



LEETON
SHIRE COUNCIL

ORDINARY COUNCIL MEETING
AGENDA

22 FEBRUARY 2023
7:00PM

TO BE HELD IN THE
COUNCIL CHAMBERS
23-25 CHELMSFORD PLACE
LEETON NSW 2705

Authorised for release: Jackie Kruger General Manager

LEETON SHIRE COUNCIL

AGENDA

ORDINARY COUNCIL MEETING

22 February 2023

7:00PM

1. CIVIC PRAYER
2. ACKNOWLEDGEMENT OF COUNTRY
3. APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE BY COUNCILLORS
4. CONFIRMATION OF MINUTES AND ANY MATTERS ARISING

RECOMMENDATION

THAT the Minutes of the Ordinary Council Meeting held on Wednesday 14 December 2022, as circulated, be taken as read and CONFIRMED.

5. DISCLOSURES OF INTERESTS
6. MAYORAL MINUTES
7. REPORTS TO COUNCIL

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8. NOTICES OF MOTIONS

9. CONFIDENTIAL MATTERS

9.1 VANCE INDUSTRIAL ESTATE STAGE 3 REVISED BUDGET

It is recommended that the Council resolve into Closed Council with the press and public excluded to allow consideration of this item, as provided for under Section 10A(2) (d) of the *Local Government Act 1993*, on the grounds that the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.

10. COUNCILLOR ACTIVITY REPORTS

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11. CONCLUSION OF THE MEETING

Council meetings are now video recorded. Members of the public are advised that their voice and/or image may form part of that recording.

Councillors' obligations under the Oath or Affirmation of Office are as follows:

OATH OF OFFICE

I swear that I will undertake the duties of the office of Councillor in the best interests of the people of Leeton and the Leeton Shire Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1993* or any other Act to the best of my ability and judgment.

AFFIRMATION OF OFFICE

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

ETHICAL DECISION MAKING AND CONFLICTS OF INTEREST

A GUIDING CHECKLIST FOR COUNCILLORS,
OFFICERS AND COMMUNITY COMMITTEES

ETHICAL DECISION MAKING

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Could your possible conflict of interest lead to private gain or loss at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

CONFLICT OF INTEREST

- A conflict of interest is a clash between private interest and public duty. There are two types of conflict: Pecuniary – regulated by the Local Government Act and Division of Local Government and, Non-pecuniary – regulated by Codes of Conduct and policy. ICAC, Ombudsman, Division of Local Government (advice only).

THE TEST FOR CONFLICT OF INTEREST

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of "corruption" – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest

IDENTIFYING PROBLEMS

- 1st Do I have private interest affected by a matter I am officially involved in?
- 2nd Is my official role one of influence or perceived influence over the matter?
- 3rd Do my private interest conflict with my official role?

Whilst seeking advice is generally useful, the ultimate decision rests with the person concerned.

AGENCY ADVICE

Officers of the following agencies are available during office hours to discuss the obligations placed on Councillors, Officers and Community Committee members by various pieces of legislation, regulation and Codes.

Contact	Phone	Email	Website
Leeton Shire Council	6953 0911	council@leeton.nsw.gov.au	www.leeton.nsw.gov.au
ICAC	8281 5999 Toll Free 1800 463 909	icac@icac.nsw.gov.au	www.icac.nsw.gov.au
Office of Local Government	4428 4100	olg@olg.nsw.gov.au	www.olg.nsw.gov.au
NSW Ombudsman	9286 1000 Toll Free 1800 451 524	nswombo@ombo.nsw.gov.au	www.ombo.nsw.gov.au

GENERAL MANAGER'S MATTERS

ITEM 7.1 DRAFT MOTIONS FOR SUBMISSION TO THE 2023 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT

RECORD NUMBER	23/2
RELATED FILE NUMBER	EF22/26
AUTHOR/S	IP&R Coordinator
APPROVER/S	General Manager

SUMMARY/PURPOSE

The purpose of this report is to seek Council's endorsement of the draft motions to be submitted for debate at the National General Assembly of Local Government being held in Canberra in June 2023.

RECOMMENDATION

THAT Council endorses the following motions for submission to the 2023 National General Assembly of Local Government:

- 1. Restore Financial Assistance Grants (FAGS):** This National General Assembly calls on the Australian Government to:
 - restore Local Government Financial Assistance Grants to a level equal to at least 1% of Commonwealth taxation revenue,
 - remove the requirement to allocate 30% of the General Purpose Component of Financial Assistance Grants on the basis of population increases/ decreases.
 - 2. Constitutional recognition of local government:** This National General Assembly calls on the Australian Government to hold a referendum to amend the Constitution to recognise local government as an important, legitimate, and essential element in Australia's system of government.
 - 3. Greater Assistance with managing energy expenditure and funding to deliver projects in local communities:** This National General Assembly calls on the Australian Government to partner with State and Territory Governments to provide greater assistance with energy expenditure in rural, regional and remote Australia, including regulating the energy market and improving the financial criteria of grants to make them more achievable for local government to deliver projects.
 - 4. Increased Support for Housing Initiatives in rural Australia:** This National General Assembly calls on the Australian Government to prioritise financial assistance for housing initiatives in rural Australia.
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- 5. Support for newcomer settlement in rural Australia:** This National General Assembly calls on the Australian Government to provide financial support directly to regional and rural areas to streamline the delivery of settlement support for new settlers/comers and the retention of workers in our communities.
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REPORT

(a) Background

The National General Assembly of Local Government will be held on 13-16 June 2023 in Canberra.

Convened annually by the Australian Local Government Association (ALGA), the National General Assembly of Local Government is the peak annual event for Local Government, attracting around 800 – 1000 Mayors and Councillors each year.

The theme for the 2023 National General Assembly is "Our Communities, Our Future". This theme puts focus on the critical importance of our communities and how they are at the centre of all our work.

The assembly is an important opportunity for Leeton Shire Council to influence the national policy agenda and the ALGA is calling for the submission of Notices of Motion for the National General Assembly 2023. The deadline for motion submissions is Friday 24 March 2023.

To be eligible for inclusion in the National General Assembly Business Papers and subsequent debate on the floor of the National General Assembly, motions must:

1. Be relevant to the work of local government nationally.
 2. Not be focused on a specific jurisdiction, location or region – unless the project or issue has national implications.
 3. Be consistent with the themes of the National General Assembly.
 4. Complement or build on the policy objectives of ALGA and your state and territory local government association.
 5. Be submitted by a council which is a financial member of their state or territory local government association.
 6. Propose a clear action and outcome i.e., call on the Australian Government to act on something.
 7. Not be advanced on behalf of external third parties that may seek to use the NGA to apply pressure to Board members or to gain national political exposure for positions that are not directly relevant to the work of, or in the national interests of, local government.
 8. Address issues that will directly improve the capacity of local government to deliver services and infrastructure for the benefit of all Australian communities.
 9. Not seek to advance an outcome that would result in a benefit to one group of council to the detriment of another.
 10. Be supported by sufficient evidence to support the outcome being sought and demonstrate the relevance and significance of the matter to local government nationally.
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(b) Discussion

Five motions have been drafted for Council's endorsement, with supporting commentary included, as suggested by the National General Assembly guidelines.

1. RESTORE FINANCIAL ASSISTANCE GRANTS (FAGS)

This National General Assembly calls on the Australian Government to:

- restore Local Government Financial Assistance Grants to a level equal to at least 1% of Commonwealth taxation revenue,
- remove the requirement to allocate 30% of the General-Purpose Component of Financial Assistance Grants on the basis of population increases/decreases.

Objective

The objective is to increase the level of financial support provided by the Federal Government through Local Government Financial Assistance Grants and to ensure the funds are allocated in such a way as to improve the sustainability of Councils with less revenue raising ability.

Summary of key arguments

- The roles and responsibilities of local governments have increased over time as a result of a number of factors including cost shifting from other levels of government and increasing community demand particularly in rural, regional and remote areas where there is more likely to be a need to provide essential services – such as aged care or childcare – which would otherwise not be available.
- In the past 25 years local government expenditure has quadrupled in nominal terms (6.7% per annum compound growth rate). Over the period from 1994/95 to 2018/19, total local government expenditure increased from \$8.2B to \$38.8B.
- While local government expenditure has grown significantly over time, its revenue base has not. Many Councils are finding it difficult to remain financially sustainable and their reliance on grants as a proportion of their income is high. For some rural and remote councils where own-source revenue-raising capacity is limited, grants can account for more than 50% of council revenue.
- Local Government Financial Assistance Grants, which are broken into two components – the General Purpose Component (GPC) and the Local Roads Component (LRC) – are paid by the Federal Government to local councils to help them deliver services to their communities. In contrast to many grants, Federal Assistance Grants are untied; Councils are free to use the funds in the ways they believe will best serve their communities.
- The level of Financial Assistance Grants as a proportion of Commonwealth tax revenue has been steadily declining since the year 2000. Financial

Assistance Grants now amount to about 0.53% of Commonwealth tax revenue.

- The impact of the relative reduction in Financial Assistance Grants is greater for some Councils than others because of the way in which the funds are allocated.
- Funds are allocated based on National Principles under the Local Government (Financial Assistance) Act 1995. Under the National Principles, a fixed 30% of the General-Purpose Component of the grant must be allocated based on population increases/decreases. This favours Council's with a higher population, which generally have greater capacity to raise their own revenue. It further disadvantages rural and remote Councils with small and declining populations, limited capacity to raise revenue, financial responsibility for sizeable networks of local roads and other infrastructure, diminishing financial resources and relative isolation.
- Many local governments across Australia have insufficient revenue-raising capacity to maintain or upgrade their significant infrastructure holdings or provide the level of services that their communities desire. Councils are faced with the prospect of having to retire community infrastructure that they cannot afford to renew – infrastructure that is, in many cases, vital to community wellbeing and cohesion.

2. CONSTITUTIONAL RECOGNITION OF LOCAL GOVERNMENT

This National General Assembly calls on the Australian Government to hold a referendum to amend the Constitution to recognise local government as an important, legitimate and essential element in Australia's system of government.

Objective

To ensure local government is recognised as an important, legitimate and essential element in Australia's system of government.

Summary of key arguments

- Local government contributes significantly to the nation's economic, social and environmental wellbeing.
- For Federal and Local Government to work effectively in partnership and for funding to flow efficiently between the Federal Government and local councils, local government must be recognised in the Constitution. This can only happen lawfully through amendment to section 96 of the Constitution.
- Federal Governments must be able to directly fund local governments. The 2020 bushfire and 2022 floods emergency demonstrated the frustrating and unnecessary delays that bureaucracy created through the requirement for Federal funding to be distributed via State Governments.

3. GREATER ASSISTANCE WITH MANAGING ENERGY EXPENDITURE AND FUNDING TO DELIVER PROJECTS IN LOCAL COMMUNITIES

This National General Assembly calls on the Australian Government to partner with State and Territory Governments to provide greater assistance with energy expenditure in rural, regional and remote Australia, including regulating the energy market and improving the financial criteria of grants to make them more achievable for local government to deliver projects.

Objective

The objective is to increase the regulation of the energy market to ensure it is accessible and financially viable for all communities and provide financial assistance via grants that ensure energy savings projects are achievable for Local Government.

Summary of key arguments

- Currently, Federal Government provides significant funding to State and Territory Governments, however, the funding grants released often require substantial co-contributions from Councils and/or restrict the scope of the work the Council can undertake.
- The energy market has seen unprecedented rises over the past twelve months and is expected to continue to rise – regulation is required to ensure energy markets are affordable to Councils and residents and should be developed in a way to protect the consumers.
- Accelerating Australia's shift to renewable energy and energy storage is the key to putting downward pressure on wholesale electricity costs, contributing to cost-of-living relief, and ensuring our nation meets its CO2 reduction targets. Currently grants made available to Local Government to deliver on these projects do not provide enough financial buy in to support the completion of the projects.
- Enabling Councils to reduce their energy related financial liabilities will put Local Government in better positions for supporting, growing and maintaining the respective communities.

4. INCREASED SUPPORT FOR HOUSING INITIATIVES IN RURAL AUSTRALIA

This National General Assembly calls on the Australian Government to prioritise financial assistance for housing initiatives in rural Australia.

Objective

The objective is to prioritise financial assistance for housing initiatives in rural Australia to enable Local Government to strategically plan and develop infrastructure to address housing affordability and supply.

Summary of key arguments

- There continues to be an unprecedented level of housing demand in rural and regional Australia.

- The national vacancy rate was at 0.8% in January 2023. This emphasises the highly competitive nature of Australia's rental market, with asking rent prices at historic highs.
- Local government can play a major role in facilitating and developing affordable housing, however, due to budget restraints with increasing and unexpected costs, financial assistance is required to develop the initial infrastructure required to deliver new housing.
- Funding is required for strategic planning. Rural Councils lack skills and/or resources for Integrated Land-use planning to provide adequate Town planning, Infrastructure and Transport Strategies to address affordable housing demand.
- In addition to integrated land-use planning, financial assistance is required for the infrastructure to develop the land. This aspect is cost prohibitive for most rural Councils.
- Lack of development ready land is a huge problem in rural areas. Lack of services leads to inappropriate zoning, which do not support affordable housing.
- Lack of affordable housing has flow on economic impacts including – not being able to fill workplace positions (of all skill levels).
- Council budgets continue to be restrained by increasing and unexpected costs for example repairing roads due to floods.
- Rural communities are disadvantaged as private developers tend to operate in major regional centres where there is a better return on investment. This leaves local communities to address housing shortages themselves.

5. SUPPORT FOR NEWCOMER SETTLEMENT IN RURAL AUSTRALIA

This National General Assembly calls on the Australian Government to provide financial support directly to regional and rural areas to streamline the delivery of settlement support for new settlers/comers and the retention of workers in our communities.

Objective

The objective is to provide direct funding support to regional and rural areas to target the challenge of retaining newcomers/settlers to fulfil workforce shortages.

Summary of key arguments

- Greater attention needs to be placed not only on attracting migrants to regional areas, but also on facilitating their retention in those areas over the long-term.

- A more coordinated and scaled-up approach across government in providing training and matching skills of incoming refugees to regional needs is vital.
- New arrivals need to be better supported within rural and regional areas with a focus on facilitating pathways to permanent resettlement. An overarching focused strategy is required to achieve this, and this must be developed in partnership with local communities.
- It is apparent that for some newcomers/settlers a regional town may present a temporary rather than a permanent home due to the lack of access to affordable housing, transport, tertiary education and health services.
- Presently, financial support is dominated in metropolitan areas, and we are asking that funding comes to regional areas particularly if the settlement pathway has linkages to rural and regional areas.
- It is acknowledged that there is some financial support being provided in major centres, however, rural/regional areas should also be provided with direct funding to support settlement on a practical local level.

(c) Options

The submission of motions by Councils to the National General Assembly is optional.

Council may amend the wording of the proposed draft motions to better reflect their intentions.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

There is no cost for submitting motions.

The cost of attending the 2023 National General Assembly is covered in the adopted budget.

(b) Policy

Relevant local and regional policy positions on the eight topic areas have been reflected in the draft motions.

(c) Legislative/Statutory

Nil

(d) Risk

The motions as prepared are intended to address policy gaps that negatively impact on the wellbeing of residents of Leeton Shire, with joint advisory by the national collective of Councils via the ALGA.

CONSULTATION

(a) External

If endorsed, the motions will be submitted to ALGA for inclusion in their 2023 National General Assembly agenda.

(b) Internal

The draft motions were prepared with the guidance of the General Manager, Executive Manager Economic and Community Development, Multicultural Advisor, Manager Environmental Sustainability and Manager Planning, Building and Health.

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area CSP FOCUS AREA 5 - Strong leadership and civic participation within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM ACTIVITY 9.3 - Provide respected and effective representation, leadership and advocacy - OPERATIONAL PLAN ACTIVITY 9.3.2 - Participate in State and national Local Government Associations (LGNSW, ALGA and Country Mayors, Local Government Professionals)".

ATTACHMENTS

There are no attachments for this report.

ITEM 7.2 ROXY COMMUNITY THEATRE - BUILD AND BUDGET UPDATE

RECORD NUMBER	23/24
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Building Services Coordinator and Roxy Project Manager
APPROVER/S	General Manager

SUMMARY/PURPOSE

Council is provided an update on the Roxy build project and the total project budget.

Council is asked to endorse the updated budget for clarification and completeness noting that no additional funds are being requested above previous Council reports / decisions.

RECOMMENDATION

THAT Council:

- 1.) Receives and notes the update on the Lloyd Group build (\$7,136,495 fixed price contract) and notes the delayed completion date of 31 July 2023 which is still subject to the timely procurement of steel.
- 2.) Receives and confirms the revised total project budget – inclusive of build, consultants, seating, specialist equipment, power supply upgrade and internal project management - with expenses at \$11,437,148 and income at \$11,575,286 made up of 54% grant funding, 44% Council funding and 2% fundraising by the Roxy Redevelopment Committee.
- 3.) Adopts the revised funding strategy for Council's portion of the project costs (\$5,046,500), being 100% loan funding over 20 years.

REPORT

(a) Background

The Roxy Redevelopment project scope includes a refurbished Roxy that is fire, WHS and disabled access compliant (including augmented hearing), with an upgraded stage, upgraded services, new dressing rooms, new toilets, new heating / cooling, new roof sheeting on Roxy main building, more versatile auditorium with flat floor and retractable seating, café/bar area, theatrette, repaired awning and upgraded power supply.

In late 2022, funds were applied for, and awarded, for a second lift which has now been re-instated after having initially been removed for value management reasons. This lift provides disabled access to the dress circle.

Council has contracts with a range of consultants (architect, engineers – electrical/structural/mechanical, building inspectors, heritage experts and superintendent), the builder (the Lloyd Group) and various suppliers to complete the redevelopment of the Roxy Theatre.

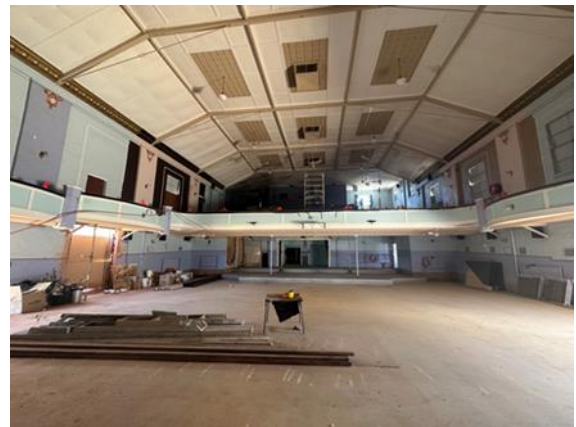
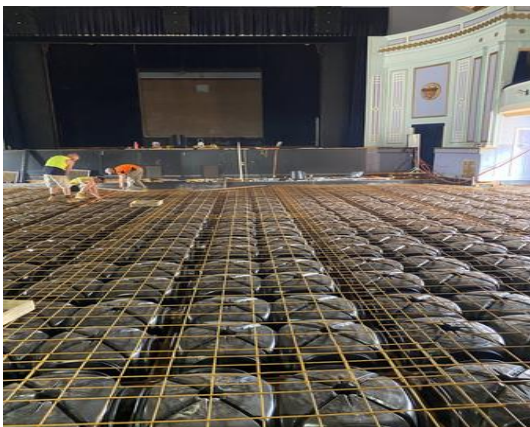
The build contract with the Lloyd Group (fixed price) was signed in January 2022 and handover of the site took place in February 2022.

To date the following aspects of the build have been completed or nearly completed:

- **Demolition 95% complete**



- **Auditorium ground level reinforcement and flat floor slab 100% complete**



Movie Café ground level reinforcement, floor slabs and façade 95% propping complete



- **South West corner ground level reinforcement, strip footings and slab 90% - complete**



- **Roof replacement 70% complete - ridge caps, flashings and fixings as well as Crate and Move Café roofing still to come**

Before



After



- **Rough in of electrical, sewer and stormwater 100% complete**



Works to commence over the next 4 weeks include:

- Blockwork to external walls (south and west) up to concrete platform height.
- Backfill and final floor slab (infill) from Roxy Lane external wall to kitchen.
- Erection of formwork for suspended platform slab for dressing room and backstage corridor.
- Preparation (strengthening) of dress circle floors.

(b) Discussion

Roxy Build

The build completion is lagging due to difficulties sourcing trades and supplies and, by Lloyd's own admission, insufficient resourcing of the project.

The Lloyd Group senior staff met with Council earlier this month and confirmed their commitment to the project and undertook to resource up to expedite its completion. The key hold up currently is the steel framing – with shop drawings having to be redone and a new supplier having to be secured. As at 15 February 2023 Council has been advised by Lloyd Group that they are 'close to' letting the supply and fabrication of steel and are expecting first delivery by mid-March.

Latent conditions to date include asbestos in SW corner, asbestos under stage subfloor and under floor of both Roxy toilets and Crate Café. There may be further structural strengthening required of the forestage – yet to be finally confirmed. Additional steel will be required to support inadequate wall structures (back of stage and west wall).

To date 6 variations have been submitted to the Superintendent, with one very minor one approved, one rejected and 4 others under review. Two more are pending. It is being anticipated that the budget, as presented in this report, can accommodate variations via a 10% contingency.

Consultants

Except for the development planner and building inspectors, all other consultants for the project were engaged early in the project which started with the former (smaller) Roxy footprint. After extensive community engagement, Council made the decision to expand the footprint of the project to better protect heritage values and more fully deliver user group / community aspirations (the Roxy Vision is outlined in more detail in the report on a future operation model which is in this same Council agenda). It was at this point that the neighbouring shops (Movie and Crate Cafes) were acquired. The expansion increased the value of the project and required extensive design rework by the consultants which flowed through to their overall costs, resulting in variations to their contracts.

The lead Architect is Williams Boag with their representative routinely part of all design/build meetings.

Power Upgrade

A review of the new heating and cooling systems revealed the need to augment the power supply. The power utility was only prepared to give a cost after a design was fully completed, which it did in late 2022. Power supply is a new budget item at \$146,000 but can be accommodated within the existing revenue sources.

Contingency Provisions

The current contingency amount of \$461,054 is very 'light on' for the size of the project and it is recommended that it be increased to 10% of the value of the project. In today's construction environment, developers are increasingly working to contingencies of up to 25%. Even some government funders are allowing this level of contingency planning.

Below is an excerpt from the Australia and NZ market intelligence report Q2 2022 (Turner and Townsend) that explains current cost escalations being faced by major infrastructure related projects:

Despite rising inflation and supply chain constraints, construction markets across Australia remain busy with major infrastructure-related projects and strong residential building activity. Labour and skills shortages, however, have become a defining challenge for the sector.

The rapid rise in construction costs experienced in 2021 remain the greatest challenge across Australian construction markets. The public sector has pressed ahead with major infrastructure projects while the private sector remains cautious. The pressures related to raw materials continue to persist with additional strain from rising energy prices.

Across the sector, labour and skills shortages have contributed to the increasing pipeline of work to be completed, with construction and labour costs rising. Skills migration has been slow to resume, however, as this picks up, we can expect some relief in the industry.

Recent measures taken by the RBA have also aimed at reducing inflationary pressures, which should help control the rapid rise in construction costs. Importantly, despite heightened uncertainty in the global and domestic markets, the unprecedented increases in materials and construction costs over the last 12 months supports the view that additional increases are less likely, given the already elevated prices.

Ongoing supply chain challenges and indirect pressures from the war in Ukraine mean that supply constraints are likely to continue across the Australian market over the third and fourth quarters of 2022. Additionally, strong levels of construction activity amid growing labour and material shortages in the domestic market, are expected to keep costs elevated during this time.

Figure 1:
**Australia
construction cost
escalation**



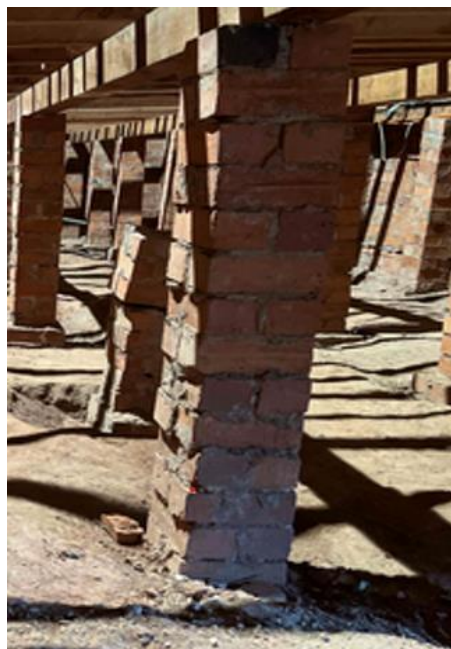
Public Confidence

There is a fair amount of community concern about the Roxy as evidenced on social media and in conversations with Councillors. Some is founded (in delays), some is not. While the project has not been plain sailing, it is important to ensure everyone has the full facts. Council has put out media releases and Facebook posts throughout the build – approximately one every 6 weeks. This strategy does not appear to be sufficient to ensure complete and accurate information is being circulated in the community, by the community.

It is hoped that by end of February, the build site will be safe enough to commence walk-throughs so that local residents can better understand the project and its challenges while also getting a fuller appreciation of the vision and the progress. Advertising to book slots will commence soon for the wider public.

Of note, being a 90-year-old building that was built during the depression era, it has become evident that many shortcuts were taken when the Roxy was built. It is important to take the time now to recognise and address these when they become apparent, making sure the building is safe for the next 90 – 100 years.

- **Examples of unstable piers found under stage**



Council-Led Procurement

- The seating contract has been let to Maxwood.
- A purchase order for the power upgrade has been issued to JRC Electrical.
- The specialist equipment contract is in the final stages of negotiation with HME. Council rejected all tenders and opted to go into direct negotiations. There has been significant cost escalation over the last 6 months which means that not all of the items in the tender specification can be afforded for the voted budget of \$800K. Fixed equipment is the priority. If necessary, some loose items may have to be hired initially until further funds are secured at a later date. An Office of Responsible Gambling grant recently awarded (\$133,000) will assist with costs of hearing augmentation (and disabled access to the dress circle).

(c) Options

The project update and budget are for receiving, noting and confirming.

The funding strategy options for Council's share of the project costs include:

1. 100% loan funding. ***This is the preferred option.***
2. Staying with the previous resolutions of Council – which includes a mix of loan funding (approx. \$4.15M), Section 94 reserves (approx. \$500K), and Infrastructure reserves (approx. \$350K).

IMPLICATIONS TO BE ADDRESSED

(a) Financial

No additional funds are required above previous Council reports / resolutions:

- Council is however requested to endorse the revised costs (expenses) noting that the contingency has been increased to 10%, a power upgrade to existing supply has been added, voted operational wages have been redirected for internal project management costs which need to be capitalised and consultant costs have increased. The forecast to complete budget is \$11,437,148.
It should be noted that the Lloyd Build is a fixed price contract of \$7,136,495 and any variations due to latent conditions or design changes (which are expected) will be accommodated in the contingency provision.
- Council is specifically requested to note that the project is relying on the \$3M Council voted previously in the event BBRF funding was not forthcoming, which is the case. When the Roxy Redevelopment Committee re-imburses Council for the dress circle seating (goal is \$300K through local fundraising), the \$3M could be reduced commensurately.
- Considering Council's long term financial plan and general fund challenges and given the intergenerational equity benefits of the Roxy Redevelopment project, management is recommending loan funding all of Council's contribution. Council has very low debt levels. A loan of \$5M over 20 years will, on average, at 6% pa interest, require annual repayments of \$432K pa (principal and interest). There is the option of extending the loan to 30 years, however this will require a change in Council's Lending Policy. If Council was to extend to 30 years, the annual repayments would be \$360K pa assuming the same interest rate.

LEETON SHIRE COUNCIL
Ordinary Council Meeting - Wednesday 22 February 2023

RECONCILIATION OF ROXY REDEVELOPMENT FINANCIALS AS AT 15 FEBRUARY 2023			
Roxy Redevelopment Expenses			
	Council Resolved	Contracted To Date	Forecast to Complete
Consultants Various	\$ 1,247,113	\$ 1,522,094	\$ 1,522,094
Build Lloyd Group	\$ 7,967,783	\$ 7,136,495	\$ 7,136,495
Power - upgrade to existing supply			\$ 146,000
Seating	\$ 650,000	\$ 613,610	\$ 650,000
Specialist Equipment	\$ 800,000		\$ 886,000
Contingency (10% of total project cost)	\$ 461,054		\$ 1,034,059
Adjustment (seats removed from Lloyd Contract)	-\$ 800,000		
Internal Project Management (pm)		\$ 62,500	\$ 62,500
TOTAL EXPENSES	\$ 10,325,950	\$ 9,272,199	\$ 11,437,148
Deficit / Surplus against resolution			-\$ 1,111,198
Deficit / Surplus after RRC contribution			-\$ 811,198
Roxy Redevelopment Income			
	Confirmed or Resolved		
Create NSW	\$ 3,945,000		
Create NSW minor works	\$ 168,806		
Murray Darling Econ Dev Fund	\$ 999,999		
SCCF Round 5	\$ 981,981		
Office of Responsible Gambling	\$ 133,000		
Council (excl fireline, forecourt and laneway)	\$ 1,634,000		
Council extra (if no BBRF)	\$ 3,000,000		
Council for retractable seating	\$ 321,000		
Council for seating dress circle added	\$ 329,000		
Council Roxy Ops Wages (redirected for PM)	\$ 62,500		
TOTAL INCOME	\$ 11,575,286		
Surplus against forecast to complete	\$ 138,138		
Surplus after RRC seat re-imburement	\$ 438,138		
INCOME SUMMARY			
GRANTS 54%	\$ 6,228,786		
COUNCIL CONTRIBUTION 44%	\$ 5,046,500		<i>(Revised strategy recommends \$5M loan funding over 20 years)</i>
RRC FUNDRAISING 2% (yet to be undertaken)	\$ 300,000		

(b) Policy

Leeton Shire Council Procurement Policy

(c) Legislative/Statutory

Local Government Act 1993

Environmental Planning and Assessment Act 1979

(d) Risk

Cost escalation exceeding budget – contingency proposed to be increased to 10%

The Roxy Redevelopment Committee finds itself unable reach its \$300K funding target - mobilise the Leeton Community which has shown itself well able to raise significant funds when it built the Stadium. This same community spirit will be called on again, this time for the much-loved Roxy Theatre.

Project Management - there is a Project Control Group in place that meets monthly to govern the project. The Build Committee meets weekly, coordinated by the Project Manager and Superintendent from DCWC. Council's internal Project Manager attends the site daily.

Time delays – weekly meetings have been instituted between Council, Create NSW and Lloyd Senior Management.

Loss of community confidence in the build project – commence site tours from end February 2023 (subject to Lloyd approval as they have management of the site).
Maintain regular newspaper and social media updates.

CONSULTATION

(a) External

Disability group convened by Council Community Development Coordinator to review disabled seating in main auditorium and dress circle – November 2022.

PCG (Project Control Group) external members – Michael Chance Create NSW and Simon Bridges DCWC. Lloyd Group management is invited from time to time.

Build / design team continue to meet weekly – includes Council, Lloyd Group, Architect's team.

Council, Create NSW and Lloyd Group are now having weekly meetings.

(b) Internal

Project Control Group – includes General Manager (Chairperson), Katherine Herrmann (volunteer Project Director), Gideon Vos (internal Project Manager), Andrew Valenta (Manager WHS, QA & Risk) and Lawrence Amato (Manager Finance) plus external members listed above.

Director Corporate
Director Operations

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area CSP FOCUS AREA 1 - A connected, inclusive and enriched community within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 2 - Museum, Arts and Cultural Services - DELIVERY PROGRAM ACTIVITY 2.5 - Operate the Roxy Theatre, including: Completing the facility redevelopment; Setting up RIPA (Roxy Institute of Performing Arts); Collaborating with NIDA (National Institute of Dramatic Arts) - OPERATIONAL PLAN ACTIVITY 2.5.1 - Complete the refurbishment of the Roxy Theatre both internally and externally".

ATTACHMENTS

There are no attachments for this report.

ITEM 7.3 ROXY COMMUNITY THEATRE - FUTURE OPERATIONS MODEL

RECORD NUMBER	23/25
RELATED FILE NUMBER	EF22/26
AUTHOR/S	General Manager
APPROVER/S	General Manager

SUMMARY/PURPOSE

This report seeks Council's endorsement to explore a new model of service delivery for the Roxy Community Theatre which involves outsourcing day-to-day operations and programming, subject to a Service Level Agreement (or similar) and regular reporting back to Council.

The report notes that operating a Theatre is not a commercial venture. It proposes a fixed sum be voted annually to support operations, with the service provider required to make up the difference.

The report recommends calling for non-binding Expressions of Interest which will be presented to Council for consideration by no later than the May 2023 Council meeting.

RECOMMENDATION

THAT Council:

1. Agrees to explore the outsourcing of the day-to-day operations and programming of the Roxy Community Theatre having regard to the needs of traditional user-groups and on the basis that Council will contribute in the order of \$245K per annum as a payment or subsidy - inclusive of GST (if applicable) – to a suitable provider.
2. Authorises the General Manager to call for Expressions of Interest (EOI) for day-to-day operations of the Roxy, the scope of which is to be approved by the Roxy Redevelopment Committee along the lines of this report prior to its release.
3. Requests the General Manager to provide a further report to Council on the EOI responses by no later than the May 2023 Council meeting.
4. Agrees in principle that Council will continue to cover the costs and make all the necessary arrangements for utilities, security, rates, maintenance, base cleaning, sponsorship and depreciation to an estimated value of \$409K.
5. Notes that for 2023/24 budget preparation purposes, the draft Roxy operations budget will assume an outsourced service fee of \$245K net for day-to-day program operations, which will be separate to utilities (electricity, water,

security, cleaning, and maintenance) at \$43,000, depreciation at \$324,000 and Council sponsorship for touring shows and special events at \$35,000.

6. Notes that prior to making a final decision on outsourcing Roxy Community Theatre day-to-day operations and programming, Council will be required to meet its industrial relations obligations under the Local Government Act 1993.
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REPORT

(a) Background

With the redevelopment of the Roxy Community Theatre due to be completed by end July 2023 and commissioned during the month of August (assuming all steel supplies go to plan), it is timely to now consider the facility's future operations.

The Roxy Redevelopment Committee engaged heavily with user groups and community in recent years to flesh out its goal of gearing up a refurbished Roxy "to be open for business in new and exciting ways".

This culminated in a VISION FOR THE ROXY that includes:

1. *A venue that provides high quality theatre experiences from performances given by the local community to professional touring groups (spanning music, comedy, dance and more)*
2. *A venue that is at the heart of the town, that brings people together and connects young and old, generating a hive of activity that overflows into and activates the CBD*
3. *A venue that generates high quality cultural activity from and by local talent*
4. *A venue that is fully accessible and caters for special events and is for hire*
5. *A venue for cinema use and that will attract first releases*
6. *A venue that doubles as a general-purpose civic hall and caters for functions, community use and fund raisers*

The OPERATING OBJECTIVES for the Roxy, include:

- *Bring high quality cultural content and touring shows to Leeton*
- *Provide a platform for broad community engagement and participation*
- *Be an economic activator of the heart of the town, increasing local retail turnover*
- *Leverage the unique heritage value of the Roxy*
- *Leverage the significant stakeholders in education and health across the region*
- *Leverage the significant economic trade and innovation that underpins our region nationally and internationally*

The redeveloped Roxy includes the main auditorium, stage, dressing rooms, office space, a theatrette and café/bar and foyer.

It is intended that the Roxy Community Theatre will eventually operate 6 days a week.

When Council agreed to redevelop the Roxy and expand the footprint to deliver on the aspirations of the community, it was always understood that this would be on the basis that operational costs (beyond CPI and depreciation) would be held steady and that a new model of service delivery would be investigated to achieve higher levels of service without further burdening the Shire's ratepayers.

The table below sets out in the first column of figures the adopted budget for running the Roxy in 2019/20 (just prior to Covid) and is called the "Base Case". The second column of figures is the "Adjusted Base Case" for 2023/24 (using estimates) which assumes the redeveloped Roxy is complete and functioning. The far right column sets out the likely budget requirements to run an "Activated Service Model" that is better able to deliver on the full vision and aspirations of the community for the redeveloped Roxy Community Theatre.

The Adjusted and Activated models assume a much higher level of activity than in 2019 including more touring shows (the stage will now be compliant); more movie attendees (there will be first release films and a 'cosier' theatre with improved climate control); an increase in hire of the facility (better facilities for catering and a larger flat floor for dining tables) and a café/bar (more reason to linger/socialise). The Activated Model includes the operation of a performing arts institute (with a broad range of education opportunities).

The difference between the Adjusted Base Case and the Activation Model operational result is \$100,000, as shown in the table below, although it is acknowledged that the budgets are 'best guesses' at this stage and the grant income and donations are potentially optimistic.

The fundamental difference between the two models is that the Activated Service Model has more human resource available and greater capability and capacity to attract grants, sponsorship and donations. This will then be leveraged to supply a greater range of programs, activities and performing arts expertise, as well as longer opening hours to service the educational hub.

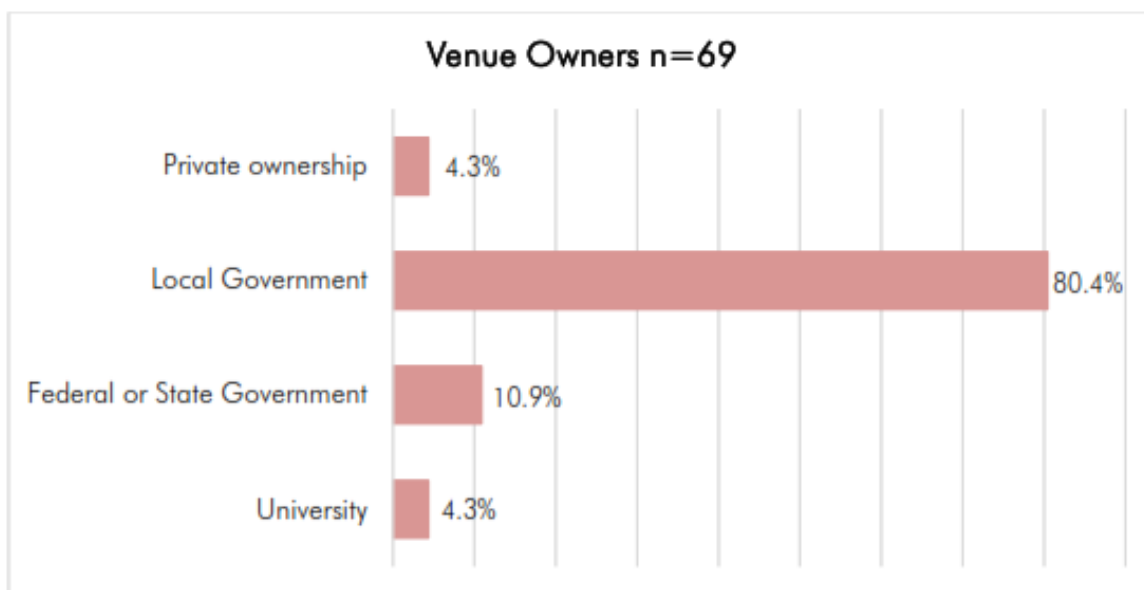
It envisaged that the development of an Activated Service Model will be incremental. The budget estimate in this report has been loosely based on previous advice from theatre specialist Rob Gebert from Rob Gebert Arts Consultancy who prepared a business case for Council's BBRF funding application, and economic survey analysis by PAC (Performing Arts Connections Australia). More detail is provided in the Benchmarking section below.

Redeveloped Roxy - Operations Estimates - Program Ops, Total Ops, Closing the Gap			
	Base Case - 2019/20 adopted budget	Base Case adjusted to 2023/24 - New Roxy	Activated Service Model Budget - New Roxy
INCOME			
Sponsorship & Donations	\$ 3,100	\$ 5,000	\$ 80,000
Grant Program - State & Federal	\$ -	\$ 10,000	\$ 80,000
Commercial - Café Lease & Advertising	\$ 3,500	\$ 40,000	\$ 70,000
Theatre Hire incl Special Events	\$ 40,000	\$ 50,000	\$ 100,000
Tickets sold (shows and movies)	\$ 65,000	\$ 80,000	\$ 180,000
TOTAL INCOME	\$ 111,600	\$ 185,000	\$ 510,000
EXPENDITURE PROGRAMMING			
Staff Costs	\$ 168,450	\$ 220,000	\$ 480,000
Administration	\$ 10,150	\$ 20,000	\$ 80,000
Marketing & Promotion	\$ 12,000	\$ 20,000	\$ 40,000
Food & Beverage	\$ -	\$ 15,000	\$ 25,000
Movies, Production & Show	\$ 25,000	\$ 60,000	\$ 110,000
Other - Materials, Props etc	\$ 3,000	\$ 15,000	\$ 30,000
Event Costs, incl extra cleaning	\$ 8,600	\$ 15,000	\$ 25,000
TOTAL PROGRAMMING COSTS	\$ 227,200	\$ 365,000	\$ 790,000
EXPENDITURE FIXED			
Utilities, Maintenance, Rates & Base Cleaning	\$ 38,878	\$ 50,000	\$ 50,000
Depreciation	\$ 155,000	\$ 324,000	\$ 324,000
TOTAL FIXED COSTS	\$ 193,878	\$ 374,000	\$ 374,000
TOTAL EXPENDITURE	\$ 421,078	\$ 739,000	\$ 1,164,000
OPERATING DEFICIT	-\$ 309,478	-\$ 554,000	-\$ 654,000
OPERATING DEFICIT excl depreciation and utilities	-\$ 115,600	-\$ 180,000	-\$ 280,000
NEW ROXY - PROPOSAL TO OUTSOURCE OPERATIONS AND FUND THE GAP			
Council Contribution for Services (lump sum)	Fee for Service or Subsidy	\$ 245,000	
Council Direct Sponsorship of Shows (separate occasions)	Requires application	\$ 35,000	
Council Covers Building Utilities, Maintenance, Rates and Base Cleaning	Council organises	\$ 50,000	
Council Covers Depreciation	Council organises	\$ 324,000	
TOTAL COUNCIL INVESTMENT INCL DEPRECIATION AND UTILITIES		\$ 654,000	

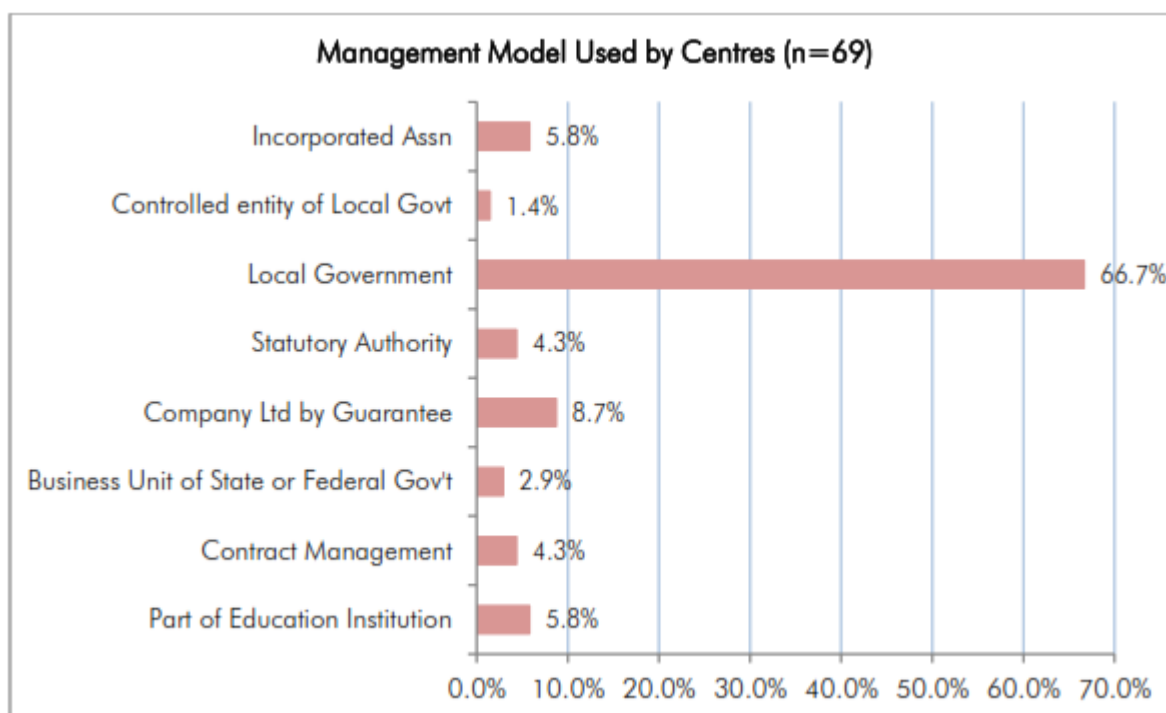
In total, the Activated Service Model suggests an annual investment by Council in Roxy Community Theatre Operations of \$654,000. Without depreciation, this represents a Council contribution of 39%. The value of depreciation – which is a non-cash item – is 28%.

Benchmarking

Performing Arts Connections Australia (PAC Australia) is the national peak body representing and supporting Australian performing arts presenters and creators. From time to time, they survey the sector. In the 2019 Economic Activity Report by PAC, it is clear that local government continues to play a significant role in the management and operational funding of performing arts centres, with 80.4% taking a leading role as the owners of performing arts infrastructure.



Of these around 40% are managed by entities other than the local Council.



PAC highlights the growing significance of entrepreneurial program activity to complement professional productions, linking it to the delivery of significant economic and community engagement and professional arts activity in regional communities. These include pre and post show discussion, workshops, masterclasses, participatory activities, readings, residencies etc.

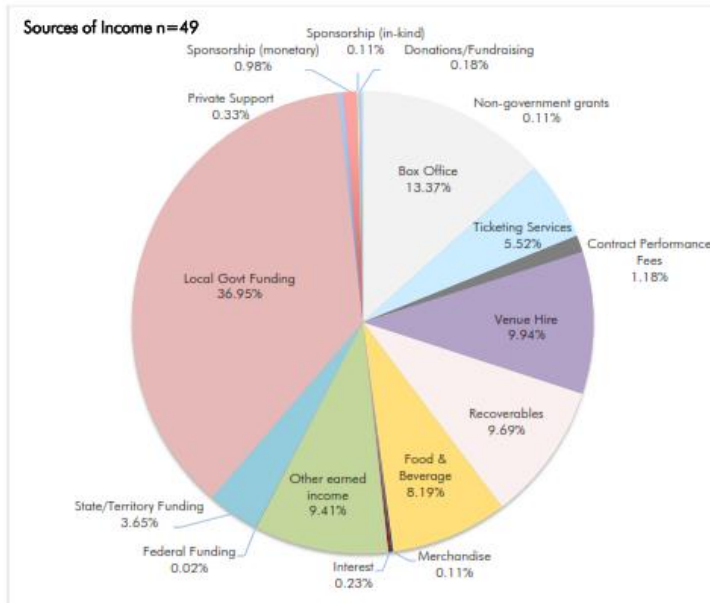
PAC reports that different financial structures are used for across the venues. They did however align the detailed data from 34 venues a found the following income and cost trends (see % in table below):

Financial Overview (n=34)		
INCOME		% age of Total
Box Office	\$16,932,266	14.35%
Ticketing Services	\$7,093,673	6.01%
Contract Performance Fees	\$1,657,374	1.40%
Venue Hire	\$11,825,552	10.02%
Recoverables	\$12,477,286	10.57%
Food & Beverage	\$10,871,108	9.21%
Merchandise	\$138,875	0.12%
Interest	\$331,246	0.28%
Other earned income	\$6,678,922	5.66%
Sub-total Earned income	\$68,006,302	57.64%
Federal Funding	\$20,000	0.02%
State/Territory Funding	\$4,805,180	4.07%
Local Govt Funding	\$43,471,424	36.84%
Sub-total Funding	\$48,296,604	40.93%
Private Support	\$0	0.00%
Sponsorship (monetary)	\$1,311,683	1.11%
Sponsorship (in-kind)	\$56,845	0.05%
Donations/Fundraising	\$182,886	0.15%
Non-government grants	\$139,043	0.12%
Sub-total Private Support	\$1,690,457	1.43%
TOTAL INCOME	\$117,993,363	
EXPENDITURE		
Labour costs	\$52,191,388	44.14%
Marketing/Promotions	\$5,205,698	4.40%
Show Purchases	\$11,523,545	9.75%
Program expenses	\$9,083,221	7.68%
Food & Beverage costs	\$5,114,177	4.32%
Administration	\$13,810,974	11.68%
Repairs & Maintenance	\$3,765,933	3.18%
Other Expenses	\$17,553,378	14.84%
TOTAL EXPENDITURE	\$118,248,314	
NET RESULT	(254,951)	

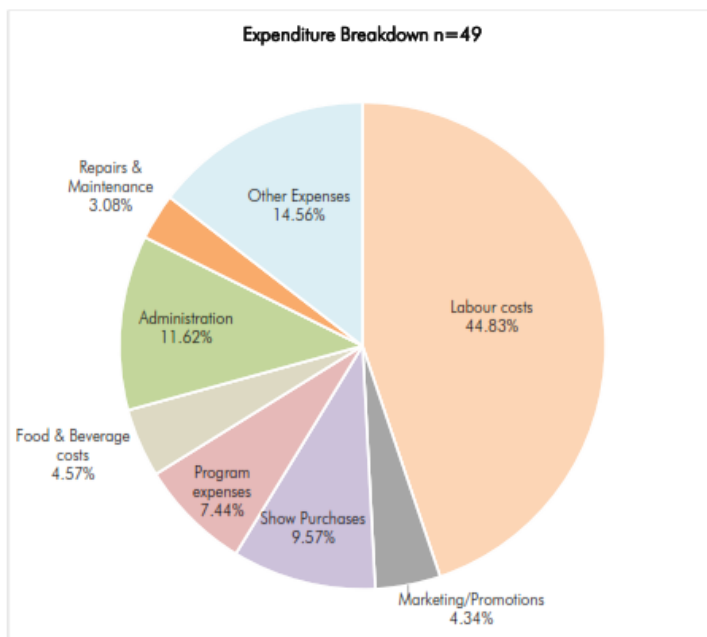
Further, a list of venue turnover (2019) is at (**Attachment 1**) in this report.

Not included in that attachment but of note is Griffith City Council's investment in the Griffith Regional Theatre at approximately \$950K (excluding depreciation) for 2022/23.

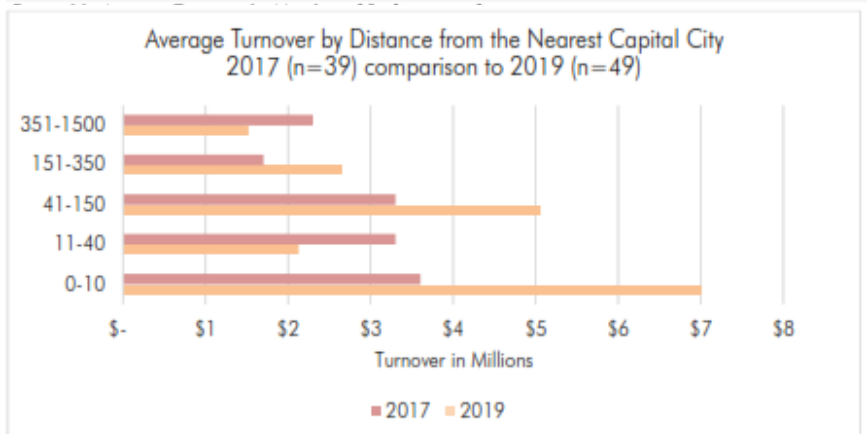
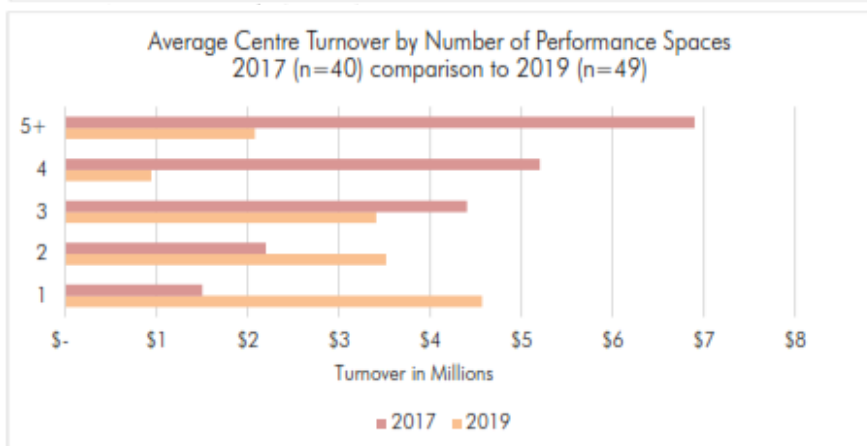
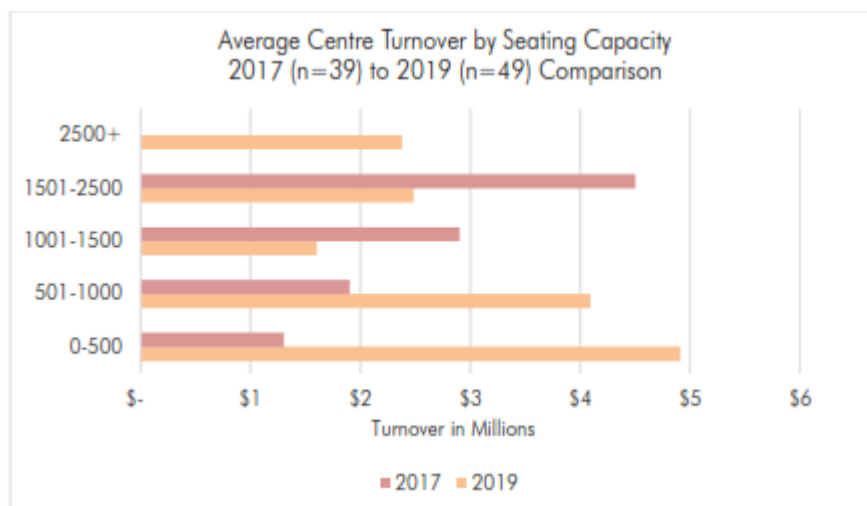
For venues with a turnover of \$0 - \$1M pa, PAC identified that the local government investment was 37.6% of income and for venues with turnover of \$1M - \$2M the local government investment was 54.7%.



PAC reports that the predominant expense from their survey respondents is labour, at close to 45%. For venues, professional performances account for 52% of performances and 48% are community performances (school productions, amateur performance groups, dance and drama training etc).



Other useful benchmarks are the average centre turnover by seating capacity; the average centre turnover by performance spaces; and the average centre turnover by distance from the nearest capital city:



Importantly, PAC confirms that performing arts venues are a valued stimulus for employment opportunities for artists, venue professionals and supporting industries such as hospitality. They also impress the impact of performing arts venues on livability and the return on investment generating artistic, social, and economic benefits.

Operating Structure Options

The additional cost to operate the redeveloped Roxy Community Theatre was always anticipated by Council – this is not a surprise. To close the operating funding gap for the refurbished Roxy Community Theatre, it had been, and is still being,

proposed that a separate entity be established to operate the Roxy that is able to attract grants and donations not available to local government. Given nearly all theatres run at a loss, that entity would need to be not-for-profit and, ideally, a registered charity with the ACNC (Australian Charities and Not-For-Profit Commission).

Following legal advice (**Attachment 2** refers), Council cannot be directly involved in the set up and operations of a charitable entity without Ministerial approval. Gaining and maintaining Ministerial approval would require significant additional administration both in making application and then with ongoing reporting. It is therefore being recommended that Council instead seeks expressions of interest from external entities to undertake the day-to-day operations and programming, subject to a Service Level Agreement (or similar) that ensures that the needs of traditional Roxy Theatre user groups and community are also considered and catered to in the final arrangements.

Council's relationship with the entity would be via a Service Level Agreement (or similar) and a regular reporting and monitoring framework. The full details of these have yet to be established and would be negotiated with the entity selected to operate the Roxy.

(b) Discussion

Planning and budgeting for the future operations of the Roxy Theatre needs to commence now in anticipation of a service that will open in August 2023. Typically touring shows need to be booked 9 to 12 months out and it is important that the redeveloped Roxy is able to access these opportunities in order to deliver on the Vision for the new venue. Also, developing cultural content needs to commence soon in anticipation of a grand launch (which would be over and above the funding referenced in this report). Finally, very importantly, an ongoing relationship with NIDA needs to be cemented in now which requires extensive collaboration and engagement to secure their confidence through NIDA Connect.

To ascertain what entities, if any, might be interested to undertake the day-to-day operations and programming of the Roxy Theatre, it is proposed that Council calls for non-binding Expressions of Interest, supported by proposals.

Respondents will need to outline their plans to:

- Deliver the community's vision for the Roxy Community Theatre
- Outline their organisation's set up, governance and insurances
- Outline how they will cater to the needs and aspirations of traditional community users such as the Eisteddfod, Town Band, local schools etc
- Outline how they will implement a performing arts school for youth
- Outline their intentions for the café/bar
- Outline how the service will be funded, noting Council's anticipated annual contribution – if endorsed - of \$245K net (budget)
- Outline the credentials and experience of persons submitting the proposal as well as the credentials and experience of future staff

Before calling for Expressions of Interest, Council management will prepare a scope for endorsement by the Roxy Redevelopment Committee.

Interested parties will have at least a month to prepare their responses, which will be reviewed by the Roxy Redevelopment Committee, with a recommendation to Council to be made by no later than the May 2023 Council meeting.

(c) Options

1. Council resolves to explore opportunities for outsourcing day-to-day Roxy operations and programming by calling for non-binding Expressions of Interest. ***This is the preferred option.***
2. Council resolves to continue to operate the Roxy in-house (which will require additional staffing and investment if the full vision for the redeveloped facility is to be realised).

IMPLICATIONS TO BE ADDRESSED

(a) Financial

There is no direct financial implication as a result of this report and administering the call for, and review of, any Expressions of Interest will be via existing voted resources.

It should be noted however that, if resolved as recommended, Council will be signalling in the scope that, subject to final budget approval, it is likely to provide \$245K per annum net to the entity to deliver the service and that Council will cover the costs of all utilities (electricity, water, security, routine cleaning and routine general maintenance). There will also be an amount of \$35K per annum available for Council sponsorship of touring shows and special events at the Roxy (administered separately and assessed on a case-by-case basis).

If a successful outcome is achieved, Council will be able to deliver a greatly increased level of service without significantly increasing the Roxy day-to-day operations and programming budget.

(b) Policy

Council's Procurement Policy

(c) Legislative/Statutory

Local Government Act 1993
Local Government Award

Council has obligations to ensure that impacted staff are appropriately consulted. In the case of the Roxy Theatre, one staff member would be impacted if outsourcing operations of the Theatre programming operations was to proceed.

(d) Risk

- Risk that no parties apply – this is possible however the redevelopment of the theatre has enjoyed wide encouragement from the performing arts sector and, along with promotion of Council's emerging relationship with NIDA through the NIDA Connect program, it is anticipated that the opportunity to run the Roxy will have piqued the interest of suitable persons. Council will advertise the opportunity widely.
- Risk that the Business Case is unrealistic – the Activated Model has been loosely based on the work and experience of Rob Gebert who is an economist who works in the performing arts space and who provided Council guidance on operational costs when BBRF funding applications were being prepared. Also, the theatre's operational costs have been benchmarked against other similar theatres. Lastly, the Performing Arts Council (PAC) has benchmarked percentage costs for theatres for specific line items in budgets and the proposed budget generally reflects those benchmarks.
- Risk that philanthropic donations won't be realised – an entity outside of Council has greater opportunity to attract donations for vocational services at the Roxy than a local government organisation.
- Risk that costs for patrons and user groups will escalate, making attendance or participation unaffordable – the specification scope that will be prepared ahead of calling for EOs will ensure that traditional Roxy user group needs are heard and understood, and that any new service continues to deliver on the Shire's community obligation. There will be regular monitoring of the performance of any entity operating the Roxy if outsourcing does indeed proceed.

CONSULTATION

(a) External

Griffith City Council re Griffith Regional Theatre
Mildura Arts Centre
Rob Gebert Arts Consultancy
Craig Gamble Settling Line Theatre Consulting

(b) Internal

Roxy Redevelopment Committee

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area CSP FOCUS AREA 1 - A connected, inclusive and enriched community within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 2 - Museum, Arts and Cultural Services - DELIVERY PROGRAM ACTIVITY 2.5 - Operate the Roxy Theatre, including: Completing the facility redevelopment; Setting up RIPA (Roxy Institute of Performing Arts); Collaborating with NIDA (National Institute of Dramatic Arts) - OPERATIONAL PLAN ACTIVITY 2.5.2 - Set up Roxy Institute of Performing Arts (RIPA)".

ATTACHMENTS

- 1 Source: excerpt from 2019 PAC Australia Economic Activity Report
- 2 Roxy Community Theatre Entity Analysis

3. General Information

3.1 Respondents

Table 1 shows key information relating to each respondent including venue, management model, their population serviced, distance from nearest capital city, number of performance spaces, total capacity, annual attendance and annual turnover (income):

State	Centre	Managed by	Population Serviced	Dist from Capital City (kms)	No. of Perf Spaces	Total Capacity	Annual Attendance	Annual Turnover
ACT	Belconnen Arts Centre	Inc. Assoc.	500,000	0	1	404	40,000	-
NSW	Albury Entertainment Centre	Local Govt	180,000	350	2	995	86,219	1,556,000
	Bangarra Dance Theatre	-	1,624,000	0	-	-	-	-
	Bathurst Memorial Entertainment Centre	Local Govt	47,000	200	2	1,642	56,169	1,818,855
	Bondi Pavilion Theatre, Waverley Council	Local Govt	74,114	8	1	230	-	-
	Cessnock Community Performing Arts Centre	Local Govt	560,000	152	1	466	17,862	249,181
	Civic Theatre Newcastle	Local Govt	500,000	160	3	2,500	-	-
	Dubbo Regional Theatre and Convention Centre	Local Govt	130,000	391	2	1,355	60,275	1,862,232
	Entertainment Venues (Tamworth)	Local Govt	120,000	405	3	6,202	55,834	1,585,858
	Glasshouse Port Macquarie	Local Govt	83,616	420	2	688	147,223	4,080,743
	Glen Street Theatre	Local Govt	252,885	18	1	400	67,707	-
	Griffith Regional Theatre	Local Govt	52,000	369	1	523	35,430	-
	Laycock Street Community Theatre	Local Govt	3,700	75	3	616	52,159	1,075,000
	Manning Entertainment Centre	Local Govt	95,000	330	1	500	25,000	479,000
	Merrigong Theatre Company	Company	517,918	84	4+	1,800	158,036	6,680,805
	Monkey Baa Theatre Company	Company	4,000,000	0	1	236	-	-
	NIDA Parade Theatres	Educ Inst	4,627,000	8	4+	1,220	70,000	24,227,897
	Orange Civic Theatre	Local Govt	100,000	364	1	1,300	-	1,284,149
Queanbeyan Performing Arts Centre	Local Govt	56,000	7	2	926	-	-	
Riverside Theatres Parramatta	Local Govt	539,732	26	3	1,062	175,030	6,700,887	
Seymour Centre	Educ Inst	1,000,000	4	4	1,559	171,469	-	

State	Centre	Managed by	Population Served	Dist from Capital City (kms)	No. of Perf Spaces	Total Capacity	Annual Attendance	Annual Turnover
NSW cont	Shoalhaven Entertainment Centre	Local Govt	100,000	200	2	1,086	-	1,881,802
	Sutherland Entertainment Centre	Local Govt	250,000	30	3	1,300	100,000	-
	The Art House	Company Limited by Guarantee	450,000	96	3	711	55,271	2,119,477
	The Concourse	Contract Mgt	805,000	12	4+	2,500	194,703	4,429,000
	Twyford Hall Inc	Inc. Assoc.	15,000	270	1	200	-	133,395
	Wagga Wagga Civic Theatre	Local Govt	200,000	244	1	491	44,089	2,237,866
TAS	Burnie Arts & Function Centre	Local Govt	20,000	326	2	1,120	-	-
	paranaple arts centre	Local Govt	75,000	300	1	407	-	-
	Princess Theatre, Theatre North Inc	Inc. Assoc.	88,000	200	2	1,128	81,811	1,387,822
	Theatre Royal	Stat Auth	250,000	-	2	825	60,763	2,734,116
QLD	Brolga Theatre & Convention Centre	Local Govt	101,504	260	1	904	61,037	798,361
	Cassowary Coast Regional Council	Local Govt	6,000	1,600	3	1,200	-	-
	Centre of Contemporary Arts Cairns	Bus Unit of Govt	160,000	1,700	1	284	-	-
	Empire Theatre	Company	250,000	125	4	2,265	130,420	4,669,654
	Gladstone Entertainment Convention Centre	Local Govt	63,000	516	3	1,548	60,500	974,806
	HOTA (Home of the Arts)	Comp controlled Local Govt	600,000	80	4+	5,795	-	-
	Moncrieff Entertainment Centre	Local Govt	98,000	400	1	797	42,259	1,328,012
	Pilbeam Theatre	Local Govt	81,067	616	1	972	-	-
	QUT Gardens Theatre	Educ Inst	2,326,656	-	2	495	-	-
	Redland Performing Arts Centre	Local Govt	150,000	30	3	950	51,666	611,694
	The Events Centre	Company	500,000	120	2	1,200	-	-
	The World Theatre	Local Govt	12,000	1,349	4	930	26,246	388,442
VIC	Bunjil Place	Local Govt	800,000	45	2	1,046	142,834	1,051,645
	Capital Venues and Events (Bendigo)	Local Govt	180,000	150	4	1,640	139,132	8,904,594
	Colac Otway Performing Arts and Cultural Centre	Local Govt	22,000	200	2	387	9,309	-

State	Centre	Managed by	Population Served	Dist from Capital City (kms)	No. of Perf Spaces	Total Capacity	Annual Attendance	Annual Turnover
VIC cont	Frankston Arts Centre	Local Govt	617,757	42	2	1,100	140,000	3,155,571
	Geelong Arts Centre	Stat Auth	3,500,000	75	3	2,516	184,763	5,667,988
	Hamilton Performing Arts Centre	Local Govt	9,974	309	1	500	-	-
	Horsham Town Hall	Local Govt	58,000	300	3	2,000	-	-
	Karralyka Centre	Local Govt	119,900	40	1	430	47,784	-
	Lighthouse Theatre	Local Govt	35,000	270	2	741	61,820	1,077,331
	Mildura Arts Centre	Local Govt	53,878	400	2	500	85,088	-
	Portland Arts Centre	Local Govt	20,000	355	4	1,344	-	570,079
	Riverlinks Venues	Local Govt	80,000	185	2	1,243	70,406	1,000,150
	The Cube Wodonga	Local Govt	100,000	322	2	410	41,538	477,393
	Whitehorse Centre	Local Govt	173,233	15	1	414	93,108	1,588,542
SA	The Hopgood Theatre	Stat Auth	160,000	27	1	492	41,104	519,423
	Woodville Town Hall	Local Govt	1,000,000	10	2	950	39,212	113,580
WA	Arts Margaret River Margaret River Cultural Centre	Contract Mgt	12,000	275	1	325	9,268	677,933
	Broome Civic Centre	Local Govt	14,000	1,871	2	793	-	-
	Bunbury Regional Entertainment Centre	Contract Mgt	180,000	209	2	1,052	-	-
	Esperance Civic Centre	Local Govt	14,500	720	2	720	-	-
	His Majesty's Theatre	Bus Unit of Govt	2,140,000	0	4+	3,719	111,259	2,352,410
	Mandurah Performing Arts Centre	Inc. Assoc.	250,000	75	2	921	200,298	3,150,050
	Matt Dann Theatre & Cinema	Local Govt	14,000	1,619	1	302	-	-
	Moora Performing Arts Centre	Local Govt	6,000	178	1	340	-	-
	Queens Park Theatre	Local Govt	40,000	425	4	1,506	-	-
University Theatres - UWA	Educ Inst	2,000,000	0	4+	4,168	123,127	2,497,125	

Table 1: Respondent Details

Note: Blank cells indicate information was not provided or confidential

Entity Structure Analysis

Council sought and received the following legal advice in relation to setting up a charitable trust to operate the Roxy Community Theatre (Option A). That advice led to exploring Option B as it will be less administratively onerous.

Options	Item	For Consideration
Option A	Separate Legal Entity – Council as sole member or minority member	<ul style="list-style-type: none"> • If Council participates in the formation of the corporation, then Council should obtain Ministerial approval under section 358: <ul style="list-style-type: none"> ◦ If mandated rules are required, then (in our view) the company would likely be considered a 'government entity' for the purposes of the <i>Charities Act 2013</i> (Cth), in which case the entity would not be eligible for registration as a charity with the ACNC. ◦ If mandated rules are <i>not</i> required, then the company may be eligible to apply for registration as a charity. • In either case, the company would be eligible for DGR endorsement as a ROCO (note: ROCO must be either an ACNC registered charity or government). • Council and the relevant entity to operate on a 'contractual' basis as well, including: <ul style="list-style-type: none"> ◦ Leasing the Premises to the company; ◦ Entering into a management or grant agreement.
Option B	Contractual relationship with Separate Entity	<ul style="list-style-type: none"> • Separate legal entity established by persons who are separate to Council • Council does not participate in the formation of the entity, so does not require Ministerial approval under section 358. • Council is <i>not</i> involved in the entity as a member and has no governance involvement or membership role. • Council and the relevant entity to operate entirely on a 'contractual' basis, including: <ul style="list-style-type: none"> ◦ Licensing the use of the Roxy Institute for Performing Arts (or other branding); ◦ Leasing the Premises to the company; ◦ Entering into a management or grant agreement; • Entity may be eligible as a charity • Entity may be eligible for DGR endorsement as a ROCO
Option C	Internal council activity	<ul style="list-style-type: none"> • No separate legal entity • Internal activity of Council • Eligible for DGR endorsement as a ROCO

CORPORATE MATTERS

ITEM 7.4 INVESTMENTS REPORT FOR DECEMBER 2022

RECORD NUMBER	23/5
RELATED FILE NUMBER	EF21/312
AUTHOR/S	Accountant
APPROVER/S	Manager Finance

SUMMARY/PURPOSE

This report provides details of the performance of Council's investment portfolio for the period ending 31 December 2022.

RECOMMENDATION

THAT Council notes the information contained in the Investments Report for December 2022.

REPORT

(a) Background

This report is required to be prepared monthly and presented at the next available Ordinary Council meeting in accordance with Clause 212 of the Local Government (General) Regulation 2021.

(b) Discussion

Council's cash and investment holdings total \$48,177,938.

As at 31 December 2022, Leeton Shire Council has \$46,378,298 invested in Approved Deposit Institutions (ADIs) of which \$7,152,247 (15.42%) is invested with local bank branches.

Attached to this report is a Statement of Bank Reconciliation (**Attachment 1**) and a Summary of Investments (**Attachment 2**) as at 31 December 2022.

The Statement of Bank Reconciliation reconciles the Bank Statement balances to the General Ledger at 31 December 2022 by taking into account unrepresented cheques, unrepresented deposits, and unrepresented debits.

The Summary of Investments details all the investments held by Leeton Shire Council as at 31 December 2022.

The following table details the total Cash, Cash Equivalents and Investment holdings:

Cash in Transaction Account	\$ 1,799,640
Deposits At Call Accounts	\$13,378,298
Investments	\$33,000,000
TOTAL	\$48,177,938

The table below details the monthly movements of investments for December 2022.

Opening Investments Balance	\$ 48,340,437
Less:	
Maturities	\$ 1,000,000
Transfer to CBA Current Account	\$ 1,000,000
Subtotal	\$ 46,340,437
Plus:	
Roll-overs	\$
New Investments (1)	\$
CBA Business Online Saver (BOS) movements	\$ 12,056
AMP Business Saver Account	\$
AMP 31 Day Notice Account	\$ 18,033
Macquarie Cash Management Accelerator Account	\$ 7,772
Closing Investments Balance	\$ 46,378,298
Add back Cash in Transaction accounts	1,799,640
Total Cash and Investments	\$ 48,177,938

The following table details the break-up of investments according to the restrictions which are placed on them. As forecast in the December 2022 QBRS (subject to daily movements).

Total Cash and Investments	\$ 48,177,938
Less restrictions	
Water Supply (Excl. Unfinished Works)	\$ 20,543,382
Sewerage Services (Excl. Unfinished Works)	\$ 2,380,810
Domestic Waste Management	\$ 4,704,428
*Other external restrictions	\$ 9,631,487
External Restrictions (Excl. Unfinished Works) - Sub Total	\$ 36,005,627
Internal restrictions	\$ 6,190,593
Total restrictions	\$ 42,196,220
Operating Capital & Unfinished Works	\$ 5,981,718

*Includes - Unspent Grants Restrictions, Stormwater Levy Restriction, Deposits, Retentions and Bonds

Externally restricted funds can only be used for the purposes for which they were raised. These include water, sewer, domestic waste operations and unexpended specific purpose grants.

Internally restricted funds are set aside through Council resolution for specific purposes such as plant replacement, infrastructure renewal or funded provisions. Internal restrictions are considered as part of the Budget adoption or the Quarterly Budget Review process.

Operating Capital is used to provide working capital for Council to fund short-term operations, current Capital works program, and fluctuations in payables and receivables.

Water Investments Summary

In accordance with Murrumbidgee Irrigation (MI) records, the total Water Licenses currently held are 5,584 ML. As at 15 December 2022, there was 100% allocation for town water, 95% for high security and 65% for general security water.

Table of Water Sales as at the end of December 2022:

Date	Qty	Price/ML	Total Water Sale	Brokerage	Net Total
21/07/2022	300	\$70	\$21,000	-\$ 930	\$20,070
10/08/2022	600	\$70	\$42,000	-\$1,310	\$40,690
2/12/2022	500	\$22	\$11,000	-\$382	\$11,382
General and Water Fund Sales	1400		\$74,000	-\$2,622	\$71,378

As at 31 December 2022, Council has undertaken temporary trades totalling 1 400 ML for \$71,378 (net of sale brokerage fees).

The annualised return on investment for the sale is 1.59%. It is worth noting that water sales pricing is unreliable and as such the ROI may not be sustained.

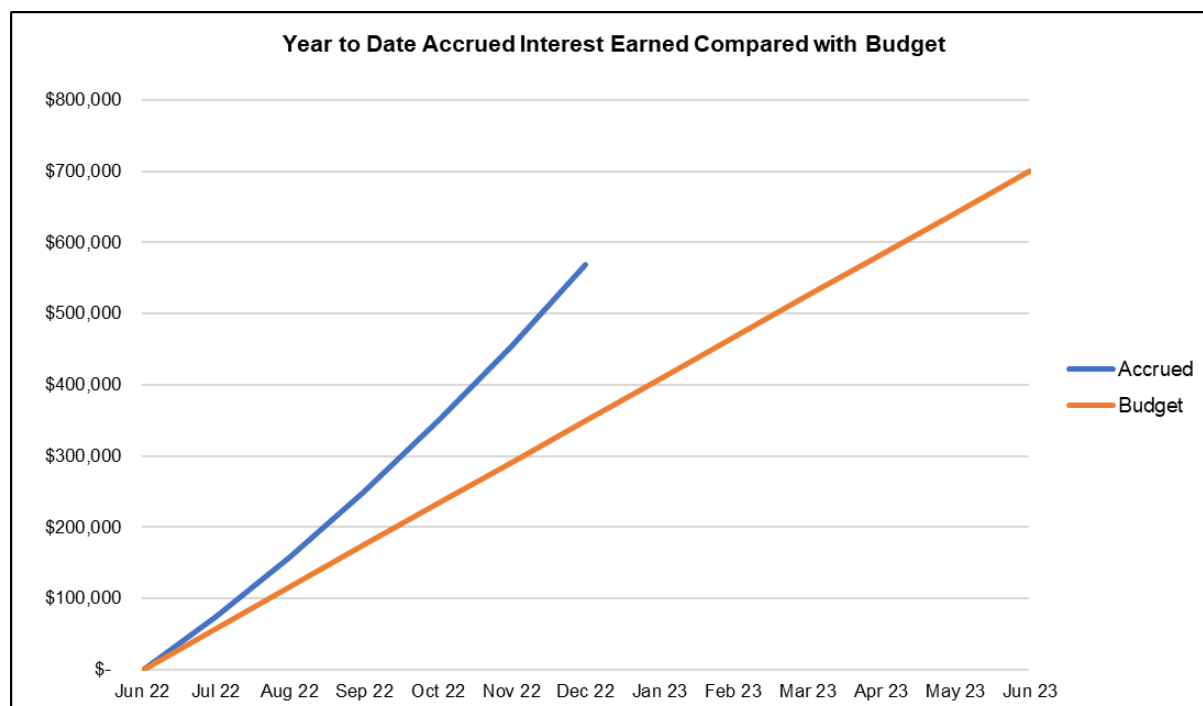
In accordance with the Temporary Trade of Water Allocation Policy October 2022, as endorsed by Council on 27 October 2022, the safety margin has been set at 10% of forecast.

Water Entitlements	Allocation (%)	Total Allocation (ML)	F'cast + Usage (ML)	Sales this month	Total Volume Sold (ML)	Safety Margin (ML)	Remaining Allocation (Saleable)	Market rate 1.01.23	Potential Income from Sales
Town Water High Security (C7) - 4,097ML	100%	4,097	2,634	-	500	126	837	\$18.00	\$15,066
Investment Water									
*General Security (C1) - 516 ML	65%	335		-	-		335	\$18.00	\$6,037
High Security (C3) - 971ML	95%	922		-	900		22	\$18.00	\$404
Total		5,355	2,634	-	1,400	126	1,195		21,507

IMPLICATIONS TO BE ADDRESSED

(a) Financial

For December 2022 the annualised rate of return across the investment portfolio is 3.25% which is well above the annual budgeted return of 2%. The actual \$113,794 in interest earned is higher than the original budgeted amount of \$58,333 by \$55,461. The following graph compares year-to-date interest with the original budgeted interest for the period. This shows that Council's actual investment income is higher than the original budget as at 31 December 2022.



Original Budgeted Interest for FY22-23 is \$300,000 which increased to \$700,000 in the December QBRs. The consolidated actual investment income from 1 July 2022 to 31 January 2023 compared to the revised budgeted investment interest is detailed below.

Actual versus budgeted interest and earnings	Dec-22	Year To Date
Investments - Interest earned	\$ 72,589	\$ 388,530
Deposits at call	\$ 37,861	\$ 164,408
Rebates and Other earnings	\$ 3,344	\$ 15,723
Total Earnings	\$ 113,794	\$ 568,661
Budgeted Interest	\$ 58,333	\$ 350,000
Variance – Positive	\$ 55,461	\$218,661

The following tables provide information on investment rates this year compared to last year, as well as a comparison of investment balances from this year to last year.

Performance Measures	Year to Date	Last Year (Dec.)
Portfolio Average Interest Rate (year to date inc. Cash)	2.68%	0.73%
Investment Balances	Year to Date	Last Year
Opening Balance as at 1 December	\$48,340,437	\$44,835,435
Current Balance as at 31 December	\$46,378,298	\$45,339,498

For the month of December 2022, the portfolio (excluding cash) provided a solid return of +0.27% (actual) or +3.23% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.25% (actual) or +2.98% p.a. (annualised). The outperformance continues to be driven by a combination of those deposits originally invested between 1-3 years, as well as the introduction of FRNs and fixed bonds into the portfolio, which have been locked-in at attractive margins.

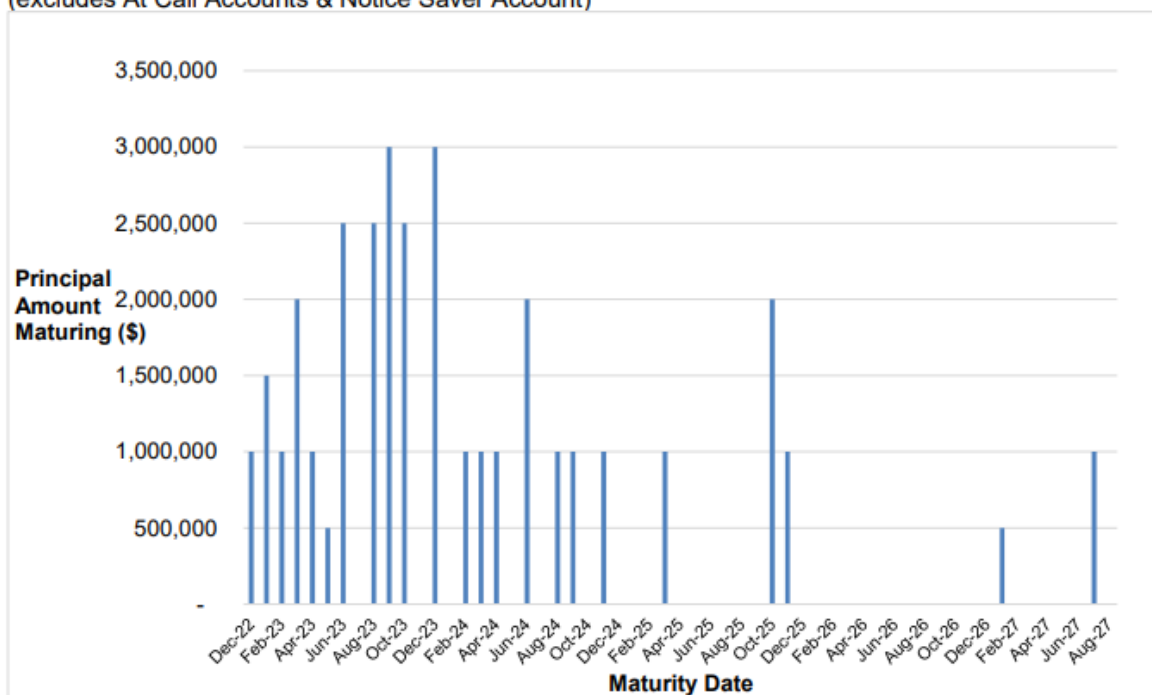
Council Portfolio Compliance

Investment Maturing Profile

The portfolio remains lightly diversified from a maturity perspective with deposits maturing out to 5 years. The graph below shows when Council's current investments mature and the related values.

Portfolio Cash Flows

(excludes At Call Accounts & Notice Saver Account)



Financial Asset Allocation

Council's financial assets are invested as per the table below:

Investment Type	Risk Assessment		Investment Face Value	% of Portfolio
	Capital	Interest		
Term Deposits	Low	Low	23,500,000	50.67%
Cash/At Call Deposits	Low	Low	13,378,298	28.85%
Floating Rate Notes	Low	Low	6,000,000	12.94%
Bonds	Low	Low	3,500,000	7.55%
TOTAL			46,378,298	100%

Counterparty

As at the end of December 2022, Council did not have an overweight position to any single Authorised Deposit Taking Institution. The portfolio is well-diversified across the entire credit spectrum.

All aggregate ratings categories are within the Investment Policy limits.

Compliant	Issuer	Rating	Invested (\$) ^	Invested (%)	Max. Limit (%)	Available (\$)
✓	RBC Covered	AAA	\$988,873	2.14%	45%	\$19,830,570
✓	Suncorp Covered	AAA	\$500,235	1.08%	45%	\$20,319,209
✓	ANZ Bank	AA-	\$1,001,515	2.16%	45%	\$19,817,929
✓	CBA	AA-	\$7,168,238	15.49%	45%	\$13,651,205
✓	NAB	AA-	\$5,000,000	10.81%	45%	\$15,819,444
✓	NTTC	AA-	\$1,000,000	2.16%	45%	\$19,819,444
✓	WBC	AA-	\$6,500,000	14.05%	45%	\$14,319,444
✓	Macquarie	A+	\$4,051,934	8.76%	35%	\$12,140,967
✓	Aus. Military	BBB+	\$1,000,000	2.16%	30%	\$12,879,629
✓	Bendigo (Rural)	BBB+	\$959,986	2.07%	30%	\$12,919,643
✓	BoQ	BBB+	\$3,974,429	8.59%	30%	\$9,905,200
✓	QBank	BBB+	\$997,098	2.16%	30%	\$12,882,531
✓	AMP Bank	BBB	\$10,618,386	22.95%	30%	\$3,261,244
✓	Auswide Bank	BBB	\$999,591	2.16%	30%	\$12,880,039
✓	Bank Australia	BBB	\$1,001,589	2.16%	30%	\$12,878,040
✓	MyState Bank	BBB	\$503,556	1.09%	30%	\$13,376,073
			\$46,265,431	100.00%		

Credit Quality

The following table details the credit rating of each of the categories in which Council has money invested. All investments are compliant with Council's Investment Policy.

Compliant	Credit Rating	Invested (\$)	Invested %	Max. Limit (%)
Yes	AAA Category	\$1,489,109	3.22%	100.00%
Yes	AA Category	\$20,669,753	44.68%	100.00%
Yes	A Category	\$4,051,934	8.76%	80.00%
Yes	BBB Category	\$20,054,635	43.35%	70.00%
Yes	Unrated ADI's	\$0	0.00%	30.00%
		\$46,265,431	100.00%	

***Note:** Valuations of Council's senior Floating Rate Notes on the Imperium Markets platform are marked-to-market and priced on a daily basis from an independent third-party provider. Council has recorded its FRNs internally at the purchase price or face value. As such, the total portfolio's balance is likely to differ as at the reporting date. (Imperium Markets)

Maximum Limit Percentage is based on the Revised Investment Policy for 2022.

(b) Legislative/Statutory

All funds are invested in accordance with Section 625 of the *Local Government Act 1993* and the Ministerial Investment Order.

CONSULTATION

(a) External

Council's investment advisors are Amicus Advisory and Imperium Markets. Both investment advisors were contacted by staff for advice during the month of December 2022.

Council is currently seeking strategic advice from Marsden Jacobs on water trading.

(b) Internal

For Water Trading:
General Manager
Director Operations

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM
ACTIVITY 9.7 - Deploy reliable and efficient corporate management - financial, asset, property, records, information technology, buildings and plant/fleet - OPERATIONAL
PLAN ACTIVITY 9.7.3 - Foster Council's financial sustainability through maximising investment returns, including cash and water sales".

ATTACHMENTS

- 1 Bank Reconciliation - December 2022
- 2 Summary of Investments - December 2022

MONTH END BANK RECONCILIATION REPORT

Prepared by the Accountant

INTRODUCTION

The purpose of this report is to inform Council of its position in respect of bank balances.

BACKGROUND

This report is prepared monthly and presents movements in the Council's bank account.

BANK RECONCILIATION STATEMENT

as at 31 December 2022

BALANCE AS PER GENERAL LEDGER

Opening Balance:	1/12/2022	\$	1,431,946.03
December Movements:		\$	447,866.51
Closing Balance:	31/12/2022	\$	1,879,812.54
Less Unprocessed Bank Statement Transactions:		-\$	80,172.01
Total:		\$	1,799,640.53

BALANCE AS PER BANK STATEMENTS

		\$	1,803,173.06
Less Unpresented Cheques			
Less Unpresented Debits		-\$	3,532.53
Plus Unpresented Deposits			
Total		\$	1,799,640.53



Responsible Accounting Officer
3 February 2023

Leeton Shire Council

Summary of Term Investments as at: 31/12/2022

BBSW 90: 3.26% Average Yield: 3.25%

Inv No	Financial Institution/Broker	Investment	Note	Ref No	Investment Date	Investment Term (months)	Remaining Term (months)	Principal	Yield %	Maturity	Type
10-00	Commonwealth Bank Ltd	CBA Business Online Saver - Cash	Cash	10206481	12/10/09	159	1	4,173,603.38	3.10%	06/02/23	DAC
20-00	AMP Bank	Account	AMP Business Saver	437864762	10/07/20	30	1	514.15	1.70%	06/02/23	DAC
21-00	AMP Bank	Account	AMP 31 Day Notice	971165956	17/07/20	30	1	6,152,246.65	3.75%	06/02/23	DAC
22-00	Macquarie Bank	Accelerator Account	Management	940367790	07/11/20	26	1	3,051,934.20	3.30%	06/02/23	DAC
20-11	ANZ Bank	ANZ Bank		AU3FN00497	29/08/19	60	19	1,000,000.00	3.85%	29/08/24	FRN
20-31	National Aust Bank	RACQ Bank		AU3FN00531	24/02/20	36	1	1,000,000.00	4.03%	24/02/23	FRN
20-35	Laminar Capital	Auswide Bank		AU3FN00534	17/03/20	35	2	1,000,000.00	4.25%	17/03/23	FRN
22-21	Commonwealth Bank Ltd	Commonwealth Bank		AU3FN00654	14/01/22	60	48	500,000.00	3.63%	14/01/27	FRN
23-01	Commonwealth Bank Ltd	Royal Bank of Canada		AU3FN00700	13/07/22	60	54	500,000.00	3.95%	13/07/27	FRN
23-10	Laminar Capital	MyState Bank Ltd		AU3FN00724	13/10/22	36	33	500,000.00	4.15%	13/10/25	FRN
23-11	Commonwealth Bank Ltd	Suncorp-Metway Ltd		AU3FN00724	17/10/22	36	33	500,000.00	3.73%	17/10/25	FRN
23-13	Curve Securities Pty Ltd	Bank Australia		AU3FN00737	24/11/22	36	34	1,000,000.00	4.70%	24/11/25	FRN
22-23	National Aust Bank	Bendigo and Adelaide Bank		8156149	17/03/22	36	26	1,000,000.00	3.00%	17/03/25	Bond
22-27	Commonwealth Bank Ltd	Bank of Queensland		AU3CB02881	29/04/22	42	33	1,000,000.00	4.00%	29/10/25	Bond
21-10	Northern Territory Treasury	Territory Bond		AA-109-3B	14/09/20	38	11	1,000,000.00	1.25%	15/12/23	Bond
23-02	Commonwealth Bank Ltd	Royal Bank of Canada		AU3CB02901	13/07/22	60	54	500,000.00	4.50%	13/07/27	Bond
21-26	Australian Military Bank	Australian Military Bank		301037038	13/04/21	36	15	1,000,000.00	0.76%	15/04/24	LTD
22-06	National Aust Bank	National Aust Bank		33-718-2858	25/08/21	24	7	1,000,000.00	0.65%	25/08/23	LTD
22-15	Westpac Bank	Westpac Bank		9514165	21/10/21	24	9	1,000,000.00	0.87%	23/10/23	LTD
22-16	AMP Bank	AMP Bank		TD60160792	29/10/21	18	3	500,000.00	1.20%	01/05/23	LTD
22-17	Westpac Bank	Westpac Bank		9563400	11/11/21	36	22	1,000,000.00	1.60%	11/11/24	LTD
22-19	Westpac Bank	Westpac Bank		9620456	09/12/21	24	11	1,000,000.00	1.21%	11/12/23	LTD
22-20	AMP Bank	AMP Bank		TD34064791	21/12/21	24	11	1,000,000.00	1.55%	21/12/23	LTD
22-22	National Aust Bank	National Aust Bank		88-293-8040	23/02/22	24	13	1,000,000.00	1.80%	24/02/24	LTD
22-24	Westpac Bank	Westpac Bank		9806557	22/03/22	24	14	1,000,000.00	2.21%	22/03/24	LTD
22-25	Westpac Bank	Westpac Bank		9486425	23/03/22	12	2	1,000,000.00	1.38%	23/03/23	LTD
22-26	Bank of Queensland	Bank of Queensland		486112	07/04/22	12	3	1,000,000.00	1.85%	11/04/23	LTD
22-28	Westpac Bank	Westpac Bank		9653246	08/06/22	12	5	500,000.00	3.50%	08/06/23	LTD
22-30	Commonwealth Bank Ltd	Commonwealth Bank		38344709	21/06/22	12	5	1,000,000.00	4.30%	21/06/23	LTD
22-31	Bank of Queensland	Bank of Queensland		508507	23/06/22	24	17	1,000,000.00	4.40%	24/06/24	LTD
22-32	Macquarie Bank	Macquarie Bank		232613257	24/06/22	24	17	1,000,000.00	4.43%	24/06/24	LTD
22-33	Commonwealth Bank Ltd	Commonwealth Bank		38344709	27/06/22	6	0	1,500,000.00	3.06%	09/01/23	LTD
22-34	Members Equity Bank	Member Equity Bank		416264	28/06/22	12	5	1,000,000.00	4.00%	28/06/23	LTD
23-03	AMP Bank	AMP Bank		TD52801630	08/08/22	12	7	500,000.00	4.35%	08/08/23	LTD
23-04	National Aust Bank	National Aust Bank		71-990-2283	16/08/22	12	7	1,000,000.00	4.00%	16/08/23	LTD
23-05	National Aust Bank	National Aust Bank		88-085-5591	09/09/22	12	8	1,000,000.00	4.10%	11/09/23	LTD

Leeton Shire Council

		31/12/2022		3.26%	Average Yield:	3.25%	
		BBSW 90:					
23-06	AMP Bank	TD06515165	14/09/22	8	1,000,000.00	4.65%	LTD
23-07	National Aust Bank	97-327-3005	27/09/22	20	1,000,000.00	4.90%	LTD
23-08	Westpac Bank	9929030	30/09/22	8	1,000,000.00	4.59%	LTD
23-09	AMP Bank	TD35113463	06/10/22	9	500,000.00	4.55%	LTD
23-12	AMP Bank	TD11296728	27/10/22	9	1,000,000.00	5.00%	LTD

Total Investments:

\$ 46,378,298.38

Leeton Shire Council

Summary of Term Investments as at:

31/12/2022

BBSW 90: 3.26% Average Yield: 3.25%

Investment by Type		
Investment	Amount	%
Member Equity Bank	1,000,000	2.2%
AMP Bank	4,500,000	9.7%
Auswide Bank	1,000,000	2.2%
National Aust Bank	5,000,000	10.8%
Australian Military Bank	1,000,000	2.2%
ANZ Bank	1,000,000	2.2%
RACQ Bank	1,000,000	2.2%
Territory Bond	1,000,000	2.2%
CBA Business Online Sa	4,173,603	9.0%
AMP 31 Day Notice Acc	6,152,247	13.3%
Macquarie Cash Manag	3,051,934	6.6%
Commonwealth Bank	3,000,000	6.5%
Westpac Bank	6,500,000	14.0%
Bendigo and Adelaide	1,000,000	2.2%
Bank of Queensland	3,000,000	6.5%
Macquarie Bank	1,000,000	2.2%
AMP Business Saver Acc	514	0.0%
Royal Bank of Canada	1,000,000	2.2%
MyState Bank Ltd	500,000	1.1%
Suncorp-Metway Ltd	500,000	1.1%
Bank Australia	1,000,000	2.2%
TOTAL	46,378,298	100.0%
Local	7,152,247	15.42%
Non Local	39,226,052	84.58%

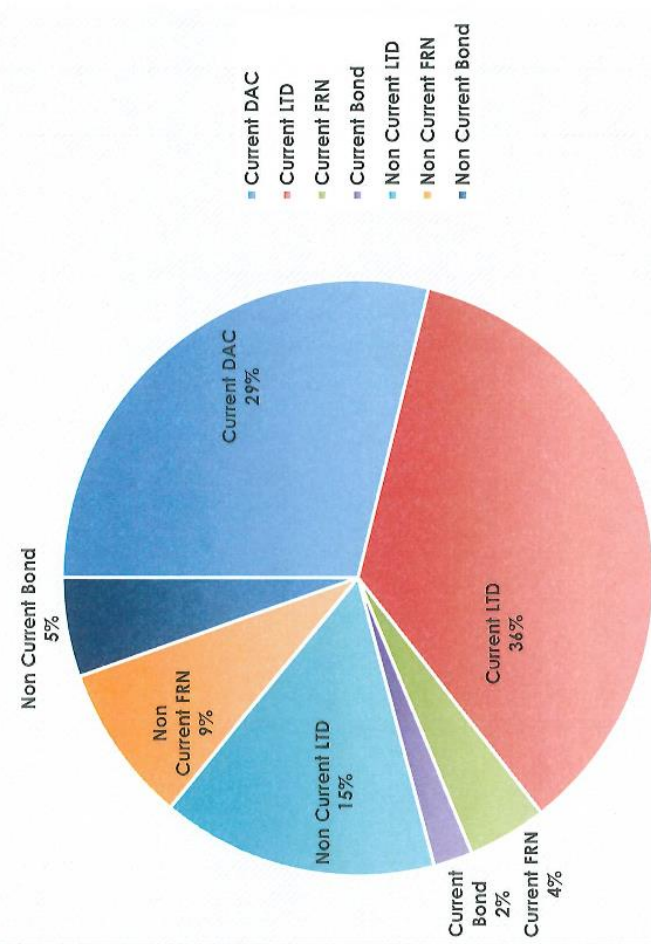
Investments by Age		
Age	Amount	%
1. Less than 30 Days	14,878,298	32%
2. 30 to 180 Days	7,000,000	15%
3. 180 to 365 Days	11,000,000	24%
4. 1 to 3 years	12,000,000	26%
5. 3 to 5 years	1,500,000	3%
TOTAL	46,378,298	100%

Investments by Age and Type		
Sum of Principal	Type	Total
Current	DAC	13,378,298
	LTD	16,500,000
	FRN	2,000,000
	Bond	1,000,000
Current Total		32,878,298
Non Current	LTD	7,000,000
	FRN	4,000,000
	Bond	2,500,000
Non Current Total		13,500,000
Grand Total		46,378,298
FRN	Floating Rate Note	
LTD	Long Term Deposit	
Bond	Long Term Bond	

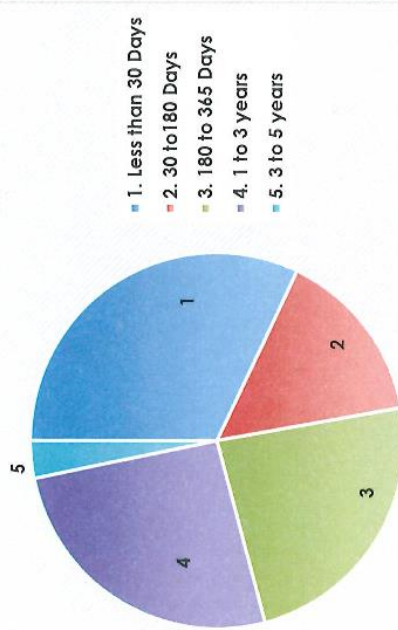
Leeton Shire Council

Summary of Term Investments as at: 31/12/2022 BBSW 90: 3.26% Average Yield: 3.25%

Investments by Type and Term



Investments by Age



Explanatory notes:
All investments noted above were made in accordance with the Act, the regulations and Council's Investment Policy

[Signature]
Responsible Accounting Officer
6 February, 2023

ITEM 7.5 INVESTMENTS REPORT FOR JANUARY 2023

RECORD NUMBER	23/8
RELATED FILE NUMBER	EF21/312
AUTHOR/S	Accountant
APPROVER/S	Manager Finance

SUMMARY/PURPOSE

This report provides details of the performance of Council's investment portfolio for the period ending 31 January 2023.

RECOMMENDATION

THAT Council notes the information contained in the Investments Report for January 2023.

REPORT

(a) Background

This report is required to be prepared monthly and presented at the next available Ordinary Council meeting in accordance with Clause 212 of the Local Government (General) Regulation 2021.

(b) Discussion

Council's cash and investment holdings total \$47,983,645.

As at 31 January 2023, Leeton Shire Council has \$46,417,204 invested in Approved Deposit Institutions (ADIs) of which \$7,170,796 (15.45%) is invested with local bank branches.

Attached to this report is a Statement of Bank Reconciliation (**Attachment 1**) and a Summary of Investments (**Attachment 2**) as at 31 January 2023.

The Statement of Bank Reconciliation reconciles the Bank Statement balances to the General Ledger at 31 January 2023 by taking into account unrepresented cheques, unrepresented deposits, and unrepresented debits.

The Summary of Investments details all the investments held by Leeton Shire Council as at 31 January 2023.

The following table details the total Cash, Cash Equivalents and Investment holdings:

Cash in Transaction Account	\$ 1,566,441
Deposits At Call Accounts	\$13,417,204
Investments	\$33,000,000
TOTAL	\$47,983,645

The table below details the monthly movements of investments for January 2023.

Opening Investments Balance	\$ 46,378,298
Less:	
Maturities	\$ 1,500,000
Transfer to CBA Current Account	\$
Subtotal	\$ 44,878,298
Plus:	
Roll-overs	\$ 1,500,000
New Investments (1)	\$
CBA Business Online Saver (BOS) movements	\$ 11,710
AMP Business Saver Account	\$
AMP 31 Day Notice Account	\$ 18,551
Macquarie Cash Management Accelerator Account	\$ 8,645
Closing Investments Balance	\$ 46,417,204
Add back Cash in Transaction accounts	1,566,441
Total Cash and Investments	\$ 47,983,645

The following table details the break-up of investments according to the restrictions which are placed on them. The following is forecast in the December 2022 QBRS forecast (subject to daily movements).

Total Cash and Investments	\$ 47,983,645
Less restrictions	
Water Supply (Excl. Unfinished Works)	\$ 20,543,382
Sewerage Services (Excl. Unfinished Works)	\$ 2,380,810
Domestic Waste Management	\$ 4,704,428
*Other external restrictions	\$ 8,377,007
External Restrictions (Excl. Unfinished Works) - Sub Total	\$ 36,005,627
Internal restrictions	\$ 6,190,593
Total restrictions	\$ 42,196,220
Operating Capital & Unfinished Works	\$ 5,787,425

*Includes - Unspent Grants Restrictions, Stormwater Levy Restriction, Deposits, Retentions and Bonds

Externally restricted funds can only be used for the purposes for which they were raised. These include water, sewer, domestic waste operations and unexpended specific purpose grants.

Internally restricted funds are set aside through Council resolution for specific purposes such as plant replacement, infrastructure renewal or funded provisions. Internal restrictions are considered as part of the Budget adoption or the Quarterly Budget Review process.

Operating Capital is used to provide working capital for Council to fund short-term operations, current Capital works program, and fluctuations in payables and receivables.

Water Investments Summary

In accordance with Murrumbidgee Irrigation (MI) records, the total Water Licenses currently held are 5,584 ML. As at 15 January 2023, there was 100% allocation for town water, 100% for high security and 100% for general security water.

Table of Water Sales as at the end of January 2023:

Date	Qty	Price/ML	Total Water Sale	Brokerage	Net Total
21/07/2022	300	\$70	\$21,000	-\$ 930	\$20,070
10/08/2022	600	\$70	\$42,000	-\$1,310	\$40,690
2/12/2022	500	\$22	\$11,000	-\$382	\$11,382
General and Water Fund Sales	1400		\$74,000	-\$2,622	\$71,378

Council has undertaken temporary trade of 1400 ML for \$71,378 (net of sale brokerage fees) as at 31 January 2023. The annualised return on investment for the sale is 1.36%. It is worth noting that water sales pricing is unreliable and as such the ROI may not be sustained.

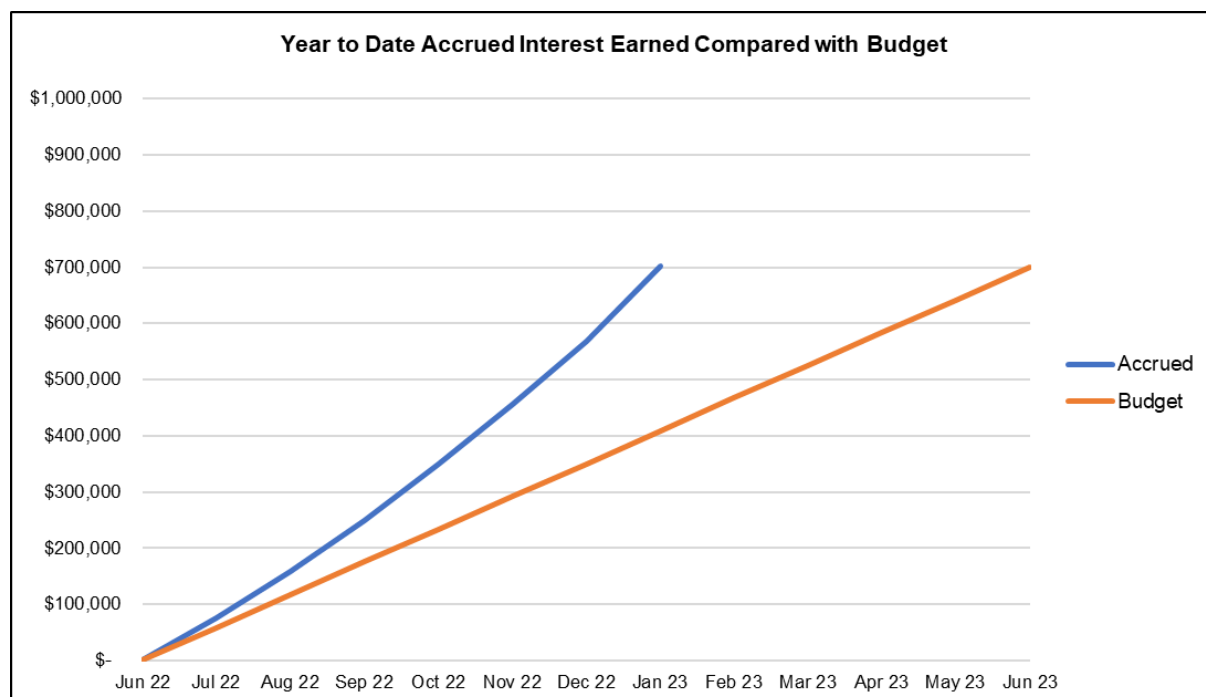
In accordance with the Temporary Trade of Water Allocation Policy October 2022, as endorsed by Council on 27 October 2022, the safety margin has been set at 10% of forecast.

Water Entitlements	Allocation (%)	Total Allocation (ML)	F'cast + Usage (ML)	Sales this month	Total Volume Sold (ML)	Safety Margin (ML)	Remaining Allocation (Saleable)	Market rate 31.1.23	Potential Income from Sales
Town Water High Security (C7) - 4,097ML	100%	4,097	2,820	-	500	103	674	\$20.00	\$13,480
Investment Water									
*General Security (C1) - 516 ML	100%	516		-	-		516	\$20.00	\$10,320
High Security (C3) - 971ML	100%	971		-	900		71	\$20.00	\$1,420
Total		5,584	2,820	-	1,400	103	1,261		25,220

IMPLICATIONS TO BE ADDRESSED

(a) Financial

For January 2023 the annualised rate of return across the investment portfolio is 3.30% which is well above the annual budgeted return of 2%. The actual \$134,217 in interest earned is higher than the revised budgeted amount of \$58,333 by \$75,884. The following graph compares year-to-date interest with the original budgeted interest for the period. This shows that Council's actual investment income is higher than the original budget as at 31 January 2023.



Original Budgeted Interest for FY22-23 is \$300,000 and increases to \$700,000 in the December QBRS. The consolidated actual investment income from 1 July 2022 to 31 January 2023 compared to the revised budgeted investment interest is detailed below.

Actual versus budgeted interest and earnings	Jan-23	Year To Date
Investments - Interest earned	\$ 92,104	\$ 480,634
Deposits at call	\$ 38,905	\$ 205,636
Rebates and Other earnings	\$ 3,208	\$ 16,608
Total Earnings	\$ 134,217	\$ 702,878
Budgeted Interest	\$ 58,333	\$ 408,333
Variance – Positive	\$ 75,884	\$294,545

The following tables provide information on investment rates this year compared to last year, as well as a comparison of investment balances from this year to last year.

Performance Measures	Year to Date	Last Year (Jan.)
Portfolio Average Interest Rate (year to date inc. Cash)	2.77%	0.73%
Investment Balances	Year to Date	Last Year
Opening Balance as at 1 January	\$46,378,298	\$45,339,498
Current Balance as at 31 January	\$46,417,204	\$44,343,603

For the month of January 2023, the portfolio (excluding cash) provided a solid return of +0.28% (actual) or +3.30% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.27% (actual) or +3.18% p.a. (annualised). The outperformance continues to be driven by a combination of those deposits originally invested between 1-3 years, as well as the introduction of FRNs and fixed bonds into the portfolio, which have been locked-in at attractive margins.

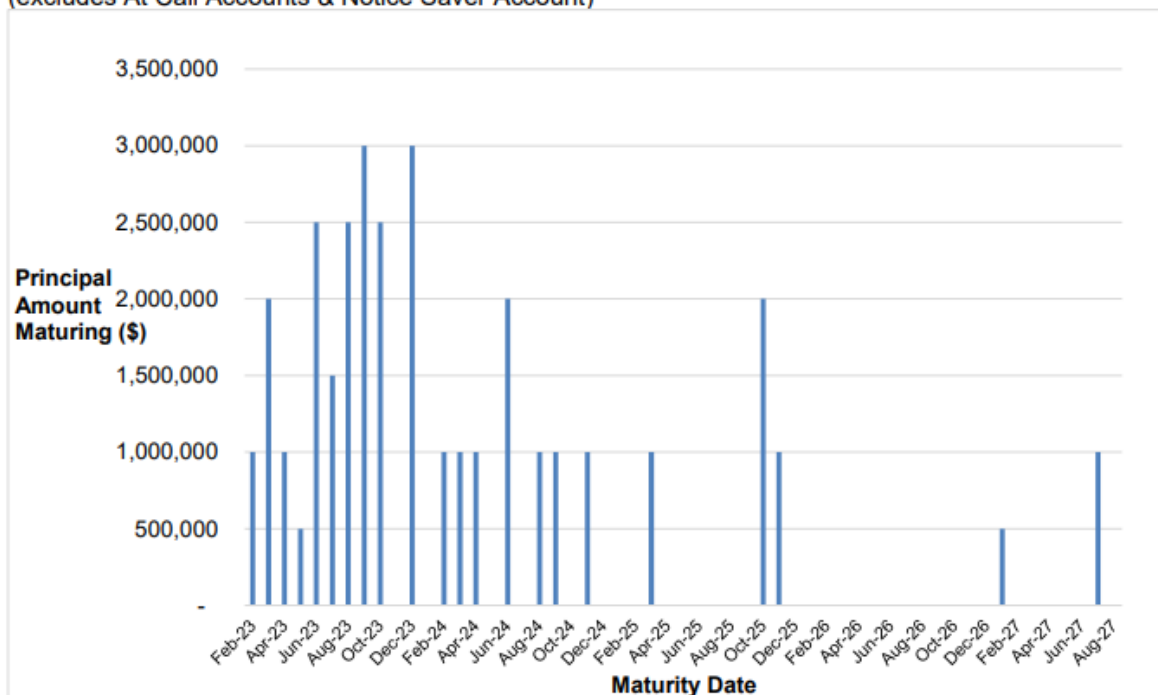
Council Portfolio Compliance

Investment Maturing Profile

The portfolio remains lightly diversified from a maturity perspective with deposits maturing out to 5 years. The graph below shows when Council's current investments mature and the related values.

Portfolio Cash Flows

(excludes At Call Accounts & Notice Saver Account)



Financial Asset Allocation

Council's financial assets are invested as per the table below:

Investment Type	Risk Assessment		Investment Face Value	% of Portfolio
	Capital	Interest		
Term Deposits	Low	Low	23,500,000	50.63%
Cash/At Call Deposits	Low	Low	13,417,204	28.91%
Floating Rate Notes	Low	Low	6,000,000	12.93%
Bonds	Low	Low	3,500,000	7.54%
TOTAL			46,417,204	100%

Counterparty

As at the end of January 2023, Council did not have an overweight position to any single Authorised Deposit Taking Institution. The portfolio is well-diversified across the entire credit spectrum.

All aggregate ratings categories are within the Investment Policy limits.

Compliant	Issuer	Rating	Invested (\$) ^	Invested (%)	Max. Limit (%)	Available (\$)
✓	RBC Covered	AAA	\$999,223	2.15%	45%	\$19,868,201
✓	Suncorp Covered	AAA	\$501,098	1.08%	45%	\$20,366,326
✓	ANZ Bank	AA-	\$1,002,619	2.16%	45%	\$19,864,805
✓	CBA	AA-	\$7,180,367	15.48%	45%	\$13,687,057
✓	NAB	AA-	\$5,000,000	10.78%	45%	\$15,867,424
✓	NTTC	AA-	\$1,000,000	2.16%	45%	\$19,867,424
✓	WBC	AA-	\$6,500,000	14.02%	45%	\$14,367,424
✓	Macquarie	A+	\$4,060,579	8.76%	35%	\$12,169,639
✓	Aus. Military	BBB+	\$1,000,000	2.16%	30%	\$12,911,616
✓	Bendigo (Rural)	BBB+	\$968,818	2.09%	30%	\$12,942,798
✓	BoQ	BBB+	\$3,986,184	8.60%	30%	\$9,925,432
✓	QBank	BBB+	\$998,901	2.15%	30%	\$12,912,715
✓	AMP Bank	BBB	\$10,671,311	23.01%	30%	\$3,240,305
✓	Auswide Bank	BBB	\$999,803	2.16%	30%	\$12,911,813
✓	Bank Australia	BBB	\$1,003,906	2.16%	30%	\$12,907,709
✓	MyState Bank	BBB	\$499,244	1.08%	30%	\$13,412,372
			\$46,372,053	100.00%		

Credit Quality

The following table details the credit rating of each of the categories in which Council has money invested. All investments are compliant with Council's Investment Policy.

Compliant	Credit Rating	Invested (\$)	Invested %	Max. Limit (%)
Yes	AAA Category	\$1,500,321	3.24%	100.00%
Yes	AA Category	\$20,682,986	44.60%	100.00%
Yes	A Category	\$4,060,579	8.76%	80.00%
Yes	BBB Category	\$20,128,167	43.41%	70.00%
Yes	Unrated ADI's	\$0	0.00%	30.00%
		\$46,372,053	100.00%	

**Note: Valuations of Council's senior Floating Rate Notes on the Imperium Markets platform are marked-to-market and priced on a daily basis from an independent third-party provider. Council has recorded its FRNs internally at the*

purchase price or face value. As such, the total portfolio's balance is likely to differ as at the reporting date. (Imperium Markets)

Maximum Limit Percentage is based on the Revised Investment Policy for 2022.

(b) Legislative/Statutory

All funds are invested in accordance with Section 625 of the *Local Government Act 1993* and the Ministerial Investment Order.

CONSULTATION

(a) External

Council's investment advisors are Amicus Advisory and Imperium Markets. Both investment advisors were contacted by staff for advice during the month of January 2023.

Council is currently seeking strategic advice from Marsden Jacobs on water trading.

(b) Internal

For Water Trading:
General Manager
Director Operations

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM
ACTIVITY 9.7 - Deploy reliable and efficient corporate management - financial, asset, property, records, information technology, buildings and plant/fleet - OPERATIONAL PLAN
ACTIVITY 9.7.3 - Foster Council's financial sustainability through maximising investment returns, including cash and water sales".

ATTACHMENTS

- 1 Bank Reconciliation - January 2023
- 2 Summary of Investments - January 2023

MONTH END BANK RECONCILIATION REPORT

Prepared by the Accountant

INTRODUCTION

The purpose of this report is to inform Council of its position in respect of bank balances.

BACKGROUND

This report is prepared monthly and presents movements in the Council's bank account.

BANK RECONCILIATION STATEMENT

as at 31 January 2023

BALANCE AS PER GENERAL LEDGER

Opening Balance:	1/01/2023	\$	1,879,812.54
January Movements:		-\$	246,141.67
Closing Balance:	31/01/2023	\$	<u>1,633,670.87</u>
Less Unprocessed Bank Statement Transactions:		-\$	67,229.43
Total:		\$	<u><u>1,566,441.44</u></u>

BALANCE AS PER BANK STATEMENTS

		\$	<u>1,562,209.34</u>
Less Unpresented Cheques		-\$	997.30
Less Unpresented Debits			
Plus Unpresented Deposits		\$	5,229.40
Total		\$	<u><u>1,566,441.44</u></u>



Responsible Accounting Officer
3 February 2023

Leeton Shire Council

Summary of Term Investments as at: 31/01/2023

BBSW 90: 3.37%

Average Yield: 3.30%

Inv No	Financial Institution/Broker	Investment	Note	Ref No	Investment Date	Investment Term (months)	Remaining Term (months)	Principal	Yield %	Maturity	Type
10-00	Commonwealth Bank L	CBA Business Online Saver - Cash	Cash	10206481	12/10/09	159	0	4,185,313.60	3.10%	06/02/23	DAC
		AMP Business Saver									
20-00	AMP Bank	Account		437864762	10/07/20	30	0	514.81	1.70%	06/02/23	DAC
		AMP 31 Day Notice									
21-00	AMP Bank	Account		971165956	17/07/20	30	0	6,170,796.10	3.75%	06/02/23	DAC
		Macquarie Cash Management									
22-00	Macquarie Bank	Accelerator Account		940367790	07/11/20	26	0	3,060,579.32	3.30%	06/02/23	DAC
20-11	ANZ Bank	ANZ Bank		AU3FN00497	29/08/19	60	18	1,000,000.00	3.85%	29/08/24	FRN
20-31	National Aust Bank	RACQ Bank		AU3FN00531	24/02/20	36	0	1,000,000.00	4.03%	24/02/23	FRN
20-35	Laminar Capital	Auswide Bank		AU3FN00534	17/03/20	35	1	1,000,000.00	3.89%	17/03/23	FRN
22-21	Commonwealth Bank L	Commonwealth Bank		AU3FN00654	14/01/22	60	47	500,000.00	4.05%	14/01/27	FRN
23-01	Commonwealth Bank L	Royal Bank of Canada		AU3FN00700	13/07/22	60	53	500,000.00	4.36%	13/07/27	FRN
23-10	Laminar Capital	MyState Bank Ltd		AU3FN00724	17/10/22	36	32	500,000.00	4.61%	13/10/25	FRN
23-11	Commonwealth Bank L	Suncorp-Metway Ltd		AU3FN00724	17/10/22	36	32	500,000.00	4.20%	17/10/25	FRN
23-13	Curve Securities Pty Ltd	Bank Australia		AU3FN00737	24/11/22	36	33	1,000,000.00	4.70%	24/11/25	FRN
22-23	National Aust Bank	Bendigo and Adelaide Bank		8156149	17/03/22	36	25	1,000,000.00	3.00%	17/03/25	Bond
22-27	Commonwealth Bank L	Bank of Queensland		AU3CB02881	29/04/22	42	32	1,000,000.00	4.00%	29/10/25	Bond
21-10	Northern Territory Treasury	Territory Bond		AA-109-3B	14/09/20	38	10	1,000,000.00	1.25%	15/12/23	Bond
23-02	Commonwealth Bank L	Royal Bank of Canada		AU3CB0290	13/07/22	60	53	500,000.00	4.50%	13/07/27	Bond
21-26	Australian Military Bank	Australian Military Bank		301037038	13/04/21	36	14	1,000,000.00	0.76%	15/04/24	LTD
22-06	National Aust Bank	National Aust Bank		33-718-2858	25/08/21	24	6	1,000,000.00	0.65%	25/08/23	LTD
22-15	Westpac Bank	Westpac Bank		9514165	21/10/21	24	8	1,000,000.00	0.87%	23/10/23	LTD
22-16	AMP Bank	AMP Bank		TD60160792	29/10/21	18	2	500,000.00	1.20%	01/05/23	LTD
22-17	Westpac Bank	Westpac Bank		9563400	11/11/21	36	21	1,000,000.00	1.60%	11/11/24	LTD
22-19	Westpac Bank	Westpac Bank		9620456	09/12/21	24	10	1,000,000.00	1.21%	11/12/23	LTD
22-20	AMP Bank	AMP Bank		TD34064791	21/12/21	24	10	1,000,000.00	1.55%	21/12/23	LTD
22-22	National Aust Bank	National Aust Bank		88-293-8040	23/02/22	24	12	1,000,000.00	1.80%	24/02/24	LTD
22-24	Westpac Bank	Westpac Bank		9806557	22/03/22	24	13	1,000,000.00	2.21%	22/03/24	LTD
22-25	Westpac Bank	Westpac Bank		9486425	23/03/22	12	1	1,000,000.00	1.38%	23/03/23	LTD
22-26	Bank of Queensland	Bank of Queensland		486112	07/04/22	12	2	1,000,000.00	1.85%	11/04/23	LTD
22-28	Westpac Bank	Westpac Bank		9653246	08/06/22	12	4	500,000.00	3.50%	08/06/23	LTD
22-30	Commonwealth Bank L	Commonwealth Bank		38344709	21/06/22	12	4	1,000,000.00	4.30%	21/06/23	LTD
22-31	Bank of Queensland	Bank of Queensland		508507	23/06/22	24	16	1,000,000.00	4.40%	24/06/24	LTD
22-32	Macquarie Bank	Macquarie Bank		232613257	24/06/22	24	16	1,000,000.00	4.43%	24/06/24	LTD
22-34	Members Equity Bank	Member Equity Bank		416264	28/06/22	12	4	1,000,000.00	4.00%	28/06/23	LTD
23-03	AMP Bank	AMP Bank		TD52801630	08/08/22	12	6	500,000.00	4.35%	08/08/23	LTD
23-04	National Aust Bank	National Aust Bank		71-990-2283	16/08/22	12	6	1,000,000.00	4.00%	16/08/23	LTD
23-05	National Aust Bank	National Aust Bank		88-085-5591	09/09/22	12	7	1,000,000.00	4.10%	11/09/23	LTD
23-06	AMP Bank	AMP Bank		TD06515165	14/09/22	12	7	1,000,000.00	4.65%	14/09/23	LTD

Leeton Shire Council

		Summary of Term Investments as at: 31/01/2023		BBSW 90:		3.37%		Average Yield:		3.30%	
23-07	National Aust Bank	97-327-3005	27/09/22	24	19	1,000,000.00	4.90%	27/09/24	LTD		
23-08	Westpac Bank	9929030	30/09/22	11	7	1,000,000.00	4.59%	29/09/23	LTD		
23-09	AMP Bank	TD35113463	06/10/22	12	8	500,000.00	4.55%	06/10/23	LTD		
23-12	AMP Bank	TD11296728	27/10/22	12	8	1,000,000.00	5.00%	27/10/23	LTD		
23-14	Commonwealth Bank L Commonwealth Bank	38344709	11/01/23	5	5	1,500,000.00	4.37%	10/07/23	LTD		

Total Investments: \$ 46,417,203.83

Leeton Shire Council

Summary of Term Investments as at: 31/01/2023

BBSW 90: 3.37% Average Yield: 3.30%

Investment by Type		
Investment	Amount	%
Member Equity Bank	1,000,000	2.2%
AMP Bank	4,500,000	9.7%
Auswide Bank	1,000,000	2.2%
National Aust Bank	5,000,000	10.8%
Australian Military Bank	1,000,000	2.2%
ANZ Bank	1,000,000	2.2%
RACQ Bank	1,000,000	2.2%
Territory Bond	1,000,000	2.2%
CBA Business Online Sa	4,185,314	9.0%
AMP 31 Day Notice Acc	6,170,796	13.3%
Macquarie Cash Manag	3,060,579	6.6%
Commonwealth Bank	3,000,000	6.5%
Westpac Bank	6,500,000	14.0%
Bendigo and Adelaide	1,000,000	2.2%
Bank of Queensland	3,000,000	6.5%
Macquarie Bank	1,000,000	2.2%
AMP Business Saver Acc	515	0.0%
Royal Bank of Canada	1,000,000	2.2%
MyState Bank Ltd	500,000	1.1%
Suncorp-Metway Ltd	500,000	1.1%
Bank Australia	1,000,000	2.2%
TOTAL	46,417,204	100.0%
Local	7,170,796	15.45%
Non Local	39,246,408	84.55%

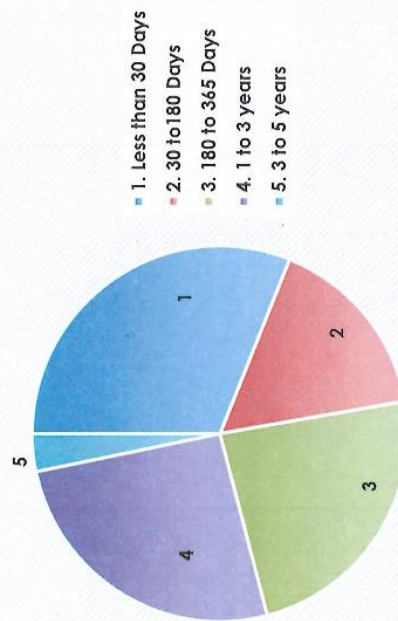
Investments by Age		
Age	Amount	%
1. Less than 30 Days	14,417,204	31%
2. 30 to 180 Days	7,500,000	16%
3. 180 to 365 Days	11,000,000	24%
4. 1 to 3 years	12,000,000	26%
5. 3 to 5 years	1,500,000	3%
TOTAL	46,417,204	100%

Investments by Age and Type		
Sum of Principal	Type	Total
Current	DAC	13,417,204
	LTD	16,500,000
	FRN	2,000,000
	Bond	1,000,000
Current Total		32,917,204
Non Current	LTD	7,000,000
	FRN	4,000,000
	Bond	2,500,000
Non Current Total		13,500,000
Grand Total		46,417,204
FRN	Floating Rate Note	
LTD	Long Term Deposit	
Bond	Long Term Bond	

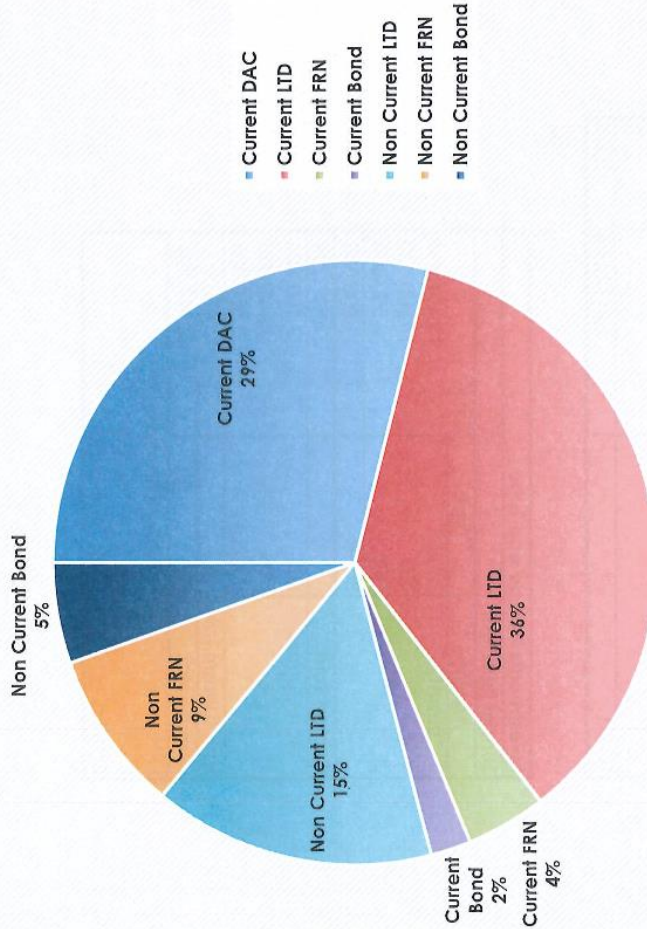
Leeton Shire Council

Summary of Term Investments as at: **31/01/2023** BBSW 90: **3.37%** Average Yield: **3.30%**

Investments by Age



Investments by Type and Term



Explanatory notes:

All investments noted above were made in accordance with the Act, the regulations and Council's Investment Policy

Responsible Accounting Officer
7 February 2023

ITEM 7.6 2022/23 BUDGET REVIEW FOR THE QUARTER ENDING 31 DECEMBER 2022

RECORD NUMBER	23/17
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Manager Finance
APPROVER/S	Director Corporate

SUMMARY/PURPOSE

This report presents the revised estimate of Council's financial performance for the 2022/23 financial year as part of the quarterly review of Council's budget.

RECOMMENDATION

THAT Council receives and adopts the revised budget estimates for the 2022/23 financial year.

REPORT

(a) Background

Clause 203 of the Local Government (General) Regulations 2005 requires that:

1. Not later than two months after the end of each quarter (except the June quarter), the responsible accounting officer of a council must prepare and submit to the council a budget review statement that shows, by reference to the estimate of income and expenditure set out in the statement of the council's revenue policy included in the operational plan for the relevant year, a revised estimate of the income and expenditure for that year.
2. A budget review statement must include, or be accompanied by:
 - a. A report as to whether or not the responsible accounting officer believes that the statement indicates that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure; and
 - b. If that position is unsatisfactory, recommendations for remedial action. This report summarizes major forecast variations compared to the original budget for the 2022/23 financial year. Forecast variations that are expected to result in a net nil change between accounts have not been highlighted within this report.

(b) Discussion

A copy of the Quarterly Budget Review document is provided at (**Attachment 1**). The recommended budget changes and detailed explanations and schedules are provided within (**Attachment 1**) with a summary of the recommended changes and commentary on pages 3-4 and supporting schedules on pages 8 - 20.

Operating Budget

The consolidated full year Operating Result from Continuing Operations is now forecast to be a surplus of \$10.0M (original budget forecast a deficit of \$3.0M). However, the consolidated full year Operating Result excluding Capital Grants continues to forecast a deficit of \$2.9M, albeit a slightly lessor one (original budget forecast a deficit of \$3.7M).

The movement in the Operating Result by fund is summarised in the table below.

Operating Result from Continuing Operations	Original Budget	Sept Variations	Dec Variations	Revised Budget
General Fund (less DWM)	(3,974,494)	7,187,811	5,619,373	8,832,690
Domestic Waste Management	496,629	-	(150,000)	346,629
Water Fund	322,446	-	100,000	422,446
Sewer Fund	98,348	200,000	50,000	348,348
Consolidated	(3,057,070)	7,387,811	5,619,373	9,950,114

Operating Result exc. Capital Grants and Contributions	Original Budget	Sept Variations	Dec Variations	Revised Budget
General Fund (less DWM)	(4,484,939)	(144,021)	651,651	(3,977,309)
Domestic Waste Management	496,629	-	(150,000)	346,629
Water Fund	268,589	0	100,000	368,589
Sewer Fund	69,585	200,000	50,000	319,585
Consolidated	(3,650,136)	55,979	651,651	(2,942,506)

Note: For the variation column, brackets indicate an unfavourable variation to budget.

General Fund Operating Budget excluding capital grants and contributions (less Domestic Waste Management (DWM))

The full year forecast remains a deficit albeit slightly reduced to \$4.0M (Sept QBR forecast a deficit of \$4.6M). Compared to the 2022/23 operating budget deficit of \$4.5M this is a net favourable change of \$0.5M. The changes are related to the following points below.

Unfavourable variances since the September QBR (\$1.3M):

- Increase in RMS ordered works expense of \$300K. However, this is more than offset by the additional income below.
- Increase in expenses for the demolition of an unsafe grandstand at Leeton Racecourse (\$28K) and flood restoration works for roads (\$1M). However, these are offset by the additional operating grant income below. Net impact is zero.

Favourable variances since the September QBR (\$1.9M):

- Increase in RMS ordered works income of \$330K. This is partially offset by the additional expense, above. Net impact is \$30K favourable.
- Increase in interest income on investments of \$250K.
- Reduction in borrowing costs of \$75K, reflecting project delays to date.
- Increase in operating grant income to remove the unsafe grandstand (\$28M) and undertake flood restoration works (\$1M). However, these are offset by the additional expense, above. Net impact is zero.
- Increase operating grant income (\$308K) to undertake pothole restoration works. This grant funding will be used to fund works that were already in the roads maintenance budget. Therefore, there is a net favourable impact.

Domestic Waste Management (DWM)

The full year forecast is now a surplus of \$347K (Sept QBR forecast deficit of \$497K) which was the same as the 2022/23 operating budget. The changes are related to the following points below.

Unfavourable variances since the September QBR:

- Reduction in tipping fees (\$150K). Owing to usage being lower than originally forecast, tipping fees are now forecast to be \$913K.

Water Fund Operating Budget

The full year forecast remains a surplus, slightly increased to \$320K (Sept QBR forecast surplus of \$269K) which is a net favourable change of \$100K compared to the 2022/23 operating budget. The changes are related to the following points below.

Favourable variances since the September QBR:

- Increased interest income on investments of \$100K.

Sewer Fund Operating Budget

The full year forecast remains a surplus, increased to \$369K (Sept QBR forecast surplus of \$270K) which is a net favourable change of \$50K compared to the Sept QBR. The changes are related to the following points below.

Favourable variances since the September QBR:

- Increased interest income on investments of \$50K.

Capital Expenditure Budget

The consolidated capital expenditure budget is now forecast to be \$39M (September QBR forecast \$33.7M). The original budget was \$12.6M. The September QBR included the carryovers from the 2021/22 capital expenditure budget.

	Original Budget	September Review variations	December Review variations	Revised forecast
Capital Spend	\$'000	\$'000	\$'000	\$'000
General Fund	9,558	17,939	5,348	32,845
Water Fund	1,909	434	0	2,342
Sewer Fund	1,147	2,681	40	3,868
Total	12,613	21,054	5,388	39,055

Note: For the variation column, brackets indicate reduction to budget.

The forecast changes to the capital expense budgets are summarised below.

General Fund Capital Expenditure Budget

The forecast increase in the net capital expenditure budget is \$5.4M. A summary of project budget updates for the 2022/23 financial year is provided below.

Unfavourable variances

- Increase in the Animal Pound to cover design of \$10K. Being from \$110K to \$120K. Funded by the general fund.
- LMAG – Council currently has \$191K budgeted for the refurbishment of the upstairs exhibition space and lift (funded \$150K from the general fund and \$41K from grant). The project is now forecast to increase to \$322K (an increase of \$131K). However, a grant of \$197K has been received. This will see the project funded \$125K from the general fund and \$197K from grant. This is a net favourable position for the general fund of \$25K.
- LMAG – planning for the Wiradjuri Story to be located upstairs in the LMAG has attracted a \$100K grant from Create NSW with Council contributing \$25K in-kind from currently voted resources.
- Additional expenditure on GPS surveying equipment \$47K to cater for changeover from 3G to 5G. While the cost is \$47K a trade in of \$12K is forecast.
- Roxy Project adjustment to reflect latest budget and funding strategy – increase \$1.5M (refer separate paper to Council).
- Vance Estate Project adjustment following Quantity Surveyor review of pricing prior to tender – increase \$3.8M (refer separate paper to Council).

Favourable variances:

- Decrease in the Chelmsford Place Project (as roads reconstruction has been removed from the previously voted works as resolved by Council) \$300K

Sewer Fund Capital Expenditure Budget

The forecast increase in the net capital budget is \$40K. A summary of project budget updates for the 2022/23 financial year is provided below.

Unfavourable variances

- Additional expenditure to cover the Almond Street extension of \$40K

Capital Income Budget

The consolidated capital income budget is now forecast to be \$12.9M (September QBR forecast \$7.9M). The original budget was \$593K. The September QBR included the carryovers from the 2021/22 capital income budget.

	Original Budget	September Review variations	December Review variations	Revised forecast
Capital Income	\$'000	\$'000	\$'000	\$'000
General Fund	510	7,332	4,968	12,810
Water Fund	54	0	0	54
Sewer Fund	29	0	0	29
Total	593	7,332	4,968	12,893

Note: For the variation column, brackets indicate an unfavourable variation to budget.

The forecast changes to the capital income budgets are summarised below.

General Fund Capital Income Budget

The forecast increase in the capital income budget is \$4.9M. A summary of the budget updates for the 2022/23 financial year is provided below.

Favourable Variances

- Reversal of the grant liability provision taken up at 30 June 2022 for grant income received and not spent (\$2.6M).
 - At the end of each year council reduces the grant income by the amount received but not yet spent during that year. This amount is taken to the grant liability provision.
 - At the beginning of the next year this provision is again recognised as income. At the time of the September QBR this reversal had been made but not recognised in the QBR income statement.
- LMAG Exhibition Development (\$100K). See above. Council has received a grant for a Wiradjuri story exhibition design and preliminary works.
- Roxy Upgrade Project increase in grant funding from Stronger Country Communities (\$982K) and NSW Hospitality and Racing (\$133K). Refer to separate paper to Council.
- Vance Estate Project increase in grant funding from Office of Local Government for Disaster Recovery (\$1M). Refer to separate paper to Council.

Budgeted Loans

Description	Loan % Rate	Final Payment Date	Loans 2022/23	QBR1	QBR2	*Adjusted Loans forecast 2022/23	Annual Repayment	Principal Repayments	Interest Repayments
Vance Estate Development	6.00%	1/05/2032	1,400,000	1,357,000	2,830,711	5,587,711	751,164	434,804	316,360
**Roxy Theatre	6.00%	1/04/2042	3,000,000	1,131,100	868,900	5,000,000	432,624	486,884	354,253
LELC	4.77%	1/03/2032	300,000	0	200,000	500,000	67,216	38,907	28,309
Gogelderie Caravan Park Cabins	4.77%	1/05/2032	500,000	-500,000	0	0			
New Loans			5,200,000	1,988,100	3,899,611	11,087,711	1,251,003	960,595	698,922

Note - Roxy and Vance loans are anticipated to be late this year or next year.

* The adjusted loan forecast is based on current budget and adjustments

** Roxy loan approved 2020/21 carried forward and additional funding

The 2022/23 budgeted loans were \$5.2M. The September QBR forecasted an additional \$2.0M to \$7.2M and December QBR forecasts a further \$3.9M which takes the forecast to \$11M.

It is highlighted that the actual drawdown of these loans will be made when required and as such may be in a future year rather than 2022/23.

Council seeks, or will be seeking in 2023/24, these increases to cover the increased expenditure forecast in the Roxy and Vance Estate Projects and to free up the General Fund cash reserves by funding the Leeton Early Learning Centre (LELC) all from loans, reflecting that LELC can afford to fund a loan rather than use General Fund cash reserves.

Unfavourable Variances:

- Increase in Roxy Upgrade Project loan funding (\$869K) to fund increased costs. Refer to the separate paper to Council.
- Increase in Vance Estate Project loan funding (\$2.8M) to fund increased costs. Refer to the separate paper to Council.
- Increase in LELC Expansion Project loan funding (\$200K) to free up cash reserves.

Summary of changes to Capital Expenditure and Funding:

Capital Projects Included	Grant	Loan	GF	Restriction	
New Assets	4,111,711	1,256,244	3,871,178	(15,244)	(1,000,467)
Land and Buildings	4,071,711	1,256,244	3,871,178	(15,244)	(1,040,467)
Animal Pound - Drawings & Design	10,000			10,000	
LMAG Uptairs Development - Room Repairs & Refurb	-	-41,000		41,000	
LMAG Uptairs Development - Lift enabling works	120,000	120,000			
LMAG Uptairs Development - Lift	11,000	77,244		(66,244)	
LMAG - Wiradjuri story	100,000	100,000			
Vance Estate Expansion	3,830,711	1,000,000	3,871,178		(1,040,467)
Sewer Services	40,000	-	-	-	40,000
Almond Street Extension	40,000				40,000
Renewals	1,275,878	1,115,411	868,900	46,730	(665,073)
GPS Surveying equipment	46,730			46,730	
Land and Buildings	1,229,148	1,115,411	868,900	-	(665,073)
- Roxy Theatre Redevelopment 21/22	1,529,148	1,115,411	868,900		(365,073)
Roads, Transport and Stormwater	(300,000)	-	-	-	(300,000)
Chelmsford Town Square Roads reconstruction	(300,000)				(300,000)
Total Capital	5,387,589	2,371,655	4,740,078	31,486	(1,665,540)

Cash and Investments

After incorporation of the changes in funding with additional grants and borrowings coupled with the forecasts for Water, Sewer and Domestic Waste Management the predicted Cash and Investments are outlined below.

Management is monitoring the cash forecasts closely for the General Fund and will provide an updated analysis by fund as part of the Long-Term Financial Plan which will to be provided to Council as part of the 2023/24 Integrated Planning and Reporting suite of documents in April 2023.

	Opening Balance 1/7/2022 (inc. EOY adj.)	Sept Review	Changes sought 31/12/2022	Revised Annual Forecast
<u>Externally Restricted</u>				
Unexpended Loans	-	-	7,280,964	7,280,964
Developer Contributions - General	696,439	(380,900)	503,000	618,539
Developer Contributions - Water	30,977	-	-	30,977
Developer Contributions - Sewer	-	(3,228,185)	-	(3,228,185)
Specific Purpose Unexpended Grants	3,228,185	-	-	3,228,185
Stormwater Management	166,545	-	-	136,545
Deposits, Bonds & Retentions	309,982	-	-	309,982
Water Supply - carry over works	433,731	(433,731)	-	-
Water Supply	17,320,407		5,131,475	20,543,382
Sewerage Services - carry over works	3,873,354	(2,618,874)	-	1,254,481
Sewerage Services	5,702,919	(62,256)	(2,083,354)	2,380,810
Domestic Waste Management	913,375	(94,204)	357,253	849,424
Landfill Remediation	3,605,004			3,855,004
Total Externally Restricted	36,280,919	(6,818,149)	11,189,338	37,260,108
<u>Internally Restricted</u>				
Infrastructure Restrictions	6,600,157	(2,390,931)	900,000	3,728,226
Co-Contribution Restrictions	1,393,637	(13,944)	(440,467)	789,226
Provisions	1,638,141	-	-	1,673,141
Total Internally Restricted	9,631,936	(4,809,751)	919,065	6,190,593
Total Restricted	45,912,855	(11,627,900)	12,108,403	43,450,701
<u>Unrestricted</u>	4,354,509	6,507,521	4,930,303	5,286,178
Total Restricted & Unrestricted Cash & Investments	50,267,364	(5,120,379)	17,038,706	48,736,879

FOR NOTING - the forecast Cash and Investments position is conditional on work completion and timing of receipt of milestone payments as well as the operational activities progressing as forecast.

Conclusion

The QBR recommendations include the incorporation of several new grants and borrowings. These recommendations have a significant impact on the forecast financial position, capital budget and cash position of Council as at 30 June 2023.

(c) Options

1. THAT Council receives and adopts the revised budget estimates for the 2022/23 financial year. ***This is the preferred option.***
2. THAT Council receives and adopts the revised budget estimates for the 2022/23 financial year with amendments.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Overall Position

The Responsible Accounting Officer Statement (***Attachment 1*** – page 2) indicates that Council's position at 31 December 2022 is considered satisfactory, in the short term, compared to the original, and current, 2022/23 Budget as adopted by Council.

(b) Policy

The Quarterly Budget Review is required in accordance with clause 203 of the Local Government (General) Regulation 2005.

(c) Legislative/Statutory

Local Government Act 1993
Local Government (General) Regulation 2021
OLG Code of Accounting Practice.

(d) Risk

If Council does not adopt the December 2022 Budget Review Statements, then Leeton Shire Council will not meet its compliance obligations.

Cashflow will need to be monitored to ensure funds are readily available for Council to pay its debts on time, especially given the unprecedented capital works program.

Council may need to reconsider the timing and scope of its capital works program due to the available time and resources.

CONSULTATION

(a) External

Nil

(b) Internal

All Officers Responsible for Budget Management
Senior Management Team (SMT)

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM
ACTIVITY 9.7 - Deploy reliable and efficient corporate management - financial, asset, property, records, information technology, buildings and plant/fleet - OPERATIONAL PLAN
ACTIVITY 9.7.1 - Implement the Long-Term Financial Plan – in consultation with ratepayers – to support Council's ongoing financial sustainability, including a Special Rate Variation (SRV) and/or reductions in service levels.

ATTACHMENTS

- 1 Leeton Shire Council - Quarterly Budget Review Summary - July to December 2022



Leeton Shire Council

July to December 2022 Quarterly Budget Review Summary

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3	Summary of changes
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Leeton Shire Council
July to December 2022 Quarterly Budget Review Summary

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

It is my opinion that the Quarterly Budget Review Statement for Leeton Shire Council for the quarter ended 31 December, 2022 indicates that Council's projected financial position at 30 June 2023 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:  _____ Date: 16/02/23 _____

LEETON SHIRE COUNCIL

Summary of Recommended Changes outlined on pages 5-6

User fees & Charges (\$180k)

- 1 RMS Ordered Works - New Contract \$330k (offset by expense \$300k)
- 2 Domestic Waste - Reduction in tipping fees of \$150k. Usage is lower than originally forecast fees and charges to \$913k

Other Income (\$400k)

Revised Interest income for all funds

- 1 Interest on investments - General \$250k
- 2 Interest on investments - Water \$100k
- 3 Interest on investments - Sewer \$50k

Operating Grants and Contributions (\$1.3M)

- 1 Grant - Crown Reserves improvement fund to remove the old grandstand \$28k
- 2 Grant - Flood restoration works offset by additional expenses \$1m
- 3 Grant - Fixing Local Roads Pothole Repair. Being used to fund existing works \$308k

Capital Grants and Contributions (4.9M)

- 1 Pick up Grant liability Provision

At the end of each year council reduces the grant income by the amount received by not yet spent.

This amount is put in the Grant Liability Provision.

Next year this provision is again recognised as income. While we did recognise the use of the provision it was excluded from the Income Statement.

This adjustment is to recognise the income moved from last year.

LMAG Upstairs space and exhibition.

- 2 The current upstairs budget is:

Upstairs renovation \$120k funded \$79k GF and \$41k grant

Lift \$71k GF

- 3 Council has received a 1X\$100k grant for Wiradjuri story exhibition design but cannot utilise it till the upstairs space is upgraded.

If the exhibition design is completed successfully then a further \$100k is likely to help fund the exhibition itself.

To prepare the space for the exhibition \$322k is required of which \$197k is grant funded.

This is reflected by:

LMAG Uptairs Development - Room Repairs & Refurb. \$120k GF funded

Reflecting the \$197k grant for the lift and associated works and request to split the project into 2 parts:

LMAG Uptairs Development - Lift enabling works \$120k grant funded

LMAG Uptairs Development - Lift \$ 82k (was \$71k GF funded) with \$77k grant funded. Residual GF

This change results in a larger project but due to grant funding Council's contribution reduces by \$25k to \$125k.

- 4 Roxy Redevelopment

- 1 Council has been granted \$133k from NSW Hospitality and Racing to go toward Roxy

- 2 Council has also received \$982K from Stronger Country Communities round 5

The details are outlined in a separate paper

- 5 Vance Estate expansion

Council has been granted \$1M from OLG's NSW Sever Weather and Flood Grant (Economic Growth and Recovery) to go toward the Vance Estate.

The details are outlined in a separate paper

LEETON SHIRE COUNCIL

Summary of Recommended Changes outlined on pages 5-6

Loans and Borrowings (\$3.9M)

- 1 Loan-LELC increased by \$200k from \$300k to \$500k to preserve cash.
As a business unit the LELC can afford to fund a loan rather than use available cash.
- 2 Loan- Roxy increased by \$869k to \$5m
As per the Roxy paper the project budget is \$11.4M with funding changes to use less cash and increase total loan to \$5m.
- 3 Loan-Vance State Expansion increased from \$4m by \$3.5m to \$7.5m
As per separate Council paper Vance estate has been increased to \$6.7m with funding changes to increase the loan to \$5.6m instead of GF cash

Materials and Contracts (\$1.3M)

- 1 Grant - Crown Reserves improvement fund to remove the old grandstand \$28k
- 2 Grant - Flood restoration works offset by additional expenses \$1m
- 3 RMS Ordered works \$300k

Borrowing costs (\$75k)

- 1 Roxy adjusted up \$13 allowing for delay in loan but higher rate and amount
- 2 Other adjusted down \$90k allowing for delays and value changes
- 3 LELC loan increased by \$200k to cover entire room construction cost.

NEW ASSETS

Land and Buildings (\$4.0M)

- 1 Animal Pound - Drawings & Design additional \$10k to \$120k
- 2 LMAG Uptairs Development to enable the establishment of a Wiradjuri story exhibition
was:
Total cost of \$191k (\$150k GF and \$41k Grant)
LMAG Uptairs Development - Room Repairs & Refurb original budget \$120k funded by Grants \$41k and GF \$79k.
LMAG Uptairs Development - Lift \$71k GF funded
Revised to reflect needs, funding and reporting requirements (total \$371k \$197k Grant funded and \$174k GF)
LMAG Uptairs Development - Room Repairs & Refurb \$120k
LMAG Uptairs Development - Lift enabling works (new project) \$120k
LMAG Uptairs Development - Lift \$82k
Overall a decrease use of General Funding of \$25k and an increase of \$156k in Grant funding.
- 3 Vance Estate Expansion increased \$3.8m

Sewer Services (\$40k)

- 1 Almond Street Extension added \$40k as per council Paper

RENEWALS

Land and Buildings (\$1.5M)

- 1 Roxy Theatre Redevelopment 21/22 increased \$1.5m

Roads and Drainage (\$300k)

- 1 Chelmsford Town Square Roads reconstruction removed (was \$300k)

Plant & Equipment (47k)

- 1 Replacement of GPS Survey Equipment
With the shutting down of the 3G network Council must replace some GPS Surveying Equipment.
The cost of this is \$46,730 (Hardware \$39,285 and software \$7,445).
If Council acts now then it can receive a trade in of \$11,750 taking the changeover price to \$34,980.
If Council delays then this trade in will not be available.

LEETON SHIRE COUNCIL
Recommended Changes

	Adjustments	
	Operating \$	Capital \$
		Total \$
<u>User charges and fees</u>		
RMS Ordered Works	330,000	330,000
DWM Tipping fees	(150,000)	(150,000)
	180,000	180,000
<u>Other Income</u>		
Interest on investments - General	250,000	250,000
Interest on investments - Water	100,000	100,000
Interest on investments - Sewer	50,000	50,000
	400,000	400,000
<u>Operating Grants and Contributions</u>		
Grant - Crown Reserves imp. Fund (Grandstand demo.)	28,000	28,000
Grant - Flood restoration	1,000,000	1,000,000
Grant - FLR Pothole Repair	308,648	308,648
	1,336,648	1,336,648
<u>Capital Grants and Contributions</u>		
Pick up Grant liability Provision		2,596,067
LMAG Uptairs Development - Room Repairs & Refurb	(41,000)	(41,000)
LMAG Uptairs Development - Lift enabling works	126,244	126,244
LMAG Uptairs Development - Lift	71,000	71,000
Grant LMAG - Exhibition Development	100,000	100,000
Grant-Roxy Hospitality and Racing	133,430	133,430
Grant - Roxy Upgrade SCC#5	981,981	981,981
Grant - Vance Disaster recovery grant	1,000,000	1,000,000
	-	4,967,722
<u>Loans and Borrowings</u>		
Loan-LELC New Room		200,000
Loan- Roxy		868,900
Loan-Vance State Expansion		2,830,711
	-	3,899,611
Total Income Increases & Borrowings	1,916,648	8,867,333
Capital Reserves - Excluded from Income Statement	-	3,899,611
Included in Income Statement (excludes Borrowings)	1,916,648	4,967,722
<u>EXPENDITURE VARIATIONS</u>		
<u>Materials and Contracts</u>		
Crown Reserves - Demolition of Grandstand	28,000	28,000
Flood Restoration	1,000,000	1,000,000
RMS Ordered Works	300,000	300,000
	1,328,000	1,328,000

LEETON SHIRE COUNCIL
Recommended Changes

	Adjustments		
	Operating \$	Capital \$	Total \$
Gain/Losses from Disposal of Assets - Decreases			-
Proceeds on Sale of Old GPS Surveying Equipment		11,750	11,750
	-	11,750	11,750
Borrowing costs			
Roxy	13,034		13,034
Other	(87,787)		(87,787)
	(74,753)	-	(74,753)
Capital Projects Included			
New Assets		4,111,711	4,111,711
Land and Buildings		4,071,711	4,071,711
Animal Pound - Drawings & Design		10,000	10,000
LMAG Uptairs Development - Lift enabling works		120,000	120,000
LMAG Uptairs Development - Lift		11,000	11,000
LMAG - Wiradjuri story		100,000	100,000
Vance Estate Expansion		3,830,711	3,830,711
Sewer Services		40,000	40,000
Almond Street Extension		40,000	40,000
Renewals		1,275,878	1,275,878
GPS Surveying equipment		46,730	46,730
Land and Buildings		1,229,148	1,229,148
- Roxy Theatre Redevelopment 21/22		1,529,148	1,529,148
Roads, Transport and Stormwater		(300,000)	(300,000)
Chelmsford Town Square Roads reconstruction		(300,000)	(300,000)
Total Capital		5,387,589	5,387,589

LEETON SHIRE COUNCIL

Capital summary - Recommended Changes

Capital Projects Included		Grant	Loan	GF	Restriction
New Assets	4,111,711	1,256,244	3,871,178	(15,244)	(1,000,467)
Land and Buildings	4,071,711	1,256,244	3,871,178	(15,244)	(1,040,467)
Animal Pound - Drawings & Design	10,000			10,000	
LMAG Uptairs Development - Room Repairs & Refurb	-	-41,000		41,000	
LMAG Uptairs Development - Lift enabling works	120,000	120,000			
LMAG Uptairs Development - Lift	11,000	77,244		(66,244)	
LMAG - Wiradjuri story	100,000	100,000			
Vance Estate Expansion	3,830,711	1,000,000	3,871,178		(1,040,467)
Sewer Services	40,000	-	-	-	40,000
Almond Street Extension	40,000				40,000
Renewals	1,275,878	1,115,411	868,900	46,730	(665,073)
GPS Surveying equipment	46,730			46,730	
Land and Buildings	1,229,148	1,115,411	868,900	-	(665,073)
- Roxy Theatre Redevelopment 21/22	1,529,148	1,115,411	868,900		(365,073)
Roads, Transport and Stormwater	(300,000)	-	-	-	(300,000)
Chelmsford Town Square Roads reconstruction	(300,000)				(300,000)
Total Capital	5,387,589	2,371,655	4,740,078	31,486	(1,665,540)

LEETON SHIRE COUNCIL
Budgeted Income Statement - Consolidated
July to December 2022 Quarterly Budget Review Summary

BUDGET REVIEWS FOR 2022/2023							
Note	2022/23	2022/23	Changes Sought	2022/23		2022/23	
	Original Budget	1st Quarter Budget	2nd Quarter Budget	Revised Budget	Orig. Shift %	Actual YTD	YTD%
	\$	\$	\$	\$		\$	
Inflows from Continuing Operations							
	14,139,463	-	-	14,139,463	0%	6,686,444	47%
a,b	8,507,227	200,000	180,000	8,887,227	2%	4,034,204	45%
c	695,484	-	400,000	1,095,484	58%	587,623	54%
d	593,066	7,331,832	4,967,722	12,892,620	838%	3,433,177	27%
e	6,139,824	315,056	1,336,648	7,791,528	22%	1,753,534	23%
	301,700	-	-	301,700	0%	189,427	63%
	637,520	-	-	637,520	0%	338,914	53%
f	-	-	11,750	11,750		329,704	
	31,014,284	7,846,888	6,884,370	45,745,542	22%	17,353,027	38%
Outflows from Continuing Operations							
	12,456,906	-	-	12,456,906	0%	5,989,648	48%
g	11,724,201	459,078	1,328,000	13,511,279	11%	5,099,162	38%
h	189,198	-	(74,753)	114,445	-40%	51,933	45%
	8,570,048	-	-	8,570,048	0%	4,440,151	52%
	481,000	-	-	481,000	0%	152,325	32%
i	650,000	-	11,750	661,750			
	34,071,354	459,078	1,264,997	35,795,428	4%	15,733,219	44%
Operating Result from Continuing Operations including Capital grants and contributions							
	(3,057,070)	7,387,811	5,619,373	9,950,114		1,619,808	
Net Operating Result for the Year before Grants and Contributions Provided for Capital Purposes							
	(3,650,136)	55,979	651,651	(2,942,506)		(1,813,369)	

Notes - Refer page 4-6 for further details

- a Reduction in expected DWM Tipping Fees
- b Increased RMS Ordered Works
- c Revised Interest projections
- d New Roxy, Vance Estate and LMAG grants and recognition of Grant provision as income
- e Flood restoration, FLR Pothole and Grandstand demolition grants
- f For YTD, proceeds from sale/trade in of land and plant. Land is Whitton Butchery, Pendula Street and Ridley Avenue. Expenses will be offset. Adjustment for proceeds from trade of GPS Surveying equipment
- g Flood restoration and grandstand demolition
- h Borrowing costs have been reduced as even though the total loans has increased, as per Loan schedule, there is considerable uncertainty around timing.
- i Relates to the write of of Roxy and Pool assets when complete

LEETON SHIRE COUNCIL
Budgeted Income Statement by Fund
July to December 2022 Quarterly Budget Review Summary

Note	General Fund (less DWM)			Domestic Waste Management			Water Fund			Sewer Fund		
	Original Budget	Revised Budget	Actual YTD	Original Budget	Revised Budget	Actual YTD	Original Budget	Revised Budget	Actual YTD	Original Budget	Revised Budget	Actual YTD
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
a Rates and annual charges	7,809,447	7,809,447	3,371,005	2,111,830	2,111,830	1,053,276	1,539,595	1,539,595	768,621	2,678,590	2,678,590	1,493,542
b User charges and fees	3,803,817	4,133,817	2,101,350	1,063,000	913,000	436,259	3,246,690	3,246,690	1,050,053	393,720	593,720	446,542
c Interest and investment revenue	332,311	582,311	426,218	86,480	86,480	7,880	165,514	265,514	96,551	111,179	161,179	56,974
d Grants and contributions for capital purposes	510,445	12,809,999	3,368,412	-	-	-	53,858	53,858	61,503	28,763	28,763	3,262
e Grants and contributions for operating purposes	6,139,824	7,791,528	1,750,032	-	-	-	-	-	3,502	-	-	-
Rental Income	301,700	301,700	189,427	-	-	-	-	-	-	-	-	-
Other revenues	534,554	534,554	318,877	41,162	41,162	5,526	55,546	55,546	13,221	6,259	6,259	1,290
f Net Gains from Disposal of Assets	-	-	329,704	-	-	-	-	-	-	-	-	-
Total Income	19,432,098	33,963,356	11,855,025	3,302,472	3,152,472	1,502,941	5,061,202	5,161,202	1,993,451	3,218,512	3,468,512	2,001,610
Expenses from Continuing Operations												
g Employee benefits and on-costs	8,842,315	8,842,315	4,322,050	783,204	783,204	455,113	1,673,216	1,673,216	698,253	1,158,171	1,158,171	514,232
Materials and contracts	7,711,239	9,498,317	3,669,985	1,507,619	1,507,619	567,131	1,597,995	1,597,995	471,115	907,348	907,348	390,931
h Borrowing costs	189,198	114,445	51,933	-	-	-	-	-	-	-	-	-
i Depreciation and amortisation	5,782,839	5,782,839	3,062,387	265,020	265,020	157,241	1,467,545	1,467,545	730,389	1,054,644	1,054,644	490,134
Other expenses	231,000	231,000	152,325	250,000	250,000	-	-	-	-	-	-	-
j Net losses from the disposal of assets	650,000	661,750	-	-	-	-	-	-	-	-	-	-
Total Expenses	23,406,591	25,130,666	11,258,680	2,805,843	2,805,843	1,179,485	4,738,756	4,738,756	1,899,757	3,120,163	3,120,163	1,395,297
Operating Result from Continuing Operations	(3,974,494)	8,832,690	596,345	496,629	346,629	323,456	322,446	422,446	93,694	98,348	348,348	606,313
Net Operating Result for the Year before Grants and Contributions Provided for Capital Purposes	(4,484,939)	(3,977,309)	(2,772,067)	496,629	346,629	323,456	268,589	368,589	32,191	69,585	319,585	603,051

See the Budgeted Incomes Statement, Consolidated on page 7 for details on the recommended budget changes.

Notes for Year to Date

- a Rates and Annual Charges are considered income in July although they are for the entire year. Council has implemented a system to spread recognition over the year to provide more meaningful reports.
- b General Fund - User Fees and Charges are sitting at 51% of budget.
Water Fund - Water Consumption fees and charges are well under budget due to the Tier system and wet weather. Consumption charges are directly related to rainfall for the period as well as what tier each residential consumer is in. This means that the first of the three water bills is usually well under 1/3 of the annual revenue as the period has some rain and is calculated at the lowest tier. The second bill, again has most consumers in the first tier, but is drier so is higher than the first. By the third bill, the number of third tier Residential consumers has increased considerably and as such this period nets the highest fees. Council will need to monitor these with the view to adjust budget if required.
- c Council is currently receiving good returns. A budget adjustment is included here.
- d Much of the capital program being carried forward has associated grant income which is reflected here. The variance is due to timing. Further is the recognition of income associated with the Grant liability.
- e With the prepayment of the FAG's 3rd payment last year the budget timing needs adjusting. Council is still expecting a full 12 month's of FAG's in 2022/23.
If the full 12 months does not eventuate then this will have a negative impact on the operating result.
- f No surplus on sales of assets was budgeted. Budget will be revised as required. See page 3 for details of these transactions.
- g Employee costs are at 48% of budget for the year.
- h Borrowing costs are well under budget primarily due to timing as new loans have yet to be established and few interest payments have yet been made.
- i Depreciation costs are slightly over budget. This is likely a permanent difference due to renewals and the desktop valuation undertaken for year ended 30/06/2022.
- j These budgeted losses are related to the completion of major capital projects (Roxy and Pool Slide). As such the difference is primarily timing.

LEETON SHIRE COUNCIL
Budgeted Statement of Financial Position - Consolidated
For Year Ending 30 June 2023

Notes

		2022-23		
		Original Budget	Actual Opening balance	Current Forecast
Current Assets				
a	Cash and Cash Equivalents	1,133,576	15,007,000	15,476,879
a	Investments	26,850,000	20,760,000	27,260,000
	Receivables	2,637,171	4,410,000	4,410,000
	Inventories	1,205,152	1,166,000	1,166,000
	Other	59,486	49,000	49,000
	Total Current Assets	31,885,385	41,392,000	48,361,879
Non-Current Assets				
a	Investments	5,000,000	14,500,000	6,000,000
	Receivables	44,681	286,000	286,000
b	Infrastructure, Property, Plant & Equipment	335,010,299	315,705,000	337,882,777
c	Intangible Assets	8,315,900	9,565,000	9,565,000
	Total Non-Current Assets	348,370,880	340,056,000	353,733,777
	Total Assets	380,256,265	381,448,000	402,095,655
Current Liabilities				
	Payables	2,742,924	2,852,000	2,852,000
	Contract Liabilities	558,814	3,267,000	558,814
	Borrowings	556,579	417,000	1,376,962
	Provisions	2,621,079	2,814,000	2,814,000
	Total Current Liabilities	6,479,396	9,350,000	7,601,776
Non-Current Liabilities				
d	Borrowings	7,494,355	2,434,000	11,184,721
	Employee Benefit Provisions	226,984	170,000	226,984
e	Provisions	3,886,200	4,322,000	4,607,000
	Total Non-Current Liabilities	11,607,539	6,926,000	16,018,705
	Total Liabilities	18,086,935	16,276,000	23,620,481
	Net Assets	362,169,330	365,172,000	378,475,175
Equity				
	Retained Earnings	150,601,330	136,736,000	150,039,175
	Revaluation Reserves	211,568,000	228,436,000	228,436,000
	Total Equity	362,169,330	365,172,000	378,475,175

- a Adjusted for the higher than expected Opening Balance, the forecast for Cash and Investments is improved on the Original Budget.
- b PP&E is affected by the higher capital works, depreciation and valuations.
- c Intangible assets include water licences which are revalued each year.
- d Increased as a result of proposed funding changes for Vance Estate and Roxy.
- e Includes the Landfill Rehabilitation Provision and Employee Leave Entitlements

LEETON SHIRE COUNCIL
Budgeted Cash Flow
For Year Ending 30 June 2023

		2022-2023				2022-2023	
		*Original Budget (adjusted O/B)	General Fund - Other	DWM	Water	Sewer	Forecast
* The opening balances have been adjusted to reflect the end of year actuals rather than budget.							
Notes	Cash Flow from Operating Activities						
	Receipts:						
	Rates and Annual Charges	14,139,463	5,847,617	1,961,830	1,539,595	2,678,590	12,027,633
	User charges and fees	8,507,227	3,220,817	913,000	3,246,690	593,720	7,974,227
a	Interest and Investment Revenue	695,484	495,831	86,480	165,514	111,179	859,004
b	Grants & Contributions - Capital	593,066	12,809,999	-	53,858	28,763	12,892,620
	Grants & Contributions - Operating	6,139,824	7,791,528	-	-	-	7,791,528
	Rental Income	301,700	301,700	-	-	-	301,700
	Other Revenues	637,520	486,056	48,498	55,546	6,259	596,358
	Payments:						
	Employee benefits and on-costs	(12,797,081)	(8,059,111)	(783,204)	(1,673,216)	(1,158,171)	(11,673,702)
	Borrowing Costs	(189,198)	(114,445)	-	-	-	(114,445)
	Materials and Contracts	(11,424,201)	(7,990,698)	(1,507,619)	(1,597,995)	(907,348)	(12,003,660)
	Other	(481,000)	41,356	(272,356)	-	-	(231,000)
	Net Cash Provided (or used) in Operating Activities	6,122,803	14,830,650	446,629	1,789,991	1,352,992	18,420,263
	Cash Flow from Investing Activities						
	Receipts:						
	Maturity of Investments	2,000,000	-	-	2,000,000	-	2,000,000
c	Deposits on Sale Real Estate Assets	1,000,000	250,000	-	-	-	250,000
	Disposal of Infrastructure, Property, Plant & Equipment	315,000	-	-	-	-	-
	Payments:						
	Purchase of Investments	-	-	-	-	-	-
	Purchase of Infrastructure, Property, Plant & Equipment	(12,613,395)	(24,461,066)	(89,376)	(2,443,517)	(3,753,865)	(30,747,825)
	Deferred Debtor Advances Made	-	-	-	-	-	-
	Net Cash Provided (or used) in Investing Activities	(9,298,395)	(24,211,066)	(89,376)	(443,517)	(3,753,865)	(28,497,825)
	Cash Flow from Financing Activities						
	Receipts:						
d	Borrowings and Advances (External)	5,200,000	11,087,711	-	-	-	11,087,711
	Payments:						
e	Borrowings and Advances	(556,579)	(540,270)	-	-	-	(540,270)
	Other	-	-	-	-	-	-
	Net Cash Provided (or used) in Financing Activities	4,643,421	10,547,441	-	-	-	10,547,441
	Net Increase/(Decrease) in Cash & cash Equivalents	(269,221)	1,167,025	357,253	1,346,475	(2,400,873)	469,879
	Cash and Cash Equivalents at Beginning of Period	15,007,000	9,157,828	492,172	3,785,000	1,572,000	15,007,000
	Cash and Cash Equivalents at End of Period	14,737,779	10,324,853	849,424	5,131,475	(828,873)	15,476,879
	Plus Investments on Hand - End of Year	33,260,000	9,528,925	3,855,004	15,411,907	4,464,163	33,260,000
	Total Cash, Cash Equivalents and Investments	47,997,779	19,853,778	4,704,428	20,543,382	3,635,290	48,736,879
	Brought Forward Balance	50,267,000	18,418,209	4,518,380	17,754,138	9,576,274	50,267,000
	Movement in Cash and Investments	2,269,221	1,435,569	186,049	2,789,244	(5,940,983)	(1,530,121)

Notes relating to adjustments for Carry Forwards as detailed on Page 5,6 and 7

- a With changes to interest rates, council revised the interest earned on investments
- b Capital grants cashflow is increased by the income associated with carry over works and new grants, less those received.
- c Income from Vance Estate reduced to reflect current expectations for 2022/23
- d Recognition of the adjustments relating to carried forward projects and changes to loans for Vance and Roxy. May not be drawdown till 2023/24
- e Adjusted for changes in Vance Estate funding from grants to borrowings. A reduction in forecast deposits has been made
While loans have increased the repayments have decreased as the loans will not be taken out as early as originally expected.

LEETON SHIRE COUNCIL Performance Measures consolidated results (graphs)

For Year Ending 30 June 2023
(adjusted for Major Carry Overs)

Calculation of Ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Operating performance ratio

Continuing operating revenue excluding capital grants and contributions less operating expenses
Total continuing operating revenue excluding capital grants and contributions

Benchmark: Minimum $\geq 0.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26



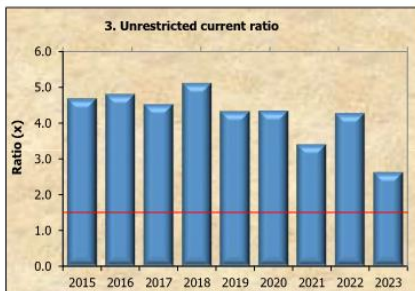
Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Own source operating revenue ratio

Total continuing operating revenue excluding capital grants and contributions
Total continuing operating revenue

Benchmark: Minimum $\geq 60.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26



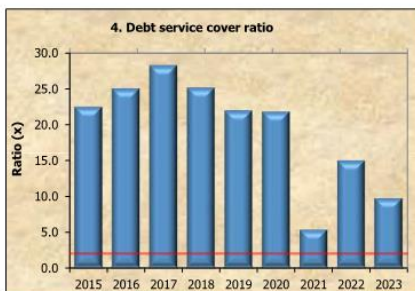
Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Unrestricted current ratio

Current assets less all external restrictions
Current liabilities less specific purpose liabilities

Benchmark: Minimum ≥ 1.50
Source for benchmark: Code of Accounting Practice and Financial Reporting #26



Purpose of debt service cover ratio

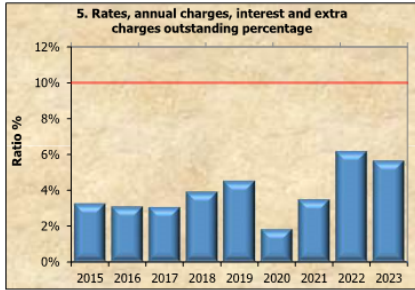
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Debt service cover ratio

Operating result before capital excluding interest and depreciation/impairment/amortisation
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)

Benchmark: Minimum ≥ 2.00
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

LEETON SHIRE COUNCIL
Performance Measures
consolidated results (graphs)
For Year Ending 30 June 2023



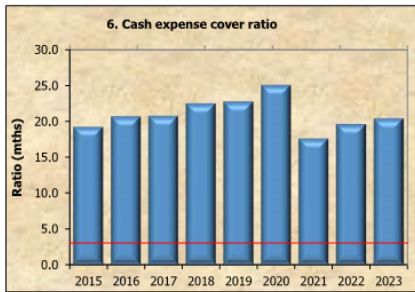
Benchmark: ----- Maximum <10.00%
 Source for Benchmark: Code of Accounting Practice and Financial Reporting #26

Purpose of rates and annual charges outstanding ratio

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Rates, annual charges, interest and outstanding %

Rates, annual and extra charges outstanding
 Rates, annual and extra charges collectible



Benchmark: ----- Minimum >=3.00
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

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.

Cash expense cover ratio

Current year's cash and cash equivalents
 plus all term deposits
 Payments from cash flow of operating and financing activities

Summary - While Council will still meet 4 out of 6 of the performance benchmarks it is apparent that Council's position is unsustainable in the medium to long term with negative operating performance and worsening cash related finance ratios.

LEETON SHIRE COUNCIL
Capital Budget Review
July to December 2022 Quarterly Budget Review Summary

Notes

		2022/2023					
		Original Annual Budget	Sept Review	Revised	Changes Sought	Revised Annual Forecast	Actual YTD
Capital Expenditure							
New assets							
	- office equipment (includes software)	335,000	169,134	504,134	-	504,134	87,829
	- plant & equipment	-	-	-	-	-	-
a	- land & buildings	110,000	277,900	387,900	10,000	397,900	32,012
	- parks, gardens & recreation	775,445	781,754	1,557,199	-	1,557,199	22,780
	- roads, bridges, Stormwater & footpaths	201,000	85,000	286,000	-	286,000	152,752
	- waste	77,000	-	77,000	-	77,000	60,384
	Subtotal of General Fund	1,498,445	1,313,788	2,812,233	10,000	2,822,233	355,756
	- water supply	733,500	38,931	772,431	-	772,431	-
b	- sewerage services	181,500	2,681,130	2,862,630	40,000	2,902,630	39,692
Renewals (replacements)							
	- office equipment (includes software)				-		
c	- plant & equipment	980,000	258,000	1,238,000	46,730	1,284,730	22,724
d	- land & buildings	3,379,950	10,343,774	13,723,724	5,290,859	19,014,583	652,300
	- parks, gardens & recreation	230,000	281,170	511,170	-	511,170	729,682
	- roads, bridges, Stormwater & footpaths	3,470,000	5,647,798	9,117,798	-	9,117,798	12,376
	- waste	-	94,204	94,204	-	94,204	-
	Subtotal of General Fund	8,059,950	16,624,946	24,684,896	5,337,589	30,022,485	1,417,082
	- water supply	1,175,000	394,800	1,569,800	-	1,569,800	558,479
	- sewerage services	965,000	-	965,000	-	965,000	31,517
	Total Capital Expenditure	12,613,395	21,053,595	33,666,990	5,387,589	39,054,579	2,402,526

Notes- Please see pages 5,6 and 7 for more detail

- a additional funding for Animal Pound design
- b Almond Street Extension
- c New GPS Surveying equipment
- d Roxy Forecast and timing (separate paper to Council)
Vance Estate forecast and timing (separate paper to Council)
CBD Enhancement forecast

LEETON SHIRE COUNCIL
Summary by Function - Consolidated
July to December 2022 Quarterly Budget Review Summary

BUDGET REVIEWS FOR 2022/2023

	2022-2023	Budget Revotes	*Changes Sought	2022-2023	
	Original Budget	1st Quarter Budget	2nd Quarter Budget	Revised Budget	Orig% Shift
	\$	\$	\$	\$	
Income					
Corporate and Governance	730,710	200,000	250,000	1,180,710	62%
Public Order and Safety	158,276		-	158,276	0%
Health and Environment	197,003		-	197,003	0%
Community Services	2,239,240	61,910	-	2,301,149	3%
Housing and Community Amenities	729,854	213,496	-	943,350	29%
Recreation and Culture	787,620	3,397,444	1,399,655	5,584,719	609%
Manufacturing and Mining	89,337		-	89,337	0%
Transport and Communication	1,663,001	2,308,627	4,234,715	8,206,343	393%
Economic Affairs	169,446	1,465,412	1,000,000	2,634,858	
General Purpose Revenues	12,660,277	-	-	12,660,277	0%
Waste Management	3,309,805		(150,000)	3,159,805	-5%
Water	5,061,202		100,000	5,161,202	2%
Sewerage	3,218,512	200,000	50,000	3,468,512	8%
Total Income	31,014,284	7,846,888	6,884,370	45,745,542	47%
Expenses					
Corporate and Governance	5,698,748	-	-	5,698,748	0%
Public Order and Safety	575,216		-	575,216	0%
Health and Environment	972,342		-	972,342	0%
Community Services	2,485,226	61,910	-	2,547,135	2%
Housing and Community Amenities	1,090,885	137,517	-	1,228,402	13%
Recreation and Culture	4,652,043	20,000	(46,753)	4,625,290	-1%
Manufacturing and Mining	177,642		-	177,642	0%
Transport and Communication	5,896,705	-	1,311,750	7,208,455	22%
Economic Affairs	1,850,451	239,651	-	2,090,102	13%
Waste Management	2,813,177		-	2,813,177	0%
Water	4,738,756		-	4,738,756	0%
Sewerage	3,120,163		-	3,120,163	0%
Total Expenses	34,071,354	459,078	1,264,997	35,795,428	5%
Consolidated Net Surplus/(deficit):	(3,057,070)	7,387,811	5,619,373	9,950,114	-425%

Budgeted Loan Schedule 2022/2023

Description	Loan % Rate	Final Payment Date	Loans 2022/23	QBR1	QBR2	*Adjusted Loans forecast 2022/23	Annual Repayment	Principal Repayments	Interest Repayments	Principal Outstanding
Vance Estate Development	6.00%	1/05/2032	1,400,000	1,357,000	2,830,711	5,587,711	751,164	434,804	316,360	5,152,907
**Roxy Theatre	6.00%	1/04/2042	3,000,000	1,131,100	868,900	5,000,000	432,624	486,884	354,253	4,513,116
LELC	4.77%	1/03/2032	300,000	0	200,000	500,000	67,216	38,907	28,309	461,093
Gogelderie Caravan Park Cabins	4.77%	1/05/2032	500,000	-500,000	0	0				
New Loans			5,200,000	1,988,100	3,899,611	11,087,711	1,251,003	960,595	698,922	10,127,116

Note - Roxy and Vance loans are anticipated to be late this year or next year.

* The adjusted loan forecast is based on current budget and adjustments

** Roxy loan approved 2020/21 carried forward and additional funding

Leeton Shire Council
July to December 2022 Quarterly Budget Review Summary
Cash, Investments and Restrictions Forecast

	Forecast balances of restrictions for movements in Capital and Operating					Revised Annual Forecast
	Opening Balance 1/7/2022 (inc. EOY adj.)	Original Budget movement	Sept Review	Revised Budget	Changes sought 31/12/2022	
Externally Restricted						
Unexpended Loans	-	-	-	-	7,280,964	7,280,964
Developer Contributions - General	696,439	(200,000)	(380,900)	115,539	503,000	618,539
Developer Contributions - Water	30,977			30,977	-	30,977
Developer Contributions - Sewer	-		(3,228,185)	(3,228,185)	-	(3,228,185)
Specific Purpose Unexpended Grants	3,228,185			3,228,185	-	3,228,185
Stormwater Management	166,545	(30,000)		136,545	-	136,545
Deposits, Bonds & Retentions	309,982			309,982	-	309,982
Water Supply - carry over works	433,731		(433,731)	-	-	-
Water Supply	17,320,407	(1,908,500)		15,411,907	5,131,475	20,543,382
Sewerage Services - carry over works	3,873,354		(2,618,874)	1,254,481	-	1,254,481
Sewerage Services	5,702,919	(1,176,500)	(62,256)	4,464,163	(2,083,354)	2,380,810
Domestic Waste Management	913,375	(327,000)	(94,204)	492,172	357,253	849,424
Landfill Remediation	3,605,004	250,000		3,855,004		3,855,004
Total Externally Restricted	36,280,919	(3,392,000)	(6,818,149)	26,070,770	11,189,338	37,260,108
Internally Restricted						
Infrastructure Restrictions						
Aerodrome	200,000		-	200,000	-	200,000
Buildings	992,801	(196,000)	(70,000)	726,801	-	726,801
Infrastructure Replacement	1,681,614	(150,000)	(656,420)	875,194	900,000	1,775,194
Plant & Vehicle Replacement	1,268,962	(665,000)	(258,000)	345,962	-	345,962
Roads General	1,691,270	(370,000)	(701,684)	619,586	-	619,586
Swimming Pool	520,072		(520,072)	-	-	-
Childcare Centre	245,439		(184,755)	60,683	-	60,683
Co-Contribution Restrictions						
Land Development	690,467		-	690,467	(440,467)	250,000
Leeton Museum & Art Gallery (WCIC)	300,000	(150,000)	-	150,000	-	150,000
Renewable Energy Efficiencies	120,000		-	120,000	-	120,000
Sportsgrounds Improvements	283,170		(13,944)	269,226	-	269,226
Provisions						
Employee Leave Entitlements	1,371,080		-	1,371,080	-	1,371,080
Workers Compensation	165,000		-	165,000	-	165,000
Façade Painting Reserve	102,061		-	102,061	-	102,061
Election Reserve	-		-	-	35,000	35,000
Total Internally Restricted	9,631,936	(1,531,000)	(2,404,875)	5,696,060	494,533	6,190,593
Total Restricted	45,912,855	(4,923,000)	(9,223,025)	31,766,830	11,683,871	43,450,701
Unrestricted	4,354,509	-	4,102,645	(68,657)	5,354,835	5,286,178
Total Restricted & Unrestricted Cash & Investments	50,267,364	(4,923,000)		31,698,173	17,038,706	48,736,879
Cash & Investments						
Cash floats	3,400			3,400		3,400
Cash floats LELC	400			400		400
Cash at Bank	2,237,978		770,664	2,237,978	12,688,990	14,926,968
Cash at Bank LELC	546,111			546,111		546,111
* Investments & Deposits at Call	47,479,476	(4,923,000)	4,349,716	28,910,284	4,349,716	33,260,000
Total Cash & Investments	50,267,364	(4,923,000)	5,120,379	31,698,173	17,038,706	48,736,879

Leeton Shire Council
July 2022 to December 2022, Quarterly Budget Review
Contracts

Contractor	Contract detail & purpose	Contract value (excl GST)	Commenced	Duration of contract	Budgeted (Y/N)
Decentralized Demountable	LELC Expansion – New Demountable Classroom	\$261,937	1/07/2022	TBC	Y
Integrated Industries Riverina Pty Ltd	Electrical Upgrade, relocation and VSD installation	\$189,179	22/08/2022	30/06/2023	Y
H2H Plumbing Pty Ltd	Wamoon Sewerage Scheme	\$2,120,535	30/09/2022	30/06/2023	Y
Morrison Low Consultants Pty Ltd	Consultancy - SRV Application	\$102,000	9/08/2022	31/03/2023	Y
Ford Ranger Double Ca	Ford Ranger Double Cab Pickup XL Auto	\$47,123	4/08/2022	Upon delivery	Y
Hygienic Pipeline Solutions	LSC Pit 2 major upgrades	\$63,897	5/07/2022	TBC	Y
Evohealth Pty Ltd	Health Services Strategy - Project Plan	\$56,593	30/09/2022	30/06/2023	Y
Wagga Trucks	300 SERIES HINO 717 TIPPER - DEPOT POOL TRUCK	\$71,141	27/09/2022	Upon delivery	Y
Wagga Trucks	300 SERIES HINO 717 TIPPER - ROADS MAINTENANCE	\$71,141	27/09/2022	Upon delivery	Y
Wagga Motors Pty Ltd	ONE ISUZU NPR 65/4	\$69,649	14/09/22	Upon delivery	Y
Datacom Systems (AU) Pty Ltd	Office365 Software Licence	\$73,848	22/07/2022	2/09/2022	Y
Nifty Pty Ltd	NiftySD120T 4x4 12.65m Self Drive EWP	\$76,127	23/08/2022	26/08/2022	Y
GS & BD Electrics Pty Ltd	No.1 Oval LED Lighting Upgrade	\$105,480	20/07/2022	21/07/2022	Y
Tutt Bryant Equipment	BOMAG BW28RH MULTITYRE ROLLER	\$189,179	23/09/2022	24/11/2022	Y
Southern Central Engineering	Manufacturing of Water Toys	\$68,900	11/08/2022	30/11/2022	Y
SKM Planning Pty Ltd	Vance Industrial Estate - Planning Documentation	\$90,790	3/08/2022	15/08/2022	Y
JR & EG Richards (NSW) Pty Ltd	Waste Collection	\$850k/pa	1/05/2008	30/06/2024	Y
Williams Boag Pty Ltd	Architectural design and lead consultant for Roxy Theatre project	\$391,510	1/07/2019	on completion	Y
Donald Cant Watts Cork (ACT) Pty Ltd	Provision of project management and superintendent services for Roxy Theatre project	\$167,992	1/07/2019	on completion	Y
Lloyd Group Pty Ltd	Construction Contract Roxy Theatre Redevelopment	\$5,004,833	1/01/2022	31/08/2022	Y
Shell Energy Pty Ltd	Retail Electricity Supply	\$975,000	1/12/2022	1/12/2023	Y
Robert Ferguson Management Pty Ltd	Weed Control	\$581,724	1/07/2020	30/06/2025	Y
Boots Civil	174 Oak Street Rehabilitation	\$229,006	1/10/2022	30/06/2023	Y

This document forms part of Leeton Shire Council's Quarterly Budget Review Statement for the quarter ended 31/12/2022 and should be read in conjunction with other documents in the QBRs.

Notes

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 (exc. GST) whichever is the lesser (DLG Guidelines).
2. Contracts listed are those entered into during the quarter and have yet to be fully performed.
3. Contracts for employment are not required to be included.

Leeton Shire Council
July 2022 to December 2022, Quarterly Budget Review
Consultancy & Legal Costs

Company	Details	Expenditure YTD	Budgeted Y/N
Consultancies			
Bonnie J Owen	RIPA Public Programme Assistance	\$ 3,220	Y
Box Creative Design Pty Ltd	Economic Strategy design	\$ 2,475	Y
Common Thread Consulting Pty Ltd	Long Term Financial Plan support	\$ 1,400	Y
Currajong Pty Ltd	Active Transport Plan	\$ 20,000	Y
Engeny Australia Pty Ltd	Flood Mitigation Feasibility study	\$ 6,600	Y
K Ross	Communications for Roxy Theatre Project	\$ 420	Y
Kensington House Entertainment	RIPA Business Plan	\$ 5,000	Y
Local Government NSW	Organisation & Structural Review	\$ 15,393	Y
Marchese Design	IP&R design and production	\$ 3,500	Y
Morrison Low Consultants Pty Ltd	Special Rate Variation support	\$ 108,468	Y
Pacesetter Services	Authority Rates Module Assistance	\$ 9,368	Y
Zenith Town Planning Pty Ltd	Prepare draft Planning Proposal amend RU5 of LEP 2014	\$ 4,200	Y
Noel Thompson Architecture	Heritage Advice	\$ 2,800	Y
Williams Boag Pty Ltd	Roxy Theatre Redevelopment	\$ 206,113	Y
McKenzie Group	Roxy Theatre Redevelopment	\$ 3,000	Y
BRT Consulting Pty Ltd	Roxy Theatre Building Services Consultants	\$ 10,000	Y
ADP Consulting Pty Ltd	Roxy Redevelopment Fire Protection	\$ 4,000	Y
Donald Cant Watts Corke (AC	Roxy Theatre Project Management Services	\$ 22,276	Y
Legal Expenses			
General		\$ 39,679	Part
Planning		\$ 1,555	Y
Ranger Services		\$ 2,500	Y
Sewer		\$ 4,024	N
Debt recovery		\$ -	Y

This document forms part of Leeton Shire Council's Quarterly Budget Review Statement for the quarter ended 31/12/2022 and should be read in conjunction with other documents in the QBRs.

Leeton Shire Council
July 2022 to December 2022, Quarterly Budget Review
Water Trading & Bad Debts

Details	Original Budget	Cost of Sales YTD	Income YTD	Revised Budget
Trade Water Sales				
Sale of Investment Water	\$ 50,000	\$ 2,240	\$ 63,000	\$ 180,000
Sale of Town Water	\$ 20,000	\$ -	\$ -	\$ -
Total	\$ 70,000	\$ 2,240	\$ 63,000	\$ 180,000
Bad Debts Written Off Year to Date				
General	\$ -	Nil	Nil	\$ -

This document forms part of Leeton Shire Council's Quarterly Budget Review Statement for the quarter ended 31/12/2022 and should be read in conjunction with other documents in the QBRS.

ITEM 7.7 QUARTERLY CAPITAL WORKS UPDATE REPORT - MAJOR PROJECTS

RECORD NUMBER	23/27
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Procurement Coordinator
APPROVER/S	Director Corporate

SUMMARY/PURPOSE

The purpose of this report is to provide Council with an update on the progress of the major capital works projects that Leeton Shire Council is currently undertaking.

RECOMMENDATION

THAT Council notes for information the Quarterly Capital Works Update Report for the period October 2022 to February 2023.

REPORT

(a) Background

Leeton Shire Council continues to have an extensive program of capital works.

The projects are helping to build or renew critical infrastructure in our towns, upgrade facilities to provide a better standard of living, boost local jobs creation, revitalise the economy and increase the liveability of Leeton Shire.

(b) Discussion

Refer to **(Attachment 1)** – Project Status Report Update – February Council Meeting 2023.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

All financials are included in the attachment for each project.

(b) Policy

Leeton Shire Council Procurement Policy

(c) Legislative/Statutory

Local Government Act 1993
Environmental Planning and Assessment Act 1979

(d) Risk

Risks for each project are outlined in the attached Quarterly Capital Works Update Report "Risk Management" section. Detailed risk assessments form part of the project management process for each project.

CONSULTATION

(a) External

Each capital work report addresses stakeholder engagement.

(b) Internal






General Manager
Director Operations
Executive Manager Economic & Community Development
Manager Roads & Drainage
Manager Business Services
Manager Water & Wastewater
Building Services Coordinator & Roxy Project Manager
Special Projects Manager
Manager Open Spaces & Recreation














LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)












Under the Key Priority Area CSP FOCUS AREA 5 - Strong leadership and civic participation within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 9 - Governance and Administration – DELIVERY PROGRAM ACTIVITY 9.6 - Deploy reliable and efficient corporate and project governance including audit, risk and improvement – OPERATIONAL PLAN ACTIVITY 9.6.3 - Operate a project management office to support asset managers with major projects.


ATTACHMENTS





- 1 Leeton Shire Council - Project Status Report Update - February 2023














	Project Name	Vance Industrial Estate Expansion				Current Phase	Definition		Report Date	Feb 2023
							Approval	X		
							Delivery		Estimated Completion	Oct 2022
							Completion			June 2022 Oct 2023
Key Project Team Members	PCG (Chair)	Michelle Evans (Executive Manager Economic & Community Development)	Project Manager / Author	Adrian Edgcome-Lucas (Special Project Manager)	Asset Owner	Tom Steele (Director Operations)				
Key Project Aspects	Comments									
Project Scope	Council has acquired 20ha of land through a land swap and partial purchase. The goal is to develop an expanded industrial estate with roads, services and energy supply (electricity and possibly gas). The available Council owned area will see 22 lots delivered. The land swap / subdivision was to deliver a useable site for the previous landowner by October 2022 by formal agreement, which has now been extended to October 2023. The project aim is to generate economic activity and aims to break even.									
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> DA has been approved in October 2022. Application for Subdivision Certificate has been lodged. SKM preparing tender documentation and draft contract for tender purposes. To date 10 lots have been 'sold' off the plans (pending subdivision approval). Enquires about a further 2 lots have been received. Budget estimate has been tested by a Quantity Surveyor and needs to be adjusted. Report going to Council in Feb 2023. 									
Project Schedule	<ul style="list-style-type: none"> A schedule of works will be developed as part of the detailed design with key milestones to be set. <ul style="list-style-type: none"> Streams include Planning, Land Regulation, Internal Engineering (LSC), External Contractors and Sales (EOI). Purchase of MI drainage channel for \$1 in negotiation. 						Current Status	Previous Status		
Stakeholder Management	<ul style="list-style-type: none"> Original part landowner has been kept up to date with progress and timeframes. Real Estate Agent (QPL) is attending to enquiries for lots. MI performing assessment on drainage requirements before development approval letter being issued. 									
Risk Management	<ul style="list-style-type: none"> Risk management plan completed and up to date. Risks include: <ul style="list-style-type: none"> Delivery timeframe of electrical infrastructure for estate (could risk delivery program timeframe). Increased costs for development impacting business case. 									
Budget	Project Budget	LSC Contribution	Actual Costs	Committed Costs	Variations	Forecast Cost				
	\$4M	\$5.59M (Loan)	\$205,494	\$68,018	Nil	\$7.83M				
	Funding has been approved from Local Roads Community Infrastructure funding (\$1.243M). Funding has been applied for from the Office of Local Government Disaster (\$1M)									
Procurement	<ul style="list-style-type: none"> Documentation is under preparation ahead of calling for tenders. 									
Total Project Status	Status	Comments								
		Project design completed, ready for tender. Once draft design received from SKIM.								
	Legend	On Track		At Risk		Major Concern				













	Project Name	Leeton Aquatic Centre – Water Slide				Current Phase	Definition		Report Date	Feb 2023
							Approval			
							Delivery	x	Estimated Completion	TBD-2023
							Completion			Aug 2023
Key Project Team Members	PCG (Chair)	Tom Steele (Director Operations)	Project Manager / Author	Adrian Edgcome-Lucas (Special Projects Manager)	Asset Owner	Josh Clyne (Manager Open Space & Recreation)				
Key Project Aspects	Comments									
Project Scope	The scope of the works includes procurement and installation of a 9m high twin ring water slide.									
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> Tender awarded to Swimplex for the slide. The contract has been executed and the new design is 95% complete. Awaiting submission and approval of the structural drawings for the slide tower. Preparatory site clean-up and footing works is underway. Formwork for concrete pads commenced. 									
Project Schedule	<ul style="list-style-type: none"> Project is on schedule for delivery as per project schedule submitted by Swimplex. Regular contract meetings are being held to ensure progress is maintained. 						Current Status	Previous Status		
										
Stakeholder Management	<ul style="list-style-type: none"> Community will be kept abreast of progress with the slide installation via media releases and social media posts, commencing end February 2023. 									
Risk Management	<ul style="list-style-type: none"> Risks identified: <ul style="list-style-type: none"> Material Availability – low (Swimplex has in hand). Weather – unknown. These risks will be managed by having regular project meetings to ensure early warning of any prolongation or Extensions Of Time, and plans can be put into place to minimise any costs associated. 									
Budget	Project Budget	LSC Contribution	Actual Costs	Committed Costs	Variations	Forecast Cost				
	\$937,079	\$937,079	-	\$937,079	-	\$937,079				
	The new slide is being funded from LSC Pool Reserve. Council is yet to receive first progress claim under contract.									
Procurement	Complete – Design and Construct Contract issued.									
Total Project Status	Status	Comments								
										
Legend	On Track		At Risk		Major Concern					






	Project Name	Chelmsford Town Square (Formally CBD Phase 3) including Sycamore Carpark Toilet			Current Phase	Definition		Report Date	Feb 2023
						Approval	X		
						Delivery		Estimated Completion	Dec 2023
						Completion			
Key Project Team Members	PCG (Chair)	Tom Steele (Director Operations)	Project Manager / Author	Adrian Edgcome-Lucas (Special Projects Manager)	Asset Owner	Josh Clyne (Manager Open Space & Recreation)			
Key Project Aspects	Comments								
Project Scope	<ul style="list-style-type: none"> Create an open, continuous, vibrant, and inclusive parkland setting that restores Sir Walter Burley Griffin's vision of a central town square with bold features. Widen park islands into adjoining traffic lanes and replace a little used traffic crossing. Install a raised pedestrian walkway to provide a safe crossing point and a strong visual connection. Incorporate mature Canary Island palms into concept design and undertake further linear tree plantings up to the historic water towers that will draw pedestrians along the lines of the entire open space. Install inground linear lighting to highlight central axis and provide a safe environment. Refurbish existing historic bandstand and introduce a central sloping lawn area will face the bandstand. 								
Milestones Achieved / Upcoming since last update	<ul style="list-style-type: none"> All tenders were rejected on price. Scope reduction and value managed items were presented to the CBD Enhancement Committee on 8 December 2022. Brief was prepared and presented to Council on 14 December 2022. Revised project adopted, 100% grant funding. The funder (Legacy) has provided an extension of funding to Dec 2023. LSC is also applying for an extension for the Stronger Country Communities R3 funding. 								
Project Schedule	<ul style="list-style-type: none"> Project is behind schedule (smaller grants were to be expended by December 2022, Legacy by June 2023). Project plan to be delivered as part of tender submission, and key milestone tasks to be maintained in Pulse for monitoring of completion. 					Current Status	Previous Status		
Stakeholder Management	<ul style="list-style-type: none"> CBD Enhancement Committee and Council members will be provided the revised design in March 2023 for information. Council has engaged with Boots Civil to provide pricing on revised scope. The community will be kept informed via Facebook and The Irrigator, commencing end February 2023. 								
Risk Management	<ul style="list-style-type: none"> Important risks being managed: <ul style="list-style-type: none"> Contractor availability to complete works. Costs exceeding budget risk to complete the works. These risks will be mitigated by having regular project meetings to ensure communication lines are kept open and PCG is updated with important information that may affect the scope of the project. 								
Budget	Project Budget	LSC Contribution	Actual Costs (To Date)	Committed Costs	Variations	Forecast Cost			
	\$2,262,617	-	\$387,059	\$4,167	-	\$2,262,617			
	Budget of \$2,262,617 all grant funded (NSW Open Spaces Legacy Fund and NSW Stronger Country Communities) Costs incurred of \$387,059 are for design, preliminaries and ongoing project management. Council removed their contribution by Resolution at the December 2022 ordinary meeting.								
Procurement	Awaiting pricing from Boots Civil on revised scope.								
Total Project Status	Status	Comments							
									
	Legend	On Track		At Risk		Major Concern			









	Project Name	Canal Street Rehabilitation W2410				Current Phase	Definition	X	Report Date	Jan 2023
							Approval			
							Delivery		Estimated Completion	May 2024
							Completion			
Key Project Team Members	PCG (Chair)	Tom Steele (Director Operations)	Project Manager / Author	Chris Lashbrook (Manager Roads & Drainage)	Asset Owner			Chris Lashbrook (Manager Roads & Drainage)		
Key Project Aspects	Comments									
Project Scope	<ul style="list-style-type: none"> The scope of the project is to rehabilitate the current Canal Street from Market Road to Brady Way. Project Scope has reduced following initial concept plans, removal of Concrete Median Barrier, required drainage augmentation, and reduction of vegetation plantings. Following feedback from TfNSW additional intersection treatments were requested and allowed for in updated designs. This has reduced estimated costs and brings back into line with available funding allowances. Official change of Scope document completed for Fixing Local Roads Program. 									
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> Concept plan for a value managed solution completed and presented to PCG. Resident communication strategy completed, and letters issued inclusive of concept design. Final "for construction" plan to be completed by Matt Fisher Design. Potential road swap details to be confirmed with TfNSW – No update from Transport formally. 									
Project Schedule	<ul style="list-style-type: none"> A schedule of works to be developed now "for construction" plans have been finalised. Design milestones have been committed and will be tracked in monthly PCG meetings. Estimated commencement date for the works (Feb 2023) may be delayed due to resourcing shortages of materials and plant/equipment already completing capital works and additional Natural disaster Declaration works. Confirmed total project end date with funding agency of 30 May 2024. 						Current Status	Previous Status		
Stakeholder Management	<ul style="list-style-type: none"> Stakeholder and communication document developed. Residents will be kept updated as build progresses. Infrastructure Committee were presented preliminary design for comment and was approved. TfNSW being constantly engaged and updated with the potential road swap options tabled with LSC. 									
Risk Management	<ul style="list-style-type: none"> Project Risk registers established and maintained in PM System (Pulse). Top Risks Include: <ul style="list-style-type: none"> Budget constraints and shortfall to complete project. Material supply availability identified as a risk given the shortage in the industry at present. Community engagement 									
Budget	Project Budget	LSC Contribution	Actual Costs (To Date)	Committed Costs	Variations	Forecast Cost				
	\$2.070M	\$307,000	\$40,636.60	\$233,000		\$2.070M				
	<ul style="list-style-type: none"> Funding (\$1.7M) from fixing Local Roads has been secured and an extension has been offered which LSC has committed to taking up. Sealing Tender, Gravel Supply Tender & Plant & Equipment Hire tender all end current contract this Financial Year – indications that future tender contracts will have significant increases in rates. Possibility to affect overall budget for project. 									
Procurement	<ul style="list-style-type: none"> Procurement of Gravel Materials has commenced and being delivered to designated Stockpile site – Lake Paddock. Commitments raised in system for remaining gravel Supply and Bitumen Sealing works. 									

Total Project Status	Status	Comments					
		<ul style="list-style-type: none"> • PCG well established and parties fully up to date of where project sits in development stage. • Supply of materials underway and targeting initial commencement date at the end of February 2023 – with possibility of delays to commencement. • Extension of completion date confirmed to be 30 May 2024. • Slight Risk of unknow with possible Sealing Rates and Materials Rates moving into future financial years and new Tender contracts. 					
	Legend	On Track		At Risk		Major Concern	

	Project Name LELC Extension		Current Phase			Definition	Report Date	Feb 2023		
						Approval				
						Delivery		X	Estimated Completion	24 March 2023
						Completion				
Key Project Team Members	PCG (Chair)	Brent Lawrence (Manager Business Services)	Project Manager / Author	Brent Lawrence (Manager Business Services)	Asset Owner	Kylie Knight (LELC Manager / Nominated Supervisor)				
Key Project Aspects	Comments									
Project Scope	To produce an additional classroom to allow the Leeton Early Learning Centre (LELC) to take a further 20 children per day as well as to install a new storage shed, boundary fence and secure additional land for the purpose of a required additional play area. This will increase the daily operating capacity of the LELC and allow access to the facility for more local families who are currently on a waiting list. The project is currently in its final stages of delivery.									
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> Demountable building construction complete and delivery to site currently being arranged. (Completed) Leeton Shire Council planning team to issue Occupation Certificate once demountable installed to allow Council to formally apply to the NSW Department of Education for an increase to the LELC daily operating capacity. (Upcoming) Shed, fencing and playground sails to be erected once building is in position and installed. (Upcoming) 									
Project Schedule	<ul style="list-style-type: none"> Proceeding as per the schedule of works 					Current Status	Previous Status			
										
Stakeholder Management	<ul style="list-style-type: none"> Community enquiries about capacity increases are being responded to by the LELC Manager and Administration Officer. Initial risk assessment has been submitted and accepted by the NSW Department of Education regarding the project. They have notified Council staff of the process for achieving accreditation (which can only happen post Occupation Certificate being received from Council). 									
Risk Management	<ul style="list-style-type: none"> Governance risk management plan completed and up to date. Build risks are all very low and each item has been reviewed and approved by Council's Manager WHS & Risk via a project risk assessment that was completed by the Manager Business Services. Risk of finding suitably trained staff is being addressed with growing our own staff from within. Currently we have 3 x Diploma level staff studying towards their Early Childhood degrees. 									
Budget	Project Budget	LSC Contribution	Actual Costs	Committed Costs	Variations	Forecast Cost				
	\$500,000	\$500K	\$54,594	\$298,181	Nil	\$500K				
	<ul style="list-style-type: none"> Council is taking out a loan to fund the project. The loan will be paid off by the fees earned over a period of approximately 10 years. 									
Procurement	<ul style="list-style-type: none"> Project Manager is liaising with the Builder (Decentralised Demountables Pty Ltd) and other local contractors involved with the associated works (fencing, shedding, plumbing, electrical) on a weekly basis as the classroom gets closer to installation. 									
Total Project Status	Status	Comments								
		The new demountable classroom was delivered to site on Thursday 9 February with the associated works to follow. Note however that approval to increase the daily operating capacity of the service can only occur after the Occupation Certificate is received. Approval can take up to 90 days.								
	Legend	On Track		At Risk		Major Concern				

	Project Name Wamoon Sewer Project		Current Phase			Definition		Report Date	Jan 2023
						Approval			
						Delivery	x	Estimated Completion	Jun 2023
						Completion			
Key Project Team Members	PCG (Chair)	Tom Steele (Director Operations)	Project Manager / Author	John Pearson (Manager Water & Wastewater), with PWA	Asset Owner	John Pearson (Manager Water & Wastewater)			
Key Project Aspects	Comments								
Project Scope	<ul style="list-style-type: none"> Install low pressure sewer units on individual properties. Construct pressure sewer reticulation network in Wamoon and pumping line back to Blackwood St sewer pump station (SPS7). 								
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> Project Start Up Meeting with H2H, PWA and LSC completed. Meeting to discuss final design components completed. Pumps have been selected. Contract has been executed for project. Wamoon resident sessions occurred on 15 December 2022 to discuss works. Individual resident meetings on site to plan lot ground works are now completed. Construction commenced at the end January 2023. 								
Project Schedule	<ul style="list-style-type: none"> Project is on track (funder has agreed to extend grant to June 2023). Project plan to be delivered as part of supplier's submission and key milestone tasks to be maintained in Pulse for monitoring of completion. 					Current Status	Previous Status		
									
Stakeholder Management	<ul style="list-style-type: none"> Wamoon resident sessions occurred in mid-December 2022 (Completed). Letter was sent preparing residents for on-site appointments with H2H to discuss individual house drainage designs were sent and discussions (Completed). External PCG meetings held monthly to ensure DPIE and PWA are kept informed of project status. 								
Risk Management	<ul style="list-style-type: none"> Public Works Advisory is the external Project Manager Project risk management plan is up to date. Important risks being managed: <ul style="list-style-type: none"> Material supply availability identified as a risk given the shortage in the industry at present. Potential resident discontent with having council infrastructure on their properties, additional annual charges once commissioned and increased electricity costs. Health benefits need to be re-iterated, and potentially increased value to their homes explained. Resident awareness – a communication strategy has been prepared and is being implemented. 								
Budget	Project Budget	LSC Contribution	Actual Costs (To Date)	Committed Costs	Variations	Forecast Cost			
	\$4.1M	\$2.933M	\$523,595	\$204,824		\$3.8M			
	Budget of \$4.1M with \$1.1675M remaining from the Restart NSW funding and \$2.9325M the LSC contribution. Wamoon residents are not paying for the installation of the scheme but will contribute to ongoing running costs.								
Procurement	Contracted and project management by PWA.								
Total Project Status	Status	Comments							
		Whilst the original project is years behind schedule, in terms of the revised, contracted project, this is now showing as on track and within budget.							
	Legend	On Track		At Risk		Major Concern			

 LEETON SHIRE COUNCIL	Project Name	Roxy Redevelopment - Build, Seating, Specialist Equipment, Power and Consultants			Current Phase	Definition	Report Date Feb 2022	Estimated Completion Stg 1 June 2022 Stg 2 Aug 2022 Full Dec 2022 Full March 2023 Full July/Aug 2023	
						Approval			
						Delivery			X
						Completion			
Key Project Team Members	PCG (Chair)	Jackie Kruger (General Manager)	Project Manager / Author	Gideon Vos (Procurement & Building Services Coordinator)	Project Director (volunteer)	Katherine Herrmann			
Key Project Aspects	Comments								
Project Scope	Deliver a refurbished Roxy that is fire, WHS and disabled access compliant (including augmented hearing), including an upgraded stage, upgraded services, new dressing rooms, new toilets, new heating / cooling, new roof sheeting on Roxy main building, more versatile auditorium with flat floor and retractable seating, bar area, theatre, repaired awning and upgraded power supply. Fireline, Roxy Lane and CBD forecourt are separate projects to this report.								
Milestones Achieved / Upcoming	<ul style="list-style-type: none"> BUILD: Demolition (95% complete); Auditorium Floor (100% complete); Movie Café ground level reinforcement, floor slabs and façade and propping 95% complete; SW corner ground level reinforcement, strip footings and slab 90% complete; Rough in of electrical, sewer and stormwater 100% complete and Roof replacement 70% complete. SEATING: Contract issued to Maxwood Dec 2022. SPECIALIST EQUIPMENT: Contract under negotiation with HME. POWER: Purchase Order issued to JRC Electrical. CONSULTANTS: All available when required. Architect attends weekly build/design meetings. 								
Project Schedule	BUILD <ul style="list-style-type: none"> Lagging. Revised workplan issued by Lloyds – indicative completion now end July 2023 subject to steel. Katherine Herrmann met with Lloyd Group Director to raise concerns with progress and senior staff from Lloyd Group attended Council workshop in Feb 2023 to assure Council of their full commitment to the project. New steel provider currently being signed up by Lloyd Group and shop drawings may have to be redone. Power upgrade has been procured for installation end May 2023. Steel and Electrical are still the critical elements with regards to project completion date. SEATING <ul style="list-style-type: none"> On track – orders in. SPECIALIST EQUIPMENT <ul style="list-style-type: none"> On track but tight. PROJECT BUILD / DESIGN MEETINGS <ul style="list-style-type: none"> Held weekly to troubleshoot / accelerate progress. LSC, Lloyd Group, Architect and consultants as required. 					Current Status	Previous Status		
Stakeholder Management	<ul style="list-style-type: none"> FUNDERS: Online meeting with MDEDF in Feb. Almost weekly contact with Create NSW. Both funders are alert to delays and supporting Council with contract variations to accommodate these. Create NSW also supporting Council with weekly meetings with the Lloyd Group to accelerate progress. COMMUNITY: Media release January providing update on Roxy. Also, recent NIDA-Connect promotions has included updates on the Roxy. NIDA-Connect launch held at Hydro and Cr Kidd provided the community with the project’s history / genesis, and Katherine Herrmann updated on build. About 90 people in attendance. 								
									

Risk Management	<ul style="list-style-type: none"> Project Director and Project Manager completed an up-to-date Risk Assessment. PCG meetings monthly to monitor project and consider risks (5 Dec 2022; nil in January, next one Feb 2023). Top Risks include: <ul style="list-style-type: none"> Financial – cost escalation due to prolongation, supply shortages, material price increases, latent defects, variations, and electrical price increase. Mitigation – Major projects are fixed price and Superintendent vets all payment claims thoroughly. Practical completion delay – Steel remains the critical element that will affect project completion date. Sub-contractor availability with regards to Electrical remains a challenge. Mitigation – facilitate introduction of local trades to Lloyd Group. Workforce – Inability to attract labour and trades remains a concern. Mitigation – facilitate introduction of local trades to Lloyd Group. Community perceptions about the quality of work, cost escalations and delays. Mitigation – increase media to fortnightly. Public tours of site to commence in February. Contingency is small – recommend that it increases to reflect inflation and challenges being faced by the building sector. Mitigation – submit revised budget to Council with 10% contingency 																
Budget for LLOYD BUILD specifically	<table border="1"> <thead> <tr> <th data-bbox="562 580 701 679">Project Budget</th> <th data-bbox="707 580 835 679">Actual Costs (To Date)</th> <th data-bbox="842 580 1048 679">Committed Costs (To Date) <small>(Contracts signed or close to signing)</small></th> <th data-bbox="1055 580 1229 679">Approved Variations (To Date)</th> <th data-bbox="1236 580 1576 679">Forecast Cost <small>(includes increase contingency from 5% to 15%)</small></th> </tr> </thead> <tbody> <tr> <td data-bbox="562 684 701 783">\$7,136,495</td> <td data-bbox="842 684 1048 783">\$2,742,362 (build only)</td> <td data-bbox="1055 684 1229 783">\$ 7,136,495</td> <td data-bbox="1236 684 1576 783">Negligible to date (\$6K)</td> <td data-bbox="1236 684 1576 783">\$7,136,495* <small>(*will require increase but waiting steel costs and probable variations)</small></td> </tr> </tbody> </table>	Project Budget	Actual Costs (To Date)	Committed Costs (To Date) <small>(Contracts signed or close to signing)</small>	Approved Variations (To Date)	Forecast Cost <small>(includes increase contingency from 5% to 15%)</small>	\$7,136,495	\$2,742,362 (build only)	\$ 7,136,495	Negligible to date (\$6K)	\$7,136,495* <small>(*will require increase but waiting steel costs and probable variations)</small>						
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\$7,136,495	\$2,742,362 (build only)	\$ 7,136,495	Negligible to date (\$6K)	\$7,136,495* <small>(*will require increase but waiting steel costs and probable variations)</small>													
Funding	<ul style="list-style-type: none"> Full project forecast to complete is \$11,437,148 (against budget of \$10,325,950). Funds are available of \$11,575,286. Council being asked to confirm revised project budget at the Feb 2023 Council meeting – note no additional Council funds required beyond previous reports/decisions. Grant funding of \$6,228,786 secured from Create NSW, MDBPEDF, SCCF Rd5 & Office of Responsible Gambling. This represents 54% of total project costs. Variations: 6 submitted (x1 approved, x1 rejected, 4 pending). Two more are anticipated. Forecast variations will be accommodated through contingency of 10%. 																
Procurement	<ul style="list-style-type: none"> Locked in: Build (\$7.136M includes \$100K penalty for Stage 2 contract delay); Architects / various consultants (\$1.247M); Power upgrade (\$146K); Seating (\$650K) Specialist Equipment (\$886K) in final stages of contract documentation. Maddocks has provided Council with legal advice in relation to major contracts for the Roxy project. 																
Total Project Status	Status	Comments															
		Time and budget constraints need to be closely managed to bring the project in on (the revised) time and within (the revised) budget.															
	Legend	On Track 	At Risk 	Major Concern 													

**ITEM 7.8 ADMINISTRATION OF THE SEPTEMBER 2024 LOCAL GOVERNMENT
ORDINARY ELECTION**

RECORD NUMBER	23/9
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Governance & Customer Service Coordinator
APPROVER/S	Director Corporate

SUMMARY/PURPOSE

Under section 296AA of the *Local Government Act 1993* ("the Act"), Council must resolve the administration of the local government elections.

Councils must decide on how the 2024 September ordinary elections are to be administered no later than 13 March 2023, by resolving either:

- to enter an election arrangement with the NSW Electoral Commission ("the NSWEC") to administer all the Council's elections, polls and constitutional referenda or,
- that the Council's elections are to be administered by another commercial electoral services provider engaged by Council.

RECOMMENDATION

THAT Leeton Shire Council enters an arrangement with the NSW Electoral Commission for the 2024 Local Government elections as follows:

1. Pursuant to s. 296(2) and (3) of the *Local Government Act 1993 (NSW)* ("the Act") that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of Council.
 2. Pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a Council poll arrangement, if required at the time of the Local Government Elections in September 2024, be entered into by contract for the Electoral Commissioner to administer all Council polls of Council.
 3. Pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement, if required at the time of the Local Government Elections in September 2024, be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of Council.
-

REPORT

(a) Background

Legislative amendments to the *Local Government Amendment (Elections) Act 2011* removed the mandate of the NSWEC to run local government elections, and instead return the responsibility to Councils (section 296 of the Act). Councils can now choose how their elections will be administered by either engaging the NSWEC to undertake this activity or conducting their own elections.

Under the Act, it requires Council to plan appropriately for the administration of its elections. Council must decide on how its September 2024 ordinary election is to be conducted and administered by 13 March 2023 as outlined in Circular 22-35, issued by the Office of Local Government on 11 November 2022 (**Attachment 1 and 2**).

(b) Discussion

During the local government elections held in 2021, 122 out of 128 councils within NSW chose to have the NSWEC administer their election. Four councils did not hold elections in December 2021 and two engaged a commercial electoral services provider to administer their elections.

In the past, Council has engaged the NSWEC for the administration of its elections. It is noted that, in the experience of Council officers, the 2021 Leeton Shire Council election was conducted smoothly by the NSWEC.

If the NSWEC is not used, the commercial electoral services provider is responsible for the administration of the election; however, the ultimate responsibility for the election result rests with Council rather than the NSWEC. There are onerous obligations contained in the Act and the Local Government (General) Regulation 2021. A failure to comply with any of the legislative requirements opens the potential for the validity of the election to be called into question.

(c) Options

Option 1 – Administration by the NSW Electoral Commission:

In undertaking the election, the NSWEC as the regulator as well as the provider gives a greater level of quality assurance in the conduct of the election to the community, candidates and Council. The estimated direct cost would be \$127,782 (excluding GST). ***This is the preferred option.***

Option 2 – Administration by a Commercial Electoral Service provider:

While other entities can provide electoral services, they usually propose a model that requires a significant resource investment from Council staff. Council staff will be relied on to carry out various electoral functions including manning polling booths, refunding candidate nomination deposits and providing election support for candidates.

It is considered that Council does not have sufficient resources to perform these functions in accordance with the legislative requirements.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Council's election costs for the December 2021 election, in the Financial Statements for June 2022, were \$101,000. Therefore, the quote (see **Attachment 3**) received from the NSWEC on 30 January 2023 of \$127,782 (excluding GST) is \$26,782 (26.5%) above the 2021 actual cost. The NSWEC refers to an annual CPI increase over the 3-year period of \$13,251 (13.12%) which means the increase is about 50% above CPI.

Council pro-ratas the election cost over the term of the Council, being the 2022/23 – 2024/25 financial years. Therefore, if Council approves the engagement of NSWEC, the cost allocated to 2022/23 and 2023/24 will be around \$59,000 with a further amount of \$10,000 for 2024/25. Please note the estimated cost provided by NSWEC is not a fixed cost and is subject to change.

Councillors have received the correspondence from NSWEC under separate cover that outlines the key cost increases. That correspondence also outlines that the quotation excludes any costs associated with a by-election/countback or other polls or referenda which may be required by Council and that NSWEC will only ever charge the actual cost to conduct the election. There is no margin, and the NSW Government bears the NSWEC head office related costs.

(b) Policy

Nil

(c) Legislative/Statutory

Local Government Act 1993 (NSW)
Local Government Amendment (Elections) Act 2011
Local Government (General) Regulation 2005

(d) Risk

When engaging in a commercial election provider, consideration must be given to the service delivery, image and reputational risks to Council.

CONSULTATION

(a) External

Local Government NSW
NSW Office of Local Government
NSW Electoral Commission
Governance Network of NSW Councils

(b) Internal

General Manager
Director Corporate
Manager Finance

[LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN \(DPOP\)](#)

Under the Key Priority Area CSP FOCUS AREA 5 - Strong leadership and civic participation within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM ACTIVITY 9.3 - Provide respected and effective representation, leadership and advocacy - OPERATIONAL PLAN ACTIVITY 9.3.4 - Maintain and strengthen Council's elected representation by attracting a strong and diverse pool of candidates for the 2025 local government elections

ATTACHMENTS

- 1** NSW Office of Local Government - Circular 22-35 - 2024 Local Government Elections
- 2** NSW Office of Local Government - Circular 22-35 - Factsheet
- 3** 2024 Local Government Election - Council Estimate - Leeton Shire Council - NSW Electoral Commission



Circular Details	Circular No 22-35/ Date 11 November 2022/ A839620
Previous Circular	18-43 – <i>Council decisions on the administration of the September 2020 elections</i>
Who should read this	Councillors / General Managers / Council governance staff
Contact	Council Governance Team / 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Council to Implement

Councils' decisions on the administration of their September 2024 ordinary elections

What's new or changing

- Under section 296AA of the *Local Government Act 1993* (the Act), councils are required to make a decision on how their ordinary elections in September 2024 are to be administered by **13 March 2023**.
- Each council must resolve **either**:
 - to enter into an election arrangement with the NSW Electoral Commissioner (NSWEC) to administer all the council's elections, polls and constitutional referenda **or**
 - that the council's elections are to be administered by another electoral services provider engaged by the council.
- If a council does not resolve to engage the NSWEC to administer its elections by **13 March 2023**, it must engage another electoral services provider to do so.

What this will mean for your council

- Councils are required to make a decision under section 296AA by 13 March 2023 on the administration of their next ordinary election. Information to assist councils in making that decision is provided in the attached FAQ.
- If a council is proposing to engage the NSWEC to administer its elections, it should resolve to do so as soon as possible and notify the NSWEC.

Key points

- Where councils resolve to engage the NSWEC to administer their elections, polls and referenda, a model resolution is suggested in the attached FAQ.
- If a council resolves to adopt an electoral services provider other than the NSWEC, the resolution must state whether the general manager has identified an electoral services provider to be engaged for the next ordinary election and, if so, the name of that provider.

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Where to go for further information

- Further information to assist councils' decisions on the administration of their September 2024 ordinary elections is contained in the FAQ attached to this circular.
- Contact the Office of Local Government's Council Governance Team by telephone on 02 4428 4100 or by email at olg@olg.nsw.gov.au.
- Contact Steve Robb at the NSW Electoral Commission by telephone on 1300 135 736.

Melanie Hawyes
Deputy Secretary, Crown Lands and Local Government

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FREQUENTLY ASKED QUESTIONS

Part 1 Decision making on the administration of elections

What decisions must councils make on the administration of their elections?

Under section 296AA of the *Local Government Act 1993* (the Act), each council must resolve by **13 March 2023** either:

- to engage the NSW Electoral Commissioner (NSWEC) to administer the council's elections, polls and referenda, or
- that the council's elections are to be administered by another electoral services provider.

What happens if a council fails to make a decision on the administration of its elections by 13 March 2023?

If a council fails to make a decision on the administration of its elections, polls and referenda by 13 March 2023, it will not be able to engage the NSWEC to administer its ordinary election and it will be required to make its own arrangements with another electoral services provider for the administration of its elections.

A council that fails to make a decision on the administration of its elections by 13 March 2023 will also be required to publish a notice of that failure on the council's website.

Part 2 Election arrangements with the NSWEC

What election arrangements can councils enter into with the NSWEC?

The election arrangement is a standardised contract for all councils. The service schedule and costs schedule of the standardised contract will vary between councils and are made by the NSWEC in consultation with each council.

Where a council resolves to engage the NSWEC to administer its elections, polls and referenda, the election arrangement with the NSWEC will apply to the 2024 ordinary election and every election, poll and referendum including any by-election or countback election until the contract is automatically terminated 18 months before the following ordinary election of councillors.

Where a council resolves to engage the NSWEC to administer its elections, polls and referenda, it should use the model resolutions provided below.

If a council wishes to engage the NSWEC to administer its elections, polls and referenda what form should its resolution take?

Councils wishing to make a resolution that an election arrangement be entered into for the NSWEC to administer all elections, polls and referenda under section 296(3) of the Act should use the following model resolution:

The [insert full description of council] ("the Council") resolves:

1. *pursuant to s. 296(2) and (3) of the Local Government Act 1993 (NSW) ("the Act") that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of the Council.*

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2. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council.
3. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council.

When must the election arrangements with the NSWEC be finalised?

Where councils have resolved to enter into an election arrangement with the NSWEC, the contract with the NSWEC must be finalised no later than 15 months before the next ordinary elections (ie **13 June 2023**).

Can election arrangements with the NSWEC be terminated?

Yes, but only after the council's ordinary election. An election arrangement for the NSWEC to administer all elections, polls and referenda of a council can be terminated by the council or the NSWEC at any time after the ordinary election by giving written notice of termination and in accordance with any notification requirements set out in the contract.

If the election arrangement is not terminated by either party, the arrangement is automatically terminated 18 months before the following ordinary election when the council will be required to determine who will conduct its next ordinary election.

If a council does not engage the NSWEC to administer its ordinary election, can it engage the NSWEC to administer a particular by-election, poll or referendum after the ordinary election?

Yes. Where a council does not enter into an election arrangement with the NSWEC to administer its ordinary election, the council may resolve to enter into an election arrangement with the NSWEC to administer a particular by-election, poll or referendum following the ordinary election.

If councils resolve to engage the NSWEC to administer a particular by-election, poll or referendum after the ordinary election, they should use the model resolutions provided below.

If a council wishes to engage the NSWEC to administer a particular by-election or countback election, what form should its resolution take?

Councils wishing to engage the NSWEC to administer a particular by-election or countback election after the ordinary election should use the following model resolution:

The [insert full description of council] ("the Council") resolves pursuant to ss. 296(2) and (4) of the Local Government Act 1993 (NSW) that:

1. *an election arrangement is to be entered into for the Electoral Commissioner to administer [insert description of the particular election but do not do so by date in case the election date is changed or postponed]; and*
2. *such election arrangement is to be entered into by contract between the Electoral Commissioner and the Council.*

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Note: Please refer below for additional information concerning limitations with respect to countback elections.

If a council wishes to engage the NSWEC to administer a particular poll, what form should its resolution take?

Councils wishing to engage the NSWEC to administer a particular poll after the ordinary election should use the following model resolution:

The [insert full description of council] (“the Council”) resolves pursuant to ss. 296(2) and (4) of the Local Government Act 1993 (NSW), as applied and modified by s.18, that:

- 1. a council poll arrangement be entered into for the Electoral Commissioner to administer [insert description of the council poll but do not do so by date in case the poll date is changed or postponed]; and*
- 2. such council poll arrangement be entered into by contract between the Electoral Commissioner and the Council.*

If a council wishes to engage the NSWEC to administer a particular referendum, what form should its resolution take?

Councils wishing to engage the NSWEC to administer a particular referendum after the ordinary election should use the following model resolution:

The [insert full description of council] (“the Council”) resolves pursuant to ss. 296(2) and (4) of the Local Government Act 1993 (NSW), as applied and modified by s.18, that:

- 1. a constitutional referendum arrangement be entered into for the Electoral Commissioner to administer [insert description of the constitutional referendum but do not do so by date in case the referendum date is changed or postponed]; and*
- 2. such constitutional referendum arrangement be entered into by contract between the Electoral Commissioner and the Council.*

If a council does not engage the NSWEC to administer its ordinary election, can it engage the NSWEC to administer a countback election following the ordinary election?

No. Under section 291A(b) of the Act, if the council's ordinary election was administered by an electoral services provider other than the NSWEC, a countback election to fill a casual vacancy must be conducted by a returning officer appointed by that electoral services provider.

Part 3 Election arrangements with other electoral services providers

What information must be included in a resolution to engage an electoral services provider other than the NSWEC?

Under section 296AA, where a council resolves that its elections are to be administered by an electoral services provider other than the NSWEC, the resolution must also state whether the general manager has identified an electoral services provider to be engaged for the next ordinary election and, if so, the name of that provider.

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As soon as practicable after the resolution is made, the general manager must publish a copy of the resolution on the council's website.

What should councils consider before making a decision to engage an electoral services provider other than the NSWEC?

In considering the use of other electoral services providers, it is important to clarify that they can deliver the elections for the council.

Councils need to be satisfied that if the provider claims to be able to obtain all the electoral material, or hire the necessary venues, or arrange the printing of the ballot papers, or conduct the count, that they can demonstrate their successful completion of these tasks in similar circumstances.

A key consideration will be whether the provider is able to administer the complex counts required under the weighted inclusive Gregory method of preference allocation prescribed under the *Local Government (General) Regulation 2021* (the Regulation) for council elections using the proportional system.

It is also a requirement that the method proposed to be used by the provider to conduct the count of the ballot papers (whether through the use of data entry or scanning equipment) can comply with the formality, scrutiny and record keeping provisions contained in the Act and Regulation.

If councils decide to use a commercial electoral services provider, is it necessary to go to tender?

Section 55 of the Act exempts councils from tendering when entering into a contract or arrangement for the NSWEC to administer the council's elections, referendums and polls. This exemption does not apply to contracts or arrangements with any other service provider.

As the amount involved in conducting council elections can be significant it is important to ensure that any commercial organisation is providing value for money. It is also important to ensure that as public funds are being expended, principles of openness, transparency and accountability are not compromised.

Unless the cost of administering the elections is under \$250,000 or any of the other exemptions provided for in section 55 apply, councils will be required to go to tender or to conduct a selective tender when engaging a commercial electoral services provider.

What should councils consider when entering into a contract with a commercial electoral services provider?

In negotiating arrangements for the administration of their elections with commercial electoral services providers, councils need to ensure that:

- there will be an appropriate number of pre-poll and polling places
- there will be adequate staffing levels
- the provider uses counting software that can undertake counts using the weighted inclusive Gregory method
- the potential need for the provider to administer countback elections in the 18 months following the ordinary election.

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What is the appropriate number of polling places?

The appropriate number of polling places for any one council will depend on its individual characteristics and factors such as the number of electors, the geographic area it covers, available transport options and suitable venues.

While the cost of hiring venues will be a consideration, councils should also consider the following when negotiating the number and type of venues to be used with the electoral service provider:

- How many voters are there in total in the area, and how many voters can each particular venue comfortably handle?
- What venues have been used in the past by either the Australian Electoral Commission for federal elections or the NSWEC for either state or local government elections? What was the previous attendance pattern at these venues?
- Is the venue conveniently located, particularly in light of transport options?
- Is it suitable for the purpose of conducting an election? For example, is there sufficient space for the various tables, voting screens, ballot boxes, throughput of voters? Is there appropriate furniture for electoral officials? For example, if small tables and chairs are used in a primary school these are not appropriate for adults involved in election-related activities.
- Is it easily accessible for all voters and in particular those with a disability, mobility issues, the elderly or frail, parents with prams?
- Are there venues located close to ward boundaries that can issue ballot papers for both the ward in which they are located as well as votes for adjoining ward/s? Or in the case of an undivided council, venues located close to the boundary of another council or councils?
- Is appropriate public liability insurance in place?

It is likely that the more electors a council has, the more polling places it will need.

What are the appropriate staffing levels for a council election?

Determining the appropriate number of staff required for any particular council area depends on the estimated number of votes likely to be cast and the volume for each particular voting option (pre-poll, declared institution, postal and election day) as this will have an impact on the categories of staff recruited. For example, if it is anticipated that there will be a high demand for pre-poll voting it may be necessary to have more office assistants available in the returning officer's office than in an area where it is likely that more votes will be taken on election day at polling places.

Under the legislation, all polling places must have a minimum of two staff, one of whom is the polling place manager.

The NSWEC's polling place staffing formula is based on 450 votes per issuing table (at one election official per table) and the overall projected number of votes for the polling place determines the number of issuing tables. The number of issuing tables determines whether a particular polling place requires a deputy polling place manager, a ballot box guard and/or an enquiry officer.

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Is it possible to conduct the count and distribution of preferences manually?

No. The weighted inclusive Gregory method used for allocating preferences at elections using the proportional system, uses a fractional transfer system. All ballot papers of the elected candidate are used to distribute the surplus (instead of a sample). The ballot papers are distributed at a reduced rate with each transfer of votes by applying a transfer value, making manual counts impossible.

Councils should ensure that any commercial electoral services provider they engage to conduct their elections is able to undertake a count utilising counting software that allocates preferences using the weighted inclusive Gregory method.

What arrangements should be made for countback elections?

Councils have the option of filling vacancies that occur in the 18 months following the September 2024 council elections using a countback of the votes cast at the ordinary election instead of a by-election. Countback elections are not available for elections using the optional preferential voting system (including elections for popularly elected mayors).

In order to fill vacancies using a countback election, councils must resolve at their first meeting following the ordinary election that any casual vacancy is to be filled by a countback election.

If councils are proposing to fill vacancies using a countback election, they should factor this into their contractual arrangements with commercial electoral services providers. Among other things, the contractual arrangements should ensure the following:

- the retention of all electoral material, information and data for the 18 month period following the ordinary election during which countback elections may be used
- the safe storage and security of electoral material, information and data (including from cyber-attack)
- the council has ongoing access to the electoral material, information and data from the ordinary election.

What other considerations should councils factor into their contractual arrangements with commercial electoral services providers?

Councils should ensure:

- that the commercial electoral services provider has a formal policy that ensures that scrutineers are given as much opportunity as possible to be involved in the counting process by allowing the examination and comparison of ballot papers, the data entry of votes recorded on ballot papers (whether by manual data entry or digital scanning) and electronic or data entry records
- that the commercial electoral services provider has an audit system in place for checking ballot papers against the information entered into the electronic counting system used by the provider and that scrutineers are permitted to observe the audit process and its results
- that the commercial electoral services provider will make full preference data available for publication

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- that the source code of counting software used by the commercial electoral services provider has been independently audited by an accredited source code auditor.

What services will the NSWEC provide to councils that engage an electoral services provider to administer their elections?

The NSWEC provides enrolment services to electoral services providers such as the provision of authorised rolls, candidates' rolls, an online look-up facility for non-residential electors, a list of general postal voters and enrolment declaration envelopes. These products and services will be provided at cost to the relevant councils.

What information are councils required to provide to the NSWEC where they engage another electoral services provider to administer their elections?

Councils that have engaged a provider other than the NSWEC to administer their elections are required to provide certain information to the NSWEC to support it in the exercise of its statutory functions in connection with the administration of candidate registration and other electoral funding and disclosure requirements and the enforcement of the failure to vote provisions of the Act and Regulation.

How should election costs be managed?

General managers should prepare a budget for all facets of council elections, and record and monitor expenditure to ensure a shortfall does not occur. Activity based costing will need to be applied to ensure that all costs and expenses are identified.

Areas to be covered include:

- wages of all electoral officials and any council staff engaged in election-related work
- recruitment and training
- advertising including the placement of statutory advertisements
- candidate and elector information
- hire of venues, furniture and equipment
- production of all election-related material, including forms, envelopes and cardboard material
- printing of ballot papers including in Braille, if requested
- transportation of election-related materials
- IT software and hardware
- administration expenses such as telephone, postage, courier services, photocopiers and printers
- insurance

A number of key variables will not be known until the close of nominations, namely whether an election will be uncontested, whether there will need to be a by-election due to insufficient nominations, whether candidates will form groups and request group voting squares, and whether as a result, ballot papers will need to be printed to allow 'above the line' and 'below the line' voting.

These factors will have an impact on costs. However given the lead time required to ensure voting can go ahead at the prescribed times, provision for all likely costs has to be made.

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What are the reporting requirements on election costs?

Within six months of the election, the general manager must prepare a report for the Minister for Local Government on the conduct of each election. Full and transparent costings for each election must be disclosed in this report.

The following list is not exhaustive but contains a number of items that should be reported on:

- time spent on the election by the general manager as a proportion of the general manager's remuneration,
- time spent on the election by council staff as a proportion of council staff remuneration,
- the remuneration of council staff employed specifically for the purpose of the election,
- the remuneration, recruitment and training costs of election officials,
- the cost of running any candidate information seminars,
- the cost of hiring venues and equipment for the election, including council venues and equipment and any associated costs,
- the cost of any technological support, including the development of any counting software,
- the cost of preparing the written report on the election required under the Regulation,
- any electoral services provided to electors,
- any electoral services provided to candidates,
- operational details of the election,
- an overall evaluation of the conduct of the election, including feedback from stakeholders,
- the number of electors entitled to vote at the election and the number of electors who voted, specifying the number of electors who voted personally or by post,
- the cost to the council of engaging the electoral services provider to administer the election.

What is meant by 'full and transparent costings'?

It needs to be acknowledged that although council staff may be used to undertake administrative tasks related to the conduct of elections, this comes at a cost. Notably any time spent on election-related work is time not spent on other council duties. Similarly use of council office space or office equipment or resources for election-related work is at the expense of other day to day council activities.

The identification of activity-based costs and expenses allows a comparison with the fees charged by the NSWEC, to see whether one option is better value than the other for ratepayers.

Even in the case of an uncontested election or where there are insufficient nominations to enable the election to proceed on election day, there will be costs associated with having reached that stage, which also need to be reported.

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2024 Local Government Election - Cost Estimate
as at 30th January 2023
Leeton Shire Council

Projects / Deliverables	Amount
<i>Ballot Papers</i>	1,544
<i>Call Centre</i>	2,636
<i>Counting and Results - Centralised</i>	-
<i>Counting and Results - Declaration Voting</i>	859
<i>Event Staffing</i>	88,471
<i>Information Technology</i>	2,753
<i>Logistics</i>	5,766
<i>Postal Voting Services</i>	1,664
<i>Venues</i>	18,346
<i>Voter Awareness</i>	4,868
<i>Financial Services</i>	876
<i>Constitutional Referendum</i>	-
<i>Council Poll</i>	-
TOTAL (excluding GST)	127,782
GST	12,778
TOTAL (including GST)	140,560

Note

This estimate is based on the Council election being fully contested

Shared resources will be utilised where practical

ITEM 7.9 PROPOSED ROAD CLOSURE UNDER THE ROADS ACT 1993 - MURRAY ROAD BETWEEN COLEMAN ROAD EAST AND APOSTLE YARD ROAD MURRAMI

RECORD NUMBER	23/1
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Director Corporate
APPROVER/S	General Manager

SUMMARY/PURPOSE

The purpose of the report is to request Council to authorise the closure of a section of a Council public road being Murray Road between Coleman Road east and Apostle Yard Road, Murrami.

RECOMMENDATION

THAT Council:

1. Supports the closure of a Council public road being Murray Road, between Coleman Road east and Apostle Yard Road, Murrami.
 2. Advertises in the Irrigator for 28 days the proposal to close Murray Road, between Coleman Road east and Apostle Yard Road, Murrami.
 3. Notifies all adjoining owners and notifiable authorities of the proposal to close Murray Road, between Coleman Road east and Apostle Yard Road, Murrami.
 4. Invites any interested parties to make public submissions concerning the proposal, within the 28-day submission period.
-

REPORT

(a) Background

The owner of the adjoining property, Wingbadge Pty Ltd has requested that Council take steps to transfer the section of road to Wingbadge to enable Wingbadge to amalgamate the northern and southern blocks of its property. This opportunity has arisen as a result of Murrumbidgee Irrigation outlet and channel rationalisation.

(b) Discussion

Murray Road is an unsealed road situated between privately owned land Lots 148-153, Lots 163-166, Lot 283 Deposited Plan 751698 and Lot 2 Deposited Plan 802245 (**Attachment 1**).

Council recognises that road closures are important where the benefit of incorporating the road within adjoining land is considered to outweigh the benefit of the public to access the road and public authorities to place and operate infrastructure within the road.

In this case Wingbadge is the owner of all land lots connected to this section of Murray Road and the only users of the road. They have identified ownership of the Murray Road as beneficial to their development and business growth. Murrumbidgee Irrigation have confirmed in writing that they no longer require access to Murray Road.

The Manager of Roads and Drainage is in support of the road closure and subsequent sale on the basis that the road is not a highly trafficked or priority route and the sale will likely reduce Council maintenance costs, provide additional roads income and increase rateable land ownership.

Council staff have consulted with Department of Planning and Environment - Crown Lands who have confirmed that the road vests in Council.

When a road is closed, all statutory rights of passage and access over the road are extinguished and the land vests in Council as operational land and can be sold at market value. Wingbadge will be responsible for all costs associated with the road closure.

As the closure of public roads is a complicated and lengthy process, Council must meet the legislative requirements set out in section 38A and section 38B of the *Roads Act 1993*, by following the steps outlined below: -

1) Notification of Road Closure

- If Council approves the closure, Council will notify adjoining landholders that may be affected by the closure and, publish a notice for 28 days to allow adjoining residents to respond.
- Council must also notify all public authorities to access the proposal which will take a minimum of 60 days.

2) Preparation and Registration of a Plan of Subdivision

- Council will engage a surveyor to prepare a road closure plan of subdivision.
- Councils' solicitors to draft a section 88B instrument to set up the easements required.
- Then the plan of subdivision for the closure will be lodged by Council's Surveyor in conjunction with Council's solicitor. The registration of the plan will create a distinctive certificate of title for the former road.

3) Issue of Title, Valuation and Sale of Land

- Once the Gazette is published, Council must wait a period of 60 days for the Land and Environment appeals process to complete.
- Subject to no appeals being lodged, Council will then be able to apply for a Certificate of Title and then undertake the sale of the closed road.
- Council will obtain a valuation for the land and instruct its solicitors to prepare a Contract for the Sale of the land at market value.

(c) Options

Council can decide to: -

1. Support the closure of Murray Road. ***This is the preferred option.***
2. Not support the closure of Murray Road and request management to advise Wingbadge accordingly.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Nil – Wingbadge will be responsible for all costs associated with the road closure.

At the end of the process, if the closure proceeds, the benefitting party will be required to pay Council for the land at market value.

(b) Policy

Nil

(c) Legislative/Statutory

Roads Act 1993

(d) Risk

Wingbadge is the only adjoining owner and being a rural road, it is regarded as unlikely that a notifiable authority would object to the closure. However, any objection will be brought back to Council for consideration prior to proceeding with the closure.

CONSULTATION

(a) External

Department of Planning and Environment – Crown Lands
Murrumbidgee Irrigation Limited.

(b) Internal

Property Coordinator and Native Title Manager
Director Operations
Manager Roads and Drainage

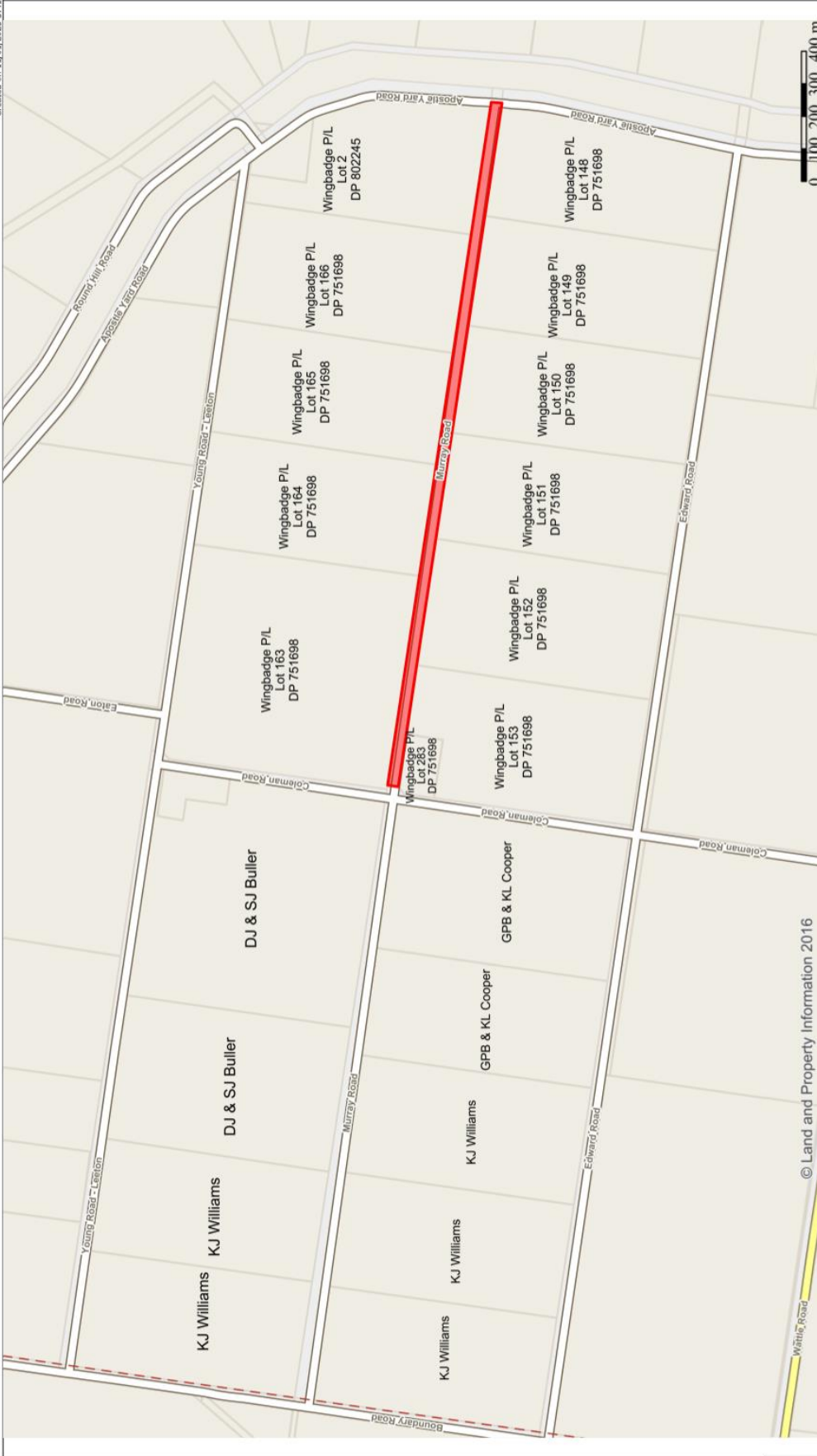
LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)


Under the Key Priority Area CSP FOCUS AREA 3 - A thriving regional economy within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 4 - Economic Development - DELIVERY PROGRAM ACTIVITY 4.1 - Implement local and regional economic development strategies - OPERATIONAL

PLAN ACTIVITY 4.1.1 - Implement Leeton Shire Council Economic Development Strategy

ATTACHMENTS

- 1 MURRAY ROAD CLOSURE - MAP





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Projection: GDA04 / MGA zone 55
Date: 11/01/2023
Created By: Sharron Dahn

**ITEM 7.10 MINUTES OF THE WHITTON TOWN IMPROVEMENT COMMITTEE MEETING -
5 DECEMBER 2022**

RECORD NUMBER	23/15
RELATED FILE NUMBER	EF21/446/02
AUTHOR/S	Manager Business Services
APPROVER/S	Director Corporate

SUMMARY/PURPOSE

The purpose of this report is to provide Council with the minutes of the Whitton Town Improvement Committee meeting that was held on Monday 5 December 2022.

The minutes are prepared by volunteers who sit on the committee and are supplied to Council as presented.

RECOMMENDATION

THAT Council receives for information the minutes of the Whitton Town Improvement Committee meeting held on Monday 5 December 2022.

REPORT

(a) Background

The purpose of the Whitton Town Improvement Committee is to be a forum for engagement between the community of Whitton and Leeton Shire Council. To facilitate this purpose, the committee holds meetings on a quarterly basis to discuss priorities for the Whitton community.

(b) Discussion

Whitton Town Improvement Committee's last meeting was on Monday 5 December 2022. Two key discussion points/updates from the meeting included:

- 1) Proposed Motorhome/Caravan Parking and Dump Station** – Committee members Lorraine Kefford and Tracy Catlin presented 2 ideas:
 - a)** First idea being next to the water tower artwork in Whitton. There is a gravel area to the left of the tower that could be turned into an RV dump point site. The dump unit could be put at the back of the area and a tap installed next to it. A second tap for drinking water could then be installed next to the water tower fence, close by but away from the potty dump. The existing culvert could be widened, and a second culvert be installed to allow caravans to drive through the area to get off the road.
 - b)** Second idea is to have a dump point as part of an overnight motorhome/ caravan stop behind the Whitton Rural Fire Brigade Shed. This could be the
-

easiest way to do both the van park and an RV dump point. The area needs to be more open for caravans to enter and exit in a "U" shape.

By removing the existing old fence around the unused section of the tennis courts, removing the existing boundary fence and gate as they do nothing and remove an oleander tree close to the fence line, all this would open the area. The water meter situated on the fence line would need to be moved or made more secure. The existing culvert behind the fire shed appears to be wide enough for entry. The small culvert in line with the tennis court may need to be widened to allow easy exit back on to Melbergen Street.

Action: *Whitton Town Improvement Committee members, Cr. Smith, Mayor Cr. Reneker and Council's Manager Business Services to look at what is the most suitable option of the 2 ideas and develop detailed design concepts and costings in consultation with Council's Engineering Team to allow the committee to look at suitable grant funding opportunities to progress the project.*

- 2) New digital sign for Whitton being funded by Whitton-Murrumbidgee Public School/NSW Department of Education** – Whitton-Murrumbidgee Public School Principal Deb Morden advised that the development application has been submitted to the NSW Department of Education, as they have acknowledged that the sign is a departmental asset. The school has secured the funds from the school budget so funding for the project has been finalised. Delivery of the installation of the sign will be at a date to be confirmed in 2023.

A full copy of the minutes can be viewed in **Attachment 1**.

c) Options

Nil – this report is for information purposes only.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Council does not currently have any voted funds in the 2022/23 budget for the projects listed in this report and nil is being requested at this stage.

(b) Policy

Whitton Town Improvement Committee - Terms of Reference

(c) Legislative/Statutory

The Whitton Town Improvement Committee is an Advisory Committee of Council.

(d) Risk

Financial (ensuring community knows identified projects are subject to budget bids).

Representative (ensuring voice of community is heard, not just Committee).

Steps to keep general Whitton Community informed about Committee/plans/progress include:

- Project updates by the committee executive members Tracy Catlin and Lorraine Kefford on the Whitton Community News Facebook page as this project starts to progress through concept and costings stages.
- Have Your Say Leeton community engagement website will be utilised to gain wider community feedback once the proposed motorhome/caravan parking and dump station ideas have been further investigated and the project scope determined by the Whitton Town Improvement Committee.

CONSULTATION

(a) External

Committee members

(b) Internal

Manager Roads and Drainage
Manager Water and Wastewater
Water and Wastewater Engineer

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM
ACTIVITY 9.3 - Provide respected and effective representation, leadership and advocacy - OPERATIONAL PLAN ACTIVITY 9.3.5 - Support and report on Council's Section 355, Advisory and Action Committees".

ATTACHMENTS

- 1 WHITTON TOWN IMPROVEMENT COMMITTEE MEETING MINUTES - MONDAY 5 DECEMBER 2022

WHITTON TOWN IMPROVEMENT COMMITTEE

Minutes of Meeting held at Whitton Hall on 5/12/2022

Agenda

- 1) Apologies
- 2a) Minutes of the previous meeting
- 2b) Business arising from those minutes
- 3) Correspondence inward & outward
- 4) Council Update(s)
- 5) Deb- Update on digital sign.
- 6) General Business
- 7) Date of Next Meeting

Meeting Commenced at 6.05pm

Present: Tracy Catlin, Ron DeMamiel, Lorraine Kefford, Tony Reneker, Paul Smith.

Apologies: Lexi Hone, Craig Kefford, Deb Morden, Margaret Strong, Brent Lawrence.

Confirmation of Minutes of meeting held 19/09/2022 by Tracy & Ron

Correspondence:

General Business/Matters Arising

- Lorraine presented drawn maps of the location and set up of the proposed RV parking.
(Brent advised by email that a dump point costs around \$15k)

The first idea is next to the water tower. There is a gravel area to the left of the tower that could be turned into a potty dump site. The dump unit could be put at the back of the area and a tap installed next to it. A second tap for drinking water could then be installed next to the water tower fence. Close by, but away from the potty dump. The existing culvert could be widened, and a second culvert be installed to allow caravans to drive through the area to get off the road. My rough drawing has the current layout in pencil and our ideas in red.

The second idea is to have a potty dump as a part of the idea of an overnight van park behind the fire shed. This could be the easiest way to do both the van park and a potty dump. The area needs to be more open for caravans to enter and exit in a u shape. By removing the existing old fence around the unused section of the tennis courts, remove the existing boundary fence and gate as they do nothing and remove an oleander tree close to the fence line, all this would open up the area. The water meter situated on the fence line would need to be moved or made more secure. The existing culvert behind the fire shed appears to be wide enough for entry. Though the small culvert in line with the tennis court may need to be widened to allow easy exit back on to Melbergen

Street. The potty dump and tap could be located near the old water tank and a drinking water tap.
(Attach Maps and photos)

- Active Transport Plan - Deb (a meeting apology) wanted to know about community input as this was something we had discussed previously.
- Deb also submitted an update regarding the digital sign.
- An update on the digital sign. The DA (development application) is now in the hands of the Department as they have acknowledged that the sign is a departmental asset. School Assets have secured the funds from the school budget so funding for the project has been finalised. Expecting nothing to happen until 2023
- Prolop are still to look at the tree the community hopes to use as a Christmas feature. Lorraine and Tracy will organise the to get from storage the community made street decorations and place them along the park fence.
- Discussion was held around the Special Rate Variation consultation process and Councillors vote after that process. There will be no application to IPART for a SRV.
- Discussion was also had over the new Yanco Town Improvement Committee and their activities especially their very successful Twilight Markets. Well done to all involved.

•
Meeting Closed: Meeting Dates have been set as the 3rd Monday of the month quarterly.

September 19th, December 19th, March 20th, December 19th.

Next Meeting: March 20th, 6pm at Whitton Community Hall.

ITEM 7.11 MINUTES OF THE WHITTON COURTHOUSE AND HISTORICAL MUSEUM COMMITTEE - SEPTEMBER TO DECEMBER 2022

RECORD NUMBER	23/28
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Museum, Gallery & Heritage Officer
APPROVER/S	Executive Manager People & Culture

SUMMARY/PURPOSE

The purpose of this report is to provide Council with the minutes of the Whitton Courthouse and Historical Museum Committee meetings held on Thursday 25 August 2022 and Thursday 27 October 2022. In addition, within this report are included the minutes of the Annual General Meeting that was held on Thursday 27 October 2022.

RECOMMENDATION

THAT Council notes for information the minutes from the Whitton Courthouse and Historical Museum Committee meetings and Annual General Meeting held in 2022.

REPORT

(a) Background

The purpose of the Whitton Courthouse and Historical Museum Committee is to oversee the day-to-day operations of the Whitton Courthouse and Historical Museum:

- to develop the strategic direction of the Whitton Courthouse and Historical Museum,
- to overview the strategic direction of the Whitton Court House and Historical Museum and provide reports and recommendations to the Council as considered appropriate,
- to promote optimum usage of the Whitton Courthouse and Historical Museum,
- to care for and maintain the Whitton Courthouse and Historical Museum through responsible day-to-day management, and
- to ensure the safety of the patrons of the Whitton Courthouse and Historical Museum.

(b) Discussion

The following key items have been discussed over the past 3 committee meetings:

- Completion of works and works ordered, details as follows:
 - At the August meeting, the completed works (except the jail cells) were reviewed by Council's Manager WHS, QA & Risk and the Whitton Courthouse and Historical Museum was approved to open.
-

- Two group visits were held at the WCHM in late 2022 being a Grandparents Day and a Vintage Car Rally in which 145 people were in attendance.
- General garden and lawn maintenance of WCHM is incorporated as part of Council's Parks and Garden schedule.
- Incorporation of a new Historical Society.
- Currently the WCHM only has 3 volunteer committee members which impacts the hours the WCHM can open to the public.

(c) Options

Nil – this report is for information purposes only.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

The Whitton Courthouse and Historical Museum Committee is a Section 355 Committee which manages its own finances. Any identified minor maintenance issues are met through Council's annual maintenance program.

(b) Policy

Whitton Courthouse and Historical Museum Committee - Terms of Reference
Leeton Shire Council Code of Conduct Policy
Leeton Shire Council Work Health & Safety Policy

(c) Legislative/Statutory

Local Government Act 1993, section 355(b)

(d) Risk

The legislative non-compliance of a Section 355 Committee could have legal, reputational, political and financial impacts to Council.

CONSULTATION

(a) External

Committee members

(b) Internal

Museum, Gallery & Heritage Officer
Executive Manager People & Culture
Building Maintenance Officer

[LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN](#)

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM
ACTIVITY 9.3 - Provide respected and effective representation, leadership and
advocacy - OPERATIONAL PLAN ACTIVITY 9.3.5 - Support and report on Council's
Section 355, Advisory and Action Committees".

ATTACHMENTS

- 1 Minutes - Whitton Museum 355 Committee - 25 August 2022
- 2 Minutes - Whitton Museum 355 Committee - 27 October 2022
- 3 AGM Minutes - Whitton Museum 355 Committee - 27 October 2022

Whitton Courthouse Museum 355 Committee Meeting



LEETON
SHIRE COUNCIL

Actions		
Action by	Current actions from meeting 25/8/22	Status
LMAG Staff	Margaret & Tracy to walk around with new LSC maintenance staff members and LMAG to highlight items and develop a comprehensive list of concerns that need to be raised as a CRM for maintenance.	
Tracey & Margaret	Tracey to discover when the school wants to do grandparent's day event and Margaret to discover when the car rally is scheduled. These will be communicated to LMAG to organise Parks and Recreation staff to mow the site.	
Andrew	Andrew to discuss with Josh Kline to see if Parks and Recreation staff can mow the site leading up to above events.	
LMAG Staff along with EG	LMAG to develop discussion document in concert with Emily Goodall (LSC) and provide to Whitton committee for review and if necessary, follow-up questions.	
Whitton Committee	Whitton Committee to use the finalised document as a platform for recruiting more volunteers	
LMAG Staff	AGM Invitation to go out for Thursday, 22 September, at 5:30pm.	Completed

Date: Thursday 25/8/2022

Venue: Whitton Museum, 5:30pm – 7:05pm

Meeting Objective: Works, Incorporation, AGM dates

1 **Meeting Open**

- Chairperson opens meeting. Welcomes those attending:
 - LSC) Andrew Reilly (chair), Sues Vos, Karen Barrett, Michael Kidd (Teams), (Whitton Museum): Margaret Strong, Tracy Catlin
- Apologies: Barb Smith

2. **Works Completed – safe to open**

- Works are completed.
 - Courthouse flooring (at entry) completed - Andy Valenta has signed off on the works
 - Jail cells
 - Paint peeling and tested positive for lead. Access needs to be restricted.
 - Either doors are closed, or bollards are placed in front of the doors to allow a viewpoint into the cells.
- Butcher's shop entrance door has been trimmed down to reduce catching.
- Repairs to the Station master's residence have been completed.
- Margaret raised concerns around the site that she felt required review.
 - Handrail
 - Back wall
 - Entrance steps
 - Butcher shop door's broken hinge
- Further discussion identified that the concerns might be categorised as minor repairs. These were not the focus of the WHS review, which aimed to identify safety repairs required before the public could access the site.

ACTION: Margaret & Tracy to walk around with the new LSC maintenance staff member and LMAG to highlight items and develop a comprehensive list of concerns that need to be raised as a CRM for maintenance.

3. **Works Ordered – Chemical underpinning**

- Works have been ordered.
 - During the audit, various cracks were identified as dangerous and impacting the overall structural integrity of the building in the medium to longer term.
 - Chemical underpinning of the building will stop any further movement and has been approved for completion in the not-too-distant future.
 - Pending budget constraints, cosmetic repairs can be identified and quoted upon, pending how much money remains of the initial \$60,000

4. Incorporation of a new Historical Society

- Before she can entertain the idea of incorporation, Margaret identified reservations about the idea.
 - For example, the idea that the committee becomes the custodians of the collection. What does that mean legally? What implications does that have?
 - In discussing further, it was identified that the decision-making process on behalf of collection items is less the issue, rather the level of responsibility needed to say deaccession a large collection item (e.g. railway carriages).
 - Sues identified that even as a Historical Society, the committee will never be expected to go it alone. There will always be a museum person to support the next steps etc.
- Andrew supported Sues' comment noting that Council tries to ensure that groups are set up for success. He highlighted the need for a discussion document that illustrates the advantages and disadvantages.

ACTION: LMAG to develop a discussion document in concert with Emily Goodall (LSC) outlining the advantages of incorporation or historical society as opposed to the 355-operating model (covering categories like insurance, volunteering, banking, income etc). Provide to the Whitton committee for review and, if necessary, follow-up questions.

ACTION: Committee to use the finalised document as a platform for recruiting more volunteers

5. General Business

- Given the discussion about assessing the minor works, Andrew queried the value of organising those works before trying to attempt reopening.
- Margaret identified that her circumstances have changed such that availability in November and December will be severely limited.
- Margaret also raised the issue that volunteer numbers are currently limited to the committee (i.e. 3), which impacts the museum's operations. It was highlighted that there are two known Community events
 - Grandparents' day
 - Vintage Car Rally
- Andrew noted that while not a Council commitment to do the grounds on a long-term basis, if there was a compressed period with events, he could approach the Parks and Gardens as to their availability to schedule an extra couple of hours to come out and give the site a mow.
- Margaret also spoke to a conversation had with Sarah Collis about volunteers needing to be we have to be registered Leeton Shire volunteers and possess a Working With Children's Check, which she possesses.
- Andrew identified that while a decision has not been made regarding Malthouse's proposal, it is important to provide Malthouse with guidance on whether the committee feels the idea has merit and is worth fully assessing. As a business, it can't be expected for the Malthouse to sit there and wait for the museum committee to be ready to rule on the decision. This needs to be done in the not-too-distant future.
- Tracy identified that a way forward could look like
 - Determine the structure – incorporated or not
 - Identify volunteers
 - As a group of new volunteers and a new committee, move on with the decision of the Malthouse proposal.

- AGM dates were discussed and set for Thursday, 22 September, at 5:30pm. Identified that the AGM can be a fairly quick process and over Teams is a valid format.

ACTION: Tracey to discover when the school wants to do Grandparent's day event and Margaret to discover when the car rally is scheduled.

ACTION: Andrew to discuss with Josh Kline to see if Parks and Recreation staff can mow the site leading up to the above events.

ACTION: During the site inspection, the necessary paperwork for Leeton Shire Volunteer registration will be completed.

ACTION: Sues to send Margaret a copy of the Guidelines for committees.

ACTION: AGM Invitation to go out.

Close: 7:05pm

Next Meeting - AGM

Date: Thursday, 22 September, 2022.

Time: 5:30 pm

Venue: Online via TEAMS link

Whitton Courthouse Museum 355 Committee Meeting



LEETON
SHIRE COUNCIL

Actions		
Action by	Current actions from meeting 27/10/22	Status
Karen	To gain information on ownership of the museum — who owns the land, who owns the building, who owns the collection? In developing the discussion document.	
Karen	To find out whether more works need to be completed or did electricity not get turned back on at the end of the job.	
Karen	To discuss the status of chemical underpinning with Michelle following Andrews' departure from Council	
Karen	To follow-up on outstanding items from the meeting 25/8/22	
Current actions from meeting 25/8/22		
LMAG Staff	Margaret & Tracy to walk around with new LSC maintenance staff members and LMAG to highlight items and develop a comprehensive list of concerns that need to be raised as a CRM for maintenance.	
Tracey & Margaret	Tracey to discover when the school wants to do grandparent's a day event and Margaret to discover when the car rally is scheduled. These will be communicated to LMAG to organise Parks and Recreation staff to mow the site.	Completed
Andrew	Andrew to discuss with Josh Kline to see if Parks and Recreation staff can mow the site leading up to above events.	
LMAG Staff along with EG	LMAG to develop discussion document in concert with Emily Goodall (LSC) and provide to Whitton committee for review and if necessary, follow-up questions.	
Whitton Committee	Whitton Committee to use the finalised document as a platform for recruiting more volunteers	
LMAG Staff	AGM Invitation to go out for Thursday, 22 September, at 5:30pm.	Completed

Date: Thursday 27/10/2022

Venue: Online (Teams), 5:25pm – 6:25pm

Meeting Objective: Works, Incorporation, AGM dates

1 **Meeting Open**

- Chairperson opens the meeting. Welcomes those attending:
 - (LSC): Karen Barrett
 - (Whitton Museum): Margaret Strong, Tracy Catlin (Chairperson)

2. **Incorporation of a new Historical Society**

- Following actions raised from the previous meeting, the information provided by Emily Goodall was provided to the committee, being

Delivery Model	Positive	Negative
355 Model	<ul style="list-style-type: none">• Council covers the member insurance.	<ul style="list-style-type: none">• Bureaucracy<ul style="list-style-type: none">○ Management of a 355 committee can be difficult for the committee, as they are required to meet the obligations of Council, including:<ul style="list-style-type: none">○ not having their own bank accounts,○ WH&S requirements,○ reporting to Council and,○ abiding by Council's Code of Conduct as Section 355 Committee members are treated the same way as Council staff.• With events, the additional layer of council bureaucracy often leads to a lessening of the entrepreneurial flair that is required in organising events, thus lessening the overall effectiveness of the event.
Incorporation model	<ul style="list-style-type: none">• Autonomy over their funds and decisions (within their own Constitution).• Department of Fair Trading requires an annual report, but it is not onerous, and DFT is very helpful.• Often it is easier for committees to raise funds such as donations, sponsorship and grant funding because they are not tied to	<ul style="list-style-type: none">• But they must organise their own insurance to cover their activities

	<p>Council.</p> <ul style="list-style-type: none"> ○ Often the community lacks the desire to help fund a council activity as they believe their “rates” have funded this function opportunity. ● The organisation may be eligible to apply for a larger range of government and non-government grants. ● The organisation becomes a legal person, a legal entity that stays the same even if its members change). It can do the following things in its name: <ul style="list-style-type: none"> ○ accept gifts or bequests ○ buy and sell property & land invest and borrow money open a bank account ○ sue and be sued ○ take out public liability insurance with greater ease. Enter into contracts and agreements. ○ Simplify and clarify the management and ownership of the money and other assets of the body. ● For committee members who do not want their personal involvement to be public knowledge, incorporation can offer anonymity to its owners. ● A constitution (a contract between the association and its members) sets out regulations about how the association shall operate. Clarifies and formalises the objectives of the association. 	
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ACTION: Karen to gain information on ownership of the museum — who owns the land, who owns the building, who owns the collection.

- Margaret reiterated that the idea of a different governance model was preceded by the fact that the only roles recognised in the 355 are those in the meeting, there's nothing regarding running a museum whereby none of those volunteer roles are formally recognised. And, of course, the custodial aspects relating to the collection — can the committee decide about acquiring and deaccessioning? What does custodianship mean?

3. General Business

- The community events occurred as planned however, the rain events prevented the mowing from occurring. It also means that the dirt pile that required moving has not been completed. Margaret noted that the district really needs a few weeks of fine weather for that to occur.
- Questions were raised about the courthouse's electrical wiring being switched off. This has a knock-on effect as it means there is no electricity in the toilets in the other two buildings. There's a power box on the side of the butcher shop. Usually, the committee plugs in an extension cord, but it's not currently possible because that comes from the courthouse.
- During the repair of the floor, items were moved, however, at the end of the job, they weren't returned. The items are heavier than the committee can handle — can help be provided in moving them back to their original positions?
- What is the current status of the chemical underpinning?

ACTION: Karen to find out whether more works need to be completed or did it not get turned back on at the end of the job.

ACTION: Karen sees if someone can organise to meet Committee on site to return objects back to their original positions now that the floor is repaired.

ACTION: Karen will discuss the chemical underpinning status with Michelle following Andrews' departure from Council.

Close: 6:25pm

Date: Thursday, 27/ 10/2022
Venue: Online (Teams), 5:00pm – 5:25pm
Meeting Objective: AGM



1. **Meeting Open**

- Chairperson opens meeting. Welcomes those attending:
 - (LSC): Karen Barrett (chair),
 - (Whitton Museum): Margaret Strong, Tracy Catlin

- Apologies: Lexi Hone, Michael Kidd, Barb Smith

2. **Confirmation of the Minutes from the previous AGM**

- Accepted by Tracey Catlin

3. **Election of Officers**

- The Chairperson declared all positions vacant. Nominations received both before and during the meeting were sufficient for direct appointment to the position.
 - Chairperson: Tracy Catlin
 - Secretary: Margaret Strong
 - Treasurer: Lexi Hone

4. **Close of AGM**

- The Chairperson welcomed the Incoming Committee, and it was unanimously decided to close the AGM and immediately begin a General Meeting.
- The Chairperson declared the AGM closed.

Close: 5:25pm

OPERATIONAL MATTERS

ITEM 7.12 ACCEPTANCE OF GRANT FUNDING ASSISTANCE FOR FOGO IMPLEMENTATION

RECORD NUMBER	22/418
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Manager Environmental Sustainability
APPROVER/S	Director Operations

SUMMARY/PURPOSE

The purpose of this report is to advise Council of the funding opportunity to assist with implementation of a Food Organics Garden Organics (FOGO) kerbside collection and to present the advantage of early adoption of the service ahead of the 2030 deadline.

RECOMMENDATION

THAT Council accepts the \$228,000 in grant funding from the NSW Environmental Protection Agency and supports in principle the introduction of a FOGO bin collection service commencing 2024/2025 when Council's new kerbside collection contract is due to commence.

REPORT

(a) Background

In June 2021, the NSW Government released the NSW Waste and Sustainable Materials Strategy 2041 (**Attachment 1**). This document outlines several mandated changes to the waste industry such as the implementation of Food Organics Garden Organics (FOGO) collection by 2030. This means all Councils who provide a domestic waste collection service will need to provide a third "green lidded" bin to residents on the domestic waste service route.

Historically the introduction of a FOGO service was up to each individual Council. Many NSW Councils decided to implement FOGO due to factors such as community demand or increasing the useful life of landfill infrastructure cells. FOGO is now mandated by the NSW Government to be implemented by 2030.

Funding is available for rolling out FOGO from the NSW Government. However, this is a limited fund, with a commitment of receiving applications up to 2027 only or until funding is depleted.

Leeton Shire Council, as a part of the Riverina and Murray Joint Organisation (RAMJO) Waste Group, have been successful in a FOGO grant submission. Leeton

has been awarded a value of \$228,000 in grant funding. This means Council will need to decide whether to accept the funding and proceed with the implementation or return the funding to the NSW EPA. Council is also in the process of undertaking a joint tender with the RAMJO Waste Group constituent councils to engage in a new waste collection contract. This new contract is intended to commence 01 July 2024.

(b) Discussion

Leeton Shire Council is yet to implement a FOGO service within our Shire. Currently a weekly waste bin collection (red lid) and a fortnightly recycling service (yellow lid) are available to Leeton residents who are on the serviceable bin route. The NSW Government's mandate to implement a third bin (green lid) service by 2030 means Council will need to have added the additional bin to the existing 2 bin service by 2030 at the latest.

The introduction of a FOGO service requires a change to the frequency of the waste bin (red lid) collection from a weekly service to a fortnightly service. The recycling (yellow lid) will remain a fortnightly service and will be collected on the opposite week to the waste bin. The new FOGO (green lid) will become a weekly service.



Successfully implementing these changes requires extensive community education. Typical implementation of FOGO has a 1-year lead time with an additional 2-years of community support following the rollout. This 3-year total program includes an initial twelve months of training, education, and promotion to enable the transition to the new service for residents. Post implementation support to residents is required to aid and support the transition. Following the implementation of the new service at least twelve months of additional auditing is required to monitor the contamination rates within the bins.

The \$228,000 of funding will enable the education program for the FOGO rollout. Please note that the funding is not for the planned for the purchase of bins, kitchen caddies or any other infrastructure, as this is incorporated into the lift rate of the bin and spread out of the 10-year life of the service. Council will be required to engage heavily with community groups, schools, and individuals to ensure contamination rates are managed and kept within the required ranges. This means Council will need to use various promotional activities such as social media, radio, television ads, in person engagement and physical media such as fliers and brochures to ensure a successful implementation of the service.

In addition to compliance with the FOGO mandate some other benefits of implementing this service now include a reduction in the amount of waste going to

landfill. This will ultimately be improving the landfill cell life by an estimated 11.08% per annum which represents an approximate cost saving of \$31,000.00pa. This improvement to the landfill cell life assumes our contamination rates in our bins are within the acceptable range. When landfilled, FOGO releases methane gas into the atmosphere. Methane gas is approximately 23 times more harmful to the environment than CO₂. By diverting these products from landfilling, it will greatly contribute to a reduction in the negative environmental effects caused by our landfill. Diverting our FOGO from landfilling will also assist Council in progressing towards meeting some of the other mandates such as the 2030 - 80% waste diversion targets and the 2050 - CO₂ Net zero reduction targets.

Lastly the residents on the serviceable bin route will have access to the additional bin service. As a result, this will ultimately provide them with greater resources for waste disposal in a sustainable manner.

The recommendation from Council staff is that the planned implementation date for FOGO will align with the new contract's start date and will support an improved structure for the delivery of this project. The benefit of implementing this service at the commencement of the new contract resides in the initial bin and caddy purchase prices. This means, the buying power can be amplified by aggregating the bins across the RAMJO group into one joint purchase reducing the "per unit" cost per bin.

Should Council adopt the preferred recommendation a report will be brought back to Council detailing the accepted tender price and any other implementation costs for providing the FOGO service. The kerbside collection contract tender submissions are currently being assessed. A preferred supplier is likely to be selected before the end of the financial year.

(c) Options

1. THAT Council accepts the \$228,000 in grant funding from the NSW EPA and supports in principle the introduction of FOGO bin collection service commencing 2024/2025. ***This is the preferred option.***
2. That Council delays the implementation of FOGO within the Shire and declines the grant funding. This may result in missing out on grant funding value and/or only having access to a lower amount of grant funding. This would result in a need for increased Council contributions.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Council has been successful in the recently submitted grant application to the value of \$228,000. However, it is important to note, based on historical grant funding rounds this figure is lower than originally anticipated. It is likely the funding value will continue to decline annually until it ends in 2027 or until the total pool of funding is depleted.

(b) Policy

Federal Government's 2050 Net Zero Target
New South Wales Government's Emissions Reduction Plan 2020 – 2030
NSW Waste and Sustainable Materials Strategy 2041

(c) Legislative/Statutory

Local Government Act 1993

(d) Risk

If Council resolves to accept the grant but doesn't progress with the FOGO rollout, Council will have to:

1. Payback the funds including any funds including any money spent.
2. Potentially face reputational damages within the community, RAMJO and with the NSW EPA.
3. Be prepared for a higher rollout cost by the 2030 deadline as grant opportunities will have decreased or no longer exist.

CONSULTATION

(a) External

Local Government NSW
Riverina and Murray Joint Organisation Waste Group
NSW Environmental Protection Agency
MRA Consultants
Talis Consultants

(b) Internal

General Manager
Director Operations
Manager Environmental Sustainability
Waste and Recycling Coordinator

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

FOCUS AREA 4. A quality environment – 2 - We live sustainably, use our resources responsibly and have adapted to climate change - 2.1 - Reduce resource consumption, recycle and minimise waste, and manage residual waste responsibly - Operate Resource Recovery Facility (includes landfill) and Transfer Stations to maximise landfill life and minimise nuisance".

ATTACHMENTS

- 1 NSW Waste and Sustainable Materials Strategy 2041 - **Attached separately**

**ITEM 7.13 MINUTES OF THE LEETON LOCAL AREA TRAFFIC COMMITTEE MEETING -
15 FEBRUARY 2023**

RECORD NUMBER	23/10
RELATED FILE NUMBER	EF21/430/02
AUTHOR/S	Road Safety Officer
APPROVER/S	Director Operations

SUMMARY/PURPOSE

The purpose of this report is to inform Council of the outcomes of the Local Area Traffic Committee (LATC) meeting held on Wednesday 15 February 2023 and to seek Council's endorsement of the recommendations made by the LATC.

RECOMMENDATION

THAT Council notes the minutes and endorses the recommendations of the Local Area Traffic Committee meeting held on 15 February 2023.

REPORT

(a) Background

The Local Area Traffic Committee (LATC) is a technical review committee which advises on matters referred to it by Council. These matters are related to prescribed traffic control devices and facilities for which Council has delegated authority. The Council must refer all traffic related matters to the LATC prior to exercising its delegated functions. All recommendations of the LATC must be referred to Council for adoption prior to enactment.

(b) Discussion

Copy of the agenda and minutes of the meeting held on 15 February 2023 are included as attachments to this report (**Attachments 1 and 2**).

The meeting addressed the following matters:

1. Business Arising/Outstanding Action Report
 2. Bus Bay Katheryn Drive
 3. Pedestrian Crossing request for Benerembah Street, Whitton MR539
 4. Special Event Fiesta La Leeton
 5. Anzac Day Dawn Service & Morning Event
 6. Disabled Carpark 104 Pine Avenue
-

(c) Options

1. Council endorses the Local Area Traffic Committee recommendations. ***This is the preferred option.***
2. Council does not endorse the Local Area Traffic Committee recommendations, noting there is a process that should be followed when such occasions occur.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

- Kathryn Drive bus bay will be funded through the Country Passenger Transport Infrastructure Grants Scheme for the construction of the new shelter and bus bay.
- Fiesta La Leeton received a grant which will cover the expenses incurred for the road closures.
- ANZAC Day Dawn and Morning Service Road closures costs have been budgeted for in the 2022/23 Council budget.
- New pedestrian facilities for the Benerembah Street, Whitton will be budgeted through the Traffic Facilities budget.
- The disabled carpark for 104 Pine Avenue will be completed as part of works to the Roxy forecourt and therefore will be covered under that budget.

(b) Policy

Nil

(c) Legislative/Statutory

Delegation of Authority passed from Roads and Maritime Services to Local Traffic Committees.

(d) Risk

All risks have been addressed within the Traffic Committee Report prior to any endorsement from the Traffic Committee.

CONSULTATION

(a) External

Murrumbidgee Police District
Roads and Maritime Services
Delegate for the Local Member of the Murray Electorate (NSW Government)

(b) Internal

Manager WHS, QA & Risk
Manager Roads & Drainage
Events Officer

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area FOCUS AREA 2. A safe, active and healthy community within Council's adopted Delivery Program/Operational Plan – 1 - Our community is safe to live in and move about – 2.2 - Take action to safeguard public health and safety – Promote road safety through design and appropriate regulation.

ATTACHMENTS

- 1 Agenda of the Local Area Traffic Committee - Wednesday, 15 February 2023 - ***Attached separately***
- 2 Minutes - Minutes of Traffic Committee - Wednesday, 15 February 2023 - ***Attached separately***

ECONOMIC AND COMMUNITY DEVELOPMENT MATTERS

ITEM 7.14 CONFLICTS OF INTEREST POLICY (WHEN DEALING WITH DEVELOPMENT APPLICATIONS LODGED BY COUNCIL STAFF, COUNCILLORS AND COUNCIL)

RECORD NUMBER	23/3
RELATED FILE NUMBER	EF22/26
AUTHOR/S	Manager Planning, Building and Health
APPROVER/S	Executive Manager Economic & Community Development

SUMMARY/PURPOSE

As a result of forthcoming amendments to the Environmental Planning and Assessment Regulation 2021, Councils are required to have an adopted policy on the Management of Conflicts of Interest when determining development applications submitted by Council, Council staff or Councillors. A draft policy has been prepared for Council endorsement and public exhibition.

RECOMMENDATION

THAT Council:

1. Endorses the DRAFT Conflicts of Interest Policy (when dealing with Development Applications lodged by Council staff, Councillors, and Council) for placement on public exhibition for a period of at least 28 days.
 2. Adopts the DRAFT Conflicts of Interest Policy (when dealing with Development Applications lodged by Council staff, Councillors, and Council) on completion of the public exhibition period if no formal submissions requiring substantive changes are received.
-

REPORT

(a) Background

In late 2019, the NSW Ombudsman finalised an investigation into allegations that Broken Hill City had breached the *Environmental Planning and Assessment Act 1979* by allowing its own unfinished Civic Centre to be used for large a public function, despite not having the necessary certification that it was safe to do so. As a result of an investigation.

The NSW Ombudsman concluded that the dual role of Councils as applicant and regulator created potential conflicts of interest and it is a systemic issue that needs to be addressed. Subsequently, amendments to the Environmental Planning and Assessment Regulation 2021 require Councils to:

- have a formal conflict of interest policy,
- consider the policy before determining any development applications that are council related, and

- publicly communicate any management approaches that Council will implement for each development; including publishing a management strategy on the NSW Planning Portal together with the development application when it is exhibited.

(b) Discussion

Councils are development regulators. They can be developer, landowner or hold a commercial interest in the land they regulate. Where Councils have this dual role, an inherent conflict can arise between their interest in the development and their duty as regulator.

The NSW Department of Planning and Environment advised that any policy prepared and adopted by Council must:

- establish **management controls and/or a management strategy** to address potential conflicts of interest at the different phases of the development process for the types of council-related development that it could be involved in;
- outline the process through which potential conflicts of interest will be identified, the risks assessed, and appropriate management controls determined;
- outline the process that will be followed to publicly communicate the management approaches for each development subject to the policy.

In some circumstances, Council may determine the risks are sufficiently low and no specific controls are warranted. Where this is the case, Council should still publicly communicate that fact through the NSW Planning Portal to ensure transparency.

(c) Options

- Endorse the DRAFT Conflicts of Interest Policy (when dealing with Development Applications lodged by Council staff, Councillors and Council) as recommended. **This is the preferred option.**

Implications: The adopted policy will reflect current legislation, and best practice procedures. The adoption of the policy will ensure that the recommendations put forward by Council staff in the assessment of staff, Councillor's and Council's own development applications are free from conflicts of interest, are undertaken in an impartial manner and are in line with the forthcoming changes to the Environmental Planning and Assessment Regulation 2021.

- Endorse the DRAFT Conflicts of Interest Policy (when dealing with Development Applications lodged by Council staff, Councillors and Council) with suggested amendments.
- Another resolution as determined by Council.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Financial implications could include additional costs if independent planning consultants or consultants are used in the assessment of applications or post approval phase.

(b) Policy

Code of Conduct for Leeton Shire Council

(c) Legislative/Statutory

Environmental Planning and Assessment Act 1979

(d) Risk

Adoption of this policy will minimise conflicts of interest and will manage these risks in a transparent manner.

CONSULTATION

(a) External

The draft policy will be publicly exhibited for 28 days. Submissions will be considered, and any substantive changes presented to Council prior to adoption.

(b) Internal

General Manager
Executive Manager Economic & Community Development

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area CSP FOCUS AREA 5 - Strong leadership and civic participation within Council's adopted Delivery Program/Operational Plan – DELIVERY PROGRAM FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM ACTIVITY 9.6 - Deploy reliable and efficient corporate and project governance including audit, risk and improvement - OPERATIONAL PLAN ACTIVITY 9.6.5 - Continuously review and update of Council policies and plans to appropriately support Council's operations".

ATTACHMENTS

- 1 DRAFT - Conflicts of Interest Policy (when dealing with development applications lodged by Council)



LEETON
SHIRE COUNCIL

DRAFT

CONFLICTS OF INTEREST POLICY

(when dealing with development applications lodged by
Council staff, Councillors or Council)

JANUARY 2023

DOCUMENT CONTROL

RESPONSIBLE OFFICER:	Manager Planning, Building & Health				
REVIEWED BY:	Executive Manager Economic & Community Development				
LINK TO CSP/DELIVERY PROGRAM/OPERATIONAL PLAN:	CSP FOCUS AREA 5 - L1. We are well informed and engaged in decision-making				
DATE ADOPTED:	TBC				
ADOPTED BY:	Council				
RESOLUTION NO: (IF RELEVANT):	TBC				
FOR PUBLICATION:	<input type="checkbox"/> INTRANET <input type="checkbox"/> COUNCIL WEBSITE <input checked="" type="checkbox"/> BOTH				
REVIEW DUE DATE:	February 2025				
REVISION NUMBER:	0				
PREVIOUS VERSIONS:	DATE	DESCRIPTION OF AMENDMENTS	AUTHOR/EDITOR	REVIEW/SIGN OFF	MINUTE NO (IF RELEVANT)
NIL	January 2023	New Policy	Manager Planning, Building & Health	Council	Not Applicable

REVIEW OF THIS DOCUMENT

This document will be reviewed every 4 years or as required in the event of legislative changes or operational requirements.

Any major amendments to the document must be made by way of a Council Resolution. Minor amendments such as corrections to spelling, changes to wording for improved clarity, formatting and updates to the appendixes may be made without approval from the Council.

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Part 1 – Preliminary

1.1 Purpose

The purpose of this policy is to manage potential conflicts of interest that may arise in conjunction with Council-related Development Applications (DA) because Council is the consent authority.

1.2 Aim of Policy

This policy aims to manage potential conflicts of interest and increase transparency at all stages of the development process for Council-related developments.

1.3 Scope

This policy applies to Council-related developments and where an applicant is a staff member or Councillor.

1.4 Definitions

In this policy:

Application means an application for consent under Part 4 of the Act to carry out development and includes an application for a complying development certificate and an application to modify a development consent.

Council means Leeton Shire Council.

Council-related development means development for which the Council is the applicant developer (whether lodged by or on behalf of council), landowner, or has a commercial interest in the land the subject of the application, where it will also be the regulator or consent authority.

Development process means application, assessment, determination, and enforcement.

The Act means the *Environmental Planning and Assessment Act 1979*.

A word or expression used in this policy has the same meaning as it has in the Act, and any instruments made under the Act, unless it is otherwise defined in this policy.

Part 2- Process for Identifying and Managing Potential Conflicts of Interest

2.1 Management Controls

The following management controls may be applied to:

- a. the assessment and determination of an application for council-related development:
 - refer to Appendix A for controls, and
- b. the regulation and enforcement of approved council-related development including:
 - the use of independent consultants and certifiers, or
 - entering into a shared services agreement with a neighbouring Council, or
 - publicly reporting on key milestones such as construction and occupation certificates.

2.2 Management Strategies

The management strategy for the following kinds of development is that no management controls need to be applied:

- a. commercial fit outs and minor changes to the building façade,
- b. internal alterations or additions to buildings that are not a heritage item,
- c. advertising signage,
- d. minor building structures projecting from a building facade over public land (such as awnings, verandas, bay windows, flagpoles, pipes, and services),
- e. development where the council might receive a small fee for the use of their land.

Part 3 - Identifying Whether a Potential Conflict of Interest Exists, Assessment of Level Risk and Determination of Appropriate Management Controls

3.1 When development applications are lodged

Development applications lodged with Council that are Council-related development are to be referred to the General Manager for a conflict-of-interest risk assessment.

Note: Council-related development is defined within Part 1.

3.2 General Manager

The General Manager is to:

- a. assess whether the application is one in which a potential conflict of interest exists,
- b. identify the phase(s) of the development process at which the identified conflict of interest arises,
- c. assess the level of risk involved at each phase of the development process,
- d. determine what (if any) management controls should be implemented to address the identified conflict of interest (in each phase of the development process if necessary), having regard to any controls and strategies outlined in Part 2 of the policy and the outcome of the general manager's assessment of the level of risk involved as set out clause 3.2(c) of the policy,

Note: The General Manager could determine that no management controls are necessary in the circumstances.

- e. document the proposed management approach for the proposal in a statement that is published on the NSW Planning Portal.

Note: The following is an example of a statement that could be published by council to document its proposed management approach in a particular circumstance.

Scenario

BlueStar Council is upgrading one of their assets, 'Blue River Civic Place'. Council is the landowner and the applicant and is proposing to redevelop the site into a mixed-use development with a total capital investment value (CIV) of \$4.9 million. The development application seeks approval for the construction and use of an additional 2 storeys on an existing 3 storey building comprising a childcare centre, commercial office spaces and partial use of the building for council's public administration.

Example management statement

Council conflict of interest management statement	
Project name	Blue River Civic Place
DA number	DA21/0001
Potential conflict	BlueStar Council is the applicant. Blue River Civic Place has an estimated capital investment value of \$4.9 million and the council expects to receive revenue through renting commercial office spaces.
Management strategy	<p>The council is managing potential conflicts of interest in this matter as follows:</p> <ul style="list-style-type: none">• The application will be referred to the local planning panel to determine the development application.• Council development assessment staff not involved with preparing the application will assess the DA. The staff will remain separated from the project team.• A private certifier will be engaged to undertake the certification for the development.• Green Hill Council has agreed to peer review any regulatory decisions should compliance decisions be made.• Key project milestones following the development consent will be reported at a public council meeting.
Contact	Anyone with concerns about council fulfilling its obligations should report their concerns to the council.

Part 4 - Where Council Staff Members or Councillors have a Potential Conflict of Interest

4.1 Principles

The following principles must be adhered to:

- a. If a Council staff member is the applicant and/ or landowner or is the delegated staff member to act as an applicant for a Council project / development, any discussion relating to the affected DA processing, status, etc., must be:
 - undertaken in the staff member's (i.e., applicant) own time (if the matter is a private or personal project), and
 - held in a public location (e.g., foyer, front counter).
- b. If a Councillor or staff member is the applicant and/ or landowner, the Councillor or staff member must not use his/ her position:
 - to influence the assessing officer in the processing of his/ her application.

- c. The assessing officer is to ensure that:
 - all processes undertaken during the assessment of any DA are in accordance with Council's policies, procedures, and legislative requirements.
 - the applicant is not to be given any special, preferential treatment nor discriminated against.
- d. Record Management controls are to be implemented:
 - Trim containers are to be 'blocked' where a staff member or a Council officer as delegate /applicant for a Council application is applicant / owner.

4.2 Determination of Development Application

Any DAs that are lodged where the applicant and/ or landowner is a Council staff member or Councillor, the DA should be processed in the normal manner, which may include determination under delegated authority.

If one (1) or more of the following matters are triggered, the DA is to be reported to the elected Council for determination:

- a. the scale and extent of the DA lodged e.g., pergola / pool vs larger commercial proposal,
- b. the proposed DA seeks a substantial variation to any performance based DCP or Council's Local Environmental Plan or policy,
- c. the proposed DA creates significant public interest and/ or large numbers of submissions,
- d. the applicant and/ or landowner is a staff member within Planning Development unless otherwise deemed exempt by the Manager Planning Building and Health, and
- e. the extent of any public perception of a possible conflict of interest that may exist between the DA lodged and the applicant's and/ or landowner's relationship with the Planning Department (i.e., relevant assessment staff).

Part 5 - Implementation

This policy is to be implemented by the Manager Planning Building and Health.

Part 6 - Declarations of Conflicts of Interest

Where a staff member, team within Council, or a Councillor, is party to a development application as applicant and/or landowner, the person(s) must advise their manager or General Manager of their conflict of interest and complete the Declaration of Interest Form – Council Staff Member.

Declarations must be made when submitting an application via the NSW Planning Portal.

Appendix A – Assessment & Determination Criteria

Appendix A		
Assessment & Determination Criteria		
Category of DA where Council is the both the applicant and landowner, or where Council has an interest on the land	Assessment	Determination
<p>MINOR DA</p> <p>Minor DAs refers to development that is small scale, routine operational and/or non-controversial.</p> <p>The determination of “minor DA” shall be made after consideration of the following criteria, at the discretion of the Manager Planning Building and Health:</p> <ul style="list-style-type: none"> • The estimated value of the works to be undertaken. • The potential impact on surrounding residential amenity associated with the proposed development. • The consistency of the proposed works with an existing Council management plan or strategy. • Whether proposal involves any substantial variations from existing Council policy, DCP or Local Environmental Plan. • Whether the proposal will lead to any financial benefit for Council. <p>Examples include replacement of amenities block, internal refurbishment of a building or a subdivision of less than 5 lots.</p>	<p>Assessment must be by Council staff not involved in the application and peer reviewed by immediate supervisor.</p> <p>A management statement to be prepared and exhibited with the DA, unless it is of a kind referred to in Part 2, 2.2 of the policy.</p>	<p>Determination under delegation (Other than for development on community land under section 47E of the Local Government Act 1993).</p>
<p>ROUTINE DA (not minor)</p> <p>This is a DA that takes place within the Industrial estate or on Council reserves and complies with zoning, land use provisions and Council policies, with no substantial or numerous</p>	<p>Assessment by Council staff that is not involved in the project and peer revied by senior staff.</p> <p>Assessment by external independent town planning</p>	<p>Determination under delegation by senior staff.</p> <p>(Other than for development on</p>

<p>submissions.</p> <p>Examples include a 5-lot subdivision, a new amenities block, alterations, and additions to buildings and/or development value is less than \$5M.</p>	<p>consultant, as deemed necessary by Manager Planning Building and Health.</p> <p>Management statement to be prepared and exhibited with the DA for 28 days.</p> <p>Potential referral to the Audit Risk and Improvement Committee.</p>	<p>community land under section 47E of the <i>Local Government Act 1993</i>.)</p>
<p>MAJOR DA</p> <p>Major DA refer to development that is large scale, significant and/or controversial.</p> <p>The determination of a “major” DA shall be made after consideration of the following criteria, at the discretion of the General Manager:</p> <ul style="list-style-type: none"> • The estimated value of the development to be undertaken. • If the DA is classified as Regional Development. • The potential impact on surrounding residential amenity associated with the proposed development. • The consistency of the proposed development with an existing Council Management Plan or strategy. • Whether the proposed development involves any substantial variations from an existing Council policy; and • Whether the proposal will lead to financial benefit for Council. <p>Examples: New industrial estates, new community facilities and libraries.</p>	<p>Engage independent town planning consultant/s for the formulation of the statement of environmental effects in the case of regional development.</p> <p>Engage an independent town planning consultant for the assessment of development application in the event of a contentious DA and/or regional significant development.</p> <p>Management statement to be prepared and exhibited with the development application for 28 days.</p> <p>For applications that do not trigger referral to the Regional Planning Panel, a referral to the Audit Risk and Improvement Committee may be required.</p>	<p>Report to Council for determination; or</p> <ul style="list-style-type: none"> • Determination by Regional Planning Panel if the capital Investment Value is over \$5M, in accordance with Schedule 6 of the State Environmental Planning Policy (Planning Systems) 2021. <p>All regional significant applications MUST be independently assessed by independent Town Planning Consultant.</p>

Appendix B – Management Statement

The management statement must be published on Council's DA Tracker (or NSW Planning Portal if mandated).

Council Conflict of Interest Management Statement	
Project Name	
DA Number	
Potential Conflict	
Management Strategy	<p>Refer to Appendix 1 for guidance. The strategy could include (examples only):</p> <ul style="list-style-type: none"> • the DA to be per reviewed, • assessment staff is not involved in project team, • independent assessment, • determination by Regional Planning Panel • key milestones post determination reported to Council and published.
Contact	<p>Anyone with concerns about Council fulfilling its obligations should report their concerns in writing to Leeton Shire Council via council@leeton.nsw.gov.au or post 23-25 Chelmsford Place, Leeton NSW 2705.</p>

ITEM 7.15 POST EVENT REPORT - 2022 LEETON CHILL & GRILL EVENT

RECORD NUMBER	23/7
RELATED FILE NUMBER	EF21/438/02
AUTHOR/S	Events Officer
APPROVER/S	Executive Manager Economic & Community Development

SUMMARY/PURPOSE

The purpose of this report is to provide Council with the post event review for the 2022 Leeton Chill & Grill held on 22 October 2022.

RECOMMENDATION

THAT Council receives for information the 2022 Leeton Chill & Grill post event report and notes that the 2023 event has been planned for Saturday 21 October 2023.

REPORT

(a) Background

The Leeton Chill & Grill event has been an annual event in Council's Operational Plan for the community since 2016, when a community committee initiated this pop-up food event to showcase local produce and growers to the wider community.

In 2018, Leeton Chill & Grill was held at the Leeton Ovals carpark with 1400 patrons attending the event.

In 2019, the event was cancelled due to inclement weather. Then in 2020 and 2021, due to the Covid-19 pandemic, resultant public health orders and restrictions forced a hiatus.

(b) Discussion

The 2022 Leeton Chill & Grill event was held on Saturday 22 October 2022 in Mountford Park. Surrounding streets were closed to facilitate the inclusion of large scale and mechanical children's amusements to create a street festival atmosphere with food vendors. The intent was to maximise the space available in the park for the crowd anticipated to view the live entertainment which featured a prominent headline act and well-known local support acts.

A recipient of funding through the NSW Government's Reconnecting Regional NSW Community Events Program, generous support from local businesses on-boarding as major sponsors also enabled the event to make a significant return to the community calendar.

Entry to the event was free, but tickets were required for admission to enable the collection of data to fulfill grant acquittal requisites. These tickets were available through the Humanitix ticketing platform, which enabled direct communication to patrons via email and the ability to digitally check-in at the event gates. Seventy-five (75) percent of patrons who obtained online tickets attended the event.

A post-event survey was conducted where a range of positive and constructive feedback was received and has been summarised in the attached report (**Attachment 1**).

Inclement weather and road closures due to flooding affected attendance by vendors and patrons but overall, the event was well received with an estimated 1600 people in attendance.

Recommendations for the next event due to be held on Saturday 21 October 2023 include:

- Increase of the Restricted Area to encompass most of the event area, with consideration given to liquor licencing requirements, to enable the free-flowing movement of patrons to access all areas of the event.
- Address the number and variety of food stallholders at the event by canvassing with an earlier lead time to facilitate availability and commitment from the vendors.
- Share an equal focus on music ("chill") and food ("grill") with the inclusion of cooking demonstrations or other food-related activities.

(c) Options

Nil – this report is for information only.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

Total expenditure of the Chill and Grill event was \$54,989.68 which was funded by:

- Council receiving a successful grant of \$42,500 from the NSW Government's Reconnecting Regional NSW Community Events Program.
- Sponsorship by local businesses (Hotel Leeton, JBS Australia, Stahmann Webster, Milbrae Quarries/Mawsons, Wade Hotel and Beyond Bank) to the value of \$13,545.45.
- Council's contribution allocated as per the 2021/2022 budget was \$10,000, including staff wages to facilitate the event.

(b) Policy

Nil

(c) Legislative/Statutory

Each event has a tailored risk plan, including a Traffic Management Plan.

(d) Risk

Nil

CONSULTATION

(a) External

Traffic Committee
Liquor and Gaming NSW
NSW Police Licencing Supervisor
Local business sponsors
Kurrajong
WME Agency
Entertainment providers
Food vendors and stallholders
Security providers

(b) Internal

Events Officer
Executive Manager Economic & Community Development
Community Development Coordinator
Road Safety Officer
Manager Roads & Drainage
Manager Open Space and Recreation

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area Outcome Four: A THRIVING ECONOMY AND GOOD JOBS within Council's adopted Delivery Program/Operational Plan – 13 - A community that has great attractions and events - 13 a - Encourage a range of exciting and interesting sports, arts and cultural events for the residents and visitors of Leeton Shire - Support the hosting of local community events across the Shire, including Chill 'n' Grill, Australia Day and Light Up Leeton.

ATTACHMENTS

- 1 Leeton Chill & Grill 2022 - Post Event Report



20 | POST EVENT 22 | REPORT

Compiled by:
Fran Macdonald | LSC Events Officer





ABOUT CHILL & GRILL

**Saturday 22nd October 2022
3pm – 10pm
Mountford Park, Leeton**

2022 saw the return of the much-loved Chill & Grill, not just following a COVID hiatus but also in venue with a return to Mountford Park!

Having secured government funding through the Reconnecting Regional NSW Community Events Program, the intent in planning for the event was a focus on the “chill” aspect of Chill & Grill.

A prominent headline act was secured followed by some well-known local support acts and stallholders and local stakeholders from previous events were approached to be involved.

Patrons were encouraged to prepare for an all-weather event (barring tornado or electrical storm) with the aim to deliver a quality entertainment experience for all ages.

In spite of challenges posed by flood road closures and inclement weather, the 2022 Chill & Grill was by all accounts a successful event, with areas for improvement and refinement identified going forward for 2023.



SATURDAY 22 OCTOBER

**3pm – 9.30pm
MOUNTFORD PARK**

LIVE ENTERTAINMENT BY

JACK GRAY

**JIAKOMO THIEF
+ GOOD DAZE**

**GOOD FOOD • GREAT MUSIC
KIDS ENTERTAINMENT
& AMUSEMENTS**



FREE ENTRY Tickets online at events.humanitix.com/leeton-chill-and-grill-2022

Proudly funded by



Sponsored by



LEETON
SHIRE COUNCIL



stahmann
webster

QUICK STATS



- 10 food & beverage providers
- 7 alcohol providers
- 5 children's amusement providers
- 3 entertainment acts
(1 down-pour of rain at 2pm)
- 8 major local sponsors



The Irrigator



**Beyond Bank
AUSTRALIA**

whose involvement in the event was followed by 1200
and seen by over 5000 Facebook users

Facebook was the medium the public identified as their primary source
of information and engagement regarding the event

1600 patrons in attendance¹

a potential \$40,000 value added to the local economy²

¹ data collected by nCounters installed at Mountford Park.

² i.d. Economic Profile Event Impact Assessment calculation based on average spend of estimated visitor attendance





The Irrigator

100 YEARS STRONG
Leeton's own newspaper since 1915 \$2.00 incl GST

Leeton's Chill and Grill brings back the good times, fun vibes

A STORM may have whipped up just as Leeton's Chill and Grill was setting up on Saturday, but it was no match for revellers wanting to get out and enjoy the event. Held in Mountford Park, close to 1600 people attended the event to get their fix of delicious food, good company and great entertainment. **FULL STORY: PAGE 3**



Isabelle Halden, 2, (right) with Rudy Irvin, 2, having a great time at Leeton's Chill and Grill. Picture by Talia Pattison

Post event coverage in The Irrigator

6 THE IRRIGATOR Tuesday November 01, 2022

PEOPLE & PLACES

irrigator.com.au



Lauren Brett (left) and Kelsy Deoves.

FUN TIMES

The return of Chill and Grill in Leeton was deemed a success recently. Pictures by Talia Pattison



Elise Papotodori.



Dizzy Dilemma ran hula hoop sessions throughout the afternoon.

irrigator.com.au

Chill and grill lives up to name

BY TALIA PATTISON

A STORM may have whipped up just as Leeton's Chill and Grill was setting up on Saturday, but it was no match for revellers wanting to get out and enjoy the event. Held in Mountford Park, close to 1600 people attended the event to get their fix of delicious food, good company and great entertainment. Food vendors kept everyone's tummy full, while those aged 18 and over were able to sample a delicious tippie or two.



Jiakomo Thief reunited in Leeton for Chill and Grill and had the crowd up dancing within mere moments of their set starting. Picture by Talia Pattison

The rain looked like threatening in the lead up to the event, with a mighty storm passing over. However, once those clouds moved on the wet weather stayed at bay while the event itself carried on. Residents of all ages took part in the event, which hadn't been held for many years. The entertainment was a huge drawcard, with Good Daze getting the crowd warmed up before brothers

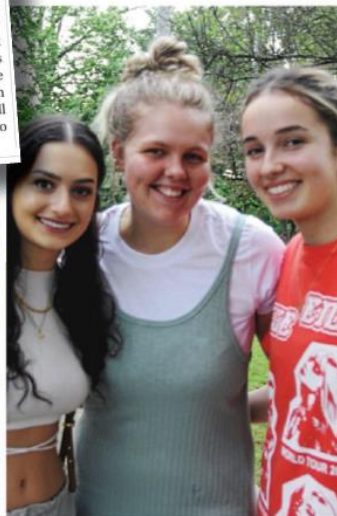
Rhys and Christian Callinan reunited to bring Jiakomo Thief to the stage. The pair had the crowd up dancing as soon as the first note was played. Headline act Jack Gray then kept the party going as residents enjoyed the chance to be with their family and friends in a fun

setting. Leeton Shire Council events officer Fran Macdonald said seeing everyone having a great time made all of the hard work and planning worth it. "The storm and shower beforehand might have deterred some people, but we were really pleased to still have such a big crowd

there," she said. "Watching the crowd grow throughout the afternoon was pretty awesome. All of the great food people had on offer was fantastic ... I think everyone wanted to sample as much as they good." Chill and Grill has also already promised to be back again in 2023.

to suit the individual. contact your representative or 019 891 049 media.com.au

irrigator.com.au



Christina Nardi, Ashley Seymour and Lauren Black.



Peter Randall.

CHILL OUT

The return of Chill and Grill in Leeton was deemed a success recently. Pictures by Talia Pattison



Helping out in the Rotary Club of Leeton form were Baine Crouthery, Alan Brerfield, Maggie Oram and Dan Coster.



Kate Dal Sacco with Ashleigh, Sam and Abby Perrotta.



Maria, Rebecca and Frank from Happy Days & Co.

AUDIENCE METRICS

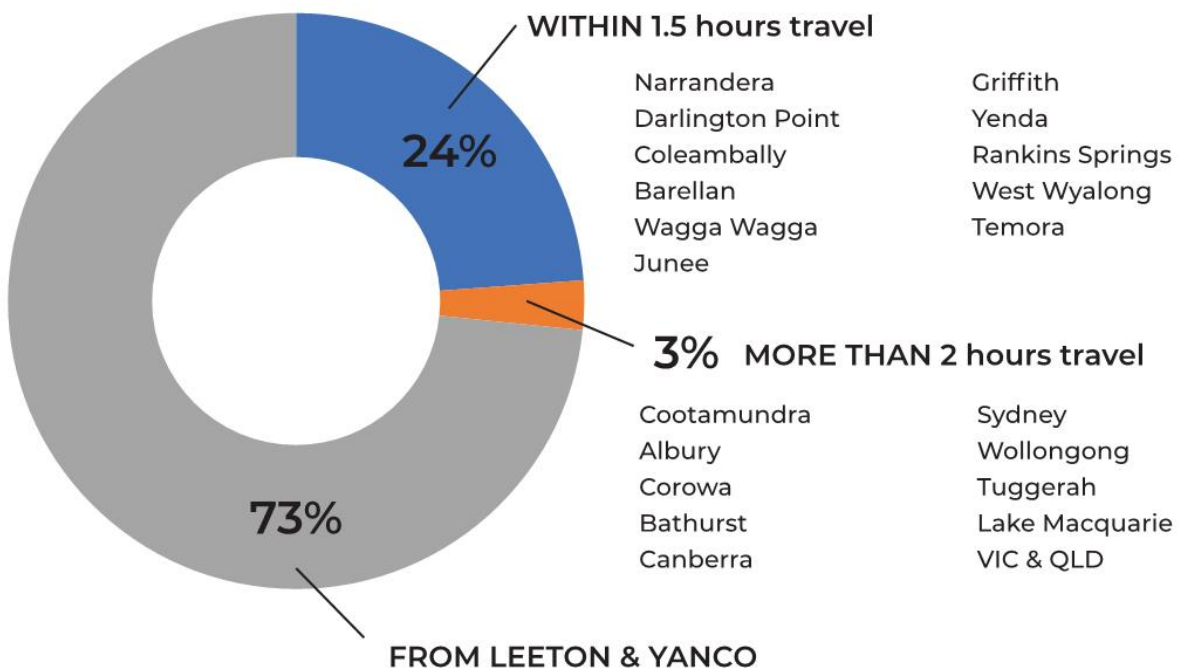


2136 tickets “sold” online (in 678 orders) via Humanitix
1600 people counted* at the venue

*data collected by nCounters installed at Mountford Park

Inclement weather and road closures due to flooding was a factor in attendance.

TICKETS “SOLD”



Of the 90 respondents who completed the after-event survey, 10% spent the night away from home, spending at least one night in Leeton.



BUDGET BREAKDOWN



REVENUE

GRANT FUNDING



NSW Government
Reconnecting Regional NSW Community Events Program

\$42,500.00

SPONSORSHIP



Leeton Shire Council
Hotel Leeton



JBS Australia
Stahmann Webster

The Irrigator



The Irrigator
Milbrae Quarries (Mawsons)



Wade Hotel
Beyond Bank

\$22,636.35

STALLHOLDER FEES

\$599.97

\$65,736.32

EXPENDITURE

ENTERTAINMENT

Musical Acts

\$27,127.27

Kids Entertainment

\$1,090.00

INFRASTRUCTURE

AV Production

\$3,550.00

Infrastructure hire (marquees, tables, chairs, portaloos, generator)

\$5,837.58

Waste removal

\$290.91

Consumables

\$764.49

PERSONNEL

Security

\$1,960.00

First Aid and Gate Entry Support

\$1,000.00

DIAP and Event Coordination

\$5,000.00

Council staff

\$2,417.87

ADVERTISING & MARKETING (Posters, Radio, Newspaper)

\$2,769.56

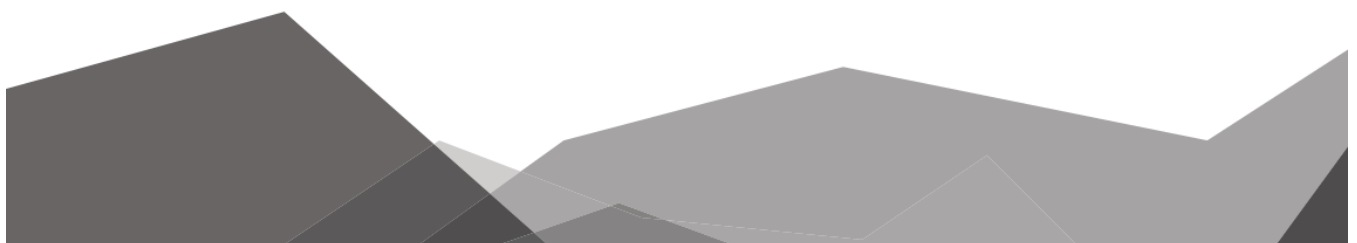
PHOTOGRAPHY & VIDEOGRAPHY

\$3,182.00

\$54,989.68

PROFIT/LOSS

\$10,746.64



Some comments from the 90 respondents who completed the after-event survey

What was the best thing about the event?



Great food and wonderful entertainment. The atmosphere was fantastic!

Was good to see everyone out and about again!

The evening was great for the town - good music and food!

Great selection of food stalls, good turnout of people, live music...

Jiakomo Thief (x 20+ mentions)

That it was an all ages event and it was well organised.

Family friendly with something for everybody.

The atmosphere - it was great to get out and celebrate the community!

Having the community come together, try some new food and the live music.



Some comments from the 90 respondents who completed the after-event survey

What elements of the event could be improved?



The food

For a multicultural town there was not much variety on offer except for the paella it was just steak and sausage sandwiches and fried foods .

Free water station needed.

Needed more BBQ/grilling...

No vegan options.

Not enough food stalls (compared to alcohol) and boring choices...

More food vendors - not enough variety. I understand some may have not been able to get through [due to floods] but there are also plenty of Leeton cafes etc that should've jumped on board.

The layout

Bar area needed more seating and tables and needed to be closer to the stage. More would have enjoyed a beer if there was a spot to sit.

Fencing needed to include the whole stage area - frustrating that we couldn't go dance with kids or get food as we still had a drink in hand.

Perhaps the alcohol zone. Meant some food suppliers were isolated.

*I think the over-18 section need to be expanded.
Most people attending were in this section.*

Alcohol area a bit far from stage viewing.

Would have been good if you could enjoy a beer closer to the stage.

All food vendors needed to be closer together instead of spread out. One vendor was with the drinks and close to the music. This was not fair for the other food vendors who were outside this area. It would be better for patrons to have to leave the bar area to go and get food.

Need a shuttle bus. Need more kids stuff.



FEEDBACK

SUSTAIN - **FIX** - IMPROVE



Patron feedback largely focussed on the layout and the disjointed nature of the food, alcohol and entertainment areas as well as the lack of food vendors and variety.

In planning it was identified that the Restricted Area for alcohol service would be too compact for the anticipated patronage – this was enlarged and OLCR advised prior to the event.

Vendors were allocated sites based on power needs and access, particularly within the Restricted Area, with the main event access points anticipated to be at Wade Ave and Jarrah Mall.

Road closures were enacted to allow amusement equipment to be set up on hard standing (jumping castles and mechanical rides) and have food vendors along main thoroughfares to allow maximum crowd area within the park.

A number of food vendors pull out at last minute due to forecast weather and the food accompanying the amusements was also hampered by breakdowns, reducing the quantity of food options available on the day.

A downpour of rain in the middle of sound checks delayed audio production preparations, pushing the commencement of entertainment back by 1.5 hours and shortening the sets of the acts commissioned.

Investigate encompassing the entirety of the park event area (aviary pathway to stage) as the Restricted Area for the 2023 event – this will require temporary fencing for crowd management and added security for the policing of access to alcohol in accordance with liquor licencing (no BYO within event area).

A greater variety of food vendors to be canvassed earlier – an increased lead time to the event to ensure maximum support of businesses and stall holders.

Equal focus to be placed on the foodie aspect – potential cooking demonstrations etc.

FEEDBACK

SUSTAIN - FIX - IMPROVE



Some comments from the 90 respondents who completed the after-event survey

Any other feedback or comments?



It was so great to see Mountford Park full of dancing, happy , playful people! What a great community event!!!

Great event. Great venue. Attendance just confirms this is the sort of event people want. It will only get bigger over time.

Great work to get it all back on after many failed years. Well done!

Festivals like this give the town a life and vibrancy. Keep up the good work.

Amazing job! Great event. Did well considering the weather.

I think it was great to have an event like this again in the community. Well done to the organisers for keeping it up and running and giving our community a reason to get out of the house!!



ITEM 7.16 MINUTES OF THE SUNRICE FESTIVAL COMMITTEE - ANNUAL GENERAL MEETING - 03 NOVEMBER 2022

RECORD NUMBER	23/6
RELATED FILE NUMBER	EF21/433/02
AUTHOR/S	Events Officer
APPROVER/S	Executive Manager Economic & Community Development

SUMMARY/PURPOSE

The Leeton SunRice Festival Committee is a Section 355 Committee of Council.

The purpose of this report is to provide Council with the Minutes of the Annual General Meeting of the Leeton SunRice Festival Committee held on 03 November 2022 (**Attachment 1**).

The minutes of the meeting are prepared by volunteers who sit on the Committee and are presented as supplied to Council.

RECOMMENDATION

THAT Council receives for information the Minutes of the Leeton SunRice Festival Committee Annual General Meeting held on 03 November 2022.

REPORT

(a) Background

The purpose of the Leeton SunRice Festival Committee is to coordinate and stage a successful biennial event and encourage individuals and businesses to participate in the Leeton SunRice Festival. The next festival will take place during Easter 2024.

The Leeton SunRice Festival Committee holds regular monthly meetings in the year leading up to the event.

(b) Discussion

The Leeton SunRice Festival Committee held their Annual General Meeting on 03 November 2022 at which a report on the previous year's event was given by the outgoing president and a new executive was elected.

The meeting minutes are included with this report as (**Attachment 1**). The audited financial report as tabled at the Annual General Meeting are also included with this report as (**Attachment 2**).

(c) Options

Nil – meeting minutes are for information only.

IMPLICATIONS TO BE ADDRESSED

(a) Financial

The Leeton SunRice Festival Committee is a Section 355 Committee. It currently manages its own finances.

Leeton Shire Council provides its contribution to this biennial event in the form of \$15,000 cash sponsorship per Festival and staff wages towards the successful facilitation of the event.

(b) Policy

Leeton Shire Council Code of Conduct

(c) Legislative/Statutory

Under Section 355 (b) of the *Local Government Act 1993* a Council may exercise its functions by a Committee of Council.

(d) Risk

The legislative non-compliance of a Section 355 Committee could have legal, reputational, political and financial impacts. Note that Council has commenced a review of all Section 355 Committees to check for legislative compliance.

CONSULTATION

(a) External

Committee members

(b) Internal

Executive Manager Economic & Community Development
Manager WHS, QA and Risk

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area Outcome Six: STRONG LEADERSHIP within Council's adopted Delivery Program/Operational Plan – 19 - A community that speaks up and gets involved - 19 c - Provide a framework for inclusive decision-making - Support and report on Council's Section 355 Committees.

Under the Key Priority Area Outcome Four: A THRIVING ECONOMY AND GOOD JOBS adopted Delivery Program/Operational Plan – 13 - A community that has great attractions and events – 13 a - Encourage a range of exciting and interesting sports, arts and cultural events for the residents and visitors of Leeton Shire.

ATTACHMENTS

- 1 SunRice Festival Committee - AGM Minutes - 3 November 2022
- 2 SunRice Festival - Audited Financial Report for year ended 30 June 2022



Leeton SunRice Festival Committee AGM

03 November 2022

Meeting Opened	7.00pm			
Present	Chris Thompson, Vicki Poulson, Julie Axtill, Sally Doig, Denise McGrath, Col Thompson, Sarah Kinsbury, Fran McDonald, Kristy Pike			
Apologies	George, Liz			
Minutes of Previous Meeting	Moved	Julie	Seconded	Chris
Meeting Closed	7.30pm			

Directors Report	
General	<p>Thank you to the committee for all their hard work and dedication. Once again a challenging year for the committee with the continuation of covid restrictions limiting the committee's ability to meet face to face.</p> <p>With festival now complete I can honestly say it was one of the biggest and best. Everyone was buzzing and it would not have been possible without our committees. A big thankyou to everyone who helped make 2022 SunRice Festival an amazing success.</p>

Treasurers Report	
General	<p>\$4,168 loss for the financial year. The reason is cancellation of Festival for Covid and loses on funds already spent plus additional funding was not granted by SunRice as the 2020 Festival was cancelled and they held the sponsorship over.</p> <p>Accounts were audit by Maguires (qualified audit) at a cost of \$1300 which is normally in kind and we currently have funds in the bank for both 2020 & 2022 Ambassadors.</p> <p>Financial report needs to be submitted to ACNC (Australian Charities and Not for Profit Commission). A copy has been given to council and Sally will retain the remaining copy.</p>
Balances as at June 30	<p>\$46,705 General</p> <p>Signatories: Julie, Chris, Sally</p>

Elections – Returning Officer George declared all positions vacant	
Director 2021 – Julie Axtill	Julie nominated – Chris / Sally – Julie accepted No other nominations
Assistant Director 2021 – Elizabeth Munn	Chris nominated – Julie / Sally – Chris accepted No other nominations
Treasurer 2021 – Sally Doig	Sally nominated – Julie / Denise – Sally accepted No other nominations
Secretary 2021 – Vicki Poulson	Vicki nominated – Sally / Chris – Vicki accepted No other nominations
Committee: Sarah Kinsbury, Fran McDonald, Cheryl Whymark, Kristy Pike, Denise McGrath, George Weston	

General Business	
Constitution to be revised and updated after festival – Fran and Julie to review	

Balloons
Balloon Committee Co-ordinator: Col Thompson
Members: Chris Thompson, Kym Webb, Mark Carter, Rebecca Dunn, Brodie Smith
Second signatory has changed – Fiona has been removed and Kym Webb is now the second signatory

LEETON SUNRICE FESTIVAL

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

LEETON SUNRICE FESTIVAL

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Statement of Assets and Liabilities	3
Notes to the Financial Statements	4
Statement by Members of the Committee	5
Audit Report	6

LEETON SUNRICE FESTIVAL
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
INCOME			
Revenue		91,692	2,545
		91,692	2,545
LESS EXPENDITURE			
Other expenses		95,860	39,165
		95,860	39,165
NET OPERATING PROFIT (LOSS)		(4,168)	(36,620)
Retained Profits at the beginning of the financial year		50,873	87,493
TOTAL AVAILABLE FOR APPROPRIATION		46,705	50,873
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		46,705	50,873

The accompanying notes form part of these financial statements.

LEETON SUNRICE FESTIVAL
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	2	46,705	50,873
		46,705	50,873
TOTAL ASSETS		46,705	50,873
NET ASSETS			
		46,705	50,873
EQUITY			
Retained Profits		46,705	50,873
TOTAL EQUITY		46,705	50,873

The accompanying notes form part of these financial statements.

LEETON SUNRICE FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act NSW. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(b) Revenue and Other Income

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtained control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

	2022	2021
2 Cash and cash equivalents:		
Term Deposits	-	35,000
NAB - Sunrice Festival	31,854	6,081
NAB - Ambassador	188	416
NAB - Hot Air Balloon	14,662	9,376
	<u>46,705</u>	<u>50,873</u>

LEETON SUNRICE FESTIVAL

**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2022**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements

In accordance with a resolution of the committee of Leeton Sunrice Festival, the members of the committee declare that the financial statements as set out on pages 2 to 4:

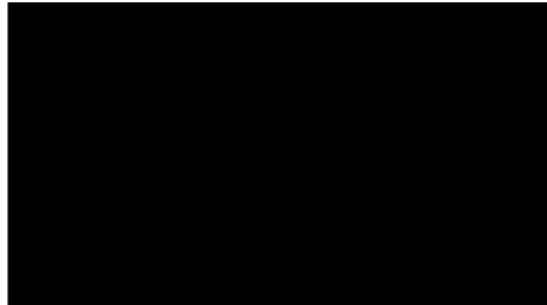
1. present a true and fair view of the financial position of Leeton Sunrice Festival as at 30 June 2022 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act 2009; and
2. at the date of this statement there are reasonable grounds to believe that Leeton Sunrice Festival will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:

President

Treasurer

Dated



3.11.22

LEETON SUNRICE FESTIVAL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEETON SUNRICE FESTIVAL**

Report on the Audit of the Financial Report

Qualified Opinion

I have audited the financial report of Leeton Sunrice Festival (the association), which comprises the assets and liabilities statement as at 30 June 2022, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by management giving a true and fair view of the financial position and performance of the association.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial report gives a true and fair view of the financial position of the association as at 30 June 2022 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act (NSW) 2009.

Basis for Qualified Opinion

Fundraising activities are a significant source of revenue for the Leeton Sunrice Festival. The committee has determined that it is impracticable to establish control over the collection of cash receipts prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising was limited, my audit procedures with respect to cash receipts had to be restricted to the amounts recorded in the financial reports. I therefore am unable to express an opinion whether those cash receipts of Leeton Sunrice Festival recorded are complete.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Act (NSW) 2009. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Committee's Responsibility for the Financial Report

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act (NSW) 2009 and for such internal control as the Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that I identify during my audit.



PINNACLEHPC PTY LTD
John P Keenan CPA
Registered Company Auditor 156228
135 Yambil Street Griffith NSW 2680

Dated this 28th day of September 2022

Griffith
135 Yambil Street, Griffith NSW 2680
Phone: 02 6960 1200 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
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Leeton
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Phone: 02 6960 1200 Fax: 02 6960 1299
PO Box 1467, Griffith NSW 2680
Web: www.pinnaclehpc.com.au

ITEM 7.17 REQUEST FOR ASSISTANCE FROM MIA CRUISERS INC

RECORD NUMBER	23/21
RELATED FILE NUMBER	EF21/335
AUTHOR/S	Events Officer
APPROVER/S	Executive Manager Economic & Community Development

SUMMARY/PURPOSE

The purpose of this report is to request Council's support of the MIA Cruisers Inc "Show and Shine" event proposed to take place at Easter 2023. This is an annual event and is also included in the programming of the biennial Leeton SunRice Festival.

RECOMMENDATION

THAT Council:

1. Endorses the use of an approximately 400m section of the Leeton Town Ovals carpark by MIA Cruisers Inc to host the 2023 "Show and Shine" event from 8:00am to 12:00pm on Saturday 8 April 2023 (Easter Saturday).
 2. Waives the Section 68 Approval Fee of \$67 to use the Leeton Town Ovals Complex for the 2023 "Show and Shine" event.
 3. Waives the Section 138 Road Opening Permit fee of \$132 to use the Leeton Town Ovals car park for the 2023 "Show and Shine" event.
 4. Waives the fee of 30c per square metre of parking space for an area of 369m x 19m totalling \$2,257.20 for hiring the car parking spaces for the MIA Cruisers Incorporation 2023 "Show and Shine" event.
-

REPORT

(a) Background

MIA Cruisers Inc was established in April 2017 and is a historic vehicle club that operates out of Leeton and also welcomes members to their club from all over the Riverina region. Currently, the club has approximately 80 members who share a passion for motor vehicles and there is scope to extend their membership through family-friendly activities to encourage people of all ages.

Over the 2022 Easter long weekend, the MIA Cruisers Inc held a very successful "Show and Shine" event to complement the Leeton SunRice Festival program. The club paid for the hire of the kiosk and toilet facilities, as well as the public notification of the carpark closure (via a notice in The Irrigator).

For the 2020 SunRice Festival (which was not held due to the cancellation of the 2020 festival) and for the subsequent events in 2021 and 2022, the fees for the Section 68 approval, the hire of the carpark, and the establishment of the Traffic Control Plan (TCP) were waived by Council. MIA Cruisers Inc is seeking to formalise its request for support for its 2023 event via this report to ensure their club is transparent and following Council process appropriately.

(b) Discussion

Following the successes of their previous Easter "Show and Shine" events, the MIA Cruisers Inc are seeking the support of Council to host their 2023 "Show and Shine" on Saturday 8 April 2023 (Easter Saturday) with the event proposed to run from 8:00am until 12:30pm.

The MIA Cruisers Inc anticipates the event to again be well supported by vehicle enthusiasts. The 2022 event saw approximately one hundred and thirty (130) vehicles involved, whilst the event in 2021 saw more than one hundred and eighty (180) vehicles participate in the display. An increase in spectator numbers is predicted in 2023 because of the limited activities and events scheduled in Leeton this year, being an alternate SunRice Festival year.

The "Show and Shine" event is proposed to utilise approximately 400m of the carpark, between the Skate Park, end access and the access adjacent the entry to the tennis courts. Closing two hundred and fifty-six (256) car parking spaces including 6 disabled spaces to the public. This means there would be approximately sixty-five (65) spaces left at the skate park end and sixty-eight (68) including two disabled spaces at the pool end of the car park available for visitors, with remaining cars to park along Palm Avenue (**Attachment 1**).

The hire fees associated with the hire and use of this carpark are based on Council's adopted fees and charges which states 30c per square metre. Based on the space outlined above for use by MIA Cruisers Inc, carpark hire fees will cost \$2,257.20.

In 2019, when the initial request to waive fees for the event was proposed and endorsed, the charges were calculated at the then-adopted rate of 10c per square metre totalling \$969.

MIA Cruisers Inc is also seeking the support of Council in putting together the Traffic Control Plan and submission of permits for the event taking place.

No expenses would be incurred for traffic control on the day. As per previous MIA Cruisers Inc events they will obtain the required traffic management supplies from Council and the Traffic Control Plan for the event will be set up by members from the MIA Cruisers Inc that have the appropriate traffic control tickets.

Council support for the event is sought to enable the club to keep the entry fees of the event low for car entrants, given prohibitive factors like the rising cost of fuel and to attract maximum attendance by entrants and spectators (**Attachment 2**).

It is expected that this event will have a positive economic impact for the Leeton community as there is potentially to inject \$12,900 into the local economy through

accommodation, food providers and fuel suppliers. It also provides local residents / families with an interesting activity over the Easter weekend. (**Attachment 3**)

(c) Options

1. That Council waives the fees associated with the Section 68 Approval Fee of \$67, the Section 138 Road Opening Permit fee of \$132 and 30c per square metre of car parking space to use the Leeton Town Ovals Complex for the MIA Cruisers Inc 2023 "Show and Shine". **This is the preferred option.**
2. That Council requests MIA Cruisers Inc pay the Section 68 Approval Fee of \$67, the Section 138 Road Opening Permit fee of \$132 and 30c per square metre of car parking space to use the Leeton Town Ovals Complex for the MIA Cruisers Inc 2023 "Show and Shine".
3. That Council requests MIA Cruisers Inc pay the Section 68 Approval Fee of \$67 and the Section 138 Road Opening Permit fee of \$132, although waives the 30c per square metre of car parking space to use the Leeton Town Ovals Complex for the MIA Cruisers Inc 2023 "Show and Shine".

IMPLICATIONS TO BE ADDRESSED

(a) Financial

The loss of income associated with waiving the \$67 Section 68 Approval Fee, \$132 Section 138 Road Opening Permit Fee and \$2,527.20 car parking hire costs is not being relied on as revenue stream in the adopted Operations Plan and is considered immaterial.

(b) Policy

Nil

(c) Legislative/Statutory

Leeton Shire Council has the responsibility of managing traffic in Council owned and maintained areas as per the *Local Government Act 1993*.

(d) Risk

If the MIA Cruisers Inc "Show and Shine" event does not go ahead due to lack of support, it could see a negative economic impact for the Leeton community as participants and tourists would not have a reason to visit and or stay in the region.

CONSULTATION

(a) External

MIA Cruisers Inc, Vice President.

(b) Internal

Road Safety Officer
Drainage and Development Engineer
Manager Roads and Drainage
Manager Open Space and Recreation
Executive Manager Economic & Community Development

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)

Under the Key Priority Area THEME 2 - "AN ACTIVE AND ENRICHED COMMUNITY" within Council's adopted Delivery Program/Operational Plan – 06 - A community that participates in sports and active leisure - 6b is to "Support local sport and recreation clubs to remain viable - Respond to local sports and recreation clubs seeking advice and assistance from Council".

ATTACHMENTS

- 1 2023 MIA Cruisers Show and Shine Event - Site Map and Traffic Control Plan
- 2 2023 MIA Cruisers Show and Shine Event - Letter of Proposal and Request for Assistance
- 3 Event Impact Assessment Model - 2023 MIA Cruisers Event



MIA Cruisers Inc
PO Box 1164
Leeton NSW 2705
0429900926

secretary@miacruisers.com
www.facebook.com/miacruisers car club

Leeton Shire Council
23-25 Chelmsford Place
Leeton NSW 2705

23-1-2023

Re: Easter Show & Shine Proposal

About Us:

The Mia Cruisers is a Historic Motor Vehicle Club located in Leeton NSW, however we welcome members from all over the Riverina. We have currently around 80 members. Our goal is to encourage people of all ages to join us in having a passion for motor vehicles. We do this by offering a family friendly environment encouraging members and their family/friends to our social outings.

Proposal Details:

Following the success of our Show & Shine in 2021 where we had in excess of 180 cars, bikes and trucks enter the competition we again held a Show & Shine in 2022 where we had around 130 entrants. The numbers were down a bit being a Sunrice Festival Weekend with lots of events on. This coming Easter weekend we are proposing to hold a Show & Shine which we anticipate the numbers will be high again with limited things on in town that weekend. Each year a large crowd of entrants and spectators have attended the event. Car enthusiasts are passionate people and travel many miles to visit our town and attend our event. With Leeton Shire Councils help in 2021 and 2022 we were able to keep a low entry fee for the vehicles and spectators and that went a long way to getting people to attend the Show and Shine and enjoy what Leeton and its surrounds has to offer.

- We are hoping the Leeton Shire Council can assist us in putting on this years Show and Shine by waiving all associated hire fees for the use of No1 oval carpark area.
- Assist us with the Traffic Control Plan, similar format to previous years.
- Any permit processing fees.

The fees the Mia Cruisers have paid for the last 2 Show & Shines, If remembering correctly we paid the Hire of the kiosk and toilet facilities for the day, cleaning fee for after the event for the facilities and the public notification of the carpark closure (notice in the Irrigator).

I hope the Leeton Shire Council can give our proposal your earliest attention. Feel free to contact me on the above phone number if further details are required.

Joe Severino President. Contact Ph No 0427264508
David Warburton Vice President.

LEETON SHOW *and* SHINE



#1
Oval
Leeton

4TH
ANNUAL

M.I.A. CRUISERS
MOTORING CLASSIC

CARS TRUCKS
BIKES \$10

LEETON

SPECTATORS
GOLD
COIN

30+
TROPHIES

EASTER SATURDAY 8TH APRIL 2023.
ENTRANT'S FROM 8:30AM. VEHICLES \$10
ENTRY. FREE STUBBY HOLDER FOR FIRST
100 ENTRANTS

SHAZAM AUTOART & DESIGN

Leeton Shire

Event impact assesment model



economic profile



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Event impact assesment model	1
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Leeton Shire

Event impact calculator

Events are very important contributors to local and regional economies. A successful well run event can provide significant value to an area by adding jobs and money to the local economy and providing additional cultural and social benefits. Alternatively, the wrong event may have considerable negative impacts such as a loss of money or reputation.

The event impact calculator has been developed to enable Leeton Shire to calculate the potential economic impact of a proposed event. This can be used in conjunction with other methods to help Leeton Shire select the most appropriate events to support. This calculator alone cannot predict which events will be successful, however it can indicate the potential economic impact a successful event may have across a range of economic measures such as output, employment, wages and salaries and local jobs.

This tool uses input/output estimates to calculate the impact of an event based on the average spend per day by visitors to the event. Simply enter the type of event, the significance of the event, the duration of the event and the average spend per day to calculate the potential economic impact.

As events can also contribute to an area in other ways, such as socially, culturally and environmentally, it is import that other tools or methods are also use to evaluate the potential or benefit of an event.

The proposed MIA Cruisers event is planned to start on April 8th, 2023 and to run for 1 day. It is an event of Local significance and is estimated to attract 860 visitors during the day, with an average spend per person per day of \$30. This equals a total visitor spend of \$25,800 attributed to this event. Assuming the event will be held in Leeton Shire, it is calculated to have the following potential impact:

Event Impact Summary

Leeton Shire - Modelling the effect of \$25,800 from a Sports and Recreation Activities event with Local significance

	Output (\$)	Value-added (\$)	Local Jobs (annual jobs)
Direct impact	23,473	8,781	0.2
Industrial impact	6,546	2,434	0.0
Consumption impact	3,551	1,688	0.0
Total impact on Leeton Shire economy	33,569	12,903	0

Source: National Institute of Economic and Industry Research (NIEIR) ©2021. Compiled and presented in economy.id by .id (informed decisions).

Impact on Output

The total visitor spend of \$26k attributed to staging the MIA Cruisers event would lead to a direct impact on output of \$23k. This additional direct output from the economy would also lead to an increase in indirect demand for intermediate goods and services across related industry sectors. These indirect industrial impacts (Type 1) are estimated to be an additional \$7k in Output.

There would be an additional contribution to Leeton Shire economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in Output of \$3,550.89.

The combination of all direct, industrial and consumption effects would result in total estimated rise in Output of \$34k in Leeton Shire economy.

Impact on value added and GRP

The impact of an additional of \$26k spend to the local economy as a result of running the MIA Cruisers event in Leeton Shire would lead to a corresponding direct increase in value added of \$9k. A further \$2k in value added would be generated from related intermediate industries.

There would be an additional contribution to Leeton Shire economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in value added of \$1,688.04.

The combination of all direct, industrial and consumption effects would result in an estimated addition in value added of \$13k in Leeton Shire economy.

Value added by industry represents the industry component of Gross Regional Product (GRP). The impact on Leeton Shire's GRP as a result of staging this event is directly equivalent to the change in value added outlined above.

In summary, GRP in Leeton Shire is estimated to increase by \$13k.

Impact on Employment (local jobs, 12mth equivalent)

The employment impact of an event is expressed in local jobs. For example, an event that generates 4 weeks of work for 13 people (52 weeks of work in total), would have an employment impact equivalent to 1.0 annual local job.

The direct addition of \$26k spend to the local economy as a result of staging the MIA Cruisers event in Leeton Shire is estimated to lead to a corresponding direct increase of employment equivalent to 0.2 annual local jobs across a range of industries. From this direct expansion in the economy it is anticipated that there would be flow on effects into other related intermediate industries, creating an additional employment equivalent to 0.0 annual local jobs.

This addition of employment in the local economy would lead to a corresponding increase in wages and salaries, a proportion of which would be spent on local goods and services, creating a further increase equivalent to 0.0 annual local jobs through consumption impacts.

The combination of all direct, industrial and consumption effects would result in a total estimated increase of employment equivalent to 0.3 annual local jobs located in Leeton Shire.

COUNCILLOR ACTIVITY REPORTS

ITEM 1 COUNCILLOR ACTIVITY REPORT

RECORD NUMBER	23/23
RELATED FILE NUMBER	EF21/508
AUTHOR	Executive Assistant to the General Manager and Mayor

RECOMMENDATION

THAT Council notes the Councillor activity reports submitted for the period between 1 January 2023 to 23 February 2023.

Cr Tony Reneker

6 January 2023	Breakfast with The Hon. Paul Toole and Announcement of Roxy Funding SCCFRd5
9 January 2023	Yanco Community Hall and Markets Committee Meeting
12 January 2023	Sporting Walk of Fame Meeting
13 January 2023	Australia Day Award Judging Panel
16 January 2023	Dinner with Bhutan Embassy Delegates
25 January 2023	Dinner with Australia Day Ambassador
26 January 2023	Australia Day Ceremony and Citizenship Ceremony
31 January 2023	SunRice Site Tour
1 February 2023	Australasian Bittern Summit
3 February 2023	Regional Development Australia - Griffith Skilled Migration Information Meeting
7 February 2023	Bettering Health through Integrated Health and Development Meeting (BHIRD)
9 February 2023	Roxy Institute of Performing Arts (RIPA) official launch of the NIDA Connect Program
10 February 2023	Sporting Walk of Fame Meeting
13 February 2023	Yanco Community Hall and Markets Committee Meeting
14 February 2023	RAMJO Freight Transport Subcommittee Meeting
16 February 2023	Leeton Historical Society Meeting
20 February 2023	LGNSW Rural & Regional Summit
21 February 2023	Country Mayors Association 'Meet the Leaders' Forum
22 February 2023	Council and MLHD Health Update

Cr George Weston

25 January 2023	Dinner with Australia Day Ambassador
26 January 2023	Australia Day Ceremony
9 February 2023	Roxy Institute of Performing Arts (RIPA) official launch of the NIDA Connect Program
16 February 2023	Leeton Historical Society Meeting

Cr Tony Ciccia

7 February 2023	Bettering Health through Integrated Health and Development Meeting
15 February 2023	Traffic Committee Meeting