTES
27 <sup>th</sup> June	CMCC Council Meeting	Coonamble Shire Council Chambers	All Councillors, GM and Senior Biosecurity Officer
26 <sup>th</sup> July	Hudson Pear Information Field Day	Diggers Rest Corner 11:30am	
27 <sup>th</sup> July	Hudson Pear Information Field Day	Grawin Pub in the Scrub 11:30am	
27 – 30 <sup>th</sup> July (CMCC Display 29 <sup>th</sup> – 30 <sup>th</sup> )	Lightning Ridge Opal Festival	Lightning Ridge	
1 <sup>st</sup> – 7 <sup>th</sup> August	Local Government Week (CMCC Hudson Pear Information Field Day)	Walgett Shire Council	
4 <sup>th</sup> August	North West Regional Meeting	Moree	Senior Biosecurity Officer
16 – 18 <sup>th</sup> August	Ag Quip	Gunnedah	
25 <sup>th</sup> August	Central West Hudson Pear Taskforce meeting	Onsite Quanda then Coonamble	
29 <sup>th</sup> August	CMCC Council Meeting	Coonamble Shire Council Chambers	All Councillors, GM and Senior Biosecurity Officer
7 <sup>th</sup> September	Parthenium Taskforce Meeting	TBC	
20 <sup>th</sup> September	Central West Regional Meeting	LLS Cobra Street Dubbo	
25 <sup>th</sup> September	Australasian Weeds Conference	Adelaide	
5 <sup>th</sup> October	Hudson Pear Taskforce Meeting	Lightning Ridge	
6 <sup>th</sup> October	Harrisia Taskforce Meeting	Lightning Ridge	
20 <sup>th</sup> October	NSW Biocontrol Meeting	Grafton Biocontrol Facility	
24 <sup>th</sup> October	CMCC Council Meeting	Coonamble Shire Council Chambers	All Councillors, GM and Senior Biosecurity Officer
2 <sup>nd</sup> – 3 <sup>rd</sup> November	North West Regional Meeting	Quirindi	
6 <sup>th</sup> December	Central West Regional meeting	LLS Cobra Street Dubbo	
19 <sup>th</sup> December	CMCC Council Meeting	Coonamble Shire Council Chambers	All Councillors, GM and Senior Biosecurity Officer

## 8. BIOSECURITY REPORT

### ITEM 8.1 QUARTERLY BIOSECURITY REPORT

**REPORTING SECTION:** Biosecurity Control Works  
**AUTHOR:** Andrea Fletcher

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**Summary:**

The attached report provides an update of biosecurity matters in the County Council area.

**Background:**

Council has an obligation in accordance with the Biosecurity Act 2015 to prevent, eliminate, minimise and manage biosecurity risks in the County Council local government area.

**Current Position:**

Castlereagh Macquarie County Council provides funding to resource its obligation in accordance with the Biosecurity Act 2015, and the adopted Delivery Program and Operational Plan set out the activities, objectives and performance measures necessary for compliance.

**Governance issues:**

Biosecurity Act 2015

Local Government Act 1993

**Environmental issues:**

Any environmental issues are detailed in the attached update.

**Stakeholders:**

Castlereagh Macquarie County Council

Constituent Councils

County Council LGA Ratepayers

**Financial Implications:**

Control and compliance operational expenditure matters are funded from the annual operational budget.

**Alternative Solutions/Options:**

There are no alternate options.

**Conclusion:**

The Senior Biosecurity Officer submits the attached report for Councils information.

Quarterly Biosecurity Report
<p><b>Recommendation:</b></p> <p>That the report be received and noted</p> <p><b>Moved:</b></p> <p><b>Seconded:</b></p>

**Attachments:**

Senior Biosecurity Officer Information on control activities.



## **Senior Biosecurity Report June 2022**

Biosecurity Weeds Officers have been continuing with roadside weed control and inspections. Reinspection notices have been issued particularly in the Walgett Shire for Hudson Pear compliance. It is a reminder to all landowners and managers that they have a general legal obligation to control weeds on their land regardless if there is a biological control option. Tracks and boundaries must always be maintained.

Weeds are plants that cause problems. They cause problems for farmers, for gardeners, for public utilities and for conservation. Many weeds are little more than a nuisance, while others can cause serious losses in crop and livestock production, threaten biodiversity and ecological communities and affect the health of people.

Some significant weeds are required to be controlled by law. The law in New South Wales is the *Biosecurity Act 2015*. This Act is a new principle in legislation for this purpose, which requires biosecurity risk creators to prevent, eliminate or minimise that risk to the public benefit. To achieve this, the Biosecurity Act creates a general legal duty called the General Biosecurity Duty (GBD).

In the GBD, a Biosecurity Risk means the risk or likelihood that a Biosecurity Impact may occur. A Biosecurity Impact includes “an adverse effect on the economy, environment or community of NSW that arises or may arise from Biosecurity Matter or a Carrier related to the introduction, presence, spread or increase weeds into or within NSW.

The GBD potentially applies to all weeds capable of creating a Biosecurity Impact. However, there are thousands of weeds and so, a smaller number of weed species have been identified for priority control within each LCA of NSW. This has been done using standardised Weed Risk Management methodology. The resulting list of Regional Priority Weeds lists the minimum acceptable control requirement for each of those species in that region. By implementing these requirements, land managers demonstrate satisfactory discharge of the GBD responsibility. These requirements apply equally to all people in a defined area, including local government and state government agencies.

Priority weeds are more than just “really bad weeds”. Weeds identified for priority control will have a similar range of characteristics. As well as having the potential to cause harm to individual and community interests, they will be controllable by reasonable means but most importantly, they will be able to spread and establish in areas where do not currently occur.

When weeds spread to new areas, the landholders in the newly infested areas suffer losses because of the weed spread. These losses may include the loss of production, loss of biodiversity or loss of an amenity value, as well as the cost of control work. The landholders are not compensated for these losses by the owner of the land from where the weed spread. “Weed spread” in this case means the establishment of the weed in areas where it did not previously occur. This is different from an increase in weed density in an area where the weed was already established but at low levels of occurrence.

Biosecurity law attempts to minimise the costs caused by weed spread. Unchecked weed spread imposes costs to landholders who previously did not have the weed on their properties. However, when control of a weed becomes compulsory, all landholders must control the weed to prevent, minimise or eliminate impacts to their neighbours. But the neighbours who are protected by the Biosecurity Act from having their properties infested are not required to compensate the landholders who were required to carry out that weed control.

**Many of the weeds that cause the biggest problems are not priority species. Why not?**

Priority weed species must be controlled by landholders to prevent spread to other properties and to other localities. A priority weed listing is most effective at minimising the rate of weed spread if it is made at the early stage of a weeds invasion of an area. However, if there is delay in listing the weed and it becomes widely distributed before it is listed, further spread of the weed will be more difficult to prevent. This is because it is difficult for all affected landholders to kill every weed before those weeds set seed, leading to an increase in the bank of seeds in the soil on all affected properties.

The purpose of biosecurity law is to prevent the creation of external costs caused by weed spread. But when a weed species has spread to the point that it is established on most properties in an area, external costs are no longer being created. It then becomes difficult to justify a legal requirement that landholders must control the weed species in that area, unless most landholders in an area support compulsory control.

In areas where a widespread weed is not priority listed, landholders will choose the level of weed control appropriate to their own best interest. One person's weed might be another person's valued plant, or at least a plant of no consequence. Agronomists from Local Land Services and private firms are available to provide advice on widespread weed management.

**Parthenium Weed** – Another roadside infestation was found by the Walgett Biosecurity Officer 35 KM from Walgett on the Castlereagh Highway. 17 plants in full flower. The challenges we face during roadside inspections are finding these incursions amongst other thick vegetation.

Infestation  
coordinates -   
PSLatitude:

GPSLongitude:



Red Guide Post awareness signs have been made a positive impact for roadside slashing. When a priority weed such as Parthenium Weed, red guide posts and signage is erected at the location this helps the slashers and other road users identify the infestation site, risk and reduce spread.

Castlereagh Macquarie County Council biosecurity weeds officers have recently attended **“Getting to Know Prohibited Matter Training”**. This 2 day accredited training was a 2 day module and facilitated by Department Primary Industries under the Weeds Action Program.

Focussed Weeds – Gamba Grass, Pond apple, Bridal veil Creeper, Kochia, Spotted knapweed, Black knapweed, Siam Weed, Koster’s curse, Rubber vine, Anchored Water hyacinth, Hawlweed, Hydrocotyl/water pennywort, Lagarosiphon, Frogbit/spongeplant, Yellow Burrhead, Miconia, Mikania vine, Mimosia (pigra), Eurasian water milfoil, Mexican feather grass, Boomrape, Parthenium weed, Hawkweed, Water soldier, Witchweed, Watercaltrope, Karoo acacia and Prickley Acacia.

Recent infestations of these weeds in NSW;

Blackknapweed – Northern tablelands

Frogbit – Greater Sydney, Hunter, South East, North Coast, Northern tablelands, Central Tablelands.

Hawkweeds pilosella – South East

Karoo thorn – South East

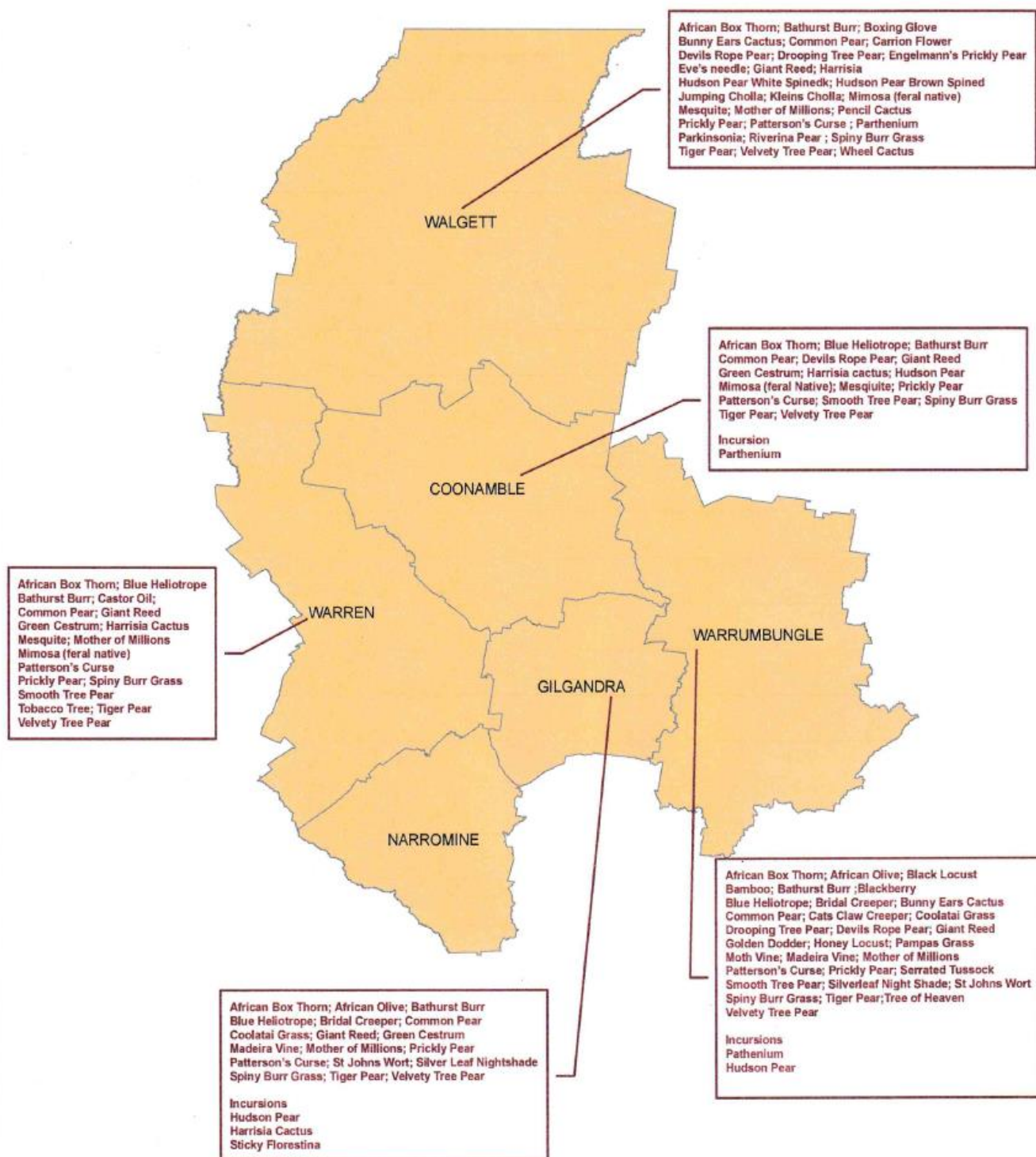
Mexican feather grass – Greater Sydney, North West, Riverina, South East

Miconia – North Coast

Parthenium Weed – Central West, Hunter, Greater Sydney, North Coast, North West, South East, Northern Tablelands and Western

Rubber vine – Western Region

**Presentation - The Deadly Cactus that Infests The Opal Fields - BioControl options**



## 9. QUESTIONS FOR NEXT MEETING

10. CONFIRM DATE OF NEXT MEETING

**Date:** *Monday 29<sup>th</sup> August 2022*

11. CLOSE OF MEETING

**Time:** .....