

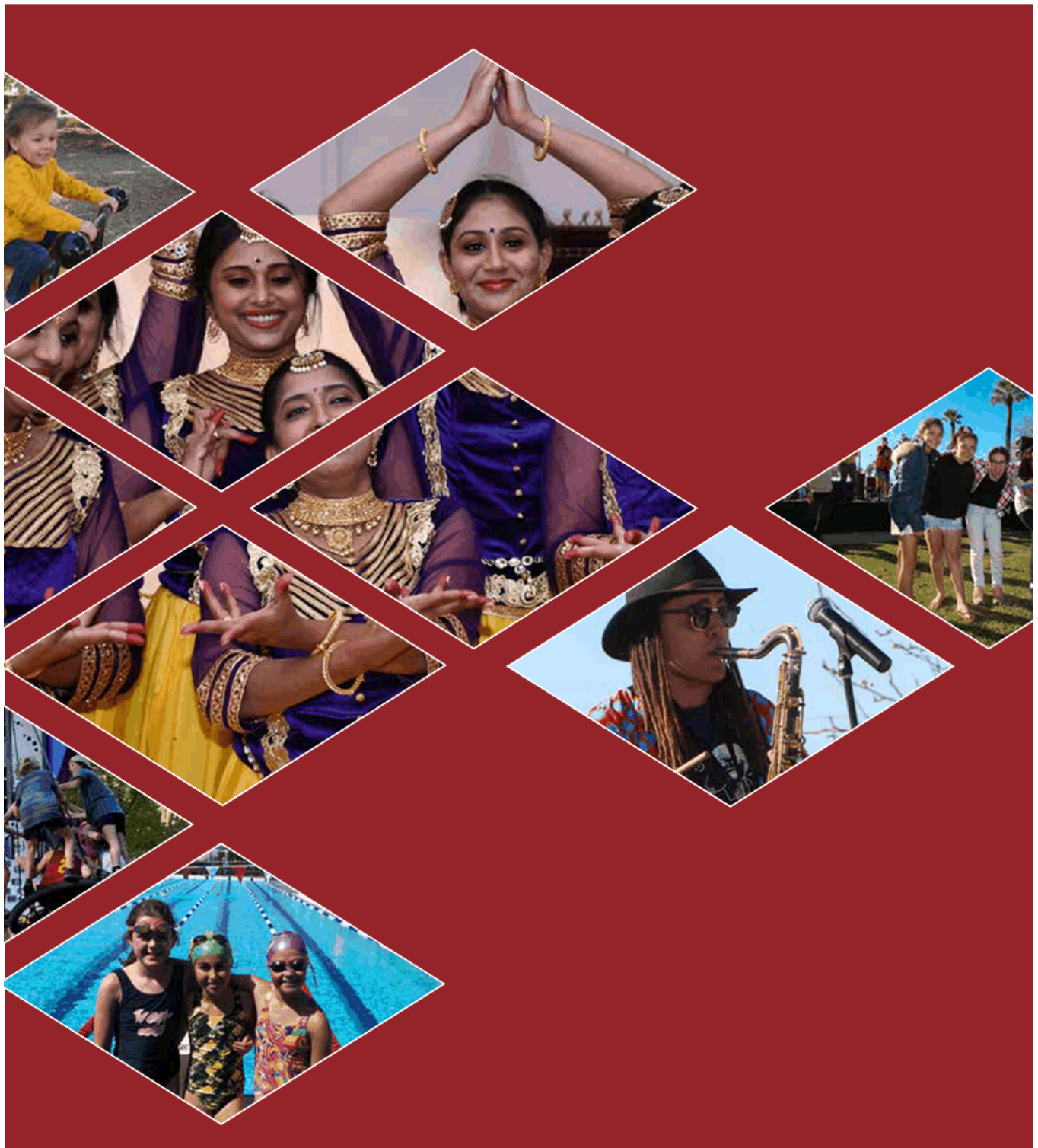


LEETON
SHIRE COUNCIL

SEPARATE ATTACHMENTS FOR
ORDINARY COUNCIL MEETING
24 November 2021
7.00PM

Content	Page No
<u>GENERAL MANAGER'S MATTERS</u>	
8.1. LEETON SHIRE COUNCIL ANNUAL REPORT 2021	4
Attachment 1: Leeton Shire Council Annual Report 2021	4
<u>CORPORATE MATTERS</u>	
8.9. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021	101
Attachment 1: Annual Financial Statements FINAL - 2020/2021	101
<u>OPERATIONAL MATTERS</u>	
8.12. ADOPTION OF THE ENERGY MASTER PLAN	226
Attachment 1: Leeton Shire Council Energy Master Plan	226

GENERAL MANAGER'S MATTERS



Annual Report 2021



LEETON
SHIRE COUNCIL

Acknowledgment of Traditional Owners



Leeton Shire Council acknowledges the traditional custodians of the land, the Wiradjuri people. As a community, we pay our respects to elders past and present, and to future generations. We also acknowledge and recognise the strength, resilience and capacity of all Aboriginal people of this Land.

Contents

Where is Leeton Shire?	4
Snapshot of Leeton Shire	5
Welcome	7
Message from Our Mayor	8
Message from Our General Manager	9
Highlights for 2020/21 by Quarter	11
Highlights for 2020/21 by Theme	12
Finance Snapshot	14
Our Status as at 30 June 2021	14
Our 2020/21 Income	15
Our 2020/21 Expenditure	18
Our Council	20
How Council Operates	20
Council Elections	20
Our Councillors	21
Council Meetings	22
Council's Committees	22
Councillor Expenses	23
Our Community	25
Our Community's Vision	25
Our Community's Goals	25
Australia Day Awards	25
Citizenships	26
Community Grants Program	27
Celebrating Our Volunteers	28
Our Organisation	31
Our Staff Mission	31
Our Staff Values	31
Our Staff Structure	31
Our Senior Management Team	32
Our Staff	35
Organisational Development	36
Work Health and Safety	38
Corporate Governance	41
Our Performance by Theme	47
Theme 1: A Healthy and Caring Community	49
Theme 2: An Active and Enriched Community	57
Theme 3: A Healthy Natural Environment	61
Theme 4: A Thriving Economy with Good Jobs	65
Theme 5: A Quality Built Environment	73
Theme 6: Strong Leadership	77
Our Performance by Community Satisfaction Rating	80
Our Performance by Status of Actions	81
Statutory Information	86

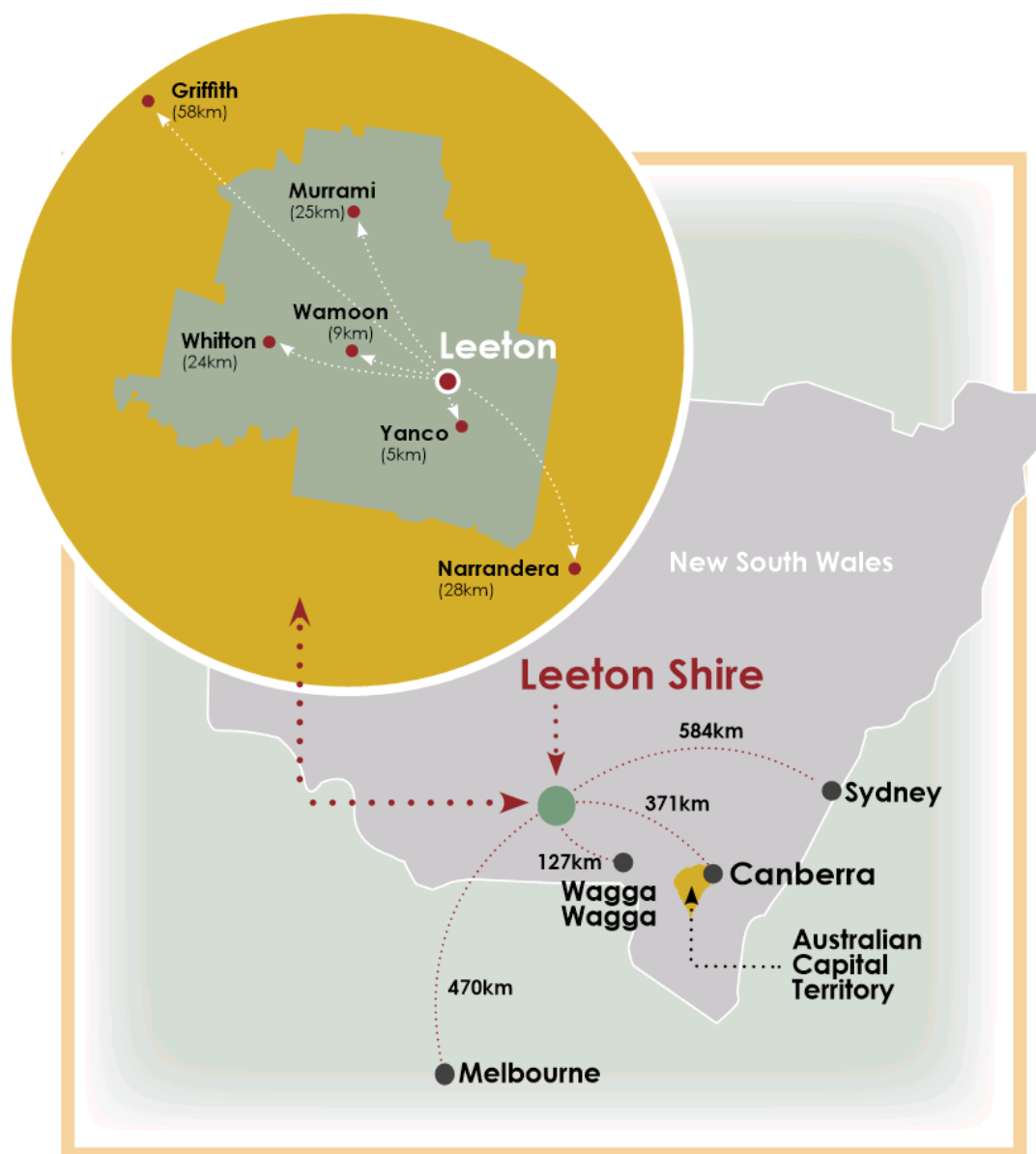
Previous page:
Jacaranda trees line the Street
outside the Leeton Shire Major
Dooley Library



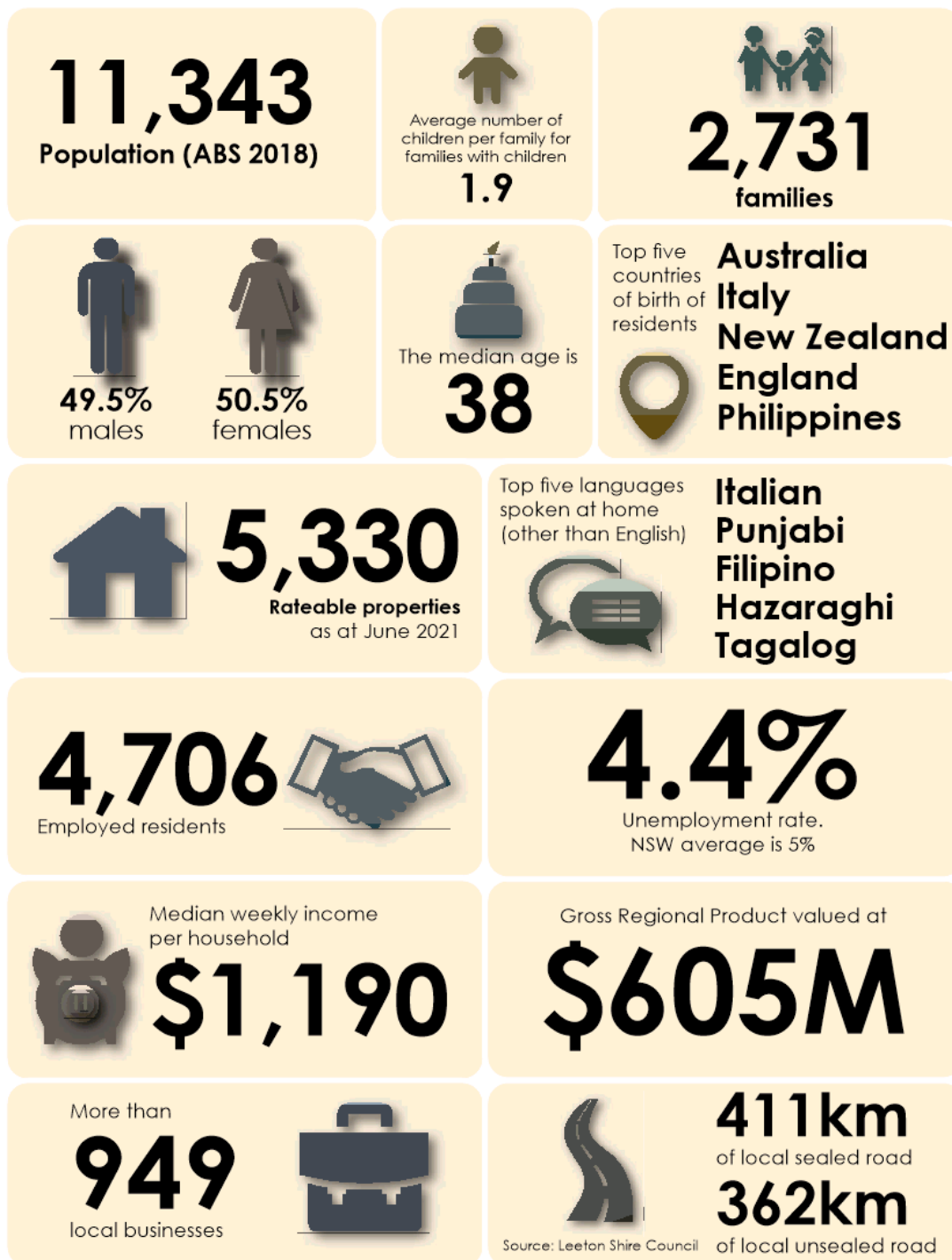
Where is Leeton Shire?

Leeton Shire is located in southwest New South Wales, 584km from Sydney, 470km from Melbourne and 371km from Canberra. It is the birthplace of the Murrumbidgee Irrigation Area. With a population of 11,343 (ABS, 2020), Leeton is the second largest regional centre in the Western Riverina region and plays an integral role in value-added agricultural processing, agriculture, education and research, transport and logistics.

The Local Government Area covers 1,167km² and includes the towns of Leeton, Yanco and Whitton and the villages of Murrami and Wamoon.



Snapshot of Leeton Shire



Source: Australian Bureau of Statistics (ABS), unless otherwise indicated



Nancye and Darrell Martin, from Bellingen, viewing the work of local artist Dorothy Roddy at the Art in Oils: Evolution exhibition at the Leeton Museum and Art Gallery (LMAG). Nancye and Darrell are two of the more than 4,000 visitors to the LMAG during the 2020/21 financial year

Welcome

Welcome to the Leeton Shire Council Annual Report 2021.

The Annual Report is a key point of accountability between Leeton Shire Council and the Leeton Shire community. It provides the community with an update on Council's progress in implementing the Delivery Program 2017-2021 through the actions and activities set out in the Operational Plan 2020/21.

The Delivery Program and Operational Plan (DPOP) formalises Council's commitment to the community. It documents the actions and activities Council will undertake in order to progress the objectives set out in the Community Strategic Plan (CSP): *Leeton on the Go – Towards 2030*.

Leeton on the Go – Towards 2030 is the Leeton Shire community's plan for its future. It documents the community's vision and lists 20 goals which are grouped into six key themes:

Theme 1. A healthy and caring community – good health, lifelong learning, friendliness and inclusivity, safety, and access to a range of quality affordable housing

Theme 2. An active and enriched community – participation in sports and leisure, enjoyment in arts and culture, and valuing heritage.

Theme 3. A healthy natural environment – respect and enjoyment of the natural environment.

Theme 4. A thriving economy with good jobs – a thriving irrigated agricultural sector, strong business and employment, great attractions and events, and a vibrant town centre.

Theme 5. A quality built environment – reliable water and sewerage services, good transport infrastructure and services, and attractive towns and parks.

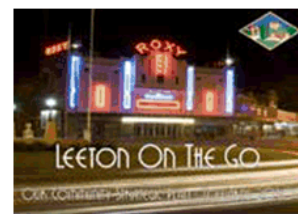
Theme 6. Strong leadership – politicians who act and listen, a community that speaks up and gets involved, and a community that is always on the front foot.

The activities detailed in Council's Delivery Program and Operational Plan are organised according to the same themes and goals, as are the 'Highlights for 2020/21 by Theme' and 'Our Performance by Theme' sections of this Annual Report. This is so the community and other readers can clearly see the links between Council's actions and the goals set out in *Leeton on the Go – Towards 2030*.

In addition to information on Council's performance in delivering on its Delivery Program and Operational Plan commitments, the Annual Report includes information prescribed in the Local Government Regulation that councils must report on annually, as well as a snapshot of Council's finances. More detailed financial information can be found in the Leeton Shire Council Annual Financial Statements for the year ending 30 June 2021.

The Annual Report is also an opportunity to acknowledge the great things that have happened across the Shire and note the challenges that have marked the year.

We hope you enjoy reading about our activities during the 2020/21 financial year and we thank our community for the continued support and direction.



Leeton Shire's Community Strategic Plan: *Leeton on the Go – Towards 2030*

Message from Our Mayor



I would like to thank our community for their input into the many consultations conducted during the year. Your ideas and opinions are encouraged and welcomed.

* Title of Emeritus Mayor conferred in October 2021

I am pleased to present the Leeton Shire Council Annual Report 2020/21.

As I reflect on a year that will be remembered for the COVID-19 pandemic, I'm proud that we have once again shown ourselves to be a resilient community that comes together in the face of adversity. With everyone doing the right thing, we managed to avoid infection in the Shire. Thank you.

We are also very proud of the work that has been achieved by Council, in partnership with the Councillors and the community, and I would like to acknowledge the way in which Council adapted to ensure residents could continue to access the programs and services they need to help them enjoy a quality lifestyle.

Over the past 12 months, Council has delivered a significant capital works program full of playgrounds, recreation facilities and important road upgrades.

Highlights for the year include the completion of:

- Stage One of the Leeton Regional Aquatic Centre Redevelopment Project
- The Whitton Transfer Station
- Completion of upgrade works on the Whitton–Darlington Point Road Bridge
- The Leeton Showground Improvement Project
- The CBD Enhancement Project Phases 1 and 2 – Wade Avenue redevelopment.

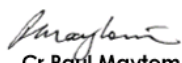
Our advocacy on behalf of Leeton Shire continued, and I am pleased by Council's success in having five motions to the 2020 Local Government NSW Conference adopted and six motions (one a combination of two motions) to the 2021 National General Assembly of Local Government adopted.

On your behalf we asked for:

- Increased funding for drug and alcohol treatment and rehabilitation in rural and regional areas
- Local residents to have a greater say in the scope and delivery of health services in their local communities
- Support for the Inquiry into Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW
- Improved administration of the welfare component of the Seasonal Worker Programme, a Federal Government initiative providing seasonal labour to Australia's agriculture and accommodation sectors
- A revision of the visa regime to grant work rights to all bridging visa holders and the granting of amnesty to undocumented workers, specifically undocumented farm workers, to help resolve labour shortages affecting businesses in rural Australia
- A weed management plan that will protect agricultural land from incursions of well-established weeds such as Fleabane (*Conyza* spp.) and Silverleaf Nightshade (*Solanum elaeagnifolium*).

I would like to thank our community for their input into the many consultations conducted during the year. Your constructive ideas and opinions are valued and have helped shape our decisions as an elected body.

This being the final year of the Council Term and my last year as Mayor and Councillor for Leeton Shire Council, I would like to thank everyone – from community members and staff to fellow Councillors and representatives from all levels of government – for their support during my years as an elected member. All of you help make Leeton Shire the wonderful place it is today.


Cr Paul Maytom
Emeritus Mayor*

Message from Our General Manager

I am pleased to present our Annual Report 2021 and inform the Leeton Shire community of the progress Council has made towards the goals of our Delivery Program and Operational Plan.

COVID-19 has again challenged us all; however, Council has remained committed to delivering services to support our community's health, safety and wellbeing. I wish to recognise and acknowledge our local community support agencies and our own frontline staff, who have shown exceptional resilience and compassion under the challenging circumstances of the COVID-19 pandemic.

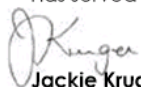
Sincere thanks to the 403 residents who participated in a Leeton Shire Community Satisfaction Survey undertaken by independent contractor Micromex Research and Consulting. We are delighted that 97% of residents rate their quality of life as good and 94% are satisfied with Council's performance. We know from this research that the community greatly appreciates Leeton Shire's local sports facilities, playgrounds and pools, library and waste management services, as well as our visitor information service, local museums, theatre and art gallery. We have also heard that you'd like to see improved local roads and drainage, faster and easier development application processes, more recreation opportunities along the river and more community engagement when making decisions. These will continue to be a focus in the next year.

The NSW Audit Office has reviewed Council's financial statements and given a clean audit opinion. Council ended 2020/21 in a strong cash position with \$47 million in reserves, of which \$36 million is ring-fenced for water and sewer services. While there were operating surpluses in Council's water and sewer funds at year end, the general fund ran at a deficit due to a one-off catch up on 10 years of landfill remediation costs, increased depreciation, and reduced income from investment earnings, water trading and income from road works contracts. Council achieved a net operating result of \$2.5 million of which \$6.9 million was capital grants and contributions, leaving a net operating deficit of \$4.4 million. Going forwards Council is going to have to work hard to keep the general fund in check, either by reducing service levels or increasing income.

Council continued its very ambitious capital works program of over \$16 million. These projects have helped create jobs and growth following the previous two years of severe drought. It is great to see the Shire start to 'bounce back' despite the added challenges of COVID-19, and maintain its reputation for being progressive and a great place to live, work and play.

Other performance highlights have included the processing of 174 development applications, making 23 successful grant applications to the value of \$5.3 million, loaning more than 37,600 items from the library, grading 99.9km of gravel road, resheeting 11.5km of gravel road, resealing 20.3km of sealed road and planting 166 street trees. We also issued 80 media releases and ran ten Have Your Say consultation initiatives.

As staff we are grateful to work for a cohesive and constructive team of Councillors and thank them for their direction and support. My thanks too to Council's dedicated Council staff who have demonstrated great compassion, tenacity, professionalism and a commitment to deliver on our promises to the community. I'd like to especially acknowledge the enormous dedication and service of outgoing Emeritus Mayor Cr Paul Maytom. Collectively, Cr Maytom has served 34 years on Council, 16 of those years as Mayor.


Jackie Kruger
General Manager



I'd like to especially acknowledge the enormous dedication and service of outgoing Emeritus Mayor Cr Paul Maytom. Collectively, Cr Maytom has served 34 years on Council, 16 of those years as Mayor.



Highlights for 2020/21 by Quarter

Quarter One: July–September 2020

- \$40,000 in grant funding secured to employ a part-time Project Officer to assist with the Regional Resettlement Program
- Additional CCTV cameras installed in the CBD
- New Whitton Waste Transfer Station completed and open for use
- Myall Street water main replacement completed
- Henry Lawson Cottage Committee established to oversee the management of Henry Lawson Cottage

Quarter Two: October–December 2020

- Chelmsford Place Promenade Design Plans adopted
- *Waste Management Strategy* adopted by Council
- Riverina Skate Championships – The Riggz Cup
- *Ageing Well Strategy 2020–2025* adopted by Council
- Showground Grandstand and Amenities officially opened
- Helson Park and Playground at Golf Course Estate officially opened
- New toilet facilities opened in Yanco's McCaughey Park
- Murrumbidgee Trails Visitor Guide launched
- FREE workshops focusing on Insights into Digital Marketing held throughout October for NSW Small Business Month
- Community engagement sessions conducted to inform Council's submission to the Inquiry into Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW

Quarter Three: January–March 2021

- Australia Day Awards Ceremony and Community Breakfast hosted
- Leeton Regional Aquatic Centre Redevelopment – Stage 1 completed
- International Women's Day Breakfast hosted by the Leeton Shire Major Dooley Library
- Leeton Museum and Gallery building lit up in yellow in support of @EndometriosisAustralia's Endo Enlightened campaign
- Skate Park Extension Project – Stage 2 completed

Quarter Four: April–June 2021

- Automated Water Meter Reading (Taggle) project completed
- Henry V performed at the Roxy Community Theatre to a full house over 4 nights
- A 98% increase in resource recovery achieved at the Leeton Landfill and Recycling Centre
- Draft Master Plan for the Gogeldrie Weir Recreation Reserve developed
- New playground equipment installed in Noel Pulbrook and Enticknap Parks
- Festival of Cultures: Flavours of Leeton Multicultural Gala held at the Leeton Museum and Gallery
- Make Music Day hosted at the Leeton Skate Park
- Council participated in the Western Riverina Careers Expo
- Community Satisfaction Survey results indicate high levels of satisfaction with both Councillors (92%) and Council administration (94%)

For more information on Council's achievements please go to 'Highlights for 2020/21 by Theme' overleaf, 'Our Performance by Theme' on page 47, 'Our Performance by Community Satisfaction Rating' on page 80 and 'Our Performance by Status of Actions' on page 81.

Highlights

Top images, clockwise from top left: Leeton Showground Grandstand nearing completion;

Official opening of the Whitton Waste Transfer Station; Newly named Leeton Regional Aquatic Centre;

Members of our Filipino community

Bottom images, from left to right: Olly Weston at the expanded Leeton Skate Park; Whitton Town Centre Mural



Highlights for 2020/21 by Theme

	A Healthy and Caring Community	An Active and Enriched Community	A Healthy Natural Environment
Highlights and Lowlights	<ul style="list-style-type: none"> Ageing Well Strategy 2021–2025 adopted and implementation commenced Leeton Shire Housing Strategy 2021 drafted Leeton Early Learning Centre assessed as 'Meeting the National Quality Standard' Leeton Out of School Care assessed as 'Exceeding Minimum Requirements of the National Quality Standard' NAIDOC Week flag raising ceremony conducted Skate Park Extension Project – Stage 2 completed Shared pathway along Racecourse Road/Acacia Avenue completed Continued advocacy about the lack of doctor availability at times at the Leeton Hospital Emergency Department Community Safety Strategy delayed with focus on COVID-19 support instead 	<ul style="list-style-type: none"> Works on the \$1.996 million Showground Grandstand and Amenities Project completed Leeton Regional Aquatic Centre Redevelopment – Stage 1 completed Sporting Walk of Fame works commenced Henry V production presented at the Roxy Theatre Leeton CBD Facade Painting Project – Stage 1 completed Roxy Redevelopment received development approval Secured \$1 million from the Murray Darling Basin Economic Development Fund for Roxy 'associated works' Achieved a Highly Commended for the Leeton Museum and Gallery "Water by Design: The Leeton Water Story" exhibition COVID-19 continued to impact on our ability to host and/or attend events Leeton Regional Aquatic Centre Redevelopment – Stage 2 yet to be completed 	<ul style="list-style-type: none"> Whitton Transfer Station construction completed Waste and recycling education continued New waste cells constructed at Leeton Landfill and Recycling Centre Work on a closure plan for the site at Yanco Landfill commenced Waste Management Strategy, which includes a closure plan for Leeton Landfill, adopted Secured \$50,000 in funding for the Weed Action Program Masterplan for the Gogeldrie Weir Public Recreation Area commenced 98% increase in resource recovery at the Leeton Landfill and Recycling Centre 15.5% increase in household recycling 12.5% decrease in waste disposed at landfill Adopted an Energy Masterplan 9.7% decrease in household water usage

Progress of Actions as at 30 June 2021
 For more information



Pages 49–55

Pages 57–59

Pages 61–63

Legend:



Highlights for 2020/21 by Theme

	A Thriving Economy with Good Jobs	A Quality Built Environment	Strong Leadership
Highlights and Lowlights	<ul style="list-style-type: none"> • 'Country Change' magazine featured Leeton Shire • <i>Leeton Responsible Visitor Economy Activation Plan (2021–2023)</i> developed • Participated in the 'Love NSW' Marketing Campaign in partnership with other regional Councils and the Whitton Malthouse • Murrumbidgee Trails Visitor Guide launched • Sponsored the 'Leeton Gift Cards' – a Leeton Business Chamber 'buy local' initiative • CBD Enhancement – Phase 1 and 2 (Wade Avenue) completed • Community Event Guidelines developed • Hosted Australia Day celebrations for the Shire • Group Manager Shire Activation and Manager Economic Development positions established • Provided \$245,215 to fund the roadworks required for safe road access into the Whitton Malt House development • Gogeldrie Weir Masterplan commenced • WRConnect through Gateway 3 Business Case for Inland Rail Improvement Interface Program 	<ul style="list-style-type: none"> • Graded 99.9km of gravel road (42 roads) • Resheeted 11.5km of gravel road (9 roads) • Resealed 20.3km of sealed road (26 roads) • Rehabilitated three roads: McNeil Road, Merungle Hill Road and Regulator Road • Completed the Helson Park and Playground at Golf Course Estate • Completed upgrade works on the Whitton–Darlington Point Road (MR539) bridge • Replaced 4,070 aged water meters with smart meters as part of the Automated Water Meter Reading (Taggle) project • Participated in securing funding for resealing the runway, improved lighting and new perimeter fencing at the Narrandera–Leeton Airport • Updated the Riverina and Murray Joint Organisation (RAMJO) Freight Strategy • Constructed new toilets in McCaughey Park • Implemented the online NSW Planning Portal • Half basketball court installed at Gossamer Park • Wamoon Sewerage System Project reset • Engineering Guidelines for Subdivisions and Development Standards for Leeton Shire not yet completed • Commenced development of a Development Control Plan 	<ul style="list-style-type: none"> • Advocated for the local community on a range of matters including water security, health, Leeton Shire's inclusion in the COVID-19 border bubble and Roxy Community Theatre grant funding • Coordinated the annual Community Grants Program, providing \$26,502 to 27 recipients • Donated an additional \$18,150 to 14 groups and organisations • Carried out the annual Internal Audit program with a focus on Council's Fraud Prevention and Control Framework • Participated in the Australasian Performance Excellence Program • Supported the NSW Health Inquiry into Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW • Joined the Welcoming Cities global network • Community Satisfaction Survey revealed a very high level of satisfaction with both Councillors (92%) and Council administration (94%) • Made 23 successful grant applications to the value of \$5.3 million • Annual audit of WHS management resulted in a rating of 84.7%

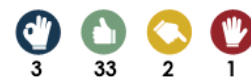
Progress of Actions as at 30 June 2021
 For more information



Pages 65–71



Pages 73–75



Pages 77–79

Legend:



Finance Snapshot

Council's total cash and investments as at 30 June 2021 were \$46.98 million. Of this amount, \$33.63 million is held in externally restricted funds and \$11.42 million is held in internally restricted funds.

Our Status as at 30 June 2021

The net operating result, before capital grants and contributions, for the year ended 30 June 2021 is a deficit of \$4.4 million compared to a surplus of \$2.5 million for the year ended 30 June 2020.

The deficit is largely due to:

- a reduction in investment interest income against budget (low interest rates)
- a reduction in water sales income against budget (low water prices)
- a 10 year catch-up in landfill rehabilitation provisioning (\$2.5 million)
- a reduction in Transport for NSW ordered works against budget.

Cash and Investments

Council's total cash and investments as at 30 June 2021 were \$46.98 million. Not all of these funds are available for discretionary use, as the amount includes items that are externally (by Statute) or internally (by Council policy) restricted in their use:

- Council is holding \$33.63 million of externally restricted funds. This amount includes unexpended loans, deposits/bonds, unexpended grants, and water, sewerage, and domestic waste cash and investments
- Council is also holding a further \$11.42 million in internally restricted funds. These are amounts set aside for purposes such as future asset replacement and accrued employee leave entitlements. Some of the key internal restrictions as at 30 June 2021 were as follows:
 - Plant and vehicle replacement – \$2 million
 - Infrastructure replacement – \$2 million
 - Roads general – \$2 million
 - Employee leave entitlements – \$1.3 million.

Assets and Liabilities	2020/21	2019/20 for comparison
Assets		
Total current assets	\$43,183,000	\$42,613,000
Total non-current assets	\$315,951,000	\$285,891,000
Total assets	\$359,134,000	\$328,504,000
Liabilities		
Total current liabilities	\$8,232,000	\$7,808,000
Total non-current liabilities	\$6,464,000	\$3,577,000
Total liabilities	\$14,696,000	\$11,385,000
TOTAL EQUITY	\$344,438,000	\$317,119,000



Leeton Shire Council
Image credit: G Davis

Finance Snapshot cont.

Our 2020/21 Income

For the financial year ended 30 June 2021, Leeton Shire Council's total income from continuing operations, including grant income, was \$38.5 million. Our expenditure was \$36 million.

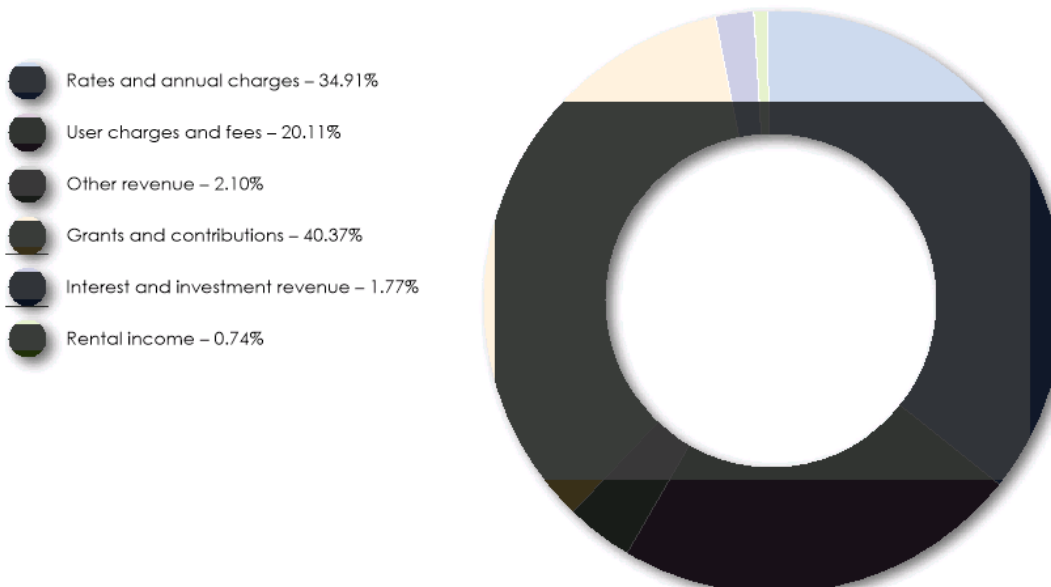
Income and Expenditure	2020/21	2019/20 for comparison
Income		
Total income from continuing operations	\$38,502,000	\$35,692,000
Total expenses from continuing operations	\$36,001,000	\$29,254,000
Net operating result (counting grants and contributions)	\$2,501,000	\$6,438,000
Net operating result (not counting capital grants and contributions)	(\$4,425,000)	\$2,503,000

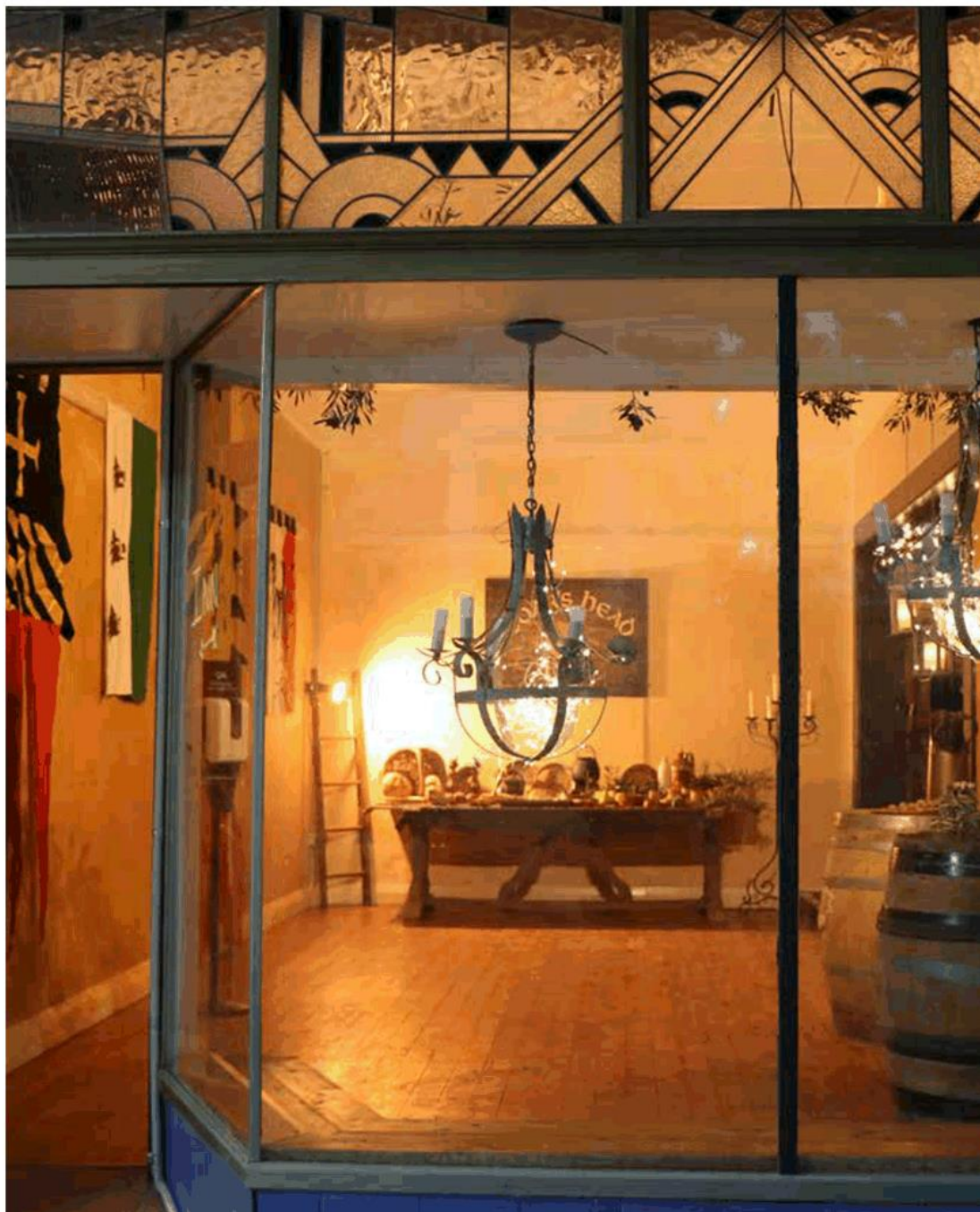
Sources of Income

Leeton Shire Council receives the bulk of its operating income from three main sources:

- Rates and annual charges – \$13.44 million
- User charges and fees – \$7.75 million
- Grants and non-developer contributions – \$15.31 million.

A percentage breakdown of the sources of our income is shown in the graph below.





The stage is set! Council purchased the former Movie and Crate Café to allow for the expansion of the footprint of the Roxy Community Theatre during the upcoming redevelopment of the theatre. During the four-show run of Henry V the Crate Café was transformed into the Boar's Head Inn, a venue for serving refreshments to Henry V attendees

Finance Snapshot cont.

Grants and Contributions Income

In 2020/21 Leeton Shire Council received grants and non-developer contributions of \$15.31 million. The Federal Government provided \$7.3 million of this amount (\$4.6 million in Federal Assistance Grants), the State Government provided \$7.9 million, and \$108,000 was received from other sources.

Grants	2020/21 Operating Grants	2020/21 Capital Grants
General purpose grants (untied)		
Current year allocation		
Financial assistance – general component	\$1,684,000	0
Financial assistance – local roads component	\$532,000	0
Payments in advance – future year allocations		
Financial assistance – general component	\$1,802,000	0
Financial assistance – local roads component	\$569,000	0
Total general purpose grants recognised as income in 2020/21	\$4,587,000	0
Special purpose grants and non-developer contributions (tied)		
Domestic waste management	0	\$20,000
Water supplies	\$36,000	0
Childcare	\$142,000	\$167,000
Community care	\$18,000	\$45,000
Economic development	\$172,000	0
Employment and training programs	\$57,000	0
Environmental programs	\$2,000	0
Heritage and cultural	\$12,000	\$510,000
Library	\$1,000	0
Library	\$63,000	0
Library	\$14,000	0
LIRS subsidy	\$33,000	\$6,000
Noxious weeds	\$50,000	0
NSW Rural Fire Service	\$75,000	\$43,000
Recreation and culture	\$1,272,000	\$3,016,000
Youth services	\$10,000	0
Street lighting	\$64,000	0
Transport – Roads to Recovery funding	0	\$985,000
Transport (other roads and bridge funding)	\$1,708,000	\$511,000
Other specific grants	\$52,000	\$489,000
Roads and bridges	0	\$746,000
Transport for NSW contributions (regional roads, block grant)	\$250,000	\$137,000
Water supplies (excl. section 64 contributions)	0	\$18,000
Total special purpose grants and non-developer contributions (tied)	\$4,031,000	\$6,693,000
Total grants and non-developer contributions	\$8,618,000	\$6,693,000
TOTAL GRANTS AND NON-DEVELOPER CONTRIBUTIONS	\$15,311,000	

Some grant funding is allocated to local councils according to the size and population of their Local Government Area. Other grant funding is provided only after a council has submitted a successful application showing how a project, event or service meets the funding criteria.

This year, Leeton Shire Council made 23 successful grant applications to the value of \$5.3 million. Some of that grant funding was received this year and is included in the table above. In other cases, Council has received notification that its application has been successful but the actual funding won't be received until a future financial year. On behalf of the Leeton Shire, Leeton Shire Council extends its thanks to all funding providers.

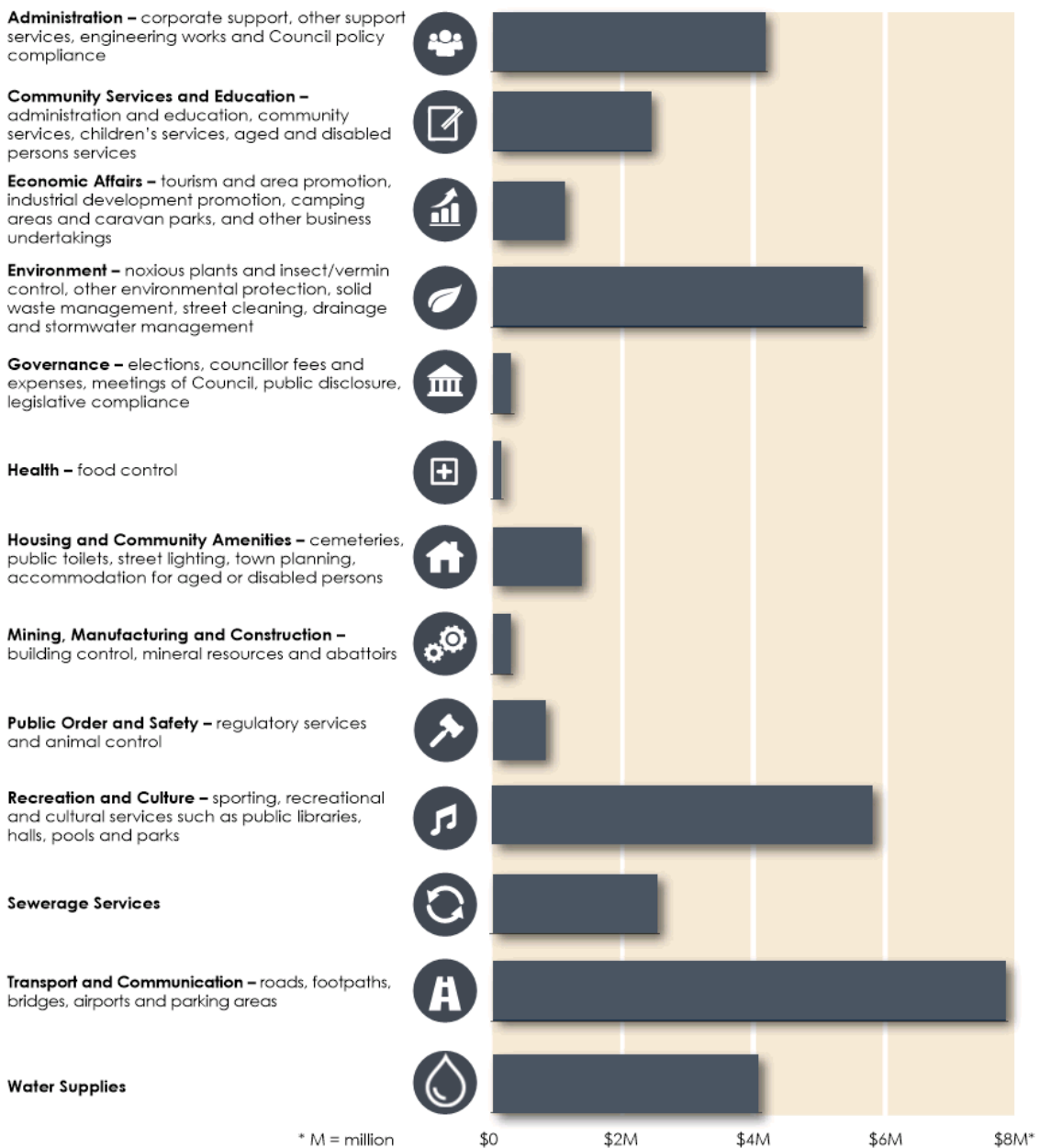


Finance Snapshot cont.

Our 2020/21 Expenditure

Council spends its funds on behalf of the community in a variety of ways. The following table provides a breakdown of our allocation of expenditure by function. The function categories used in the table are the categories defined by the NSW Office of Local Government's Code of Accounting Practice.

Expenditure by Council function

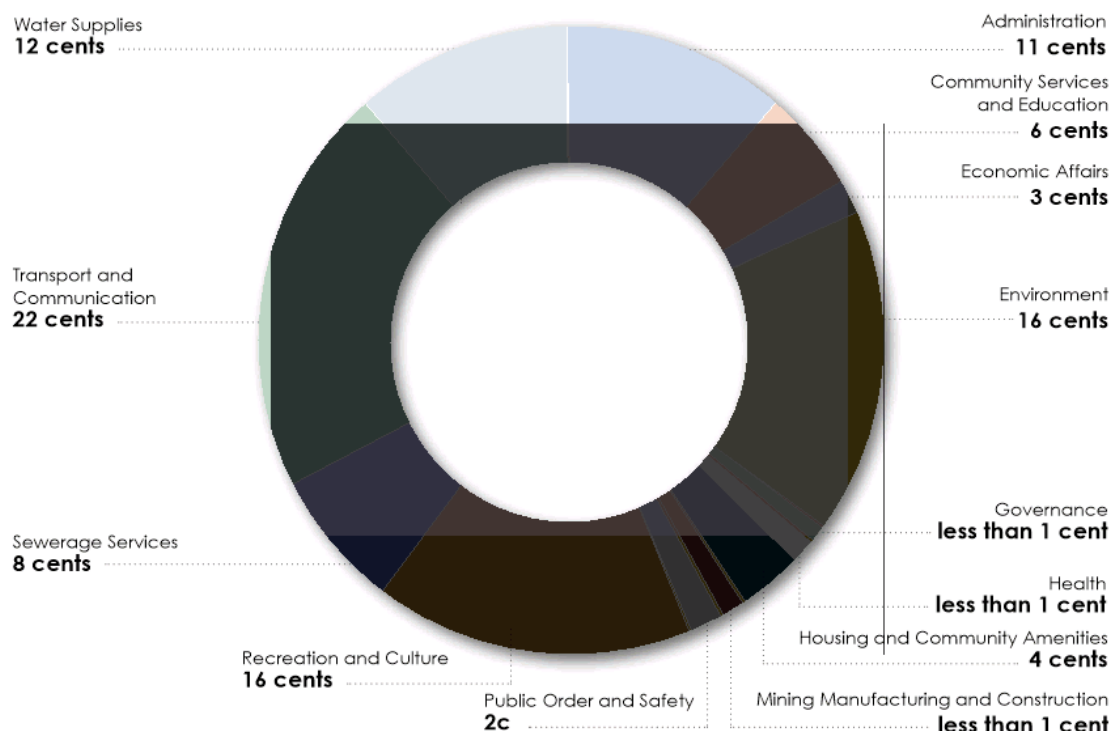


Finance Snapshot cont.

Where Does Every Dollar Go?

The graph below shows how each dollar (or every cent in each dollar) Council spends is allocated according to function. The function categories are those defined by the NSW Office of Local Government's Code of Accounting Practice.

Expenditure by Council function – cents in the dollar



For further information on Council's finances, please see the *Annual Financial Statements for the Year ending 30 June 2021*.

The replacement of ageing water mains was a key focus for the Water and Waste Water team in 2020/21. The work continues in 2021/22



Our Council

Due to COVID-19, the NSW Council elections were postponed from 2020 to 2021 and the term of the current Council was extended for an additional year and 3 months.

How Council Operates

Local Government is the third level of government and is directly accountable to the local community. Council is the governing body at a local level and its powers and responsibilities are conferred upon it by the New South Wales Government. It generates its revenue from local rates, charges and fees along with grant funds from the State and Commonwealth Governments. While the *Local Government Act 1993* provides Council with the framework and powers to provide community services and facilities, there are many other pieces of legislation which direct how Council carries out its functions within the community.

Council Elections

Local Government elections are generally held in NSW on the second Saturday in September every four years. At Local Government elections voters in each Local Government Area elect Councillors to their local council.

Due to COVID-19, the NSW Council elections were postponed from 2020 to 2021 with the term of the current Council being extended for an additional year and 3 months. The next local Government elections will be held on 4 December 2021 and the term will be 3 years.



From left to right: Cr Sandra Nardi, Cr Tony Ciccio, Cr Tracey Morris, Cr Michael Kidd, General Manager Jackie Kruger, Cr Peter Davidson, Mayor Cr Paul Maytom, Cr Tony Reneker, Deputy Mayor Cr George Weston, Cr Paul Smith

Our Council cont.

Our Councillors



**Cr Paul Maytom,
 Mayor
 Elected to Council
 1987**

Section 355 Committees

- Leeton Shire Men's Shed
- Whitton Courthouse and Historical Museum Committee

Advisory Committees

- Infrastructure Working Group
- Leeton Local Traffic Committee
- Yanco Town Improvement Committee

Action Committees

- Leeton Australia Day Committee

External Committees

- Murray Darling Association
- Narrandera-Leeton Airport Management Committee

*The Mayor is a voting member of all committees of Council



**Cr George Weston,
 Deputy Mayor
 Elected to Council
 1995**

Section 355 Committees

- SunRice Festival Committee

Advisory Committees

- CBD Enhancement Advisory Committee
- Gogeldrie Weir Recreational Facilities Committee
- Community Grant Funding Committee
- Henry Lawson Cottage Committee
- Leeton Shire Heritage Committee

Action Committees

- Leeton Australia Day Committee

External Committees

- Leeton Business Chamber
- Murray Darling Association



**Cr Tony Ciccia
 Elected to Council
 2016**

Section 355 Committees

- Murrumbidgee Community Hall Committee

Advisory Committees

- Henry Lawson Cottage Committee
- Infrastructure Working Group
- Leeton Local Traffic Committee
- Leeton Weeds Committee



**Cr Tracey Morris
 Elected to Council
 2012**

Advisory Committees

- Audit, Risk and Improvement Committee
- CBD Enhancement Advisory Committee
- Community Grant Funding Committee
- Roxy Development Committee

External Committees

- Leeton Business Chamber



**Cr Peter Davidson
 Elected to Council
 2010**

Advisory Committees

- CBD Enhancement Advisory Committee
- Infrastructure Working Group
- Leeton Tree Advisory Committee
- Leeton Weeds Committee



**Cr Michael Kidd
 Elected to Council
 2004-2008
 Elected to
 Council 2012**

Advisory Committees

- Infrastructure Working Group
- Roxy Community Theatre Advisory Committee
- Roxy Redevelopment Committee



**Cr Paul Smith
 Elected to Council
 2016**

Section 355 Committees

- Whitton Courthouse and Historical Museum Committee
- Whitton Community Hall Committee

Advisory Committees

- Community Grant Funding Committee
- Gogeldrie Weir Recreational Facilities Committee
- Whitton Town Improvement Committee

External Committees

- Narrandera-Leeton Airport Management Committee



**Cr Sandra Nardi
 Elected to Council
 2016**

Section 355 Committees

- Light Up Leeton Committee
- Yanco Community Hall Committee

Advisory Committees

- Roxy Community Theatre Advisory Committee
- Roxy Redevelopment Committee
- Yanco Town Improvement Committee

Action Committees

- Leeton Youth Committee



**Cr Tony Reneker
 Elected to Council
 2016**

Advisory Committees

- Audit, Risk and Improvement Committee
- Community Grant Funding Committee

Action Committees

- Leeton Australia Day Committee

External Committees

- MIA Zone Liaison Committee (Rural Fire Service)
- Narrandera-Leeton Airport Management Committee



Our Council cont.

Council Meetings

Ordinary Council Meetings are generally held on the fourth Wednesday of every month. Meeting agendas are available on the Council website, as are minutes of meetings. Hard copies are available at the Council office reception in Chelmsford Place. Residents wishing to address the Councillors on an agenda item can do so by registering their request by midday on the working day before the scheduled meeting by contacting Council on (02) 6953 0911 or council@leeton.nsw.gov.au. Meetings can be viewed online the day after the meeting.

During 2020/21, 11 Ordinary Council Meetings and one Extraordinary Meeting were held.

Council Meetings attended

Councillors	Ordinary Meetings Attended	Extraordinary Meetings Attended
Mayor Cr Maytom	11	1
Cr Ciccia	11	1
Cr Davidson	11	1
Cr Kidd	10	1
Cr Morris	11	1
Cr Nardi	10	1
Cr Reneker	9	1
Cr Smith	10	1
Deputy Mayor Cr Weston	11	1

Council's Committees

Section 355	Advisory	Action	External
<ul style="list-style-type: none"> Leeton Shire Men's Shed Light Up Leeton Committee SunRice Festival Committee Whitton Court House and Historical Museum Committee Whitton Community Hall Committee Murrumbidgee Community Hall Committee Yanco Community Hall Committee 	<ul style="list-style-type: none"> Audit, Risk and Improvement Committee (ARIC) CBD Enhancement Advisory Committee Gogeldrie Weir Recreational Facilities Committee Infrastructure Working Group Leeton Flood Plain Management Committee Community Grant Funding Committee Henry Lawson Cottage Committee Leeton Local Traffic Committee Leeton Shire Heritage Committee Leeton Tree Advisory Committee Leeton Weeds Committee Roxy Community Theatre Advisory Committee Roxy Redevelopment Committee Whitton Town Improvement Committee Yanco Town Improvement Committee 	<ul style="list-style-type: none"> Leeton Australia Day Committee Leeton Youth Committee Sporting Walk of Fame Committee 	<ul style="list-style-type: none"> Country Mayors Association Leeton Business Chamber Leeton Local Emergency Management Committee Local Government New South Wales Local Government Professionals NSW – for staff MIA Zone Liaison Committee (Rural Fire Service) Murray Darling Association Western Riverina Arts
Shared Services <ul style="list-style-type: none"> Narrandera-Leeton Airport Management Committee Riverina and Murray Joint Organisation (RAMJO) 			

Our Council cont.

Councillor Expenses

Payment of Councillor Fees and Expenses, and Provision of Facilities to Councillors

Local Government (General) Regulation 2005 – cl 217(1)

The total amount expended during 2020/21 on Mayoral and Councillor fees, the provision of facilities, and the payment of expenses was \$175,347. The details are provided below:

Councillor Fees, Expenses and Facilities	Amount
Councillor fees (\$12,160 x 9)	\$109,440
Mayoral allowance (excluding Councillor fee)	\$26,229
Motor vehicle – Mayor (Business use)	\$8,298
Councillor Travel and accommodation	\$8,275
Council meeting and sundry expenses	\$8,867
Councillor training and skills development	\$3,400
Telecommunications	\$3,163
Seminars and conferences	\$5,580
Memberships	\$367
Material and consumable purchases	\$1,012
Florist expenses	\$716
Carer expenses	Nil
Interstate visits	Nil
Overseas visits	Nil
Office equipment	Nil
Spouse/partner expenses	Nil
Total	\$175,347

Waste and Recycling Coordinator Guy Retallick (standing) outlines proposed expenditure on Waste projects for Councillors at a budget workshop





Community members and visitors enjoying Make Music Day. Two well-known Sydney acts, Jannah Beth and True Vibration, took over the Skate Park in Leeton's Rotary Park to entertain attendees with free live music on Sunday 20 June 2021. Make Music Day was delivered in partnership with the Department of Planning, Industry and Environment and Create NSW as part of the Festival of Place

Our Community



Citizen of the Year
 Lorraine Kefford with Mayor
 Cr Paul Maytom

Below right: Mayor Cr Paul
 Maytom (left) with William
 Ingram (centre) and Achiever of
 the Year Karen Davey

Below far right: Sportsperson of
 the Year Harry Rudd (left) and
 Junior Sportsperson of the Year
 Charlie Lamont (right) with
 Cr Tony Reneker



Above: Australia Day
 Ambassador, Donna Ciccio

Right: Kurrajong, a provider of
 disability services and support,
 was awarded Organisation of
 the Year

Our Community's Vision

To enjoy outstanding lifestyles and prosperous livelihoods within a caring and inclusive community and a healthy environment. To be inspirational leaders leaving a legacy in the Murrumbidgee Irrigation Area of which we are enormously proud.

Our Community's Goals

The community's goals and the strategies to achieve them are documented in the Community Strategic Plan *Leeton on the Go – Towards 2030*.

Australia Day Awards

The 2021 Leeton Australia Day Awards recognised, celebrated and acknowledged the achievements and positive contribution community groups and individuals make to our community. Awards were presented at the Australia Day Ceremony on 26 January 2021 to:

Lorraine Kefford
Citizen of the Year

Australian Art Deco Festival Leeton
Event of the Year

Tamika Rourke
Young Achiever of the Year

Charlie Lamont
Junior Sportsperson of the Year

Karen Davy
Achiever of the Year

Kurrajong
Organisation of the Year

Harry Rudd
Sportsperson of the Year

Bob Parsons
Lifelong Citizen of the Shire



Our Community cont.

Citizenships

Congratulations to the Leeton Shire residents who became Australian Citizens in 2020/21. Mayor Cr Paul Maytom (to the right of both photographs) is with the Semananda family (below top) and the group of residents who became citizens on Australia Day 2021.

Australian Citizenship Ceremonies are hosted by Council for Shire residents who have applied to become Australian citizens through the Department of Home Affairs. Ceremonies are held throughout the year with one major ceremony on Australia Day.

During the 2020/21 year, Council hosted two citizenship ceremonies, one on Australia Day (26 January 2021) and one on Australian Citizenship Day (29 September 2020), and welcomed 16 new citizens.



Our Community cont.

Community Grants Program

Contributions and Donations

Local Government (General) Regulation 2005 – cl 217(1) (a5)

Community Strengthening Grants

Council's Community Strengthening Grants Program is made available annually for community projects. In 2020/21, funding was provided to the following groups.

Organisation	Purpose	Amount
Leeton Can Assist	Cover medication costs for cancer patients	\$1,000
Yanco Wamoon Football Club	Construct a concrete slab at the canteen	\$2,000
Writer in Residence – Auspiced by the Historic Hydro Motor Inn	Phase 3 of the Writer in Residence Program	\$1,000
Leeton Aviators Club	Install air-conditioning in the clubhouse	\$1,000
Leeton Family and Local History	Establish a website	\$2,000
Leeton Family and Local History	Restore the original 1911 colour map of North Yanco Station	\$1,300
Leeton Show Society	Concrete footings for covered outdoor area	\$1,000
Riverina Riding Club	Purchase sand for the dressage arena	\$1,000
Whitton Town Improvement Committee	Purchase a community noticeboard	\$2,000
Yanco Wamoon Ladies Auxiliary	Purchase an industrial deep fryer	\$1,000
Leeton Shire Men's Shed	Upgrade electrical connections for machinery	\$828
Leeton Show Society	Permanent display cabinet in the Arts and Crafts Pavilion	\$2,000
Kurrajong	Drama production	\$2,000
Yanco Agricultural High School P&C	100th Centenary Gala Day in 2022	\$1,000
1st Leeton Scout Group	Kitchen equipment and compasses	\$620
Leeton Aviators Club	Repaint clubhouse (external)	\$1,750
Riverina Vintage Machinery Club Inc.	Upgrade PA system	\$1,000
Leeton Rainbow Pride Collective Inc.	Purchase a coffee machine for fundraising	\$749
TOTAL		\$23,247



Members of the 1st Leeton Scout Group make use of new kitchen equipment purchased through Council's Community Grants Program



Our Community cont.

Quick Response Grants

Council provided funding in the form of Quick Response Grants to the following organisations in 2020/21.

Recipient	Purpose	Amount
Murrumbidgee Police District	Cover costs of childcare while running an Indigenous Mentorship Program	\$500
Leeton Motor Sports Club	Repair the racetrack	\$1,000
Leeton Rainbow Pride Collective	Purchase a banner for NAIDOC Week	\$185
Leeton High School	Run a student car awareness program	\$570
TOTAL		\$2,255

Youth Development Grants

Council awarded the following Youth Development Grants during 2020/21.

Recipient	Amount
Mason Boardman	\$250
Sari Leighton	\$250
Connor Holden	\$250
Kian Henman	\$250
Raith Henman	\$250
TOTAL	\$1,250

Other Contributions and Donations

Recipient	Amount
Whitton Malthouse (road shoulder widening at entrance)	\$245,215
Bush Bursary Program (student doctors)	\$3,300
Murrumbidgee Trails marketing collective	\$10,000
Leeton Bidgee Classic Fishing Competition	\$2,500
Leeton Business Chamber	\$1,500
Leeton High School, MET School (Leeton Campus), St Francis De Sales Regional College, Yanco Agricultural High School – annual donation for end-of-year awards – \$100 each	\$400
Leeton Public School, Parkview Public School, St Joseph's Primary School, Wamoon Public School, Whitton Murrumbidgee Public School, Yanco Public School – annual donation for end-of-year awards – \$75 each	\$450
TOTAL	\$263,365

Celebrating Our Volunteers

Leeton Shire Council would like to thank the 222 people who volunteered their time, skills and expertise to assist on Council Committees such as the Leeton Museum and Art Gallery, Golf Course, Whitton Courthouse and Historical Museum, Whitton Town Improvement Committee and various hall committees. Council would also like to thank those who assisted with Council programs, events and festivals in 2020/21.

The table below shows the number of volunteers who assist at each of the Council facilities listed.

Council Facility	Number of Volunteers
Golf Course	25
Museum and Art Gallery	25
Library	7
Visitor Information Centre	5

Our Community cont.



Our volunteers, clockwise from top left:
Mary Walsh (left) and Denise McGrath in the Leeton
Museum and Art Gallery (LMAG)

Greg Brown (left), Phil Williams (centre) with Manager
Cultural Services Suesann Vos at a morning tea held to
thank LMAG volunteers

Katherine Herrmann (left) and Sue Gavel, two of the many
community members who volunteered to assist with Henry V
Robyn Hutchinson (left), Erin Draper (centre) and Cr Tracey
Morris also helped with the Henry V production





Customer Service Trainee Anita Fitzgerald commenced her two-year traineeship with Leeton Shire Council in March 2021. She says working at Council has expanded her knowledge considerably

Our Organisation

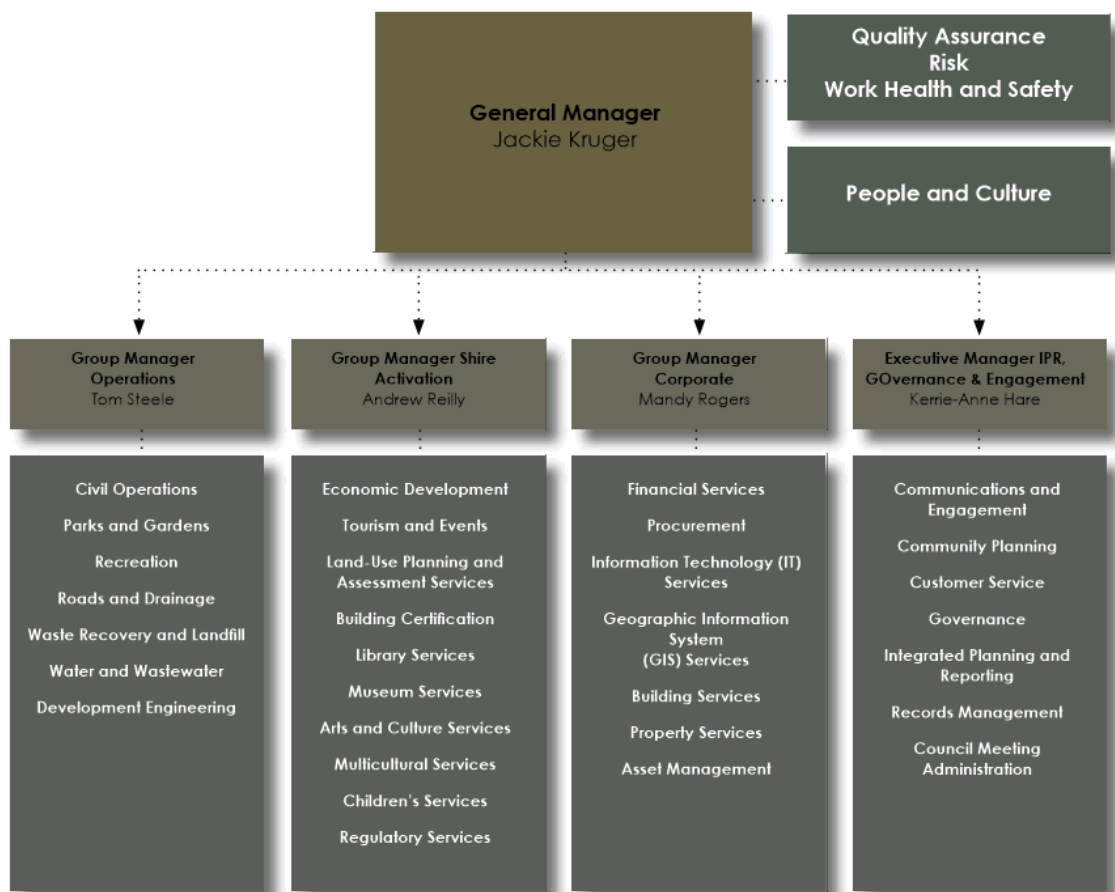
Our Staff Mission

To be proudly trusted by the Councillors and the Community to deliver for them the very best outcomes in the most effective manner while enjoying a harmonious workplace that values and rewards its workforce for service excellence.

Our Staff Values



Our Staff Structure



Our Organisation cont.

Our Senior Management Team



General Manager
Jackie Kruger

Jackie commenced as General Manager of Leeton Shire Council in August 2015. Jackie came to the Riverina from Tamworth, where she held the position of Director Planning and Community Services.

Her formal qualifications are in natural resource management (BSc Forestry/Conservation) and a Masters in Environmental Education.

Jackie was elected to the Board of LG Professionals in 2018 and also serves on the Board of the Country Universities Centre, Western Riverina. She is a graduate of the Australian Institute of Company Directors, a member of the Murray Riverina Regional Advisory Council for Business NSW, and a member of the Planning Institute of Australia (PIA).



Group Manager Operations
Tom Steele

Tom started with Leeton Shire Council as a Cadet Engineer in 2008 and commenced as Group Manager Operations in June 2021. In the intervening years, Tom held several design, geospatial and asset management focused roles with Leeton Shire Council and other local government organisations throughout the Riverina.



Group Manager Shire Activation
Andrew Reilly

Andrew commenced as Group Manager Shire Activation in April 2021. Andrew and his family are long time Leeton residents.

As the Group Manager Shire Activation Andrew manages the Economic Development, Planning, Building and Health, Cultural Services and the Visitor and Children's Services departments for Leeton Shire Council.

After commencing his early career in local government with Carrathool Shire and Tumbarumba Shire Councils, Andrew held several senior roles in agribusiness and mining both in the Riverina and overseas.

Andrew's qualifications include a Master of Commercial Law and a Bachelor of Business (Accounting and Local Government). He is a Graduate of the Australian Institute of Company Directors before returning to Council.

Our Organisation cont.

Our Senior Management Team cont.

Group Manager Corporate
Mandy Rogers

Mandy first joined Council in August 2020 in the role of Procurement and Service Improvement Manager before being appointed to the role of Group Manager Corporate in March 2021.

Prior to Council, Mandy held senior positions at SunRice and in the NSW rice industry and worked in the commercial and chartered accounting fields for international firms.

Mandy holds a qualification in accounting and has over 20 years business experience that spans senior roles in external and internal audit, finance and information systems, administration, human resources, governance, statutory reporting and procurement.

In addition to her Commerce degree, Mandy has a Graduate Diploma in Applied Corporate Governance, a Diploma in Procurement and Contracting, is a Member of CPA Australia (CPA), a Member of the Governance Institute of Australia (AGIA ACIS), a Graduate Member of the Australian Institute of Company Directors (GAICD) and a Member of Local Government Professionals NSW.

Mandy grew up in the Riverina and is a long-term resident of Leeton.



Executive Manager IPR, Governance and Engagement
Kerrie-Anne Hare

Kerrie-Anne joined Council in July 2020, after spending 5 years at Gannawarra Shire Council in Kerang, Victoria, and 4.5 years at Moree Plains Shire Council. During her years in local government she has undertaken various roles and been responsible for managing internal and external communications, customer service, records management, organisational and community strategic planning, information technology and human resources.

Prior to entering in local government, Kerrie's career centred around education and the publishing industry. She has taught students aged 5 to 85 in a range of subjects at primary, TAFE and university level. She has also had more than 20 years' experience in writing, editing, journalism, publishing and management, and has owned and managed her own agricultural publishing company, Bolwarrah Press.

Kerrie holds a Bachelor of Education, a Graduate Diploma of Management and a Certificate IV in Training and Assessment. Kerrie grew up in the southern Riverina.



Our Organisation cont.



Our staff

Top row, from left to right: William Ingram, Maddison Clyne and Justin Davidson; Grant Bridge; Rachel Cody, Susie Rowe and Zoey Lucas

Second row, from left to right: Zac Fairweather and William Ingram; Teneal Preston Warr (school-based trainee), Kylie Knight and Brooke Schmetzer (school-based trainee); Deon Di Fiore

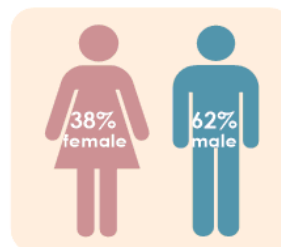
Bottom rows, clockwise from left: Rachel Cody dressed as the Easter Bunny for Easter Story Time at the Library; Justin Davidson, Zac Fairweather and Bryce O'Garey; Fran Macdonald and Petra Player; Maureen Marks

Our Organisation cont.

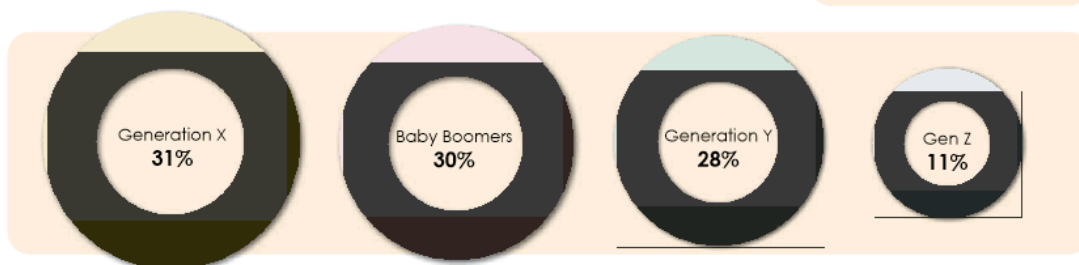
Our Staff

At 30 June 2021, Leeton Shire Council provided employment in 137 full-time equivalent roles, performed in various capacities, including:

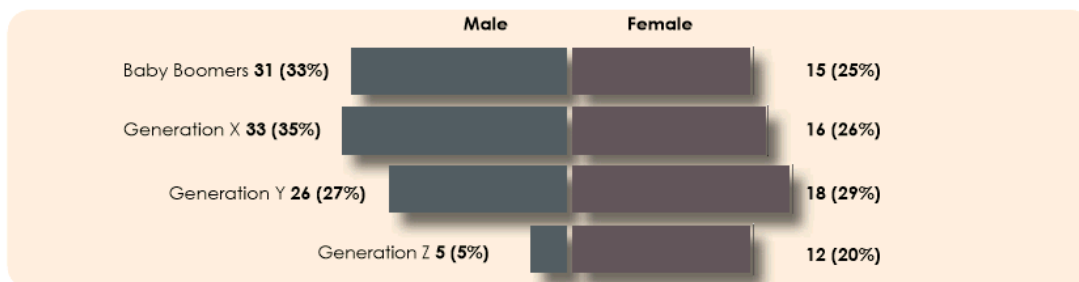
- 125 staff in full-time roles, and
- 31 staff in part-time roles.



Generational split of Council's staff

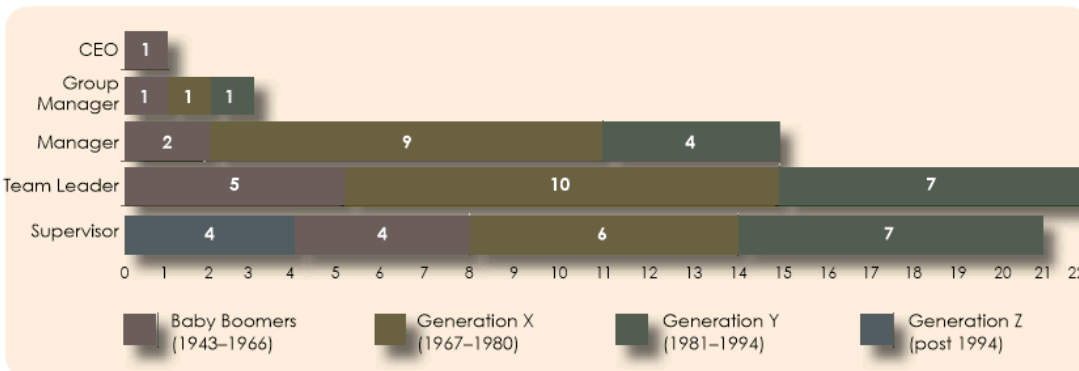


Gender by generational split



Note: The above chart sums to 100% for each gender

Position by generational split



Our Organisation cont.

Organisational Development

Flexible Working Arrangements

Council is proud to support its employees by facilitating flexible working arrangements to help them fulfill their professional, personal and caring responsibilities. This also means that the Council is able to create employment opportunities for more individuals within the same salary budget by hiring just the right amount of labour and maintaining an efficient and flexible workforce.

During the reporting period, a number of staff worked from home for a period of several months due to COVID-19. The majority have since returned to the workplace.

Service Awards

We formally acknowledged the contribution of our employees through the presentation of service awards to 14 employees who celebrated long service milestones in the organisation. The awards were presented in late 2020.

Service Awards

10 year awards

- Katrina Connell
(Leeton Early Learning Centre)
- Des Marks
(Water and Waste)
- Mark Robinson
(Workshop)

15 year awards

- Daryl Conroy
(Water and Waste)
- Priscilla Hester (Finance)
- Barry Palmer
(Water and Waste)
- Peter Skarlis
(Regulatory Services)
- Karen Thomson –
(Operations)

20 year awards

- Shane Leighton
(Open Space and Recreation)
- Gary Piltz
(Water and Waste)
- Guy Retallick
(Waste and Recycling)

25 year awards

- Greg Deeves
(Water and Waste)

30 year awards

- Regina Butler
(Operations)

40 year awards

- Paul Goodrum
(Water and Waste)



Left to right: General Manager Jackie Kruger with Guy Retallick, Priscilla Hester, Peter Skarlis, Regina Butler, Karen Thomson and Mark Robinson

Just as we honour and recognise our long-service employees, we are delighted to have a new generation of skilled and qualified staff to contribute their own energies and talents to the emerging needs of our Shire.

Continuous Improvement

Council successfully implemented the online Pulse Performance Appraisal System during the year. The online Pulse Induction program was also implemented this year, improving the efficiency and accessibility of onboarding for new recruits. This allows for new recruits to access necessary documentation and return forms online. Further improvements are being harnessed to enhance the online onboarding experience, in order to have employees more work-ready on Day 1 of their employment.

The online Pulse Induction program was also implemented this year, improving the efficiency and accessibility of onboarding for our new recruits. The induction program continues to be improved.

A new salary packaging program through Maxxia has been rolled out, promoting structured employee benefits including access to remote area benefits.

Our Organisation cont.

Benchmarking

The Senior Management Team engaged an external research organisation to undertake a pay benchmarking exercise for the outdoor teams, and the final report was presented to employees in August 2020. Benchmarking was carried out against eight comparable Councils with the result being that our outdoor staff are being paid fairly and equitably, within a 'good' pay range relative to the sector. To further improve our pay levels relative to the market, the outdoor staff received a further 0.5% increase.

Council also participated in the Australasian Local Government Performance Excellence Program through Local Government Professionals Australia (NSW) in conjunction with Price Waterhouse Coopers. The program is aimed at providing participating Councils with comparative data that will enable them to make better management and operational decisions, prioritise and optimise resources, drive change internally, enhance strategic capacity and operational planning, and support specific service delivery enhancements.

Training and Development

We are committed to investing in our employees through training and development opportunities and recognise that building our internal capacity contributes to improving the performance of the organisation. During the 2020/21 year, 255 training sessions were presented in the Technical and Work, Health and Safety disciplines, reported on page 40. In addition, 144 training sessions were delivered in the management and professional fields, summarised as follows:

Training Category	Attendees
Contracting – various forms	15
Leadership development	8
Customer service	8
Property development	18
Local Government/Governance	6
Electronic records management	47
Professional development – Civil Engineering, Traffic Management, Finance, Human Resource Management, Childcare, Microsoft Office, Planning, Librarianship, Health Management, Procurement and Geographic Information Systems	24

We are committed to investing in our employees through training and development opportunities and recognise that building our internal capacity contributes to improving the performance of the organisation.

All staff were invited to a briefing on the Code of Conduct, to ensure that the highest values are shared in all our administration of public funds. All staff were also requested to attend Fraud Awareness training and key staff in Finance, Procurement, Payroll, Information and Communications Technology, and Asset Management participated in risk management workshops aimed at improving Council's Fraud and Corruption Control Framework.

Work experience for secondary and tertiary students continued across a broad range of services including childcare, administration, engineering and parks and recreation. This program creates the opportunity for tomorrow's workforce to gain practical experience, as well as studying opportunities and financial reward at the start of their careers.

Traineeships were taken up in childcare and customer services, where Council is investing in the development of future talent. An apprenticeship in parks and recreation is underway.



Our Organisation cont.

Council has continued to implement all elements of the WHS Management Plan that actively promotes continual improvement to health, safety, wellbeing and prevention of workplace injuries and illnesses of all staff.

Work Health and Safety

At Leeton Shire Council we believe that the well-being of people employed at work, or people affected by our work, is a priority and must be considered during all work performed by Council or on behalf of Council.

Leeton Shire Council is committed to:

- Promoting and protecting the physical and psychological health and safety of workers
- Providing safe and healthy workplaces
- Establishing and monitoring management systems that prevent work-related injury and illness to workers and others who can be affected by Council activities
- Establishing measurable objectives and targets for health and safety to ensure continuous improvement aimed at elimination of work-related illness and injury or safety risks
- Continually improving Work Health and Safety (WHS) performance and management systems
- Demonstrating compliance with Council's WHS obligations outlined in legislation.

Council has continued to implement all elements of the WHS Management Plan that actively promotes continual improvement to health, safety, wellbeing and prevention of workplace injuries and illnesses of all staff.

Key safety and risk initiatives undertaken during this year included:

- Organising 'Dealing with Difficult People' training, which saw the participation of 27 staff members from all areas of Council
- Ongoing COVID-19 Safety Plan updates and guideline implementation
- Publishing regular Health and Safety communications in the 'Council Connect' staff newsletter and through safety alerts
- Committing to the implementation of the Enterprise Risk Management and Project Management modules of our Pulse platform
- Conducting regular workplace inspections and observations using Vault Check and Vault Notify Applications.



Gideon Vos installing a defibrillator in the main office. The purchase and installation of 17 defibrillators across Council was one of Council's 2020/21 risk management activities

Council's WHS, Quality Assurance and Risk team, from left: Andrew Valenta, Rebecca McCallum and Peter Butler



Our Organisation cont.

We continue to improve our management of Work Health and Safety (WHS), as the results of our annual StateCover-facilitated WHS self-audits attest. These audits assist Councils in the evaluation and monitoring of their WHS management system and management of key hazards. In 2019 our overall performance rating was 68.2%, which was below the average for Councils in the Riverina (74%). In 2020 our performance rating improved to 79.2%, which was above Riverina Council's average, and in 2021 improved to 84.7%.

Injury Management Statistics

Our injury statistics unfortunately do not reflect the strides we continue to make in WHS management.

Incidents without injury: 59 (including 11 near misses) with 15 of these incidents involving the public

Total number of Injuries: 103, with a breakdown as follows:

- Injuries to members of the public: 7
- General workplace injuries: 18 (including 1 illness – asthma attack)
- Out of School Care and Vacation Care – 50 (all third-party minor injuries with the majority occurring during Vacation Care)
- Stadium – 28 (all third-party sports-related injuries)

Lost Time Injuries (injuries resulting in the loss of a full day or more of work): 5

Workers Compensation Claims: 11 (9 physical, 2 psychological)

Hours Lost (for the 11 Workers Compensation claims): 974

Average Cost of the 11 Workers Compensation Claims: \$9,430

Employees Returned to Work: 11

Our Hours Lost figures are the highest they've been in six years. These figures can largely be attributed to the relative age of our workforce. To support reduction of injuries that incur lost time our focus going forward will be on identifying opportunities to mitigate the risks associated with an ageing workforce. We anticipate better injury statistics in 2021/22 as the WHS initiatives we are implementing bear fruit.

Employee Health and Wellbeing

Council once again successfully implemented its annual health program for all employees. The program consists of:

- Skin checks – predominantly aimed at Council's outdoor staff, are performed face to face by a registered nurse (melanographer) with experience and specific training in skin cancer screening
- Hearing tests – this onsite hearing test service has been operating at Council for several years. It provides Council with an opportunity to monitor and advise employees on use of hearing protection to help prevent or reduce hearing loss for those staff that work or engage in noisy environments and pastimes
- Flu vaccinations – the annual vaccination protects staff against diseases caused by the highly variable influenza virus. With COVID-19 having a strong presence in 2020/21, we saw a rise in participants receiving the flu vaccination with a total of 94 employees taking part.

At a total cost of \$6,720, the health program has proven to be a great investment for Council by contributing to the health and wellbeing of its biggest asset – its people.

At a total cost of \$6,720, the health program has proven to be a great investment for Council by contributing to the health and wellbeing of its biggest asset – its people.

With a focus on improved public safety during rain events, the stormwater grate at Waipukarau Park/Brady Way was augmented



Our Organisation cont.

WHS Training 2020/21

Course Name	Number of Courses	Total number of Attendees
Asbestos Awareness	2	19
Asbestos Removal	1	8
Chainsaw – Trim and Cut	1	4
Chemical-related Training	2	5
Confined Spaces (full and re-accreditation)	3	32
CPR Refresher	6	55
Dealing with Difficult People	2	27
Dial Before You Dig	1	1
First Aid	4	21
Fire Safety and Warden	2	27
Forklift	1	1
HR Licence	1	1
MR Licence	2	4
Pole Saw	1	5
Pool Lifeguard	4	6
Safe Handling of Sharps	2	7
Traffic Control	1	13
Water Treatment	2	2
White Card	1	1
WHS Committee Training	1	7
Working at Heights	2	9
TOTAL	42	255



Works in progress in Wade Avenue. Our WHS training helps to keep our worksites safe for our staff and the community

Our Organisation cont.

Corporate Governance

Good governance stems from accountability, close and accurate monitoring of performance and a framework that facilitates the achievement of strategic goals.

Leeton Shire Council is committed to ensuring that:

- its policies and practices reflect good governance
- the manner in which the Council conducts its daily operations complies with the broad principles contained in the *Local Government Act 1993*.

Our Community Strategic Plan

Our Community Strategic Plan, *Leeton on the Go – Towards 2030* outlines the strategic directions set by and for the Leeton community. Council tracks progress toward achieving the overall outcomes on a six monthly basis.

Code of Conduct and Code of Meeting Practice

Council's Code of Conduct applies to Councillors, the General Manager, the Senior Management Team and all other employees of Leeton Shire Council. All are expected to act in accordance with the Code and to do everything possible to influence those with whom they are working to ensure that they also maintain similar standards of integrity and ethical behaviour.

No Code of Conduct complaints were made during the 2020/21 financial year.

Council's Code of Meeting Practice applies to all meetings of Council and Committees of Council of which all members are Councillors.

Both Codes were adopted in 2019 and can be viewed on Council's website at www.leeton.nsw.gov.au.

Child Safe Organisation

Council is committed to promoting and protecting the interests and safety of children. That commitment led Council to advance the process of becoming a Child Safe Organisation by implementing the Child Safe Policy adopted in June 2020.

In 2020/21, Council commenced the process of entrenching Child Safe practices across the organisation by embedding Child Safety in all relevant policies, procurement processes, contracts and project management.

Procurement Activities

Each year Council spends millions of dollars on purchases. We have developed a suite of policies, procedures, guidelines and templates for use when purchases are made. These ensure that our procurement activities are conducted in accordance with the requirements of the *Local Government Act 1993* and associated regulations, and in accordance with the principles of good governance.

During the course of the 2020/21 financial year, Leeton Shire Council strengthened its control over its procurement activities by:

- Implementing the Procurement Process Improvement Action Plan developed in 2019/20
- Signing up to the VendorPanel procurement platform
- Implementing the Procurement Policy and Procurement Procedures developed in 2019/20.

The first action listed in the Procurement Process Improvement Action Plan was the recruitment of personnel to manage the implementation of the improvement plan. In July 2020, Council engaged the services of a Procurement and Service Improvement Manager who was tasked with overseeing the implementation of the Procurement Process Improvement Action Plan.

Good governance stems from accountability, close and accurate monitoring of performance and a framework that facilitates the achievement of strategic goals.



Our Organisation cont.

The *Local Government Act 1993* requires all councils to appropriately manage its risks. The Office of Local Government defines risk as “the effect of this uncertainty on a council's ability to achieve its goals and objectives”.

Risk Management

All councils operate in a changing and uncertain environment. The Office of Local Government defines risk as “the effect of this uncertainty on a council's ability to achieve its goals and objectives”. In this instance, effect is “the potential for an outcome that is different to what was expected or planned for”.

The *Local Government Act 1993* requires all councils to appropriately manage its risks. The NSW Government's Internal Audit Guidelines encourage all councils in NSW to have a structured risk management framework in place to identify any known and emerging risks they face and implement controls to manage these risks. Internal controls are the actions taken by a council to manage both the positive and negative impact of risk on its community.

Risk management activities undertaken during the 2020/21 financial year included:

- Setting up a Project Management Office and a formal framework for Project Control Groups
- Completing the StateCover Mutual Limited self-assessment audit with regard to WHS
- Completing the Statewide Continuous Improvement Pathway audit which covered risk management compliance for building assets, footpaths and events management
- Commencing the implementation of the Pulse Enterprise Risk Management module to improve visibility of organisational risk, completion of mitigation actions and support risk management for projects
- Installing fixed duress buttons at forward-facing customer service locations and updating the call centre notification process to improve support if duress alarms are activated by staff
- Purchasing and implementing a mobile duress unit with 'man down' alarm and communication capability for Rangers
- Reviewing and updating the asbestos register in Vault, Council's online WHS system
- Updating Council's Pandemic sub-plan and maintaining Council's compliance with COVID-19 rules
- Reviewing Council's Confined Space Program
- Purchasing test and tag units to enable improved test and tag processes for electrical equipment
- Purchasing a noise monitoring unit to support 'ability to complete' noise level evaluations
- Conducting regular site inspections and observations
- Updating relevant property and vehicle asset registers and cybersecurity information to support effective Statewide Mutual insurance renewals.

The Audit, Risk and Improvement Committee is made up of two Councillors – one voting and one non-voting – and three independent external members (pictured). The three external members each have different areas of expertise. Bill Robertson (left) is an IT specialist, Chair Graham Bradley (centre) is a Chartered Accountant and Emerson Doig (right) is an Engineer



Our Organisation cont.

Audit Management

Internal audits

Internal audits are a mechanism used by councils to obtain independent assurance that it is performing its functions legally, effectively and efficiently and to advise on how it can improve its performance.

In 2020/21, Council:

- completed an audit of its Fraud Prevention and Control Framework. The resulting Fraud Control Framework Review Report will be presented to the ARIC in 2021/22
- continued to implement the Records Management System Improvement Action Plan. Most of the actions have been completed or have been addressed and are ongoing
- commenced implementation of the Procurement Improvement Process Action Plan
- completed the implementation of the Information Technology (IT) Systems and Processes Improvement Action Plan
- completed the implementation of the Development Assessment Process Improvement Action Plan.

The Audit, Risk and Improvement Committee

Leeton Shire Council's Audit Risk and Improvement Committee (ARIC) was set up in 2018.

It is charged with providing assurance, oversight and advice to Council and the General Manager in relation to the governance, risk and internal control functions of Council. Their charter covers risk management, control, governance and external accountability responsibilities.

The ARIC promotes good corporate governance by the provision of independent objective assurance and assistance to the Council on:

- Governance and compliance
- Risk management
- Fraud control
- Financial management
- Implementation of Council plans and strategies
- Service reviews
- Collection of performance measurement data by the Council
- Any other matters prescribed by regulations.

The ARIC is comprised of:

- Two Councillors – one voting and one non-voting (to act as alternate if required)
- Three Independent external members (voting), one of whom is the independent chair of the committee.

Meetings are also attended by members of the Senior Management Team and staff who are subject matter experts, as required, including the Manager Finance. Attendees are not eligible to vote.

The ARIC met four times in 2020/21. Under its guidance, Leeton Shire Council:

- reviewed its draft 2020/21 budget and annual financial statements
- conducted its internal audit program and the implementation of audit improvement plans
- reviewed its Cybersecurity Framework
- advocated for the removal of RFS equipment and assets from Council's annual financial statements.

Internal audits are a mechanism used by councils to obtain independent assurance that it is performing its functions legally, effectively and efficiently and to advise on how it can improve its performance.

Our Organisation cont.

An external audit, or financial audit, is an independent examination and opinion of a council's financial statements, and whether the council is complying with accounting standards, laws and regulations.

External Audit

An external audit, or financial audit, is an independent examination and opinion of a council's financial statements, and whether the council is complying with accounting standards, laws and regulations.

The *Local Government Act 1993* requires each council to have their annual financial reports externally audited by the NSW Auditor-General so that the community and councillors have access to an independent opinion on its validity. The NSW Audit Office conducts these audits on behalf of the NSW Auditor-General.

Since 2017, the NSW Auditor-General has also reported to the NSW Parliament each year on Local Government sector-wide matters arising from the examination of financial statements of councils and any other issues that the Auditor-General has identified.

The external auditors primarily provide an assurance that Council's financial statements reflect the financial position of Council at the conclusion of the financial year. The work conducted by the external auditors to enable them to provide this assurance includes:

- Testing a sample of Council's internal controls
- Observation of processes or procedures being performed
- Enquiries of individuals within Council
- Examining financial and accounting records, other documents and tangible assets
- Obtaining written confirmations of certain items.

Public Interest Disclosures

The *Public Interest Disclosures Act 1994* (PID Act) sets in place a system to encourage public officials to report serious wrongdoing. The conditions around this reporting are set out in Council's Internal Reporting Policy.

Leeton Shire Council has a Public Interest Disclosures Policy under section 6D of the PID Act. The policy has procedures for receiving, assessing and dealing with public interest disclosures. It conforms to Council's Code of Conduct, Equal Employment Opportunity Policy, Workplace Harassment Policy and Workplace Grievance Procedure Policy.

Public authorities such as Leeton Shire Council are required to report annually to Parliament on their obligations under the PID Act (section 31). This information is provided in the Statutory Information section of this report on page 86.

Public Access to Government Information Activity

In compliance with the *Government Information (Public Access) Act 2009* (GIPA Act) Leeton Shire Council provides access to the information it holds in the following ways:

- Mandatory release via Council's website (open access)
- Authorised proactive release via Council's website
- Informal release via an informal access application
- Formal release via a formal access application.

There are a number of open access documents available including: Council plans and policies, Code of Conduct, Access to Information Policy and Guide, Register of Government Contracts, the Integrated Planning and Reporting document suite and the Agendas and Minutes of Council meetings.

Where information is released to an applicant under a formal access application and Council considers that it will be of interest to other members of the public, Council may provide details of the information in its disclosure log on Council's website for inspection by the public.

Our Organisation cont.

Council is required to produce an Annual Report under section 125 of the GIPA Act. A summary of the information provided in this report has been included in the Statutory Information section of this report on page 86.

Conflicts of Interest and Pecuniary Interest

Councillors and senior staff are required to declare any conflict of interest in any matter, and the nature of that interest, before a matter is discussed in a Council or Committee meeting.

All Councillors and senior staff are required to complete a Form 26 Register of Interest Primary Return when elected or appointed, in accordance with the *Local Government Act 1993*. The Pecuniary Interest Register for previous years is available for viewing at Leeton Shire Council's main office. As per GIPA Act requirements, the 2020/21 Returns of Interest can be viewed on Council's website.

Community Engagement

Leeton Shire Council is committed to engaging with residents, businesses, stakeholders and Council officers as it plans services, policies and facilities. Involvement in the planning and delivery of services has a number of benefits for the community, stakeholders and Council because it:

- ensures that priorities are appropriate for current and future needs
- provides valuable information and increases understanding for planning
- adds value to projects and the outcomes they seek to achieve.

Community consultation is an ongoing commitment. Our achievements are promoted to the community through our website, media releases, Facebook, LinkedIn and the weekly half-page 'Leeton Shire Council Noticeboard' published in *The Irrigator*.

Extensive consultation also takes place in relation to Council's Delivery Program and Operational Plan, annual budget and Council policies.

Residents are invited to attend, ask questions and make submissions to Council meetings. They are also invited to participate in forums on various issues.

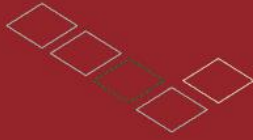
Our Councillors and senior management hold positions on many associations, urban infrastructure groups, regional committees and other groups.

For more information on Council's 2020/21 Community Engagement Program, please see pages 78 and 79.

Leeton Shire Council is committed to engaging with residents, businesses, stakeholders and Council officers because community engagement ensures that priorities and projects are appropriate for current and future needs.



Manager Special Projects
Adrian Edgcome-Lucas
consulting members of Leeton
Fire and Rescue NSW regarding
the concept design for the
Chelmsford Place Promenade



Council installed a new concrete path in Rotary Park, Leeton, to enable residents and visitors to skirt around the extended skate park

Our Performance by Theme

Details of the key actions we took in order to progress the goals set by the Leeton Shire community are outlined in the following pages. The information is organised according to the themes and goals set out in the *Leeton on the Go – Towards 2030 Community Strategic Plan*.

CSP THEME 1. A Healthy and Caring Community	49
CSP Goal 1. A community that focuses on being healthy	49
CSP Goal 2. A community that embraces lifelong learning	50
CSP Goal 3. A community that is friendly and inclusive	52
CSP Goal 4. A community that is safe to live in and move about	54
CSP Goal 5. A community that enjoys good housing	55
CSP THEME 2. An Active and Enriched Community	57
CSP Goal 6. A community that participates in sports and active leisure	57
CSP Goal 7. A community that enjoys arts and culture	58
CSP Goal 8. A community that values its heritage	59
CSP THEME 3. A Healthy Natural Environment	61
CSP Goal 9. A community that respects the natural environment	61
CSP Goal 10. A community that enjoys our natural environment	62
CSP THEME 4. A Thriving Economy with Good Jobs	65
CSP Goal 11. A community that thrives on irrigated agriculture	65
CSP Goal 12. A community that is strong in business and employment	67
CSP Goal 13. A community that has great attractions and events	69
CSP Goal 14. A community that enjoys a vibrant town centre	71
CSP THEME 5. A Quality Built Environment	73
CSP Goal 15. A community that has reliable water and sewerage services in towns	73
CSP Goal 16. A community that has good road, rail and air transport	74
CSP Goal 17. A community that enjoys attractive towns and parks	75
CSP THEME 6: Strong Leadership	77
CSP Goal 18. A community that has politicians who act and listen	77
CSP Goal 19. A community that speaks up and gets involved	78
CSP Goal 20. A community that is always on the front foot	79





Theme 1: A Healthy and Caring Community

A community that focuses on being healthy

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that focuses on being healthy:

- 1a. Provide exercise opportunities to increase fitness and wellbeing**
- 1b. Advocate for the availability of appropriate health and social services.**

A healthy and caring community (previous page):

Top image:
 Library Assistant Rachel Cody with students from Wamoon Public School

Middle images, from left to right:
 Angela Stevens making use of the courts in the Leeton Indoor Stadium

Ken Dachi (left) with Wagga Wagga-based comedian Dane Simpson

Katinka Vos (left) with local artist Lee Blacker-Noble

Bottom images, from left to right:
 COVID-safety promotion on our newly installed electronic billboard

Monica Armanini, Jarrah Penfold, Sarah Graham and Anita Fitzgerald representing Council at the Western Riverina Careers Expo

Customer Service Trainee Bianca Smith serving Patricia Singh

Right: Local boys making use of the exercise equipment in Rotary Park

Council took the following key actions during 2020/21 to deliver on these commitments:

- Advocated for quality health services in the Leeton Shire through the Local Health Advisory Committee and direct engagement with Murumbidgee Local Health District management
- Completed 95% of the Leeton Skatepark Extension Project, with lighting and signage due to be installed in July 2021. This project was funded under the Stronger Country Communities Fund – Round 3
- Sponsored a student nurse as part of the NSW Rural Doctors Network's Bush Bursary Country Women's Association (NSW) Scholarship Program. Under this program, Council provides funding to assist selected medical students with costs associated with their studies. In return, the students spend two weeks on placement in Leeton Shire. Council normally sponsors two students but COVID-19 restrictions prevented one student from undertaking the placement
- Provided accommodation and support to two University of Wollongong student doctors undertaking a ten-month placement in Leeton. This year is the eleventh year Leeton Shire has supported the Wollongong University of Medicine Student Doctor Program
- Submitted a motion advocating for increased funding for drug and alcohol treatment and rehabilitation in rural and regional areas to the National General Assembly for Local Government. The motion was adopted and is now part of the National General Assembly's advocacy platform
- In partnership with Leeton Connect, set up 'Leeton Connects with Kindness' to supported aged, isolated and disadvantaged through COVID-19 lockdowns
- Promoted COVID safety to community on an ongoing basis
- Successfully submitted the following motions for inclusion in the Local Government NSW (LGNSW) advocacy program:
 - That LGNSW calls for NSW Health to retain ownership of its National Disability Insurance Scheme (NDIS) and State owned Aged Care Facilities
 - That LGNSW supports the Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW
 - That LGNSW advocates for the Local Area Health Committee (LHAC) model to be revised to give local residents a far greater say in the scope and delivery of health services in their local communities.



Our Performance by Theme cont.



Theme 1: A Healthy and Caring Community

A community that embraces lifelong learning

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that embraces lifelong learning:

- 2a. Provide a range of quality and affordable education opportunities from early childhood to adult learning
- 2b. Provide access to information technology networks.

Council took the following key actions during 2020/21 to deliver on these commitments:

- Offered quality, age-appropriate early childhood education for up to 68 children through the Leeton Early Learning Centre (LELC), with an average scheduled attendance of 86.95% and a waiting list of 118 children
- Prepared a business case for expanding the LELC to allow for a further 20–40 places
- Through the Leeton Out of School Care (LOOSC) Program, provided a total of 40 weeks of After School Care (ASC) and 10 weeks and 3 days of Vacation Care (VAC) for primary school aged children. Numbers were lower than usual as a result of COVID-19. The average scheduled attendance for ASC was 39.95% and 68.55% for VAC
- LOOSC underwent an Assessment and Rating and achieved a rating of 'meeting' the National Standard
- Offered work experience placements to a total of 21 students from St Francis De Sales Regional College, Yanco Agricultural High School and Leeton High School. The students completed work experience in areas such as Building Services, Child Care and Open Space and Recreation
- Promoted careers in local government by participating in the Western Riverina Careers Expo at Leeton High School in June 2021
- Provided traineeships to two trainees at the LELC
- Hosted a variety of activities and programs at the Leeton Shire Major Dooley Library. Across the year, more than 477 pre-schoolers enjoyed Storytime sessions at the library and a total of 3,311 people attended events, activities and programs. Due to COVID-19 restrictions, the library also offered programs online including 13 Storytime sessions, 13 baby rhyme times and 16 brain game activities
- Loaned 37,646 books and other items to 6,436 library members (approximately 57% of the total population of the Shire)
- Hosted International Women's Day Breakfast at the Library
- Provided a Home Library Service to those who find it difficult to attend the library
- Supported 21 registered students through the Country Universities Centre (CUC) – Leeton Campus, which is located at the library. The students accessed the facility on more than 300 occasions
- Provided public WiFi, a service utilised by approximately 1,581 community members and visitors.

Opposite page: Rylee Clowes (left) and Mia Carn, two of the children who receive quality, age-appropriate early childhood education at the Leeton Early Learning Centre (LELC)

Below left: Michelle Evans and Maddison Clyne with Brooke Eglinton, a student attending the Western Riverina Careers Expo

Below right: Currently, the LELC can cater for up to 68 children



Our Performance by Theme cont.



Our Performance by Theme cont.



Theme 1: A Healthy and Caring Community

A community that is friendly and inclusive

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that is friendly and inclusive:

- 3a. **Help the community to access community services**
- 3b. **Provide opportunities and support for young people in Leeton Shire**
- 3c. **Advance the wellbeing of Leeton Shire's elderly residents and residents living with a disability**
- 3d. **Foster a cohesive community that welcomes new residents and values cultural diversity**
- 3e. **Acknowledge the Wiradjuri people and strengthen relationships with the indigenous community of Leeton Shire**
- 3f. **Provide cemetery services at Leeton and Whitton**
- 3g. **Provide a Multipurpose Community Hub to support local community groups and the residents they serve.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Provided an online Community Directory to provide residents with easy access to information about services and community groups across Leeton Shire. There were 6,021 page views of the directory
- Coordinated two Youth Week programs due to the 2019/20 program being postponed until the 2020/21 financial year. Events and activities included a skateboarding workshop, laser tag, graphic novelist presentation, hula hoop workshop, juggling workshop, Rubik's cube workshop, manga art workshop and a painting workshop
- Worked with The Totem Collective and community groups to host the Riverina Skate Championships, the 17th annual Riggz Cup, at the Leeton Skate Park
- Partnered with Creative Community Concepts to coordinate school holiday activities in Gossamer Park including laser tag
- Commenced planning to establish a Youth Council to provide an avenue for young people to engage with Council. COVID-19 caused the planned first meeting of the Youth Council to be postponed until early in 2022
- Developed an Ageing Well Strategy 2021–2025 that seeks to support our older residents in leading active, healthy and independent lives in a liveable community
- Submitted the annual Disability Improvement Action Plan (DIAP) implementation report to the Disability Council NSW and met with Disability Service Providers to plan consultation for the development of a new DIAP
- Supported the Inaugural Festival of Cultures: Multicultural Gala in partnership with Leeton Multicultural Support Group and the Murrumbidgee Primary Health Network. The festival was held in



Clockwise from top left:
 NSW Seniors Festival at the Leeton Museum and Gallery
 William Ingram (left) and Mayor Maytom conduct the Flag Raising Ceremony during NAIDOC Week
 The Rhythm Dance Group performed at The Flavours of Leeton Multicultural Gala.
 Image credit: Camille Whitehead

Our Performance by Theme cont.



Women from Leeton's Filipino community attending the Multicultural Gala and the BEcoming HOME: Stories of Leeton's Migrants and Refugees exhibition



Youth Week participants showing off the results of one of a variety of Youth Week activities conducted by the Leeton Shire Major Dooley Library

- conjunction with the BEcoming HOME: stories of Leeton's Migrants and Refugees exhibition
- Partnered with the Leeton and District Local Aboriginal Land Council and Parkview School to establish the Leeton Association of Community-Builders (LACB), which aims to coordinate community-based interventions in Wattle Hill
 - Supported Multicultural NSW in launching its Regional Resettlement Pilot Program, which has a focus on secondary settlement. The pilot has the dual aims of supporting regional communities and employers to attract and retain newcomers, as well as connecting migrants and refugees in Western Sydney with employment and lifestyle opportunities in regional NSW
 - Participated in quarterly Multicultural Interagency Network meetings. The Multicultural Interagency Network is a network of services, agencies and organisations which provide support and action for local culturally and linguistically diverse (CALD) communities
 - Hosted two citizenship ceremonies at which 16 candidates became new citizens
 - In partnership with the Leeton and District Local Aboriginal Land Council (LALC), celebrated NAIDOC Week with an official flag raising event. Celebrations included a colouring competition which was organised through the local schools
 - Maintained the Leeton and Whitton Cemeteries and commenced the construction of additional plinths in the Leeton Lawn Cemetery
 - Continued to auspice staff (grant funded) for Leeton Connect and the Leeton Multicultural Support Group
 - Commenced a tidy up of Whitton Cemetery which will continue into 2021/22
 - Secured additional land for future expansion of Leeton Cemetery for \$1
 - Managed the Leeton Multipurpose Centre, leasing office space to four tenants and hiring out rooms on a casual basis to 43 hirers on 379 occasions.

Below top: Ganga Budha (left) and the Leeton Multicultural Support Group's Kerrie Ross enjoy the Multicultural Gala and BEcoming HOME exhibition

Below bottom: Participants in the autumn school holiday activities at the Leeton Major Dooley Library



Our Performance by Theme cont.



Theme 1: A Healthy and Caring Community

A community that is safe to live in and move about

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that is safe to live in and move about:

- 4a. **Advocate for and support initiatives to reduce crime**
- 4b. **Advocate for and support road safety initiatives**
- 4c. **Monitor and maintain Leeton Shire's street lighting and CCTV networks**
- 4d. **Reduce Leeton Shire's risk from natural disasters**
- 4e. **Provide animal control services across Leeton Shire**
- 4f. **Public health is maintained across Leeton Shire**
- 4g. **Facilitate pedestrians and cyclists to get around safely.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Supported the Murrumbidgee Police District's Bunbinga Mawang (we all, all together) – Leeton Indigenous Mentorship program. The program included topics such as caring and supportive relationships, conflict management, responding to crises and trauma care
- With funding from Transport for NSW, organised a variety of road safety activities including 'What is Your Plan B' campaign, a Child Restraint Workshop, 'Slow Down Around Town' campaign, Driver/Mobility Scooter Workshop and a drink driving campaign.
- Supported the Rotary Youth Driver Awareness Day which was held over 4 days with 355 attendees
- Installed 14 new CCTV cameras across the CBD including in the Sycamore Street car park, taxi rank, Post Office, Skatepark and Gossamer Park
- Submitted a Floodplain Management Grant Application for the funding required to implement physical mitigation measures. Unfortunately, the application was unsuccessful as Leeton flood risk is deemed 'low'
- Returned to their owners or rehomed 238 of the 269 dogs impounded during the year
- Carried out the annual Arbovirus mosquito trapping program. Arbovirus was not detected
- Coordinated Ross River Fever education campaigns due to its high presence in the region
- In line with the Pedestrian Access and Mobility Plan (PAMP), installed shared pathways along Ellendon Place to Petersham Road and Racecourse Road to Acacia Avenue
- Upgraded the shared pathway along Almond Road to Grevillia Street and carried out minor works on a shared pathway along Canal Street
- Repaired footpaths along Oak Street and Palm Avenue
- Installed four ramps and one raised pedestrian crossing in Wade Avenue. These works were funded through NSW Stronger Country Communities Fund.

Road Safety Officer Stephanie Puntorero with participants in an On the Road 65+ Workshop



Our Performance by Theme cont.



Theme 1: A Healthy and Caring Community

A community that enjoys good housing

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that enjoys good housing:

- 5a. Support the community to access a range of quality and affordable housing**
- 5b. Expand the range of residential opportunities across the Shire**
- 5c. Safeguard housing standards to promote healthy living and a healthy environment.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Monitored the provision of the Leeton and District Eventide Homes to provide self-care units to eligible pensioners. At 30 June 2021, all 14 Eventide Homes units were occupied
- Endorsed a Draft Housing Strategy for the Shire (noting the draft is being further developed)
- Approved 38 Development Applications for dwellings/residential development including:
 - 3 for the erection of units – dual occupancies
 - 22 for the erection of a dwelling house
 - 3 for the installation of a transportable dwelling
 - 2 for the demolition of a dwelling house
 - 1 unit installed in an existing shed
 - 1 shed for use as a temporary dwelling
 - 1 for multi-dwelling housing – 3 or more units
 - 1 for a granny flat
 - 1 for a relocated dwelling house
 - 2 for secondary dwellings
 - 1 that includes the demolition and construction of new dwelling
- Issued 31 Construction Certificates for dwellings including:
 - 5 for the erection of dual occupancy – 2 units (1 of them issued by a private certifier)
 - 20 for the construction of a dwelling house (7 of them issued by private certifiers)
 - 1 for a granny flat
 - 2 for a secondary dwelling
 - 1 for a unit in existing shed
 - 2 Section 68 Approvals for transportable buildings (issued for portable buildings in lieu of a Construction Certificate)
- Approved 33 new dwellings in accordance with Building Sustainability Index (BASIX) requirements. Houses approved for a BASIX Certificate are energy and water efficient.



Manager Planning, Building and Health Francois Van Der Berg (left) working with Town Planner Sarah Sharman





Our Performance by Theme cont.



Theme 2: An Active and Enriched Community

A community that participates in sports and active leisure

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that participates in sports and active leisure:

- 6a. Offer access to a range of quality sporting facilities**
- 6b. Support local sport and recreation clubs to remain viable.**

An Active and Enriched Community (previous page):

Top images, clockwise from top left: Attendees at an International Women's Day event at the Leeton Shire Major Dooley Library

Gerard and Angus Simms enjoy the redeveloped Leeton Regional Aquatic Centre

Henry Lawson Cottage, is the cottage in which Henry Lawson lived for a period of 20 months
Image credit: G Davis

Mayor Cr Paul Maytom (left) and Wiradjuri artist Veronica Collins at the opening of her Reflections in Time Exhibition

The newly opened Showground Grandstand

A social mixed netball game underway at the Leeton Indoor Stadium

Bottom images, left to right:

Despite COVID-19 the balloons rose over Leeton Shire at Eastertime

Early visitors to the Museum's Water by Design: the Leeton Water Story

Right: Leeton Highschool held its swimming carnival at the Leeton Regional Aquatic Centre on 5 February 2021

Council took the following key actions during 2020/21 to deliver on these commitments:

- Maintained the Leeton Town Ovals Complex which includes No. 1 Oval, home of the Leeton Greenies Rugby League Football Club, Leeton United Football Club and the Leeton Phantoms Rugby Union Club
- Maintained the Mark Taylor Oval – the main cricketing facility in Leeton Shire – and the Yanco Sports Ground
- Completed and opened the new Showground Grandstand and amenities. The new grandstand includes seating for 200 people, change room facilities, toilets, a canteen with a cool room, a lift, and a glass-enclosed function room
- Commissioned a condition and renewal report for the Whitton Pool
- Completed Stage 1 of the redevelopment of the Leeton Public Swimming Pool. The facility, newly named the Leeton Regional Aquatic Centre, now has a 10 lane 50m Olympic pool, a learn-to-swim area, a splash pad, improved disabled access, a kiosk and updated change rooms
- Provided a free bus service on weekends and public holidays to take young people from Leeton to the Whitton Swimming Pool during the part of the season that the Leeton Swimming Pool was closed for redevelopment
- Continued to manage and operate the Leeton Golf Course with the help of 25 active volunteers. A total of 17,744 rounds of golf were played (a 14% increase on 2019/20 figures) and membership numbers remained strong
- Assisted with securing full funding for the development of a new Golf Clubhouse
- Maintained and operated the Leeton Indoor Stadium. Despite COVID-19, participant numbers remained strong. New netball posts were purchased and fitted. There was a total of 25,123 participants (a 75% increase on 2019/20 figures)
- Assumed responsibility for the Leeton Tennis Courts
- Installed a hydration station in Waipukurau Park
- Continued planning for the Sporting Walk of Fame, a project aimed at celebrating the achievements of Leeton local sporting legends by cementing their legacies in the pavement outside Leeton's Number 1 Oval
- Provided support in submitting an application to Stronger Country Communities Fund Round 4 for the Yanco Sports Ground Female changerooms and kiosk upgrade and expansion.



Our Performance by Theme cont.



Theme 2: An Active and Enriched Community

A community that enjoys arts and culture

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that enjoys arts and culture:

- 7a. Provide a local theatre for performing arts and cinematic arts and events**
- 7b. Enhance artistic and cultural activity across Leeton Shire.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Maintained and operated the heritage-listed Roxy Community Theatre cinema, theatre and concert venue on behalf of the Leeton community. More than 2,000 people attended movie sessions at the Roxy Theatre in 2020/21
- In partnership with Kensington House Entertainment, supported the community production of Shakespeare's Henry V, with Leeton-grown NIDA graduate Jake Speer directing and starring in the lead role. The production, which ran for four nights, attracted an audience of 2,150
- Commissioned the development of design documentation for the redevelopment of the Roxy Theatre. The redevelopment will include upgrades to meet theatre industry standards and building compliance with new technical equipment; upgrades to meet fire safety, disability access and Work Health and Safety requirements; improved dressing rooms across two levels; a larger stage with a stage-level loading area and safer, more efficient rigging/fly systems; a new heating and cooling system; improved foyer, lounge and servery/bar areas; and a second auditorium, Roxy II.
- Collaborated with Western Riverina Arts on a number of key projects including the Make Music Day, the Australian Art Deco Festival (which was ultimately cancelled due to COVID-19), the Veronica Collins: Reflections in Time Exhibition and the Yarrowulla Festival
- Hosted a range of exciting exhibitions at the Leeton Museum and Art Gallery (LMAG) including the 'Art in Oils' Exhibition, Rotary's 80th Birthday Exhibition, Camera Club's Photographic Exhibition, To Walk in Someone Else's Shoes Exhibition, Partners in Paint and Pastel Exhibition, Fire – Water – Land Exhibition, Medieval Times of Henry V Exhibition (coinciding with the Henry V production at the Roxy Theatre), Penny Paniz Acquisitive Arts Exhibition and the BEcoming HOME: Stories of Leeton's Migrant Refugees Exhibition. More than 4,000 visitors attended the LMAG throughout the year
- Commenced planning for the Leeton Town Mural Water Tower Artwork project (Chelmsford Place)
- Commenced the Whitton Town Mural and Whitton Water Tower Artwork projects. These large-scale public artwork projects were funded through the Stronger Country Communities Fund – Round 3.

Henry V was the last event at the Roxy Community Theatre prior to its being closed for redevelopment



Our Performance by Theme cont.



Theme 2: An Active and Enriched Community

A community that values its heritage

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that values its heritage:

8a. Support and showcase the history of our Shire.

Council took the following key actions during 2020/21 to deliver on these commitments:

- Achieved a Highly Commended in the NSW Museum and Galleries Imagine Awards for the Leeton Museum and Gallery's "Water by Design: The Leeton Water Story" exhibition
- Helped Western Riverina Arts secure funding (\$60,000 over three years) through the Foundation for Rural and Regional Renewal to contract a Museum Development Officer (MDO). Within this project, benchmarking against the National Standards will begin, as will a program of volunteer skills workshops, while developing sustainability plans for each museum in Leeton Shire
- Applied for a Community Heritage Grant for \$4,000 for a significance assessment of Whitton Courthouse and Museum (outcome pending)
- Awarded \$17,100 from Council's Heritage Grants Program to seven successful applicants to assist them in conducting works on their heritage buildings
- Invested \$190,000 in updating 23 facades in the Leeton CBD area as part of the Leeton CBD Façade Painting Project Stage 1, aimed at celebrating Leeton's Art Deco heritage
- Commenced planning for the Art Deco Way Tourist Drive
- Maintained and operated the Henry Lawson Cottage on behalf of the Leeton Shire community.

One of the 23 facades in the Leeton CBD painted as part of the Leeton CBD Façade Painting Project Stage 1





Our Performance by Theme cont.



Theme 3: A Healthy Natural Environment
A community that respects the natural environment

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that respects the natural environment:

- 9a. Provide waste management services**
- 9b. Minimise the economic, environmental and social impact of weeds across Leeton Shire**
- 9c. Advance environmental sustainability by leading at the local level**
- 9d. Promote town water conservation.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Provided waste management services to the Shire. Recycling and resource recovery at the Leeton Landfill and Recycling Centre increased by 98%, largely in response to the implementation of initiatives such as mattress recycling. There has also been an increase of 15.5% in household recycling during the year
- Completed closure plans for Leeton Landfill and Yanco Closed Landfill
- Constructed a new waste cell at the Leeton Landfill
- Conducted a waste and recycling education program for school aged children to increase their knowledge of recycling and waste avoidance
- Endorsed a Waste Management Strategy
- Opened the Whitton Transfer Station
- Achieved Council's Weed Action Program targets by conducting a total of 120 inspections and 69 re-inspections
- Secured \$50,000 in grant funding from the NSW Department of Planning, Industry and Environment (DPIE) for the implementation of Council's Weed Action Plan
- Slashed 692 hectares (a 172% increase from last year's efforts) of roadside reserve to control weeds and improve safety. Consistent rainfall resulted in significant weed growth
- Submitted a motion to the National General Assembly of Local Government to develop and implement a weed management plan to protect agricultural land from incursions of Fleabane (*Conyza spp.*) to maintain the productivity of agricultural land and ensure the sustainability of regional communities. This motion was adopted, which means that the National General Assembly of Local Government incorporated the motion into its advocacy program for the year
- Developed an Energy Masterplan
- Generated 161,100kWh of solar power at the Leeton Sewage Treatment Plant
- Held a sod turning ceremony to celebrate the start of construction of Photon Energy's two photovoltaic power plants on Fivebough Road with a combined capacity of 14MWp
- In line with the Building Sustainability Index (BASIX) requirements, assessed and approved 33 new dwellings that met the minimum energy and water efficiency requirements
- As part of the Automated Meter Reading (Taggle) project, installed smart water meters and implemented the MyH₂O online service to promote sustainable water use by enabling customers to track their daily water usage, compare it with average water usages and detect possible leaks. MyH₂O also enables customers to establish their own water consumption targets and set up alerts to warn them if the targets have been or are likely to be exceeded.

A community that respects the natural environment (previous page, clockwise from top left):

Nixon Frazer enjoying the Murrumbidgee River

The secondhand goods shop at the Leeton Landfill and Recycling Centre is an initiative aimed at reducing the tonnage of waste going to landfill

Photon Energy and Leeton Shire Council at a sod turning ceremony to mark the start of construction of Photon Energy's two photovoltaic power plants

Guy Retallick and Ryan Sharman visiting local businesses to talk about trade waste, the liquid waste discharged from any non-residential premises

Pelicans are among the many bird species that make Fivebough Wetlands their home

Right: Recycling and resource recovery at the Leeton Landfill and Recycling Centre increased by 98% this year



Our Performance by Theme cont.



Theme 3: A Healthy Natural Environment

A community that enjoys our natural environment

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that enjoys our natural environment:

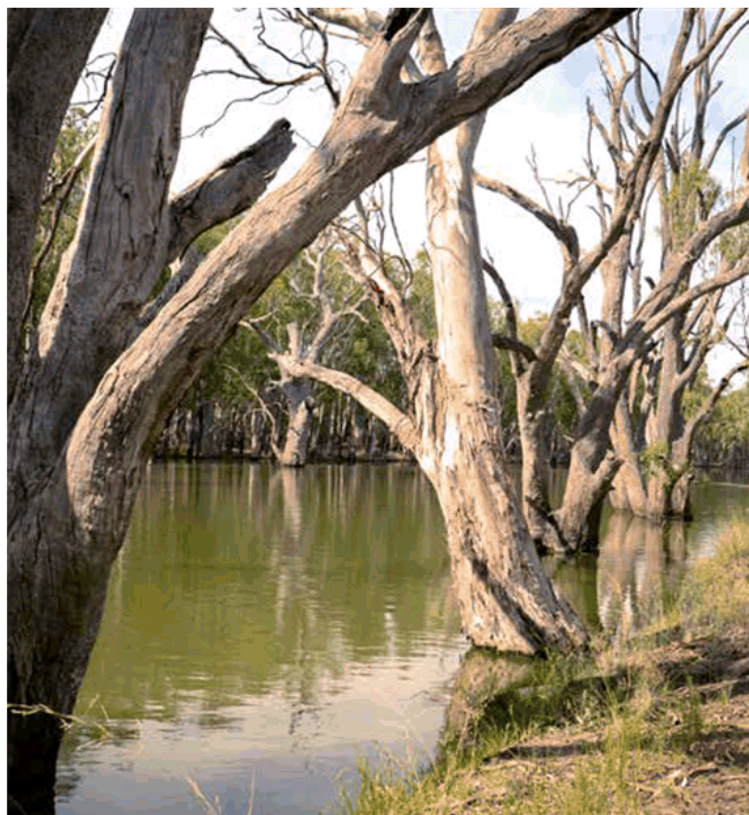
- 10a. Provide recreational facilities along the Murrumbidgee River within Leeton Shire**
- 10b. Attract more people to enjoy key natural areas such as Fivebough Wetlands and the Murrumbidgee River.**

Council took the following key actions during 2020/21 to deliver on these commitments:

- Developed a draft Gogeldrie Weir Master Plan
- Continued to work with Crown Lands and the Fivebough Committee on the management of the RAMSAR-listed Fivebough Wetlands
- Installed 'Welcome to Fivebough Wetlands' signage at Fivebough Wetlands
- As part of the Love NSW Campaign, included Fivebough Wetlands and the Whitton Malthouse in a media 'famil' designed to give select journalists the opportunity to experience our region. Social media bloggers, The Blonde Nomads, wrote a blog post on their experiences called 'Road tripping the Riverina'
- Promoted and sponsored a 'Walk in the Wetlands' to celebrate the 50th anniversary of RAMSAR sites
- Counted 7,883 visitors to Fivebough Wetlands, a 35% increase on visitor numbers for the previous year
- Advocated for NSW National Parks and Wildlife Service on the management of Murrumbidgee River which included upgrades to picnic facilities at Middle Beach as well as grading works along Forest and River Drive.

Right: The Murrumbidgee River near Gogeldrie Weir
Image credit: Sandi Smith
Opposite page: Fivebough Wetlands sculpture

Newly installed 'Welcome to Fivebough Wetlands' signage



Our Performance by Theme cont.





Our Performance by Theme cont.



Theme 4: A Thriving Economy with Good Jobs

A community that thrives on irrigated agriculture

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that thrives with irrigated agriculture:

11a. Advocate for continued access to irrigation supply for our agricultural industries.

A community that thrives on irrigated agriculture (previous page):

Top images, clockwise from top left: *The Roxy Community Theatre is a fabulous drawcard*
Image credit: G Davis

From left to right: Anthony McFarlane (Business NSW), Rob Gordon (SunRice), Mayor Cr Paul Maytom and the Hon Damien Tudehope (Minister for Finance and Small Business) at the SunRice facility in Leeton

From left to right: General Manager Jackie Kruger with Kate O'Callaghan (Southern Cotton) and David Bardos (Port of Melbourne) at a Celebrating our Farmers event

There are some excellent cafés to tempt coffee lovers in Leeton

Connie and Rosslyn Vecchie of Leeton Party and Wholesale getting into the Christmas spirit
Irrigated agriculture remains one of Leeton Shire's most important sectors

Bottom images, left to right: True Vibration and Jannah Beth wowed listeners at Make Music Day on 21 June 2021

Leeton's tree-lined main street, Pine Avenue, offers some attractive options for shoppers

Council took the following key actions during 2020/21 to deliver on these commitments:

- Actively participated in Murray Darling Association. Mayor Cr Paul Maytom continued in his role as Chair of Region 9. Council also provided secretarial services
- Submitted a motion calling on the National Water Infrastructure Grid Taskforce and the NSW Government to inquire into the merits and feasibility of the Lake Mejum/Coolah project
- Continued to advocate for sensible water policy that supports the needs of the region. Council met with State and Federal Water Ministers and the Murray Darling Basin Authority
- Participated in the Riverina Environmental Water Advisory Group which provided a forum for Council to monitor local and regional environmental water outcomes
- Met with Murrumbidgee Irrigation to discuss matters both strategic and operational
- Provided support to the Murrumbidgee Irrigation proposal for a 5,000ML off-river storage dam at Roaches Escape
- Continued collaboration and advocacy with RAMJO, including hosting a form with Interim Inspector-General of Water Compliance, Troy Grant, in Leeton.



From left to right: Francois Van Der Berg, Sarah Sharman, Cr Peter Davidson, Mayor Cr Paul Maytom and Murrumbidgee Irrigation's General Manager – Asset Delivery Jody Rudd





Maria Nardi and Meg Rowlands in The Fabric Farm just prior to Christmas 2020. This year Council sponsored the Leeton Business Chamber's Gift Cards initiative aimed at encouraging residents to shop locally

Our Performance by Theme cont.



Theme 4: A Thriving Economy with Good Jobs

A community that is strong in business and employment

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that is strong in business and employment:

- 12a. Seek, promote and facilitate business opportunities**
- 12b. Grow a skilled workforce for Leeton Shire's future.**



Vance Industrial Estate houses a range of Leeton Shire businesses both large and small

Leeton is home to SunRice, the consumer brand and trading name of Ricegrowers Limited, which is one of Australia's largest branded food exporters

Council took the following key actions during 2020/21 to deliver on these commitments:

- Progressed plans to extend Vance Industrial Estate to the north
- Contributed \$1,500 to the Leeton Business Chamber in support of various activities including the virtual Leeton Pivotal Awards and the Leeton Gift Cards initiative
- Actively participated in the Western Riverina 'Grow Our Own' initiative, a network coordinated by Regional Development Australia (RDA) Riverina to encourage people to build a career locally, and encourage local business to invest in local people through employment, training, mentoring and motivation
- Engaged with local businesses to provide support during COVID-19 including support to access government support initiatives
- Provided letters of support to SunRice to assist them in making funding applications
- Supported the establishment of the Whitton Malthouse, a flagship new tourism business, by providing substantial advocacy and in-kind support including investment in road safety at the entrance to the facility
- Supported Multicultural NSW in launching its Regional Resettlement Pilot Program, which has a focus on secondary settlement. The pilot has the dual aims of supporting regional communities and employers to attract and retain newcomers, and connecting migrants and refugees in Western Sydney with employment and lifestyle opportunities in regional NSW
- Developed a business case to expand the Leeton Early Learning Centre to enable it to better meet the needs of Leeton Shire employers and employees
- Promoted careers in local government by participating in the Western Riverina Careers Expo at Leeton High School in June 2021
- Provided work experience for secondary and tertiary students across a broad range of services including childcare, administration, engineering and parks and recreation
- Provided two traineeships in customer services and a traineeship in childcare. The three trainees are all doing extremely well in both their course and workplace learning
- Commenced the provision of an apprenticeship in parks and recreation.



Our Performance by Theme cont.



Our Performance by Theme cont.



Theme 4: A Thriving Economy with Good Jobs

A community that has great attractions and events

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that has great attractions and events:

13a. Encourage a range of exciting and interesting events for the residents and visitors of Leeton Shire

13b. Attract visitors to Leeton Shire region.

Unfortunately, many scheduled events which were organised had to be cancelled due to COVID-19 restrictions. The cancelled events included the Australian Art Deco Festival, Light Up Leeton, NAIDOC Week and the Leeton Bidgee Classic Fishing Competition.

Council took the following key actions during 2020/21 to deliver on these commitments:

- Hosted two media 'famils' coordinated by Destination NSW that covered Leeton's Art Deco History, the Leeton Museum and Gallery and the Leeton Art Deco Festival
- Supported ANZAC Day commemorations, the Foodies Night Markets and the Inaugural Festival of Cultures: Multicultural Gala
- Supported the establishment of the Leeton Sport and Recreation Precinct parkrun
- Coordinated the annual Australia Day ceremony
- Launched the Murrumbidgee Trails destination guide, an initiative of the Murrumbidgee Trails marketing collective made up of Murrumbidgee Council and Leeton, Lockhart and Narrandera Shire Councils
- Supported the Whitton Malt House in submitting an application to gain approval for highway directional signage via the Major Tourism Attractions category through Destination NSW
- Distributed more than 7,399 Leeton Visitor Guides
- Operated the Leeton Visitor Information Centre (VIC). The VIC, which is housed in one of the first buildings built in Leeton and staffed by Council officers and volunteers, provides visitors with detailed information regarding attractions and events, stocks a diverse range of local produce and artwork, and offers a 'Tastes of Leeton' presentation. Despite the impact of COVID-19, there were over 4,000 visitors to the VIC in 2020/21 and the VIC sold \$11,381 worth of local product and souvenirs
- Facilitated the Love NSW Media Campaign, a \$70,000 campaign jointly funded by Coolamon, Murrumbidgee, Lockhart, Narrandera, Snowy Valleys, Temora, Bland, Cootamundra-Gundagai, Hay and Leeton Councils, and the Whitton Malthouse. The campaign aims to build brand awareness for each of the destinations as part of the Visit Riverina brand with support from Destination NSW and Destination Riverina Murray
- Adopted the *Leeton Responsible Visitor Economy Activation Plan (2021–2023)*, which will inform the development of Leeton Shire's Tourism Strategy
- Commenced planning for the 'Art Deco Way' Tourist Drive.

A community that has great attractions and events (previous page, clockwise from top left):

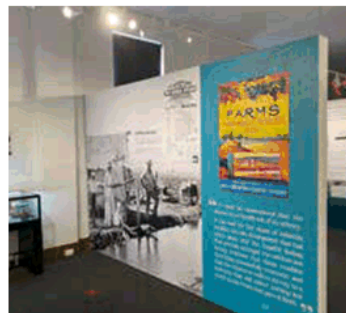
The Historic Hydro Motor Inn
 Image credit: G Davis

What a sight: sunset over Fivebough Wetlands
 Image credit: Paul Maytom

Leeton Shire Council's Brent Lawrence (left) with colleagues from Narrandera, Lockhart and Murrumbidgee Shire Councils at the launch of the Murrumbidgee Trails tourism marketing collective at the Whitton Malthouse

The Leeton Sport and Recreation Precinct Parkrun is a free, friendly 5km community event held every Saturday at 8am

Left: Water by Design: the Leeton Water Story is the Museum's permanent attraction
 Right: Council's new electronic billboard was used to promote the upcoming Miss Fisher and the Crypt of Tears Exhibition





Our Performance by Theme cont.



Theme 4: A Thriving Economy with Good Jobs

A community that enjoys a vibrant town centre

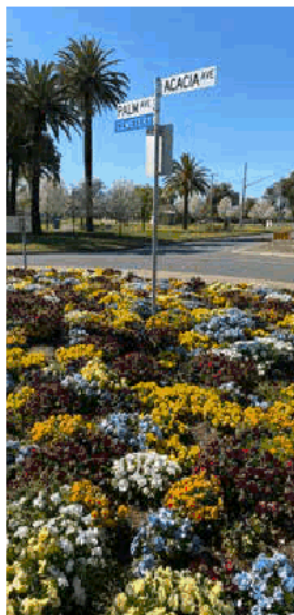
Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that enjoys a vibrant town centre:

- 14a. Maintain and improve the overall appearance and functionality of the main streets**
- 14b. Promote activity and vibrancy in Leeton's CBDs.**

A community that enjoys a vibrant town centre (previous page):

New Art Deco-themed Christmas banners and decorations graced Leeton's streets in December 2020

Below: Colourful plantings add to the vibrancy of Leeton's CBD



Council took the following key actions during 2020/21 to deliver on these commitments:

- Planted 166 trees across the Shire
- Completed work on the Leeton CBD Enhancement Project Phase 1 and 2 – Wade Avenue. This project focused on the redevelopment of Wade Avenue between Pine Avenue and Jarrah Street. The redevelopment incorporates angled parking, a centre median, a formal pedestrian crossing, upgraded street lighting, new pedestrian pavement on both sides of Wade Avenue and Chelmsford Place, and a new taxi rank in Chelmsford Place
- Commenced design work on the Leeton CBD Enhancement Project Phase 3 – Chelmsford Place. Phase 3 of the CBD enhancement project focuses on the refurbishment of the Chelmsford Place Promenade and seeks to realise Walter Burley Griffin's original design intention of a central town square based on symmetrical lines with a bold land axis, ornamental pools and shaded walkways
- Secured \$2 million in funding from the NSW Public Legacy Fund for the CBD Enhancement Project Phase 3 – Chelmsford Place
- Supported the Leeton Farmers and Makers Market and Yanco Village Markets, which continue to be well attended by the community. Unfortunately, several of the monthly markets had to be cancelled due to COVID-19 and associated restrictions
- Installed art deco themed banners and Christmas decorations across the Shire.



CBD Redevelopment Phases 1 and 2 – Wade Avenue in progress (top left) and completed (bottom right). Accessibility access ramps were incorporated throughout (top right)





Our Performance by Theme cont.



Theme 5: A Quality Built Environment

A community that has reliable water and sewerage services in towns

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that has reliable water and sewerage services in towns:

15a. Supply treated water to urban areas

15b. Supply sewage treatment services to urban centres.

Council took the following key actions during 2020/21 to deliver on these commitments:

- Supplied potable water of high quality, with minimal taste and odour issues and minimal disruption to service, to the towns and villages in Leeton Shire. This year:
 - Leeton Water Filtration Plant supplied 2,141ML of water (a 2.5% decrease on the previous year)
 - Murrambi Water Filtration Plant supplied 26ML of water (a 10.3% decrease on the previous year)
 - Whitton Water Filtration Plant supplied 67ML of water (a 24.7% decrease on the previous year)
- Replaced the water mains in Myall Street, Wamoon Avenue and Coonong Avenue
- Completed a reticulated water main extension in Watsonia Lane, Leeton
- Undertook the Automated Meter Reading (Taggle) project, installing smart water meters at 99% of properties serviced by reticulated water networks. Automated meter reading enables Council to gather information that can be used for leak detection, demand management, load balancing and network planning and optimisation. The data will provide large-scale insights for better water network management, resulting in significant savings for Council and customers
- Operated sewage treatment plants at Leeton, Yanco and Whitton. Our staff received a commendation from the Department of Planning Industry and Environment (DPIE) who conducted an operational review of all sewage treatment plants. The resulting report concluded that the plants were well-managed and performing satisfactorily – “Council operators should be commended for the presentation of the Sewage Treatment Plants”
- Commenced revised detail design work for the construction of a sewage treatment plant for the village of Wamoon
- Introduced a potable water system at Gogeldrie Weir Camping Ground.

A Quality Built Environment (previous page):

Top images, clockwise from top left: Josh Clyne and Ian Preston take a look at the Leeton Regional Aquatic Centre plans
The extended Leeton Skate Park
Drainage pits and pipe work being installed in the Grevillia Street car parking area

The new 50m swimming pool under construction

Mayor Maytom (second from left) and the Hon Sussan Ley MP (middle) open the new Helson Park with the assistance of members of the Helson family

Bottom images, left to right:
One of the new smart water meters being installed as part of the Automated Water Meter Reading (Taggle) Project

New kerb and gutter being installed in Calrose Street

Left: An extension of the Automated Meter Reading Project, this rain gauge will be used to measure the volume of rainfall infiltrating our sewers

Right: Water mains were replaced in Myall Street, Wamoon Avenue and Coonong Avenue this year



Our Performance by Theme cont.



Theme 5: A Quality Built Environment

A community that has good road, rail and air transport

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that has good road, rail and air transport:

- 16a. Provide access to regional passenger air services**
- 16b. Facilitate improved freight transport productivity**
- 16c. Provide an efficient road network for the movement of people and freight**
- 16d. Support the aged and people with disabilities to shop and attend appointments**



Council graded 99.9km of gravel roads, resheeted 11.5km of gravel road, resealed 20.3km of the sealed road network and completed upgrade works on the bridge over the Sturt Canal on the Whitton-Darlington Point Road

Council took the following key actions during 2020/21 to deliver on these commitments:

- In partnership with Narrandera Shire Council, operated the Narrandera–Leeton Airport. This year, a total of 3,235 passengers utilised the Regional Express Airlines (REX) daily airline service. Numbers were down on figures for the previous year as a result of COVID-19
- Capital works/maintenance activities completed at the Narrandera–Leeton Airport included resealing of the runway, taxiway and apron areas and apron lighting. Perimeter fencing commenced
- In partnership with Griffith City Council, developed an investment-ready business case to upgrade the WRConnect intermodal freight facility at Wumbulgal. Project has proceeded through Gateways 1 and 2 of the Inland Rail Infrastructure Improvement Program. Gateway 3 business case was developed and submitted for approval. Pending Gateway 3 approval, the project will then shift to detailed feasibility and advocacy
- Completed all scheduled road rehabilitation projects. Roads which were rehabilitated included:
 - McNeil Road
 - Regulator Road
 - Merungle Hill Road
- Completed all scheduled rural road works projects including:
 - Research Road from Gladman Road to Toorak Road
- Completed all scheduled urban road works projects including:
 - Whitton Road from Canal Street to Pendula Street
 - Dooley Lane
 - Myall Street
 - Acacia Avenue
 - Palm Avenue
 - Linden Way
 - Gogeldrie Street
- Completed all scheduled urban kerb and gutter works projects including:
 - Calrose Street
 - Myall Street
 - Palm Avenue
- Graded 99.9km of gravel roads, resheeted 11.5km of gravel road and resealed 20.3km of the sealed road network
- Completed Otta Seal treatments on Tabain and Quadling Roads
- Under contact for Transport for NSW, commenced work on 11 patches of repair work along Irrigation Way
- Supported Leeton–Narrandera Community Transport in delivering community transport services by providing staff to act as drivers during the COVID-19 restrictions period. Throughout the year, in Leeton Shire alone, 14 volunteer drivers undertook 2,322 trips.

Our Performance by Theme cont.



Theme 5: A Quality Built Environment

A community that enjoys attractive towns and parks

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that enjoys attractive towns and parks:

- 17a. Provide open spaces for active and passive leisure
- 17b. Provide attractive streetscapes and town entrances
- 17c. Provide public toilets across Leeton Shire
- 17d. Deliver development planning services that signal Leeton is 'open for business'
- 17e. Provide drainage networks in urban areas.

Council took the following key actions during 2020/21 to deliver on these commitments:

- Completed the development of Helson Park and Playground at Golf Course Estate
- Completed playground renewals at Noel Pulbrook Park and Enticknap Park
- Installed a half-court basketball court in Gossamer Park. This project was driven by Creative Community Concepts
- Completed the final stage of landscaping works on the Canal Street side of the traffic lights intersection (Vance Road, Irrigation Way, Canal Street and Wamoon Avenue). The landscaping consisted of decorative stone, and plantings of ornamental pears and low-level screening plants
- Commenced the Whitton Mural and Whitton Water Tower artworks
- Installed a new toilet facility at McCaughey Park
- Completed renewal/upgrade works on the Mountford Park and Leeton Regional Aquatic Centre toilet facilities
- Approved 174 Development Applications (22% increase compared to the previous year), 20 of which were subdivision applications, with a total value of \$45,628,600 (48.5% increase compared to the previous year)
- Issued:
 - 536 s10.7(2) Planning Certificates (an 89.4% increase compared to the previous year)
 - 72 s10.7(5) Planning Certificates (a 12.5% increase compared to the previous year)
 - 134 Construction Certificates (a 42.5% increase compared to the previous year)
 - 1 Subdivision Certificate (an 85.7% decrease compared to the previous year)
 - 80 Occupation Certificates (an 89.4% increase compared to the previous year)
 - 1 Complying Development Certificate (same as the previous year)
- Commenced work on a Development Control Plan which will contain the Engineering Subdivision and Development Guidelines
- Repaired nine kerb and gutter defects. Larger sections of kerb and gutter were repaired in Calrose Street and Palm Avenue, as well as a new installation in Myall Street
- Completed works on augmenting the detention basin in Vance Industrial Estate
- Completed works on the Petersham Road pipe infill
- Commenced works on augmenting the detention basin in the Telopea/ Boronia Estate.



Above: Yanco's McCaughey Park benefitted from the construction of a new toilet facility with full disability access

Below: New playground equipment was installed in Enticknap Park (left) Noel Pulbrook Park (right)





Our Performance by Theme cont.



Theme 6: Strong Leadership

A community that has politicians who act and listen

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that has politicians who act and listen:

18a. Forge and maintain strong regional relationships

18b. Strengthen Leeton Shire Council's governance capabilities

18c. Develop and maintain strong working relationships at a Federal and State level.

A community that has politicians who act and listen (previous page):

Top images, clockwise from top left: Helen Dalton MP at an International Women's Day event at Leeton Library

Mayor Cr Paul Maytom (left) with Senator the Hon Bridget McKenzie and Senator Perin Davey

The Hon Damien Tudenhope addresses key business leaders at Whitton Malthouse

Mayor Maytom (left) at an onsite meeting with the President of the Leeton Golf Club

Deputy Mayor Cr George Weston consults community members on plans for Chelmsford Place

General Manager Jackie Kruger (left), the Hon Keith Pitt MP, the Hon Sussan Ley MP and Mayor Paul Maytom (right)

Bottom images, from left to right: The Hon Sussan Ley MP and Mayor Cr Paul Maytom opening the new Showground Grandstand
Deputy Mayor Cr George Weston (front), General Manager Jackie Kruger (centre) and Mayor Cr Paul Maytom attending the first virtual LGNSW Annual Conference in November 2020

Council took the following key actions during 2020/21 to deliver on these commitments:

- Continued to participate in the RAMJO, which brings together councils from across the region and provides an important forum for escalating local and regional issues for broader consideration. Water Policy and energy savings have been a focus for RAMJO, along with financial sustainability
- Continued its engagement with the NSW Government, the Federal Government and industry agencies to address challenges such as housing, workforce, freight and electricity costs. Meetings took place with:
 - The Hon Sussan Ley MP
 - The Hon Shane L Stone AC QC
 - Deputy Primary Minister Michael McCormick
 - Senator Perrin Davey
 - The Hon Don Harwin
 - The Hon Paul Toole MP
 - Mrs Helen Dalton MP
 - Mr Clayton Barr MP
 - The Hon Damien Tudenhope
 - The Hon Keith Pitt MP
 - Senator Bridget McKenzie
- Took part in:
 - LGNSW virtual Water Management Conference
 - LGNSW virtual Annual Conference
 - LGNSW Water Forum Conference
 - ALGA National General Assembly
 - Country Mayors meetings x 3
 - Meetings with the CEO of the Murrumbidgee Local Health District regarding planning for future health services in Leeton x 2
 - Meeting with the Regional Manager of NSW Ambulance
 - Meetings with the local police and Narrandera Shire Council x 4
- Submitted five motions to the 2020 Local Government NSW Conference (all five were adopted) and eight motions to the 2021 National General Assembly of Local Government (five were adopted).
- Hosted the Australian Local Government Women's Association 'Getting Women Elected' Forum and three general candidate information sessions in preparation for the 2021 Council elections
- Supported the professional development of Councillors through the delivery of 'Effective and Ethical Use of Social Media' training
- Commenced a review of Council's delegations register.



A RAMJO-hosted stakeholder meeting with the Inspector-General of Water Compliance Troy Grant at the Historic Hydro Motor Inn. Mr Grant is second from the left

Our Performance by Theme cont.



Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that speaks up and gets involved:

- 19a. Encourage volunteering throughout the Shire**
- 19b. Seek input from our community on Council projects and programs**
- 19c. Provide a framework for inclusive decision-making.**



President of the Leeton Family and Local History Society Cr Tony Reneker hands a copy of the original plans of Yanco to Ian Peacock, Chairman of Yanco Museum

Theme 6: Strong Leadership

A community that speaks up and gets involved

Council took the following key actions during 2020/21 to deliver on these commitments:

- Sought community feedback on a number of Council initiatives through the 'Have Your Say' community engagement hub, social media channels and the local newspaper *The Irrigator*. Feedback was sought on the following:
 - Gogeldrie Weir – 52 submissions received
 - Draft Ageing Well Strategy – 36 submissions received
 - Draft Financial Hardship Policy and Draft Debt Recovery Policy – 3 submissions received
 - Draft Waste Management Strategy – 15 submissions received
 - Inquiry into Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW – 30 submissions received
 - Naming of the Leeton pool – 53 submissions received
 - 2021/22 Annual Operational Plan, Budget, Fees and Charges – 13 submissions received
 - Draft Adverse Event Plan – 1 submission received
 - Leeton Local Strategic Planning Statement – 14 submissions received
- Hosted three consultation sessions regarding the Inquiry into Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW with key stakeholder groups (Doctors, Service Providers and Councillors/General Manager) and two consultation sessions with the public to seek feedback. A total of 21 people attended
- Coordinated two community information sessions regarding the NSW Planning Portal, which hosts a range of digital planning services, mapping tools and reporting tools to assist those involved in a proposed development
- Developed a draft Volunteering Policy and Handbook
- Coordinated and supported seven Section 355 Committees, 15 Advisory Committees and three Action Groups
- Utilised the much-appreciated services of 222 volunteers. Our volunteers contribute to activities undertaken by the Leeton Museum and Art Gallery, Leeton Major Dooley Library (Home Library Service), the Visitor Information Centre, the Golf Course and the Leeton Shire Men's Shed. Additional volunteers serve on our Section 355, Action Groups and Advisory Committees
- Coordinated volunteer recognition activities including a volunteer morning tea at the Leeton Museum and Art Gallery (LMAG), LMAG monthly volunteer newsletter, volunteer Christmas party for the Visitor Information Centre volunteers, mail out of Christmas cards to all volunteers and the promotion of National Volunteer Week (17–23 May)
- Supported and collaborated with Leeton Connect Inc, including by auspicing staff. Leeton Connect is a not-for-profit organisation set up to act as a central hub for not-for-profit groups in Leeton Shire
- Supported the Leeton Multicultural Support Group, a group that provides a safe place of belonging for refugee and migrant families, and a space to connect with Leeton locals who offer support in the form of language lessons, home visiting, and organic social networks.

Our Performance by Theme cont.



Theme 6: Strong Leadership

A community that is always on the front foot

Leeton Shire Council has made the following Delivery Program commitments to support the achievement of a community that is always on the front foot:

20a. Strive to deliver the aspirations of the community through community leadership.



Susie Rowe (left) and Robyn Hutchinson, two of the members of the Multicultural Support Group. The group offers a safe place of belonging for refugee and migrant families

Members of the Board of Leeton Connect, a community organisation that aims to strengthen and bring together the not-for-profit organisations and charities within Leeton Shire

Community volunteers are essential for keeping our community on the front foot. Council would like to thank those residents who volunteer their time to benefit the Leeton Shire community. The volunteers pictured here organise the weekly Leeton Sport and Recreation Precinct Parkrun. Cr Tracey Morris is on the right

Council took the following key actions during 2020/21 to deliver on these commitments:

- Worked closely with a number of organisations and government agencies to respond to community needs and progress community objectives
- Responded to the COVID-19 pandemic to keep the Leeton community safe, support local businesses, enable essential service delivery and support vulnerable community members
- Submitted 44 grant applications. Twenty-three of these applications were successful and resulted in \$5,333,844 of funding for a range of programs and projects. Ten applications were still pending an outcome at the end of the financial year
- Awarded 18 Community Strengthening Grants to a total value of \$23,247, four Quick Response Grants to a total value of \$2,255, and five Youth Development Grants to a total value of \$1,000
- Provided financial assistance to two students from St Francis De Sales Regional College to attend the 2021 Secondary Schools Student Leadership Program
- Provided financial assistance to two students from Yanco Agricultural High School to attend the 2021 NSW Youth Parliament.



Our Performance by Community Satisfaction Rating

The overall satisfaction rating of 3.81 is the highest rating Micromex has measured for a regional council in the past 9 years.

Independent contractor Micromex Research and Consulting conducted a Community Satisfaction Survey on behalf of Leeton Shire Council in June 2021.

A total of 403 residents participated in the survey, which measured residents' satisfaction with various aspects of Council and their perceptions of their quality of life.

A similar survey was conducted in September 2019, which meant that Council could compare the data from both surveys and track changes in the community's quality of life and satisfaction ratings over time.

Some of the key results of the survey were:

- **Quality of life:** Ninety-seven percent (97%, up from 91% in 2019) of those surveyed rated their quality of life in Leeton Shire as Good (26%), Very Good (44%) or Excellent (27%).
- **Satisfaction with Council's performance:** Ninety-four percent (94%, up from 93% in 2019) were at least somewhat satisfied with the performance of Council administration. The overall satisfaction rating of 3.81 is the highest rating Micromex has measured for a regional council in the past 9 years.
- **Satisfaction with the elected body:** The vast majority of residents (92%, the same percentage as in 2019) were at least somewhat satisfied with the performance of elected Councillors.
- **Highest satisfaction ratings:** As demonstrated by a high rating out of 5, residents were most satisfied with Council's provision of: library services (4.36); ovals, sportsgrounds and sporting facilities (4.26); tourism/the Visitor Information Centre (4.20); playgrounds and parks (4.20); cemeteries (4.16); waste management (4.11); swimming pools (4.11); community and heritage buildings (4.04); and cultural opportunities such as the Roxy Theatre, museums and public art (4.00).
- **Lowest satisfaction ratings:** As demonstrated by a lower rating out of 5, residents were least satisfied with: local roads (2.97); building certification and development approvals (3.21); recreational areas along the river (3.26); Council considering community opinion when making decisions (3.26); storm water drainage in rural areas (3.28).
- **Levels of importance:** When asked to rate levels of importance, respondents rated water supply services (4.74) as being of most importance, followed by public safety (4.71), local sealed town roads (4.70), waste management (4.67), street lighting (4.58), Council keeping the community informed (4.57), sound financial management (4.54) and Council engaging the community when planning for the future (4.54).
- **High levels of agreement:** When asked whether they agreed with a number of statements, the majority of respondents agreed that they feel safe during the day (94%), that Leeton Shire gives you a sense of living in community (85%), that people in Leeton Shire have fair opportunity to participate in community life (84%), that sporting facilities in the area meet their needs (81%) and that we are preserving an attractive urban landscape and protecting our heritage (80%).
- **Low levels of agreement:** There were much lower levels of agreement with the statements: we have access to a good range of health services (25%), police services in Leeton Shire are responsive and effective (26%) and public transport is adequate for needs (38%).





For more information, please see the *Leeton Shire Council Community Satisfaction and CSP Research Results*.

Our Performance by Status of Actions





The year 2020/21 was a very busy year with staff across the organisation undertaking 192 discreet types of actions.

COVID-19 has, of course, had an impact on our activities. Although in most cases we have been able to overcome or work around the impact, the pandemic has resulted in unavoidable delays in the delivery of some of our scheduled activities.

Each of the actions Council committed to undertaking, as outlined in our Delivery Program and Operational Plan, have been allocated a status:




-  On Track – the activity or project is progressing as expected
-  Completed/Achieved – indicates that the project has been completed/annual program has been achieved
-  Needs Attention – the activity or project needs additional input or focus to get back on track
-  Critical Concerns – there are major issues associated with this activity or project

The status of activities and projects at 30 June 2021 is shown in the following table:








Status of activity or project					Total No. of Actions
Number of activities or projects	146	21	23	2	192

A total of 167 of the 192 actions Council committed to undertaking are either on track  or have been achieved/completed .







Twenty-five actions were assessed as either Needs Attention (23) or of Critical Concern (2). The table below provides details on each of the 25 actions, including the actions Council is taking to address specific issues.

Theme	Operational Plan Activity	Status	Reason for Status	Corrective Actions
2	6a.06 Enhance and upgrade facilities at Leeton Swimming Pool		The slide portion of the Pool Redevelopment Project was not completed on time. The new pools were opened for part of the 2020/21 season. The pools are now in the defect period, which includes the need to attend to a leak	Defects are being attended to in time for a slightly later start to the 2021/22 season. The erection of the water slide is on hold until the facility closes in 2022
6	20d.02 Deliver Council's Work Health and Safety program		The target for lost time due to injuries is less than 20 days per 100 employees. The actual figure was 44 days	A strategy is being developed for Council's ageing workforce. A health and wellbeing program is planned for 2021/22
1	1b.01 Participate in the Local Health Advisory Committee (LHAC) and use all avenues to advocate for quality health services for the Leeton community		Staff did not participate in the LHAC, which was in the process of recruiting new members, in the latter part of the year. COVID-19 restrictions had an impact on meetings, so no initiatives or activities were coordinated	This action has been replaced in the 2021/22 Delivery Program and Operational Plan with an action that focuses on health advocacy. Council continues to support settlement and housing for hospital staff, where required







Our Performance by Status of Actions cont.

Theme	Operational Plan Activity	Status	Reason for Status	Corrective Actions
1	2a.02 Operate Leeton Out of School Care (LOOSC) and Vacation Care Program (VAC)		Occupancy rates were lower than usual as a result of COVID-19 restrictions	It is expected that the decrease in occupancy rates will improve once COVID-19 restrictions are lifted. Strategies to promote the service will be investigated and implemented in 2021/22
1	3f.01 Maintain cemetery grounds in Leeton and Whitton		The target for completion of scheduled maintenance and upgrades for the year was 90%. Only 75% of the program was achieved	Resources will be reallocated to ensure a greater percentage of the maintenance/upgrade program is completed in 2021/22
1	4a.03 Complete development of a Leeton Community Safety Strategy		No progress was made in developing the Leeton Community Safety Strategy as crime statistics are deemed too 'low' to warrant a strategy	The need for such strategy is being reviewed
1	4d.01 Commence delivery of the Floodplain Risk Management Plan		The Floodplain Risk Management Plan cannot be delivered without funding but the application for funding was unsuccessful as Leeton is deemed 'low risk' for damage to life and property from floods	The Floodplain Management Committee will reconvene to discuss a way forward. It may be possible to apply for further grants or to undertake Council-funded studies (budget allocation allowing)
1	4f.03 Undertake On-Site Sewer Management (OSSM) Inspection Programs		The target for completion of the inspection regime was 100%. Only 60% of the inspection regime was completed	Resources will be reallocated in 2021/22 to ensure a greater percentage of the OSSM inspection program is completed
1	4f.04 Undertake Backyard Swimming Pool Inspection Programs		The target for completion of the inspection regime was 100%. Only 50% of the inspection regime was completed	Resources will be reallocated to ensure a greater percentage of the 2021/22 inspection program is completed
1	5b.02 Develop a Housing Strategy for Leeton Shire		The draft Housing Strategy was endorsed for public exhibition but is undergoing further review before final adoption	The Housing Strategy will be finalised and made available to the public in 2021/22




Our Performance by Status of Actions cont.

Theme	Operational Plan Activity	Status	Reason for Status	Corrective Actions
2	6a.01 Maintain and improve sporting ovals in Leeton and Yanco including a lighting upgrade for Leeton No.1 oval		The lighting upgrade was not completed because grant funding to undertake the project was not achieved	A grant application for \$100,000 to undertake the project has been submitted. A decision is pending
2	6a.03 Enhance sporting facilities at Leeton Showground through \$1.8 million improvement program		The new grandstand has been opened. Council is yet to support the Trust to develop a maintenance schedule	Council staff will support the Showground Trust with developing plans for the maintenance of the new facility
2	8a.01 Support and enable public access to local history: <ul style="list-style-type: none"> Develop and catalogue Leeton Library's local studies collection (including monographs, pamphlets and photographs) Attend Leeton Family and Local History Society's meetings 		The project to revise cataloguing of Local History Collection has been delayed due to licensing details	The licensing issue will be resolved in the first quarter of the 2021/22 financial year
2	8a.04 Undertake activities to support Council's archival responsibilities and develop an action plan to guide this work		No progress was made by the library on this project during the reporting period	This action will be reallocated to the Records Officer in 2021/22
4	11a.04.ii Collaborate with Murrumbidgee Irrigation (MI) to strengthen irrigated agriculture in the MIA		The target number of meetings with MI not achieved	There will be greater accountability for reporting strategic and operational meetings with MI in 2021/22
4	12a.01 Support and facilitate the retention and expansion of existing local business, industry and government services in the Leeton Shire		Minimal attention has been given to this action due to a handover in staff responsibilities and COVID-19 restrictions	A new Economic Development Manager position has been created and filled to undertake this and other economic development initiatives

Our Performance by Status of Actions cont.

Theme	Operational Plan Activity	Status	Reason for Status	Corrective Actions
4	13a.01 Support the success of regional events including the Bidgee Classic Fishing Competition, the SunRice Festival, and the Outback Band Spectacular		No regional events were held or supported due to COVID-19	Physical events are dependent on COVID-19 restrictions. Alternative methods of coordinating events such as virtual will be investigated
4	15a.03 Finalise and commence implementation of the Integrated Water Cycle Management Plan (IWCM)		The IWCM has not been completed. A Water Scoping Study is 90% complete and an IWCM issues paper has reached 75% completion	The IWCM will be completed in 2021/22. Council is also participating in a pilot to investigate IPR being the framework for best practice water management
4	15b.01 Provide and maintain sewage treatment and effluent discharge plants and reticulation services at Leeton, Yanco and Whitton		Some concerns about coliform bacteria levels in sewage treatment finishing pond effluent were raised by the NSW Environment Protection Authority (EPA)	Short- and long-term plans aimed at addressing the coliform situation have been devised in consultation with DPIE inspectors. These plans will be submitted to the EPA
4	16b.02 Develop an action plan for the road linkages study for WRConnect		The action plan for the road linkages study for WRConnect has not been finalised but the roads have been incorporated into the updated RAMJO Freight Strategy	The Action Plan will be finalised in 2021/22
5	17b.02 Commence public artwork mural projects for Leeton and Whitton: <ul style="list-style-type: none"> • Leeton Water Tower • Whitton Water Tower • Whitton Main Street Mural 		The Whitton Water Tower project is behind schedule due the key artist being caught up in Melbourne lockdown. The Leeton Water Tower project is not yet due to commence. It will be completed as part of Phase 3 of the CBD Enhancement Project – Chelmsford Place Promenade in 2021/22	No action can be taken regarding the Whitton Water Tower project until border restrictions ease
5	17d.07 Finalise Engineering Guidelines for Subdivisions and Development Standards for Leeton Shire		Progress on developing the Engineering Subdivision and Development Guidelines was delayed as it was decided to include it in Council's Development Control Plan (DCP), which is currently under development	It is anticipated that the DCP will be drafted and presented to Council in October/November 2021

Our Performance by Status of Actions cont.

Theme	Operational Plan Activity	Status	Reason for Status	Corrective Actions
5	17d.08 Develop Leeton Shire Development Control Plan (DCP) that includes consideration of: <ul style="list-style-type: none"> • heritage preservation (signage, facades, colour) • housing standards, 'Safer by Design' principles • street trees • laneway development standards • vegetation clearing regulation in non-urban areas • protecting local character 		The development of Leeton Shire's first DCP has commenced but it has not been completed	Work on the DCP is continuing. It is anticipated that the DCP will be drafted and presented to Council in October/November 2021
6	20c.03 Deliver Council's Internal Audit program		The target was to complete three internal audits during the reporting period. Only one, an audit of Council's Fraud Prevention and Control Framework, was conducted	Three internal audits are soon to commence. These are audits into Council's: <ul style="list-style-type: none"> • Delivery of Projects and Contract Management • Sale of Real Estate • Water Trading
6	20d.04 Support effective and efficient local government administration through Information and Communication Technology (ICT)		The target for completion for scheduled 2020/21 ICT strategy actions completed was 90+%. Only 40% of the scheduled actions were undertaken	The outstanding ICT Strategy Actions items will be completed in 2021/22

Statutory Information

The NSW Local Government Act and Regulation, and other legislation applying to Local Government, requires councils to report on particular matters in their annual report.

This information is considered by the State Government to be important for local communities to know about, and to help community members understand how their council has been performing, both as a business entity and a community leader.

The information that follows provides transparency and accountability for Council's activities throughout the 2020/21 financial year.

Environmental Upgrade Agreements

Local Government Act 1993 – s 54P

No environmental upgrade agreements have been entered into by Leeton Shire Council during this reporting period.

Special Rate Variations

SRV Guidelines

Leeton Shire Council did not have any special rate variations to general income in place during 2020/21.

Rates and Charges Written Off

Local Government (General) Regulation 2005 – cl 132

Rates and charges (interest not included) written off in the 2020/21 period included:

Item	Amount
Total Pensioner Concession	\$329,360
Less: Subsidy Reimbursement	(\$180,297)
Amount Written off by Council	\$0
Postponed Rates and Charges	\$4,124
Sale of land for rates	Nil
Rates debts abandoned	Nil
Special Rate Rebates	\$16,092
TOTAL	\$169,279

Overseas visits

Local Government (General) Regulation 2005 – cl 217(1)(a)

No overseas visits were undertaken by Leeton Shire Councillors or staff as representatives of Council during 2020/21.

Contracts Awarded

Local Government (General) Regulation 2005 – cl 217(1)(a2)

Details of contracts awarded by Leeton Shire Council in 2020/21 for amounts greater than \$150,000 are provided in the following table.

Contractor Name	Contract Description	Value	Tender Type
Essential Energy	Bulk Light Emitting Diode (LED) Streetlight upgrade	\$562,008	Not applicable. Part of a streetlight bulk lamp replacement program on assets owned by Essential Energy
Robert Ferguson Management	Weeds Control	\$639,896	Open Market
Milbrae Quarries Pty Ltd	Pricing commitment by supplier for the provision of quarried material.	\$1,626,594 (estimated over a two-year period)	Open Market request for pricing commitment
Ausroad Systems Pty Ltd	ISUZU Ausroad Road Patching Unit	\$468,641	Supplier registered with Local Government Procurement

Legal Proceedings

Local Government (General) Regulation 2005 – cl 217(1)(a3)

In 2020/21, Council was involved in legal proceedings for the recovery of unpaid rates, water usage charges, childcare and other debts recovery as follows:

Cost of item	Amount/Activity	Status
Cost of recovery	Nil	Ongoing
Number of clients referred to debt collection agency	1	Ongoing
Number of summonses Issued	0	Ongoing

Works Carried out on Private Land

Local Government (General) Regulation 2005 – cl 217(1)(a4)

During the 2020/21 year, Leeton Shire Council made no resolutions under Section 67 of the Local Government Act to carry out or subsidise work on private land.

External Bodies that exercise functions delegated by Council

Local Government (General) Regulation 2005 – cl 217(1)(a6)

As per legislation, delegations fell to the following external bodies:

Name of External Body	Delegated Function
Rural Fire Service	Oversee the delivery of a Rural Fire Service within the local government area and discharge Council's obligations under the <i>Rural Fires Act 1997</i> and <i>Local Government Act 1993</i>
State Emergency Services	Oversee the delivery of the State Emergency Service within Leeton Shire and discharge Council's obligations under the <i>State Emergency Service Act 1989</i>

Statutory Information cont.

Companies controlled by Council

Local Government (General) Regulation 2005 – cl 217(1)(a7)

Leeton Shire Council did not hold a controlling interest in any corporations, partnerships, trusts, joint ventures, syndicates or other bodies during 2020/21.

Council participation in corporations, partnerships, trusts, joint ventures, syndicates and other bodies

Local Government (General) Regulation 2005 – cl 217(1)(a7)

The table below describes Leeton Shire Council's participation in corporations, partnerships, trusts, joint ventures, syndicates and other bodies during 2020/21.

Name of Organisation	Function
Country Mayors Association	The Association represents rural and regional member councils in NSW. It is a forum to discuss shared issues and make representations to other levels of government.
Leeton Local Emergency Management Committee	This Committee is responsible for an all-agencies comprehensive approach to emergency planning in the Leeton Shire local government area. Emergency services and other agencies with functional responsibilities are members of this Committee.
Leeton–Narrandera Aerodrome Management Committee	This Committee is responsible for policy formulation and setting of guidelines for management matters at the Leeton–Narrandera Airport.
Leeton Local Traffic Committee	This Committee exists primarily as a technical review committee which advises Council on some traffic-related matters. The Committee is made up of representatives from Council, NSW Police and Roads and Maritime Services.
Local Government New South Wales	Local Government NSW is the peak industry association that represents the interests of NSW general and special purpose councils. In being a member, Council is also represented at the Australian Local Government Association (ALGA).
MIA Zone Liaison Committee (Rural Fire Service)	This Committee advises the State Bushfire Coordination Committee on bushfire prevention in the Leeton Shire LGA; promotes the coordination of policies, practices and strategies relating to bushfire management; and prepares a Bushfire Management Area Plan and oversees its implementation.
Murray Darling Association Region 9	This Group represents local government and community views on the major natural resource management issues of the Murray Darling Basin. It seeks to influence the policies of governments as they relate to conservation and sustainable development within the Basin.
Riverina and Murray Joint Organisation	The Riverina and Murray Joint Organisation (RAMJO) is a voluntary regional organisation of 11 councils in the Riverina and Murray Region established under the Local Government Act, which takes a regional approach to addressing issues shared by local councils.
Western Riverina Arts	Western Riverina Arts (WRA) is a not-for-profit organisation that works in partnership with our member councils: Narrandera Shire Council, Leeton Shire Council, Griffith City Council and Murrumbidgee Shire Council to support, develop and promote the Arts in the Western Riverina.

Statutory Information cont.

Equal Employment Opportunities Management Plan

Local Government (General) Regulation 2005 – cl 217(1)(a9)

Leeton Shire Council, through its policies and programs, aims to provide an environment where employees and others in the workplace are treated fairly and with respect, and are free from unlawful discrimination, harassment, vilification and bullying.

Council has Flexible Working Arrangements in place which provide the opportunity for flexibility for staff, enabling them to balance work and family responsibilities.

Council utilises its Consultative Committee as a mechanism to consult with employees during the development and review of People and Organisation Development policies, programs and practices.

Remuneration – General Manager

Local Government (General) Regulation 2005 – cl 217(1)(b)

Leeton Shire Council's General Manager's remuneration package consists of:

Component	Value
Salary	\$246,447
Bonus or performance payments	Nil
Employer's contribution to superannuation	\$23,412
Non-cash benefits	Private use of motor vehicle
FBT on non-cash benefits	Nil
TOTAL	\$269,859

Remuneration – Senior Staff

Local Government (General) Regulation 2005 – cl 217(1)(c)

As at 30 June 2021 Leeton Shire Council had one senior staff position (as defined by the *Local Government Act 1993*) being the Director Operations. The remuneration packages for senior staff consisted of:

Component	Value
Salary	\$170,205
Bonus or performance payments	Nil
Employer's contribution to superannuation	\$13,440
Non-cash benefits	Private use of motor vehicle
FBT on non-cash benefits	Nil
TOTAL	\$183,645

Stormwater Management Services

Local Government (General) Regulation 2005 – cl 217(1)(e)

During 2020/21, Leeton Shire Council levied a Stormwater Management Service Charge (SMSC) on eligible residential properties and eligible properties in the business rating category. A total of \$90,706 was raised through the charges.

These funds were used to fund Council's Floodplain Risk Management Study and Plan. This Study and Plan included the hydrological analysis of mitigation options for higher risk flood within the Leeton and Yanco areas.

The revenue raised from this charge will also fund any future projects identified in the Strategic Stormwater Management Plan.

Statutory Information cont.

Coastal Protection Services

Local Government (General) Regulation 2005 – cl 217(1)(e1)

The requirement to report on coastal protection services does not apply to Leeton Shire.

Companion Animals activities

Local Government (General) Regulation 2005 – cl 217(1)(f); and Companion Animals Guidelines

The following is a summary of Leeton Shire Council's activities during 2020/21 relating to enforcing and ensuring compliance with the *Companion Animals Act 1998* and Regulation:

- The lodgement date of returning pound and dog attack data to the Office of Local Government was extended to November 2020.
- Monies received from the Companion Animals Fund were expended on the provision of Companion Animal Management and Control services (details below). A total of \$341,715 was spent on Companion Animal Management and related activities:
 - Payments to the Office of Local Government from fees collected: \$13,837
 - Fund monies returned to Council from the Office of Local Government: \$6,083
- Programs and strategies to promote and assist the microchipping and de-sexing of dogs and cats included:
 - community education programs undertaken by way of media releases, reports to Council, Councillor briefing sessions, educational material distribution and ongoing education provided by Council's Ranger Services
 - an ongoing subsidised microchipping program which allows members of the public to have their companion animals microchipped at a substantially reduced rate (\$29 for one animal or \$20 for more than one animal). More than 105 animals were microchipped during the year. Rangers attend pet owners' homes to carry out microchipping
 - the two scheduled free microchipping days in August 2020 and June 2021 were cancelled due to COVID-19 restrictions
- Council defers the registration of cats and dogs for owners who wish to have their pets de-sexed until after the animals are de-sexed so that the owners can receive the benefit of the lower de-sexed animal registration rate
- In order to seek alternatives to euthanasia for unclaimed impounded animals, Council:
 - has rehoming agreements with 'Hounds on The Rebound' and 'Pets Haven'
 - microchips any animal going to a rescue organisation at no cost
 - does not charge for animals adopted from the Pound by members of the public (apart from registration fees) and provides free microchipping
 - includes on its website pictures of impounded dogs and cats, regularly updated, in order that the owners may claim the dogs or that they may be rehomed
 - returned 238 dogs to their owner and rehomed 269 impounded dogs representing an 88% return to owner or rehoming rate of impounded dogs
- Council provides an off-leash area at the former caravan park site on Brobenah Road, Leeton.

Statutory Information cont.

Capital Works Projects

Capital Expenditure Guidelines

Council undertook major capital works with a value of \$16,212,630. These projects included:

Project	Amount
Land and Building	\$1,135,448
Parks and Recreation Assets	\$3,946,858
Plant and Equipment Purchases	\$1,359,183
Roads Bridges and Footpaths	\$5,204,321
Sewerage Network Telemetry	\$109,089
Stormwater Drainage	\$425,617
Water Supply Network	\$933,446
Work in Progress	\$3,098,668
TOTAL	\$16,212,630

Compliance with the Carers (Recognition) Act

Carers Recognition Act 2010 – s 8(2)

Leeton Shire benefits from Home and Community Care Services delivered through Temora Shire Council's Pinnacle program.

Leeton Shire also benefits from Community Transport Services delivered through Narrandera Shire Council.

Implementation of Council's Disability Inclusion Action Plan

Disability Inclusion Act 2014 – s13(1)

Leeton Shire Council continued to progress the scheduled actions of its Disability Inclusion Action Plan, including:

- the required information relating to implementation of the Disability Inclusion Action Plan was lodged with the Minister for Disability Services
- a toilet facility with full disability access installed at McCaughey Park
- a new playground was completed in the Golf Course Estate with disability access pathways
- the CBD Enhancement Phase 1 included two accessible crossings, our accessible parking spaces and 14 kerb ramps were completed as part of the Wade Avenue upgrade
- works were completed on an accessible carpark at the Leeton Early Learning Centre
- two new kerb ramps (in addition to the CBD Enhancement Phase 1) were constructed and two kerb ramps were replaced as part of the footpath maintenance plan.

Planning Agreements in force

Environmental Planning and Assessment Act 1979 – s 7.5(5)

Leeton Shire Council did not have any planning agreements in force during 2020/21.

Recovery and Threat Abatement Plans

Fisheries Management Act 1994 – s 220ZT

Leeton Shire Council is not identified as having responsibility under any Recovery and Threat Abatement Plan.

Statutory Information cont.

Inspections of private swimming pools

Swimming Pools Act 1992 – s 22F (2); Swimming Pools Regulation 2018 – cl 23

Leeton Shire Council implemented its swimming pools inspection program as per the table below. Council contracts out its inspection program. COVID-19 impacted heavily on our progress.

Project	No. of inspections
Tourist and visitor accommodation	0
Premises with more than two dwellings	0
Inspections at single dwelling premises that resulted in a Certificate of Compliance being issued (s22D of Act)	13
Inspections at single dwelling premises that resulted in a Certificate of Non-Compliance being issued (Cl21 of Regulation)	9

Section 7.11 Fixed Levies and Section 64 Contributions

Environmental Planning and Assessment Act 1979; Local Government Act 1993

Previously referred to as Section 94 contributions, Section 7.11 levies are collected from some eligible developments for the provision or improvement of amenities or services. During 2020/21, Leeton Shire Council collected \$2,000 towards its Section 7.11 Fixed Levy Plan and spent \$32,000 on the playground in Noel Pulbrook and Enticknap Parks, bringing the balance to \$55,000. An additional \$205,000 was collected under Section 7.12 levies, bringing the balance to \$596,000.

Under Section 64 of the *Local Government Act 1993*, Council may also levy some development for the construction of works related to water supply, sewerage and stormwater drainage works and facilities. In 2020/21, \$26,000 was collected and \$24,000 spent, bringing the balance to \$30,000.

On-site Sewage Management

Local Government Act – s68; Local Government (General) Regulation 2005

During 2020/21, Leeton Shire Council levied an on-site sewage management fee for 1,649 properties. A total of \$13,192 was raised through the charges and is used by Council to offset the cost of an education and inspection program. A total of 14 inspections were carried out. Council contracts out its inspection program, which was heavily impacted by COVID-19.

Government Information Public Access Activity

Government Information (Public Access) Act 2009 – s 125(1);

Government Information (Public Access) Regulation 2009 – cl 8 and Schedule 2

Leeton Shire Council is required to prepare an annual report on activities undertaken during the financial year related to the *Government Information (Public Access) Act 2009* (GIPA). The report is provided to the Minister for Local Government and the Office of the Information Commissioner and is available for download from Council's website.

In summary, the key points contained in the GIPA Annual Report were:

- Publication of a Contracts Register on Leeton Shire Council website – updated bimonthly
- Publication of a GIPA Disclosure Log – updated quarterly
- Two formal GIPA application were received and Council provided the information in accordance with legislative requirements
- There were eight informal requests for information, all of which Council responded to with provision of the requested information.

Statutory Information cont.

Public Interest Disclosures

Public Interest Disclosures Act 1994 – s 31; Public Interest Disclosures Regulation 2011 – cl 4

Under Clause 4(1) of the Public Disclosures Regulation, Council must include the following information in its Annual Report:

Public Interest Disclosures in 2020/21	Total
Number of public officials who made PIDs	Nil
Number of PIDs received	Nil
Number of PIDs finalised	Nil

Overleaf: Whitton Post Office. Whitton, originally named Hulong, is the oldest town in the Murrumbidgee Irrigation Area









LEETON SHIRE COUNCIL

Leeton Shire Council

ABN 59 217 957 665

23-25 Chelmsford Place, Leeton NSW 2705

www.leeton.nsw.gov.au

E: council@leeton.nsw.gov.au P: (02) 6953 0911 F: (02) 6953 0977

CORPORATE MATTERS



Annual Financial Statements

For the year ended 30 June 2021



LEETON
SHIRE COUNCIL

General Purpose Financial Statements

For the year ended 30 June 2021



LEETON
SHIRE COUNCIL

This page is intentionally blank

Leeton Shire Council | Notes to the Financial Statements 30 June 2021

Leeton Shire Council

General Purpose Financial Statements

for the year ended 30 June 2021

Contents	Page
1. Understanding Council's Financial Statements	4
2. Statement by Councillors and Management	5
3. Primary Financial Statements:	
Income Statement	6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
4. Notes to the Financial Statements	11
5. Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	86
On the Financial Statements (Sect 417 [3])	89

Overview

Leeton Shire Council is constituted under the *Local Government Act 1993 (NSW)* and has its principal place of business at:

23-25 Chelmsford Place
Leeton NSW 2705

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.leeton.nsw.gov.au.

Leeton Shire Council

General Purpose Financial Statements

for the year ended 30 June 2021

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Leeton Shire Council

General Purpose Financial Statements for the year ended 30 June 2021

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 27 October 2021.



Cr Paul Maytom
Mayor



Cr George Weston
Councillor



Jacqueline Kruger
General Manager



Lawrence Amato
Responsible Accounting Officer

Leeton Shire Council

Income Statement

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
Income from continuing operations				
13,623	Rates and annual charges	B2-1	13,439	13,012
7,612	User charges and fees	B2-2	7,745	9,803
1,654	Other revenue	B2-3	807	1,310
5,104	Grants and contributions provided for operating purposes	B2-4	8,618	6,439
9,717	Grants and contributions provided for capital purposes	B2-4	6,926	3,935
859	Interest and investment income	B2-5	681	888
297	Other income	B2-6	286	305
615	Net gains from the disposal of assets	B4-1	-	-
39,481	Total income from continuing operations		38,502	35,692
Expenses from continuing operations				
12,164	Employee benefits and on-costs	B3-1	12,352	11,524
10,986	Materials and services	B3-2	13,316	11,157
94	Borrowing costs	B3-3	119	82
6,301	Depreciation, amortisation and impairment for non-financial assets	B3-4	7,268	6,173
244	Other expenses	B3-5	2,904	196
-	Net losses from the disposal of assets	B4-1	42	122
29,789	Total expenses from continuing operations		36,001	29,254
9,692	Operating result from continuing operations		2,501	6,438
9,692	Net operating result for the year attributable to Council		2,501	6,438
(25)	Net operating result for the year before grants and contributions provided for capital purposes		(4,425)	2,503

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

Leeton Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Net operating result for the year – from Income Statement		2,501	6,438
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain on revaluation of IPP&E	C1-6	24,872	54,061
Other movements in reserves – Intangible Assets Revaluation	C1-7	(54)	28
Total items which will not be reclassified subsequently to the operating result		24,818	54,089
Total comprehensive income for the year attributable to Council		27,319	60,527

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

Leeton Shire Council

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	13,132	10,863
Investments	C1-2	26,150	28,500
Receivables	C1-4	2,637	2,200
Inventories	C1-5	1,205	982
Other		59	68
Total current assets		43,183	42,613
Non-current assets			
Investments	C1-2	7,700	10,850
Receivables	C1-4	45	76
Infrastructure, property, plant and equipment	C1-6	299,890	266,594
Intangible Assets	C1-7	8,316	8,371
Total non-current assets		315,951	285,891
Total assets		359,134	328,504
LIABILITIES			
Current liabilities			
Payables	C3-1	2,742	2,649
Contract liabilities	C3-2	2,405	2,312
Borrowings	C3-3	464	442
Employee benefit provisions	C3-4	2,621	2,405
Total current liabilities		8,232	7,808
Non-current liabilities			
Borrowings	C3-3	2,851	3,316
Employee benefit provisions	C3-4	277	261
Provisions	C3-5	3,336	-
Total non-current liabilities		6,464	3,577
Total liabilities		14,696	11,385
Net assets		344,438	317,119
EQUITY			
Accumulated surplus		132,870	130,369
IPPE revaluation reserve		211,568	186,750
Council equity interest		344,438	317,119
Total equity		344,438	317,119

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

Leeton Shire Council

Statement of Changes in Equity
 for the year ended 30 June 2021

	as at 30/06/21			as at 30/06/20		
	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July	130,369	186,750	317,119	125,414	132,661	258,075
Changes due to AASB 1058 and AASB 15 adoption	-	-	-	(1,483)	-	(1,483)
Net operating result for the year	2,501	-	2,501	6,438	-	6,438
Restated net operating result for the period	2,501	-	2,501	6,438	-	6,438
Other comprehensive income						
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	24,872	24,872	-	54,061	54,061
- Gain (loss) on revaluation of Intangible Assets	-	(54)	(54)	-	28	28
Other comprehensive income	-	24,818	24,818	-	54,089	54,089
Total comprehensive income	2,501	24,818	27,319	6,438	54,089	60,527
Closing balance at 30 June	132,870	211,568	344,438	130,369	186,750	317,119

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

Leeton Shire Council

Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
Cash flows from operating activities				
<i>Receipts:</i>				
13,624	Rates and annual charges		13,359	13,358
7,617	User charges and fees		6,891	8,943
859	Investment and interest revenue received		780	1,181
14,220	Grants and contributions		18,537	12,268
–	Bonds, deposits and retention amounts received		–	32
2,151	Other		1,569	1,159
<i>Payments:</i>				
(12,262)	Employee benefits and on-costs		(13,237)	(11,214)
(8,058)	Materials and services		(14,722)	(10,223)
(94)	Borrowing costs		(126)	(76)
–	Bonds, deposits and retention amounts refunded		(8)	–
(1,760)	Other		86	(128)
16,297	Net cash flows from operating activities	G1-1a	13,129	15,300
Cash flows from investing activities				
<i>Receipts:</i>				
2,000	Sale of investment securities		5,500	1,960
50	Sale of real estate assets		155	200
615	Sale of infrastructure, property, plant and equipment		565	272
25	Deferred debtors receipts		60	5
<i>Payments:</i>				
(18,591)	Purchase of infrastructure, property, plant and equipment		(16,321)	(12,151)
–	Purchase of real estate assets		(376)	(411)
(5)	Deferred debtors and advances made		–	–
(15,906)	Net cash flows used in investing activities		(10,417)	(10,125)
Cash flows from financing activities				
<i>Receipts:</i>				
1,900	Proceeds from borrowings		–	2,449
<i>Payments:</i>				
(442)	Repayment of borrowings		(443)	(325)
1,458	Net cash flows from financing activities		(443)	2,124
1,849	Net change in cash and cash equivalents		2,269	7,299
(1,888)	Cash and cash equivalents at beginning of year		10,863	3,564
(39)	Cash and cash equivalents at end of year	C1-1	13,132	10,863
37,408	plus: Investments on hand at end of year	C1-2	33,850	39,350
37,369	Total cash, cash equivalents and investments		46,982	50,213

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

Leeton Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2021

A About Council and these financial statements	13
A1-1 Basis of preparation	13
B Financial Performance	15
B1 Functions or activities	15
B1-1 Functions or activities – income, expenses and assets	15
B1-2 Components of functions or activities	16
B2 Sources of income	17
B2-1 Rates and annual charges	17
B2-2 User charges and fees	18
B2-3 Other revenue	19
B2-4 Grants and contributions	19
B2-5 Interest and investment income	24
B2-6 Other income	24
B3 Costs of providing services	25
B3-1 Employee benefits and on-costs	25
B3-2 Materials and services	26
B3-3 Borrowing costs	26
B3-4 Depreciation, amortisation and impairment of non-financial assets	27
B3-5 Other expenses	28
B4 Gains or losses	29
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	29
B5 Performance against budget	30
B5-1 Material budget variations	30
C Financial position	32
C1 Assets we manage	32
C1-1 Cash and cash equivalents	32
C1-2 Financial investments	33
C1-3 Restricted cash, cash equivalents and investments	33
C1-4 Receivables	36
C1-5 Inventories	38
C1-6 Infrastructure, property, plant and equipment	40
C1-7 Intangible assets	45
C2 Leasing activities	46
C2-1 Council as a lessee	46
C2-2 Council as a lessor	47
C3 Liabilities of Council	49
C3-1 Payables	49
C3-2 Contract Liabilities	49
C3-3 Borrowings	51
C3-4 Employee benefit provisions	54
C3-5 Provisions	55
C4 Reserves	57

Leeton Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2021

C4-1 Nature and purpose of reserves	57
D Council structure	58
D1 Results by fund	58
D1-1 Income Statement by fund	58
D1-2 Statement of Financial Position by fund	59
E Risks and accounting uncertainties	60
E1-1 Risks relating to financial instruments held	60
E2-1 Fair value measurement	64
E3-1 Contingencies	69
F People and relationships	72
F1 Related party disclosures	72
F1-1 Key management personnel (KMP)	72
F1-2 Councillor and Mayoral fees and associated expenses	74
F2 Other relationships	75
F2-1 Audit fees	75
G Other matters	76
G1-1 Statement of Cash Flows information	76
G2-1 Commitments	77
G3 Changes from prior year statements	78
G3-1 Changes in accounting policy	78
G3-2 Correction of errors	78
G3-3 Changes in accounting estimates	78
G4 Statement of developer contributions as at 30 June 2021	79
G4-1 Summary of developer contributions	79
G4-2 Developer contributions by plan	80
G5 Statement of performance measures	81
G5-1 Statement of performance measures – consolidated results	81
G5-2 Statement of performance measures by fund	82
H Additional Council disclosures (unaudited)	83
H1-1 Statement of performance measures – consolidated results (graphs)	83
H1-2 Council information and contact details	85

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 22 September 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2005 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- i. estimated fair values of intangible assets – refer Note C1-7
- ii. estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- iii. estimated landfill remediation provisions – refer Note C3-5
- iv. employee benefit provisions – refer Note C3-4

Significant judgements in applying the Council's accounting policies

(i) Impairment of receivables

Council reviewed receivables for impairment and found there to be minimal impairments – refer Note C1-4.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993 (NSW)*, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund has been included in the financial statements of the Council.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations
- Water service
- Sewerage service

continued on next page ...

Page 13

A1-1 Basis of preparation (continued)

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

Volunteer services

Council relies on the commitment made by volunteers to help run some of its venues and events. These volunteer services are not recognised in Councils Income Statement as they would not be purchased if not donated and they are deemed to be immaterial.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2021 reporting period.

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

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

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2020.

Those newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures are further discussed at Note G3-1.

Covid 19 Impacts

The Covid 19 pandemic caused only minimal inconvenience to Council's business practices during the period and has not resulted in significant additional costs.

Rate collections were effectively halted for the period 13 May 2020 to 26 September 2020 in response to the addition of Section 747AB to the *Local Government Act 1993*. Debt collection of other receivables has also been impacted.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000
Functions or activities										
Governance	-	-	228	253	(228)	(253)	-	-	-	-
Administration	12,620	12,630	4,088	4,262	8,532	8,368	4,170	4,004	35,176	36,001
Public order and safety	177	312	636	605	(459)	(293)	118	247	1,364	1,348
Health	25	26	73	92	(48)	(66)	-	-	-	-
Environment	2,915	3,162	5,765	2,719	(2,850)	443	74	247	6,800	6,141
Community services and education	2,195	1,895	2,215	2,054	(20)	(159)	434	200	5,184	5,098
Housing and community amenities	785	653	1,247	944	(462)	(291)	280	186	29,307	28,630
Water supplies	4,910	5,269	4,157	3,987	753	1,282	69	92	59,852	42,547
Sewerage services	3,401	3,214	2,797	2,708	604	506	11	129	46,896	39,121
Recreation and culture	4,930	1,838	5,866	4,568	(936)	(2,730)	4,383	1,350	34,968	31,313
Mining, manufacturing and construction	95	82	217	209	(122)	(127)	-	-	99	775
Transport and communication	6,304	6,525	7,728	6,224	(1,424)	301	5,962	3,919	136,347	134,663
Economic affairs	145	86	984	629	(839)	(543)	43	-	3,141	2,867
Total functions and activities	38,502	35,692	36,001	29,254	2,501	6,438	15,544	10,374	359,134	328,504

B1-2 Components of functions or activities

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

Includes corporate support and other support services, Crown Land administration, engineering works, and any Council policy compliance.

Public order and safety

Includes Council's fire and emergency services levy, fire protection, emergency services, enforcement of regulations and animal control.

Health

Includes inspection, food control, administration.

Environment

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; street cleaning, drainage and stormwater management.

Community services and education

Includes administration social protection (welfare); migrant, youth services; aged and disabled persons services; child care; and other family and children services.

Housing and community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for aged persons.

Water supplies

Includes the supply of water services.

Sewerage services

Includes the supply of sewerage services.

Recreation and culture

Includes public libraries; museums; community centres and halls, performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

Mining, manufacturing and construction

Includes building control, quarries and pits.

Transport and communication

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas, tourism and area promotion; industrial development promotion; events; real estate development and other business undertakings.

B2 Sources of income

B2-1 Rates and annual charges

	2021 \$ '000	2020 \$ '000
Ordinary rates		
Residential	4,112	3,913
Farmland	3,009	2,967
Business	463	429
Less: pensioner rebates (mandatory)	(91)	(93)
Less: pensioner rebates (Council policy)	(164)	(167)
Rates levied to ratepayers	7,329	7,049
Pensioner rate subsidies received	90	93
Total ordinary rates	7,419	7,142
Annual charges		
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>		
Domestic waste management services	1,229	1,246
Stormwater management services	91	91
Water supply services	1,575	1,496
Sewerage services	2,510	2,443
Waste management services (non-domestic)	176	170
Other	-	10
Recycling	587	562
Trade waste	17	18
Less: pensioner rebates (mandatory)	(90)	(92)
Less: pensioner rebates (Council policy)	(165)	(166)
Annual charges levied	5,930	5,778
Pensioner subsidies received:		
- Water	36	37
- Sewerage	29	30
- Domestic waste management	25	25
Total annual charges	6,020	5,870
Total rates and annual charges	13,439	13,012

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate.

Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government. Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

B2-2 User charges and fees

	Timing	2021 \$ '000	2020 \$ '000
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services	1	2,924	3,100
Sewerage services	1	768	423
Total specific user charges		3,692	3,523
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Building regulation	2	57	48
Inspection services	2	10	14
Private works – section 67	1	16	37
Regulatory/ statutory fees	2	23	11
Registration fees	2	14	16
Section 10.7 certificates (EP&A Act)	2	24	22
Section 603 certificates	2	30	20
Tapping fees	2	15	47
Town planning	2	159	136
Total fees and charges – statutory/regulatory		348	351
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Cemeteries	2	250	216
Child care	1	1,716	1,634
Employee Contributions (FBT reduction) – Council vehicles	2	81	84
Library and art gallery	2	11	12
Transport for NSW works (state roads not controlled by Council)	1	334	2,582
Swimming centres	2	43	102
Tourism	2	60	46
Waste disposal tipping fees	2	722	821
Golf course	2	333	281
Roxy theatre	2	38	76
Stadium	2	84	48
User group contributions	2	12	13
Other	2	21	14
Total fees and charges – other		3,705	5,929
Total user charges and fees		7,745	9,803
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		5,758	7,776
User charges and fees recognised at a point in time (2)		1,987	2,027
Total user charges and fees		7,745	9,803

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenue

	Timing	2021 \$ '000	2020 \$ '000
Fines – other	2	25	44
Legal fees recovery – rates and charges (extra charges)	2	–	44
Commissions and agency fees	2	1	1
Diesel rebate	2	50	51
Insurance claims recoveries	2	32	62
Recycling income (non-domestic)	2	40	56
Sales – general	2	294	113
Sale of Investment Water	2	164	767
Donations and sponsorship received	2	19	1
Child care operations	2	4	16
Insurance rebates	2	–	32
Other	2	178	123
Total other revenue		807	1,310

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	–	–
Other revenue recognised at a point in time (2)	807	1,310
Total other revenue	807	1,310

Accounting policy for other revenue

Where the revenue relates to a contract with a customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, whichever is earlier.

B2-4 Grants and contributions

	Timing	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	1,684	1,643	–	–
Financial assistance – local roads component	2	532	548	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	1,802	1,742	–	–
Financial assistance – local roads component	2	569	580	–	–
Amount recognised as income during current year		4,587	4,513	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Domestic waste management		–	–	20	180
– Water		36	–	–	–
Sewerage services		–	–	–	53
Child care	1	142	142	167	–
Community care	2	18	45	45	–
Economic development	2	172	582	–	–
Employment and training programs	2	57	31	–	–
Environmental programs		2	–	–	–

continued on next page ...

Page 19

B2-4 Grants and contributions (continued)

	Timing	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Heritage and cultural	2	12	15	510	581
Library	2	1	1	-	-
Library – per capita	2	63	66	-	-
Library – special projects	2	14	-	-	-
LIRS subsidy	2	33	51	6	-
Noxious weeds	2	50	50	-	-
NSW rural fire services	2	75	75	43	168
Recreation and culture	2	1,272	350	3,016	333
Youth services	2	10	2	-	-
Street lighting	2	64	61	-	-
Transport (roads to recovery)	1	-	-	985	985
Transport (other roads and bridges funding)	1	1,708	49	511	563
Other specific grants	2	52	19	489	-
Previously contributions:					
Other councils – joint works/services	1	-	-	-	594
Roads and bridges	1	-	-	746	198
Transport for NSW contributions (regional roads, block grant)	2	250	387	137	-
Sewerage (excl. section 64 contributions)	2	-	-	-	22
Water supplies (excl. section 64 contributions)	2	-	-	18	40
Total special purpose grants and non-developer contributions – cash		4,031	1,926	6,693	3,717
Total special purpose grants and non-developer contributions (tied)		4,031	1,926	6,693	3,717
Total grants and non-developer contributions		8,618	6,439	6,693	3,717
Comprising:					
– Commonwealth funding		4,644	4,536	2,657	53
– State funding		3,928	1,477	3,974	2,810
– Other funding		46	426	62	854
		8,618	6,439	6,693	3,717

continued on next page ...

Page 20

B2-4 Grants and contributions (continued)

Developer contributions

	Notes	Timing	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):		G4				
Cash contributions						
S94A – fixed development consent levies		2	–	–	205	100
S 64 – water supply contributions		2	–	–	15	52
S 64 – sewerage service contributions		2	–	–	11	54
S 64 – stormwater contributions		2	–	–	2	12
Total developer contributions – cash			–	–	233	218
Total developer contributions			–	–	233	218
Total contributions			–	–	233	218
Total grants and contributions			8,618	6,439	6,926	3,935
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			–	–	6,467	3,422
Grants and contributions recognised at a point in time (2)			8,618	6,439	459	513
Total grants and contributions			8,618	6,439	6,926	3,935

continued on next page ...

Page 21

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Unspent grants and contributions				
Unspent funds at 1 July	661	2,332	1,809	1,429
Reclassification to Operating from Capital Grant	-	231	-	(231)
Add: Funds received and not recognised as revenue in the current year	165	614	1,826	1,515
Less: Funds received in prior year but revenue recognised and funds spent in current year	(345)	(2,516)	(1,634)	(904)
Unspent funds at 30 June	481	661	2,001	1,809
Contributions				
Unspent funds at 1 July	507	412	-	-
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	238	95	-	-
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	(64)	-	-	-
Unspent contributions at 30 June	681	507	-	-

Accounting policy

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

continued on next page ...

Page 22

B2-4 Grants and contributions (continued)

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*.

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

B2-5 Interest and investment income

	2021 \$ '000	2020 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	29	56
– Cash and investments	646	829
– Deferred debtors	6	3
Total interest and investment income (losses)	681	888
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	15	28
General Council cash and investments	322	249
Restricted investments/funds – external:		
Development contributions		
– Section 7.11	5	3
– Section 64	–	1
Water fund operations	189	333
Sewerage fund operations	103	172
Domestic waste management operations	47	102
Total interest and investment income	681	888

Accounting policy

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

B2-6 Other income

	2021 \$ '000	2020 \$ '000
	Notes	
Rental income		
Other lease income		
Office Space / commercial / land	138	159
Housing	129	137
Other lease income	19	9
Total Other lease income	286	305
Total rental income	C2-2 286	305
Total other income	286	305

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2021 \$ '000	2020 \$ '000
Salaries and wages	10,599	9,766
Travel expenses	20	53
Employee leave entitlements (ELE)	1,090	1,018
Superannuation	1,139	1,052
Workers' compensation insurance	183	126
Fringe benefit tax (FBT)	16	54
Payroll tax	18	37
Training costs (other than salaries and wages)	142	141
Protective clothing	33	35
Relocation Cost	7	-
Other	54	35
Total employee costs	13,301	12,317
Less: capitalised costs	(949)	(793)
Total employee costs expensed	12,352	11,524
Number of 'full-time equivalent' employees (FTE) at year end	146	140
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	151	147

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

	Notes	2021 \$ '000	2020 \$ '000
Raw materials and consumables		24,474	18,559
Contractor and consultancy costs			
– Garbage collection charges		803	810
– Contractor and consultancy costs – Administration		57	145
– Contractor and consultancy costs – Building & Planning		34	19
– Contractor and consultancy costs – Engineering		68	172
– Other contractor and consultancy costs		293	286
Audit Fees ¹	F2-1	20	101
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	175	194
Advertising		64	88
Bank charges		75	71
Electricity and heating		540	591
Insurance		375	347
Office expenses (including computer expenses)		352	348
Postage		32	36
Printing and stationery		144	87
Street lighting		241	256
Subscriptions and publications		163	138
Telephone and communications		229	236
Valuation fees		73	39
Commissions / agency fees		29	28
Licences and permits		10	26
Regional arts board		13	12
Other expenses		25	–
Legal expenses:			
– Legal expenses: planning and development		1	16
– Legal expenses: debt recovery		–	44
– Legal expenses: other		84	26
Expenses from leases of low value assets		2	2
Film and other hire expenses		18	35
Water purchases		187	218
Total materials and services		28,581	22,930
Less: capitalised costs		(15,265)	(11,773)
Total materials and services		13,316	11,157

Accounting policy

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

B3-3 Borrowing costs

	2021 \$ '000	2020 \$ '000
(i) Interest bearing liability costs		
Interest on loans	119	82
Total interest bearing liability costs	119	82
Total interest bearing liability costs expensed	119	82
(ii) Other borrowing costs		
– Remediation liabilities	–	–
Total borrowing costs expensed	119	82

Accounting policy

Borrowing costs are expensed when incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

	Notes	2021 \$ '000	2020 \$ '000
Depreciation and amortisation			
Plant and equipment		696	684
Office Furniture and Equipment		122	81
Land improvements (depreciable)		39	35
Infrastructure:			
	C1-6		
– Buildings – non-specialised		5	5
– Buildings – specialised		916	853
– Other structures		363	368
– Roads		2,818	2,322
– Bridges		75	37
– Footpaths		145	70
– Stormwater drainage		306	125
– Water supply network		891	875
– Sewerage network		871	705
Other assets:			
– Other		21	13
Total gross depreciation and amortisation costs		7,268	6,173
Total depreciation and amortisation costs		7,268	6,173
Total depreciation, amortisation and impairment for non-financial assets		7,268	6,173

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

	Notes	2021 \$ '000	2020 \$ '000
Impairment of receivables			
Other		–	4
Total impairment of receivables	C1-4	–	4
Other			
Contributions/levies to other levels of government		8	–
Contributions/levies to other levels of government		22	18
– Emergency services levy (includes FRNSW, SES, and RFS levies)		37	33
– NSW fire brigade levy		125	113
– NSW rural fire service levy			
Donations, contributions and assistance to other organisations (Section 356):			
– Annual donations		23	20
– Discretionary donations, contributions and assistance		20	8
Remediation liability		2,669	–
Total other		2,904	192
Total other expenses		2,904	196

Accounting policy

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

Impairment expenses are recognised when identified.

B4 Gains or losses

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

	Notes	2021 \$ '000	2020 \$ '000
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		565	272
Less: carrying amount of plant and equipment assets sold/written off		(630)	(396)
Gain (or loss) on disposal		(65)	(124)
Gain (or loss) on disposal of real estate assets held for sale	C1-5		
Proceeds from disposal – real estate assets		155	200
Less: carrying amount of real estate assets sold/written off		(132)	(198)
Gain (or loss) on disposal		23	2
Net gain (or loss) on disposal of assets		(42)	(122)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 24 June 2020 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
REVENUES				
Rates and annual charges	13,623	13,439	(184)	(1)% U
User charges and fees	7,612	7,745	133	2% F
Other revenues	1,654	807	(847)	(51)% U
Other revenues are down in most areas most notably "Sales of Investment Water" was \$337k under budget and "Art Deco Festival Income" was down \$82k due to the cancellation of the event.				
Operating grants and contributions	5,104	8,618	3,514	69% F
Council has been particularly successful in securing grant funding for our projects. There are two major operating grants received by Council which were unbudgeted. These are \$1.27m for the grandstand and \$1.8m for the bridge over Sturt canal. Neither of these assets belong to Council.				
Capital grants and contributions	9,717	6,926	(2,791)	(29)% U
While Council has secured a record amount of grant funding a portion of this funding was budgeted as capital but was operating in nature, \$1.8m for the Sturt Canal bridge, further not all capital funds received are yet recorded with balances of unspent grant liabilities recorded under Contract Liabilities.				
Interest and investment revenue	859	681	(178)	(21)% U
Investment returns have been well down on expectations due to falling interest rates.				
Net gains from disposal of assets	615	-	(615)	(100)% U
The net position for sale of assets was a loss.				
Other income	297	286	(11)	(4)% U

B5-1 Material budget variations (continued)

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
EXPENSES				
Employee benefits and on-costs	12,164	12,352	(188)	(2)% U
Materials and services	10,986	13,316	(2,330)	(21)% U
The major contributors to this budget variation are the two projects to renew non Council assets being the Grandstand \$1.3m and the Sturt Canal bridge \$2.7m.				
Borrowing costs	94	119	(25)	(27)% U
The variation to budget is due to the underestimation of the interest on the Leeton Swimming Pool loan.				
Depreciation, amortisation and impairment of non-financial assets	6,301	7,268	(967)	(15)% U
The original budget for depreciation and amortisation could not take into account the increase in depreciation following the increase in valuation of Council's network of Roads, Footpaths, Stormwater and Bridges. This change in valuation meant an increase in depreciation of approximately \$900k.				
Other expenses	244	2,904	(2,660)	(1,090)% U
Other Expenses includes the initial recognition of the Landfill Rehabilitation provision of \$2.6m which covers 10 years of provision. Without this item "Other Expenses" are \$235k which is 4% under the \$245k budget.				
Net losses from disposal of assets	-	42	(42)	∞ U
No loss on disposal was budgeted				
STATEMENT OF CASH FLOWS				
Cash flows from operating activities	16,297	12,483	(3,814)	(23)% U
The decrease in cash from operating activities relates to the two large projects undertaken by Council that were originally budgeted as capital but are operating in nature.				
Cash flows from investing activities	(15,906)	(9,771)	6,135	(39)% F
The increase in cash from operating activities relates to the two large projects undertaken by Council that were originally budgeted as capital but are operating in nature.				
Cash flows from financing activities	1,458	(443)	(1,901)	(130)% U
The original budget included a new loan of \$1.9m. This loan was not sought.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2021 \$ '000	2020 \$ '000
Cash and cash equivalents		
Cash on hand and at bank	1,566	2,837
Cash-equivalent assets		
– Deposits at call	11,566	8,026
Total cash and cash equivalents	13,132	10,863
Total cash and cash equivalents per Statement of Financial Position	13,132	10,863
Balance as per the Statement of Cash Flows	13,132	10,863

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Debt securities at amortised cost				
Long term deposits	25,500	4,000	28,500	6,500
FRN's (with maturities > 3 months)	650	3,700	–	4,350
Total	26,150	7,700	28,500	10,850
Total financial investments	26,150	7,700	28,500	10,850
Total cash assets, cash equivalents and investments	39,282	7,700	39,363	10,850

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Council's financial assets measured at fair value through profit or loss comprise of investments held as Floating Rate Notes in the Statement of Financial Position.

Interest income, impairment and gains or loss on de-recognition are recognised in the income statement.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

C1-3 Restricted cash, cash equivalents and investments

	2021 Current	2021 Non-current	2020 Current	2020 Non-current
--	-----------------	---------------------	-----------------	---------------------

continued on next page ...

Page 33

C1-3 Restricted cash, cash equivalents and investments (continued)

	\$ '000	\$ '000	\$ '000	\$ '000
attributable to:				
External restrictions	25,926	7,700	22,203	10,850
Internal restrictions	11,417	-	15,985	-
Unrestricted	1,939	-	1,175	-
	<u>39,282</u>	<u>7,700</u>	<u>39,363</u>	<u>10,850</u>
Total cash, cash equivalents and investments	39,282	7,700	39,363	10,850

	2021	2020
	\$ '000	\$ '000

Details of restrictions

External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	651	479
Developer contributions – water fund	30	28
Specific purpose unexpended grants – general fund	2,482	2,470
Water fund	16,757	15,896
Water supplies – retention	-	1
Water supplies – carry over works	375	638
Sewer fund	7,615	6,502
Sewerage services – carry over works	1,792	1,891
Stormwater management	76	298
Deposits, retention and bonds	331	331
Un-expended Loan Funds	-	1,281
Domestic waste management	898	3,238
DWM - Landfill Provision	2,619	-
External restrictions	33,626	33,053
Total external restrictions	33,626	33,053

Internal restrictions

Council has internally restricted cash, cash equivalents and investments as follows:

Plant and vehicle replacement	2,000	1,961
Infrastructure replacement	2,000	2,746
Employees leave entitlement	1,328	2,113
Unfinished Works	-	2,368
Buildings	1,000	676
Childcare centre	200	231
Community services – Youth	-	16
Emergency services	-	30
Aged housing	-	116
Insurance	-	41
Workers compensation equalisation	165	397
Aerodrome	200	315
Roads general	2,000	2,281
Roxy theatre	-	102
Stadium	-	12
Sportsgrounds improvements	300	265
Swimming pool	950	1,044
Land development	800	715
Renewable Energy Efficiencies	120	100
Cemetery Expansion	-	100
Leeton Museum & Art Gallery	300	150

continued on next page ...

Page 34

C1-3 Restricted cash, cash equivalents and investments (continued)

	2021	2020
	\$ '000	\$ '000
Computer & Office Equipment	-	50
Community Grant Schemes	-	6
Valuation Reserve	-	40
Election Reserve	-	110
Mainstreet Project - Facade Painting	54	-
Total internal restrictions	11,417	15,985
Total restrictions	45,043	49,038

Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

C1-4 Receivables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Purpose				
Rates and annual charges	441	-	182	-
Interest and extra charges	49	-	78	-
User charges and fees	1,380	-	550	-
Accrued revenues				
- Interest on investments	267	-	337	-
- Other income accruals	45	-	428	-
Deferred debtors	65	45	71	76
Government grants and subsidies	54	-	193	-
Net GST receivable	352	-	377	-
Total	2,653	45	2,216	76
Less: provision of impairment				
Rates and annual charges	(11)	-	(11)	-
User charges and fees	(5)	-	(5)	-
Total provision for impairment – receivables	(16)	-	(16)	-
Total net receivables	2,637	45	2,200	76
Externally restricted receivables				
Water supply				
- Water Consumption Charges	327	-	284	-
- Rates and availability charges	78	-	64	-
- Other	27	4	19	25
Sewerage services				
- Accrued Income	117	-	126	-
- Rates and availability charges	57	-	84	-
- Other	42	10	51	4
Total external restrictions	648	14	628	29
Unrestricted receivables	1,989	31	1,572	47
Total net receivables	2,637	45	2,200	76

	2021 \$ '000	2020 \$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year	16	16
Balance at the end of the year	16	16

continued on next page ...

Page 36

C1-4 Receivables (continued)

Accounting policy

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

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

Impairment

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

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

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 2 years past due, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

COVID-19

Council's rates and user charges have not been significantly impacted by the COVID-19 pandemic and are comparable to prior years, therefore no adjustment has been made to the impairment provision.

Cashflows and interest income may have been impacted in 2020/21 due to the State Government legislating that rate instalments can be deferred until 30 September 2020 and no interest can be charged until after 31 December 2020.

The impact this may have is not able to be measured at this stage however it is not expected to be significant.

C1-5 Inventories

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
(i) Inventories at cost				
Real estate for resale	1,087	-	866	-
Stores and materials	118	-	116	-
Total inventories at cost	1,205	-	982	-
Total inventories	1,205	-	982	-

continued on next page ...

Page 38

C1-5 Inventories (continued)

(i) Other disclosures

Notes	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
(a) Details for real estate development				
Residential	41	-	41	-
Industrial/commercial	1,023	-	802	-
Other properties	23	-	23	-
Total real estate for resale	1,087	-	866	-

(Valued at the lower of cost and net realisable value)

Represented by:

Acquisition costs	890	-	558	-
Development costs	197	-	308	-
Total costs	1,087	-	866	-

Total real estate for resale

1,087	-	866	-
--------------	----------	------------	----------

Movements:

Real estate assets at beginning of the year	866	-	603	-
- Purchases and other costs	353	-	411	-
- Transfers to and from Land Assets	-	-	50	-
- WDV of sales (expense)	(132)	-	(198)	-
Total real estate for resale	1,087	-	866	-

(b) Current inventories not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

	2021 \$ '000	2020 \$ '000
Real estate for resale	878	524
	878	524

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Real Estate held for resale

Real Estate held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of Real Estate held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period								At 30 June 2021		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ⁽¹⁾ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Adjustments and transfers \$ '000	Write-off Assets decrements to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	4,885	–	4,885	1,964	1,135	–	–	(3,979)	(236)	–	–	3,769	–	3,769
Plant and equipment	8,051	(1,155)	6,896	–	865	(630)	(696)	–	–	–	–	8,095	(1,660)	6,435
Office Furniture & Equipment	585	(119)	466	–	525	–	(122)	160	–	–	–	1,271	(242)	1,029
Land:														
– Operational land	5,148	–	5,148	–	–	–	–	–	–	–	–	5,148	–	5,148
– Community land	8,029	–	8,029	–	–	–	–	–	–	–	–	8,029	–	8,029
Land improvements – depreciable	1,706	(574)	1,132	28	–	–	(39)	29	–	–	–	1,763	(613)	1,150
Infrastructure:														
– Buildings – non-specialised	209	(10)	199	–	–	–	(5)	–	–	–	–	209	(15)	194
– Buildings – specialised	28,079	(1,683)	26,396	298	458	–	(916)	704	–	–	–	29,539	(2,599)	26,940
– Other structures	7,736	(695)	7,041	3,600	313	–	(363)	1,026	–	–	–	12,675	(1,058)	11,617
– Roads	77,209	(1,087)	76,122	2,621	2,532	–	(2,818)	431	–	1,133	–	82,839	(2,818)	80,021
– Bridges	4,639	–	4,639	–	–	–	(75)	–	–	–	–	4,639	(75)	4,564
– Footpaths	7,736	–	7,736	51	–	–	(145)	–	–	–	–	7,787	(145)	7,642
– Bulk earthworks (non-depreciable)	38,930	–	38,930	–	–	–	–	–	–	–	–	38,930	–	38,930
– Stormwater drainage	25,706	–	25,706	273	152	–	(306)	250	–	–	–	26,380	(305)	26,075
– Water supply network	58,985	(35,130)	23,855	933	–	–	(891)	789	–	16,563	–	88,032	(46,783)	41,249
– Sewerage network	66,752	(37,428)	29,324	109	–	–	(871)	590	–	7,176	–	62,150	(25,822)	36,328
Other assets:														
– Other assets	113	(23)	90	–	34	–	(21)	–	–	–	–	147	(44)	103
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):														
– Tip assets	–	–	–	–	667	–	–	–	–	–	–	667	–	667
Total infrastructure, property, plant and equipment	344,498	(77,904)	266,594	9,877	6,681	(630)	(7,268)	–	(236)	–	24,872	382,069	(82,179)	299,890

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

continued on next page ...

Page 40

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

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period								At 30 June 2020		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ⁽¹⁾ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Adjustments and transfers \$ '000	Tfrs from/(to) real estate assets (Note C1-5) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	2,688	–	2,688	2,688	1,390	–	–	(1,832)	–	(50)	–	4,885	–	4,885
Plant and equipment	7,131	(550)	6,581	–	1,395	(396)	(684)	–	–	–	–	8,051	(1,155)	6,896
Office equipment	368	(39)	329	–	203	–	(81)	14	–	–	–	585	(119)	466
Land:														
– Operational land	4,473	–	4,473	–	470	–	–	–	–	–	205	5,148	–	5,148
– Community land	8,029	–	8,029	–	–	–	–	–	–	–	–	8,029	–	8,029
Land improvements – depreciable	1,651	(539)	1,112	55	–	–	(35)	–	–	–	–	1,706	(574)	1,132
Infrastructure:														
– Buildings – non-specialised	232	(5)	227	12	–	–	(5)	–	35	–	–	209	(10)	199
– Buildings – specialised	25,166	(830)	24,336	988	50	–	(853)	365	(35)	–	1,475	28,079	(1,683)	26,396
– Other structures	7,485	(326)	7,159	170	26	–	(368)	54	–	–	–	7,736	(695)	7,041
– Roads	104,131	(29,815)	74,316	3,121	693	–	(2,322)	58	–	–	256	77,209	(1,087)	76,122
– Bridges	3,724	(684)	3,040	–	–	–	(37)	–	–	–	1,636	4,639	–	4,639
– Footpaths	6,390	(1,198)	5,192	41	284	–	(70)	–	–	–	2,289	7,736	–	7,736
– Bulk earthworks (non-depreciable)	8,706	–	8,706	–	–	–	–	–	–	–	30,224	38,930	–	38,930
– Stormwater drainage	10,498	(2,300)	8,198	156	–	–	(125)	–	–	–	17,477	25,706	–	25,706
– Water supply network	58,025	(33,933)	24,092	329	–	–	(875)	80	–	–	229	58,985	(35,130)	23,855
– Sewerage network	64,837	(36,377)	28,460	38	–	–	(705)	1,261	–	–	270	66,752	(37,428)	29,324
Other assets:														
– Other assets	73	(10)	63	–	40	–	(13)	–	–	–	–	113	(23)	90
– Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total infrastructure, property, plant and equipment	313,607	(106,606)	207,001	7,598	4,551	(396)	(6,173)	–	–	(50)	54,061	344,498	(77,904)	266,594

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

continued on next page ...

Page 41

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

Accounting policy

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Industry (DoI) – Water.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	3 to 5		
Vehicles	5 to 10	Buildings	
Heavy plant/road making equipment	5 to 15	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 150
		Stormwater assets	
Water and sewer assets		Drains	80 to 100
Dams and reservoirs	80 to 100	Culverts	50 to 100
Water Treatment Plants	30 to 70	Flood control structures	80 to 100
Reticulation pipes: PVC	70 to 80		
Reticulation pipes: other	45 to 80		
Pumps and telemetry	15 to 20		
		Other infrastructure assets	
Transportation assets		Bulk earthworks	infinite
Sealed roads: surface	20	Swimming pools	60
Sealed roads: structure	50	Other open space/recreational assets	15 to 200
Unsealed roads	20 to 150	Other infrastructure	15 to 100
Bridge: concrete	100	Tip Assets	2 to 5
Other Road Assets	40 to 100		
Road pavements	60		
Kerb, gutter and footpaths	100		

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

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 *Land Under Roads*.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note C1-2.

continued on next page ...

Page 42

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

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the Rural Fire Services Act 1997 (NSW), "all firefighting equipment purchased or constructed wholly of from money to the credit of the Fund is to be vested in the Council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

However, pursuant to the Council's Rural Fire District Agreement with the Commissioner of the NSW Rural Fire Service, the Council has transferred substantially all of the rights and obligations in respect to all fire fighting equipment vested in the Council to the Commissioner for the foreseeable future. In accordance with the requirements of the Australian Accounting Standards and the Code of Accounting Practice, the Leeton Shire Council has continued not to recognise in their financial statements any rural firefighting plant and equipment assets that have been "vested" in Council.

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land:	All purchases are capitalised, but land resumed for public works need not be capitalised if the resumption costs are less than \$5,000.
Buildings and Land Improvements:	Capital expenses totalling less than \$2,000 need not be capitalised.
Plant & Equipment and Office Furniture & Equipment:	Capital expenses totalling less than \$1,000 need not be capitalised.
Water & Sewer Assets:	Capital expense totalling less than \$5,000 need not be capitalised.
Stormwater Assets:	Capital expense totalling less than \$5,000 need not be capitalised.
Transport Assets:	Capital expense totalling less than \$10,000 on any road or other asset need not be capitalised.
Other Infrastructure Assets:	Capital expenses on swimming pools less than \$10,000 or on any other recreational asset less than \$1,000 need not be capitalised

Externally restricted infrastructure, property, plant and equipment

	as at 30/06/21			as at 30/06/20		
	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000
Water supply						
WIP	108	-	108	789	-	789
Plant and equipment	139	45	94	139	30	109
Office equipment	8	7	1	9	6	3
Buildings	846	103	743	846	68	778
Other structures	60	5	55	60	3	57
Infrastructure	88,032	46,783	41,249	58,985	35,130	23,855
Total water supply	89,193	46,943	42,250	60,828	35,237	25,591
Sewerage services						
WIP	292	-	292	601	-	601
Plant and equipment	285	87	198	281	57	224
Buildings	339	39	300	189	26	163
Other structures	159	14	145	159	8	151
Infrastructure	62,150	25,822	36,328	66,751	37,427	29,324
Total sewerage services	63,225	25,962	37,263	67,981	37,518	30,463
Domestic waste management						
Plant and equipment	379	94	285	379	78	301
Land						
- Operational land	494	-	494	494	-	494
- Improvements - depreciable	68	3	65	-	-	-
Buildings	505	7	498	-	-	-
Tip Assets	667	-	667	-	-	-
Total domestic waste management	2,113	104	2,009	873	78	795
Total restricted infrastructure, property, plant and equipment	154,531	73,009	81,522	129,682	72,833	56,849

C1-7 Intangible assets

Intangible assets are as follows:

	2021 \$ '000	2020 \$ '000
Water Licences		
Opening values at 1 July		
Gross book value	8,371	8,343
Net book value – opening balance	8,371	8,343
Movements for the year		
– Revaluation	(55)	28
Closing values at 30 June		
Gross book value	8,316	8,371
Total Water Licences – net book value	8,316	8,371
Total intangible assets – net book value	8,316	8,371

Accounting policy

Council holds a number of high and general security water licences which it recognises as an intangible asset.

- The water licences are individually tradable on the open water licence sales market.
- The licences were obtained principally through land acquisitions where the water licence was attached to the land.
- The water licences are individually tradable separate from the land and can be sold on a permanent or temporary basis.
- Income received from the sale of water entitlements are disclosed as other revenue.
- The licences are recorded in Council's accounts at fair value based on market valuations obtained from the open water licence sales market at balance date.
- No amortisation costs are applicable, as high and general security licences have an indefinite life.
- Water licences purchased are initially recorded at cost and are revalued at least every 5 years based on market evidence.
- Water licences are tested for impairment annually based on market evidence. If the recoverable amount is less than the carrying amount the carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss.

C2 Leasing activities

C2-1 Council as a lessee

Office equipment

Leases for office equipment are generally for low value assets. The leases are for 5 years with no renewal option, the payments are fixed.

(a) Income Statement

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

	2021 \$ '000	2020 \$ '000
Expenses relating to low-value leases	<u>2</u>	<u>2</u>
	2	2

(b) Statement of Cash Flows

Total cash outflow for leases	<u>2</u>	<u>2</u>
	2	2

(c) Leases at significantly below market value – concessionary / peppercorn leases

C2-1 Council as a lessee (continued)

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has no concessionary leases or below market value leases.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups, training providers, emergency services, businesses and individuals. These leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E. They have not been classified under AASB 140 *Investment Property* as they are held for strategic purposes.

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

	2021 \$ '000	2020 \$ '000
Operating lease expenses		
Operating expenses from property that generated rental income	400	413
Total expenses relating to operating leases	400	413
Council does not lease any Property, Plant or Equipment .		
Lease income (excluding variable lease payments not dependent on an index or rate)	286	305
Total income relating to operating leases for Council assets	286	305

continued on next page ...

Page 47

C2-2 Council as a lessor (continued)

Reconciliation of IPPE assets leased out as operating leases

	Plant & Equipment 2021 \$ '000	Plant & Equipment 2020 \$ '000
Opening balance as at 1 July	4,694	2,579
Additions renewals	93	727
Depreciation expense	(178)	(185)
WIP transfers	93	98
Revaluation increments to equity (ARR)	-	1,475
Closing balance as at 30 June	4,702	4,694
	2021	2020
	\$ '000	\$ '000

(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	174	22
1–2 years	136	267
2–3 years	136	251
3–4 years	98	216
4–5 years	98	209
> 5 years	102	239
Total undiscounted lease payments to be received	744	1,204

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Payables				
Goods and services	1,652	–	1,726	–
Accrued expenses:				
– Accrued Interest on Borrowings	28	–	35	–
– Salaries and wages	420	–	337	–
– Other expenditure accruals	130	–	210	–
Security bonds, deposits and retentions	333	–	341	–
Prepaid rates	179	–	–	–
Total payables	2,742	–	2,649	–
Total payables	2,742	–	2,649	–

Payables relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Water	1	–	13	–
Sewer	–	–	7	–
Payables relating to externally restricted assets	1	–	20	–
Total payables relating to restricted assets	1	–	20	–
Total payables relating to unrestricted assets	2,741	–	2,629	–
Total payables	2,742	–	2,649	–

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

	Notes	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	1,744	–	1,515	–
Unexpended operating grants (enforceable contracts)	(ii)	294	–	406	–

continued on next page ...

Page 49

C3-2 Contract Liabilities (continued)

Notes	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Total grants received in advance	2,038	-	1,921	-
User fees and charges received in advance:				
Child Care Fees in Advance - Leeton Early Learning Centre (iii)	8	-	10	-
Other	359	-	381	-
Total user fees and charges received in advance	367	-	391	-
Total contract liabilities	2,405	-	2,312	-

Notes

(i) Council has received funding to construct assets including Leeton Swimming Pool, Drought Relief Round #3 & CBD Enhancement Projects and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 1058 being an enforceable contract.

(iii) Childcare fees are paid 2 weeks in advance with 2 weeks notice required for non-attendance/cancellation. No option for refunds is available if the child does not attend. Parents sign an enrolment form that details all the relevant terms and conditions. Revenue is recognised as Council provides the service.

Contract liabilities relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Unspent grants held as contract liabilities (excl. Water & Sewer)	2,003	-	1,931	-
Contract liabilities relating to externally restricted assets	2,003	-	1,931	-
Total contract liabilities relating to unrestricted assets	402	-	381	-
Total contract liabilities	2,405	-	2,312	-

Revenue recognised that was included in the contract liability balance at the beginning of the period

	2021 \$ '000	2020 \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	238	666
Operating grants (received prior to performance obligation being satisfied)	1,371	572
Total revenue recognised that was included in the contract liability balance at the beginning of the period	1,609	1,238

continued on next page ...

Page 50

C3-2 Contract Liabilities (continued)

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Loans – secured ¹	464	2,851	442	3,316
Total borrowings	464	2,851	442	3,316

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures and security can be found in Note E1-1.

Borrowings relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Total borrowings relating to unrestricted assets	464	2,851	442	3,316
Total borrowings	464	2,851	442	3,316

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

The following borrowings, even though classified as current, are not expected to be settled in the next 12 months.

C3-3 Borrowings (continued)

(a) Changes in liabilities arising from financing activities

	2020		2021
	Opening Balance \$ '000	Cash flows \$ '000	Closing balance \$ '000
Loans – secured	3,758	(443)	3,315
Total liabilities from financing activities	3,758	(443)	3,315

	2019		Non-cash movements		2020
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Acquisition due to change in accounting policy \$ '000	Closing balance \$ '000
Loans – secured	1,634	(325)	2,449	–	3,758
Total liabilities from financing activities	1,634	(325)	2,449	–	3,758

(b) Financing arrangements

	2021 \$ '000	2020 \$ '000
Total facilities		
Bank overdraft facilities ¹	545	545
Credit cards/purchase cards	50	50
Total financing arrangements	595	595
Drawn facilities		
– Credit cards/purchase cards	16	14
Total drawn financing arrangements	16	14
Undrawn facilities		
– Bank overdraft facilities	545	545
– Credit cards/purchase cards	34	36
Total undrawn financing arrangements	579	581

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Councils Loans are secured by future cash flows.

Leased liabilities are secured by the underlying leased assets.

Bank overdrafts

The bank overdraft of Council is secured by future cashflows of Council.

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

Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that

continued on next page ...

Page 52

C3-3 Borrowings (continued)

it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs are expensed when incurred.

C3-4 Employee benefit provisions

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Annual leave	969	–	852	–
Long service leave	1,603	272	1,519	258
ELE on-costs	49	5	34	3
Total employee benefit provisions	2,621	277	2,405	261

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

	2021 \$ '000	2020 \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,621	1,416
	1,621	1,416

Description of and movements in provisions

	ELE provisions			Total \$ '000
	Annual leave \$ '000	Long service leave \$ '000	ELE on-costs \$ '000	
2021				
At beginning of year	852	1,777	37	2,666
Remeasurement effects	20	(11)	12	21
Other	97	109	5	211
Total ELE provisions at end of year	969	1,875	54	2,898
2020				
At beginning of year	723	1,711	45	2,479
Remeasurement effects	129	(192)	–	(63)
Other	–	258	(8)	250
Total ELE provisions at end of year	852	1,777	37	2,666

C3-4 Employee benefit provisions (continued)

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C3-5 Provisions

	2021 Current \$ '000	2021 Non-Current \$ '000	2020 Current \$ '000	2020 Non-Current \$ '000
Asset remediation/restoration:				
Asset remediation/restoration (future works)	-	3,336	-	-
Sub-total – asset remediation/restoration	-	3,336	-	-
Total provisions	-	3,336	-	-
Provisions relating to restricted assets				
Externally restricted assets				
Domestic waste management	-	3,336	-	-
Provisions relating to externally restricted assets	-	3,336	-	-
Total provisions relating to restricted assets	-	3,336	-	-
Total provisions	-	3,336	-	-

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

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

Description of and movements in provisions

continued on next page ...

Page 55

C3-5 Provisions (continued)

	Asset remediation \$ '000	Net carrying amount \$ '000
2021		
Initial recognition of Landfill Rehabilitation Provision	3,336	3,336
2020		
Initial recognition of Landfill Rehabilitation Provision	-	-

Accounting policy

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

C4 Reserves

C4-1 Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

Water Licences

The reserve for high security water licences is used to record increments/decrements in the value of tradeable water licences.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
Income from continuing operations			
Rates and annual charges	9,579	1,448	2,412
User charges and fees	3,866	3,042	837
Interest and investment revenue	387	191	103
Other revenues	671	126	10
Grants and contributions provided for operating purposes	8,517	72	29
Grants and contributions provided for capital purposes	6,883	32	11
Other income	286	-	-
Total income from continuing operations	30,189	4,911	3,402
Expenses from continuing operations			
Employee benefits and on-costs	9,294	1,900	1,158
Materials and services	11,286	1,311	719
Borrowing costs	119	-	-
Depreciation, amortisation and impairment of non-financial assets	5,402	946	920
Other expenses	2,904	-	-
Net losses from the disposal of assets	42	-	-
Total expenses from continuing operations	29,047	4,157	2,797
Operating result from continuing operations	1,142	754	605
Net operating result for the year	1,142	754	605
Net operating result attributable to each council fund	1,142	754	605
Net operating result for the year before grants and contributions provided for capital purposes	(5,741)	722	594

D1-2 Statement of Financial Position by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	5,610	5,047	2,475
Investments	11,436	9,359	5,355
Receivables	2,005	416	216
Inventories	1,205	-	-
Other	55	4	-
Total current assets	20,311	14,826	8,046
Non-current assets			
Investments	3,367	2,756	1,577
Receivables	15	20	10
Infrastructure, property, plant and equipment	220,377	42,250	37,263
Intangible assets	8,316	-	-
Total non-current assets	232,075	45,026	38,850
TOTAL ASSETS	252,386	59,852	46,896
LIABILITIES			
Current liabilities			
Payables	2,741	1	-
Contract liabilities	2,405	-	-
Borrowings	464	-	-
Employee benefit provision	2,621	-	-
Total current liabilities	8,231	1	-
Non-current liabilities			
Borrowings	2,851	-	-
Employee benefit provision	277	-	-
Provisions	3,336	-	-
Total non-current liabilities	6,464	-	-
TOTAL LIABILITIES	14,695	1	-
Net assets	237,691	59,851	46,896
EQUITY			
Accumulated surplus	86,218	25,623	21,029
Revaluation reserves	151,473	34,228	25,867
Council equity interest	237,691	59,851	46,896
Total equity	237,691	59,851	46,896

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

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

	Carrying value 2021 \$ '000	Carrying value 2020 \$ '000	Fair value 2021 \$ '000	Fair value 2020 \$ '000
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	13,132	10,863	13,132	10,863
Receivables	2,682	2,276	2,458	1,895
Investments				
– Debt securities at amortised cost	33,850	39,350	33,850	39,350
Total financial assets	49,664	52,489	49,440	52,108
Financial liabilities				
Payables	2,742	2,649	2,563	3,027
Loans/advances	3,315	3,758	3,315	3,759
Total financial liabilities	6,057	6,407	5,878	6,786

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

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

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.

continued on next page ...

Page 60

E1-1 Risks relating to financial instruments held (continued)

- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

	2021 \$ '000	2020 \$ '000
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	467	334

E1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

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

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

	Not yet overdue \$ '000	< 1 year overdue \$ '000	1 - 2 years overdue \$ '000	2 - 5 years overdue \$ '000	> 5 years overdue \$ '000	Total \$ '000
2021						
Gross carrying amount	258	1	1	2	–	262
2020						
Gross carrying amount	199	182	–	–	–	381

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

	Not yet overdue \$ '000	0 - 30 days overdue \$ '000	31 - 60 days overdue \$ '000	61 - 90 days overdue \$ '000	> 91 days overdue \$ '000	Total \$ '000
2021						
Gross carrying amount	807	417	588	153	292	2,257
Expected loss rate (%)	0.00%	0.00%	1.50%	1.50%	1.50%	0.69%
ECL provision	–	–	9	2	4	15
2020						
Gross carrying amount	1,880	12	21	192	5	2,110
Expected loss rate (%)	0.00%	0.00%	1.50%	1.50%	1.50%	0.15%
ECL provision	–	–	–	5	–	5

continued on next page ...

Page 62

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

	Weighted average interest rate %	Subject to no maturity \$ '000	payable in: ≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000	Total cash outflows \$ '000	Actual carrying values \$ '000
2021							
Trade/other payables	0.00%	333	2,409	–	–	2,742	2,742
Loans and advances	3.50%	–	570	1,501	1,928	3,999	3,315
Total financial liabilities		333	2,979	1,501	1,928	6,741	6,057
2020							
Trade/other payables	0.00%	362	2,284	–	–	2,646	2,649
Loans and advances	4.06%	–	573	1,741	2,366	4,680	3,758
Total financial liabilities		362	2,857	1,741	2,366	7,326	6,407

Loan agreement breaches

There have been no breaches to loan agreements during the reporting year.

E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Intangibles

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy									
		Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Recurring fair value measurements											
Infrastructure, property, plant and equipment C1-6											
Plant and equipment		30/06/18	30/06/18	-	-	-	-	6,435	6,896	6,435	6,896
Office Furniture & Equipment		30/06/18	30/06/18	-	-	-	-	1,029	466	1,029	466
Operational land		30/06/18	30/06/18	-	-	5,148	5,148	-	-	5,148	5,148
Community land		30/06/18	30/06/18	-	-	-	-	8,029	8,029	8,029	8,029
Land improvements		30/06/18	30/06/18	-	-	-	-	1,150	1,132	1,150	1,132
Buildings – specialised		30/06/18	30/06/18	-	-	-	-	26,940	26,396	26,940	26,396
Buildings – non-specialised		30/06/18	30/06/18	-	-	194	199	-	-	194	199
Other structures		30/06/18	30/06/18	-	-	-	-	11,617	7,041	11,617	7,041
Roads		30/06/20	30/06/20	-	-	-	-	80,021	76,122	80,021	76,122
Bridges		30/06/20	30/06/20	-	-	-	-	4,564	4,639	4,564	4,639
Footpaths		30/06/20	30/06/20	-	-	-	-	7,642	7,736	7,642	7,736
Bulk earthworks		30/06/20	30/06/20	-	-	-	-	38,930	38,930	38,930	38,930
Stormwater drainage		30/06/20	30/06/20	-	-	-	-	26,075	25,706	26,075	25,706
Water supply network		30/06/21	30/06/20	-	-	-	-	41,249	23,855	41,249	23,855
Sewerage network		30/06/21	30/06/20	-	-	-	-	36,328	29,324	36,328	29,324
Tip Assets		30/06/21		-	-	-	-	667	-	667	-
Other assets		30/06/18	30/06/18	-	-	-	-	103	90	103	90
Total infrastructure, property, plant and equipment				-	-	5,342	5,347	290,779	256,362	296,121	261,709
Intangible assets											
Water Licences		30/06/21	30/06/20	8,316	8,371	-	-	-	-	8,316	8,371
Total intangible assets				8,316	8,371	-	-	-	-	8,316	8,371

continued on next page ...

Page 65

E2-1 Fair value measurement (continued)

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The objective of using a valuation technique is to estimate the price at which an orderly transaction to sell or to transfer the liability would take place between market participants at the measurement date under current market conditions. Three widely used valuation techniques are the market approach, the cost approach and the income approach. Leeton Shire Council use valuation techniques consistent with one or more of those approaches to measure fair value on all its asset classes.

Cost Approach

A valuation technique that reflects the amount that could be required to replace the service capacity of an asset.

Income Approach

Valuation technique that converts future amounts (cash flows or income and expenses) to a single current (discount) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

Market Approach

A valuation technique that uses prices and other relevant information, generated by the market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities such as a business.

Fair value measurements using significant unobservable inputs (level 3)

The valuation process for level 3 fair value measurements

Council assesses the expertise required for the valuation of all assets classes in determining who will undertake the valuations. All asset classes with the exception of Operational and Community Land and Buildings are undertaken by Council's assets officer in conjunction with the various technical staff.

Operational Land and Building valuations are conducted by a qualified external valuer, Community Land is valued using the Valuer Generals valuation.

Management reviews the valuations reports for consistency and accuracy and to ensure all valuations movements are fully explained.

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Fair value (30/6/21) 2021 \$ '000	Valuation technique/s	Unobservable inputs
Plant, equipment, furniture, fittings and office equipment	7,464	Cost used to approximate fair value	Gross replacement cost, useful life and residual value
Community Land	8,029	Rate per square metre. \$0.03 - \$120.15	Land value, land area
Land Improvements	1,150	Cost used to approximate fair value	Asset condition, remaining lives, residual value
Specialised buildings	26,940	Cost approach based on sq metre rate	Asset condition, consumption rate, remaining lives
Other structures (Includes Swimming Pools and other Recreational assets)	11,617	Cost used to approximate fair value	Gross replacement cost, useful life and residual value or Asset Condition, consumption rate and remaining life.
Roads, bridges, footpaths, bulkworks	131,157	Unit rates per sq metre or length	Asset condition, remaining lives, residual value
Stormwater drainage	26,075	Unit rates per sq metre or length	Asset condition, remaining lives, residual value

continued on next page ...

Page 66

E2-1 Fair value measurement (continued)

	Fair value (30/6/21) 2021 \$ '000	Valuation technique/s	Unobservable inputs
Water Supply and Sewerage Network	77,577	Based on NSW Office of Water Reference Rates Manual	Asset condition, pattern of consumption, residual value, components, dimensions and specification, unit rates
Other assets	103	Cost used to approximate fair value	Gross replacement cost, useful life and residual value
Tip Assets	667	Cost used to approximate fair value	Gross replacement cost, useful life and residual value or Asset Condition, consumption rate and remaining life.

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

	Total IPP&E	
	2021 \$ '000	2020 \$ '000
Opening balance	256,362	199,613
Total gains or losses for the period		
Recognised in other comprehensive income – revaluation surplus	24,872	53,858
Other movements		
Transfers from/(to) another asset class	3,979	1,866
Purchases (GBV)	13,459	7,589
Disposals (WDV)	(630)	(396)
Depreciation and impairment	(7,263)	(6,168)
Closing balance	290,779	256,362

E2-1 Fair value measurement (continued)

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:

None

Highest and best use

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

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

* For 180 Point Members, Employers are required to contribute 7% of salaries for the year ending 30 June 2021 (increasing to 7.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2019 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

continued on next page ...

Page 69

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2021 was \$132,707.51. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2020.

The amount of additional contributions included in the total employer contribution advised above is \$93,800. Council's expected contribution to the plan for the next annual reporting period is \$147,757.08.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2021 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,620.5	
Past Service Liabilities	2,445.6	107.2%
Vested Benefits	2,468.7	106.2%

* excluding member accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 0.23% as at 30 June 2020.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2021

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

E3-1 Contingencies (continued)

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) S94/94A Plans

Council levies section 94/94A contributions upon various developments across the Council area through the required contribution plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receiving funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(iii) Tips and quarries

Council operates tips and quarries and will have to rehabilitate the sites at some future date. As at 30 June 2020 Council is unable to reliably estimate the financial cost of such work.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30 June 2008.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

(iii) Riverina and Murray Joint Organisation

Council is a member of the Riverina and Murray Joint Organisation (RAMJO), established under the *Local Government Act 1993 (NSW)* together with the Albury City, Berrigan Shire, Carrathool Shire, Edward River, Federation, Griffith City, Hay Shire, Murray River, Murrumbidgee and Narrandera Shire Councils. Council have not recognised their share of the net assets of the Joint Organisation based on materiality and accordingly these have not been included as part of the primary financial statements.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	2021	2020
	\$ '000	\$ '000
Compensation:		
Short-term benefits	854	656
Post-employment benefits	63	44
Other long-term benefits	14	13
Termination benefits	29	15
Total	960	728

continued on next page ...

Page 72

F1-1 Key management personnel (KMP) (continued)

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction	Ref	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2021						
Airconditioning Maintenance and Servicing	1	7	-	30 day terms on invoices, market value	-	-
Consultancy - Director	2	172	-	14 day terms on invoices, market value	-	-
2020						
Airconditioning Maintenance and Servicing	1	4	-	30 day terms on invoices, market value	-	-
Consultancy - Director	2	86	20	14 day terms on invoices, market value	-	-

1 Council transacts with the KMP controlled Weston and Weston. Contracts are awarded through a competitive procurement process.

2 Council has entered into an agreement with Star Advisory for the provision of consultancy.

F1-2 Councillor and Mayoral fees and associated expenses

	2021	2020
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	26	26
Councillors' fees	109	110
Other Councillors' expenses (including Mayor)	40	58
Total	175	194

F2 Other relationships

F2-1 Audit fees

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements	5	47
--	---	----

Remuneration for audit and other assurance services	5	47
--	----------	-----------

Total Auditor-General remuneration	5	47
---	----------	-----------

Non NSW Auditor-General audit firms

(i) Audit and other assurance services

Other audit and assurance services	3	3
------------------------------------	---	---

Internal Audit	12	51
----------------	----	----

Remuneration for audit and other assurance services	15	54
--	-----------	-----------

Total remuneration of non NSW Auditor-General audit firms	15	54
--	-----------	-----------

Total audit fees	20	101
-------------------------	-----------	------------

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2021 \$ '000	2020 \$ '000
Net operating result from Income Statement	2,501	6,438
Adjust for non-cash items:		
Depreciation and amortisation	7,268	6,173
Net losses/(gains) on disposal of assets	42	122
Adoption of AASB 15/1058	-	(1,483)
+/- Movement in operating assets and liabilities and other cash items:		
Decrease/(increase) in receivables	(443)	1,979
Decrease/(increase) in inventories	(2)	(28)
Decrease/(increase) in other current assets	9	(21)
Increase/(decrease) in payables	(74)	966
Increase/(decrease) in accrued interest payable	(7)	6
Increase/(decrease) in other accrued expenses payable	3	208
Increase/(decrease) in other liabilities	171	(1,178)
Increase/(decrease) in contract liabilities	93	1,931
Increase/(decrease) in provision for employee benefits	232	187
Increase/(decrease) in other provisions	2,690	-
Net cash provided from/(used in) operating activities from the Statement of Cash Flows	12,483	15,300

G2-1 Commitments

Capital commitments (exclusive of GST)

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	75	1,878
Water infrastructure	-	869
Sewer infrastructure	170	3,101
Roads and drainage	142	4,347
Other Structures	1,015	4,961
Total commitments	1,402	15,156

These expenditures are payable as follows:

Within the next year	1,402	15,156
Total payable	1,402	15,156

Sources for funding of capital commitments:

Unrestricted general funds	336	-
Unexpended/Future grants/Contract	896	9,632
Externally restricted reserves	170	4,201
Internally restricted reserves	-	1,323
Total sources of funding	1,402	15,156

Details of capital commitments

Capital commitments includes Purchase Orders raised but items not yet supplied, unfinished works and revoked works.

G3 Changes from prior year statements

G3-1 Changes in accounting policy

Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.

Changes in accounting policies due to adoption of new accounting standards (retrospective)

Council made no retrospective changes in accounting policies due to adoption of new accounting standards.

G3-2 Correction of errors

Council has no prior year adjustments.

G3-3 Changes in accounting estimates

Nature and effect of changes in accounting estimates on current year

Council were able to recognise a Landfill rehabilitation provision for the Leeton Landfill. This resulted in a Provision of \$3.4m, an asset of \$0.7m and a Rehabilitation Liability Cost of \$2.7m.

Nature and effect of changes in accounting estimates on future years

There is expected to be no material difference in the accounting estimates in future years.

G4 Statement of developer contributions as at 30 June 2021

G4-1 Summary of developer contributions

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year - Cash \$ '000	Interest and investment income earned \$ '000	Amounts expended \$ '000	Held as restricted asset at 30 June 2021 \$ '000
Drainage	14	2	-	-	16
Traffic facilities	38	-	-	-	38
Open space	12	-	-	(12)	-
Recreation facilities	20	-	-	(20)	-
Plan administration	1	-	-	-	1
S7.11 contributions – under a plan	85	2	-	(32)	55
S7.12 levies – under a plan	394	205	4	(7)	596
Total S7.11 and S7.12 revenue under plans	479	207	4	(39)	651
S64 contributions	28	26	-	(24)	30
Total contributions	507	233	4	(63)	681

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year - Cash \$ '000	Interest and investment income earned \$ '000	Amounts expended \$ '000	Held as restricted asset at 30 June 2021 \$ '000
LEETON S94 FIXED LEVY PLAN					
Drainage	14	2	-	-	16
Traffic facilities	38	-	-	-	38
Open space	12	-	-	(12)	-
Plan administration	1	-	-	-	1
Recreation facilities	20	-	-	(20)	-
Total	85	2	-	(32)	55

S7.12 Levies – under a plan

Leeton S7.12 Fixed Levy Plan

Section 94A	394	205	4	(7)	596
Total	394	205	4	(7)	596

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2021	Indicator 2021	2020	Indicators 2019	2018	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(4,383)	(13.88)%	8.28%	9.52%	12.86%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	31,576					
2. Own source operating revenue ratio *						
Total continuing operating revenue excluding all grants and contributions ¹	22,958	59.63%	70.93%	73.91%	71.84%	> 60.00%
Total continuing operating revenue	38,502					
3. Unrestricted current ratio						
Current assets less all external restrictions	15,727	3.41x	4.34x	4.34x	5.12x	> 1.50x
Current liabilities less specific purpose liabilities	4,607					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	3,004	5.35x	21.83x	21.95x	25.15x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	562					
5. Rates, annual charges, interest and extra charges outstanding percentage *						
Rates and annual charges outstanding	479	3.49%	1.82%	4.52%	3.92%	< 10.00%
Rates and annual charges collectable	13,717					
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	42,632	17.58	25.05	22.71	22.51	> 3.00
Monthly payments from cash flow of operating and financing activities	2,425	mths	mths	mths	mths	mths

(1) Excludes fair value adjustments, reversal of revaluation decrements and net gain on sale of assets.

(2) Excludes impairment/revaluation decrements and net loss on sale of assets.

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2021	2020	2021	2020	2021	2020	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(24.45)%	4.54%	14.80%	22.90%	17.52%	12.05%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio *							
Total continuing operating revenue excluding capital grants and contributions ¹	48.99%	62.87%	97.88%	97.56%	98.82%	95.06%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	3.41x	4.34x	14,826.00x	1,023.46x	∞	973.86x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	(0.32)x	13.85x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates, annual charges, interest and extra charges outstanding percentage *							
Rates and annual charges outstanding	4.86%	2.52%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	14.48 mths	22.24 mths	∞	∞	∞	∞	> 3.00 mths
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note 20a above.

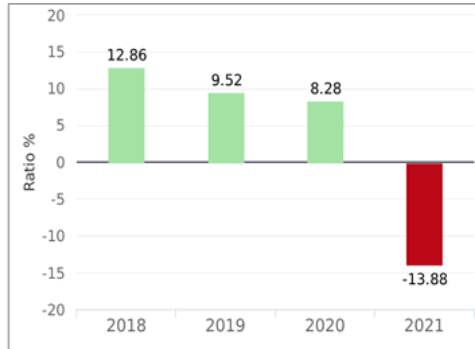
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

* These 2 ratios have had the pensioner subsidies removed from the 2018/19 amounts due to changes in the 2019/20 Accounting Code. This change is to ensure comparatives remain consistent.

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2020/21 result

2020/21 ratio (13.88)%

Three main causes:-1. Council has recorded the Landfill Restoration Provision for the landfill site which is 10 years old. This has inflated the effect in the 2020/21 year. 2. The valuation of Council's Roads network and the purchase of the Leeton Museum and Art Gallery has resulted in an increase in annual depreciation of around \$1.1m. This will be an ongoing change. 3. Council has historically been awarded \$1.4m to \$2.4m in contracted works from the RMS. Last year saw minimal contracted works offered or awarded.

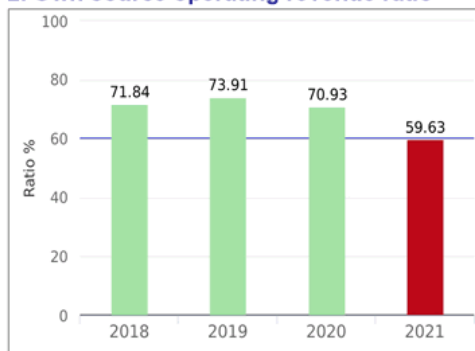
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio *



Purpose of own source operating revenue ratio *

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2020/21 result

2020/21 ratio 59.63%

The benchmark for this ratio is 60% and Council has achieved 59.63%.
 The drop from prior years is twofold:
 1. Council current success in receiving grant funding has the effect of reducing the proportion of income that is considered "Own Source".
 2. The probable reduction in income due to the decision by the RMS to drastically reduce ordered works.

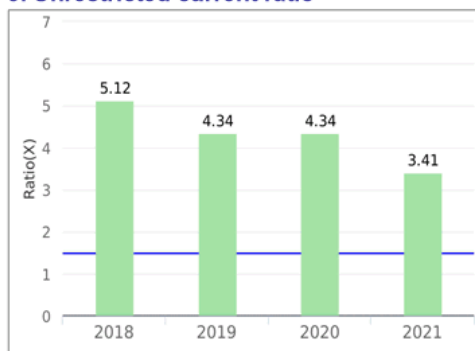
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2020/21 result

2020/21 ratio 3.41x

The increased General Fund capital program and the increased External restrictions relating to Water and Sewer have driven the reduction in this ratio.

Benchmark: — > 1.50x

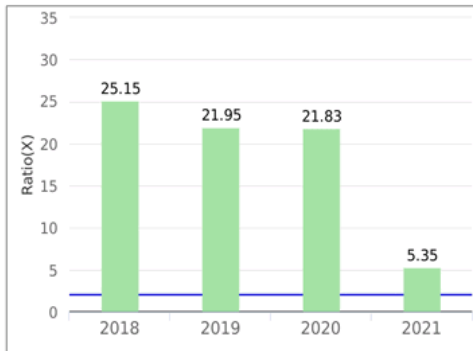
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2020/21 result

2020/21 ratio 5.35x

This ratio is skewed as the initial recognition of a \$2.6m landfill rehabilitation cost covers a ten year catch up. Without this anomaly the ration would be comparable to historical figures. The benchmark for this ratio is 2 and Council has achieved 1.76 even taking into consideration this additional and 1 off expense.

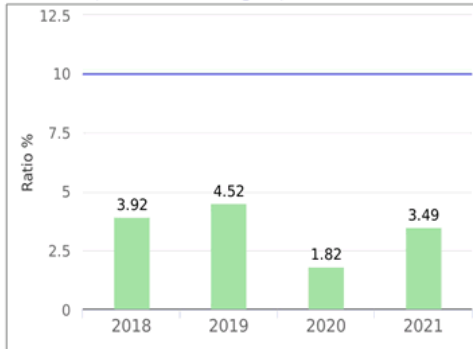
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates, annual charges, interest and extra charges outstanding percentage *



Purpose of rates, annual charges, interest and extra charges outstanding

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2020/21 result

2020/21 ratio 3.49%

While this ratio is slightly higher than last year it is still low by Council's standards and well below the benchmark for rural councils.

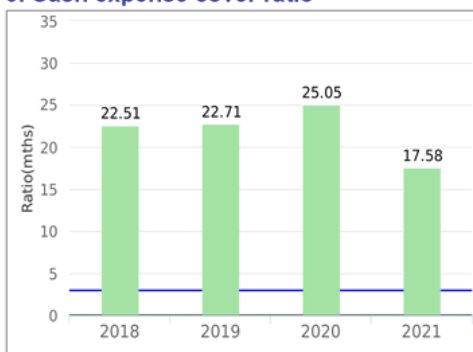
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2020/21 result

2020/21 ratio 17.58 mths

The reduction in this ration reflects the impact of the increased works program undertaken.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

23-25 Chelmsford Place
Leeton NSW 2705

Contact details

Mailing Address:

23-25 Chelmsford Place
Leeton NSW 2705

Telephone: 02 6953 0911

Facsimile: 02 6953 3337

Opening hours:

Office Hours: 8.30am to 5.00pm

Cashier Hours: 9:00am to 4:00pm (Mon - Fri)

Internet: www.leeton.nsw.gov.au

Email: council@leeton.nsw.gov.au

Officers

General Manager

Jackie Kruger

Responsible Accounting Officer

Lawrence Amato

Public Officer

Kerrie-Anne Hare

Auditors

NSW Audit Office
Level 15, 1 Margaret Street
Sydney NSW 2000

Elected members

Mayor

Paul Maytom

Councillors

Cr George Weston (Deputy Mayor)

Cr Peter Davidson

Cr Michael Kidd

Cr Tracey Morris

Cr Paul Smith

Cr Tony Ciccio

Cr Tony Reneker

Cr Sandra Nardi

Other information

ABN: 59 217 957 665



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Leeton Shire Council

To the Councillors of the Leeton Shire Council

Opinion

I have audited the accompanying financial statements of Leeton Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Michael Kharzoo
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

28 October 2021
SYDNEY



Cr Paul Maytom
Mayor
Leeton Shire Council
23-25 Chelmsford Place
LEETON NSW 2705

Contact: Michael Kharzoo
Phone no: (02) 9275 7188
Our ref: D2120760/1753

28 October 2021

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2021
Leeton Shire Council**

I have audited the general purpose financial statements (GPFS) of the Leeton Shire Council (the Council) for the year ended 30 June 2021 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2021 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

Rural fire-fighting equipment not recognised in the financial statements





Council did not record rural fire-fighting equipment in the financial statements.

Rural fire fighting equipment, specifically the red fleet vehicles, is controlled by the Council and should be recognised in their financial statements. This is supported by the requirement of the *Rural Fires Act 1997* and service agreements between councils and the RFS.

The Department of Planning, Industry and Environment (inclusive of the Office of Local Government) confirmed in the 'Report on Local Government 2020' (tabled in Parliament on 27 May 2021) their view that rural fire-fighting equipment is not controlled by the NSW Rural Fire Service.

INCOME STATEMENT

Operating result

	2021	2020	Variance
	\$m	\$m	%
Rates and annual charges revenue	13.4	13.0	 3.1
Grants and contributions revenue	15.5	10.4	 49.0
Operating result from continuing operations	2.5	6.4	 60.9
Net operating result before capital grants and contributions	(4.4)	2.5	 276

The Council's net operating result from continuing operations was a surplus of \$2.5 million (\$6.4 million surplus for the year ended 30 June 2020). The decrease of \$3.9 million is mainly due to a decrease in user fees and charges of \$2.0 million which is as a result of a decline in Transport for NSW works and \$2.7 million of remediation expenses due to the first-time recognition of an asset remediation provision.

The net operating result before capital grants and contributions was a deficit of \$4.4 million (\$2.5 million surplus for the year ended 30 June 2020). The decrease of \$6.9 million is largely due to the factors flagged earlier regarding user charges and fees and remediation expenses.

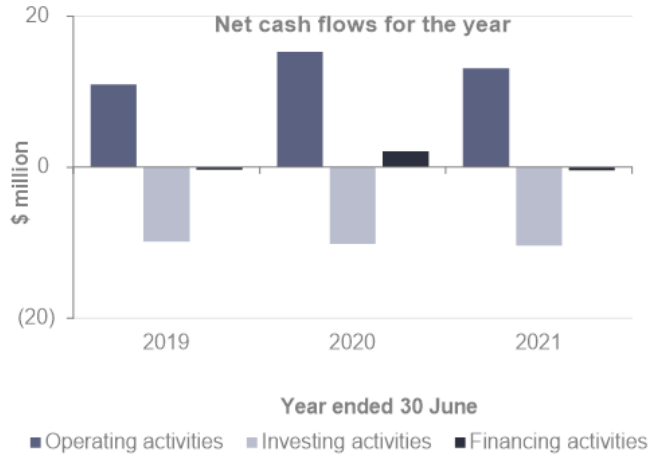
Rates and annual charges revenue was \$13.4 million (\$13.0 million for the year ended 30 June 2020). The increase of \$0.4 million (3.1%) is consistent with an increase in ordinary rates in line with the 2.6% rate peg and an increase in the total number of rateable properties.

Grants and contributions revenue was \$15.5 million (\$10.4 million for the year ended 30 June 2020). The increase of \$5.1 million (49.8%) was primarily due to the Council receiving:

- \$2.7 million for the Leeton Regional Aquatic Centre swimming pool
- \$1.8 million for the Sturt Canal bridge
- \$1.3 million for the Leeton Showground grandstand.

STATEMENT OF CASH FLOWS

- Council's cash and cash equivalents was \$13.1 million (\$10.9 million for the year ended 30 June 2020). There was a net increase of cash and cash equivalents of \$2.2 million during the 2020-21 financial year.
- Net cash provided by operating activities has decreased by \$2.2 million. This is due to an increase in materials and services payments of \$4.5 million.
- There was no significant movement in the net cash used in investing activities.
- Net cash used in financing activities decreased by \$2.6 million due to the receipt of \$2.5 million in new borrowings in the 2020 year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	47.0	50.2	<ul style="list-style-type: none"> • Externally restricted cash and investments are restricted in their use by externally imposed requirements. There has been no significant movement in externally restricted cash. • Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of work and any forward plans identified by Council. The decrease of \$4.6 million is mainly due to a \$2.4 reduction in unfinished works and a \$0.8 reduction in employee leave entitlements. • Unrestricted cash and investments was \$1.9 million, which is available to provide liquidity for day-to-day operations of the Council.
Restricted cash and investments:			
• External restrictions	33.7	33.1	
• Internal restrictions	11.4	16.0	
• Unrestricted	1.9	1.2	

Debt

Council has \$3.3 million of external borrowings (2020: \$3.7 million) which is secured over the revenue of Council. Council also has a \$0.5 million bank overdraft facility (2020: \$0.5 million) which was undrawn as at 30 June 2021.

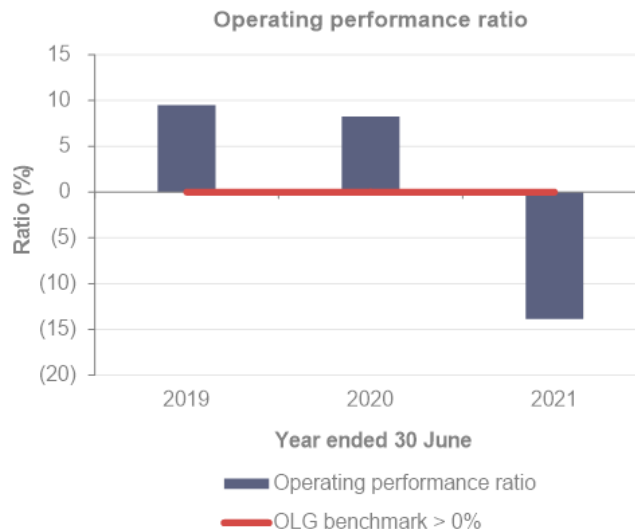
PERFORMANCE

Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

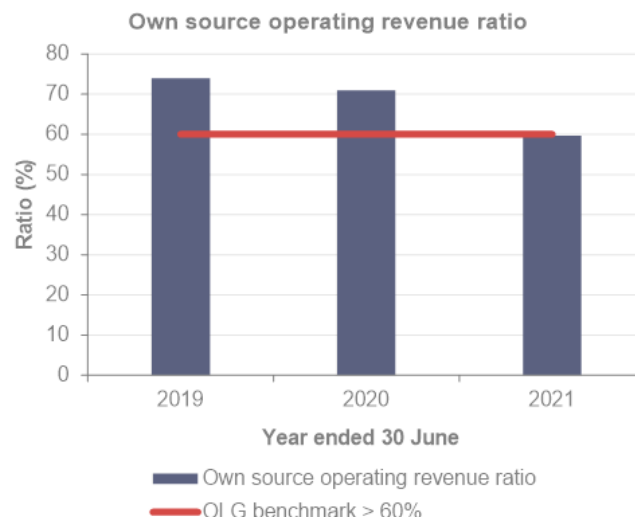
Operating performance ratio

- The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.
- The Council did not meet the OLG benchmark for the current reporting period.
- The operating performance ratio declined to (13.88%) (2020: 8.28%) due to a \$2.0 million decrease in user fees and charges revenue and recognition of \$2.7 million of remediation expenses.



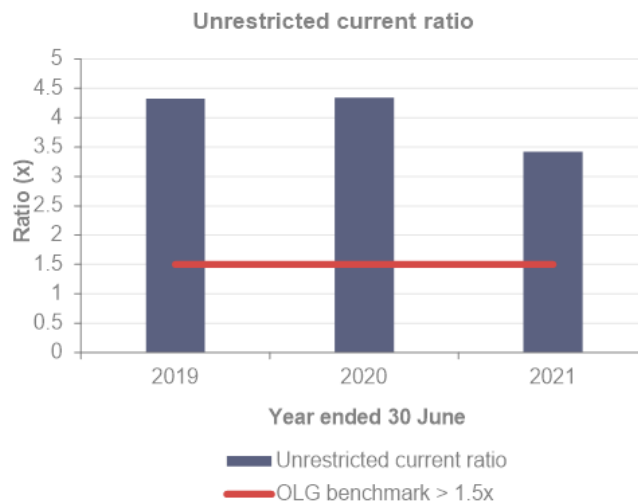
Own source operating revenue ratio

- The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.
- The Council did not meet the OLG benchmark for the current reporting period.
- The decline is attributed to the decrease in user fees and charges revenue and increase in grants and contributions. The own source operating revenue ratio has continued to decrease for Council over the assessed time period.



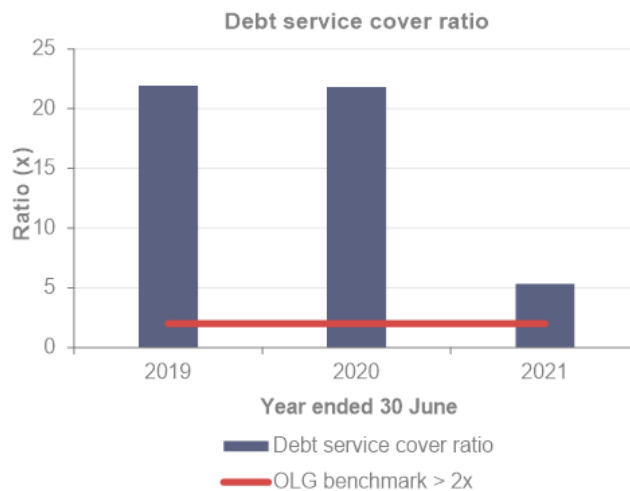
Unrestricted current ratio

- The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.
- The Council exceeded the OLG benchmark for the current reporting period.
- Whilst the Council's unrestricted current ratio has decreased due to an increase in current liabilities, it remains a sufficient margin above the OLG benchmark.



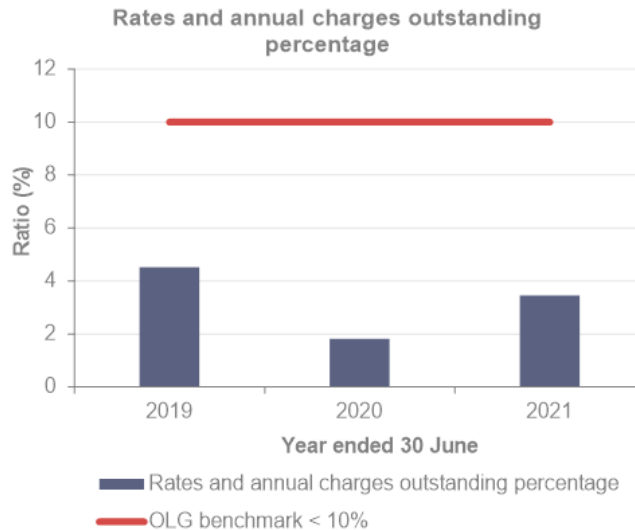
Debt service cover ratio

- The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.
- The Council met the OLG benchmark for the current reporting period. This indicates that the Council has sufficient operating revenue to service its debts.
- The debt service cover ratio declined to (5.35%) (2020: 21.83%) due to the decrease in user fees and charges revenue and increase in remediation expenses.



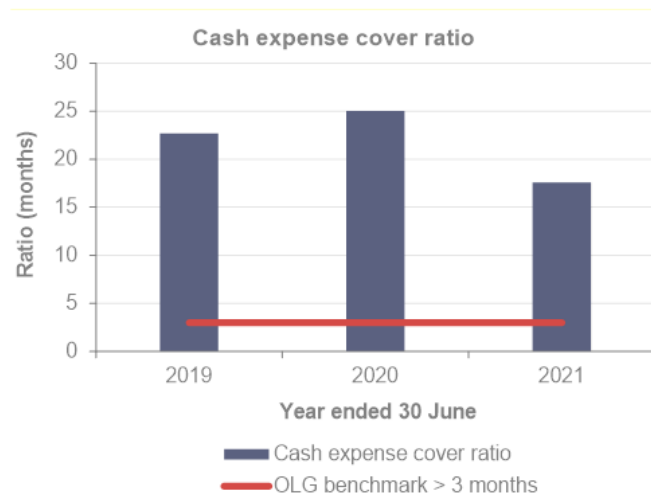
Rates and annual charges outstanding percentage

- The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.
- The Council is significantly within the OLG benchmark for the current reporting period.



Cash expense cover ratio

- This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.
- The Council's cash expense cover ratio was 17.6 months, which is above the industry benchmark of greater than 3 months. This indicates that Council had the capacity to cover 17.6 months of operating cash expenditure without additional cash inflows at 30 June 2021.
- The Council's cash expense cover has decreased due to an increase in materials and services expenses.



Infrastructure, property, plant and equipment renewals

The Council renewed \$9.9 million of assets in the 2020-21 financial year, compared to \$7.6 million of assets in the 2019-20 financial year. This increase is primarily due to \$3.4 million of additional renewal in relation to other structures.

OTHER MATTERS

Impact of new accounting standards

AASB 1059 'Service Concession Arrangements: Grantors'

The Council adopted the new accounting standard AASB 1059 'Service Concession Arrangements: Grantors' for the first time in its 2020–21 financial statements.

AASB 1059 provides guidance for public sector entities (grantors) who enter into service concession arrangements with private sector operators for the delivery of public services.

AASB 1059 applies to arrangements involving an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services. Common examples include roads, prisons, hospitals, water distribution facilities and energy supply.

When AASB 1059 applies, the grantor recognises the service concession asset at current replacement cost when the grantor obtains control of the asset and recognises a corresponding financial liability or unearned revenue or a combination of both.

The Council does not have any service concession arrangements that fall under AASB 1059.

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Michael Kharzoo
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Ms Jackie Kruger, General Manager
Mr Graham Bradley, Chair of the Audit, Risk and Improvement Committee
Ms Kiersten Fishburn, Secretary of the Department of Planning, Industry and Environment

Special Purpose Financial Statements

For the year ended 30 June 2021



LEETON
SHIRE COUNCIL

This page is intentionally blank

Leeton Shire Council | Special Purpose Financial Statements 2021

Leeton Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2021

Contents	Page
Statement by Councillors and Management	99
Special Purpose Financial Statements:	
Income Statement of water supply business activity	100
Income Statement of sewerage business activity	101
Statement of Financial Position of water supply business activity	102
Statement of Financial Position of sewerage business activity	103
Note – Significant Accounting Policies	104
Auditor's Report on Special Purpose Financial Statements	107

Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Leeton Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2021

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

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

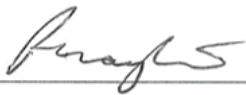
- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial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

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records, and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 27 October 2021.



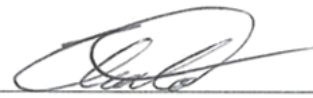
Paul Maytom
Mayor



George Weston
Councillor



Jackie Kruger
General Manager



Lawrence Amato
Responsible Accounting Officer

Leeton Shire Council

Income Statement of water supply business activity for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	1,448	1,429
User charges	3,042	3,248
Interest	191	333
Grants and contributions provided for non-capital purposes	72	37
Other income	126	149
Total income from continuing operations	4,879	5,196
Expenses from continuing operations		
Employee benefits and on-costs	1,900	1,708
Materials and services	1,124	1,151
Depreciation, amortisation and impairment	946	929
Water purchase charges	187	218
Total expenses from continuing operations	4,157	4,006
Surplus (deficit) from continuing operations before capital amounts	722	1,190
Grants and contributions provided for capital purposes	32	92
Surplus (deficit) from continuing operations after capital amounts	754	1,282
Surplus (deficit) from all operations before tax	754	1,282
Less: corporate taxation equivalent [based on result before capital]	(188)	(327)
Surplus (deficit) after tax	566	955
Plus accumulated surplus	24,869	23,587
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	188	327
Closing accumulated surplus	25,623	24,869
Return on capital %	1.7%	4.7%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	566	955
Less: capital grants and contributions (excluding developer contributions)	(32)	(92)
Surplus for dividend calculation purposes	534	863
Potential dividend calculated from surplus	267	431

Leeton Shire Council

Income Statement of sewerage business activity for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	2,412	2,406
User charges	1	1
Liquid trade waste charges	836	498
Interest	103	172
Grants and contributions provided for non-capital purposes	29	30
Other income	10	5
Total income from continuing operations	3,391	3,112
Expenses from continuing operations		
Employee benefits and on-costs	1,158	1,161
Materials and services	719	823
Depreciation, amortisation and impairment	920	753
Total expenses from continuing operations	2,797	2,737
Surplus (deficit) from continuing operations before capital amounts	594	375
Grants and contributions provided for capital purposes	11	130
Surplus (deficit) from continuing operations after capital amounts	605	505
Surplus (deficit) from all operations before tax	605	505
Less: corporate taxation equivalent [based on result before capital]	(154)	(103)
Surplus (deficit) after tax	451	402
Plus accumulated surplus	20,423	19,918
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	155	103
Closing accumulated surplus	21,029	20,423
Return on capital %	1.6%	1.2%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	451	402
Less: capital grants and contributions (excluding developer contributions)	(11)	(130)
Surplus for dividend calculation purposes	440	272
Potential dividend calculated from surplus	220	136

Leeton Shire Council

Statement of Financial Position of water supply business activity as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	5,047	3,414
Investments	9,359	9,523
Receivables	416	367
Other	4	1
Total current assets	14,826	13,305
Non-current assets		
Investments	2,756	3,626
Receivables	20	25
Infrastructure, property, plant and equipment	42,250	25,591
Total non-current assets	45,026	29,242
Total assets	59,852	42,547
LIABILITIES		
Current liabilities		
Payables	1	13
Total current liabilities	1	13
Total liabilities	1	13
Net assets	59,851	42,534
EQUITY		
Accumulated surplus	25,623	24,869
Revaluation reserves	34,228	17,665
Total equity	59,851	42,534

Leeton Shire Council

Statement of Financial Position of sewerage business activity as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	2,475	1,730
Investments	5,355	4,826
Receivables	216	261
Total current assets	8,046	6,817
Non-current assets		
Investments	1,577	1,837
Receivables	10	4
Infrastructure, property, plant and equipment	37,263	30,463
Total non-current assets	38,850	32,304
Total assets	46,896	39,121
LIABILITIES		
Current liabilities		
Payables	-	7
Total current liabilities	-	7
Total liabilities	-	7
Net assets	46,896	39,114
EQUITY		
Accumulated surplus	21,029	20,423
Revaluation reserves	25,867	18,691
Total equity	46,896	39,114

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2005* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Water Supply

Comprising the whole of the operations and net assets of Council's water supply activities servicing the towns of Leeton, Yanco, Whitton and Murrumbidgee which are established as a separate Special Rate Fund.

b. Sewerage Service

Comprising the whole of the operations and net assets of Council's sewerage reticulation & treatment activities servicing the towns of Leeton, Whitton and Yanco, which are established as a separate Special Rate Fund.

Category 2

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

Council has no Category 2 Business Activities

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

continued on next page ...

Page 104

Note – Significant Accounting Policies (continued)

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$692,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

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

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

continued on next page ...

Page 105

Note – Significant Accounting Policies (continued)

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 1.32% at 30 June 2019.

(iii) Dividends

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

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

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

- 50% of this surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2021 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Leeton Shire Council

To the Councillors of the Leeton Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Leeton Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2021, the Statement of Financial Position of each Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water
- Sewerage

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2021, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Michael Kharzoo
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

28 October 2021
SYDNEY



Special Schedules

For the year ended 30 June 2021



This page is intentionally blank

Leeton Shire Council | Special Schedules 2021

Leeton Shire Council

Special Schedules

for the year ended 30 June 2021

Contents	Page
Special Schedules:	
Permissible income for general rates	113
Auditor's Report - Permissible income for general rates	114
Report on infrastructure assets as at 30 June 2021	117

Leeton Shire Council

Permissible income for general rates

	Notes	Calculation 2020/21 \$ '000	Calculation 2021/22 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	7,467	7,627
Plus or minus adjustments ²	b	9	-
Notional general income	c = a + b	7,476	7,627
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.00%
Or plus rate peg amount	i = e x (c + g)	194	153
Sub-total	k = (c + g + h + i + j)	7,670	7,780
Plus (or minus) last year's carry forward total	l	(37)	6
Sub-total	n = (l + m)	(37)	6
Total permissible income	o = k + n	7,633	7,786
Less notional general income yield	p	7,627	7,787
Catch-up or (excess) result	q = o - p	7	(1)
Carry forward to next year ⁶	t = q + r + s	7	(1)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Leeton Shire Council

To the Councillors of Leeton Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Leeton Shire Council (the Council) for the year ending 30 June 2022.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2021'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Michael Kharzoo
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

28 October 2021
SYDNEY

Leeton Shire Council

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost		2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
Buildings	Buildings – non-specialised	5,081	5,081	20	25	194	209	3.0%	97.0%	0.0%	0.0%	0.0%	
	Buildings – specialised	2,439	2,439	226	236	25,897	28,353	59.0%	34.0%	3.0%	3.0%	1.0%	
	Water buildings	1,425	1,425	2	10	743	846	16.0%	29.0%	55.0%	0.0%	0.0%	
	Sewer Buildings	3,274	3,274	2	6	300	340	0.0%	47.0%	17.0%	36.0%	0.0%	
	Sub-total	12,219	12,219	250	277	27,134	29,748	56.7%	34.4%	4.6%	3.3%	1.0%	
Other structures	Other	1,912	1,912	–	69	1,701	1,901	86.0%	10.0%	4.0%	0.0%	0.0%	
	Sub-total	1,912	1,912	76	69	1,701	1,901	86.0%	10.0%	4.0%	0.0%	0.0%	
Roads	Sealed roads	5,329	5,329	1,167	1,174	58,614	60,485	6.0%	39.0%	41.0%	14.0%	0.0%	
	Unsealed roads	50	50	560	536	8,079	8,590	100.0%	0.0%	0.0%	0.0%	0.0%	
	Bridges	4	4	37	2,102	4,564	6,723	62.0%	24.0%	14.0%	0.0%	0.0%	
	Footpaths	110	110	52	44	7,642	7,787	81.0%	14.0%	4.0%	1.0%	0.0%	
	Other road assets	277	277	7	3	3,928	4,128	15.0%	39.0%	33.0%	9.0%	4.0%	
	Bulk earthworks	–	–	–	–	38,930	38,930	100.0%	0.0%	0.0%	0.0%	0.0%	
	Kerb & Guttering	406	406	26	34	9,400	9,636	11.0%	50.0%	32.0%	7.0%	0.0%	
	Sub-total	6,176	6,176	1,849	3,893	131,157	136,279	46.5%	24.0%	22.4%	7.0%	0.1%	
Water supply network	Mains	5,783	5,783	850	891	18,855	38,861	0.0%	48.0%	0.0%	35.0%	17.0%	
	Dams/Weirs	340	340	–	–	3,747	6,591	4.0%	10.0%	86.0%	0.0%	0.0%	
	Pump Stations	4,762	4,762	21	11	878	1,463	3.0%	78.0%	6.0%	13.0%	0.0%	
	Filtration/Treatment Plant	4,765	4,765	760	838	9,636	23,870	0.0%	0.0%	74.0%	8.0%	18.0%	
	Reservoirs	1,684	1,684	–	–	5,614	11,841	0.0%	18.0%	52.0%	20.0%	10.0%	
	Water Nodes	1,232	1,232	80	47	2,519	5,405	29.0%	10.0%	16.0%	12.0%	33.0%	
	Sub-total	18,566	18,566	1,711	1,787	41,249	88,031	2.1%	26.3%	34.6%	21.3%	15.8%	
Sewerage network	Sewer Lines	1,008	1,008	212	252	16,179	21,685	49.0%	32.0%	3.0%	15.0%	1.0%	
	Pump Stations	1,518	1,518	270	225	6,379	11,619	17.0%	21.0%	32.0%	24.0%	6.0%	
	Treatment Plants	3,255	3,255	362	468	8,340	18,683	0.0%	41.0%	21.0%	9.0%	29.0%	
	Sewer Nodes	1,377	1,377	–	–	5,430	10,162	14.0%	24.0%	38.0%	4.0%	20.0%	
	Sub-total	7,158	7,158	844	945	36,328	62,149	22.6%	31.3%	19.6%	13.1%	13.5%	
	Pipes	64	64	62	82	21,632	21,870	58.0%	35.0%	7.0%	0.0%	0.0%	
Pump Stations	4	4	–	2	790	819	52.0%	47.0%	1.0%	0.0%	0.0%		

continued on next page ...

Page 117

Leeton Shire Council

Report on infrastructure assets as at 30 June 2021 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard		Estimated cost to bring to the agreed level of service set by Council	2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000						1	2	3	4	5
Stormwater drainage	Pits & Inlets	21	21	-	-	3,653	3,691	49.0%	46.0%	5.0%	0.0%	0.0%	
	Sub-total	89	89	62	84	26,075	26,380	56.6%	36.9%	6.5%	0.0%	0.0%	
Open space / recreational assets	Other Recreation Assets	519	519	390	533	4,567	5,304	28.0%	20.0%	35.0%	15.0%	2.0%	
	Swimming pools	1,494	1,494	40	53	5,349	5,468	5.0%	2.0%	10.0%	82.0%	1.0%	
	Sub-total	2,013	2,013	430	586	9,916	10,772	16.3%	10.9%	22.3%	49.0%	1.5%	
	Total – all assets	48,133	48,133	5,222	7,641	273,560	355,260	32.2%	27.2%	22.1%	12.0%	6.4%	

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Leeton Shire Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2021	Indicator 2021	2020	Indicators 2019	2018	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ¹	<u>7,885</u>					
Depreciation, amortisation and impairment	<u>6,390</u>	123.40%	90.58%	74.27%	63.76%	>= 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	<u>48,133</u>					
Net carrying amount of infrastructure assets	<u>277,329</u>	17.36%	6.58%	2.20%	2.18%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance	<u>7,641</u>					
Required asset maintenance	<u>5,222</u>	146.32%	96.97%	100.30%	100.00%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	<u>48,133</u>					
Gross replacement cost	<u>355,260</u>	13.55%	5.10%	1.40%	1.30%	

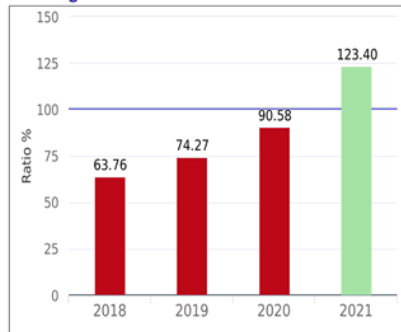
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Leeton Shire Council

Report on infrastructure assets as at 30 June 2021

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result	
20/21 ratio	123.40%

Council has been consistently improving in this area and has spent significantly more on renewals than in prior years which is reflected here.

Benchmark: — $\geq 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result	
20/21 ratio	146.32%

Council's increased spend on maintenance has allowed a catch up for prior years under spends.

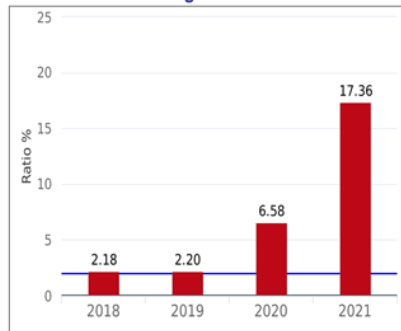
Benchmark: — $> 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result	
20/21 ratio	17.36%

2020/21 was likely the first year that Council used an external valuer for Water & Sewer. Further Council has adhered to the OLG's requirement that to be satisfactory then assets should require no more than minor maintenance. This means every road, pipe, drain or footpath should need minimal maintenance. This primarily reflects the fair to good condition assets particularly Water, Sewer and secondary roads and associated infrastructure.

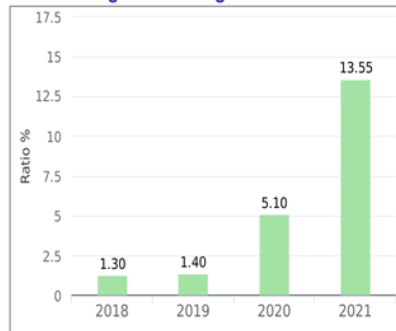
Benchmark: — $< 2.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result	
20/21 ratio	13.55%

This increase reflects the increase in the Infrastructure Backlog Ratio and can be explained by the external valuation of a number of assets and the current requirement for assets to only require minor maintenance to be considered satisfactory.

Leeton Shire Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2021	2020	2021	2020	2021	2020	
Buildings and infrastructure renewals ratio							
Asset renewals ¹	147.86%	118.73%	104.71%	37.60%	12.51%	5.39%	>= 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	11.22%	6.13%	45.01%	7.08%	19.70%	9.08%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	184.06%	94.06%	104.44%	100.00%	111.97%	100.00%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	10.93%	6.18%	21.09%	2.86%	11.52%	3.99%	
Gross replacement cost							

⁽¹⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

This page is intentionally blank



LEETON
SHIRE COUNCIL

Leeton Shire Council

ABN 59 217 957 665

23-25 Chelmsford Place, Leeton NSW 2705

www.leeton.nsw.gov.au

E: council@leeton.nsw.gov.au P: (02) 6953 0911 F: (02) 6953 0977

OPERATIONAL MATTERS



LEETON
SHIRE COUNCIL

NSW DPIE: Sustainable Councils
and Communities
Leeton Shire Council

ENERGY MASTERPLAN

February 2021

www.100percentrenewables.com.au



Contents

GLOSSARY OF CLIMATE CHANGE & PROJECT ABBREVIATIONS	5
1 EXECUTIVE SUMMARY	7
1.1 RECOMMENDED STRATEGY AND TARGETS	7
1.1.1 <i>Recommended strategy</i>	7
1.1.2 <i>Suggested energy goals for Leeton Shire Council</i>	8
1.2 BUDGET IMPLICATIONS	8
1.2.1 <i>Grant funding opportunities</i>	8
1.2.2 <i>Revolving Energy Fund and solar PPAs</i>	9
1.3 COUNCIL'S ENERGY AND CARBON FOOTPRINT	12
1.3.1 <i>Energy consumption and carbon footprint</i>	12
1.4 EFFICIENCY, RENEWABLE ENERGY & EMISSIONS REDUCTION OPTIONS	13
1.4.1 <i>Short to medium term opportunities</i>	14
2 APPROACH AND SCOPE OF WORK	18
3 GLOBAL CONTEXT FOR CLIMATE ACTION AND TARGETS	20
3.1 THE NEED TO REACH 'NET-ZERO' GREENHOUSE GAS EMISSIONS	20
3.2 INTERNATIONAL DRIVERS FOR CLIMATE ACTION	21
4 NATIONAL AND STATE GOVERNMENT ACTION	23
4.1 NATIONAL TARGETS	23
4.2 NSW STATE TARGETS	24
5 NSW LOCAL GOVERNMENTS RESPONSE TO CLIMATE CHANGE	29
5.1 RENEWABLE ENERGY AND EMISSIONS REDUCTION COMMITMENTS BY NSW LOCAL COUNCILS	29
5.2 LOCAL TRENDS – WHAT IS OCCURRING IN LEETON?	30
5.3 PREVIOUS SUSTAINABILITY ACTIONS BY LEETON SHIRE COUNCIL	31
6 BACKGROUND INFORMATION ON SCOPE 1, SCOPE 2 AND SCOPE 3 EMISSIONS	33
6.1 COUNCIL'S 2020 ENERGY USE AND CARBON FOOTPRINT	33
6.2 ELECTRICITY CONSUMPTION SUMMARY	36
6.3 NATURAL GAS CONSUMPTION SUMMARY	39
7 LEETON SHIRE COUNCIL'S EMISSIONS AND ENERGY REDUCTION OPTIONS	41
7.1 MEASURES AVAILABLE TO REDUCE LEETON SHIRE COUNCIL'S FOOTPRINT	41
7.2 GRID DECARBONISATION	42
7.3 ENERGY EFFICIENCY	44
7.3.1 <i>Energy efficiency initiatives</i>	46
7.4 BEHIND-THE-METER SOLAR	48
7.4.1 <i>Onsite renewable energy</i>	50
7.4.2 <i>Assumptions used</i>	54
7.5 SUSTAINABLE TRANSPORT	55
7.6 BUYING CLEAN ENERGY	60
7.6.1 <i>Renewable energy power purchase agreement</i>	60
7.6.1 <i>Mid-scale renewable energy build by Leeton Shire Council</i>	63
7.7 FINANCING OF INITIATIVES	66
7.7.1 <i>Financing via Revolving Energy Fund (REF)</i>	69



7.7.2	Financing via Revolving Energy Fund + Onsite Solar PPA.....	72
8	LEETON SHIRE COUNCIL ACTION PLAN	74
8.1	SHORT TO MEDIUM TERM OPPORTUNITIES	75
8.2	LONG TERM AND OTHER OPPORTUNITIES	78
	APPENDIX A: SOLAR PV POTENTIAL LOCATIONS.....	80
	<i>SPS #1</i> 80	
	<i>Raw water pumps (canal - Toorak Rd)</i>	<i>80</i>
	<i>Sewerage treatment plant (50.2 kW).....</i>	<i>81</i>
	<i>Sewerage treatment plant (99.9 kW).....</i>	<i>81</i>
	<i>Museum/WCIC</i>	<i>82</i>
	<i>Library (19.8 kW).....</i>	<i>82</i>
	<i>Library (33.2 kW).....</i>	<i>83</i>
	<i>Depot</i> 83	
	<i>Leeton pool carport solar</i>	<i>84</i>
	<i>Yanco sewerage treatment plant</i>	<i>84</i>
	<i>Community centre – Wade Ave (15.1 kW)</i>	<i>85</i>
	<i>Community centre – Wade Ave (30.5 kW)</i>	<i>85</i>
	<i>CWD hall.....</i>	<i>86</i>
	<i>Tourist office (6.03 kW)</i>	<i>86</i>
	APPENDIX B: FINANCING OPTIONS PAPER	87

Table of Figures

Figure 1: Revolving Energy Fund – typical funding cycle.....	9
Figure 2: All opportunities Revolving Energy Fund – cashflow model	11
Figure 3: Leeton Shire Council’s large electricity using sites.....	12
Figure 4: Six categories of energy and emissions reduction actions for Leeton Shire Council	13
Figure 5: seven-step process to develop Leeton Shire Council’s Energy Masterplan.....	18
Figure 6: The Climate Action Tracker’s warming projections for 2100, various policy scenarios.....	20
Figure 7: Global context for action on climate	21
Figure 8: Global Risks report – likelihood & impact of climate, other risks to global economy	22
Figure 9: Australia’s renewable energy and carbon goals – National level	23
Figure 10: Australia’s GHG emissions from all sources	23
Figure 11: Australia’s renewable energy and carbon goals – State & Territory level	24
Figure 12: Indicative Central-West Orana NSW Renewable Energy Zone	25
Figure 13: Indicative New England NSW renewable energy zone	25
Figure 14: Indicative South West Renewable Energy Zone.....	26
Figure 15: Renewable energy & carbon targets by NSW Councils & ACT	29
Figure 16: solar PV uptake on the Leeton	30
Figure 17: Scope 1, Scope 2 and Scope 3 emissions	33
Figure 18: Leeton Shire Council carbon footprint by emissions source, energy + waste	35
Figure 19: Leeton Shire Council carbon footprint by emissions source, energy only	35
Figure 20: Leeton Shire Council’s large electricity using sites.....	36
Figure 21: Leeton Shire Council’s main electricity using asset categories	37
Figure 22: Leeton Shire Council's electricity use by end use equipment.....	38
Figure 23: Leeton Shire Council's large natural gas using sites.....	39
Figure 24: Six categories of energy and emissions reduction actions for Leeton Shire Council	41
Figure 25: AEMO model of NEM coal + gas generation capacity & scenarios	43
Figure 26: All opportunities Revolving Energy Fund – cashflow model	70
Figure 27: Non-water and sewer Revolving Energy Fund – cashflow mode.....	71
Figure 28: All opportunities Revolving Energy Fund (non-solar only) – cashflow model	73

Table of Tables

Table 1: Council’s energy-related carbon footprint 2020	12
Table 2: Leeton Shire Council short to medium term opportunities	14
Table 3: Leeton Shire Council – carbon footprint 2020, energy + waste	34
Table 4: Leeton Shire Council – carbon footprint 2019, energy only.....	34
Table 5: Indicative costs and savings for energy efficiency for Leeton Shire Council	46
Table 6: Estimated costs and savings for behind-the-meter solar PV for Leeton Shire Council	50
Table 7: Leeton Shire Council short to medium term opportunities	75
Table 8: Leeton Shire council long term and other opportunities for Council operated sites.....	78

Glossary of climate change & project abbreviations

Acronym	Definition
AC, DC	Alternating & direct current
ACCU	Australian Carbon Credit Unit
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
AFOLU	Agriculture, Forestry and Other Land Use
APVI	Australian Photovoltaic Institute
ATA	Alternative Technology Association
B20, B50	Diesel blends with 20% and 50% biodiesel
BASIX	Building Sustainability Index
BAU	Business-as-usual
BCA	Building Code of Australia
BEEC	Building Energy Efficiency Certificate
BESS	Battery Energy Storage System
BMS	Building Management System
BEV	Battery electric vehicle
CDM	Clean Development Mechanism
C40	Network of the world's megacities committed to addressing climate change
CCF	Climate Change Fund
CER	Certified Emissions Reductions (offsets)
CFL	Compact fluorescent
CFD	Contract for Difference
COP	Coefficient of performance (refrigeration)
COP21	Conference of the Parties in Paris at which the Paris Agreement was reached
CO ₂ -e	Carbon Dioxide Equivalent
CPP	Cities Power Partnership
CPRS	Australia's Carbon Pollution Reduction Scheme
CSP	Community Strategic Plan
C4CE	Coalition for Community Energy
DOL	Direct On Line
DPIE	NSW Department of Planning, Industry and Environment
E3	Equipment Energy Efficiency program
EER	Energy efficiency ratio
EPA	Environmental Protection Authority
EPC	Energy Performance Contracting
EPC(M)	Engineer, Procure, Construct (Maintain)
ERF	Emissions Reduction Fund
ESB	Energy Security Board
ESC	Energy Saving Certificates
ESS	NSW Energy Savings Scheme



EUA	Environmental Upgrade Agreement
EV	Electric Vehicle
FiT	Feed-in-tariff
GFC	Global Financial Crisis
GHG	Greenhouse Gas
HVAC	Heating, ventilation, and air conditioning
ICE	Internal combustion engine
ICLEI	Local Governments for Sustainability
IPCC	Intergovernmental Panel on Climate Change
kWh, MWh, GWh	Units of energy – usually used for electricity
LED	Light Emitting Diode (lighting technology)
LGC	Large-scale Generation Certificate
MJ, GJ	Units of energy – usually used for gas
LGA	Local Government Areas
LPG	Liquefied Petroleum Gas
NABERS	National Australian Built Environment Rating System
NCC	National Construction Code
NEM	National Electricity Market
NCOS	National Carbon Offset Standard
NGA	National Greenhouse Accounts
NRMA	National Roads and Motorists' Association
O&M	Operation and maintenance
PHEV	Plug-in hybrid electric vehicle
PPA	Power Purchase Agreement
PV	Solar photovoltaic technology
REF	Revolving Energy Fund
RET	Australia's Renewable Energy Target
ROI / IRR	Return on Investment / Internal Rate of Return
S1	Scope 1 greenhouse gas emissions, from combustion of fuel at your facilities
S2	Scope 2 greenhouse gas emissions, caused by consuming electricity
S3	Scope 3 greenhouse gas emissions, indirect emissions upstream and downstream of your business
SDGs	Sustainable Development Goals
SRES	Small-scale Renewable Energy Scheme
SPS	Sewer Pumping Station
STC	Small-Scale Technology Certificates
STP	Sewerage Treatment Plant
VCS	Verified Carbon Standard
VFD, VSD	Variable Frequency Drive / Speed Drive
VGA	Virtual Generation Agreement
W, kW, MW	Units of power – usually used for electricity
WTP	Water Treatment Plant



1 Executive Summary

100% Renewables was engaged by the NSW Department of Planning, Industry & Environment: Sustainable Councils and Communities Program to develop an Energy Masterplan in consultation with Leeton Shire Council that will help it to cost-effectively increase the amount of renewable energy at its facilities, as well as lower energy demand through energy efficiency opportunities.

Drivers for the development of the Energy Masterplan include:

- Building on past and continuing work by Council to improve energy efficiency and implement renewables, and putting a framework around future actions.
- Cost-effectiveness of efficiency and renewable energy, which deliver high returns.
- The emergence of the region as a hub for utility-scale renewable energy generation, and Council's interest in understanding future opportunities for itself and the community.

1.1 Recommended strategy and targets

1.1.1 Recommended strategy

This document outlines an approach to increasing Council's renewable energy and energy efficiency that can be implemented progressively over several years, is based on cost effective and commercially available technologies and solutions, and can position Leeton Shire Council as a leader in sustainability through its emissions reduction actions. Specifically, Council's strategy for renewables and efficiency in the short and medium term should be to:

- Focus on cost-effective solar PV and energy efficiency opportunities at Council-operated sites, as well as the planned streetlighting LED upgrade in the short term and medium term.
- Within this approach consider innovative solutions such as solar carport solutions at the Leeton pool and an expanded solar array at the Leeton library, with high community visibility.
- Stay abreast of emerging opportunities for battery energy storage systems (BESS) as a way to increase the amount of solar PV that Council can install at its facilities, such as sewer pump stations and at small and intermittently-used community facilities.
- Consider the establishment of a Revolving Energy Fund (REF) and the use of additional financing solutions such as onsite solar PPAs to accelerate implementation of solar and BESS opportunities where these cannot be readily funded from Council's budget.
- Assess the scope for Leeton Shire Council, alone or in partnership with other Councils – e.g. via RAMJO – to enter into a renewable energy power purchasing agreement (PPA) for the supply of electricity to Council's sites. As part of this assess the opportunity to be a customer of one or more of the solar farms planned for the area.
- Take steps to be well informed about and begin to source hybrid and electric fleet & EV infrastructure.

Depending on timing and funding, Council should seek to ensure that major new projects, such as a future upgrade to Leeton's water treatment plant (WTP) are designed to be energy efficient, and to accommodate solar PV to meet part of the new plant's demand.

In the long term, Council can aspire to meet its electricity demand from both onsite solar and a renewable energy PPA, and should seek to transition its fleet towards electric technology as this



opportunity evolves. Council may have an opportunity to develop a small solar farm at the former landfill site in Yanco, and the feasibility of this can be explored further.

This plan outlines how Leeton Shire Council can work towards these objectives, through the identification of short, medium and long term opportunities.

1.1.2 Suggested energy goals for Leeton Shire Council

The assessment of efficiency and renewable energy opportunities across Leeton Shire Council operations has shown the following:

- Solar PV and energy efficiency opportunities – in particular the LED streetlighting upgrade, have the potential to meet 35-40% of Council's electricity demand (including solar PV systems already installed at Council sites).
- This potential may be offset if the energy demand for new and modified water and sewer treatment is greater than is the case at present, for example through processes leading to higher quality drinking water and effluent.
- There is proven potential for local councils in NSW to source electricity from renewables at prices comparable to 'regular' prices, depending on wholesale electricity market trends, and this is likely to be feasible for Council's electricity supply in coming years.
- Savings in fuel for transport fleet in the short to medium term is limited, and large savings in energy and emissions are unlikely to be feasible until beyond 2030.

Given the identified and assessed potential, the following targets should be considered for adoption by Leeton Shire Council.

- By 2030 aim to source 100% of Council's grid-delivered electricity from renewables where cost-effective and incurring no added risk to Council. This will require that Leeton Shire Council source electricity from renewables in its supply agreements. An interim (e.g. 2025) target can be considered, focused on onsite solar, energy efficiency (particularly main road streetlighting) and potentially a renewable energy Power Purchase Agreement.
- Reduce energy-related greenhouse gas emissions by 70% by 2030, consistent with achieving 100% renewables for electricity. Review targets if/as electrification becomes feasible for Council's fleet.

1.2 Budget implications

The total estimated cost of all identified and costed short and medium term opportunities for Leeton Shire Council is in the order of \$1.58 to \$1.73 million, with annual cost savings of \$177,577 to \$188,833. This is underpinned by the potentially large cost (~\$975,524) to upgrade main road lighting to LED, and by the implementation of a number of solar PV systems of 291.16 kW capacity or more.

1.2.1 Grant funding opportunities

Access to grant funding is an important element of many Councils' action to increase their renewable energy generation and reduce their greenhouse gas emissions. Funding received through the Regional Community Energy Fund (RCEF) by Grong Grong Solar 1 Pty Ltd to develop the Haystacks community

solar farm is a good local example. Pre-existing incentives for efficiency and renewables are available through programs such as the NSW Energy Savings Scheme (ESS) and the Renewable Energy Target (RET), which subsidises the upfront cost of small-scale solar PV systems up to 100 kW. The Commonwealth Government's Building Better Regions Fund is another example of a regional fund that could help Leeton Shire Council to develop some of its clean energy opportunities.

The NSW Department Of Planning, Industry and Environment highlights a number of potential funding sources in its May 2020 Net Zero Guidance for NSW local councils¹. Further to these potential funding sources, with the development of the NSW Government's Net Zero Plan 2020-2030 a range of programs and funding opportunities will arise in coming years, in areas such as solar PV, battery energy storage, electric vehicles and waste management.

1.2.2 Revolving Energy Fund and solar PPAs

Leeton Shire Council can consider the establishment of a Revolving Energy Fund and/or the use of onsite solar PPAs in future to accelerate funding of initiatives identified in this plan, where these cannot readily be funded from Council's budget.

A Revolving Energy Fund (REF) is a sustainable funding mechanism, whereby savings from sustainability projects are tracked and used to replenish the fund for the next round of investments. In this way, funds used for energy efficiency, renewable energy, and sustainability projects can be spent multiple times to drive emissions reduction, energy and cost savings. REFs allow a monetary investment to be spent a number of times (through reinvesting energy cost savings) without reducing its value.



FIGURE 1: REVOLVING ENERGY FUND – TYPICAL FUNDING CYCLE

NSW Government has developed resources aimed at helping local councils to set up and operate a REF in their organisation, through its Sustainable Councils and Communities Program (SCC). A REF Implementation Guide and Excel toolkit are provided to Council as part of this project. This project has

¹ © State of New South Wales and Department of Planning, Industry and Environment 2020. Net Zero Emissions Guidance for NSW Councils, May 2020.



assessed how a REF could work to deliver projects identified in this plan, in terms of a balance of seed funding, % savings return to a REF, and the duration of savings being returned to a REF.

A solar PPA allows Council to install solar (and potentially batteries) at its sites, with no upfront or O&M costs, and to purchase solar energy at a rate lower than the rates Council currently pays. This is another way for Council to meet its goals, with an option usually available to buy out these projects over time so Council can save more money over the long term.

The chart below illustrates how a REF model might look for all opportunities identified in this project. Seed and recurrent REF funding from Council's budget enables projects to be delivered, with savings coming back to the fund enabling the REF to be self-sustaining within a few years, at which time budget input could cease. This is one example only, and careful planning and engagement in the early stages of further development of a REF to deliver this strategy is strongly recommended. Council can use the REF tool to model a range of future REF scenarios.



Leeton Shire Council Energy Masterplan

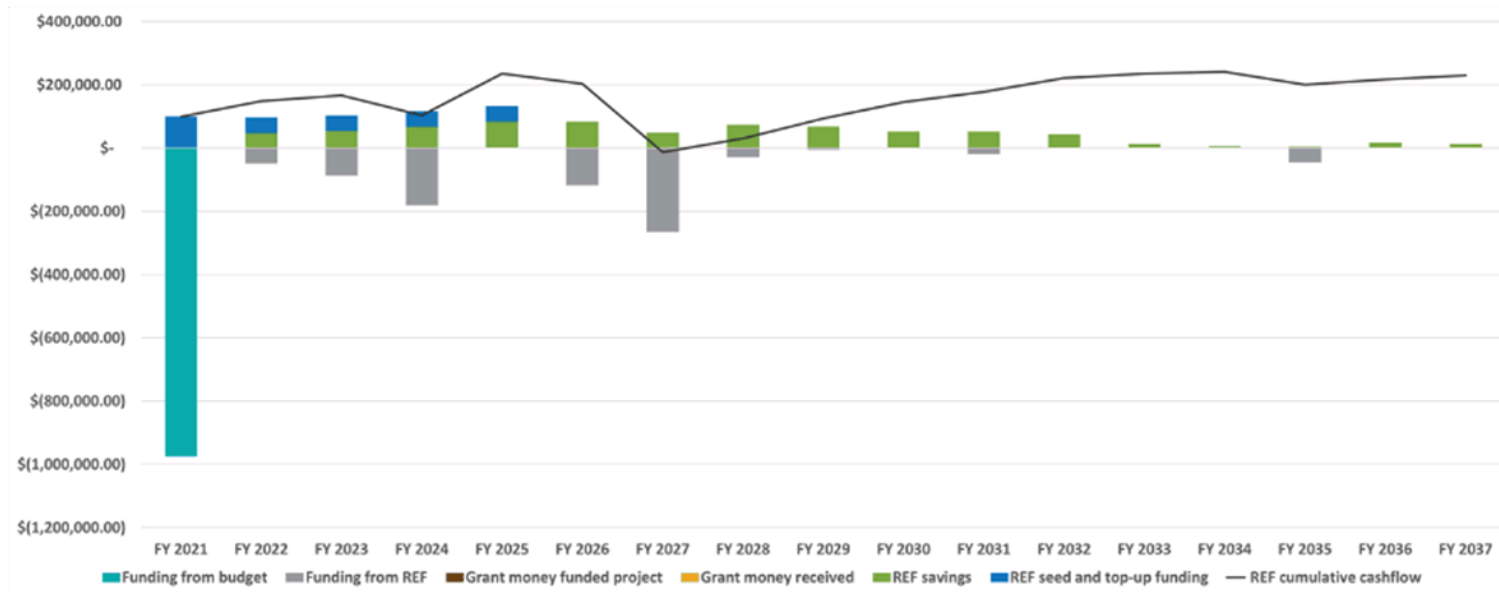


FIGURE 2: ALL OPPORTUNITIES REVOLVING ENERGY FUND – CASHFLOW MODEL



1.3 Council's energy and carbon footprint

1.3.1 Energy consumption and carbon footprint

This strategy focuses on energy consumed by Leeton Shire Council, in its facilities and streetlights, as well as by Council's vehicles. The energy carbon footprint in 2020 was 3,141 t CO₂-e, with the biggest emission source being electricity use in council assets (49.9%), followed by electricity for streetlighting (24.9%) and diesel consumption in fleet (24.0%).

TABLE 1: COUNCIL'S ENERGY-RELATED CARBON FOOTPRINT 2020

	Emission source	Activity data	Units	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total	%
	Diesel for fleet	263	kL	716		37	752	24.0%
	Petrol for fleet	10	kL	24		1	25	0.8%
	Natural Gas	210	GJ	11		3	14	0.4%
	Electricity used in council assets	1,838,739	kWh		1,489	78	1,568	49.9%
	Electricity used by streetlighting	868,853	kWh			782	782	24.9%
	Electricity use from solar PV	184,877	kWh				0	0.0%
	TOTAL:			750	1,489	901	3,141	100.0%

Electricity use is dominated by a small number of large sites (including streetlighting) and many individually small electricity using sites. The 'top 10' sites' use 77% of all Council's electricity.

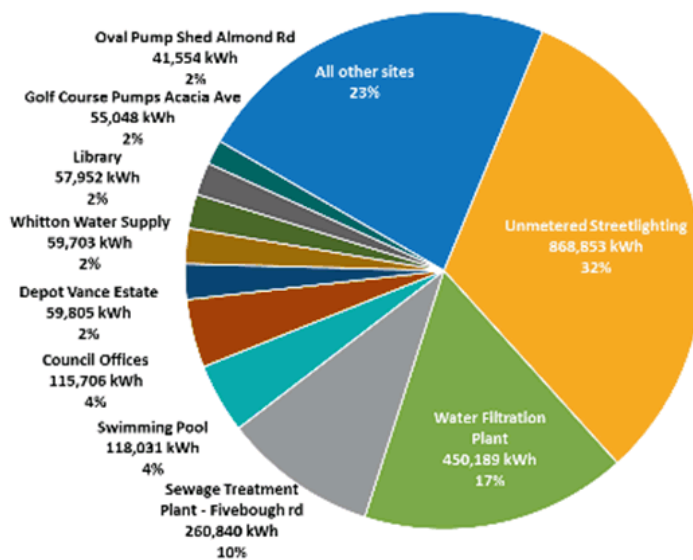


FIGURE 3: LEETON SHIRE COUNCIL'S LARGE ELECTRICITY USING SITES

1.4 Efficiency, renewable energy & emissions reduction options

A review of Leeton Shire Council's current energy demand and carbon footprint, site visits and discussions with Leeton Shire Council staff, suggest that there are six main areas of action by Leeton Shire Council and others that together can reduce energy demand, increase onsite renewables, and reduce emissions. These six areas are:

1. Grid decarbonisation
2. Energy efficiency
3. Onsite solar
4. Sustainable transport
5. Renewable energy PPA +/or mid-scale solar
6. Funding / financing of efficiency and renewable energy opportunities

These six measures are illustrated in the graphic below.



FIGURE 4: SIX CATEGORIES OF ENERGY AND EMISSIONS REDUCTION ACTIONS FOR LEETON SHIRE COUNCIL

The electricity grid will become less carbon-intensive as renewable energy generation and storage replaces coal-fired power stations over the next couple of decades, contributing to the reduction in emissions by Council's facilities. In the short to medium term (i.e. within the period of the current and the next Delivery Program cycle for Leeton Shire Council), a range of Council-led actions are recommended that will help Council to achieve significant resource, emissions and cost savings. These actions are tabulated below.



1.4.1 Short to medium term opportunities

TABLE 2: LEETON SHIRE COUNCIL SHORT TO MEDIUM TERM OPPORTUNITIES

Category	Sub-category	Site	Abatement option	Indicative cost
Energy efficiency	VSD Control	SPS #1	Future upgrade of soft start control to VSD control on 2x18 kW & 2x75kW motors.	\$7,910
Behind the meter solar	Solar PV + BESS - Ground - STC		Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Behind the meter solar	Solar PV + BESS - Ground - STC	SPS #3	Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Behind the meter solar	Solar PV + BESS - Ground - STC	SPS #4	Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Energy efficiency	New Plant	Water Filtration Plant	Incorporate energy efficient design into future new WTP.	Not estimated
Behind the meter solar	New Plant		Incorporate provision for solar PV in any design for a new plant.	Not estimated
Behind the meter solar	Solar PV - Floating - STC	Raw Water Pumps (canal - Toorak Rd)	Install a ~30 kW floating solar PV system.	\$92,400
Energy efficiency	VSD Control	Sewerage Treatment Plant	Replace soft start control and install DO monitoring linked to VSD controlled aerator motors on the extended aeration process.	\$40,748
Behind the meter solar	Solar PV - Ground - LGC scale		Install an additional 50.2 kW ground-mounted solar PV system next to the existing system, OR	\$90,360
Behind the meter solar	Solar PV - Ground - LGC scale		Install an additional 99.9 kW ground-mounted solar PV system next to the existing system.	\$179,820
Sustainable transport	Electric Vehicle charging	Council Admin Building	Install EV charging at Council staff and visitor parking to cater for future EV in Council fleet or as public chargers (medium term).	Not estimated



Category	Sub-category	Site	Abatement option	Indicative cost
Behind the meter solar	Solar PV - Roof - STC	Museum/ WCIC	Install an 8.04 kW roof-mounted solar PV system.	\$8,040
Behind the meter solar	Solar PV - Roof - STC	Library	Install an additional 19.8 kW roof-mounted solar PV system, OR	\$19,800
Behind the meter solar	Solar PV - Roof - STC		Install an additional 33.2 kW roof-mounted solar PV system with 50 kWh Battery Energy Storage System (BESS).	\$78,200
Energy efficiency	New Design	Roxy	Ensure energy efficiency is maximised in the upgrade of the Roxy, especially a new air conditioning system to replace current evaporative cooling.	Not estimated
Behind the meter solar	Solar PV		Incorporate provision for solar PV in new works.	Not estimated
Energy efficiency	Metering and Accounts	Depot	Assess the potential to combine NMIs on the depot to a single account to reduce supply charges and make a better case for solar.	Council to confirm
Behind the meter solar	Solar PV - Roof - STC		Install a 30.8 kW roof-mounted solar PV system.	\$30,800
Buying clean energy	Mid-scale Solar PV	Yanco Landfill	Assess the potential to install a mid-scale solar farm.	Not estimated
Energy efficiency	New Plant	Leeton Pool	Ensure energy efficiency is incorporated into new plant design (project underway in 2020/21).	Not estimated
Behind the meter solar	Solar PV - Carport - STC		Install a 50.3 kW carport solar PV system.	\$140,840
Energy efficiency	New Plant	Whitton Pool	Ensure energy efficiency is incorporated into new plant design.	Not estimated
Behind the meter solar	Solar PV		Further assess the solar opportunity for feasibility.	Not estimated
Behind the meter solar	Solar PV - Ground - STC	Yanco Sewage Treatment plant	Install a 12.6 kW ground-mounted solar PV system.	\$16,380

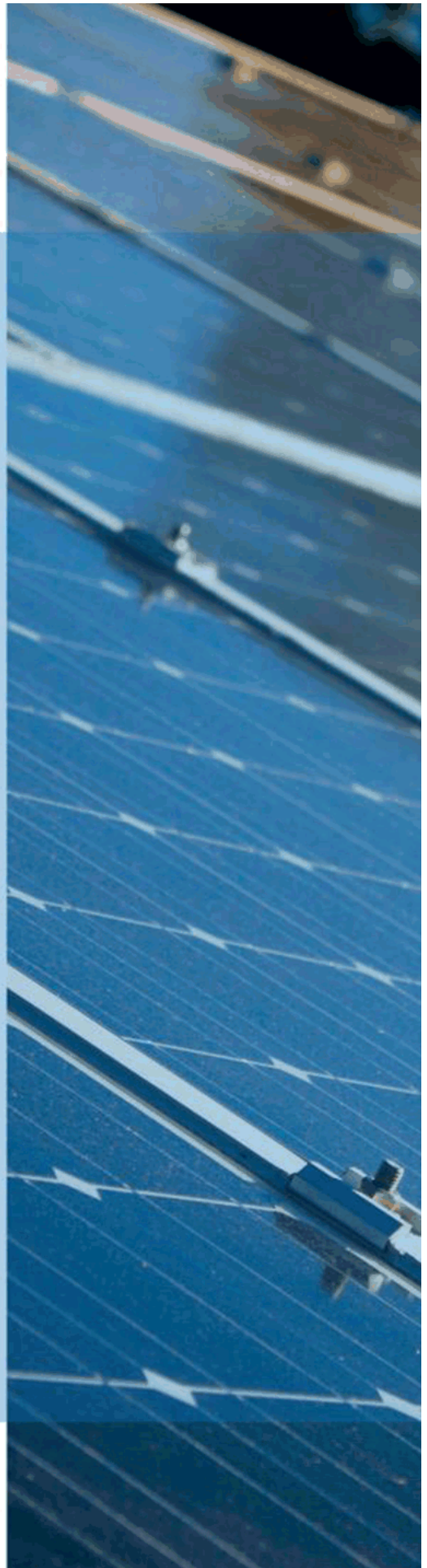


Category	Sub-category	Site	Abatement option	Indicative cost
Behind the meter solar	Solar PV - Ground - STC	Murrami Water	Install a 10 kW ground-mounted solar PV system.	\$13,000
Energy efficiency	Streetlighting	Streetlighting	Upgrade streetlights to LED.	\$975,524
Buying clean energy	Renewable energy PPA	All large and potentially all sites	Investigate the potential to develop and enter into a renewable energy power purchase agreement (PPA) for Council's sites, alone or in conjunction with other Councils, e.g. via RAMJO.	Not estimated, subject to wholesale electricity market forecast, retailer interest, and other factors
Buying clean energy	Renewable energy PPA	Photon Energy	Assess the opportunity to negotiate a renewable energy PPA from the developer.	
Buying clean energy	Renewable energy PPA	IBVogt	Assess the opportunity to negotiate a renewable energy PPA from the developer.	
Behind the meter solar	Solar PV - Roof - STC	Community Centre - Wade Ave	Install a 15.1 kW roof-mounted solar PV system.	\$15,100
Behind the meter solar	Solar PV - Roof - STC	CWD Hall - Wade Ave	Install a 4.69 kW roof-mounted solar PV system.	\$4,690
Behind the meter solar	Solar PV - Roof - STC	Tourist Office - Yanco Ave	Install a 6.03 kW roof-mounted solar PV system.	\$6,030
Sustainable transport	Hybrid vehicles	Whole-of-Council	Review opportunities for most passenger vehicles and utility vehicles to change to hybrid as a transition strategy towards EVs	Not estimated
Sustainable transport	Hybrid & EV vehicles	Whole-of-Council	Consider trialling or implementing telematics on fleet to get more detailed data that can help to inform future vehicle selection decisions	Not estimated
Sustainable transport	Policy & incentives	Whole-of-Council	Stay abreast of developments in EV incentives, policy and other support, and incorporate these in Council's planning process for its transport fleet	Not estimated



Scope of work

Approach to Leeton Shire Council's Energy Masterplan



2 Approach and scope of work

100% Renewables was engaged by the NSW Department of Planning, Industry & Environment: Sustainable Councils and Communities Program to develop an Energy Masterplan in partnership with Leeton Shire Council that will help it to cost-effectively increase the amount of renewable energy at its facilities, and lower energy demand through efficiency measures. The scope of this project is outlined below.



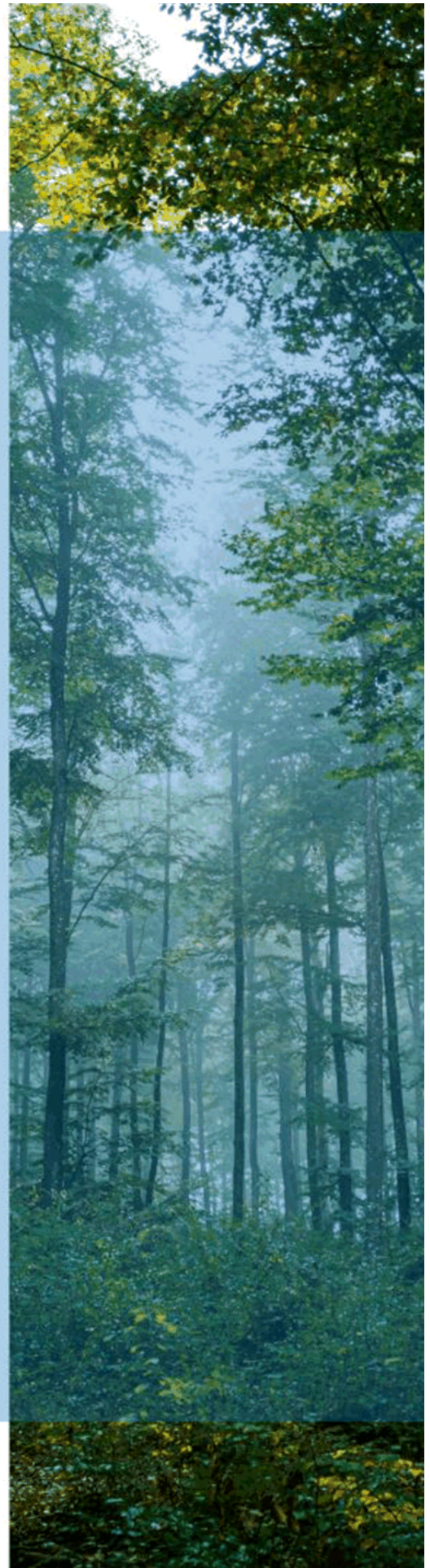
FIGURE 5: SEVEN-STEP PROCESS TO DEVELOP LEETON SHIRE COUNCIL'S ENERGY MASTERPLAN

- ▶ **Stage 1 – Project inception and plan**
 - A meeting was held at Leeton Shire Council's offices with key stakeholders to discuss the approach and inclusions
- ▶ **Stage 2 – Energy & carbon footprint**
 - Energy use data were collected directly from Council's billing systems and via RAMJO
 - Based on this we developed an energy & carbon footprint for Council operations
- ▶ **Stage 3 – Engagement**
 - Conducted site visits to Council's major energy using sites over one full day, including water & wastewater, office and community buildings
- ▶ **Stage 4 – Draft opportunities**
 - Developed a set of draft opportunities in excel for discussion with stakeholders
 - A follow-up meeting was held with Council and DPIE to review and prioritise opportunities to be assessed further
- ▶ **Stage 5 – Business case development**
 - Model solar PV business cases, assess efficiency opportunities
 - Outline mid-scale RE and PPA options in the NEM
 - Outline sustainable transport opportunities
- ▶ **Stage 6 – Action plans**
 - Develop short, medium and long term plans for Council to meet recommended targets
 - Review financing options for Council and highlight 2-3 of these
- ▶ **Stage 7 – Energy Masterplan/Strategy**
 - Draft Energy Masterplan report
 - Finalise Energy Masterplan following receipt of feedback



Background and Context

Factors underpinning
climate action at
global and sectoral
levels



3 Global context for climate action and targets

3.1 The need to reach ‘net-zero’ greenhouse gas emissions

Due to all historical and current carbon emissions, global temperatures have increased by ~1°C from pre-industrial levels. The main driver of long-term warming is the total cumulative emissions of greenhouse gases over time. As shown by the *Climate Action Tracker*² below, without additional efforts, human-caused carbon dioxide (equivalent) emissions may increase to over 100 billion tonnes annually by 2100, which is double current global emissions. The resulting increase in global temperatures would be up to 4.8°C (as per the IPCC Climate Change 2014 Synthesis Report³).

With current policies around the world, global temperatures are projected to rise by about 3.1°C. To prevent dangerous climate change by limiting global warming, close to 200 of the world’s governments signed the landmark Paris Agreement. This Agreement underpins science-based targets to limit global temperature increase to well below 2°C by 2050. With current pledges, and if all countries achieved their Paris Agreement targets, it would limit warming to 2.7°C. To limit warming to 1.5°C, carbon emissions must decline sharply in the short-term and reach net-zero by mid-century.

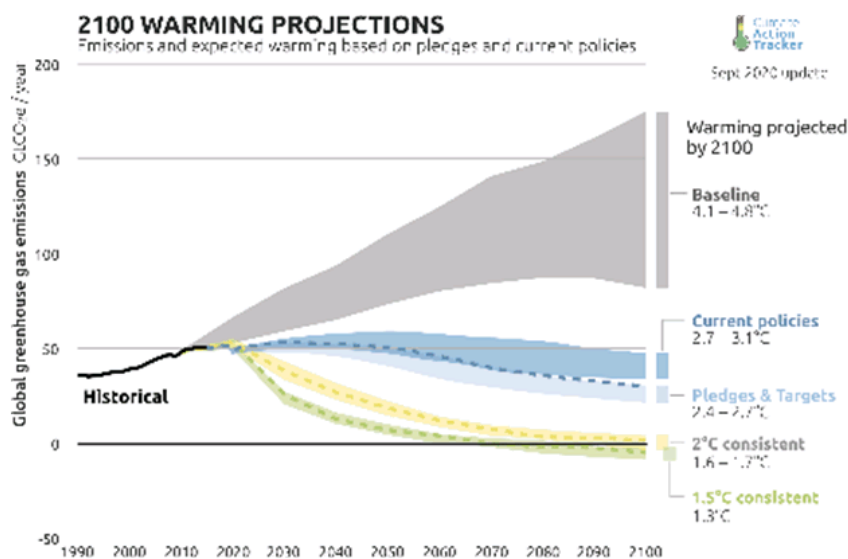


FIGURE 6: THE CLIMATE ACTION TRACKER’S WARMING PROJECTIONS FOR 2100, VARIOUS POLICY SCENARIOS

A net-zero target means that by the target date, there must be no greenhouse gas emissions on a net basis. For energy use in a local government’s operations, for example, this would mean:

1. Net-zero GHG emissions from stationary fuel combustion such as LP gas use, and
2. Net-zero GHG emissions from transport fuel combustion, and
3. Net-zero GHG emissions from electricity consumption

² <https://climateactiontracker.org/global/temperatures/>

³ [IPCC Climate Change 2014 Synthesis Report](#)

3.2 International drivers for climate action

Internationally, there are three primary drivers for urgent action on climate, additional to the second commitment period of the Kyoto Protocol from 2013 to 2020. These are:

1. Sustainable Development Goals (SDGs)

In 2015, countries adopted the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals. Governments, businesses and civil society together with the United Nations are mobilising efforts to achieve the Sustainable Development Agenda by 2030⁴. The SDGs came into force on 1 January 2016 and call on action from all countries to end all poverty and promote prosperity while protecting the planet.

2. Paris Agreement

To address climate change, countries adopted the Paris Agreement at the COP21 in Paris on 12 December 2015, referred to above. The Agreement entered into force less than a year later. In the agreement, signatory countries agreed to work to limit global temperature rise to well below 2°C, and given the grave risks, to strive for 1.5°C Celsius⁵.

3. Special IPCC report on 1.5°C warming (SR15)

In October 2018 in Korea, governments approved the wording of a special report on limiting global warming to 1.5°C. The report indicates that achieving this would require rapid, far-reaching and unprecedented changes in all aspects of society. With clear benefits to people and natural ecosystems, limiting global warming to 1.5°C compared to 2°C could go hand in hand with ensuring a more sustainable and equitable society⁶.



FIGURE 7: GLOBAL CONTEXT FOR ACTION ON CLIMATE

The IPCC is currently in its sixth assessment report cycle (AR6), and their synthesis report is due to be released in 2022, which will bring together the latest science, evidence and projections for global warming.

⁴ Sourced from <https://www.un.org/sustainabledevelopment/development-agenda/>

⁵ Sourced from <https://www.un.org/sustainabledevelopment/climatechange/>

⁶ Sourced from https://www.ipcc.ch/news_and_events/pr_181008_P48_spm.shtml

In addition, the World Economic Forum’s Global Risks Report 2021⁷ continues to highlight adverse climate change-related outcomes as among the most likely to occur with the highest impacts to the global economy. The chart below from the WEF’s report shows several key climate risks clustered in the top right corner; that is, these risks are assessed to be among the most likely to eventuate, with the greatest economic impact among all the global risks that were assessed.

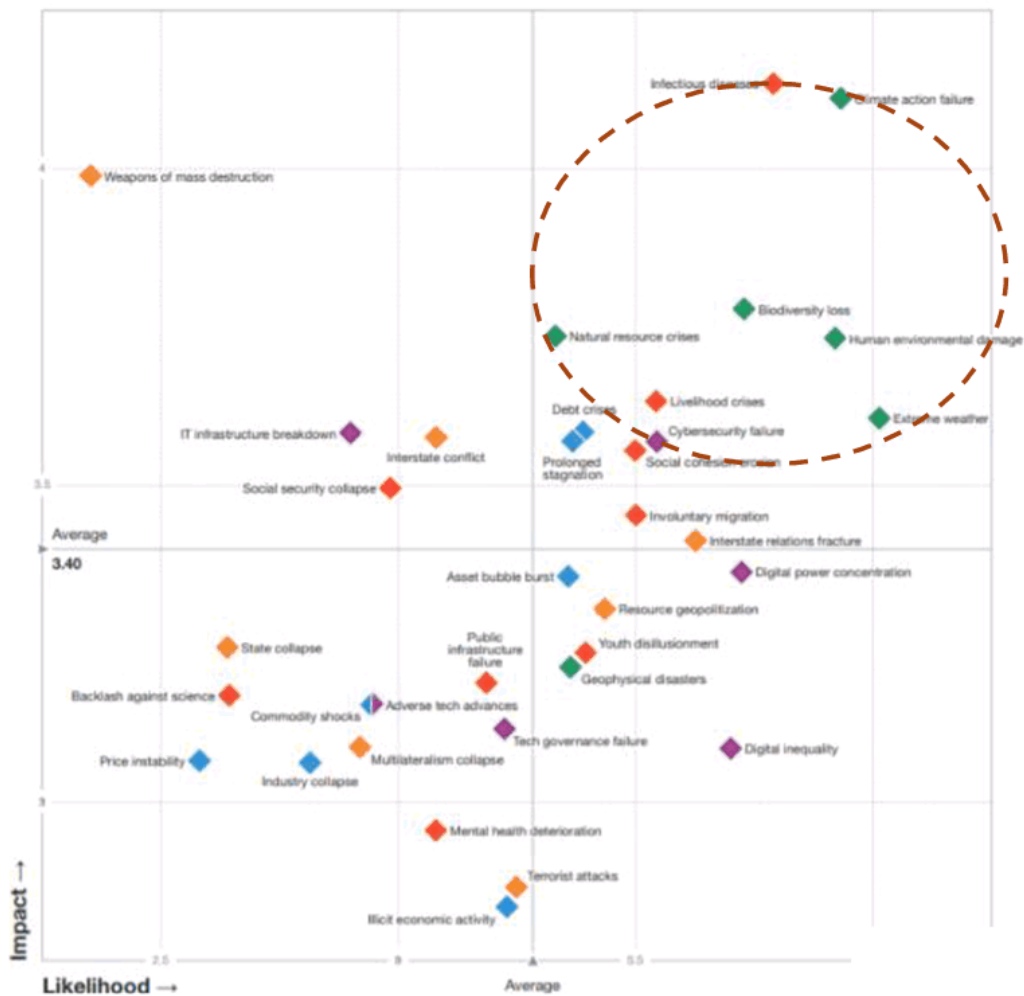


FIGURE 8: GLOBAL RISKS REPORT – LIKELIHOOD & IMPACT OF CLIMATE, OTHER RISKS TO GLOBAL ECONOMY

⁷ http://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2021.pdf

4 National and State Government action

4.1 National targets

At a national level, Australia’s response to the Paris Agreement has been to set a goal for greenhouse gas (GHG) emissions of 5% below 2000 levels by 2020 and GHG emissions of 26% to 28% below 2005 levels by 2030. A major policy that currently underpins this is the Renewable Energy Target (RET). This commits Australia to source 20% of its electricity from renewable energy sources by 2020.



FIGURE 9: AUSTRALIA’S RENEWABLE ENERGY AND CARBON GOALS – NATIONAL LEVEL

According to Government figures 21 per cent of Australia’s electricity came from renewable energy in 2019, up from 19 per cent in 2018, meaning the RET has been achieved. The RET is the main successful policy underpinning Australia’s climate mitigation efforts. Other key initiatives include the Climate Solutions Fund, formerly the Emissions Reduction Fund, which sources abatement from eligible activities in the economy via periodic auction processes.

Despite these initiatives, Australia’s GHG emissions have been rising steadily in recent years following a period of emissions reduction during Australia’s Carbon Pollution Reduction Scheme (CPRS).

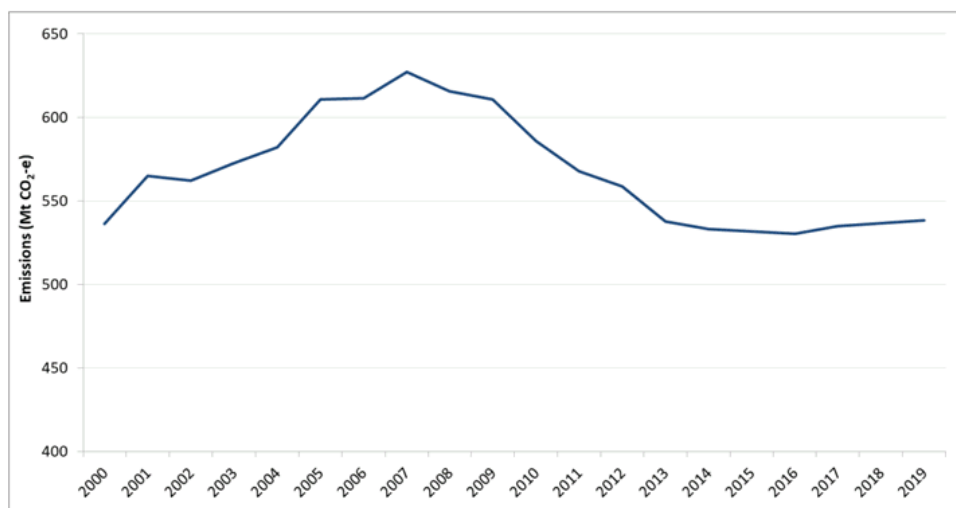


FIGURE 10: AUSTRALIA’S GHG EMISSIONS FROM ALL SOURCES

4.2 NSW State targets

At a sub-national level, most states and territories have established emissions targets as well as some legislated targets for renewable energy, as seen below.

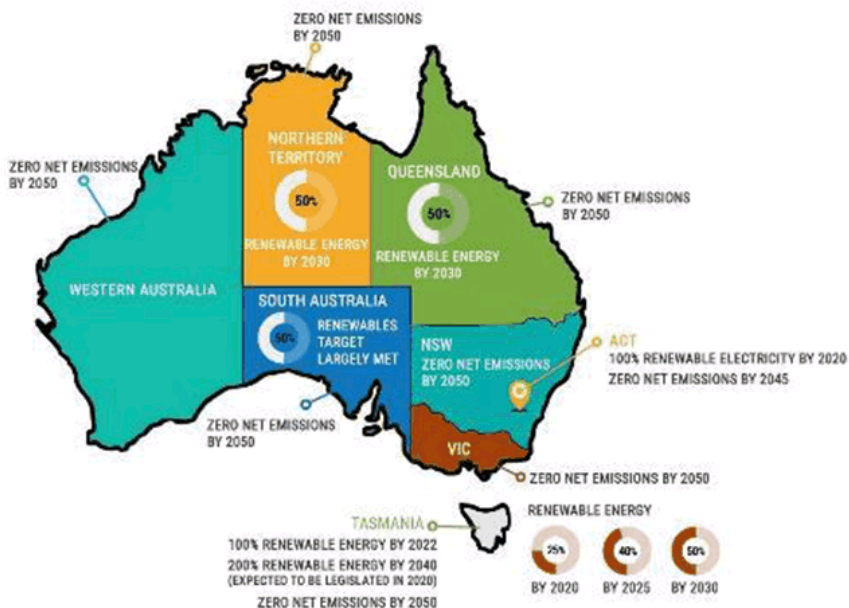


FIGURE 11: AUSTRALIA’S RENEWABLE ENERGY AND CARBON GOALS – STATE & TERRITORY LEVEL

Supporting the NSW Government’s commitment to reach net zero emissions by 2050, in 2020 the NSW Government released its **Net Zero Plan Stage 1: 2020–2030**⁸. This is a big milestone that sees the first of three 10-year plans released that will set a pathway to net zero emissions by 2050.

In addition the NSW Government has developed an **NSW Electricity Strategy**⁹ which will help the State to deliver on its goal to attract renewable energy investment. In the first instance a 3,000 MW renewable energy zone (REZ) in Central West Orana will be developed, attracting significant private sector investment to developing new generation assets in this region.

A larger 8,000 MW renewable energy zone is to be developed in the New England region with up to seven additional REZs’ to be developed in future, including the Riverina

The figures below show the approximate locations of the Central West Orana, New England and South-West (Riverina) REZs’.

⁸ © State of New South Wales 2020. Published March 2020
⁹ <https://energy.nsw.gov.au/renewables/renewable-energy-zones>

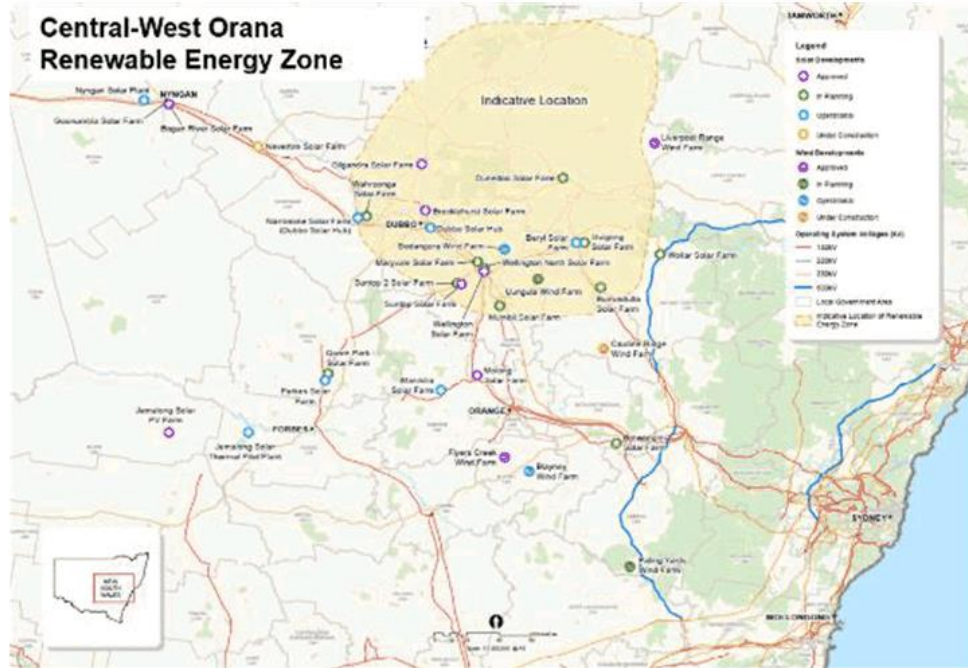


FIGURE 12: INDICATIVE CENTRAL-WEST ORANA NSW RENEWABLE ENERGY ZONE



FIGURE 13: INDICATIVE NEW ENGLAND NSW RENEWABLE ENERGY ZONE

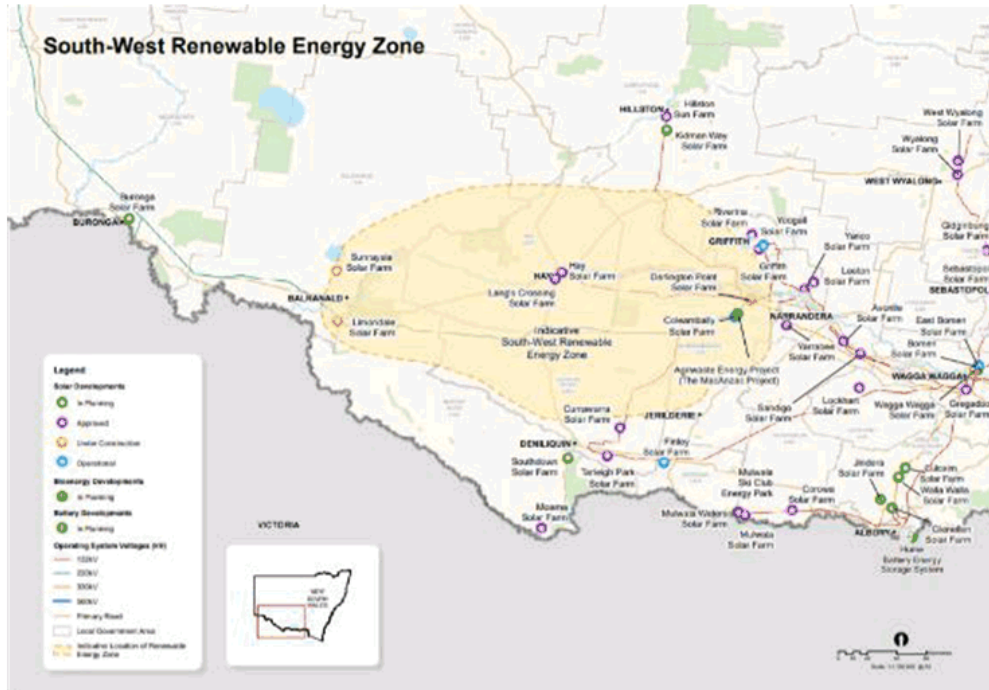


FIGURE 14: INDICATIVE SOUTH WEST RENEWABLE ENERGY ZONE

Some of the key highlights of the 2020-2030 Net Zero Plan include:

- A central focus of the Plan is about jobs that will be created and about the lowering of energy costs for consumers. Many renewable energy jobs will be created in regional NSW.
- The Plan commits to breaking down barriers that remain to people and business investing in commercially-available technologies, such as energy efficient appliances and buildings, rooftop solar, firming grid-scale renewables, and electric vehicles.
- The Plan commits NSW to reducing State emissions by 35% by 2030 and to net zero by 2050 and articulates this is a shared responsibility among business, individuals and governments.
- There will be a broadening of the focus of abatement to encompass low-carbon products and services and providing consumers with more information to influence buying decisions.
- Clarity on some of the funding, targets and programs that will help drive this change, such as:
 - \$450 million Emissions Intensity Reduction Program
 - \$450 million commitment to New South Wales from the Climate Solutions Fund
 - \$1.07 billion in added funding via NSW and Commonwealth across several measures
 - Development of three Renewable Energy Zones in the Central-West, New England and South-West of NSW to drive up to \$23 billion in investment and create new jobs
 - Energy Security Safeguard to extend and expand the Energy Savings Scheme
 - Expanded Energy Efficiency Program
 - Expanded Electric and Hybrid Vehicle Plan with the Electric Vehicle Infrastructure and Model Availability Program to fast-track the EV market in NSW



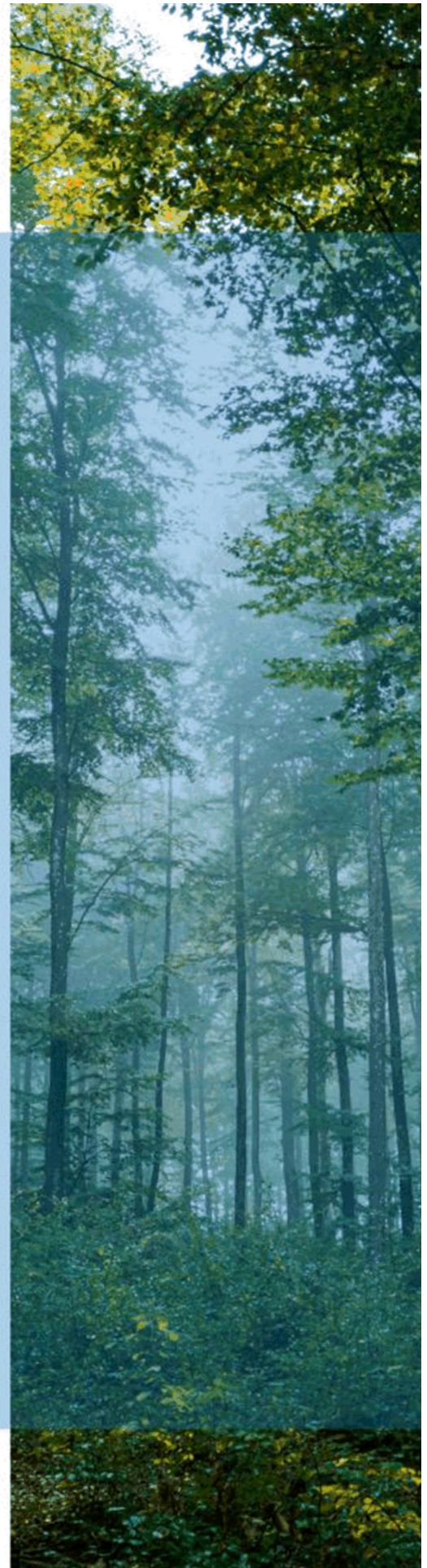
- Primary Industries Productivity and Abatement Program to support primary producers and landowners to commercialise low emissions technologies
- Target of net-zero emissions from organic waste by 2030
- Development of a Green Investment Strategy, with Sydney as a world-leading carbon services hub by 2030
- Enhancement of the EnergySwitch service by allowing consumers to compare the emissions performance of energy retailers
- Advocate to expand NABERS to more building types, and improve both the National Construction Code and BASIX
- Establishment of a Clean Technology Program to develop and commercialise emissions-reducing technologies that have the potential to commercially out-compete existing emissions-intense goods, services and processes
- Establishment of a Hydrogen Program that will help the scale-up of hydrogen as an energy source and feedstock, and target 10% hydrogen in the gas network by 2030
- Aligning action by government under GREP with the broader state targets through clear targets for rooftop solar, EVs, electric buses, diesel-electric trains, NABERS for Government buildings, power purchasing and expansion of national parks

Several of these initiatives will be of interest and benefit to Leeton Shire Council and its community.



Local Context

Local government and Leeton Shire Council's action on climate



5.2 Local trends – what is occurring in Leeton?

Leeton Local Government Area is in the middle of LGAs in terms of the uptake of solar hot water and solar PV systems. According to data sourced from the Australian Photovoltaic Institute (APVI), Leeton LGA has:

- 1,265 PV installations, a 23.5% penetration rate, at February 2021, with 8.86 MW of installed capacity. Refer to the APVI map with Leeton Shire Council LGA details highlighted below.
- 192 installations over 10 kW and less than 100 kW, and 1,073 installations of less than 10 kW.

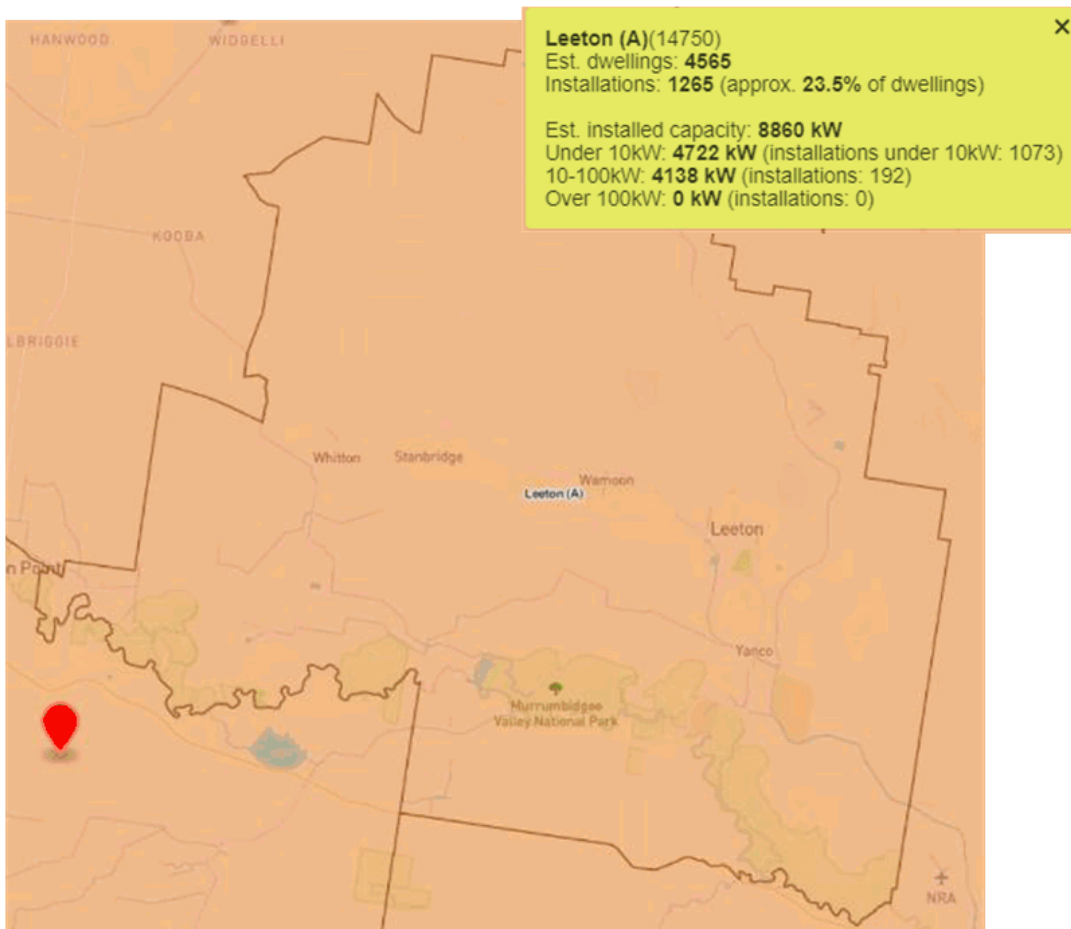


FIGURE 16: SOLAR PV UPTAKE ON THE LEETON¹¹

¹¹ <https://pv-map.apvi.org.au/>



5.3 Previous sustainability actions by Leeton Shire Council

Leeton Shire Council has implemented a number of initiatives to reduce energy demand and cost. It is often the case that this is done as 'business-as-usual'. Examples, supplied by Council and observed from site visits, include:

- Solar PV system at the men's shed
- 15 kW solar PV system at Leeton Shire Council's library
- 99.18 kW solar PV system at the sewage treatment plant on Fivebough Rd
- 35 kW solar PV system at Council offices

Council's draft Local Strategic Planning Statement (LSPS)¹² notes the need to manage environment challenges through new technologies and practices to reduce carbon emissions, and notes the link to the Community Strategic Plan 2030 priority to tackle climate change and adapt to it. The LSPS also notes the link to the Regional Plan, and specifically Direction 11 to promote the diversification of energy supplies through renewable energy generation (without compromising the use of high value agricultural land in the region).

¹² <https://www.leeton.nsw.gov.au/f.ashx/Council-Plans/DRAFT-Local-Strategic-Planning-Statement-Documents.pdf>



Baseline

Leeton Shire Council's energy and carbon footprint



6 Background information on scope 1, scope 2 and scope 3 emissions

To help differentiate between different greenhouse gas emissions sources, emissions are classified into the following scopes according to the GHG Protocol – Corporate Standard:

- Scope 1 emissions are emissions directly generated at your operations, such as burning natural gas or driving company cars, or refrigerant gases in your air conditioning equipment.
- Scope 2 emissions are caused indirectly by consuming electricity. These emissions are generated outside your organisation (think coal-fired power station), but you are indirectly responsible for them.
- Scope 3 emissions are also indirect emissions and happen upstream and downstream of your business. Examples are waste, air travel, the consumption of goods and services, contractor emissions, or leased assets.

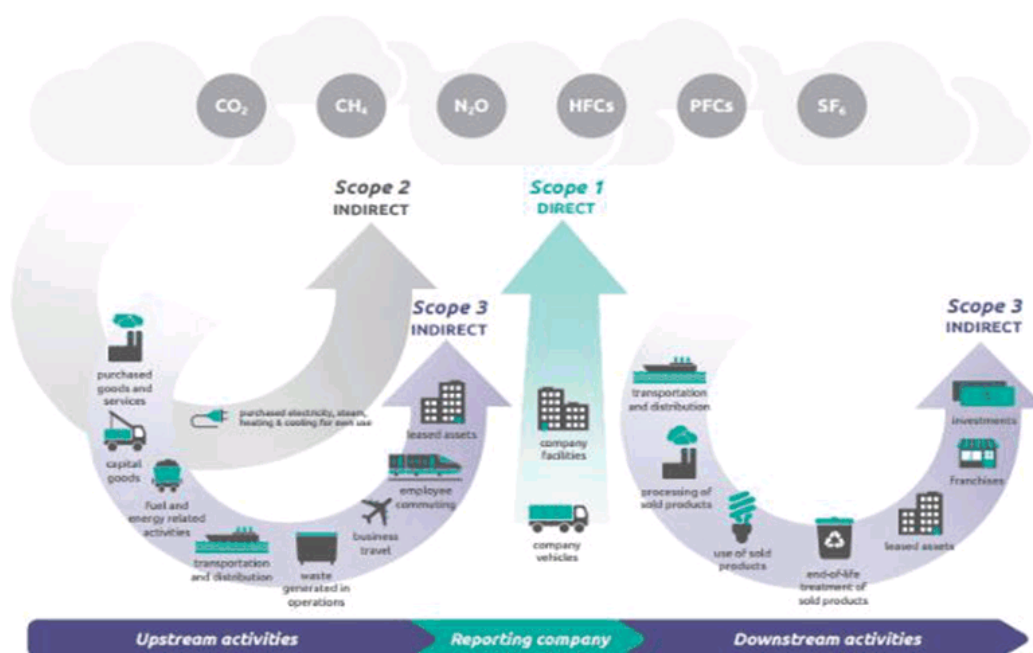


FIGURE 17: SCOPE 1, SCOPE 2 AND SCOPE 3 EMISSIONS

6.1 Council's 2020 energy use and carbon footprint

The focus of this plan is energy-related emissions, and action plans reflect this. However for completeness we have also collected data on waste emissions to provide context to the scale of these sources relative to energy-related emissions. A wider emissions reduction plan, either encompassing Council's non-energy emissions and supply-chain emissions, or considering emissions by the community (which give rise to emissions from waste) would likely include these sources.



Council's energy use and carbon footprint were assessed based on data supplied by Council covering the financial year 2019/20 and calendar years 2019 and 2020. This reflects data availability for various emissions sources, and the inventory year is simply referred to as 2020.

Looking at the carbon footprint inclusive of waste, we see that landfill emissions are the dominant source, followed by electricity consumption, and then diesel fuel consumption.

TABLE 3: LEETON SHIRE COUNCIL – CARBON FOOTPRINT 2020, ENERGY + WASTE

	Emission source	Activity data	Units	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total	%
	Diesel for fleet	263	kL	716		37	752	4.0%
	Petrol for fleet	10	kL	24		1	25	0.1%
	Natural Gas	210	GJ	11		3	14	0.1%
	Electricity used in council assets	1,838,739	kWh		1,489	78	1,568	8.3%
	Electricity used by streetlighting	868,853	kWh			782	782	4.1%
	Electricity use from solar PV	184,877	kWh				0	0.0%
	Landfill waste	13,178	t	15,754			15,754	83.4%
	TOTAL:			16,504	1,489	901	18,894	100.0%

When looking at Council's operational energy-related emissions only, electricity accounts for more than three quarters of emissions, followed by transport fuel. This is also tabulated below.

TABLE 4: LEETON SHIRE COUNCIL – CARBON FOOTPRINT 2019, ENERGY ONLY

	Emission source	Activity data	Units	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total	%
	Diesel for fleet	263	kL	716		37	752	24.0%
	Petrol for fleet	10	kL	24		1	25	0.8%
	Natural Gas	210	GJ	11		3	14	0.4%
	Electricity used in council assets	1,838,739	kWh		1,489	78	1,568	49.9%
	Electricity used by streetlighting	868,853	kWh			782	782	24.9%
	Electricity use from solar PV	184,877	kWh				0	0.0%
	TOTAL:			750	1,489	901	3,141	100.0%

The above inventory summaries are repeated graphically below.

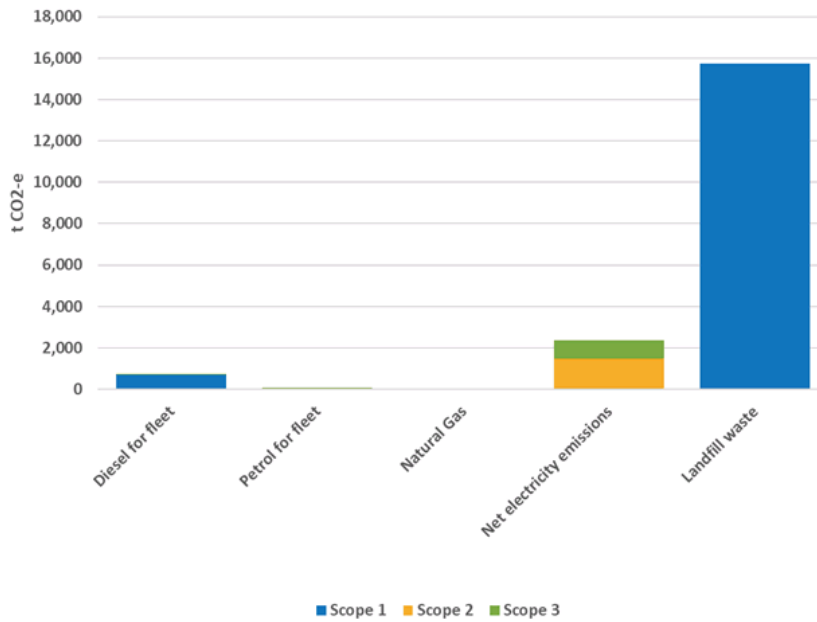


FIGURE 18: LEETON SHIRE COUNCIL CARBON FOOTPRINT BY EMISSIONS SOURCE, ENERGY + WASTE

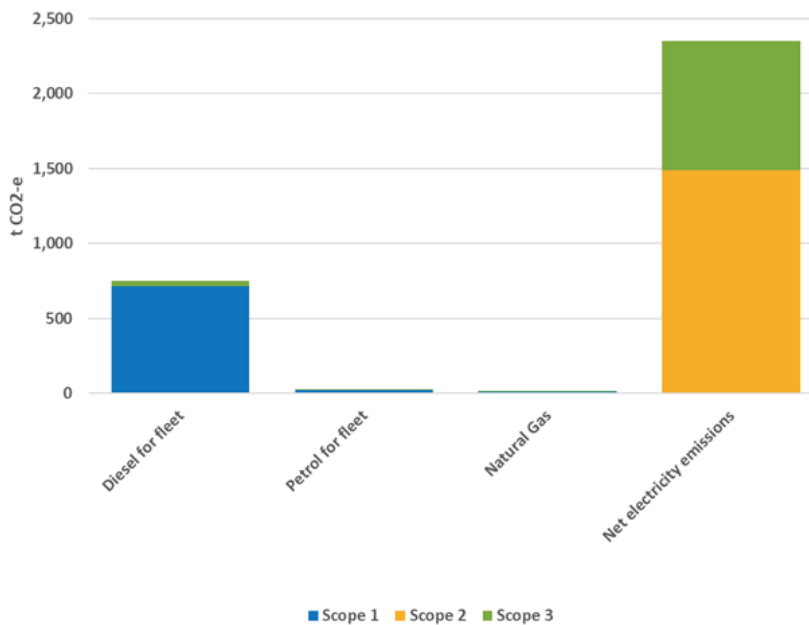


FIGURE 19: LEETON SHIRE COUNCIL CARBON FOOTPRINT BY EMISSIONS SOURCE, ENERGY ONLY

6.2 Electricity consumption summary

As the main source of operational greenhouse gas emissions, electricity use was assessed further. The following three charts provide a summary of where and how electricity is used, including:

- Top 10 electricity using accounts/sites seen against the balance of consumption
- Electricity use by site type, and
- Estimated electricity end-use by equipment type

Electricity use is dominated by a small number of large sites/accounts (including the main streetlighting account) and many individually small electricity using sites. The 'top 10' sites' use 77% of all Council's electricity.

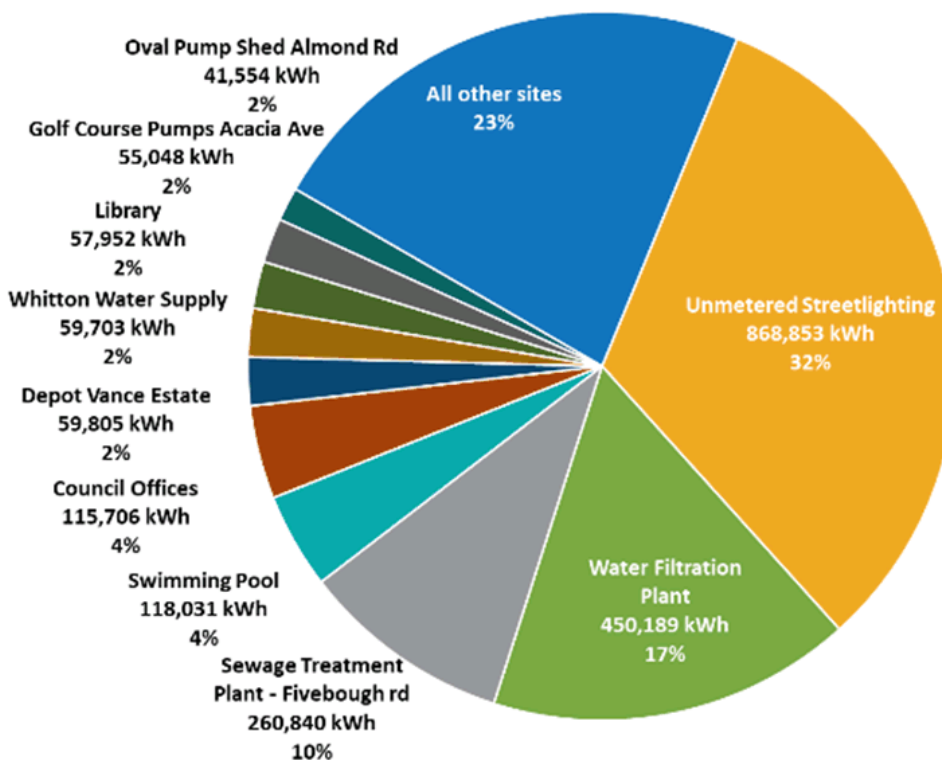


FIGURE 20: LEETON SHIRE COUNCIL'S LARGE ELECTRICITY USING SITES

Viewed by site type, it can be seen that unmetered streetlighting consumes 32% of Council’s power, while major wastewater and water treatment plants use 41% and major buildings and public facilities use 25%.

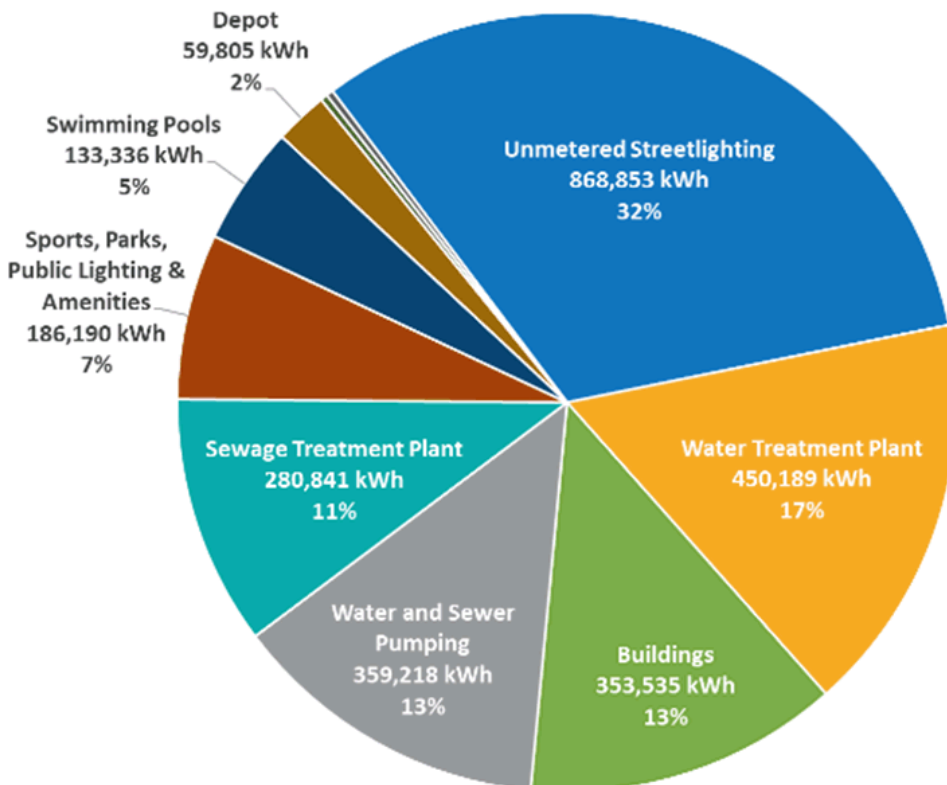


FIGURE 21: LEETON SHIRE COUNCIL’S MAIN ELECTRICITY USING ASSET CATEGORIES

It is also possible to estimate the contribution by major equipment types to electricity use, based on experience with similar operations. The major equipment types include motor systems, lighting, air conditioning (HVAC) and power & appliances. The estimated contribution to Council’s electricity consumption is illustrated below, highlighting motor systems and lighting as the major users, and therefore the major focus areas for energy efficiency.

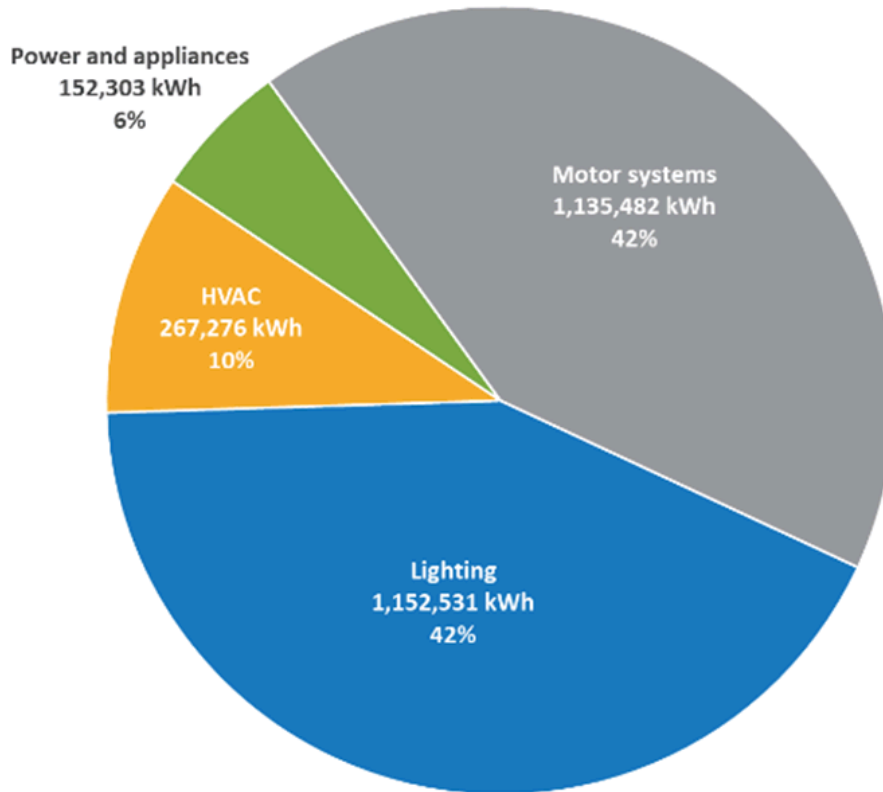


FIGURE 22: LEETON SHIRE COUNCIL'S ELECTRICITY USE BY END USE EQUIPMENT

6.3 Natural gas consumption summary

Gas consumption is small, accounting for just 0.4% of Council's energy-related emissions. There are six sites in Leeton that use natural gas. The Roxy consumes 69% of the total natural gas use followed by Leeton indoor stadium and 25 Chelmsford place with 22% and 9%, respectively.

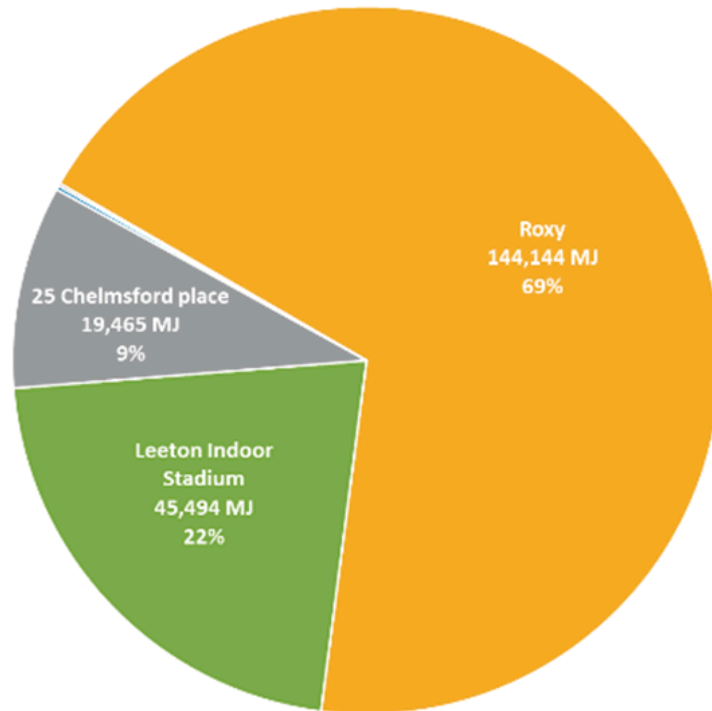


FIGURE 23: LEETON SHIRE COUNCIL'S LARGE NATURAL GAS USING SITES



Abatement Strategy

Leeton Shire
Council's emissions
and energy
reduction



7 Leeton Shire Council's emissions and energy reduction options

7.1 Measures available to reduce Leeton Shire Council's footprint

A review of Leeton Shire Council's current energy demand and carbon footprint, site visits and discussions with Leeton Shire Council staff, suggest that there are six main areas of action by Leeton Shire Council and others that together can reduce energy demand, increase onsite renewables, and reduce emissions. These six areas are:

7. Grid decarbonisation
8. Energy efficiency
9. Onsite solar
10. Sustainable transport
11. Renewable energy PPA +/- or mid-scale solar
12. Funding / financing of efficiency and renewable energy opportunities

These six measures are illustrated in the graphic below. Following this, a summary of the scope, scale, cost-effectiveness and risks associated with each of these measures is presented that can enable the success of Council's abatement efforts.

This is then followed by the development of action plans outlining opportunities that will enable Leeton Shire Council to achieve its sustainable energy goals. The identified opportunities are based on analysis of information and data, visits to some of Leeton Shire Council facilities with staff, and discussions with key stakeholders.



FIGURE 24: SIX CATEGORIES OF ENERGY AND EMISSIONS REDUCTION ACTIONS FOR LEETON SHIRE COUNCIL

7.2 Grid decarbonisation



Description

In NSW there are currently five coal-fired power stations with combined 10,240 MW capacity that supply most of the State's electricity and make up the vast majority of electricity sector emissions in the state (Liddell, Vales Point B, Eraring, Bayswater and Mount Piper).

The state is largely self-reliant for power, with this supplemented by interstate links as and when required. Since 2010 three coal-fired power stations with 1,744 MW of capacity have closed in NSW (Wallerawang C, Redbank and Munmorah).

In recent years several thousand MW of large-scale solar and wind energy generation capacity has been built in NSW and much more is planned, together with nearly 2,350 MW of rooftop solar PV capacity, and in recent years rooftop solar installations have accelerated.

A 3,000 MW Renewable Energy Zone was recently announced for the State's central west and more are planned (including the Riverina / *South-West Renewable Energy Zone*), despite ongoing policy uncertainty at a Federal level, and constraints that have been placed on output from several renewable energy generators in response to transmission limitations in the state.

As more coal-fired power stations approach the end of their life – scheduled closures are in 2022, 2028, 2034, 2035 and 2043 respectively for the five active coal-fired power stations noted above – they are most likely to be replaced with renewable energy. This is most likely to be from wind and solar PV, firmed with pumped hydro and batteries.

Assuming this, the future carbon intensity of the NSW grid will decline, gradually until around 2035, then accelerating towards zero by the mid-2040s. The grid emissions intensity will be influenced by a range of factors, and AEMO's Integrated System Plan 2020¹³ (ISP2020) models five scenarios with differing assumptions for key influencing factors including demand drivers, DER uptake, emissions, large-scale renewable build cost trajectories, investment and retirement considerations, gas market settings and coal price settings, together with assumptions regarding policy settings and transmission infrastructure development.

The resultant scenario outcomes for closure of large-scale generators in the NEM is illustrated below, highlighting the potential for a rapid transition to renewables.

¹³ AEMO: <https://aemo.com.au/en/energy-systems/major-publications/integrated-system-plan-isp/2020-integrated-system-plan-isp>

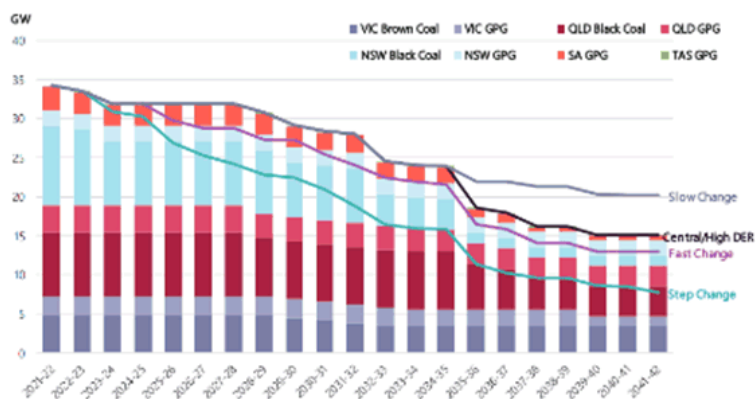


FIGURE 25: AEMO MODEL OF NEM COAL + GAS GENERATION CAPACITY & SCENARIOS¹⁴

The NSW Government’s *Electricity Infrastructure Investment Bill* may facilitate an even more rapid transition to renewables in NSW than the AEMO Step Change scenario, and future ISP forecasts will reflect any new scenario modelling.

Scope for abatement

The above potential change to the NSW grid carbon intensity would have a significant impact on GHG emissions for Leeton Shire Council, with the potential for more than 3,000 t CO₂-e of abatement if electricity supply is nearly all renewable and vehicles have transitioned to electric over time.

Risks and mitigation

Leeton Shire Council has little influence over the rate of change in the grid carbon intensity, and the main risk mitigation strategy is to try and build capacity across Leeton Shire Council to respond with local solutions to reduce emissions.

Costs and benefits

There is no direct cost to Leeton Shire Council associated with decarbonisation of the electricity grid, excepting impacts on energy pricing in future years. The development of regional renewable energy zones such as the South-West REZ may see economic opportunities for the Leeton area.

¹⁴ AEMO: <https://aemo.com.au/en/energy-systems/major-publications/integrated-system-plan-isp/2020-integrated-system-plan-isp>

7.3 Energy efficiency



Description

Energy efficiency remains the cheapest form of greenhouse gas abatement in many situations.

The following is a summary of the identified energy efficiency opportunities at Council sites:

- **Lighting: office / indoor lighting** is progressively being upgraded to LED technology.
- **Streetlighting** upgrade to LED will deliver significant energy and maintenance savings to Council.
- **Lighting: sports field** HID's will be upgraded to LED when these are due for replacement but is generally not justified as a retrofit measure.
- **Design:** energy efficiency will be incorporated into the design of new Water Treatment Plant and future renovations of Council assets such as WCIC and the Roxy.
- **WTP, WSPS and STP motor VSD controls:** opportunities were identified where retrofit and future upgrade to motor systems can include VSD control to drive energy savings.
- **Air Conditioning:** the main opportunities are to implement effective controls for existing plant, to specify energy efficient replacement plant, to design energy efficiency into new HVAC system, and to implement effective passive conditioning measures such as insulation and shading.

Efficiency plans will be informed by regular auditing of facilities and equipment, and by Operational Budget planning and Delivery Program planning that considers projects that will continuously reduce Council's energy footprint.



Scope for abatement

The scope for energy efficiency across Council's sites is estimated to be around 475 MWh per year, equal to almost 18% of current electricity demand. More than 90% of this potential is associated with upgrading all streetlights to LED¹⁵. At least 10% of the potential is associated with VSD control of motor systems, particularly for water and sewer services.

While energy savings potential is significant, design and construction of new facilities such as buildings and treatment plants may see increases in energy demand as well, even where these new facilities are energy efficient. Hence the net savings potential is likely to be less than 18% of current energy use.



Risks and mitigation

The risks associated with energy efficiency upgrades are generally low provided business cases, specification and contractor management processes are robust. Some of the main risks and mitigants will include:

¹⁵ Note that the detailed business case including costs for upgrading streetlights to LED has not been reviewed. Estimated costs and savings are made with reference to similar Councils' upgrade business cases.



- Designing effective measurement and verification at an affordable cost that provides useful feedback about the success of projects
- Persistence of energy savings – it is not uncommon, particularly for education initiatives and control settings to lapse in their performance and be changed back to poor practices or inefficient settings, and providing resources to sustain energy savings is also important
- Regular review processes for energy management is important. For example, design guidelines and procurement guidelines should stay at the level of development of new technologies, practices and services



**Costs and
benefits**

The estimated costs and annual savings for each of the above systems is summarised in the tables below.



7.3.1 Energy efficiency initiatives

TABLE 5: INDICATIVE COSTS AND SAVINGS FOR ENERGY EFFICIENCY FOR LEETON SHIRE COUNCIL

Site	Description	Capital cost	Cost savings	Payback (years)	Resource savings (kWh)	Emissions reduction (t CO ₂ -e)	% energy savings
SPS #1	<i>Short term option:</i> Future upgrade of soft start to VSD control on 2x18 kW & 2x75kW motors	\$7,910 (based on payback)	\$989	8 (payback assumed)	3,995	3.6	23.8%
Water Filtration Plant	<i>Medium term option:</i> Incorporate energy efficient design into future new WTP	The timing and scope of the WTP upgrade project is still to be determined.					
	<i>Low priority option:</i> Upgrade soft start to VSD control for the two main clear water pumps	Two of the three pumps use soft starters, while the third pump uses VSD control. An upgrade to the WTP will mean this opportunity won't deliver a financial return, hence this will not be pursued at this time.					
Raw Water Pumps (canal - Toorak Rd)	<i>Low priority option:</i> Install VSD controls on pumps	Energy consumption for these pumps is variable and the account is not one of Council's largest sites. Hence the business case for VSD control is weak, and may improve it utilisation increases significantly.					
Sewerage Treatment Plant	<i>Short term option:</i> Replace soft start control and install DO monitoring linked to VSD controlled aerator motors on EAT	\$40,748 (based on payback)	\$5,094	8 (payback assumed)	39,126	35.2	15%
Museum/ WCIC	<i>Continuous improvement option:</i> Upgrade halogen track lighting to LED	LED lighting can be installed to replace halogen lights as these fail in future.					
	<i>Low priority option:</i> Ensure energy efficiency is maximised in upper level renovations	At this time the plans for renovation of the upper WCIC level are not known, so this is a low priority at this time and can be pursued in future if/as this work occurs.					
Library	<i>Continuous improvement option:</i>	Upgrading compact fluorescent and T5 linear fluorescent lights to LED on fail or as a replacement project will save an estimated 4.5 MWh per year.					



Site	Description	Capital cost	Cost savings	Payback (years)	Resource savings (kWh)	Emissions reduction (t CO ₂ -e)	% energy savings
	Upgrade CFL downlights and T5 fluorescent lights to LED <i>Continuous improvement option:</i> Develop an AC upgrade plan especially for older cassette units						Not estimated
Roxy	<i>Short term option:</i> Energy efficient upgrade of the Roxy.						Ensure energy efficiency is maximised in the upgrade of the Roxy, especially new air conditioning system to replace current evaporative cooling
Depot	<i>Medium term option:</i> Assess the potential to combine NMIs on the depot to a single account to reduce supply charges and make a better case for solar.						No energy savings. Council should coordinate with the network provider to confirm costs and benefits from combining NMIs.
Leeton Pool	<i>Short term option:</i> New plant design						This upgrade was underway during 2020/21.
Whitton Pool	<i>Medium term option:</i> New plant design						Ensure energy efficiency is incorporated into new plant design (e.g. VSD control of pumps, solar hot water, LED lighting, efficient appliances)
Sporting Ground	<i>Continuous improvement option:</i> LED lights to replace HID's at all Council's sporting ovals						As sporting field lights are planned for replacement, assess the business case for installing LED lights and smart controls. Assess grant funding opportunities for community facilities to assist this.
Streetlighting	<i>Short term option:</i> Upgrade streetlights to LED (figures estimated based on similar regions' upgrades and subject to verification)	\$975,524	\$178,015	5.48	432,703	389.4	49.8%
	Sub-total	\$1,024,182	\$184,098	5.6	>475,825	>428.2	>17.5%

7.4 Behind-the-meter solar



Description

Solar PV is a well-established technology, and more than 20% of Australian homes and an increasing number of businesses are installing solar panels to reduce their grid energy costs and greenhouse gas emissions. Uptake of battery energy storage (BESS) remains low but is expected to become more cost effective in future.

Leeton Shire Council has installed solar PV systems at the men’s shed, library, sewage treatment plant and Council offices.

Visits to Council’s operations as well as discussions about planned new facilities and upgrades has highlighted potential opportunities for solar at 15 sites. At several sites more than one option can be considered. At some sites implementation of solar and storage may be a staged approach.

The following is a summary of the potential solar PV and BESS opportunities that have been identified at Leeton Shire Council:

Site name	Behind-the-meter solar potential
SPS #1	Ground-mount (single post structure) can be considered for SPS sites that have a reasonably-sized footprint. For SPS#1 a 12.6 kW solar PV array is modelled, and a 25 kWh battery is suggested as a size that could enable self-consumption of a large % of the solar yield. This approach can also be considered for SPS’ #3 and #4.
SPS #3	
SPS #4	
Raw Water Pumps (canal - Toorak Rd)	A 30.8 kW floating solar PV system is modelled (similar to Lismore City Council’s 99kW floating solar array). Battery storage may not be needed if operation were able to be scheduled for daytime to align with solar availability.
Sewerage Treatment Plant	An additional 50.2 kW up to 99.9 kW ground-mounted solar PV system is modelled next to the existing system.
Museum/ WCIC	An 8.04 kW roof-mounted solar PV system is modelled for this site.
Library	An additional 19.8 kW roof-mounted solar PV system and up to 33.2 kW roof-mounted solar PV system with 50 kWh battery can meet more of the library’s energy demand.
Depot	A 30.8 kW roof-mounted solar PV system is modelled to meet depot daytime energy demand.
Leeton Pool	A 50.3 kW carport solar PV system is modelled, though it is noted that the demand for the upgraded pool is unknown and solar is planned for this upgrade.
Whitton Water and Sewer Treatment	A 15.0 kW ground-mounted solar PV system is modelled.



Yanco Sewage Treatment plant	A 12.6 kW ground-mounted solar PV system is modelled.
Murrambi Water	A 10.0 kW ground-mounted solar PV system is modelled.
Community Centre - Wade Ave	A 15.1 kW roof-mounted solar PV system and up to 30.5 kW roof-mounted solar PV system with 50 kWh battery are modelled.
CWD Hall - Wade Ave	A 4.69 kW roof-mounted solar PV system is modelled.
Tourist Office - Yanco Ave	A 6.03 kW and up to 14.7 kW roof-mounted solar PV system is modelled, noting potential heritage limitations for this site.

In addition to these potential opportunities, the following sites may have potential solar opportunities but require further assessment.

- Roxy Theatre
- Whitton Pool
- Sports Stadium
- Sycamore Carpark (possibly as a community project given there is no local Council load to be supplied)


Scope for abatement

The above opportunities can be summarised as:

- Council-operated sites have scope for ~291.2 kW – 378.3 kW of solar PV, with some scope for BESS at sites with low or intermittent demand.
- This can generate from ~442 MWh to 576 MWh of electricity per year with most of this consumed on Council sites and some export to grid. Abatement at current grid carbon intensity would be 294.3 to 357.0 t CO₂-e per year based on self-consumed solar, with additional abatement associated with export of surplus solar energy to the grid.
- There are added longer term solar opportunities that are not quantified here.


Risks and mitigation

Risks associated with solar PV implementation are minimal provided systems are appropriately sized, designed, installed, connected and maintained on sound buildings and structures, as with any other asset.

The cost effectiveness of solar PV has long been demonstrated, and panel prices continue to fall. The commercial sector has embraced solar PV in recent years, and this has driven further acceleration in the implementation of rooftop solar.


Costs and benefits

The estimated costs and annual savings for each of the above systems is summarised in the tables below.



7.4.1 Onsite renewable energy

Site visits and data analysis were used to identify sites that are most likely to be suitable to install solar PV. A summary of potential solar PV layouts at Leeton Shire Council sites is provided in Appendix A: Solar PV potential locations. The table below sets out the business case for solar PV opportunities at Council-operated sites.

TABLE 6: ESTIMATED COSTS AND SAVINGS FOR BEHIND-THE-METER SOLAR PV FOR LEETON SHIRE COUNCIL

Site	Modelled PV size	BESS (kWh)	Capital cost	Cost savings	Payback (years)	NPV	IRR	Solar yield (kWh)	% of solar export	% energy saving	Site GHG reduction (t CO ₂ -e)
SPS #1	<i>Medium term option:</i> 12.6 kW Ground-mounted solar PV	25.00	\$38,880	\$4,377	14.4	\$6,329	6.6%	20,650	20.0%	98.2%	14.9
SPS #3	<i>Medium term option:</i> 12.6 kW Ground-mounted solar PV	25.00	\$38,880	\$4,377	14.4	\$6,329	6.6%	20,650	20.0%	82.6%	14.9
SPS #4	<i>Medium term option:</i> 12.6 kW Ground-mounted solar PV	25.00	\$38,880	\$4,384	14.4	\$6,433	6.6%	20,650	20.0%	70.3%	14.9
Water Filtration Plant	Not modelled at this time. Incorporate provision for solar PV in any design for a new plant.										
Raw Water Pumps (canal - Toorak Rd)	<i>Medium term option:</i> 30.8 kW Floating solar PV		\$92,400	\$7,282	14.2	-\$69	5.0%	46,964	40.0%	76.2%	25.4



Site	Modelled PV size	BESS (kWh)	Capital cost	Cost savings	Payback (years)	NPV	IRR	Solar yield (kWh)	% of solar export	% energy saving	Site GHG reduction (t CO ₂ -e)
Sewerage Treatment Plant	<i>Short term option 1:</i> 50.20 kW Ground-mounted solar PV		\$90,360	\$8,875	11.3	\$17,180	6.9%	81,052	40.0%	18.6%	43.8
	<i>Short term option 2:</i> 99.90 kW Ground-mounted solar PV		\$179,820	\$16,307	13.0	\$17,887	6.0%	161,057	50.0%	30.9%	72.5
Council Admin Building	Roof is fully utilised with the existing solar PV array and rooftop condensers for AC systems.										
Museum/WCIC	<i>Short term option:</i> 8.04 kW Roof-mounted solar PV		\$8,040	\$3,293	2.6	\$35,394	39.0%	11,586	20.0%	28.5%	8.3
Library	<i>Short term option 1:</i> 19.80 kW Roof-mounted solar PV		\$19,800	\$5,994	3.5	\$57,389	28.2%	29,608	25.0%	38.3%	20.0
	<i>Short term option 2:</i> 33.20 kW Roof-mounted solar PV	50.00	\$78,200	\$9,818	8.5	\$93,182	8.1%	48,497	25.0%	62.8%	32.7
Roxy	Not modelled. Incorporate provision for solar PV in new works.										
Depot	<i>Medium term option:</i> 30.80 kW Roof-mounted solar PV		\$30,800	\$8,342	4.0	\$74,806	24.8%	47,203	20.0%	63.1%	34



Site	Modelled PV size	BESS (kWh)	Capital cost	Cost savings	Payback (years)	NPV	IRR	Solar yield (kWh)	% of solar export	% energy saving	Site GHG reduction (t CO ₂ -e)
Leeton Pool	<i>Medium term option:</i> 50.30 kW Carport solar PV		\$140,840	\$14,917	10.1	\$51,366	8.4%	69,844	20.0%	47.3%	50.3
Whitton Pool	Not modelled										
Whitton Water and Sewer Treatment	<i>Long term option:</i> 15.00 kW Ground-mounted solar PV		\$19,500	\$4,458	4.6	\$37,923	21.1%	21,000	20.0%	28.1%	15.1
Yanco Sewage Treatment plant	<i>Medium term option:</i> 12.60 kW Ground-mounted solar PV		\$16,380	\$4,335	4.0	\$39,577	24.6%	20,419	20.0%	81.7%	14.7
Murrami Water	<i>Medium term option:</i> 10.00 kW Ground-mounted solar PV		\$13,000	\$2,972	4.6	\$25,282	21.1%	14,000	20.0%	74.9%	10.1
Sports Stadium	Not modelled. Roof is currently used for solar heating of the Leeton pool.										
Sycamore Carpark	Not modelled. There is potential for carport solar PV, though without a host for the yield the return will be low.										
Community Centre - Wade Ave	<i>Medium term option:</i> 15.10 kW Roof-mounted solar PV		\$15,100	\$4,020	4.0	\$35,771	24.3%	22,745	20.0%	51.4%	16.4



Site	Modelled PV size	BESS (kWh)	Capital cost	Cost savings	Payback (years)	NPV	IRR	Solar yield (kWh)	% of solar export	% energy saving	Site GHG reduction (t CO ₂ -e)
	<i>Low priority option:</i> 30.50 kW Roof-mounted solar PV	50	\$75,500	\$7,439	17.0	-\$4,100	4.5%	45,883	30.0%	90.8%	28.9
CWD Hall - Wade Ave	<i>Medium term option:</i> 4.69 kW Roof-mounted solar PV		\$4,690	\$1,267	4.0	\$11,345	24.7%	7,167	20.0%	78.6%	5.2
Tourist Office - Yanco Ave	<i>Medium term option:</i> 6.03 kW Roof-mounted solar PV		\$6,030	\$1,926	3.3	\$18,809	29.8%	9,074	20.0%	21.0%	6.5
	<i>Low priority option:</i> 14.70 kW Roof-mounted solar PV		\$14,700	\$4,502	3.5	\$43,318	28.6%	21,207	20.0%	49.2%	15.3
Minimum total	291.16 kW	75.00	\$573,580	\$80,819	7.1	\$423,865	-	442,611	26.0%	55.4%	294.3
Maximum total	378.33 kW	200.00	\$790,510	\$98,071	8.1	\$377,431	-	576,776	31.0%	72.3%	357.0



7.4.2 Assumptions used

The analysis of these opportunities was performed with the following inputs and parameters:

- Solar modelling software (Helioscope with Nearmap / Six maps) was used for all proposed installations.
- Council's energy billing data and site interval data (where available) was used to determine optimum solar array sizes and to calculate or estimate the level of self-consumption of solar and the amount likely to be exported in each case.
- Benchmark pricing for solar PV systems (flush roof-mount, tilted roof-mount and ground-mount systems) and inverters has been used, including:
 - Flush and fixed roof-mount systems - \$1/W STC scale and \$1.5/W LGC scale
 - Ground-mount systems - \$1.3/W STC scale and \$1.8/W LGC scale
 - Floating solar systems - \$3/W STC scale and \$3.5/W LGC scale
 - Carport solar systems - \$2.8/W STC scale and \$3.3/W LGC scale
- Benchmark pricing for battery energy storage system of \$900/kWh has been used.
- Annual expenses include cleaning / maintenance. Cleaning costs of \$15/MWh of solar energy generation have been used. These are applied to each solar PV opportunity with annual escalation at 2.5%.
- For all exported energy a feed-in rate of \$0.06/kWh was assumed to be available, which will require Council to seek this in electricity agreements.
- A single discount rate of 5% is applied for net present value (NPV) calculations.

7.5 Sustainable transport



Transport emissions are a moderate GHG source for Leeton Shire Council, primarily from diesel used for Council's operational vehicles. Petrol use for passenger cars is small by comparison. Given the dominance of larger diesel-fueled vehicles and plant the opportunities for Council to transition rapidly to low and zero-emissions fleet are currently limited.

Hybrid passenger vehicles and several SUV and utility vehicles are available and can provide Council with a transition strategy towards full electrification.

NSW Government is developing a range of measures that will start to shape the future of transport in the State. Current measures under development in relation to electric vehicles for example, include:

- EV infrastructure and model availability
- Transport Consumer Information
- EVs in Government fleet
- Electric Buses

For communities such as Leeton Shire, some of the key aspects that these measures will need to consider in order for EV strategies to be locally applicable will include:

- Real data examining performance of hybrid and electric vehicles in regional communities,
- Supply, warranty and servicing issues at a local regional level, and
- Coordination on EV charging infrastructure development, between State Government, councils / groups of councils through JOs, and private + motoring association providers

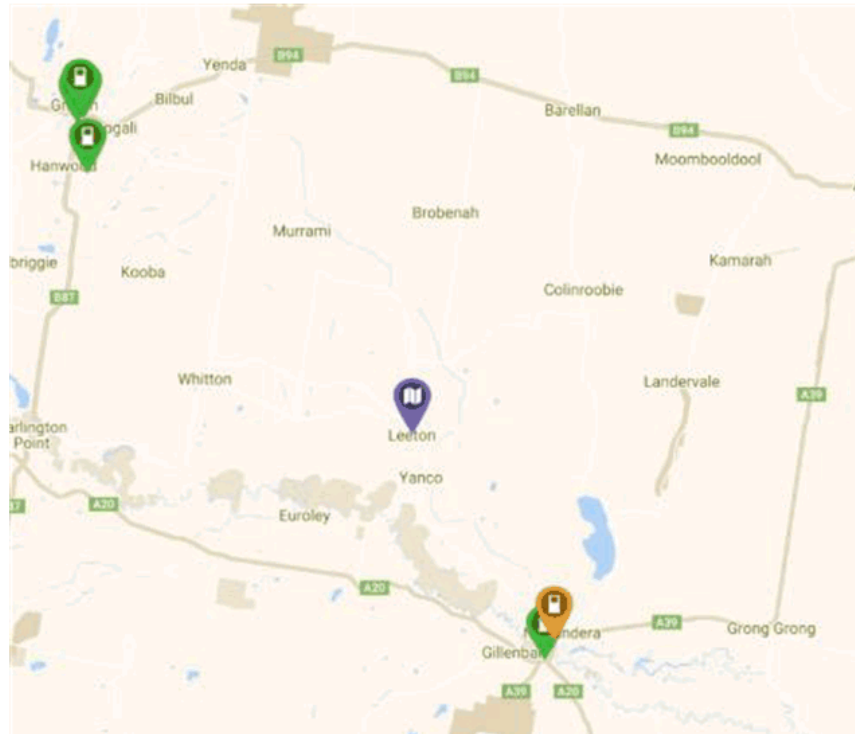
The focus of this section is to provide an overview of the current status some of these key areas that will shape future transport, including current electric vehicle infrastructure, electric vehicle growth, and actions that Council can start to progress.

EV charging infrastructure

In July 2019 the Electric Vehicle Council reported that there were 1,930 DC and AC chargers in Australia¹⁶. Locations of DC and public chargers is readily accessible, including the location of standard and rapid chargers in and near Leeton, see below¹⁷. Increasing numbers of private chargers are also being installed, retrofitted to homes and businesses as well as designed into new buildings.

¹⁶ <https://electricvehiclecouncil.com.au/wp-content/uploads/2019/09/State-of-EVs-in-Australia-2019.pdf>, p19

¹⁷ <https://www.plugshare.com/>



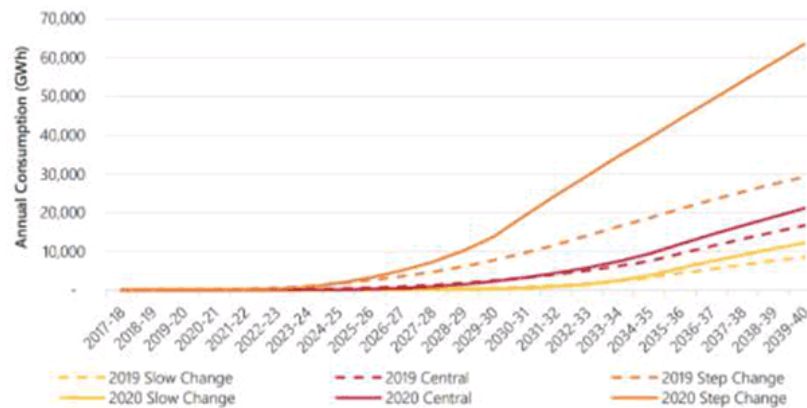
In Leeton itself there are no public EV charging stations installed at this time.

Projected growth in electric vehicles

AEMO's 2020 Electricity Statement of Opportunities (SOO) forecasts energy demand for EV uptake through to 2040¹⁸. Except under a step-change forecast EV uptake forecasts remain low until the last 2020s' and into the 2030s.

Where fuelled with regular grid power in NSW EVs currently have higher operational emissions than hybrids, whereas where fuelled from renewables this is not the case. As the grid changes with planned retirements of coal fired power stations, this situation will change and emissions from EVs will become less than those from hybrids.

¹⁸ https://aemo.com.au/-/media/files/electricity/nem/planning_and_forecasting/nem_esoo/2020/2020-electricity-statement-of-opportunities.pdf?la=en



AEMO PROJECTIONS OF EV ELECTRICITY CONSUMPTION – SOO 2020

Based on these forecasts it is likely that emissions reduction from sustainable transport measures nationally will be modest in the period to 2030, but significantly increased by 2050 as the grid greens and EV uptake increases. Forecasts are updated periodically, and Council should monitor these from time to time. As indicated above, the NSW Government’s Net Zero Plan for the 2020-2030 period includes significant work to incentivise and encourage uptake of EVs well ahead of the above forecasts, so this is an area that may accelerate quicker than current forecasts.

Availability of electric passenger vehicles in Australia

According to the Electric Vehicle Council¹⁹, in 2019 there were 22 EV models in Australia (both Battery EVs (BEV) and Plug in Hybrid EVs (PHEV)), and this was expected to grow by a further 9 vehicles in 2020, with a shift towards battery electric vehicles.

In addition, the EV Council reports the commitments by most major car manufacturers to develop EVs in coming years. For example:

- Ford: \$11 billion in investment in EVs, 24 PHEV models and 16 BEV models by 2022
- General Motors: 20 BEVs by 2023
- Hyundai/Kia: \$20 billion investment in 5 years in EVs, AVs and batteries, 14 BEVs, 12 PHEVs and 2 FCEVs by 2025
- Nissan: Alliance with Mitsubishi and Renault to invest \$11.5 billion to develop new powertrains and electric technologies - 12 electric Renault-Nissan-Mitsubishi vehicles, 8 BEVs by 2022, \$335 million in an EV and battery plant in Thailand, \$10 billion investment in EVs

¹⁹ <https://electricvehiclecouncil.com.au/wp-content/uploads/2019/09/State-of-EVs-in-Australia-2019.pdf>, pp49-52

- Toyota: Aims to sell 4.5 million or more hybrids and PHEVs, and 1 million BEVs and FCEVs (approx. half of global sales) by 2025, 10 electric models available globally from 2020 across all vehicle segments, electrified versions of all models by 2025

Corporate and government fleets make up more than 50% of new EV sales, and many Councils are now developing long term transport strategies that explicitly include a shift in their fleet to low and ultimately zero emissions fleet. Most prominent at this time is the ACT Government, which is switching its passenger fleet to EVs for all new leases from 2020-21 and has trialled electric buses with a view to shifting these to all electric by 2040 as part of the ACT's carbon neutral commitment.

Availability of low emissions LCV / utility vehicles in Australia

Utility vehicles are common among Council fleets and often account for a sizeable proportion of total diesel fuel use. Over the medium term most of the major ute manufacturers have plans in place to provide electric and hybrid electric options in their ute range, often driven by customer demand in regional and agricultural areas. A short summary of the current status for selected vehicles is provided below.

- Mitsubishi Triton²⁰: in September 2019 Mitsubishi advised that the next generation Mitsubishi Triton ute – due two to three years from now (~2022/23) – will have the option of hybrid power, with decisions still to be made whether this will be a PHEV or a paired electric battery with fuel engine.
- Toyota has committed to including electric options with all new vehicle models going forward, which will include utes²¹. Toyota is developing a hybrid version of its next-generation HiLux ute. It is expected this will be available from 2023. At this stage Toyota has not committed to an all-electric model. A diesel-electric powertrain is one of the options under consideration.
- Nissan is also planning for an electric vehicle future, with a hybrid diesel-electric Nissan Navara ute potentially available by the mid-2020s²². Nissan also indicated that commercial vans were also candidates for electrification.

Most of the current activity and plans points to electric and hybrid electric utes being a medium to long-term proposition, and day-to-day performance while carrying load, and charging infrastructure are key factors that will evolve in the next couple of years.

²⁰ <https://www.caradvice.com.au/790317/mitsubishi-triton-to-get-hybrid-power-precede-nissan-navara-development/>

²¹ <https://www.motoring.com.au/toyota-hilux-to-go-hybrid-121251/>

²² <https://www.motoring.com.au/nissan-navara-e-power-hybrid-by-2025-119492>

Recommended actions – electrification of vehicles

Suggested actions for Council to pursue in coming years in relation to electrification of its vehicle fleet include:

- Review opportunities for most passenger vehicles and utility vehicles to change to hybrid as a transition strategy towards EVs.
- Consider EV charging infrastructure on Council land, such as Council's administration offices and the library in Leeton for example.
- Consider trialling or implementing telematics on fleet to get more detailed data that can help to inform future vehicle selection decisions.
- In future reviews of Council's transport / vehicle leasing strategy, integrate planning to assess / evaluate and progress Council's fleet towards electric technologies where and when feasible.
- Stay abreast of developments in EV incentives, policy and other support, and incorporate these in Council's planning process for its transport fleet.
- In the longer term increase the switch to hybrid passenger vehicles and utes, and potentially one or more electric passenger vehicles. Continue to review sustainable transport plans as this area is evolving rapidly.
- Over the longer term, progressively migrate fleet to lower and zero emissions where it is technically and financially viable, including passenger vehicles, utes, commercial vans / buses and other operational plant.



Scope for abatement

The scope for emissions reduction for Leeton Shire Council overall from transport measures is 777 t CO₂-e inclusive of both scope 1 and scope 3 emissions. The speed of emissions reduction will depend on the rate of adoption of EVs and hybrids, and on selection of renewable energy as the fuel source.



Risks and mitigation

Leeton Shire Council should assess the range of factors influencing the uptake of EVs for different types of vehicle user include:

- Fitness for purpose
- Price, incentives (external and within Leeton Shire Council), resale and electricity price
- Range and charging infrastructure
- Availability, serviceability, warranties – esp for regional areas
- The role of other technologies such as hydrogen, autonomous vehicles, etc in Leeton Shire Council's long-term fleet strategy



Costs and benefits

The capital and lease cost premium for EVs and hybrid models that are fit for purpose for Leeton Shire Council requirements, as well as the future resale value will be assessed alongside fuel, registration, insurance and maintenance cost savings from time to time. A cost-neutral approach would see low-emission vehicles have comparable total cost-of-ownership to current fleet.

7.6 Buying clean energy

7.6.1 Renewable energy power purchase agreement



Description

Electricity consumption accounts for 74.8% of Leeton Council's energy-related carbon footprint, and 77% of electricity is consumed by just 10 sites (including streetlighting). **The single biggest opportunity to reduce electricity emissions is to purchase renewable energy** and/or renewable energy offsets **via Council's electricity procurement process**. Unlike other abatement options, this does not require Leeton Shire Council to physically implement change, only to stipulate that renewables be purchased to meet part or all of its electricity needs. This approach has been taken by several local governments in recent years and underpins most goals to reach carbon neutrality / net-zero emissions²³. There are three main ways in which an organisation can source renewable energy, illustrated below.

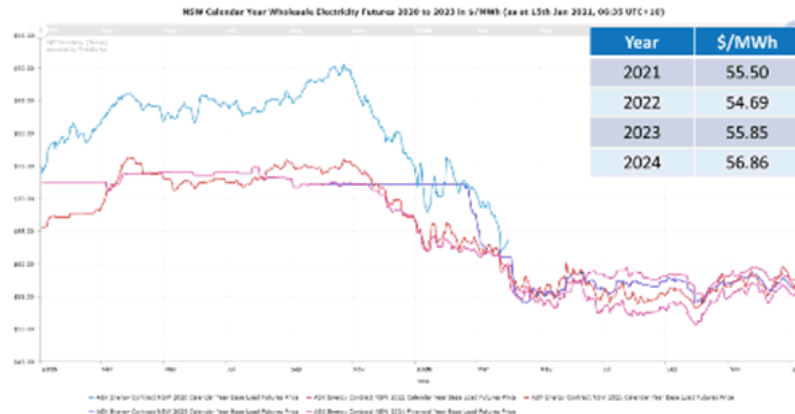


The most favourable approach in the current market is to enter into a renewable energy power purchase agreement (PPA) with bundled electricity and Large-scale Generation Certificates (LGCs), and to consider the purchase of renewable energy offsets where a bundled PPA falls short of any targets Council may set in future. This can potentially be implemented for Leeton Shire Council's next agreement.

The cost for a PPA (typically 7 up to 10 years unlike regular electricity agreements that are for 2-3 years) will be compared with forecast electricity retail rates (wholesale rates plus retailer margin) to estimate cost savings. One current 5-year forecast for NSW wholesale electricity is shown below²⁴, and a process to develop a renewable energy PPA in future would create an updated forecast to inform comparison with offers from renewable energy retailers, enabling Council to make the most informed purchasing decision.

²³ Examples of NSW Councils' purchasing renewables as part of their electricity supply include: [Southern Sydney Regional Organisation of Councils](#), [City of Sydney](#), [City of Newcastle](#) and [Hawkesbury City Council](#).

²⁴ Sourced Energy: One view is provided of current and 4-year potential wholesale electricity pricing in NSW.



In the current market there are several types of PPA offers and going forward more will emerge. Challenges for the PPA market include:

- Development of simpler and more customer-focused offers that resemble more closely regular grid supply agreements
- Contracts for shorter terms with low management burden
- Cost-effective pricing, particularly in the current and forecast market
- De-risking PPAs for customers, with risk ideally managed by retailers rather than building in-house expertise

Two potential models are outlined below that are representative of current market offers that local councils have adopted, and these along with other models would be assessed in greater detail as Council’s contract renewal time approaches. These models include:

- Fixed price de-risked offer for 50% up to 100% renewable energy (for all or potentially just for large sites), and likely for up to 7-years covering both renewables and regular grid power and including LGCs in the pricing. In the current market this de-risked option is likely to be moderately more expensive than a regular-only agreement, and this would be re-assessed as part of a procurement process. Premium pricing may get smaller as the proportion of renewables approaches 100%.
- Virtual Generation Agreement (VGA): under this model around 75-80% of Council’s load under a PPA would be load matched to renewable energy projects, and potentially at good prices compared with regular grid offers. Council’s load profile would inform the proportions of wind vs solar, and the balance of load would be spot market exposed. This introduces some risk given the cap on spot prices is more than \$14,000/MWh. Council could mitigate this risk by hedging against the spot market price, effectively capping risk. This would increase the effective rate paid for electricity and could erode some or all cost savings. This model has underpinned some recent local council renewable energy PPAs.

One possible approach that Council could consider is engaging with locally-developed solar farms to investigate the potential for Council to be an offtaker

from one of these, via a retailer. This approach is similar to that being undertaken by City of Newcastle (Summerhill Waste Management Facility 5 MW solar farm), and City of Sydney (REPower Shoalhaven's 3 MW solar farm in Nowra).

There are currently two grid-connected solar projects that are being developed in Leeton which Council could seek to work with to meet part of its electricity needs.

- 60 MW solar farm with energy storage - ib vogt GmbH²⁵
- 4.99 MW_{AC} solar farm – Photon Energy²⁶


**Scope for
abatement**

This opportunity for Leeton Shire Council should be looked at in conjunction with grid decarbonisation since this will see all or most electricity sourced from renewables in any event in future. So, the opportunity is for Leeton Shire Council to elect to buy renewables in the period between now and when decarbonisation occurs.

Based on Leeton Shire Council's current energy mix, purchasing 100% renewables would lead to abatement of 2,350 t CO₂-e, and 50% renewables would lead to abatement of 1,175 t CO₂-e per year (the exact abatement would change based on annual energy demand, on the selection of large-only sites or all sites, and on the proportion of renewables selected).

If all vehicles were also electrified and supplied with renewable energy, then additional abatement of 777 t CO₂-e per year would result based on current grid intensity, though this will be much lower if vehicle electrification largely occurs through the 2030s and 2040s as expected.


**Risks and
mitigation**

Establishing a corporate PPA is complex, time-consuming and contains approaches and risks not previously considered by most consumers. These take time and resources to assess and manage, and this would be an integral part of Leeton Shire Council's procurement process.

A renewable energy PPA:

- is typically for a longer time period than a regular agreement,
- is associated with new-build solar, wind, hydro and battery projects,
- may be with recent or new entrants to the energy market, and
- occurs in an uncertain policy environment for renewable energy and climate change response

The key risk areas are illustrated below and would be assessed as part of a process to determine the best procurement solution for Leeton Shire Council.

²⁵ <https://www.leeton.nsw.gov.au/about-council/latest-news/99-3m-ib-vogt-gmbh-solar-project-in-yanco-set-to-go-ahead.aspx>

²⁶ <https://www.photonenergy.com/de/photon-energy/leeton-solar-farm.html>




Costs and benefits

The costs or benefits of a renewable energy PPA are assessable via comparison of PPA offer pricing with forecast regular power pricing, and so is inherently subject to the quality of knowledge and assumptions underpinning forecasting.

In the current market (2020), PPA offers appear to be priced a little higher than regular offers where risk has been removed, and potentially lower than or close to regular grid but with some risk exposure to the spot market. The market, pricing and contract models for renewable energy PPAs is still evolving, and the costs and benefits to Leeton Shire Council should be assessed as part of Council’s next procurement process.

7.6.1 Mid-scale renewable energy build by Leeton Shire Council


Description

An option available to Leeton Shire Council is to build its own mid-scale renewable energy plant on land it owns. Power generated would be exported to the grid, and Council could then potentially purchase this electricity (and LGCs) via a licensed retailer or could simply take the grid spot price as income and retire or sell LGCs depending on its income and/or abatement goals.

This arrangement is like projects developed in recent years by Sunshine Coast Council (15 MW solar farm at Valdora meets all of Council’s electricity needs) and City of Newcastle (5MW Summerhill landfill solar farm meets ~30% of Council’s electricity needs). A key aspect to note in these projects is that Council can’t simply ‘allocate’ the renewable energy generated to its sites. If it wants to offset its regular power use with power from its own renewable energy plant, it would do so via a licensed retailer as an intermediary.

Like a PPA that is negotiated for supply from remote / non-Council projects, developing a mid-scale project is a complex undertaking, and requires assessment of a range of aspects, such as design, connection agreements, EPC and O&M contracts, ownership models, and the development of retail agreements to supply the power to Council. Community involvement in the ownership and/or purchasing of clean energy from the project could also be considered.

It is likely that this represents a medium to long term opportunity for Leeton Shire Council, and this strategy does not assess the costs, benefits, options and risks

associated with this approach. However, this project has highlighted one possible option that Council could examine in future, and this is highlighted below.

Option 1: Yanco landfill



The former landfill site occupies an area of approximately 15 Ha, and subject to land suitability and other factors could potentially host a small solar farm less than 5 MW. The site is located close to the Yanco 132 kV substation which contains 2 x 60 MVA 132/33 kV transformers serving the local region. Enquiries would need to be made with Essential Energy in the first instance to determine if this is a suitable point of connection to the grid and if alternatives are feasible for this location.



Scope for abatement

The scope for abatement of Council's emissions would depend on the scale and type of project, treatment of LGCs generated from the project's operation, and Council's offtake fraction of energy generated, for example.

The case for Council to develop a project such as this may have multiple aspects, such as meeting its own targets for renewables and abatement, its desire to see more renewable energy projects built in Leeton Shire, its desire to build projects that involve community ownership and/or establishment of a community energy retailer, and opportunities for grant funding that may make such a project economically viable compared with other options.

So, the scope for abatement of Council's emissions can range from a small fraction up to 100% of electricity emissions, and the scope for abatement in the wider community is potentially even larger.



In addition to the renewable energy PPA risks highlighted above (which would also apply in the case of a mid-scale project), additional risks apply when looking at this opportunity. These include:

Risks and mitigation

- Retailers may not want to be party to off-take, so the ability to sleeve the generation with Council's electricity agreement may be limited
- If the plant exceeds 5 MW in capacity then registration with AEMO will be required, with associated registration and recurrent fees
- Greater skills and knowledge of wholesale markets would be required to manage revenue risk over time

These are examples and other risks may apply and would need to be identified, assessed and managed / mitigated as part of the project development.



Costs and benefits

In the current market – with declining wholesale prices, declining LGC prices, and lower offtake rates available for much larger renewable energy projects compared with mid-scale projects, the business case likely favours a PPA-only model to sourcing renewables for Council's facilities.

However continuing declines in costs for mid-scale solar projects, and grant support to community-based renewables may make a mid-scale project viable for Leeton Shire Council in future.

7.7 Financing of initiatives



Description

Implementation of the opportunities identified in this plan are assessed based on the use of a Revolving Energy Fund (REF), and based on an onsite solar power purchase agreement (solar PPA). As well as direct funding from budget and receipt of grant funding from State and/or Commonwealth /Governments, these represent some of the key options available to Council to see measures implemented in the short to medium term.

Summary of financing options

A guide to 11 financing options and an approach to determining what option/s work best for Council is provided as Appendix D to this report. We recommend that financial options be evaluated, organised in four groups as illustrated below.



CATEGORIES OF SUSTAINABLE ENERGY FINANCING

The 11 options are:

1. Free money
 - a. Pre-existing and future incentives and grants
2. Internal financing
 - a. Environmental levy/Special Rate Variation
 - b. Self-financed through normal budgeting process
 - c. Self-financed through Revolving Energy Fund (REF)
 - d. Internal carbon price
3. Council borrows
 - a. Loan financed
4. Third party
 - a. Equipment lease
 - b. On-bill financing
 - c. Onsite Power Purchase Agreement (PPA)
 - d. Energy Performance Contracts
 - e. Community energy projects

Why is a financing plan necessary?

Most sustainability initiatives require some sort of financing. We recommend planning for funding sustainability initiatives be aligned with other key plans and functions in council, including:

- Strategic (e.g. Community Strategic Plan or CSP) and delivery/operational plans
- Budgetary cycles
- Sustainability targets

It is important that each organisation determine the best way to finance sustainability projects given its circumstances and objectives. “Free” money is frequently preferred where available, however other approaches should be given consideration and the best fit selected to meet the objectives of the Plan.

Attributes, pros and cons of various financing options

Each of the 11 recommended financing options has its own attributes that can be looked at next to an organisation’s objectives to establish if or how it can be useful. Each option also has its pros and cons which should be examined. All 11 options are outlined in Appendix D. Below is an illustration of this for incentives and grants (‘free money’).



- Small-scale Technology Certificates (STCs)
- Large-scale Generation Certificates (LGCs)
- Energy Saving Certificates (ESCs)
- NSW Climate Change Fund
- Grants and incentives (e.g. OEH Heritage, Knowledge Sharing Initiative, CEEP, LGEEP)
- Potential CEFC and ARENA financing

+

Provide discounts on renewable energy and energy efficiency projects (or ongoing revenue in the case of LGCs)

Less internal resistance for sustainability initiatives

Doesn't compete with funds for other projects

-

Special skills required for grant appl. process

Grants may need matched funding

Grants may not align with budget cycles

Need to have projects 'shovel-ready' to apply

Always need to investigate when grant financing is available

Risk in LGC value

TYPES, PROS AND CONS OF INCENTIVES & GRANTS

Recommended approach to develop a financing plan for Council

A summary of the attributes, pros and cons, together with Council's approved Energy and Water Strategy, provides a basis for the assessment of Council's preferred financing strategy. For each project or group of projects (e.g. single or bundled on-site solar, street lighting upgrade, sourcing offsite renewables via a PPA, implementing single or multi-site lighting upgrades), an analysis of each financing option should be undertaken. This may ask:

- How does each option relate to Council's current situation?
- How does each option relate to each project or group of projects under consideration?
- What is the proposed timing of implementation and how can each financing option fit in with or be developed to meet this objective?
- What are the risks and opportunities of each option?

Based on this review each option can be scored and ranked against each project, thereby generating a draft pathway to finance the Strategy. This can be refined and presented to internal stakeholders such as senior management, to start the process of finalising Council's financing strategy.

For this project REF and PPA+REF financing options were modelled for Water & Sewer and General Fund opportunities, based on preferences indicated, and using the short, medium and long term recommendations for identified energy efficiency and solar PV opportunities.



Scope for abatement

The scope for abatement is indirect. Leeton Shire Council has the potential to increase abatement depending on the number of initiatives they finance.



Risks and mitigation

Leeton Shire Council should assess all financing options as discussed above and in Appendix D and ensure that all risks and mitigation strategies are assessed for each option. The financing guide can assist in this assessment with already identified risks for each financing option provided in the guide.



Costs and benefits

An assessment of the costs and benefits of different financing options should take into account the direct costs for each approach (e.g. financing costs, time / resources required), as well as costs for not implementing savings measures (e.g. foregone savings). Approaches such as onsite solar PPAs for example may have a weaker business case than paying for these projects from Council's budget, however more project could be completed using a PPA approach leading to greater long term savings.



7.7.1 Financing via Revolving Energy Fund (REF)

In order to illustrate how financing options such as a Revolving Energy Fund (REF) can work we have analysed opportunities identified as part of this work. The following approach is taken to see identified opportunities implemented in the short, medium and long term.

- Streetlighting upgrade to LED is assumed to be funded as part of Council's normal budget process.
- A REF is established with \$100,000 in initial funds plus top-up funds of \$15,000 in the following year.
- 50% of annual streetlighting savings are returned to the REF for five years, along with 100% of annual energy savings from other implemented projects, also for five years.
- This model allows 17 projects worth ~\$770,098 to be funded via the REF funds, with negligible negative cashflow to Council. Projects are across water & sewer sites as well as other facilities.
- If we look only at non-water and non-sewer projects, then a much smaller REF could fund the identified opportunities.
- With no seed funding, and with 50% of streetlighting savings as well as 100% of energy savings for other projects returned to the REF for five years a total of 7 projects worth ~\$283,700 could be funded via the REF.

This particular model is an example only, and is applied to the set of opportunities identified in this plan. The Excel workbook with this REF modelling is provided with this plan, so that Council can evaluate current as well as other identified opportunities, should it determine that a REF is a suitable mechanism to help accelerate Council's action to reduce its energy use and emissions.

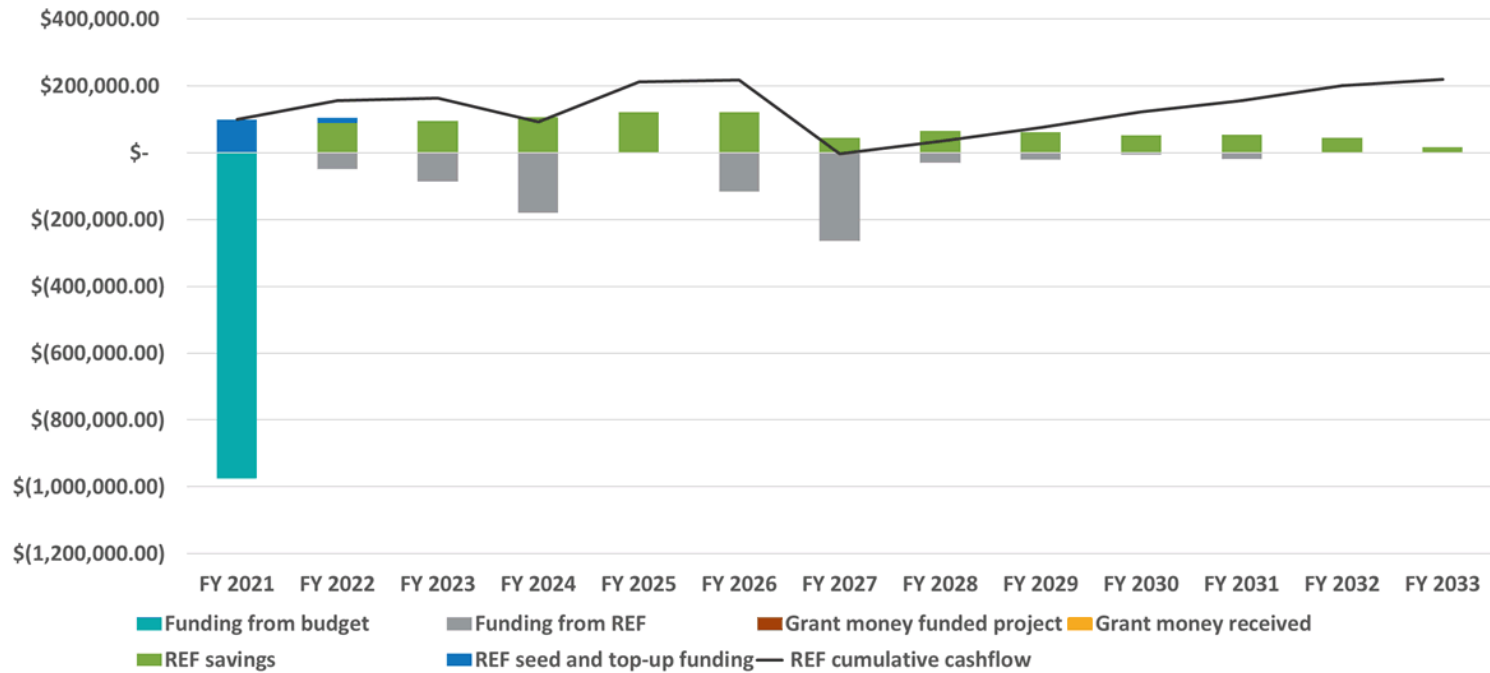


FIGURE 26: ALL OPPORTUNITIES REVOLVING ENERGY FUND – CASHFLOW MODEL

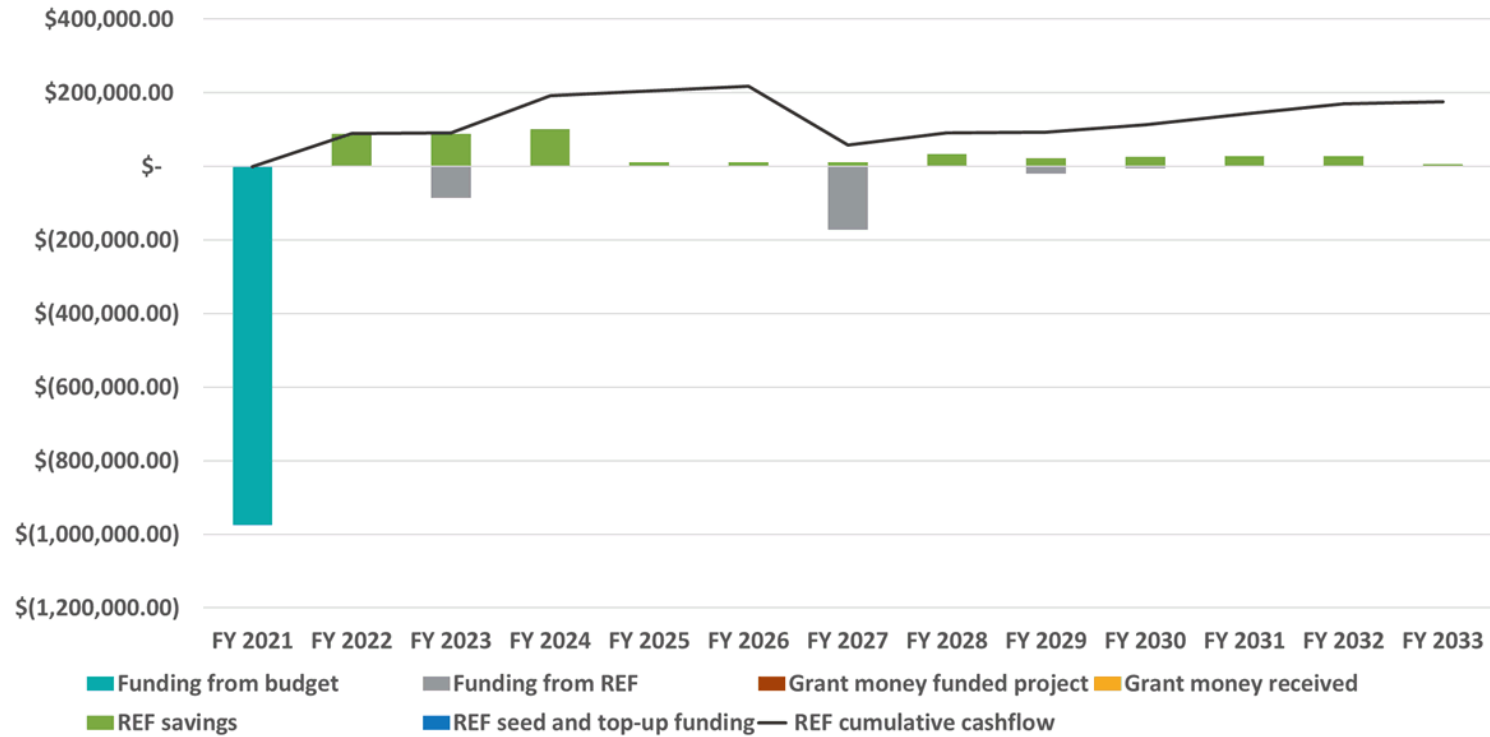


FIGURE 27: NON-WATER AND SEWER REVOLVING ENERGY FUND – CASHFLOW MODE



7.7.2 Financing via Revolving Energy Fund + Onsite Solar PPA

Another option available to Council is to consider implementing its onsite solar PV opportunities via a solar PPA, potentially in conjunction with a REF so that non-solar opportunities can also be implemented.

With a solar PPA, Council would typically incur zero upfront costs, and would typically pay a flat rate for all solar energy generated, which will be lower than the average rate paid to Council's electricity retailer.

Ideally there will be a suitable mechanism for treatment of grid export so that Council is not 'out-of-pocket' for power that is sent to the grid at low or no value. There will also ideally be a buy-out table which sets out what Council will pay for the PV systems should they decide this is the best long-term approach.

Based on the full set of projects identified with this plan the following was modelled:

- Onsite solar opportunities are implemented via a PPA with zero upfront costs and with O&M performed by the PPA provider.
- Council pays \$0.14/kWh of solar energy generated and used on site.
- Where battery storage is included Council pays \$0.22/kWh for solar energy generated and used.
- There is zero value to Council from solar exported to the grid.
- 50% of the annual savings from solar PV measures are fed to a REF to fund other measures, along with 50% of streetlighting savings, both for a 5-year period.

This approach would enable a further ~\$500,000 in energy efficiency measures to be implemented over the next 10-year period, including measures identified in this plan as well as future savings opportunities.

This outcome is illustrated below. As with a REF-only model the primary purpose is to illustrate how Council can accelerate its action plan to reduce emissions and increase renewables on its facilities by considering REF and solar PPA options, where it is not feasible to fund all opportunities directly from the budget.

As stated the graphs shown are possible models for an operating REF at Leeton Shire Council, and the REF light tool developed via the DPIE Sustainable Councils and Communities Program is provided to allow Council to optimise its own investment strategy, and to consider including other sustainability measures, such as community renewable energy projects, water efficiency, etc.

For a non-PPA model the most important factor to consider is the sustainability of any REF, achieved through a suitable balance of seed funds, savings % returned, and the duration of savings retention.

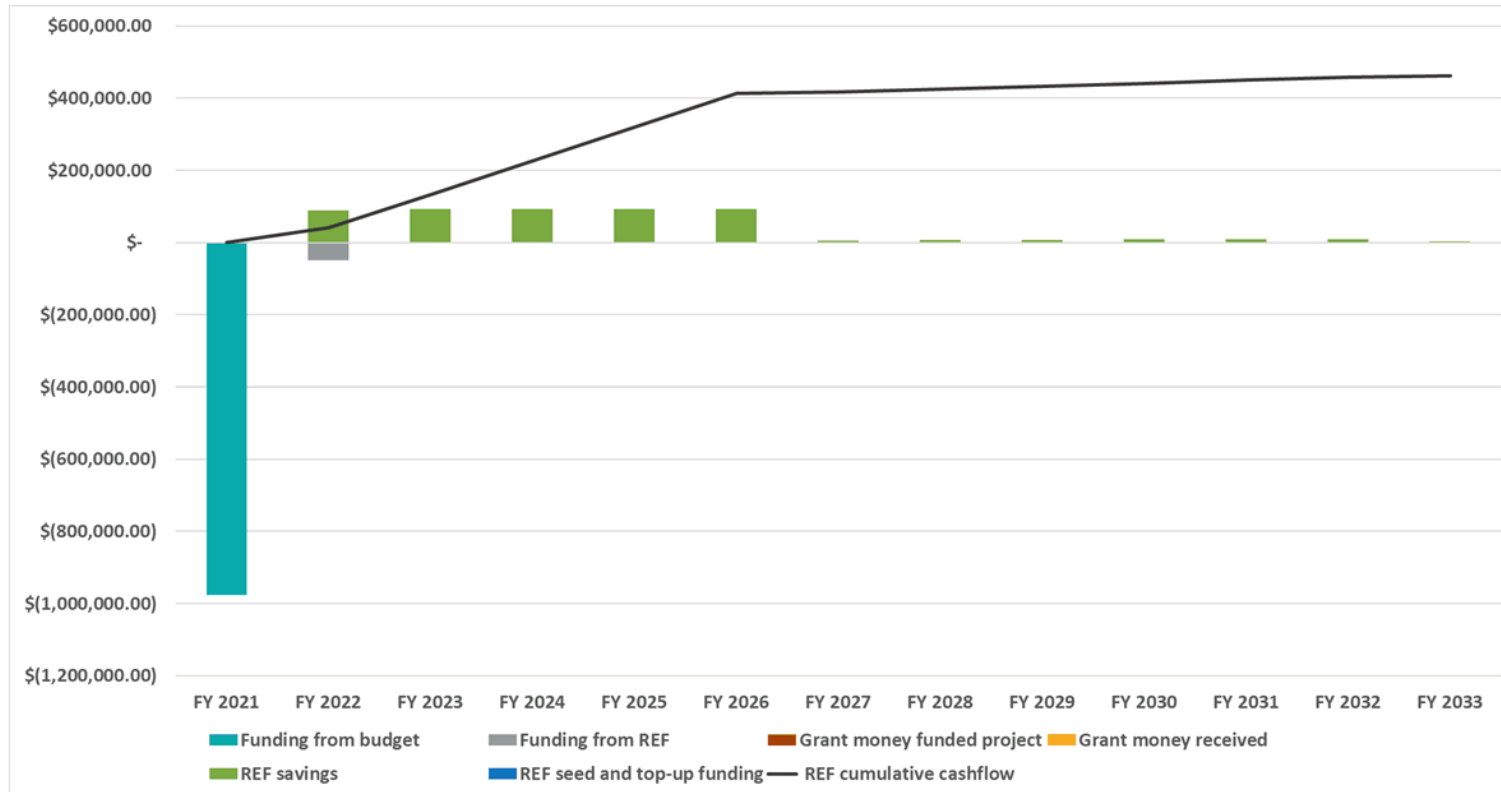


FIGURE 28: ALL OPPORTUNITIES REVOLVING ENERGY FUND (NON-SOLAR ONLY) – CASHFLOW MODEL



8 Leeton Shire Council Action Plan

In order to achieve deep cuts in its energy and water use, and its carbon emissions, Leeton Shire Council will need to commit time, resources and financial support to a multi-year program of work that will implement identified opportunities list that reduce emissions. A key priority in this should be to invest in measures that also improve Council's bottom line.

Looking across all of the action areas, the tables below collate opportunities that could be progressed in the short, medium and long-term, based on priorities, costs and maturity of the technology recommended. Short and medium term opportunities represent measures that could be progressed, subject to capital, preferences of an incoming Council, and other limitations, in the next ~5 years – i.e. by the end of Council's next Delivery Program cycle.



8.1 Short to medium term opportunities

Based on the assessment of onsite measures, the current electricity market and sustainable transport opportunities, a suggested short to medium term opportunities for consideration by Leeton Shire Council are outlined below.

TABLE 7: LEETON SHIRE COUNCIL SHORT TO MEDIUM TERM OPPORTUNITIES

Category	Sub-category	Site	Abatement option	Indicative cost
Energy efficiency	VSD Control	SPS #1	Future upgrade of soft start control to VSD control on 2x18 kW & 2x75kW motors.	\$7,910
Behind the meter solar	Solar PV + BESS - Ground - STC		Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Behind the meter solar	Solar PV + BESS - Ground - STC	SPS #3	Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Behind the meter solar	Solar PV + BESS - Ground - STC	SPS #4	Install a 12.6 kW ground-mounted solar PV system with 25 kWh BESS.	\$38,880
Energy efficiency	New Plant	Water Filtration Plant	Incorporate energy efficient design into future new WTP.	Not estimated
Behind the meter solar	New Plant		Incorporate provision for solar PV in any design for a new plant.	Not estimated
Behind the meter solar	Solar PV - Floating - STC	Raw Water Pumps (canal - Toorak Rd)	Install a ~30 kW floating solar PV system.	\$92,400
Energy efficiency	VSD Control	Sewerage Treatment Plant	Replace soft start control and install DO monitoring linked to VSD controlled aerator motors on the extended aeration process.	\$40,748
Behind the meter solar	Solar PV - Ground - LGC scale		Install an additional 50.2 kW ground-mounted solar PV system next to the existing system, OR	\$90,360
Behind the meter solar	Solar PV - Ground - LGC scale		Install an additional 99.9 kW ground-mounted solar PV system next to the existing system.	\$179,820



Category	Sub-category	Site	Abatement option	Indicative cost
Sustainable transport	Electric Vehicle charging	Council Admin Building	Install EV charging at Council staff and visitor parking to cater for future EV in Council fleet or as public chargers (medium term).	Not estimated
Behind the meter solar	Solar PV - Roof - STC	Museum/WCIC	Install an 8.04 kW roof-mounted solar PV system.	\$8,040
Behind the meter solar	Solar PV - Roof - STC	Library	Install an additional 19.8 kW roof-mounted solar PV system, OR	\$19,800
Behind the meter solar	Solar PV - Roof - STC		Install an additional 33.2 kW roof-mounted solar PV system with 50 kWh Battery Energy Storage System (BESS).	\$78,200
Energy efficiency	New Design	Roxy	Ensure energy efficiency is maximised in the upgrade of the Roxy, especially a new air conditioning system to replace current evaporative cooling.	Not estimated
Behind the meter solar	Solar PV		Incorporate provision for solar PV in new works.	Not estimated
Energy efficiency	Metering and Accounts	Depot	Assess the potential to combine NMIs on the depot to a single account to reduce supply charges and make a better case for solar.	Council to confirm
Behind the meter solar	Solar PV - Roof - STC		Install a 30.8 kW roof-mounted solar PV system.	\$30,800
Buying clean energy	Mid-scale Solar PV	Yanco Landfill	Assess the potential to install a mid-scale solar farm.	Not estimated
Energy efficiency	New Plant	Leeton Pool	Ensure energy efficiency is incorporated into new plant design (project underway in 2020/21).	Not estimated
Behind the meter solar	Solar PV - Carport - STC		Install a 50.3 kW carport solar PV system.	\$140,840
Energy efficiency	New Plant	Whitton Pool	Ensure energy efficiency is incorporated into new plant design.	Not estimated
Behind the meter solar	Solar PV		Further assess the solar opportunity for feasibility.	Not estimated



Category	Sub-category	Site	Abatement option	Indicative cost
Behind the meter solar	Solar PV - Ground - STC	Yanco Sewage Treatment plant	Install a 12.6 kW ground-mounted solar PV system.	\$16,380
Behind the meter solar	Solar PV - Ground - STC	Murrami Water	Install a 10 kW ground-mounted solar PV system.	\$13,000
Energy efficiency	Streetlighting	Streetlighting	Upgrade streetlights to LED.	\$975,524
Buying clean energy	Renewable energy PPA	All large and potentially all sites	Investigate the potential to develop and enter into a renewable energy power purchase agreement (PPA) for Council's sites, alone or in conjunction with other Councils, e.g. via RAMJO.	Not estimated, subject to wholesale electricity market forecast, retailer interest, and other factors
Buying clean energy	Renewable energy PPA	Photon Energy	Assess the opportunity to negotiate a renewable energy PPA from the developer.	
Buying clean energy	Renewable energy PPA	IBVogt	Assess the opportunity to negotiate a renewable energy PPA from the developer.	
Behind the meter solar	Solar PV - Roof - STC	Community Centre - Wade Ave	Install a 15.1 kW roof-mounted solar PV system.	\$15,100
Behind the meter solar	Solar PV - Roof - STC	CWD Hall - Wade Ave	Install a 4.69 kW roof-mounted solar PV system.	\$4,690
Behind the meter solar	Solar PV - Roof - STC	Tourist Office - Yanco Ave	Install a 6.03 kW roof-mounted solar PV system.	\$6,030
Sustainable transport	Hybrid vehicles	Whole-of-Council	Review opportunities for most passenger vehicles and utility vehicles to change to hybrid as a transition strategy towards EVs	Not estimated
Sustainable transport	Hybrid & EV vehicles	Whole-of-Council	Consider trialling or implementing telematics on fleet to get more detailed data that can help to inform future vehicle selection decisions	Not estimated



Category	Sub-category	Site	Abatement option	Indicative cost
Sustainable transport	Policy & incentives	Whole-of-Council	Stay abreast of developments in EV incentives, policy and other support, and incorporate these in Council's planning process for its transport fleet	Not estimated

8.2 Long term and other opportunities

Longer term and lower priority opportunities for Council are identified below and could be added to Council's plan in future revisions.

TABLE 8: LEETON SHIRE COUNCIL LONG TERM AND OTHER OPPORTUNITIES FOR COUNCIL OPERATED SITES

Category	Sub-category	Site	Abatement option	Indicative cost
Sustainable transport	Electric Vehicles	Library	Install EV charging at Council staff and visitor parking.	Not estimated
Sustainable transport	Electric Vehicles	Depot	Install EV charging at Council staff and visitor parking.	Not estimated
Behind the meter solar	Solar PV + BESS - Roof - STC	Sports Stadium	Further assessment of solar PV and BESS opportunity is required as portions of the roof are currently utilised for solar heating.	Not estimated
Behind the meter solar	Solar PV - Carport - STC	Sycamore Carpark	Feasibility assessment of solar carport opportunity, including as a potential community renewable energy project.	Not estimated
Energy efficiency	VSD Control	Water Filtration Plant	Upgrade soft start control to VSD control for the two main clear water pumps.	Not estimated
Energy efficiency	VSD Control	Raw Water Pumps (canal - Toorak Rd)	Install VSD controls on pumps.	Not estimated
Energy efficiency	Lighting	Museum/ WCIC	Upgrade the halogen track lighting to LED.	Not estimated
Energy efficiency	New Design		Ensure energy efficiency is maximised in upper level renovations	Not estimated



Category	Sub-category	Site	Abatement option	Indicative cost
Energy efficiency	Lighting	Library	Upgrade CFL downlights and T5 fluorescent lights to LED	Not estimated
Energy efficiency	HVAC		Develop an AC upgrade plan especially for older cassette units	Not estimated
Energy efficiency	Lighting	Sporting Ground	Assess the case for LED lights to replace HID's at all Council's sporting ovals	Not estimated
Behind the meter solar	Solar PV - Roof - STC	Community Centre - Wade Ave	Install a 30.5 kW roof-mounted solar PV system with 50 kWh battery.	\$75,500
Behind the meter solar	Solar PV - Roof - STC	Tourist Office - Yanco Ave	Install a 14.7 kW roof-mounted solar PV system.	\$14,700
Behind the meter solar	Solar PV - Ground - STC	Whitton Water/ Sewer Treatment	Install a 15 kW ground-mounted solar PV system.	\$19,500
Buying clean energy	Renewable energy PPA	All large and potentially all sites	Source, or continue to source all or most of Council's electricity from renewables, through successive energy procurement cycles.	Not estimated
Sustainable transport	Fleet strategy	Whole-of-Council	In future reviews of Council's transport / vehicle leasing strategy, integrate planning to assess / evaluate and progress Council's fleet towards electric technologies where and when feasible	Not estimated
Sustainable transport	Fleet strategy	Whole-of-Council	In the longer term increase the switch to hybrid passenger vehicles and utes, and potentially one or more electric passenger vehicles. Continue to review sustainable transport plans as this area is evolving rapidly	Not estimated
Sustainable transport	Fleet strategy	Whole-of-Council	Over the longer term, progressively migrate fleet to lower and zero emissions where it is technically and financially viable, including passenger vehicles, utes, commercial vans / buses and other operational plant	Not estimated

Appendix A: Solar PV potential locations

SPS #1



Raw water pumps (canal - Toorak Rd)



Sewerage treatment plant (50.2 kW)



Sewerage treatment plant (99.9 kW)



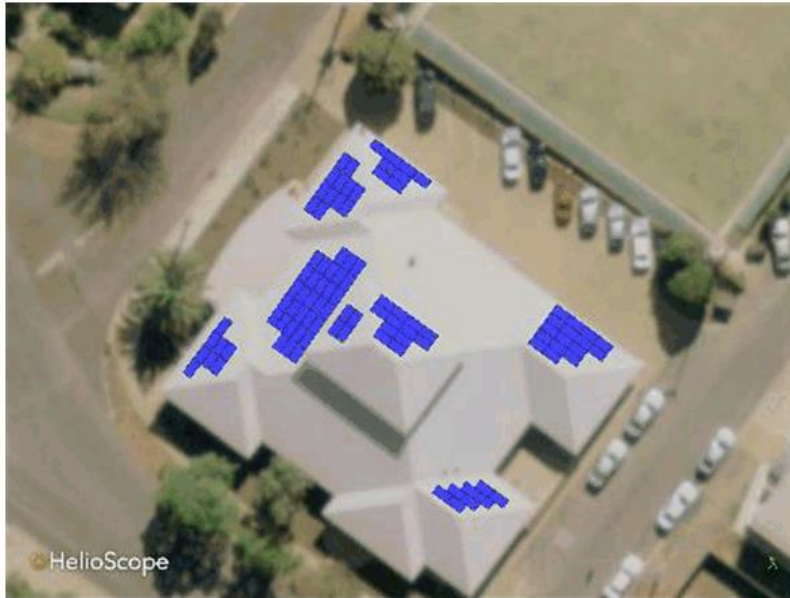
Museum/WCIC



Library (19.8 kW)



Library (33.2 kW)



Depot



Leeton pool carport solar



Yanco sewerage treatment plant



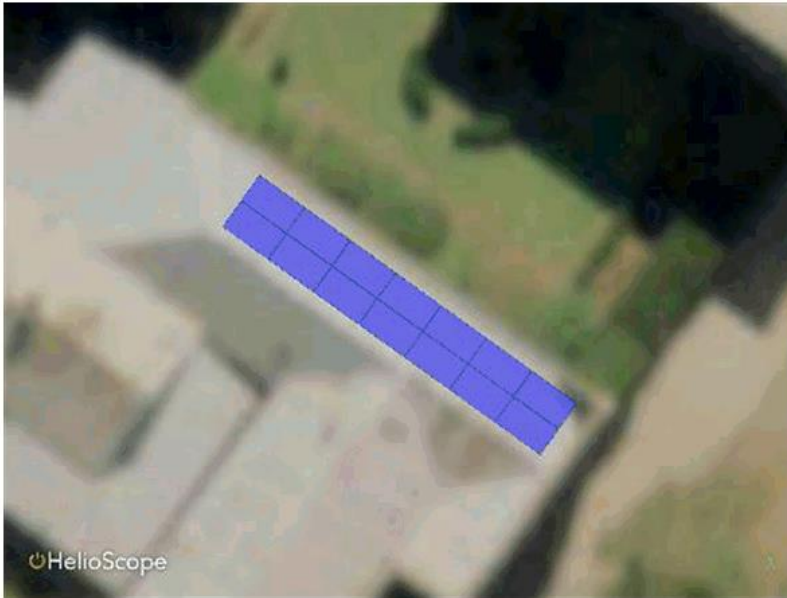
Community centre - Wade Ave (15.1 kW)



Community centre - Wade Ave (30.5 kW)



CWD hall



Tourist office (6.03 kW)





Appendix B: Financing Options Paper

