



ANNUAL
REPORT
2020 - 2021



TENTERFIELD

This document was produced and is available from Tenterfield Shire Council.

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Appendix 1

Achievements in Implementing the Delivery Program and Operational Plan – Progress to 30 June 2021

Appendix 2

Audited Financial Statements for 2020/2021

Mayor's Message

I always look forward to presenting Councils Annual Report and this being my 9th is no different. Dealing with the COVID-19 Pandemic in a Border LGA always has its challenges and the last 12 months have not been an easy road to ride, but full credit to our community for trying their best to continue in whatever way we could. Council has continued to achieve all throughout this period, and I thank all our staff for the job they have done.



Projects achieved and ongoing include:

- The completion of the sealing of 43km of roads all over the Shire, and the start of the 2nd round of \$869,000 grant funding for 37.9km of works, with Black Swamp Road being the first project with 12.5km of road works and a bus route.
- The announcement of \$5.7million to complete the sealing of Mount Lindesay Road, approximately 6kms.
- Sunnyside Platform Road allocated \$1.5million to widen and reseal the heavy transport route from Bruxner Way to New England Highway.
- The announcement of \$779,000 of an allocated \$1.4million project for Urbenville Water Treatment works for new water storage and pontoon plus to find underground water supply in times of drought.
- Urbenville Town Street Scape project completed.
- The start of the Tenterfield Water Treatment Plant.
- The continued work on the Legume to Woodenbong Road Project, 6.2km from Legume to Hoffmans Creek, as part of a \$30 million project.

As always, none of these projects can be done without the great work our Council staff do by continuing to chase grant funding, and I thank them for this work. I take this opportunity to thank our past CEO, Mr Terry Dodds, for his great work over 3 years; welcome Mr Daryl Buckingham to the role as CEO and wish him well; and thank Ms Kylie Smith for the great job she did as acting CEO. Council also saw the retirement of long-time Executive Assistant, Ms Noelene Hyde.

With the celebration of the Sesquicentenary '150 Years of Tenterfield Shire' (22 November 1871 – 22 November 2021) and the newly refurbished Council Chambers, I look forward to being part of a newly elected council and getting on with the job for another three-year term. I often think about those early years of Council and the many challenges they would have faced (e.g. big land mass, many roads and bridges to repair and build, lack of communication and funding, and undulating terrain to deal with) and all they still achieved, just as this current Council tries to do. Coming out of COVID-19 restrictions and hopefully some spring rain will be the shot in the arm we all need.

I thank this current Council for what has been a long 5-year term and for again working together as we should do. I thank the community members for being so strong and our staff, the biggest assets we have.

I thank you and wish you well.

**Councillor Peter Petty
Mayor**

Chief Executive Officer's Message



I wish to begin by placing on the public record how impressed I am with the Tenterfield region and how pleased and honoured my wife, Amanda, and I are to be here. I do not doubt that the Tenterfield region has a bright future and I am looking forward to working with the community, Council and my team in delivering the future.

Unfortunately, I had been in the CEO role for a couple of weeks before that pesky COVID-19 once again locked us all down and hindered my plans to get out and about to meet as many community members and stakeholders as I planned. The upside is that I have had ample time to observe, understand, learn and identify opportunities and commence strategy development.

Since being in the role, I have been consistently pleased by the great team I have inherited. I can tell you that the Tenterfield Shire Community is fortunate to have such a dedicated and professional group of people that are passionate about delivering the best for our community. You can rest assured that the team has your best interests at heart. When COVID-19 emerged yet again as a threat to our health, work routines, family and community connectedness, our organisation worked quickly to change work practices and, ultimately, how and where our people would work so we could continue essential service delivery. Committed teamwork ensured a smooth transition to working from home for most of our people, while others continued critical roles as usual.

Historically, this past year has been one of the busiest in memory in terms of projects and project delivery. I have observed that the whole team at Council has punched above their weight and delivered an extensive number of projects while securing an unprecedented number of grants. The following examples are just a snapshot:

- Council successfully delivered the Fixing Local Roads (State) grant application (Tooloom Road) for \$3,996,000 in June 2020.
- Council was also successful in securing \$3,359,880 for Kildare Road (Tenterfield Tourist Route 9) sealing.
- Council continues to advocate for funding through many grants to assist drought, bushfires and COVID-19 recovery efforts.
- Council Office and Depot Refurbishment completed.
- Memorial Hall project is nearing completion.

In terms of the future, I believe our region is well placed to take advantage of the new COVID-19 economy and the opportunities that historically fall out of adversity. Going forward in partnership with Council and community, I plan to roll out an economic development master plan that recognises said opportunities and is designed to attract investment, create jobs and opportunities for all our residents and community's and importantly, position our part of the world as a compelling place to live, invest and play. There will be a lot of community discussions and opportunities for widespread community input into our master planning, and all villages have vital roles to play.

It would be remiss of me if I didn't reiterate that there is a downside to our success in securing grants. Grants and associated capital works generally add to our operational costs, particularly costs associated with unplanned capital works. Our success means we face some financial challenges. It's not diabolical, still, if we don't manage the situation correctly, it could become so. From my extensive experience, we are a very lean organisation and there is not a lot of fat to carve. Nevertheless, we need to meet these challenges for future generations. I can assure you we are up to the challenge. Our people are at the core of everything we do and are best placed to suggest improvements and opportunities for service delivery.

As we enter 2022, I will be asking our team to be pragmatic and realistic about what they can deliver with the use of available resources while keeping a close eye on our bottom line. During the year ahead, we will need energy and determination as an organisation, individuals and community to recover and renew after another unrelenting year. We will work smarter, use technology and develop robust plans and strategies to ensure a bright future. I am personally excited as there are ample opportunities to reset and reinvent ourselves.

Daryl Buckingham
Chief Executive Officer



About Council

1.0 Tenterfield Shire Profile

The First Inhabitants

Tenterfield Shire was first inhabited by the Jukembal people, with their territory straddling the Great Dividing Range from Glen Innes to Stanthorpe. The name Jukembal means “the people who say ‘jogom’” (jogom meaning no).

The Place

The Shire of Tenterfield is set astride the Great Dividing Range at the northern end of the New England highlands, and covers an area of 7.333 square kilometres including mountains and rural landscapes.

People

Tenterfield Shire’s population is 6,638, with a median age of 53.4 years and median wage of \$32,866 (ABS Region Information for Tenterfield (A) (LGA) 2020).

History

The Tenterfield Township was gazetted on October 7, 1851 with the Municipality of Tenterfield being incorporated on November 22, 1871.

A significant and far-reaching event in the history of Tenterfield was the ‘Federation Speech’ in 1889 by the then NSW Premier, Sir Henry Parkes, which led to Federation of the Australian States on January 1, 1901 and gave Tenterfield the name of ‘*Birthplace of a Nation*’.

The Environment

Tenterfield Shire contains many areas of natural beauty in the north of NSW, with approximately half the Shire entering the Clarence Catchment on the east and half entering the west into the Upper Murray-Darling Basin. The Shire generally consists of undulating to hilly landscapes and ranges from approximately 150m to 1500m above sea level.

Rainfall and temperatures vary, with the area generally experiencing warm summers and cool to cold winters. Mean maximum temperature is 21.4°C and mean minimum 8°C. Average annual rainfall is 850.2mm.

The Shire is home to high levels of biodiversity, a large proportion of endemic species and threatened species that are no longer found in other areas of Australia.

2.0 Our Mission, Vision and Values

Our Mission

Tenterfield Shire Council provides local civic leadership and a wide range of community services and facilities. Our mission statement “Quality Nature, Quality Heritage and Quality Lifestyle” provides focus and direction in the way we provide leadership and services.

Our Vision

- To establish a Shire where the environment will be protected and enhanced to ensure sustainability and inter-generational equity,
- To recognise and actively develop our cultural strengths and unique heritage,

- To establish a prosperous Shire through balanced, sustainable economic growth managed in a way to create quality lifestyles and satisfy the employment, environmental and social aims of the community,
- To establish a community spirit which encourages a quality lifestyle, supports health and social well-being, promotes family life and lifestyle choices,
- To establish a community spirit which promotes opportunities to participate in sport and recreation, promotes equal access to all services and facilities, and
- To encourage all people to participate in the economic and social life of the community with a supportive attitude towards equal life chances and equal opportunity for access to the Shire's resources.

Our Corporate Values

At Tenterfield Shire Council we value our staff and recognise that they are central to the success of our organisation. Our Workforce Management Strategy provides a strategic framework for developing our workforce so that it is appropriately skilled and flexible to best meet the challenges ahead.

Our corporate values express how we as Council wish to conduct ourselves as an organisation and reflect the manner in which Council desires to engage with its community. They provide a reference point for all staff. Our five corporate values are I CARE:

- **Integrity** – ensuring openness and honesty in all our activities
- **Community focus** – delivering prompt, courteous and helpful service
- **Accountability** – accepting responsibility for providing quality services and information
- **Respect** – treating people with courtesy, dignity and fairness regardless of our personal feelings about the person or issue
- **Excellence** – being recognised for providing services and programs that aim for best practice

3.0 Councillors Representing the Community

Tenterfield Shire Council comprises five Wards – A, B, C, D and E. An election is held every four years for two Councillors to represent each Ward. An election of Councillors was last held in September 2016. With the COVID-19 pandemic and associated restrictions on local government operations and activities in March 2020, advice was received in April 2020 that the Minister for Local Government postponed the upcoming September 2020 elections for a full year to September 2021. This has been subsequently extended to 4 December 2021 with the outbreak of COVID-19 Delta strain in New South Wales in June 2021.

The Mayor is elected by the Councillors. Amendments to the NSW Local Government Act 1993 (the Act) now allow the Mayor to hold office for two years and Council voted for this to be the case with election of the Deputy Mayor annually.

The role of the Councillors, as members of the governing body are (section 232 of the Act):

(1) *The role of a councillor is as follows:*

- (a) *to be an active and contributing member of the governing body,*
- (b) *to make considered and well-informed decisions as a member of the governing body,*
- (c) *to participate in the development of the integrated planning and reporting framework,*
- (d) *to represent the collective interests of residents, ratepayers and the local community,*
- (e) *to facilitate communication between the local community and the governing body,*
- (f) *to uphold and represent accurately the policies and decisions of the governing body,*
- (g) *to make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a Councillor.*

(2) *A councillor is accountable to the local community for the performance of the council.*

Ordinary Council meetings are held eleven times per year, generally on the fourth Wednesday of the month, except for December, which is held on the third Wednesday. Extraordinary Council meetings are called when required to deal with specific matters. The dates of these meetings are published on Council's website. A Record of Councillors' attendance at Council Meetings during 2020/2021 is shown in the following pages of this report. Council meetings were held at the Tenterfield RSL Sub-branch Annex, Torrington Village Hall and via Zoom, due to the ongoing renovation of Council's Administration Building and continuing restrictions of COVID-19.

Due to COVID-19 restrictions during the year, Council Business Papers, Attachments and Minutes were available on Council's website at www.tenterfield.nsw.gov.au

Councillor Training

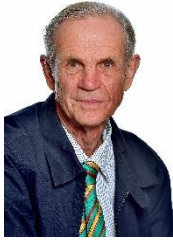
During 2020/2021, Councillors received the following training to assist them to carry out their functions:

Course / Workshop / Training	Date	Attended/Not Attended
Councillor Workshop – Debt recovery, National Parks & Wildlife, Local Strategic Planning Statements, Economic Development Stimulus	07/07/2020	All in attendance
Councillor Workshop – National Parks & Wildlife, Draft Community Donations/Contributions Policy, Motions for LGNSW Annual Conference, Mt Lindesay Road (sealing final sections)	05/08/2020	Apology: Cr Macnish, Cr Rogan
Councillor Workshop – Cultural Burning Event, Draft Road Network Management Plan, Draft Pedestrian Access & Mobility Plan, Draft Tenterfield Bike Plan	12/08/2020	Apology: Cr Rogan, Cr M Petrie
Councillor Workshop – Update – Mole River Dam Project	31/08/2020	Apology: Cr Verri, Cr Sauer, Cr Macnish, Cr Murray
Councillor Workshop – Crown Lands – Plans of Management, Final Pool Master Plan, Council's Media Policy	08/09/2020	Apology: Cr Forbes, Mayor Petty, Cr Macnish, Cr B Petrie
Councillor Workshop – Cyber Security Training, Final Pool Master Plan, Tabulam Bridge, DA re 141 Miles Street, DA regulations – Primitive Camping, Tenterfield Saleyards	14/10/2020	Apology: Cr Verri, Cr Forbes, Cr M Petrie
Councillor Workshop – Visit to the Band Hall, Tenterfield Dam – Recreational Use, Back Track & Angry Bull	21/10/2020	Apology: Cr Forbes, Cr Verri, Cr Sauer, Cr Peters
Councillor Workshop – Water NSW – Update on Mole River Project, NSW Public Spaces Legacy, Driveways	11/11/2020	Apology: Cr Macnish, Cr Verri, Cr Forbes
Councillor Workshop – Lease of Land – Rebel FM and Tenterfield Transport Museum, Bike Path Sculpture Design, Angry Bull Trails	10/12/2020	Apology: Cr Sauer, Cr Forbes
Councillor Workshop – Bushfire Community Grants Assessment	22/01/2021	Apology: Cr Forbes, Mayor Petty, Cr M Petrie
Councillor Workshop – DA's – Sandy Flat Road & Holleys Road, LEP Amendment, Village Concept Plans, Possible Land Purchase, Finances	09/02/2021	Apology: Cr M Petrie
Councillor Workshop – Art Installations, Roads of Strategic Importance, Social Media, Enforcement Policy for Unlawful	10/03/2021	Apology: Cr Peters, Cr B Petrie, Mayor Petty

Course / Workshop / Training	Date	Attended/Not Attended
Activities, Local Orders for Keeping Animal Policy		
Councillor Workshop – Draft 2021/2022 Operational Budget, Proposed Amendment to Local Environmental Plans to support farm businesses and regional economies – March 2021	13/04/2021	Apology: Cr Peters
Councillor Workshop – Rural Addressing, Northern Tourism - Maryland Cullendore Road Closures, Swimming Pool Master Plan Submissions, Office Building Tour, Tenterfield Bike Plan, Tenterfield Pedestrian Access & Mobility Plan Review, Road Network Management Plan, Associated Road Infrastructure Policies	15/04/2021	Apology: Cr Rogan, Cr Sauer, Cr Verri
Councillor Workshop – Tree management Plan, Saleyard Management Plan, Traffic Calming in Riley Street (Effect on Industrial Estate), Angry Bull Project – Update, Stronger Communities Fund – Round 4	12/05/2021	Apology: Cr Verri; Mayor Petty (left part way through)
Councillor Workshop – Crown Reserves Improvement Fund 2021-2022 Maryland Cullendore Road Discussion, Tourism – National Bushfire Recovery Grant & Advertising Focus,	09/06/2021	Apology: Cr Verri
Councillor Workshop - Cemetery Glass Plaques, New England Renewable Energy Zone, Waste - Cell Life & Project Overview	17/06/2021	Apology: Cr Verri

Our Councillors

A Ward



Councillor Gary Verri



Councillor Peter Petty (Mayor)

B Ward



Councillor John Macnish



Councillor Bronwyn Petrie

C Ward



Councillor Brian Murray



Councillor Tom Peters

D Ward



Councillor Donald Forbes



Councillor Bob Rogan

E Ward



Councillor Greg Sauer (Deputy Mayor)



Councillor Michael Petrie

Council Ward Boundaries

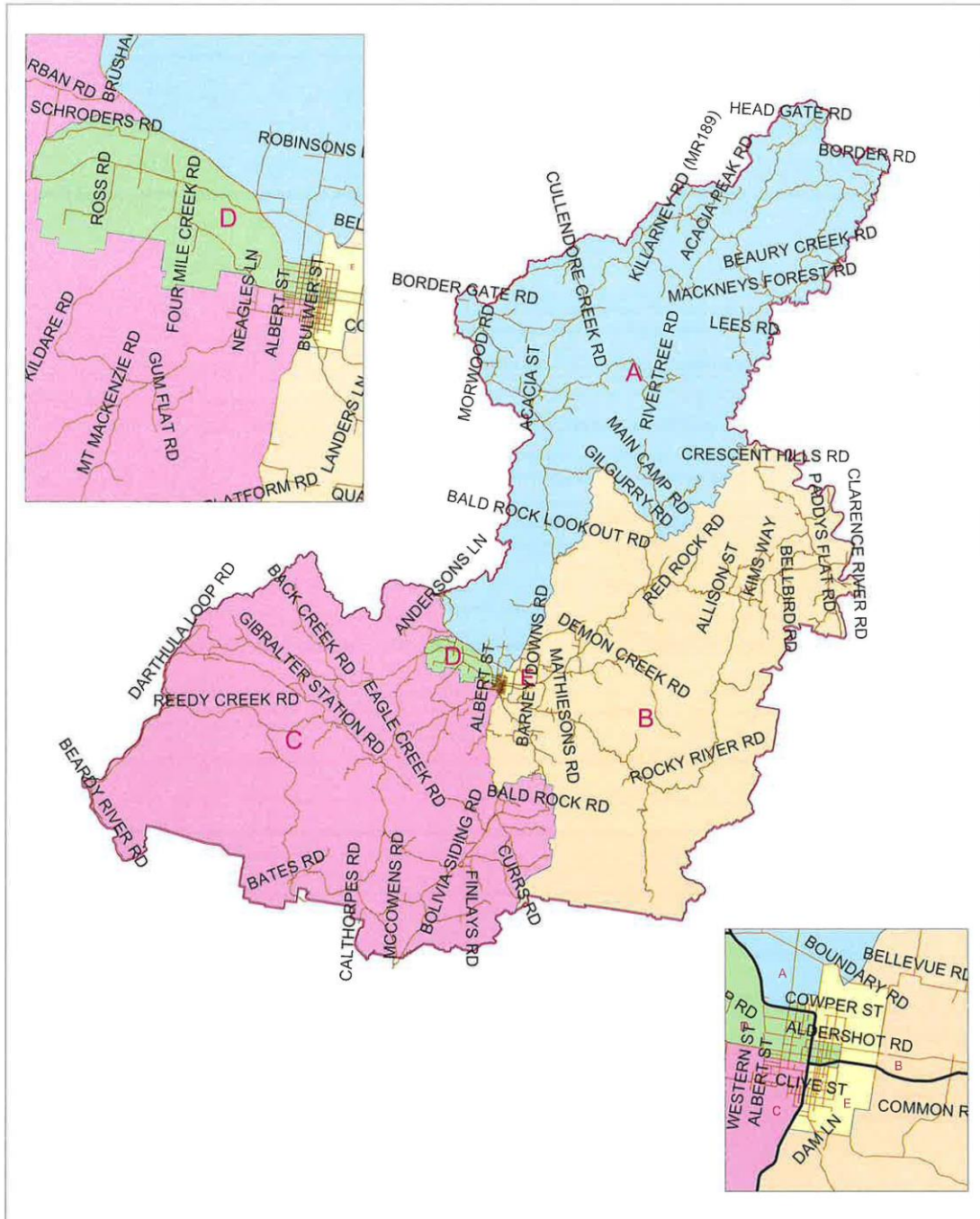


DISCLAIMER

While all care is taken in the preparation of this plan, Tenterfield Shire Council accepts no responsibility for any misprints, errors, omissions or inaccuracies. The information contained in this plan is pictorial representation only. DO NOT SCALE.

Accurate measurements should be undertaken by survey. This map does not depict the actual status, location, or condition of roads and should be used with due care.

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4.0 Engaging our Community

Tenterfield Shire Council seeks to use best practice in its community engagement and consultation processes. The Council fulfils all relevant statutory requirements to consult and publicly exhibit plans, policies and projects.

Integrated Planning and Reporting

Due to COVID-19 pandemic restrictions from March 2020, the meetings scheduled for Community Engagement for Integrated Planning and Reporting were not held during the reporting period. A Community Meeting was held at Drake regarding the Drake Village Concept Plan.

In addition, one Ordinary Council Meeting was held in a community outside Tenterfield Township during this period, at Torrington on 19 May 2021. An earlier meeting was scheduled to be held in Drake in August 2020 however this meeting was relocated to the RSL Pavilion Tenterfield due to further COVID-19 pandemic restrictions. A half hour public forum is held during or at the conclusion of the meeting where members of the community can raise issues with either Councillors or staff.

Communication

Council continues to provide information to the community through the distribution of the Council newsletter "Your Local News". 27 editions of "Your Local News" were distributed during the period.

Council also continues to produce the subscription email newsletter "Tenterfield In Touch" which provides information on events and other activities throughout the Shire.

Council Advisory Committees

Council maintains the following Advisory Committees to provide feedback by target groups or on specific issues.

- Sir Henry Parkes Memorial School of Arts Joint Management Committee
- Tenterfield Shire Heritage Advisory Committee
- Aboriginal Advisory Committee
- Tenterfield Saleyards Advisory Committee
- Disability, Inclusion & Access Advisory Committee
- Parks, Gardens & Open Space Advisory Committee
- Arts & Culture Advisory Committee
- Tourism Advisory Committee
- Youth Advisory Committee

Non-Council Advisory Committees & Partnerships

Council participates in advisory committees and partnerships that address specific local issues.

- Local Emergency Management Committee
- Tenterfield Shire Local Traffic Committee
- Tenterfield Liquor Accord
- Border Regional Organisation of Councils (BROC)
- Bush Fire Management Committee
- NSW Public Libraries' Association
- Granite Borders Landcare Committee Incorporated
- NSW Rural Fire Service – Service Level Agreement Liaison Committee
- North West Weight of Loads Group

- Northern Tablelands Regional Weeds Committee
- Tenterfield FM Radio Association
- Community Safety Precinct Committee (CSPC)
- Arts North West
- Northern Inland Regional Waste (NIRW)
- Country Mayors' Association
- Local Health Advisory Committee
- Australian Rural Roads Group
- Southern Downs Regional Council Highway Taskforce Alliance
- Joint Regional Planning Panels
- Murray Darling Association
- Bruxner Way Joint Committee
- National Timber Councils' Association

Public Speaking Opportunities at Council Meetings

As per Council's Code of Meeting Practice (September 2019), residents, ratepayers, applicants, consultants or other persons may apply to address Council in relation to any matters which are listed for consideration in a Council Business Paper.

Application to address Council must be made in writing to the Chief Executive Officer by 5.00 pm on the Monday prior to the meeting of that week and set out details of the matter to be raised. The Chief Executive Officer and Chairperson will determine whether the applicant will be eligible to speak at the meeting.

Due to the COVID-19 pandemic and restrictions, members of the public were only able to address Council via Zoom during the reporting period. There were no requests to do so in 2020/2021.

Public Notification of Development Proposals and Council Plans

Consultation requirements apply to the following:

- Development Applications
- Environmental Impact Statements
- Local Environmental Plans
- Development Control Plans
- Master Plans

Community Consultations

The Council seeks to inform and engage the community by way of:

- Workshops and briefings with Councillors
- Direct mail and letter box distribution
- Advertising and articles in the local media
- Website and mobile application material
- Brochures
- Staff attendance at community meetings
- "Your Local News" fortnightly newsletter
- "Tenterfield In Touch" email Newsletter
- Notice Boards in Tenterfield and Villages

In February 2017, Council endorsed the formation of a Community Engagement Forum process to act as Council's initial point of contact for community engagement and feedback on issues relevant to the Fora:

- Our Society
- Our Economy
- Our Environment

5.0 Organisation of the Council

The Principal Officer of the Council is the Chief Executive Officer (General Manager). The Chief Executive Officer is generally responsible for the efficient and effective operation of the Council's organisation and for ensuring the implementation, without undue delay, of decisions of the Council.

The Chief Executive Officer has the following responsibilities (section 335 of the Act):

- (a) to conduct the day-to-day management of the Council in accordance with the strategic plans, programs, strategies and policies of the Council,
- (b) to implement, without undue delay, lawful decisions of the Council,
- (c) to advise the Mayor and the governing body on the development and implementation of the strategic plans, programs, strategies and policies of the Council,
- (d) to advise the Mayor and the governing body on the appropriate form of community consultation on the strategic plans, programs, strategies and policies of the Council and other matters related to the Council,
- (e) to prepare, in consultation with the Mayor and the governing body, the Council's Community Strategic Plan, Community Engagement Strategy, Resourcing Strategy, Delivery Program, Operational Plan and Annual Report,
- (f) to ensure that the Mayor and other Councillors are given timely information and advice and the administrative and professional support necessary to effectively discharge their functions,
- (g) to exercise any of the functions of the Council that are delegated by the Council to the General Manager,
- (h) to appoint staff in accordance with the organisation structure determined under this Chapter and the resources approved by the Council,
- (i) to direct and dismiss staff,
- (j) to implement the Council's Workforce Management Strategy,
- (k) any other functions that are conferred or imposed on the General Manager by or under this or any other Act.

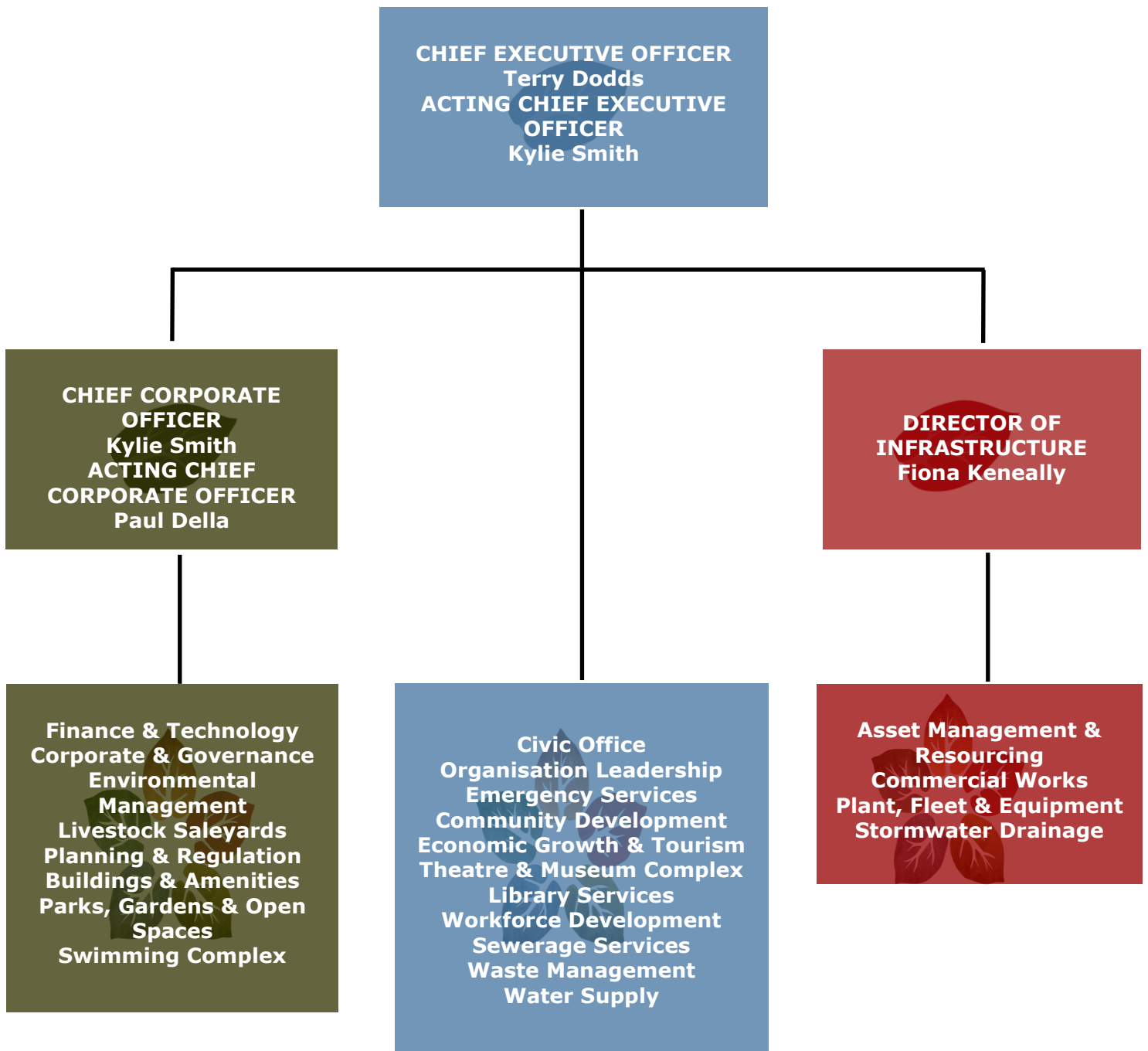
The Chief Executive Officer has such other functions as may be conferred or imposed on a General Manager by or under this or any other Act.

To assist the Chief Executive Officer in the exercise of these functions, there are three Divisions of Council. These Divisions are:

- Corporate, Governance, Planning and Regulatory Services,
- Infrastructure, Transport and Engineering Services, and
- Economic, Community and Workforce Development Services.

The functional structure of the organisation during 2020/2021 is set out below:

STRUCTURE OF THE ORGANISATION





Community Strategic Plan Achievements

Background

On 1 October 2009, the NSW Government's framework for Integrated Planning and Reporting (IP&R) for local councils came into effect. Every council must prepare a number of plans, which detail how the council intends to deliver services and infrastructure in the short and long term, based on community priorities that have been identified through community engagement in the planning process.



The Community Strategic Plan 2017 – 2027 identifies long term goals and priorities for the community and Tenterfield Shire. The Delivery Program 2017-2022, incorporating the Operational Plan 2020 - 2021, outlines the actions Council will take towards achieving the Tenterfield Shire Community Strategic Plan each year. The Community Strategic Plan 2017 – 2027 goals are:

Community Goals

- COMM 1 Tenterfield Shire is a vibrant, welcoming and safe community.
- COMM 2 Health and quality of life are supported by a wide range of recreation and leisure opportunities.
- COMM 3 Our range of services and facilities support accessibility for all in our community.
- COMM 4 The community is welcoming, friendly and inclusive where diverse backgrounds are respected and celebrated.
- COMM 5 The community learns and grows together and fosters an involved community and creative environment.

Economy Goals

- ECON 6 Tenterfield Shire's economic base is robust, growing and supports the creation of a variety of employment and business opportunities.

ECON 7 Tourism is valued, promoted and tourists are welcomed for the positive contribution they make to the community and economy.

ECON 8 Our existing businesses and industry are supported to reach their full potential and provide quality goods and services both locally and to a wider market.

Environment Goals

ENVO 9 Our natural environment will be protected, enhanced and promoted for future generations.

ENVO 10 Environmental risks and impacts are strategically managed.

ENVO 11 Secure, sustainable and environmentally sound infrastructure and services underpin Council service delivery.

Leadership Goals

LEAD 12 We are well engaged community that is actively involved in decision making processes and informed about services and activities.

LEAD 13 Council recognises the diversity of the communities that make up the Tenterfield Shire Council Local Government Area.

LEAD 14 Resources and advocacy of Council are aligned and support the delivery of the community vision outlined in the Community Strategic Plan.

Transport Goals

TRSP 15 We have an effective interconnected transport system that is safe, efficient and affordable for us as a community.

TRSP 16 Our quality of life is enhanced by transport options to access services that are not available in our community and enable us to connect with people visiting and accessing the services we provide.

The Delivery Program identifies what the Council is responsible for delivering to support the Community Strategic Plan and allows the Council to set out specific priorities for their elected term of office, usually being 4 years. Given the extension to the IP&R Reporting Cycle, as outlined in the Office of Local Government Circular 20-10 Postponement of the September 2020 Local Government Elections, Tenterfield Shire Council will not be able to provide an update to the State of Environment Report in this Annual Report. A comprehensive review of State of the Environment Report is currently being developed to align with the next IP&R cycle.



Community

- COMM 1** Tenterfield Shire is a vibrant, welcoming and safe community.
- COMM 2** Health and quality of life are supported by a wide range of recreation and leisure opportunities.
- COMM 3** Our range of services and facilities support accessibility for all in our community.
- COMM 4** The community is welcoming, friendly and inclusive where diverse backgrounds are respected and celebrated.
- COMM 5** The community learns and grows together and fosters an involved community and creative environment.

COMM 1 Tenterfield Shire is a vibrant, welcoming and safe community.

Strategy 1.4 Provide effective regulatory, compliance and enforcement services that keep our community safe.

A total of forty-five (45) food premises were inspected as part of Council's annual inspection program. One (1) complaint was received in relation to food premises. Council's Activity Report, as required by the NSW Food Authority, was lodged on time for the 2020/21 financial year.

COMM 2 Health and quality of life are supported by a wide range of recreation and leisure opportunities.

Strategy 2.4 Enrich the cultural life of the community by supporting a variety of cultural events and activities for the community and visitors.

A wide range of recreation and leisure opportunities have been supported and several events and activities including:

- School holiday activities – movies.
- Monthly Interagency breakfast meetings.
- Support of community meetings including Service Network Meetings and interagency breakfast meetings.
- National Aboriginal Islander Day of Celebration week was supported for an event at Bruxner Park.
- Seniors Week with several activities on offer including an Art of Ageing Exhibition, garden tours, movies, country dance and a mystery bus tour – thoroughly enjoyed by all.
- Youth Week 2021 enjoyed by young people from ages 12-25 years of age.
- Community Recovery Events facilitated by the Community Recovery Officer including bushfire preparedness days, grant writing workshops, multiple community meetings and networking sessions across the shire and community recovery fun days.

COMM 3 Our range of services and facilities support accessibility for all in our community.

Strategy 3.5 Partner, action and promote Council's Disability Action Plan.

Council continues to promote the Disability, Inclusion and Access Advisory Committee to develop and implement the Disability Inclusion Action Plan.

Ongoing co-ordination and facilitation of partnering, action and promotion of Council's Disability Action Plan.

COMM 4 The community is welcoming, friendly and inclusive where diverse backgrounds are respected and celebrated.

Strategy 4.2 Partnerships with the local Aboriginal Communities are strengthened and supported.

Council continues to engage with the Local Aboriginal Community through the Aboriginal Advisory Committee. Council organised meetings with and supported the Aboriginal Advisory Committee and continues to support local Aboriginal Communities and to strengthen partnerships.

COMM 5 The community learns and grows together and fosters an involved community and creative environment.

Strategy 5.1 Promote and celebrate the work of volunteers within the community.

Support of the Volunteers information night in 2020.

Due to COVID-19 and resulting complications the volunteer numbers have been impacted at the Visitors Information Centre and the School of Arts. However ongoing promotion and celebration of volunteers within our community continues.

Strategy 5.2 Provide opportunities for residents to enjoy access to arts, festivals, sporting activities, recreation, community and cultural activities.

Tenterfield in Touch continues to be distributed on a fortnightly basis.

My Community Directory continues to be used as a platform to connect our community and visitors to activities, events and community partners.

Australia Day Event

Council's Australia Day 2021 Celebration was held in the undercover forecourt of the Tenterfield High School commencing with a free breakfast served by the Tenterfield Lions Club and entertainment by the Granite Belt Community Band.

We were unable to have an Australia Day Ambassador due to COVID-19, however, musical entertainment was provided by locals Dom Clarke and Jess Lockwood. Following the Awards Ceremony, the ever-popular local band Fugarwie brought the event to its conclusion.

Award winners were:

- Citizen of the Year – Mr Charles John Burton;
- Young Citizen of the Year – Pheobe Kate Cooper;
- Sportsperson of the Year – No nominations;
- Young Sportsperson of the Year – No nominations;
- Emergency Services Volunteer of the Year – Neville Smith
- Community Event of the Year –Grassroots Enduro "Tenterfield Terror".

Strategy 5.3 Provide a library service that informs, educates, inspires and supports lifelong learning, providing a culturally rich environment.

Tenterfield Public Library operates from Mondays to Fridays from 10am to 5pm, and on Saturdays from 9am to 11:45am. Branch Libraries operate as follows:

Drake Village Resource Centre: Monday – Friday 10am – 5pm

Urbenville Community Hall: Wednesday 2pm – 5pm

Torrington Memorial Hall: Friday 11am – 2pm

Library hours have been affected by Covid-19. Tenterfield Library closing times have been brought forward to 4.30pm during the week and 11.45am on Saturday to enable staff to clean and sanitise for the next day.

Library holdings as at 20 June 2021 were 31,593. Loans for 2020/2021 totaled 23,609 including eLoans of 3,625. Visitation for 2020/2021 was 13,580. The Library held a special Children's Event at the Tenterfield Cinema Theatre.

National Simultaneous Storytime a yearly event was organised by Tenterfield Library and performed by Library staff and volunteer students from Tenterfield High School. Two childcare centres attended.

During 2020/2021 there were 3,461 searches of the Tenterfield Star newspaper archive. This is up from 2019/2020 total searches, due in no small part to the research for the Sesquicentenary (150th Anniversary) which Tenterfield Shire Council will be celebrating in November 2021.

An audit was conducted of all available Mayoral photographs of Tenterfield Shire Council, all photographs have been digitised for inclusion on the Library catalogue with accompanying biographical information. This will be completed towards the end of 2021. The digitised Mayoral photographs will be included in the Sesquicentenary commemorative book which Tenterfield Library have been project managing and compiling and will be completed by October 2021.

Community Performance Indicators

MEASURE	SOURCE	NUMBER	TARGET
Crime rate (total number of recorded criminal incidences).	NSW reportable crime statistics.	1.6%	Decrease from previous period.
Housing affordability % Change.	Rent and Sales Report, Housing NSW.	17.24% rent increase June 2021 quarter. 14.63% increase for June 2021 quarter for sales.	Nil Change.
Community Development Funding.	Annual Financial Statements.	\$44,998	
Tenterfield LGA Population.	ABS sourced demographic data.	6,470 ABR estimated resident population	7,000
Households/Dwellings.	ABS data on new dwelling approvals.	61 new dwellings approved in 20/21 financial year. Compared to 23 new dwellings approved in 19/20 financial year.	24 approvals



Economy

- ECON 6** **Tenterfield Shire’s economic base is robust, growing and supports the creation of a variety of employment and business opportunities.**
- ECON 7** **Tourism is valued, promoted and tourists are welcomed for the positive contribution they make to the community and economy.**
- ECON 8** **Our existing businesses and industry are supported to reach their full potential and provide quality goods and services both locally and to a wider market.**

ECON 6 Tenterfield Shire's economic base is robust, growing and supports the creation of a variety of employment and business opportunities.

Strategy 6.2 Develop Council business activities including commercial, industrial and residential land development.

The sustainability of our business community has been maintained during this ever-changing situation due to the impacts of COVID-19. Our economy has been stimulated by successful grant applications including National Bushfire Recovery Agency funded projects including development of new suite of visitor collateral, regional/town map, history and heritage booklet, scenic drives brochure/map, and a photo shop for tourism promotion, Tenterfield shire regional villages video shoot.

This funding will assist our local economy and businesses to transition through this period and continue to carry out the important work of providing services to our communities across our Shire. Infrastructure programs that have supported our business and agricultural community include:

- Community Event funding
- Village signs
- Business development projects
- Community development projects
- Tourism and retail marketing campaigns
- Footpath improvements
- Tenterfield Memorial Hall
- Playground enhancements
- Community public facilities upgrades
- Tenterfield town centre revitalisation
- Upgrading and repairs of load limited timber bridges
- Painting and conservation repairs to Sir Henry Parkes School of Arts building

Tourism has been a positive influence on our economic base during this difficult time and the ongoing promotion of Council's Tenterfield True destination marketing brand and strategy has resulted in continued and increased support for our communities.

The Tenterfield Industrial Estate has been fully sold. Progress on current developments has continued.

ECON 7 Tourism is valued, promoted and tourists are welcomed for the positive contribution they make to the community and economy.

Strategy 7.1 Partner with neighbouring Councils, industry stakeholders, state and federal government departments to effectively market the diverse tourism opportunities available within the New England region and south east Queensland.

Council continued to engage with the Tenterfield Chamber of Tourism, Industry & Business, assisting to deliver business training, workshops and forums. This included Marketing Mentoring Program for Businesses (Tourism eSchool) reengagement via live zoom calls, access to learning materials and Facebook group are in progress for planned future dates.

Partnerships continued with Regional Development Australia Northern Inland, Destination Network Country & Outback NSW and neighbouring Councils. Council's New England High Country partnership was also maintained with 6 other Local Government Areas that make up this wider region, including Armidale, Glen Innes, Guyra, Inverell, Uralla, and Walcha. This partnership was focused on supporting marketing campaigns and visitor economy.

It is hoped that the Tenterfield Tourism and Business Excellence Awards will be held in 2022. The event would have normally been held in 2021 however due to COVID-19 restrictions was postponed. This event is run in partnership with Tenterfield Chamber Tourism Industry and Business.

Regional Tourism Bushfire Recovery Grant funding provided an opportunity for events such as the Peter Allen Festival (planned for November 2021), Gravel n Granite (planned for March 2022) and Oracles of the Bush Festival (planned for 2022).

Strategy 7.4 Provide visitors with information and tools to enjoy and access our local attractions and experiences.

The Tenterfield Visitor Information Centre recorded 16,313 visitors during 2020/2021.

The Visitor Information Centre re-opened to the public in June 2020 via a window service which continued for one month. From July 2020 onwards, public access was permitted. Upon re-opening a substantial number of volunteers did not return for a variety of reasons, being length of time volunteered and uncomfortable returning with the COVID-19 situation. The current number of volunteers is 16. The decrease in volunteers was common throughout all NSW Visitor Information Centres which allowed all accreditation requirements to be waived until December 2021.

The centre re-opened to the public from 1 July 2020 to 30 June 2021. Due to the downturn in volunteers brought about by impacts of the COVID-19 pandemic in 2019/2020 there has been an approximate loss of 50% of volunteers.

After Australia and NSW re-opened following the initial lockdown in 2020, visitor numbers increased and continued to increase well into the early months of 2021. The festivals held in March and April were responsible for extremely high visitor numbers to the Visitors Information Centre (March 1582, April 2107, May 1794, June 1304 of 2020). The impacts of COVID-19 have had significant impacts on visitors' numbers for July 586 and August 89 of this year 2021.

Tenterfield's Tourism and Marketing team developed and launched a new destination marketing website last year and the previous Tenterfield Tourism website was decommissioned. The Visit Tenterfield website is the key call-to-action platform for all tourism marketing and promotional activity for the Shire. The Facebook page has 6,375 followers and the Instagram site 2,470 followers.

ECON 8 Our existing businesses and industry are supported to reach their full potential and provide quality goods and services both locally and to a wider market.

Strategy 8.1 – Recognise agriculture as a significant industry in the Shire and encourage initiatives that enhance the economic sustainability of agriculture.

Council's staff supported progress Associations across the District by attending meetings, promoting community participation and by distributing information through direct communications. The Council staff provided further information and support relating to grants and collaborated with the Cultural Officer & stakeholders for the delivery of a wide repertoire of cultural events including theatre, dance, music and cinema. Council's Community Development Officer and Tourism & Marketing Officer worked together to provide regular community updates and information in the form of a weekly e-newsletter.

Economic Performance Indicators

MEASURE	SOURCE	NUMBER	TARGET
Increase in registered businesses.	Australian Business Register.	-1% (RDA)	Increase from previous period.
Gross revenue generated by businesses and organisations in Tenterfield.	RDA Data.	\$211,812 million	>538 million
Tourism Visitor numbers to LGA.	Visitor Information Centre	10,127	Increase from previous period.
Unemployment Rate.	ABS Data.	7.6%	Below Region Average.
Labour Force size.	ABS Data.	4.6%	Below Region Average.



Environment

- ENVO 9** **Our natural environment will be protected, enhanced and promoted for future generations.**
- ENVO 10** **Environmental risks and impacts are strategically managed.**
- ENVO 11** **Secure, sustainable and environmentally sound infrastructure and services underpin Council service delivery.**

ENVO 9 Our natural environment will be protected, enhanced and promoted for future generations.

Strategy 9.1 Manage, Protect, Enhance and conserve the Natural Environment in a Sustainable Manner.

Heritage is a major asset to the shire and is strongly upheld by the Council. The shire includes stunning areas of natural heritage and National Parks and agricultural landscape which surround the historic Tenterfield township and outlying villages. Council has invested with confidence in heritage conservation projects and supports the Heritage Advisory service, the Heritage Panel and other initiatives through associated programs such as National Monument Recovery.

Heritage conservation work in Tenterfield Shire experienced high demand despite the impact of COVID-19. It is significant that Tenterfield has historic associations with the Spanish Flu pandemic of 1918 with the restored heritage-listed purpose-built Isolation Ward, now a museum, built in 1918 and former associations with the quarantine camp at the Tenterfield Showgrounds.

Heritage Advisory Work included the following:

- Site meetings with owners and prospective purchasers in relation to historic properties.
- Pre-development application stage advice.
- Promotion of conservation advice on appropriate materials and approaches to heritage management.
- Historical research to assist with conservation proposals and development assessment.
- Input and advice on development applications and effective statutory management of heritage in the shire and processes.
- Assistance and support to owners with grant applications under the Local Heritage Places Grants.
- Assistance with preparation of a range of grant applications and supportive statements for applications.
- Attendance and contributions to the Heritage Panel meetings
- Assistance with Council's asset management on works within the Conservation Area.
- Updates to the State Heritage Inventory.
- Preparation of interpretive signage for the historic Willsons Downfall Cemetery, Paddy's Flat and Mount Lindesay Tank Traps and Urbenville Historic Village through other grant programmes.

During the year Council's Heritage Advisor carried out 33 site visits and provided heritage advice on a range of matters as outlined above. Council promotes the free heritage advisory service to owners and prospective purchasers to discuss pre-Development Application (DA) proposals and seek conservation advice and lodge Minor Works approvals. The take up of pre-DA, minor works and conservation advice shows awareness of prior approval requirements. Follow up written advice is provided and often includes additional historical research which is helping to raise awareness and develop a better understanding of the significance of heritage properties. Early advice also helps to identify issues before any work is carried out and before applicants embark upon the preparation of detailed plans. These meetings commonly address:

- questions about heritage listing and what it means
- the use of correct materials approaches for conservation works
- the need for and appropriate use of traditional colour schemes
- the exemptions clause which allow a range of maintenance and 'minor' works to be considered through a 'no fee' application
- alterations and additions are which are permissible with consent

- discussion and exploration of options to achieve proposals whilst maintaining heritage values

The Local Heritage Assistance Fund allocated funds to 15 successful projects this year including re-roofing, gable and joinery repair, guttering, fences, repainting. The grant fund of \$39,600 (which included some carry over Council funding from the previous year) supported a total value of projects of approximately \$100,000 showing a multiplier of 2.5. Every conservation action has a cumulative impact and is raising awareness about conservation best practice. Early attention to repairs is critical, especially to address water damage to prevent accelerating deterioration.

ENVIRONMENT 10 Environmental risks and impacts are strategically managed.

Strategy 10.2 – We partner with stakeholders and government to maintain healthy catchments and waterways in the Shire.

The 2020/2021 financial year has seen the end of the previous year’s prolonged drought conditions, with the entire Shire receiving significant rainfall and flooding. To ensure water reserves, additional education was delivered through Smart Approved WaterMark. They provided an online web-based platform that was trialled as Water Night on 22 October 2020 as part of National Water Week, allowing activities to be undertaken safely through the COVID-19 pandemic.

Finalisation of repairs continue from the damage from the fires, repair of the flood warning station is complete and the sludge pond liner is expected to be completed later in 2021.

The hired Osmoflow plant able to treat 620KL of water occurred in January 2020, and testing to proof the system was completed during this financial year. Additional requirements for bore testing where requested by NSW Health, additional requirements for discharge required engagement with EPA, awaiting response.

Emergency water search for production bores for transport museum, East Street, Rural Fire Service and Archery Club pipeline, electrical and well head installation have been completed, and are now awaiting power connection for the Common. Flood platforms for RFS and Shirley Park are completed with pipeline refurbishment of Shirley Park bore, nearing completion.

Replacement of the pumps to submersibles in Urbenville following pump failure was completed. Workshop with Kyogle Shire Council as part of the options study commenced in June and continues.

ENVIRONMENT 11 Secure, sustainable and environmentally sound infrastructure and services underpin Council service delivery.

Strategy 11.3 - Waste from our operations is managed to reduce the volume and take advantage of recycling opportunities available to us.

Sewerage Services

Provide effective and efficient delivery of sewerage services across to the townships of Tenterfield and Urbenville.

Manhole inspections continue with over 500 manholes inspected for condition assessment, GPS and address location is completed. The works provide scope for repairs to be included in asset maintenance program, which 37 manholes have undergone relining and other repairs.

Replacement of the sludge dehydrator has progressed with arrival on the docks in Sydney, and delivered to the Tenterfield STP, installation completed and new dehydrator operational.

The 1km licence condition relining over 1.69km and inspection over 1.96km is completed and evaluated with Council contractors Institutorm completion in August 2020.

On Site Sewerage Management (OSSM)

Limited staffing resources have meant that the ongoing OSSM inspection program has been suspended. Staff continue to assess new applications and issue approval to operate systems upon request. [MB1]

Environmental Performance Indicators

MEASURE	SOURCE	NUMBER	TARGET
Total waste diverted from landfill.	Council Records.	31%	Increase from previous period.
Drinking water quality compliance with microbial requirements.	DPI Water Data.	100%	100%
Average annual residential water consumption.	Council Data	Residential 78.15KL	Decrease from previous period.
Average annual residential electricity consumption.	ABS Household energy consumption survey.	8,931 kW hours (COVID-19 Restrictions and Stay at Home Orders saw increased energy consumption worldwide)	<7000 kW hours



Leadership

- LEAD 12** We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
- LEAD 13** Council recognises the diversity of the communities that make up the Tenterfield Shire Council Local Government Area.
- LEAD 14** Resources and advocacy of Council are aligned and support the delivery of the community vision outlined in the Community Strategic Plan.

LEAD 12 We are well engaged community that is actively involved in decision making processes and informed about services and activities.

Strategy 12.1 – Council’s decision-making processes are open, accountable and based on sound integrated planning.

It is a requirement that Council report on how well it achieves the delivery of the four-year Delivery Program 2017-2021 and the one-year Operational Plan 2020/2021 objectives, as part of its Integrated Planning and Reporting obligations. During the reporting period, Council reported against actions and tasks defined in the Operational Plan, Delivery Program and the Community Strategic Plan, as part of the Monthly Operational Report.

Strategy 12.2 – We partner with the community, business and Federal and State Government in the achievement of our goals.

The Tenterfield Shire Council Audit and Risk Advisory Committee met via Zoom in September and December 2020, and March and June 2021, due to ongoing COVID-19 restrictions. The objective of the Committee is to provide independent oversight and assistance to Tenterfield Shire Council on governance, risk management, external accountability and internal audit responsibilities. The Committee membership includes three independent, external members, two of whom are from the audit and risk professional services industry sector, and one from another local government organisation.

During the reporting period the Committee followed the Audit and Risk Calendar, to determine an agreed program of activities and actions that will deliver the required outcomes for financial audit and risk management activities of Council. The Committee implemented the Internal Audit Plan, in line with the upcoming changes to Internal Audit requirements of the Local Government Act 1993. Internal Audit activities undertaken during 2020/2021 included:

- Fraud Control Review

The recommendations from this review are being implemented in subsequent financial years.

Council’s Enterprise Risk Management Framework provides a formal yet practical guide for articulating risk appetite, and for assessing, treating, managing and reporting risks. The framework provides a consistent methodology for risk management at all levels of the organisation. It also complements Council’s organisational culture of continuous improvement and innovation, by encouraging employees to maximise opportunity and minimise loss.

LEAD 13 Council recognises the diversity of the communities that make up the Tenterfield Shire Council Local Government Area.

Strategy 13.1 – Support people with specific needs and lobby for appropriately identified services to be provided in the Shire.

Council supports Progress Associations across the Local Government Area by attending meetings, promoting community participation and by distributing information through direct communications such as Tenterfield in Touch. Information and support relating to grants and collaboration opportunities are also supported by Council.

LEAD 14 Resources and advocacy of Council are aligned and support the delivery of the community vision outlined in the Community Strategic Plan.

Strategy 14.1 – Services to our community are provided in a professional, friendly and timely manner consistent with our corporate values.

Council received 1,087 general customer enquiries during 2020/2021.

The Tenterfield True mobile application continues to provide Council with a close to real time tool to advise residents and visitors of news and information, via alerts and links to Council's existing web pages. During 2020/2021 Council used the push notification tool of the mobile app to notify residents of COVID-19 restrictions and community grants opportunities. There were 7,040 unique views of Council's push notifications up to 2020/2021.

Strategy 14.2 - Council maintains sound safety and risk management practices to protect the community and our employees.

COVID-19

The COVID-19 pandemic continuing into the 2020/2021 financial year has had an unprecedented impact on the way people live and work. Council has had to significantly modify its operations and delivery of services to protect our workers and the broader community.

Until the State Government required vaccination rate is achieved, there can be no return to business as usual. Council must find a 'new normal' and must continue implementing measures to reduce the spread of the virus and to play our part in preventing health systems from being overwhelmed and preventing unnecessary deaths.

Council has developed and implemented twenty eight (28) Covid Safety Plans to fulfil our obligations under public health orders and minimise risk of transmission of COVID-19 on Councils premises and the community.

The organisation of staff vaccinations, facilitating working from home, accommodating lock downs, maintaining COVID information, instruction and inspections along with associated compliances and reporting have been a heavy focus in 2020/2021.

Work Health and Safety Management System - Continuous Improvement

Council has a Work Health and Safety Management System designed to meet legislative and organisational requirements.

Work Health and Safety Performance

Council experienced steady performance in its WHS performance throughout 2020/2021, a slight increase in lost time injuries however a reduction in injury durations, and costs associated with injuries. This reduction will be reflected in a reduced premium cost for 2021/2022.

Injury Performance

During 2020/2021, we experienced 17 total injuries requiring treatment, which was a decrease on the 2019/2020 figures. Total injuries include provision of first aid, medical treatment and lost time injuries.

Incident Performance

Ten (10) Hazards were formally registered, investigated and controlled. Fifty nine (59) incidents were formally registered, investigated and controlled.

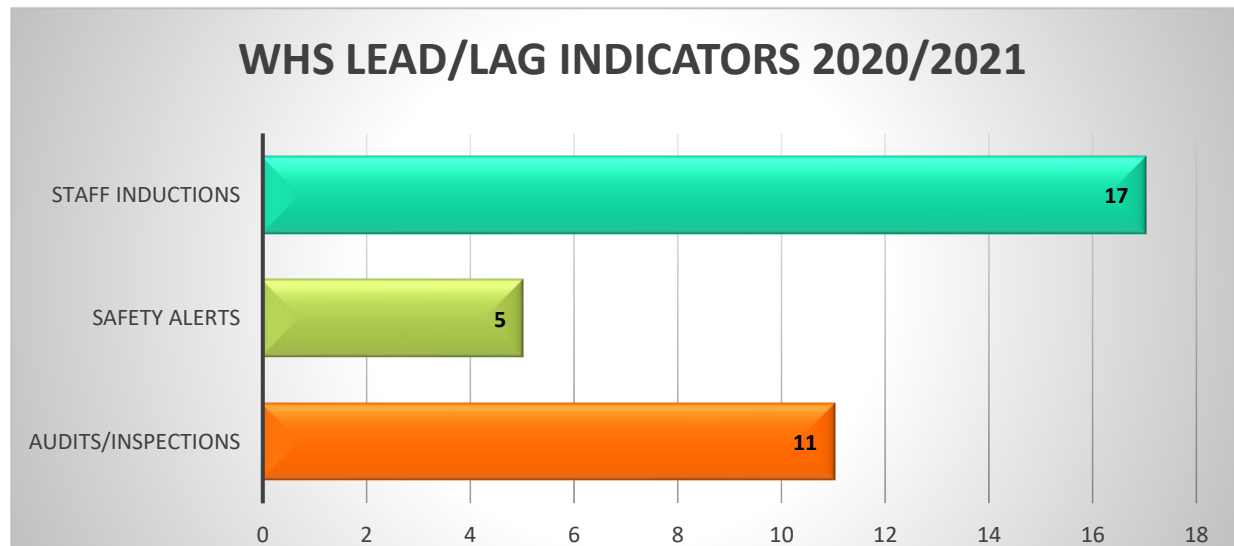
Work Health and Safety Audit

Council continued to implement Continuous Improvement Audits to ensure compliance and implementation of the Work Health and Safety Management System. Council realigned its strategy within the COVID-19 environment to ensure continued effective implementation of, and compliance with, the Work Health and Safety Management System. Areas of focus for the year were the Memorial Baths, construction sites and outdoor operations. In addition all Council operations, environments and work tasks were inspected and audited to ensure the safety of staff and members of the public against the COVID-19 identified hazards.

Workers Compensation

HR Workforce Development & Safety has ensured compliance with the Workers Compensation Regulation 2016 and the amendments of 2018. Injured workers are returning to work as per our Injury Management and Return to Work Program. This program ensures that staff are rehabilitated in a timely manner and returned safely back into the workplace. Council's low workers compensation premium, again has highlighted the excellent work by all staff, managers and executives in taking responsibility for their duties and obligations surrounding all facets of work health and safety.

Consultation



This duty to consult is based on the recognition that worker input and participation improves decision-making about health and safety matters and assists in reducing work-related injuries and disease. A safe workplace is more easily achieved by Council when everyone involved in the work communicates with each other to identify hazards and risks, talks about health and safety concerns and works together to find solutions.

We consult with our workers when:

- identifying hazards and assessing risks
- making decisions about ways to eliminate or minimise those risks
- making decisions about the adequacy of facilities for the welfare of workers
- proposing changes that may affect the health or safety of your workers
- making decisions on health and safety procedures

The COVID environment has curtailed some of WHS consultative forums. However due to the implementation of Covid Safe Plans and robust Risk Management Principles, face to face WHS meetings were able to be re-established.

Training

Council is responsible for ensuring our workers are properly instructed and trained on how to do their work safely. They must know all relevant health and safety information about their jobs, their workplace, the risks, and how to control the risks.

Council currently:

- undertakes inductions and workplace safety training for new workers
- trains workers for the specific tasks they will have to perform
- commits to appropriate supervision of workers
- supports regular refresher training
- Ensures all legislative and regulatory training is up to date

Training early this year was interrupted and delayed by the onset of the COVID-19 environment. In response a heavy focus was placed around the implementation of Risk Assessments and Safe Work Method Statements to accommodate any identified short term competency or skill gaps.

Inductions

Whenever council engages new workers, contractors or volunteer's safety is incorporated into their induction before they start their job. This will not only help them understand how to do their work safely, it will let them know that council takes safety seriously. Induction topics include:

- rights and responsibilities
- workplace hazards
- safe work procedures
- Code of Conduct
- General Induction
- Risk Management Principles
- Drug & Alcohol
- Cash Handling
- Lone worker
- Cash handling
- COVID-19

A total of 17 staff inductions were delivered in the 2020/2021 financial year.

Drug & Alcohol Testing

Council is required to manage the work-related risks associated with alcohol and other drugs and as such enhance the promotion of a workplace that is drug and alcohol free. Drug and alcohol tests were conducted, at key times including but not limited to random and post incident, all of which produced confirmed Negative results, endorsing the value of the program. Further training has been conducted to increase the number of staff formally capable of conducting on-site drug and alcohol testing.

Identified Hazards

Ten (10) Hazards were formally registered, investigated and controlled. 137 Incidents were formally registered, investigated and controlled.

Strategy 14.3 – Council is an employer of choice in the region, providing sound leadership and supported by a committed workforce.

HR Workforce Development & Safety continued to implement Council's Workforce Development Strategy during 2020/2021 in order to attract and retain passionate, committed employees and promote an engaged workforce to deliver quality Council services, through alignment to initiatives, projects and tasks. Implementation this year has been challenging to say the least. Drought, bushfires and COVID-19 have had heavy impacts on the way Council has planned, developed and implemented its Human Resource strategies.

Staffing and Workforce Planning

For 2020/2021, the total recruitment number to existing positions was 21. This number includes full-time, part-time and trainee employees.

Recruitment to fill existing vacancies has enhanced the development of attraction and retention practices. Succession needs have also been examined with the identification of those positions for which essential backup is required.

Recruitment in 2020/2021 Financial Year

	Position	Service
1.	Records Coordinator	Corporate and Governance
2.	Administration & Records Officer	Corporate and Governance
3.	Casual Administration & Customer Service Assistant	Corporate and Governance
4.	Plant Mechanic	Plant, Fleet & Equipment
5.	Property Specialist	Buildings & Amenities
6.	Technical Projects Engineer (Graduate)	Asset Management and Resourcing
7.	WHS & Risk Management Coordinator	Workforce Development
8.	Assistant Library Officer (Part Time)	Library Services
9.	Labourer (Trades Assistant) (Part Time)	Plant, Fleet & Equipment
10.	Team Leader (Excavator)	Transport Network
11.	Team Leader (Patchmobile)	Transport Network
12.	Parks & Gardens Operative – Maintenance	Parks, Gardens & Open Space
13.	SOA Administration & Customer Service Assistant	Theatre & Museum Complex
14.	Services Operator	Water Supply
15.	Mingoola/Torrington Transfer Station Operator	Waste Management
16.	Parks & Gardens Horticulture & Landscape Coordinator	Parks, Gardens & Open Space
17.	Administration & Web Assistant (Part Time)	Civic Office
18.	IT Support Officer	Finance & Technology
19.	Leading Hand (Roads)	Transport Network
20.	Parks & Gardens Operative – Maintenance	Parks, Gardens & Open Space

Casual staff strategic, operational and risk analysis & evaluation

Monitoring and review on the use of casuals, labour hire and fixed term contracts within the current structure continues to ensure risk exposures where identified, understood and communicated in regards to the new 2020 State Award requirements and Council's obligations.

A major review of the organisation's structure occurred with a focus on casuals, trainees, contractors and outstanding recruitments. Discussions held with associated business unit Managers to ensure a continued focus on operational outcomes and the required resourcing so as to take advantage of Federal and State Government incentives.

Training and Development

Tenterfield Shire Council is committed to a program of staff development based on a goal of creating a climate of and opportunities for employee growth which will benefit the Council and the individual. HR Workforce Development & Safety coordinates compliance, skill enhancement and career training for all employees.

Council was successful in grant funding through the Local Government Skills Strategy which enabled many of our staff to undertake and achieve competency in many areas at little to no cost.

2020-2021 saw a major focus on regulatory and skills enhancement training and development. This was due to the major COVID-19 disruption to training plans in 2019/2020

2020/2021 Training & Development	2020/2021 Training & Development
Certificate III in Customer Engagement	Drug & Alcohol Testing Course
Certificate III in Customer Engagement (Traineeship)	Working at Heights
White Card Training	Confined Spaces
Visitor Servicing & Destination Marketing Bootcamp 2020	Risk Management Training – IT Vision
Firearm Safety & Training – Use Firearms to humanely destroy animals	Certificate III in Business Administration
OHS Risk Management Course	Mental Health First Aid
Overhead Powerlines	Australian Local Government Association Regional Development Forum
HR Driver Training	Provide Building Surveying Services for Residential Buildings up to three storeys
Altus ECM Training	Local Government NSW Employment Law Seminar
Bushfire Awareness Training & Refresher	Personal & Executive Assistant Conference
Australian Local Government Association Roads, Regions, Resilience – A special Local Roads & Transport Congress	Responsible Service of Alcohol
Chartis Technology QGIS Training Essentials and Pursuit	Leadership Seminar (Dr Norman Chorn & Barry Frew)
Traffic Controller & Implement Traffic Control Plans	Silica Awareness Training
Prepare a Work Zone Traffic Management Plan	Local Government NSW 2021 Water Management Conference
Objective Leadership Program	Impact Environmental Conference/Waste Conference
Basic/Intermediate/Advanced Chainsaw Course	Local Government Procurement – The Essentials
Introduction to Records Management Training	Local Government Procurement – Tendering Evaluation & Contract Awarding
Managing the Disposal of Local Government Records	Local Government Procurement – Procurement Planning and Specification
Asbestos Awareness Training	Online Floodplain Management Australia National Conference
Sharps Training	Basic Wastewater Treatment Operations Course
ChemCert Training	Weeds Action Program – NSW Biosecurity Legislation Online
Local Government – Course Property 101	Certificate III in Civil Construction
Advanced Diploma of Record Keeping	

Performance reviews

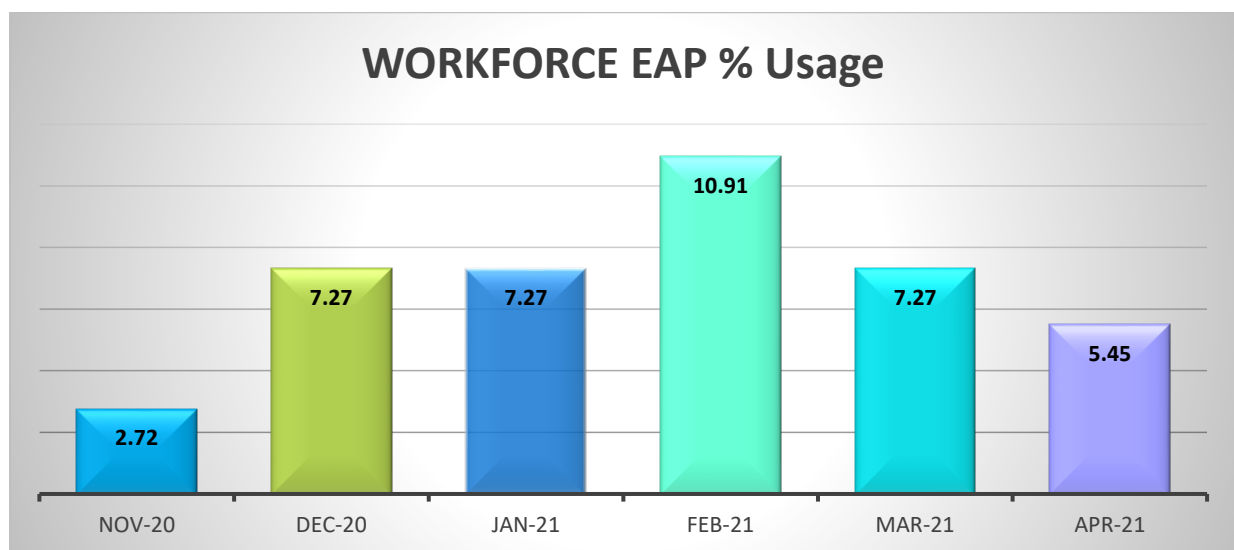
Annual performance reviews have provided data allowing training delivery attached to need, courses availability and specialist conference programs. Council has continued delivery of tailored training programs, which meet the needs of individuals, teams and groups in accordance with the training needs. Data gathered this year has been captured to identify training needs gaps and salary inconsistencies relating to departmental inequity.

Mental health & Wellbeing

Psychological health and safety in the workplace must be managed. Council has a legal responsibility to ensure healthy and safe workplaces. This includes, so far as is reasonably practicable, preventing or removing workplace factors to psychological safety, and where it is not possible to do so, reducing these factors and their impact.

Over the past 12 months Daly & Ritchie has attended to TSC onsite monthly, with the exception caused by border closures and lock downs. To ensure a continuation of service Daly & Ritchie in consultation with the Manager for HR Workforce Development & Safety contacted employees by phone, to ensure employees were connected to the Employee Assistance Program (EAP) service. In addition, phone counselling sessions were undertaken to ensure Council employees had counsellors they could connect with during these challenging times.

Within the scope of EAP services, Daly & Ritchie were able to include and provide workplace consulting services. This service involves working with teams for the identification of psychosocial hazards and psychosocial safety climates. The purpose of this consulting service is to assist Council in meeting work health safety obligations and to provide a safe psychological workplace for their staff. NSW Mentally Healthy Workplaces Strategy 2018-22 suggest that mentally healthy workplaces mean improved staff retention, increased productivity and more engaged workers¹. This is further evident as PricewaterhouseCoopers estimates that the Return-On-Investment (ROI) of 130 per cent when investing in improving psychological health in the workplace. Therefore, by taking a primary preventative and proactive approach TSC has increased employee awareness and understanding of mentally health workplaces.



Consultative Committee

This forum of consultation and participative processes will provide a forum that encourages free and open exchange of views. All meetings have been positive and cooperative providing opportunity for collective reform, improvements in efficiency and productivity whilst enhancing career opportunities and more fulfilling, varied and better paid work.

In contrast to previous years all scheduled Consultative Committee meetings obtained quorum.

Flexible work arrangements

Flexible working arrangements (FWA) implemented by Council are addressing a number of needs including COVID-19 restrictions, personal related problems. Implementation monitoring and review continues, to assist staff in the current COVID, administration refurbishment and mental health stress environment.

FWA such as changes to hours, patterns or locations of work continues. A focus on maintaining good communication and staff contact under these arrangements has been required to not only ensure operational efficiency and continuity but also team connectivity and inclusiveness. FWA are in line with new COVID-19 mandates and the Local Government Award 2020.

Human Resources Challenges

Council has had a medium to high turnover of staff in the 2020/2021 financial year, so succession planning, backfilling and secondments have been crucial to our organisation for the continued delivery of services externally and internally.

Succession planning, mentoring and leadership development are the identified priorities that have been targeted within Council for further development to provide an improved implementation framework and alignment with the existing leadership strategy.

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In contrast to previous years all scheduled Consultative Committee meetings obtained quorum.

Flexible work arrangements

Flexible working arrangements are addressing several needs including COVID-19 and personal related problems. Implementation monitoring and review continues, to assist staff in the current COVID-19, administration refurbishment and mental health stress environment.

Flexible working arrangements, such as changes to hours, patterns and locations of work continues. A focus on maintaining good communication and staff contact under these arrangements has been required to not only ensure operational efficiency and continuity but also team connectivity and inclusiveness. Flexible working arrangements are in line with new COVID-19 mandates from the NSW Public Health (COVID General) Order 2021 and the NSW Local Government Award 2020.

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Strategy 14.6 - Council continually reviews its service provision to ensure best possible outcomes for the community.

Ensure improvement of infrastructure in line with best practice water treatment guidelines and increased capacity for sewage treatment in service areas.

Leadership Performance Indicators

MEASURE	SOURCE	NUMBER	TARGET
Councillor attendance at council meetings.	Council Minutes.	86%	80%
Unrestricted current ratio.	Annual Financial Statements.	2.1	>2.1
Overall community satisfaction with service delivery.	Community Satisfaction Survey.	64% (2020)	70%
Net operating results.	Annual Financial Statements.	\$17,493,000	>\$0
Lost time injury rate.	Lost-time injury rate per 100 employees.	4.47%	<4.24



Transport

- TRSP 15** **We have an effective interconnected transport system that is safe, efficient and affordable for us as a community.**
- TRSP 16** **Our quality of life is enhanced by transport options to access services that are not available in our community and enable us to connect with people visiting and accessing the services we provide.**

TRSP 15 We have an effective interconnected transport system that is safe, efficient and affordable for us as a community.

Strategy 15.1 – We have a well-designed and functioning road network suitable for all users now and take into consideration future network consumption and demand.

Mount Lindesay Road projects provided initial bitumen sealing to the gravel road surface over a 2km section upgrade immediately south of Bookookoorara Bridge and a further 1 km section between 3.5km to 4.5km north of Cullendore Road.

Major rehabilitation work has continued on the Mt Lindesay Road \$24M Special Grant project with the Legume intersection completed and significant works underway between 0.1km to 6km east of Legume.

Council completed pavement rectification on Amosfield Road between 3.6km to 4.5km west of MR622 (Mount Lindesay Road) under the Transport for NSW Regional Road Repair Program.

Rehabilitation of the pavement with a new bitumen seal was completed northern of Urbenville on the Clarence Way over a 1.2km section from the northern shire boundary bridge.

Road rehabilitation was completed along the full 12km length of Tooloom Road between Urbenville and Paddys Flat Road.

The Infrastructure NSW funded interim timber bridge works program was completed with several structures strengthened and renewed in timber materials to reduce the extent of load limitations to heavy vehicles on the road network. This included the complete renewal of the Barlows Gate Road bridge over Acacia Creek and the Mole River Road bridge over Tablelands Creek.

To further improve access for transport access in the rural areas, the old timber bridge on Tooloom Road over Beaury Creek has been fully replaced with a new concrete bridge and road approaches.

The Emu Creek bridge replacement on Hootons Road has been completed with a new concrete structure allowing access for heavy vehicles over this section of the road.

Through the Local Roads and Community Infrastructure Program initial bitumen seals were placed over Hootons Road, Castlerag Road, Deepwater Racecourse Road, McKechnie Road, Morwood Road, Nutshell Road, Bryans Gap Road and on sections of Paddys Flat Road South, Billirimba Road, Red Hill Road, Gum Flat Road, Millers Lane and Rivertree Road.

Strategy 15.2 – Tenterfield Township and villages have pedestrian and cycle ways we can safely and conveniently walk or ride on, that connect us to our community facilities and homes.

Footpath paving was enhanced with further improvements in the Tenterfield Township Central Business District area around the Visitors Information Centre in Miles Street.

Several property actions were undertaken to finalise legal tenure of the parkland recreational shared pathway construction between Jubilee Park and the Hockey Fields in Tenterfield.

The section of footpath adjacent to the Park in Drake has been renewed.

In Urbenville, an upgrade of the footpaths through the central business area on Urban Street has been undertaken to upgrade disabled accessibility, improve the functional use of the footpath for business patrons and to enhance the amenity of the area for visitors. A section of footpath has also been upgraded near Stephen Street in Urbenville.

Strategy 15.5 – Ensure adequate stormwater and drainage infrastructure is provided, maintained and renewed.

Council has undertaken drainage culvert replacements across Mount Lindesay Road at Bookookoorara, Cullendore area and east of Legume.

On local rural Shire roads, Council replaced culverts on Main Camp Road, New Mole Road, Chauvel Road, Red Hill Road, Imbergers Road, Bungulla Reserve Road, Daisy Mount Road, Nutshell Road and Springs Road.

In urban areas upgrading of stormwater drainage pits has been a priority with replacement of pits undertaken to repair damaged inlet structures and to enhance public safety, particularly near schools. Works included Scott Street, Miles Street and Wood Street in Tenterfield, with work also undertaken in Welch Street and Stephen Street in Urbenville.

TRSP 16 – Our quality of life is enhanced by transport options to access services that are not available in our community and enable us to connect with people visiting and accessing the services we provide.

Strategy 16.3 – Provide the required public transport infrastructure and work with key partners to expand the provision of cost effective public transport.

Council is working with Transport for NSW to develop projects that enhance transport connectivity for local motorists and regional visitors. The upgrading of facilities in shire villages has been a focus to support regional transport and public transport routes.

Transport Performance Indicators

MEASURE	SOURCE	NUMBER	TARGET
Infrastructure Renewal Ratio.	Annual Financial Statements.	100	100%
Capital Projects Completed on Time.	Council Records.	85	80%
Number of HV Permits issued each year.	RMS Data.	74	Increase from previous period.
Number of vehicle accidents and pedestrian accidents.	RMS Data	37	<36 (2015/2016)
Number of vehicle movements across the council road network.	Council Asset Data.	2208 Average Daily Trips/17 Roads (2020)	5622 Average Daily Trips/52 Roads (2013)



Statutory Reporting

1.0 Fees & Expenses for the Mayor & Councillors

The total amount of fees paid to the Mayor and Councillors for the year 2020/2021 was \$164,058.92. Councillors receive a monthly fee of \$1,013 with the Mayor receiving an additional fee of \$2,210.

• Mayoral Allowance	\$26,530
• Members Fees	\$121,600
• Travelling & Subsistence	\$11,522
• Delegates' Expenses	\$0
• Councillors' Training	\$0
• Internet Expense	\$4,405

The Mayor and Councillors are provided with facilities to assist in discharging the functions of civic office. They are provided with an iPad, stationery items, office support services, manuals and reference materials. The Mayor is also provided with an office, mobile phone and computer equipment. All Councillors are reimbursed for any out of pocket expenses such as travel, meals and accommodation when incurred in accordance with Council's Policy "Councillor Expenses and Facilities".

Councillors Attendance Record 2020/2021 Council Meetings

There were 11 **Ordinary Council Meetings** and 8 **Extraordinary Council Meetings** held in the period July 2020 to June 2021.

Councillor	No. of Meetings Attended/No. of Meetings Held
Cr Petty	18/19 – 1 Apology
Cr Murray	19/19
Cr Forbes	18/19 – 1 Apology
Cr B Petrie	19/19
Cr Macnish	19/19
Cr Sauer	17/19 – 2 Apologies
Cr Peters	19/19
Cr M Petrie	16/19 – 3 Apologies
Cr Verri	19/19
Cr Rogan	19/19

2.0 Overseas Visits by Councillors and Staff

Due to the COVID-19 pandemic there were no overseas visits during 2020/2021.

3.0 Senior Staff

There are two staff positions which are determined under the Local Government Act 1993 as being Senior Staff Positions. These are the position of Chief Executive (General Manager) and Chief Corporate Officer.

The following remunerations for contracts inclusive of salary, superannuation, non-cash benefits and allowances in total for **Senior Staff Positions** for the 2020/2021 Financial Year as follows:

Position Title	Number	Contract Value
Chief Executive	1	\$250,000 – \$275,000
Senior Staff	1	\$200,000 – \$225,000

4.0 Contracts Awarded in Excess of \$250,000

The following contracts were awarded during 2020/2021 for amounts greater than \$250,000:

Contractor	Goods / Service	Amount (Incl Gst)
BJS Constructions	Supply and Install of Acoustic Panels and Electrical Works -Tenterfield Memorial Hall Sporting Complex Refurbishment	\$691,164
Lismore Toyota	Light Vehicle Tender	\$1,100,000
TT Construction Pty Ltd	Pioneer Precinct Works, Urbenville NSW	\$187,401
Interflow Pty Ltd	CCTV and Relining 2021 - clean and reline sewer mains	\$289,504

5.0 Private Works

Tenterfield Shire Council fixes the rates to be charged for the carrying out of private works each year in conjunction with the adoption of the Operational Plan. Rates are fixed for the hire of plant with and without operator, the supply of materials and pipes, hire of staff, sewerage works and water charges.

These rates are calculated annually to cover actual costs to carry out the works. Complex works are estimated separately and agreed by the applicant with the completion of a formal agreement prior to work commencing.

In 2020/2021, income from private works totalled \$2,661,493.

Council made no resolutions under Section 67 of the Local Government Act 1993 to fully or partly subsidise work on private land.

6.0 Legal Proceedings

No legal (court) proceedings were commenced by Council during 2020/2021. Council was not the subject of legal proceedings during 2020/2021.

Council spent \$82,578.92 on Legal Services in 2020/2021.

Legal Services Expenses	Amount
Rates	\$27,125.96
Planning & Regulation	\$9,067.84
Buildings & Amenities Legal	\$3,086.67
Economic Growth	\$485.35
Conduct of Investigations	\$42,813.10
Total	\$82,578.92

7.0 Contributions/Donations

During the 2020/2021 Financial Year, Council made a contribution to the following community groups totalling \$44,998.

Organisation	Project	Amount \$
Drake Primary School	Presentation Night	150
Jennings Public School	Presentation Night	150
St Joseph's Convent Schools	Presentation Night	150
Sir Henry Parkes Memorial Primary School	Presentation Night	150
Tenterfield High School	Presentation Night	150
Urbenville Public School	Presentation Night	150
Woodenbong Public School	Presentation Night	150
TAFE	Presentation Night	150
Drake Primary School	Learn to Swim – contribution to transport	550
Urbenville Public School	Learn to Swim – contribution to transport	550
Westpac Helicopter Rescue Service	Helicopter Rescue Service – Annual Contribution	2,150
Tabulam SES	Upper Clarence Art Exhibition	500
Liston Hall Committee	Annual contribution to assist with operating costs	500
Bolivia Hall Committee	Annual contribution to assist with operating costs	500
Legume Hall Committee	Annual contribution to assist with operating costs	500
Drake Hall Committee	Annual contribution to assist with operating costs	500
Urbenville Hall Committee	Annual contribution to assist with operating costs	500
Steinbrook Hall Committee	Annual contribution to assist with operating costs	500
Sunnyside Hall Committee	Annual contribution to assist with operating costs	500
Mingoola Hall Committee	Annual contribution to assist with operating costs	500
Torrington Hall Committee	Annual contribution to assist with operating costs	500
Tenterfield Highlander Pipe Band	Annual contribution to assist with operating costs	600
	Sub-Total	\$10,050

Organisation	Project	Amount \$
Tenterfield Show Society	Contribution toward providing children's entertainment and activities at the 2021 Tenterfield Show.	1,500
Tenterfield District Cricket Association	Contribution toward the purchase of equipment for Tenterfield Junior Cricketers.	618
Oracles of the Bush Inc	Contribution toward providing prize money for the annual amateur performance and written poetry competitions	2,500
Liston Hall Committee	Contribution toward purchase of a barbeque and range hood.	1,000
SSAA(NSW) Urbenville-Woodenbong Branch Inc.	Contribution toward gravel for the road into the Gun Club.	3,000

Organisation	Project	Amount \$
Seniors Week Committee	Contribution to the cost of funding Seniors Week activities	2,500
Tenterfield Show Society	Contribution toward the preservation of historical records	1,000
Bolivia Progress Association Inc.	Contribution toward purchase of a Zero Turn Precision Ride-on Lawn Mower	1,000
Border Country Trail Riders	Contribution toward two one-day training days with Damien Hall Horsemanship	500
Tenterfield Men's Shed	Contribution towards registration of two water trailers, and an air conditioning unit for kitchen meeting room	2,500
Liston & Area Progress Association	Contribution toward installation of pre-purchased bollards on top park in Liston	780
Shotgun, Rifle and Pistol Club of Tenterfield	Contribution toward the purchase of a defibrillator to install and mount in the Club shed	1,500
Tenterfield Players Inc.	Contribution toward installation of a drainage system to stop water ingress into the storage shed	1,000
Rotary Club of Tenterfield	Contribution towards the costs of running the annual Christmas Carnival	800
Tenterfield Showground Land Managers	Contribution toward replacement trees and tree guards	1,000
Mingoola Hall Management Committee Inc.	Contribution towards the purchase of a picnic table and bench seats	1,000
Steinbrook Progress Association	Contribution toward upgrade to the hot water system and associated building works	3,000
Tenterfield Petanque Club	Contribution towards top dressing of the Petanque Court with crusher dust	750
Federation Toastmasters	Contribution towards audio visual equipment to facilitate Toastmasters meetings	500
Urbenville Progress Association Inc.	Contribution towards running costs of the Seniors Day-care Bus	2,500
Tenterfield Community College Inc	Contribution towards the purchase of 2 rolls of wadding to make quilts	500
Tenterfield High School	Contribution towards the Year 12 formal celebrations	500
Tenterfield Pony Club	Contribution towards upgrading storage area	1,000
Tenterfield Physical Culture Club	Contribution towards installation of wood style vinyl over the existing floorboards at the Scouts Hall	2,000
Drake School of Arts & Progress Association	Contribution towards replacement of wooden steps, dirt to fill back of retaining wall, reimbursement of excess hall electricity bills, replacement of childproof door to kitchen and installation of baby change table in disabled toilet	2,000
	Sub Total	\$34,948
	TOTAL	\$44,998

8.0 Statement of Activities – EEO Management Plan

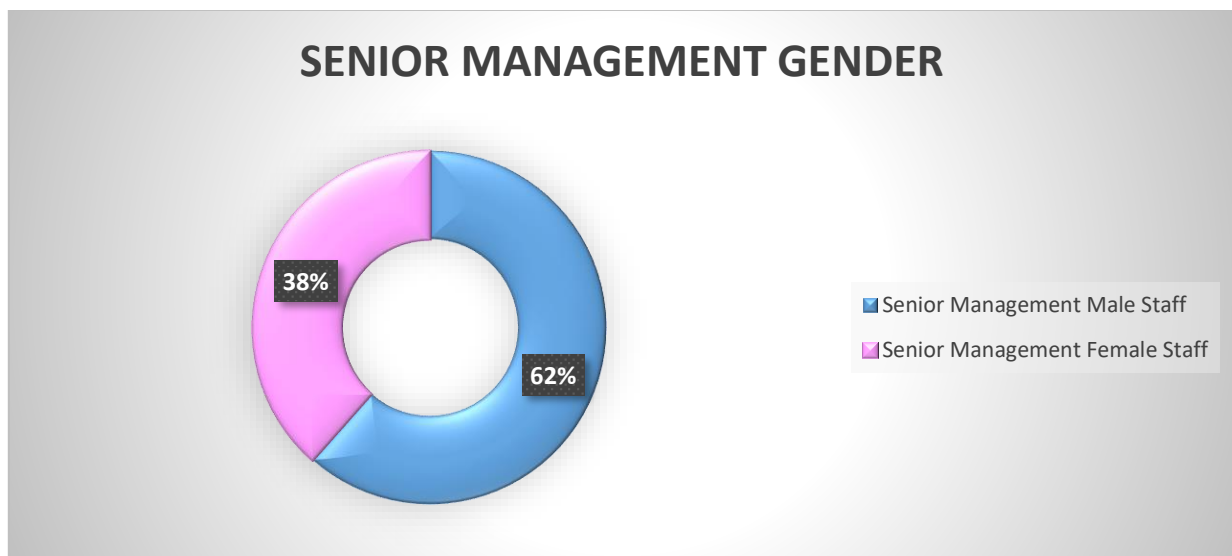
Council will ensure that equal employment opportunity processes are followed and that a consistent approach to recruitment and selection is carried out across its departments. Council is supportive and understanding that a successfully diverse workforce is one that contains people at all levels who have a range of different characteristics and who have been recruited on the basis of their abilities and competence to do the job. This approach is evidenced within council's equal opportunity employment policy.

In accordance with Council's policy and values, the following EEO activities were undertaken:

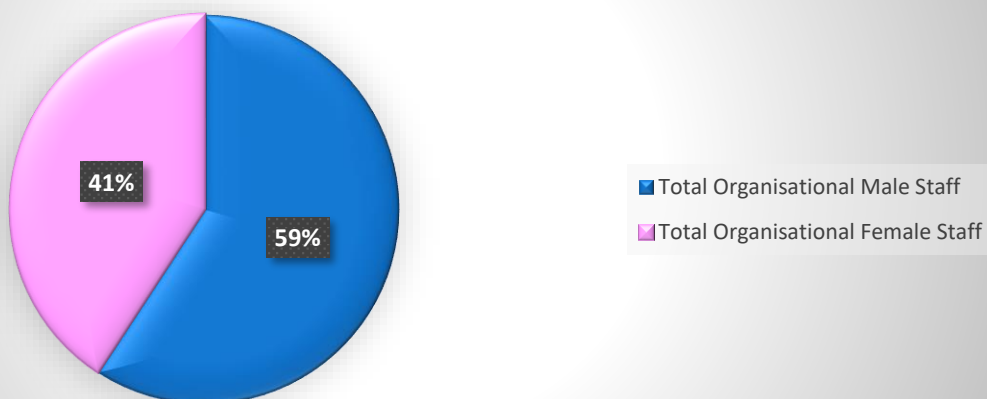
- Council continues to comply with gender requirements on Selection Panels
- Leadership gender equality analysis conducted
- Council continues to support Work for the Dole initiatives and to take up employment subsidies, offered by Government, targeting youth and mature age groups within the community
- Council continues to support workplace Learning initiatives for school work placement/work experience students
- Continued development of human resource matrices which provide Council with data for human resource planning, identification and profiling in workplaces
- Code of Conduct facilitation at all employee/worker inductions as part of on-boarding processes
- Council investigating disability and diversity training for the organisation
- Corporate culture has been observed and analysed, and awareness of the need for change and improvement built to underpin future action, and Council has completed a review and update of the existing EEO Management Plan incorporating diversity bolstering program effectiveness

EEO - Gender analytics

Tenterfield Shire Council has a current organisational workforce gender split of 38% female and 62% male. The Council still has a high level of females in its leadership positions. This is evidenced at our senior chief and management leadership levels within the organisation, with a gender profile that reflects a more equitable split of 41% female and 59% male.



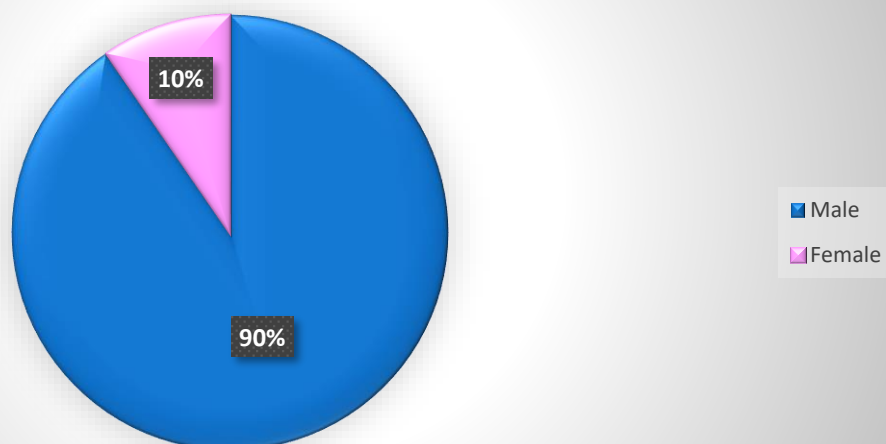
ORGANISATIONAL GENDER



In contrast, the outdoor staff which incorporates the business units of open space and regulatory, transport and works and water and waste with a combined staff of 52 has a gender split of 10% female and 90% male.

Identified target is to increase female representation in the outdoor business units.

GENDER OUTDOOR STAFF



EEO - Current age diversity

Council is taking a deliberate look at our ageing workforce and considering strategies to ensure that corporate knowledge is not lost but rather transferred to younger workers.

9.0 Controlling Interest in Companies

Council held no controlling interest in any companies during 2020/2021.

10.0 Partnerships, Co-Operatives and joint Ventures

Joint Venture with Kyogle Council

Council is involved in a joint venture with Kyogle Council to supply water to the villages of Urbenville (in Tenterfield Shire), Woodenbong and Muli Muli (in Kyogle Shire).

Memorandum of Understanding and Strategic Plan with Southern Downs Regional Council

Tenterfield Shire Council signed a Memorandum of Understanding (MOU) with Southern Downs Regional Council in September 2013 that forms a strategic alliance to improve and strengthen roads, waste management, tourism, emergency management and resourcing of both regions. There is also an ongoing MOU with Southern Downs Regional Council for the provision of water to the residents of Jennings.

North West Weight of Loads Group

Council changed membership from the North East Weight of Loads Group to the is a member of the North West Weight of Loads Group during the 2020/2021 financial year. The North West Weight of Loads Group is a voluntary association of member Councils that administers the provisions of the Local Government Act, the State Roads Act, Road Transport (Mass Loading and Access) Regulation and the Interstate Transport Act to the extent that those Acts and Regulations provide limits on the Weights and Loads for Motor Vehicles using Local Council Roads and classified roads and create offences for breaches of those weight limits. The assets and liabilities of the group are held and borne by the members proportionate to the respective share.

Statewide Mutual Ltd and Statecover Mutual Ltd

Council is a member of Statewide Mutual Ltd and Statecover Mutual Ltd which is a company set up by Councils in New South Wales to provide cost effective liability, property insurance cover and Workers Compensation insurance cover.

11.0 Miscellaneous

Rates & Charges Written Off in 2020/2021

The amount of rates and charges written off during the 2020/2021 financial year, in accordance with the Local Government (General) Regulation 2005 (clause 132), were:

Fund	Total Rates and/or Charges Written Off	Total Rebate Received from other levels of Government	Net Cost to Council of Rates and/or Charges Written Off
	\$	\$	\$
General Fund Rates and Charges Written-Off	135,883	74,735	61,147
Waste Charges Written-Off	112,835	62,059	50,776
Water Charges Written-Off	55,533	30,543	24,989
Sewer Charges Written-Off	49,659	27,312	22,346
Total	353,911	194,651	159,260

Access to Information – Government Information (Public Access) Act 2009 (GIPA Act)

There were 23 Informal Applications under the GIPA Act during the period, where information was able to be provided in full. There was 1 Formal Application during the period.

Privacy and Personal Information Protection Act 1998 (PPIP Act)

Council has a Privacy Management Plan which complies with the PPIP Act (Section 33). There have been no reviews under the PPIP Act during the reporting period.

Public Interest Disclosures Act 1994 (PID Act)

No public officials made a public interest disclosure to Council, no public interest disclosures were received and no public interest disclosures were finalised in the reporting period.

Planning Agreements

Council does not have any voluntary Planning Agreements in force.

12.0 Stormwater Management Services

Council raised \$70,695 from the Stormwater Management Services Charge in 2020/2021. This funding supplements drainage funding provided by Council and is used to eliminate safety hazards and to minimise the risk of flooding of private property. Expenditure on the following Stormwater Management capital works was carried out in 2020/2021 at a total cost of \$40,027.17.

Capital Expenditure – Stormwater Management	Expenditure 2020/2021
Drainage Pits Upgrade	\$ 39,926.57
Stormwater Works Investigation	\$ 60.00
Stormwater Pipe Renewal	\$ 40.60
Total	\$ 40,027.17

13.0 Report on Expenditure of Special Rates Variation Income at 30 June 2020

In June 2014, IPART approved an application from Council to increase general rates by 15 percent in 2014/2015 and 10 percent in 2015/2016, 2016/2017 and 2017/2018 (with the increases to remain permanently in Council's rate base). Over ten years, the Special Rate Variation is expected to raise \$9.98m.

Expenditure

A summary of expenditure for 2020/21 is provided in **Table 1**.

Table 1 – Summary of Project Expenditure for 2020/2021

Category	SRV Funded Projects Budget from 1 July 2014 to 30 June 2021*	SRV Funded Projects Actual Expenditure from 1 July 2014 to 30 June 2021	Unspent SRV Funding Transferred to Future Years
Capital Expenditure			
Building Renewal	\$ 584,000.00	\$ 563,000.00	\$ 21,000.00
Saleyards Renewal	\$ 250,735.00	\$ 224,380.07	\$ 26,354.93
Recreation Facilities Renewal	\$ 450,000.00	\$ 400,368.59	\$ 49,631.41
Cemetery Improvements	\$ 290,000.00	\$ 117,945.93	\$ 172,054.07
Road Construction	\$ 70,000.00	\$ 0.00	\$ 70,000.00
Road Resheeting	\$ 1,330,980.00	\$ 2,103,420.00	- \$ 772,440.00
Road Resealing	\$ 654,000.00	\$ 563,056.70	\$ 90,943.30
Drainage Improvements	\$ 120,000.00	\$ 120,000.00	\$ 0.00
Bridges & Causeways Renewal	\$ 2,600,000.00	\$ 1,542,385.16	\$ 1,057,614.84
Main Street – Principal Repayments	\$ 697,472.00	\$ 666,642.42	\$ 30,829.58
Sub-Total	\$ 7,047,187.00	\$ 6,301,198.87	\$ 745,988.13

Operating Expenditure			
Main Street Renewal – Interest Repayments	\$ 351,095.00	\$ 201,418.33	\$ 149,676.67
Total to 2020/21	\$ 7,398,282.00	\$ 6,502,617.20	\$ 895,664.80

* Approved SRV indicated that the expenditure budget for the first 6 years would be greater than the income above the rate peg. Thereafter the expenditure budget would be lower than the rate peg, but on average over the 10 years, the additional expenditure would equal the income above the rate peg.

Outcomes

A summary of the outcomes achieved as a result of the actual program of expenditure in 2019/20 is detailed below in **Table 2**.

Table 2 – Outcomes achieved as a result of actual program expenditure

Project Description	Expenditure in 2020/2021	Outcome
Capital Expenditure		
Building Renewal	\$ 108,000.00	Administration Building Refurbishment \$ 100,204.52 School of Arts Upgrade Exterior & Repair Windows \$ 7,795.48
Saleyards Renewal	\$ 5,637.92	Installation of Fibre-optic Network at Saleyards
Recreation Facilities Renewal	\$ 124,240.76	Masterplan for the Tenterfield Memorial Pool \$ 55,124.48 BBQ Shade Structure at Tenterfield Pool \$ 15,040.00 Renewal of Shirley Park Amenities Building \$ 54,076.28
Cemetery Improvements	\$ 56,701.84	Tenterfield Cemetery - Earthworks Preparation For Stage 1 Expansion \$ 17,747.29 Tenterfield Cemetery – Storage Shed & Unisex Disabled Toilet \$ 38,954.55
Road Resheeting	\$ 448,687.80	Program of Gravel Resheeting – SRV expenditure complete
Road Resealing	\$ 355,332.20	Rural Roads Resealing \$ 201,530.50 Urban Streets Resealing \$ 153,801.70
Drainage Improvements	\$ 120,000.00	Rural Culverts & Pipes replacements
Bridges & Causeways Renewal	\$ 106,196.03	Program of Bridges & Causeways renewal - ongoing
Main Street Renewal – Principal Repayments	\$ 121,504.43	Principal repayments on Main Street Loan (\$1.2M) for 2020/21
Sub-Total	\$ 1,446,300.98	
Operating Expenditure		
Main Street Renewal – Interest Repayments	\$ 23,172.37	Interest payments on Main Street Loan (\$1.2M) for 2020/21
Total in 2020/21	\$ 1,469,473.35	

Significant Variations

The current Long Term Financial Plan (LTFP) reflects changes in the timing of some projects from those originally proposed. As a result, there are no significant variations in projects proposed to be completed using funding provided by the Special rates variation. This provides alignment with Council's Asset Management Plans and also provides for a closer match between income to be received from the Special Rate Variation and proposed expenditure on a year to year basis.

A summary of the total expenditure from the commencement of the Special Rates Variation in 2014/2015 is provided in **Table 3**.

Table 3 – Summary of Income above the Rate Peg (as per SRV) and Actual Expenditure (All Years)

Category	Income above the Rate Peg	Actual Expenditure	Unspent SRV Income
2014/15 – 2020/21	\$ 6,480,439.00	\$ 6,502,617.20	- \$ 22,177.93

Long Term Financial Plan

A summary of the actual revenues, expenses and operating balances against the projected revenues, expenses and operating balances, as outlined in the Long Term Financial Plan provided in Council's application is provided in Table 4.

Table 4 – Operating Result – Projected vs Actual

Year ended 30 June 2021 (General Fund) (*)	Projected (\$,000)[JW2]	Actual (\$,000)
Total revenue	15,228	36,909
Total expenses	14,987	22,703
Operating result from continuing operations	241	14,206 [JW3]

(*) Excludes waste management, water, sewerage & stormwater funds.

14.0 Companion Animal Management

Companion Animal Education

Council Rangers continue to present the Responsible Pet Ownership program when requested by local schools. The program outlines pet ownership information including microchipping and registering dogs, walking your dog on a lead, picking up after your dog and keeping pets and keeping pets and stock contained to your property. An integral part of the program is educating children about what to do if they see a stray dog/animal and bite prevention.

De-sexing Program

Council participates in an annual de-sexing program in Tenterfield in conjunction with the local vet clinic and the RSPCA which is run through the month of September each year. Council contributed \$3,350 to the Program which resulted in the desexing 48 dogs and 31 cats.

Infringements

Four infringements have been issued for breaches of the Companion Animals Act between 1 July 2020 and 30 June 2021. Active patrols by the Ranger and educating the public on responsible ownership principals has seen an undertaking by the community to ensure they are complying with the requirements.

Pound Activity

	2018-2019	2019-2020	2020-2021
Dogs Impounded	10	23	20
Cats Impounded	8	10	17
Other Impounded	NIL	NIL	NIL
Dogs Euthanised	21	24	8
Cats Euthanised	8	10	13
Animals Returned to Owners	1	4	7
Dog Registered	38	53	48
Working Dogs Registered	3	0	2
Cats Registered	3	10	16
Dogs Surrendered	11	23	20

Noise Complaints

There were 14 barking dog complaints received and dealt with between 1 July 2020 and 30 June 2021. In some cases, Rangers spoke directly with the dog owners and in other cases the dog owner was sent a letter advising of the complaint and the legal requirements to minimise the noise nuisance. In all investigations Rangers established the trigger for the barking and gave dog owners advice on ways to remedy the situation.

Rescue group Lucky Paws have assisted Council in the rehoming of 12 dogs and 4 kittens.



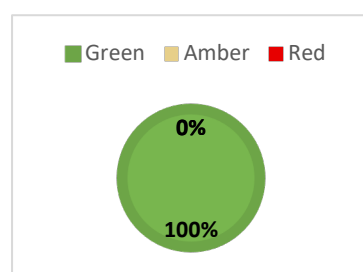
Appendix 1
Achievements in Implementing
the Delivery Program and Operational Plan
Progress Report to 30 June 2021



Appendix 2
Annual Financial Statements
for the year ended 30 June 2021



1. Civic Office



Under the 4 year Delivery Plan, the *Civic Office* relates to: corporate affairs and relations; the governance framework; overall corporate performance and reporting; community advocacy; mayoral, councillor and committee support; and media and external communications. The Office of the Chief Executive directly oversees the delivery of these outcomes.

a) Delivery and Operational Plan Precipis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: <i>(Business Manager to provide short precis.)</i>
<p>DP1.1) Maintain strong relationships with all levels of Government and proactively seek involvement in decision making impacting our Shire and the New England Northwest Region.</p> <p><i>Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's:</i> A – Chief Executive</p>	<p>Influence and engender support from Federal and State Governments, Joint Organisations and ROCs in relation to grants funding, advocacy and ongoing maintenance and improvement to social, economic and environmental fabric of the community.</p>	<p>Council was successful in the recent grant application for circa \$2.7 million dollars from the Federal Government (5 June 2020) to provide 25% funding of the new Water Filtration Plant.</p> <p>Council was successful in the Fixing Local Roads (State) grant application (Toooloom Road) for \$3,996,000 in June 2020. This work is nearing completion and a more recent announcement under Fixing Local Roads Round 2, has Council successful in securing \$3,359,880 for Kildare Road (Tenterfield Tourist Route 9) Sealing.</p> <p>Council was successful in the Black Spot grant funding application for \$788,000 (fed) towards sealing an unsealed section of Mt Lindsey Road.</p> <p>Council continues to advocate for funding through the plethora of grants now being offered to assist drought, bushfires and COVID-19 recovery efforts. All applications align to the 4 Year Delivery Plan and/or are determined by the Elected Body.</p> <p>Council advocacy has been rewarded with a high chance of securing the additional funding to seal the Mount Lindesay Road. Once completed this important strategic road will have a positive benefit for visitors and locals using the road.</p> <p>Representations have been made to the Minister for Water, Property and Housing with regard to the Urbenville Water Scheme. Funding is being sought for a new off-stream storage facility and ground water source assessment.</p>
<p>DP1.2) Provide sound and inclusive decisions using the Community Engagement Strategy to guide our interactions</p> <p><i>Governance framework strategy, management & development (including registers and monitoring):</i> A – Chief Corporate Officer</p>	<p>Guide the decisions of the community to align with the Local Government Act and the Office of Local Government.</p>	<p>Community engagement via public meetings is returning, with engagement sessions scheduled to gather final community input into the Village Concept Plans.</p> <p>Sessions are being arranged for to seek final input into the village master plans with each area invited to provide in person feedback to the documents on exhibition. Covid has once again interrupted planning for the sessions and they will be programmed as soon as practicable.</p>
<p>DP1.3) Represent, advocate and lobby for the continued improvement of our local and regional health services.</p>	<p>Advocate for health services throughout the Region and ensure future government planning aligns with community needs.</p>	<p>We continue to monitor the evolving boarder closures and risks to our community and advocate as required. Our residents who are less proficient in the use of technology are impacted by the national and state system demands in response to Covid management, more acutely than those with the technology to participate.</p>

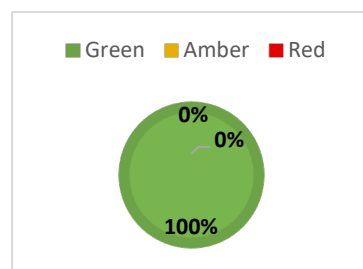
<p>Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's: A – Chief Executive</p>		<p>Council continues to advocate for improved health services in the area. Recently a submission was made to the Health outcomes and access to health and hospital services in rural, regional and remote New South Wales, once again calling for improvements the number of staff at the Tenterfield Hospital, more cohesive arrangements to access services in both NSW and QLD and the recognition of previous commitments to the local community that have not been implemented. Council representatives continue to engage in ongoing advocacy around this issue and most recently received a response from State Member for Lismore Janelle Saffin taking up further targeted efforts to endure that the service levels are improved.</p> <p>In 2019 the NSW Government established the Joint Organisation Capacity Building Fund. This fund has supported the JOs with an initial share of \$1.95 million to build additional capacity and deliver their strategic plans. A second round of the Fund is now available thanks to an additional \$1.95 million investment, and aims to provide JOs with additional financial assistance to further build capacity and demonstrate capability to work with State agencies, while delivering their strategic plans. NEJO now has an additional \$150,000 available to contribute towards a project or program designed to improve the JO's ongoing sustainability. This can be an existing or an entirely new project and must address one or more of the strategic priorities identified by the JO while delivering measurable outcomes towards its sustainability.</p> <p>A letter was sent to Janelle Saffin MP to request the Health Minister to implement an urgent independent investigation of the management of the Tenterfield Hospital, including interviews with all staff who have resigned in the last three years following resolution by Council at June 2021 Meeting. Ms Saffin's responded with an urgent request to the Minister for Health, Brad Hazzard.</p>
<p>DP1.5) Identify, represent, advocate and lobby for inclusion of the Shire's needs in regional and state planning.</p> <p>Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's: A – Chief Executive</p>	<p>Advocate for continuing development of grant and funding opportunities at the Federal and State levels.</p>	<p>Correspondence to both State and Federal Government seeking changes to the \$1 for \$1 grant arrangements and increase in Financial Assistance Grant; April 2020.</p> <p>Update received from LGNSW on the progress of Council lead advocacy where council submitted a motion to the LGNSW Annual Conference (resolution 12 – Funding increase to drought proof Australia. <i>That Local Government NSW advocates for the State and Federal Governments to increase funding for agricultural research, including pasture research to assist in drought proofing Australia.</i>)</p> <p>LGNSW made representations to The Hon. David Littleproud MP, the federal Minister for Agriculture Drought and Emergency Management regarding this issue. A response was received outlining the various government programs to support agricultural research and encouraging future engagement with the network of recovery officers to identify local opportunities for research.</p> <p>Essential Energy has provided an initial rejection of the request to have the old powerhouse site in Tenterfield returned to the community under the ownership of the Tenterfield National Monument group. Requests have been made to ensure that the Heritage Plan for the site that was compiled by Country Energy is considered in the process.</p>
<p>DP1.6) Advocate on behalf of the community for improved service levels across the Shires transport network.</p>	<p>Lobby State and Federal Governments for funding to:</p> <ul style="list-style-type: none"> • Reconstruct and realign Bruxner Way from the New England Highway to Sunnyside Loop Road. • Complete the Tenterfield bypass • Reverse the downgrade of the western segment of the Bruxner Highway to Bruxner Way • Seal the Mount Lindesay Road 	<p>Council has sought an update from Transport for NSW regards the Tenterfield By-Pass from the NSW Government. Over the last three months the intended traffic count was deferred, as a realistic result (due to COVID) was unlikely to be calculated. The traffic count is important as it is required to complete the Benefit Cost Analysis.</p> <p>Council has contacted TfNSW seeking additional consultation to update the community and Council on progress of the THVB. Council has been advised that the concept design and Review of Environmental Factors are now complete, however no projected date for consultation has been established.</p> <p>Works undertake in this financial year have seen 4.5km of the Mount Lindesay Road sealed and reconstruction of 13km of Tooloom Road.</p>

		<p>Due to the safety of motorists the existing alignment of the Bruxner Way has recently been substantially improved by council, which somewhat negates the need to realign the Bruxner Way.</p> <p>The Bruxner Way reclassification is now at the priority submission stage. It has proven to be a slow process, but at least the process is now well underway.</p>
<p>DP1.7) Mayor, Councillor and Committee support</p> <p><i>Mayoral, councillor and committee support: A – Chief Executive</i></p>	Continue to develop the professional relationship between Council's elected body and Council's operational organisation.	Ongoing. Re-election (uncontested) of Mayor Peter Petty and Deputy Mayor Greg Sauer for the period to Councillor Elections in 2021.
	Deliver Business improvements, recognising emerging risks and opportunities.	The digitisation of administrative tasks, such as customer service requests, timesheets etc. has been progressing despite the added challenges due to COVID. The real risks associated with COVID management have caused considerable and ongoing change to many, if not all, of council's business. The latest being disruption to supply chains and specialist labour due to the border closure. To date the extra risks have been able to be mitigated.
	Manage the Civic Service of Council in a financially responsible manner in line with Budget allocations.	Ongoing.
	Provide media liaison, manage branding, corporate image and corporate affairs through media.	Ongoing through publication of fortnightly Your Local News, regular media releases and publications from Tourism.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Councillor attendance at Council Meetings	%	80%	90%	86%
Implementation of the Delivery Program	%	80%	90%	92%

2. Organisation Leadership



Under the 4 year Delivery Plan: collaboration with other organisations and governments; continual improvement; overall strategic direction of the administrative arm; community engagement; administrative support; service integration and corporate advertising. The Office of the Chief Executive directly oversees these outcomes.

a) Delivery and Operational Plan Precip

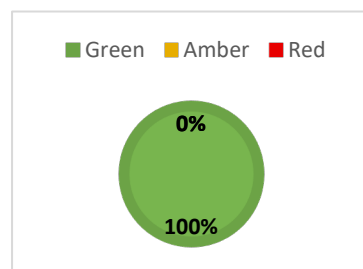
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP2.01) Collaborate and deliver resources with other organisations to ensure a variety of cost effective services across the service area. <i>Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's: A – Chief Executive</i>	Implement a long term financial strategy pursuant to the community strategic planning legislation, with special emphasis of aligning the Long Term Financial Plan with the Asset Management Plan.	Continued opportunities identified in partnership with community groups to increase the level of community amenity while keeping the financial balance in check is a priority at this time. We have many great ideas and a high level of can do in the community, the challenge is how to partner effectively with groups to ensure a win-win outcome.
DP2.02) Deliver continuous improvements in Council's business, processes and systems <i>Strategic direction planning: A – Chief Executive</i> <i>Business process improvement & integration: A – Chief Executive</i>	Guide the transformation of the Organisation culturally and technically from database to geospatially based management systems, highlighting interconnectivity.	Complete.
	Corporate advertising and communications, council publications and web site. Internal communication strategy, management and delivery.	Websites completed. Acknowledged by the wider industry regards our communication finesse in winning an RH Dougherty Award for communication (August 2020). Council's Media Policy updated for adoption at the September 2020 meeting.
	Deliver Business improvements, recognising emerging risks and opportunities.	<p>Council successfully implemented a new:</p> <ul style="list-style-type: none"> • Payroll system (Altus Payroll) that came into effect from 1 July 2020. This has resulted in efficiency saving in payroll processing due to a paperless payroll with online timesheet and leave approvals; • Online bank reconciliation process (Altus Bank Rec); • Records management system (Altus Content); • Risk management system (Altus Risk Management) <p>Council will this year be implementing the following:</p> <ul style="list-style-type: none"> • Asset Finda - Asset management system • Greenlight - Development applications portal • Altus Power BI - Reporting tool • FlexiPurchase – Corporate Credit Card Manager <p>The NSW Government has announced funding of up to \$50,000 to assist Council with the transition to the NSW Government's Planning Portal by 1st July 2021. A grant application has been submitted to facilitate and support the movement of the paper based development application process to online submissions.</p>
	Manage the Organisational Leadership Service of Council in a financially responsible manner in line with Budget allocations.	Ongoing.
DP2.03) Deliver and facilitate leadership in strategic planning and implementation <i>Strategic direction planning: A – Chief Executive</i>	Review of Community Engagement Strategy and ongoing delivery.	Community engagement always has room for improvement, largely dictated by how much money is available to orchestrate. There have been many changes and many programs, grant funding is one example, where Councillors and staff regularly seek community input – despite COVID.

<i>Community engagement: A – Chief Executive</i>		
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Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Compliance with all legislative requirements.	%	100%	100%	100%
Audit and Risk Plan completed.	%	80%	90%	95%

3. Community Development



Under the 4 year Delivery Plan *Community Development* relates to: community engagement, development of partnerships, indigenous affairs, inclusiveness, accessible services, supporting diversity and cultural events. The Office of the Chief Executive directly oversees these outcomes.

a) Delivery and Operational Plan precis

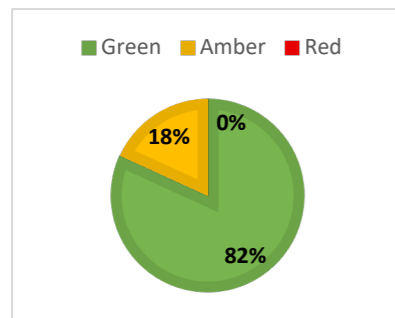
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP3.01) Engage with the community and develop partnerships with relevant organisations. <i>Community and cultural capacity building: A – Chief Executive</i> <i>Community engagement: A – Chief Executive</i>	Implementation of the Community Engagement Strategy.	Review of Community Engagement policy & Community Engagement Strategy occurred.
DP3.02) Maintain collaborative partnerships with the local Aboriginal communities. <i>Community and cultural capacity building: A – Chief Exe.</i>	Partner with the Aboriginal Advisory Committee in the implementation of programs and activities that enhance the wellbeing of Aboriginal and Torres Strait Islander People in our Shire.	NAIDOC Week celebrations planned in partnership with Moombahlene Local Aboriginal Land Council.
DP3.03) Support people with specific needs through appropriately identified services and advocacy. <i>Community and cultural capacity building: A – Chief Executive</i>	Support community safety and crime prevention partnerships.	Support continues.
	Support facilities and activities to improve the physical and mental health of the community.	Continued advocacy.
DP3.04) Engage with transport providers and the community to assess the transport needs of residents in the Shire. <i>Community and cultural capacity building: A – Chief Exe.</i>	Support accessibility for people in our Shire.	Accessibility needs supported.
DP3.05) Develop and implement the Tenterfield Shire Council Disability Inclusion Action Plan with key partners. <i>Community and cultural capacity building: A – Chief Exe.</i>	Deliver the Disability Inclusion Action Plan in accordance with legislative guidelines.	Disability Inclusion Action Plan delivered.
DP3.06) Promote the needs of persons with a disability and Disability Inclusion Action Plan to stakeholders.	Advocate for accessibility in partnership with community organisations.	Ongoing advocacy.
DP3.07) Support community organisations that develop and maintain a range of facilities that meet the diversity of community needs, interests and aspirations. <i>Volunteer recruitment and placement: A – Chief Executive</i> <i>Community grants: A – Chief Exe.</i> <i>Community and cultural capacity building: A – Chief Exec.</i>	Support community organisations, groups and events to provide a wide range of activities.	Wide range of community organisations continue to be supported.

Community events: A – Chief Executive		
DP3.08) Encourage and support activities focusing on the wellbeing of our residents in Tenterfield Shire. Community events: A – Chief Executive	Promote and support activities that highlight community wellbeing.	Community wellbeing activities are supported and promoted.
DP3.09) Enrich the community by supporting a variety of diverse cultural events and activities. Community grants: A – Chief Executive Sponsorship: A Chief Executive	Maintain communication and relationships with various community organisations.	Ongoing positive partnerships with various community organisations.
	Deliver Business improvements, recognising emerging risks and opportunities.	Emerging risks are considered, recognized and emerging opportunities are pro-actively targeted.
	Manage the Community Development Service of Council in a financially responsible manner in line with Budget allocations.	The Community Development service of Council is managed financially responsibly.

Performance Measure

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Number of community activities supported.	#	3	4	4
Number of committee/community meetings.	#	5	10	12 (approx)

4. Economic Growth and Tourism



Under the 4-year Delivery Plan *Economic Growth and Tourism* relates to: community prosperity, tourism, connectivity, partnering, promotion and liveability. The Office of the Chief Executive directly oversees these outcomes.

a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP4.01) Provide and facilitate future economic growth throughout the Shire. <i>Business sector development: A – Chief Executive</i>	Implement the Economic Development Strategy, promoting growth and new development.	Ongoing. Economic Development and Tourism actions continue to be implemented. Some actions delayed due to increased workload as a result of grant funding received without provision of additional human resources.
	Deliver Business improvements, recognising emerging risks and opportunities.	Continued monitoring of the COVID-19 situation, restrictions, and regulations, and the impacts on local business and the tourism industry. This involves regular communication directly with our business network, as well as our Visitor Information Centre volunteers in order to effectively communicate up to date information with visitors to the centre. Opportunity exists for more food/hospitality and retail businesses to operate in Rouse Street, Tenterfield, particularly on weekends and weeknights. This opportunity has been recognised through visitation data showing highest visitation is Friday to Monday, as well as customer feedback via the Tenterfield Visitor Information Centre regarding the lack of dining options available in town in the afternoon, weeknights, and weekends. Local event committee members have also voiced frustration regarding the lack of dining options available over weekends during high visitation periods and subsequently seeing them hiring food vendors from outside the region to fill this gap. Data via Localis Data Technologies as at 15/07/2021: What day of the week are people visiting?
	Manage the Economic Growth and Tourism Service of Council in a financially responsible manner in line with Budget allocations.	Ongoing monitoring of Council budgets. Project plans are developed in accordance with annual budgets.
DP4.02) Support business and industry to identify and implement emerging trends in technology to facilitate growth.	Facilitate and support the delivery of business training, workshops and forums in conjunction	Regular communication with the Tenterfield Chamber of Tourism, Industry & Business (TCTIB). Information on business and training opportunities and available support is regularly provided to local tourism and business operators through email correspondence.

<p>Sponsorship: A – Chief Executive</p>	<p>with the Tenterfield Chamber of Tourism, Industry and Business.</p>	
<p>DP4.03) Lobby for the improvement of telecommunications infrastructure throughout the Shire recognising internet connectivity as a significant barrier to all business activity. Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's: A – Chief Executive</p>	<p>Support future proposals for improved telecommunications infrastructure.</p>	<p>Upgrade works to mobile phone base station - Lot 7003 Plan DP 92653 - Mount Mackenzie Road Tenterfield - RFNSA No. 2372001 - 28 April 2021 Council staff continue to lobby for improved telecommunications across the shire.</p>
<p>DP4.04) Support agriculture as a significant industry in the Shire and promote initiatives that enhance the economic sustainability of agriculture. Business sector development: A – Chief Executive</p>	<p>Support local agricultural events and investigate an appropriate event that showcases the Tenterfield agricultural district and industries.</p>	<p>2021 Tenterfield Show date: 6 February 2022 Tenterfield Show date: 4 & 5 February</p>
<p>DP4.05) Promote Tenterfield Shire as a tourism destination. Sponsorship: A – Chief Executive Tourism: A – Chief Executive</p>	<p>Development, management and delivery of the Destination Marketing Plan and marketing campaigns for Tenterfield Shire.</p>	<p><i>Guiding strategic plan: Tenterfield Shire Council Destination Management Plan 2014-2017</i></p> <p>Ongoing planning and implementation of destination marketing campaigns and projects.</p> <p><u>National Bushfire Recovery Grant Funded Projects</u> Projects to be delivered by end June 2022</p> <p>Completed:</p> <ul style="list-style-type: none"> • Autumn Campaign 2020 • Tourism Recovery Campaign 2020 • Spring Campaign 2020 • Summer Campaign 20/21 • Oracles of the Bush Festival event promotion • Autumn Campaign 2021 • Climbed Bald Rock Certificates • Visit Tenterfield Social Media Promotion Cards • New England High Country Campaign 2020 <p>In-progress:</p> <ul style="list-style-type: none"> • Winter Campaign 2021 • Tenterfield Shire Villages Videos – <i>Discovering our Hidden Gems</i> • Regional & Tenterfield town map <p>Pending:</p> <ul style="list-style-type: none"> • Spring Campaign 2021 • Summer Campaign 2021/22 • Autumn Campaign 2022 • Additional stock images – autumn photos • Regional photo shoot • Business Photos • Scenic Drives Brochure • History & Heritage Booklet • Attraction Brochures <p><u>Social Media</u> Regular content continues to be published via the Visit Tenterfield social media accounts and website, which continues to see strong engagement. Majority of content we share is user-generated content, of which there is currently a lot of to share, which is an ideal position to be in. This can be attributed to our social media engagement with our target audiences and ongoing advocacy to visitors and local business operators to engage with our social media accounts and hashtags.</p>

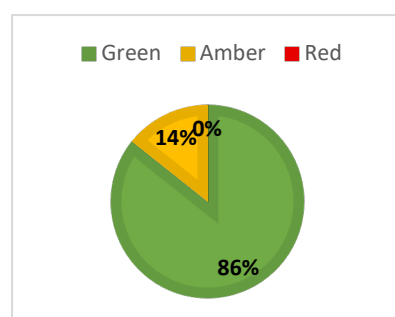
		Business/tourism operators are encouraged to tag their social media posts and stories with @visittenterfield and use the hashtag #tenterfieldtrue to increase visibility of their content, including to Council so that we can share their content with our wider visitor network.
DP4.06) Plan and lobby for affordable transport options to encourage access to our Shire. <i>4.02 Community and cultural capacity building: A – Chief Executive</i>	Advocate transport options for the community.	Reduced bus services due to New England Coaches ceasing its Tamworth to Brisbane and Tamworth to Coffs Harbour services 30 April 2021 due to low passenger numbers. Information on current transport options continues to be provided via the Visitor Information Centre and Visit Tenterfield website.
DP4.07) Partner with our neighbours and stakeholders to deliver a diverse destination proposition for visitors. <i>Tourism A – Chief Executive</i> <i>Business sector development: A – Chief Executive</i>	Maintain partnerships with neighbouring Councils and industry.	Research Project: Planning for the Visitors of the Future Council has partnered with Kyogle Council, NSW National Parks, NSW Forestry and Southern Cross University (SCU) to be part of a research project, which aims to strengthen cross-tenure partnerships through the process of identifying and supporting the development of new tourism offerings in the far north-east section of the Shire. Draft reports received. Awaiting final reports. More info: https://www.tenterfield.nsw.gov.au/content/uploads/2020/11/Cross-tenure-Research-Partnership-to-Plan-for-the-Visitors-of-the-Future.pdf New England High Country Collaboration with the New England High Country (NEHC) group continues through the development of the website, marketing campaigns, and visitor collateral. Tenterfield Chamber of Tourism, Business & Industry Strong relationship maintained with Tenterfield Chamber of Tourism, Business & Industry involving regular communication and updates. Visitor Information Centre liaised with chamber to arrange for relocation of all Peter Allen Festival merchandise from previous year's events.
DP4.08) Facilitate and participate in ongoing partnership activities with the New England High Country, Tenterfield Chamber of Tourism, Industry and Business. <i>Tourism: A – Chief Executive</i> <i>Business sector development: A – Chief Executive</i> <i>Collaboration between entities: State/Fed Gov, Joint Organisation, MOU's: A – Chief Executive</i>	Collaborate and liaise with State, regional and local organisations and businesses on marketing projects and promotions.	Ongoing liaison with local, regional and state tourism and business organisations. Relevant information and opportunities regarding marketing projects and opportunities is regularly shared with local business operators.
DP4.09) Promote the liveability of Tenterfield Shire as a place to live, work and play. <i>Tourism: A – Chief Executive</i> <i>Business sector development: A – Chief Executive</i> <i>Community and cultural capacity building: A – Chief Executive</i> <i>Sponsorship: A – Chief Executive</i>	Deliver marketing activities and events to promote Tenterfield as a place to visit, live and invest.	Information on Moving to Tenterfield (live & invest) included in new Visitors Guide and on Council's website. Tenterfield Industrial Estate website remains live. Marketing activity places focus on promoting Tenterfield as a place to visit, live and invest. Marketing Support – Events - Tenterfield Shire Our Tourism Marketing team regularly monitor information regarding upcoming events throughout our Shire and create event listings on the Visit Tenterfield website to increase awareness to our visitors. Our team will also look to create and distribute a 2022 events calendar. Grant Funding & Marketing Support – Tenterfield Gravel n Granite – 21 August 2021 Successful application of \$15,000 Regional Tourism Bushfire Recovery funding, following Council's request that the recently-formed club run a mountain biking event this year. Our team is providing marketing/promotion support. The gravel race event will be held on Saturday 21 August and is expected to attract hundreds of visitors to Tenterfield, as it caters for participants aged 13+, offering 3 ride routes (located to the west of Tenterfield's township) for all levels of experience. Each race will commence and finish at the Tenterfield Showgrounds and will culminate with an after-race party at the showgrounds with a slideshow of event photos, DJ music, food vans, local beer & wine, and fire pits. Full details (including route maps) & registration: https://thesaddlersmtbclub.com.au/ Grant Funding & Marketing Support – Oracles of the Bush Festival 2022

Successful application of \$15,000 Regional Tourism Bushfire Recovery funding for the Oracles of the Bush Festival 2022. Our team is providing marketing/promotion support to create and implement marketing content and activity to promote the 2022 event.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Number of Visitor Information Centre Visitors	#	18,995	19,000	10,127*
Number of Business Events held in conjunction with TCTIB and Industry	#	3	4	0*
*Impact of COVID-19 restrictions				

5. Theatre and Museum Complex



Under the 4 year Delivery Plan *Theatre and Museum Complex* relates to: Sir Henry Parkes School of Art; cultural diversity, events and art activities; youth engagement; volunteering; and festivals. The Office of the Chief Executive directly oversees these outcomes.

b) a) Delivery and Operational Plan precis

c)

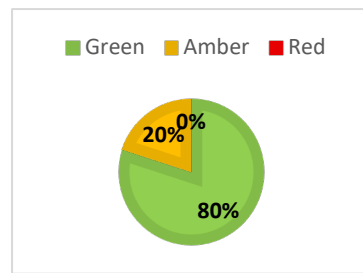
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP5.01) Sir Henry Parkes Memorial School of Art is provided by Council as a cultural hub of Tenterfield Shire. <i>Culture, theatre & museum: A – Chief Executive</i>	Manage and operate all aspects of the Sir Henry Parkes Memorial School of Arts (Cinema, Theatre, and Museum).	The Museum reopened on the 1 st July 2021, the cinema reopened on the 31 st July 2021 under our COVID19 Safety Plan. Since reopening the SOA has been operating seven days a week with movies showing 5 days each week. During the past reporting period the school of Arts has maintained its operations seven days a week. Servicing the community with cinema, theatre and museum activities. Patronage to the facility has returned to a high level, with particular interest in the museum.
	Deliver Business improvements, recognising emerging risks and opportunities.	COVID 19 Plan was updated, services NSW sign app operating, ongoing monitoring of all regulations from NSW government. During this reporting period the new assets of film and screens have been utilized to encourage patrons to access further stories on the museum artifacts enhancing the visitors experience in the museum
	Manage the Theatre and Museum Complex in a financially responsible manner in line with Budget allocations.	Ongoing. Regularly monitor current budget. 25% as from 26 June 2021 allowed into the cinema.
DP5.02) Enhance cultural diversity by encouraging cultural and artistic opportunities. <i>Culture, theatre & museum: A – Chief Executive</i>	Maintain a collaborative working relationship with National Trust Australia (NSW) and Friends of the School of Arts.	Ongoing. Regular meetings held with the Friends of the School of Arts and National Trust Representative.
DP5.03) Enrich the cultural life of the community by supporting a variety of cultural events and activities for residents and visitors <i>Culture, theatre & museum: A – Chief Executive</i> <i>Community events: A – Chief Executive</i> <i>Volunteer recruitment and placement: A – Chief Executive</i>	Marketing and promotion of the Sir Henry Parkes Memorial School of Arts Complex programs and activities facilitating cultural development opportunities for individuals and groups.	<ul style="list-style-type: none"> Second Theatre production for 2021 has been rescheduled for Tuesday 9th November 2021 Melbourne international comedy Roadshow cancelled due to Covid19 outbreak. Winter school music program cancelled due to Covid19 outbreak. Promotion of the SOA activities occurs by social media, website, newsletters and programs. Performers for Live Recording Sessions to Stream Online, Performance or Tutorial Session ongoing project.
DP5.04) Promote volunteer opportunities and manage volunteers at the Sir Henry Parkes Memorial School of Arts.	Provide volunteer training and upskilling in a safe and engaging work environment.	The current Covid19 situation is having an adverse effect on our volunteers, as they understandably do not wish to put themselves in a possible risk situation. We will be working hard to combat this issue and inure there safety into the future with the ongoing Covid19 situation.
DP5.05) Encourage activities for young people and families in Tenterfield Shire	Development, management and delivery of a Cinema Program, theatre education and youth related programs.	<ul style="list-style-type: none"> Hosted a local primary school tour group.

<p><i>Culture, theatre & museum: A – Chief Executive</i></p> <p><i>Community and cultural capacity building: A – Chief Executive</i></p>		
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Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Maintain and increase visitation to the Museum	#	3000	3400	N/A*
Number of Theatre Productions held annually	#	3	3	0*
*Impact of COVID-19 restrictions				

6. Library Services



Under the 4 year Delivery Plan *Library Services* relates to: home services; vision impaired; review and updating collections; exchanges; internet and Wi Fi access; accessible technology; exhibitions; online training and resources; research and reference services; and the management of corporate art and memorabilia. The Office of the Chief Executive directly oversees these outcomes.

a) Delivery and Operational Plan precis

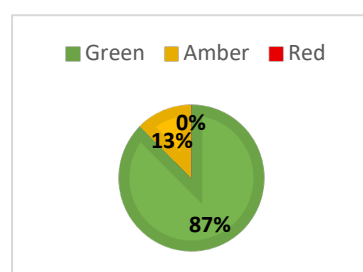
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP6.01) Provide ongoing delivery of broad range of library services that respond to community needs. <i>Library: A – Chief Executive</i>	Provide a relevant range of facilities and activities to support the physical and mental health of the community.	A wide range of relevant resources and activities is provided to support the community.
	Deliver Business improvements, recognising emerging risks and opportunities.	The current circumstances around the COVID-19 pandemic, including restrictions to opening hours and services, have challenged library staff.
	Manage the Library Service of Council in a financially responsible manner in line with Budget allocations.	Budget allocations are adhered to.
DP6.02) Develop and maintain a range of community facilities that meet the diversity of community needs, interests and aspirations <i>Library: A – Chief Executive</i>	Provide services, opportunities and spaces for individuals and small community groups to meet and access technology and resources.	Community groups are unable to meet in the library at present because of COVID-19 restrictions. Online access to resources is encouraged.
	Manage all corporate art, artefacts, honour boards and memorabilia (including audit and security).	The project to identify and record all items in this collection has been delayed due to the work on Council's administration building. Significant items in the Library building have been recorded. Significant items in the Theatre and Museum are recorded in the School of Arts Collection and governed by Council's School of Arts Collection Policy.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Number of Registered Visits	#	20,005	20,100	13,580*
Number of Items Borrowed	#	24,300	24,400	23,609

*Impact of COVID-19 restrictions

7. Workforce Development



Under the 4 year Delivery Plan *Workforce Development* relates to: workplace health and wellbeing, planning and culture; workers compensation; workforce performance; training; recruitment, selection and retention; and internal communications. The Office of the Chief Executive directly oversees these outcomes.

a) Delivery and Operational Plan precis

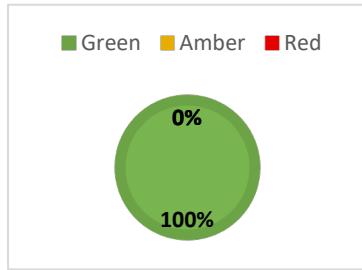
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP7.01) Provide an organisation-wide approach to the effective management of workplace health and wellbeing. <i>Workforce planning: A – Chief Executive</i> <i>Workforce culture: A – Chief Executive</i> <i>Workers compensation: A – Chief Executive</i>	Facilitate worker health and wellbeing consultation communication, and participation processes.	Consultation communication, and participation processes in line with legislative requirements. Wellbeing strategies being implemented include Mental Health First Aid Training, Mental Health Awareness and continued access to onsite health and wellbeing counseling.
	Develop, implement, monitor and review systems, processes and practices required for continual improvement, regulatory compliance and employee satisfaction.	Higher duties continues to enhance employee recognition & incentive. Continuing to assess and evolve work practices and procedures in line with the changing COVID environment and NSW health mandates. Statutory requirements are being met.
DP7.02) Delivery of programs to grow and invest in our existing and emerging leaders and support a culture of high performance. <i>Workforce culture: A – Chief Executive</i> <i>Workforce performance: A – Chief Executive</i> <i>Human resource advisory, performance, review and training: A – Chief Executive</i>	Develop, manage and deliver the skills targeted training plan and opportunities for staff to excel.	Regulatory training ongoing. Seven (7) staff have begun the Objective Leader Program, an engaging leadership development program that's link to Councils capability framework and strategic direction. Multiple staff have recently been given the opportunity to act in higher duty and project roles enhancing their learning, leadership and career development. Administrative component of the staffs Annual Performance Review & Agreement is now completed and ready for Management implementation.
DP7.03) Manage the implementation of Council's Workforce Management Strategy. <i>Workforce planning: A – Chief Executive</i> <i>Workforce performance: A – Chief Executive</i>	Develop, manage and deliver the Workforce Management Strategy (include update on employee numbers here).	Discussions continuing with associated business unit Managers to ensure a continued focus on operational outcomes, required resourcing with strategic and financial alignment. Challenges are currently being faced aligning some of our technical skill shortages with skill supply. This month reviewed, assessed and or processed recruitment for 18 positions. Current FTE 112
	Deliver Business improvements, recognising emerging risks and opportunities.	Strategic workforce planning is still a current focal point ensuring a deep understanding of the current and future states of our workforce. A complete review of HR processes, practices and framework has been planned this month to ensure strategic alignment, the implementation of improvements and efficiencies
	Manage the Workforce Development Service of Council in a financially responsible manner in line with Budget allocations.	Operational budgets in line with projected expenditure and costs savings still explored. State Government training subsidies are still being secured.
DP7.04) Developing attraction and retention practices across Council. <i>Workers compensation: A – Chief Executive</i>	Develop, manage and deliver Employer of Choice recruitment and retention services.	Further development of selection, recruitment and retention practices continues. Implementation of performance management procedures and practices improved this month in-line with Council policy and Local Government Award requirements.

<p>Recruitment & selection: A – Chief Executive</p> <p>Workforce culture : A – Chief Executive</p> <p>Human resource advisory, performance, review and training: A – Chief Executive</p>		
<p>DP7.05) Deliver continuous improvements in Council’s business, processes and systems (WHS)</p> <p>Work, Health and Safety: A – Chief Executive</p>	<p>Manage and deliver WHS and Risk Management services.</p>	<p>Council so far as is reasonably practicable, continues to ensure the health and safety of all workers and other people like visitors and volunteers via the implementation of <i>embedded</i> risk management principles in line with regulatory, health, State and Federal requirements. Continuing to assess and evolve work practices and procedures in line with the changing COVID environment and NSW health mandates. Statutory requirements are being met. A complete organisational review of Councils enterprise risks and classifications occurred this month leading to improved reporting and risk maturity.</p>

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Lost time injury rate (per 100 employees)	%	<4%	<3%	4.47%
Training and Development investment	%	>0.7	>1%	Not available

8. Emergency Services



Under the 4 year Delivery Plan *Emergency Services* relates to: integrating land use policies to support emergency management; disaster management; review of emergency management plans; inter-agency communication and collaboration; and rural addressing. The Office of the Chief Executive directly oversees these outcomes.

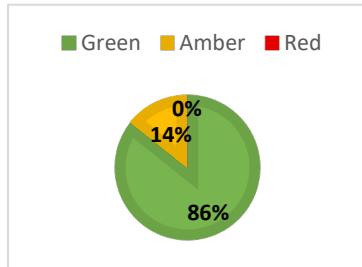
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP8.01) Review and ensure the integration of Council current studies and plans into strategic land use planning and operational planning documents and policies to support our emergency management function. <i>Disaster management: A – Chief Executive</i> <i>Roads, bridges and retaining walls: A – Director Infrastructure</i>	Develop, manage and deliver Emergency Management functions and facilities.	Emergency Management Centre completed. LEMC committee meetings are well attended and effective. REMC committee meetings are well attended and effective. Mingoola RFS shed site preparation and pegging has begun.
	Deliver Business improvements, recognising emerging risks and opportunities.	Maintaining awareness of current environment via relevant channels and stakeholder’s local state and federal. NSW Ambulance Tenterfield has contacted Aeromedical to conduct prospective helipad site assessments. Still awaiting Aeromedical timeline. Continuing to assess and evolve work practices and procedures in line with the changing COVID environment and NSW health mandates.
	Manage the Emergency Service of Council in a financially responsible manner in line with Budget allocations.	Working with RFS with service level briefings. Operating within budget.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
EMPLAN reviewed annually	#	1	1	1
LEMC Meetings	#	3	3	Multiple*
*Daily and twice weekly meetings during COVID-19 period				

9. Finance and Technology



Under the 4 year Delivery Plan *Finance and Technology* relates to: information technology; financial sustainability and advise; investments; financial capacity; procurement compliance; regulatory and statutory compliance; business systems; property strategy, overall management and register, land mapping service (GIS). The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

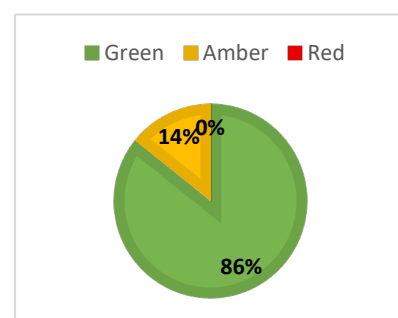
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP9.01) Ensure that information technology meets Councils operational requirements. <i>IT system / software and hardware: A – Chief Corporate Officer</i> <i>Network systems and corporate business applications integration: A – Chief Corporate Officer</i>	Develop, manage and deliver Council’s Technology Strategic Plan.	Work is continuing on the development of the IT Strategic Plan and additional policies are in the process of being developed to comply with relevant legislative requirements. One of these is the Workplace Surveillance Policy which was adopted by Council in February 2021. There have been a number of enhancements to Councils systems including Payroll, Bank Rec, Records, Risk and Credit Card Management systems with others on the horizon including Asset Management and Development Applications. The new Asset Management System Implementation Group has commenced with initial trial data uploaded into AssetFinda in January 2021. Work on this is ongoing as each asset class is being uploaded into the new system.
DP9.02) Make prioritised decisions in the long-term interest of the broad community and have regard to financial and infrastructure sustainability. <i>Corporate financial planning: A - Chief Corporate Officer</i>	Manage and deliver Council’s Long Term Financial Plan in line with statutory requirements.	Statutory requirements have been met. Additional detailed development is continuing in conjunction with the Asset Manager and Asset Management Plans with a view to assessing the reasonableness or otherwise of Depreciation figures on Council owned assets.
DP9.04) Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels. <i>Procurement and tendering compliance: A - Chief Corporate Officer</i> <i>Procurement and tendering framework: A – Chief Operating Officer</i> <i>Corporate financial planning: A - Chief Corporate Officer</i> <i>Rates and revenue: A - Chief Corporate Officer</i>	Manage investments in the long term interest of the community and within regulatory requirements - Plan, develop and manage Council’s investment portfolio.	Investments are managed within Council’s Investment Policy guidelines.
DP9.05) Ensure compliance with regulatory and statutory requirements and that operations are supported by effective corporate management. <i>Corporate financial planning: A Chief Corporate Officer</i>	Manage and deliver financial services in line with statutory requirements.	Statutory requirements are being met.
	Deliver Business improvements, recognising emerging risks and opportunities.	A number of improvements particularly around IT Systems have been identified and will be implemented as mentioned above. Staff training has been held in Council’s mapping software.
	Manage the Finance and Technology Service of Council in a financially responsible manner in line with Budget allocations.	The Finance and Technology Service is managed within budget.
DP9.06) Deliver continuous improvements in Council’s business, processes and systems	Develop, manage and deliver processes and systems to meet recommendations of external and internal reviews, investigations or findings.	Processes and systems are being developed, managed and delivered in line with external reviews, investigations and findings.

Corporate financial planning: A Chief Corporate Officer

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Own Source Revenue	%	>60%	>60%	31.97%
Outstanding rates and annual charges	%	10%	5%	4.41%

10. Corporate and Governance



Under the 4 year Delivery Plan *Corporate and Governance* relates to: statutory reporting, business processes and integration; procurement compliance; audit; community involvement; customer service; governance; information technology and information management; insurance, risk and business continuity; registers and records management, legal services and election support. The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

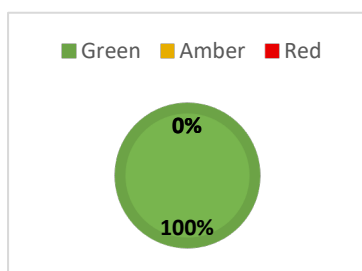
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
<p>DP10.01) Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.</p> <p>Corporate performance & reporting: A – Chief Corporate Officer Business process improvement & integration: A – Chief Corporate Officer Procurement and tendering compliance: A – Chief Corporate Officer Internal audit: A – Chief Corporate Officer</p>	<p>Develop, manage and deliver Governance Services.</p>	<p>Adopted Operational Plan 2020/2021 provided to Office of Local Government on 10 July 2020.</p> <p>Public Interest Disclosure (PID) Report for 2019/2020 submitted to NSW Ombudsman on 30 July 2020. No PID's for the period 2019/2020.</p> <p>Fraud Control Policy adopted by Council on 23 October 2020.</p> <p>Annual Report for 2019/2020 adopted by Council on 25 November 2020. Link to report emailed to Office of Local Government on 30 November 2020.</p> <p>Audit & Risk Committee Meeting held on 9 December 2020. Audit & Risk Committee Meeting held on 9 March 2021. Audit & Risk Committee Meeting held on 16 June 2021.</p> <p>Fraud Control Review Internal Audit commenced in June 2021. Site visit conducted by Centium Pty Ltd on 14 and 15 June 2021. Draft report to be received early July 2021.</p> <p>Code of Conduct reporting for 2019/2020 provided to Office of Local Government on 27 January 2021 (unable to access OLG reporting portal until this time).</p> <p>Procurement Policy adopted by Council on 24 March 2021. Legislative Compliance Policy adopted by Council on 24 March 2021.</p> <p>Fraud Control Plan approved by Acting Chief Executive Officer on 9 March 2021.</p> <p>Operational Plan, Budget and Fees and Charges for 2021/22 adopted on 31 May 2021.</p>
<p>DP10.02) Promote and support community involvement in Council decision making process.</p> <p>Community engagement: A – Chief Executive Customer service: A – Chief Corporate Officer Governance framework (including registers and monitoring): A – Chief Corporate Officer IT system / software and hardware: A – Chief Corporate Officer</p>	<p>Manage and deliver services for community involvement in Council decision making processes.</p>	<p>Results of Customer Satisfaction Survey 2020 presented to Council meeting of 23 July 2020. Results to be implemented where suitable into forward planning for services over next two years. Next survey to be undertaken in 2022.</p>

Business process improvement & integration: <i>A – Chief Corporate Officer</i>		
DP10.03) Deliver Customer Service and Business Services in the support of corporate outcomes. Customer service: <i>A – Chief Corporate Officer</i>	Develop, manage and deliver Customer Services.	Customer Services being delivered from Visitor Information Centre during June 2021. Noise levels at the VIC continue to cause issues with hearing phone calls coming through to the mobile phone being used to receive calls. Two staff members have been relocated back to the main admin building from 23 June 2021, in preparation for delivery of customer services in early July 2021. Two front counter positions have been set up with computers. The Mitel phone system has been reinstalled and progressively recommissioned. Customer Compliments for June 2021 - 4 Customer Complaints for June 2021 - 4
	Deliver Business improvements, recognising emerging risks and opportunities.	Further improvements in the use of altus ECM, with training sessions being conducted with staff on a one-on-one basis. Records is developing updates to procedures for each task in altus, to assist with user functionality.
	Manage the Corporate and Governance Service of Council in a financially responsible manner in line with Budget allocations.	No capital budgets allocated in 2020/21. Operational budgets in line with projected expenditure. Movements in personnel resources have been undertaken to ensure full functionality of leave vacancy. While Customer Service and Administration Officers from the CSGR team are doing this backfilling, there is no administrative support for Governance function.
DP10.04) Deliver continuous improvements in Council's business, processes and systems Business process improvement & integration: <i>A – Chief Corporate Officer</i> Governance framework (including registers and monitoring): <i>A – Chief Corporate Officer</i> Insurance, risk & business continuity: <i>A – Chief Executive</i>	Develop, manage and deliver Customer and Stakeholder Services.	Customer Service phone calls are finally being managed from 23 June 2021 from the Mitel phone system in the main admin building. Recommissioning the system has taken time, and included an upgrade of the system to prevent drop outs of phone calls, and phone sets rebooting spontaneously. It is expected that there will be several weeks of settling in the phone system as staff progressively return to the main admin building. 76 customer service general enquiries for June 2021. 673 phone calls came in to 6736 6000 in June 2021. 3,343 phone calls came in to Council fixed and mobile phone numbers in June 2021.
		DP10.04.01) Deliver and facilitate leadership in strategic planning and implementation.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Community Satisfaction Survey (biennial)	%	>70%	>75%	100%
Compliance with State Records Act	%	100%	100%	100%

11. Environmental Management



Under the 4 year Delivery Plan *Environmental Management* relates to: education; noxious plants; feral pests (advocacy); illegal dumping and pollution; and roads & footpath regulatory enforcement. The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

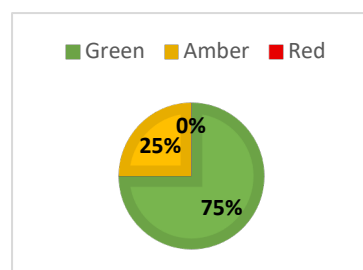
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
<p>DP11.01) Provide systems and processes to ensure compliance with legislation and standards.</p> <p><i>Illegal dumping and littering: A – Chief Corporate Officer</i></p> <p><i>Parking, traffic & DDA regulation: A – Chief Corporate Officer</i></p>	<p>Develop and manage systems and processes to deliver Companion Animals requirements, Illegal Dumping and Parking Control.</p>	<p>Regular patrols were carried out in the Tenterfield Shire. Again numerous people cautioned for walking dogs off lead along walking track in Tenterfield. New signs have been installed for people walking dogs along walking track to clarify dogs must be on leads.</p> <p>Four dogs and two cats picked up for straying in June. 1 x Fines issued as owner’s dog repeat offenders.</p> <p>Council Officers are conducting regular parking patrols and in the month of June, Two infringements were issued for parking breaches. Officers regularly monitor parking availability in the main street and identify vehicles that may be in breach of parking requirements.</p> <p>One person issued fine for illegal dumping and the cost to remove the rubbish to waste transfer station.</p> <p>Two fines issued for Unregistered dogs.</p> <p>Three further letters sent out for Unregistered dogs.</p> <p>One person fined for fail to clean block.</p> <p>On the 24/5/21 council was involved in a micro-chipping day with RSPCA, resulting in forty dogs and cats being micro-chipped. Letters will now be sent out for the registering of their animals.</p>
<p>DP11.02) Provide community education program to encourage residents and visitors to reduce their impact on vegetation including the management of pests and weeds.</p> <p><i>Noxious plants: A – Chief Corporate Officer</i></p> <p><i>Feral pests: A – Chief Corporate Officer</i></p>	<p>Develop, manage and deliver community weed and pest management reduction programs.</p>	<p>Weeds officer attends local agricultural shows, field days and includes a weed of the month in the council newsletter. Weed information and books are handed out to landholders during inspections. High risk weed signs are installed roadside in high risk areas.</p>
<p>DP11.03) Provide systems and processes to manage excess vegetation to ensure land and premises are in a safe and/or healthy condition.</p> <p><i>Pollution regulation: A – Chief Corporate Officer</i></p>	<p>Notices and Orders to be issued or served where necessary as per the Local Government Act, EPA Act and POEO Act and Associated Regulations.</p>	<p>Where Council receives complaints regarding overgrown unsightly lots Notices are issued requiring the owner to undertake work to comply. 4 Notices were issued in February and Council officers are working with the property owners to bring the properties into compliance.</p>

DP11.04) Ensure the timely detection of new weed incursions in the Tenterfield Shire Council region and do not adversely affect the health and welfare of the community. <i>Noxious plants: A – Chief Corporate Officer</i>	Manage and deliver the Weeds Management Program, Council's Weeds Action Plan and regional weeds management plans.	Regular inspections are carried out on private and government lands for all weeds but specifically the regional priority weeds outlined in the Northern Tablelands Regional Strategic Weed Management Plan 2017-2022 that set the guidelines for councils weed management. Ongoing
	Deliver Business improvements, recognising emerging risks and opportunities.	High Risk Pathways and Waterways are inspected regularly for new weed incursions. High risk inspections are being carried out on properties within the Tenterfield LGA for priority weeds
	Manage the Environmental Service of Council in a financially responsible manner in line with Budget allocations.	All works are carried out within Budget allocations.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Number of private landholders assisted with pest management issues.	#	140	140	15
Number of noxious weeds targeted per annum.	#	30	30	25

12. Livestock Saleyards



Under the 4 year Delivery Plan *Livestock and Saleyards* relates to planning, development, maintenance, operations and administration of the Saleyards. The Office of the Chief Corporate Officer directly oversees these outcomes.

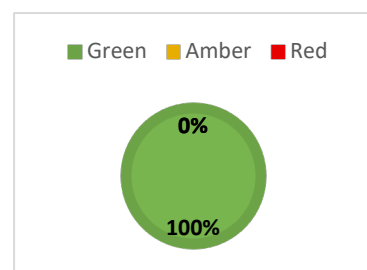
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP12.01) Ensure safe, effective and efficient operation of the Saleyards. <i>Saleyards: A - Chief Corporate Officer</i>	Develop, manage and deliver Asset Management, Strategic and Management Plans for the Saleyards.	Draft Saleyard Management Plan presented to the committee. No comments or changes to the Management Plan. Discussed at Council Workshop Council report for adoption at June meeting. Out on public exhibition for 28 days
DP12.02) Provide a financially sustainable saleyard operation, attractive to local producers. <i>Saleyards: A - Chief Corporate Officer</i>	Manage and deliver Saleyards Services.	Cattle Numbers for June - 2021; Prime Sale - 417 Head - \$608,513.90 Private Weighing - 37 Head - \$49,266.00 Total - 454Head - \$657,779.90 Financial Year 2020/2021 8,963 Head - \$14,127,684.48 Financial Year 2019/2020 9,247 Head - \$8,441,858.64 Financial Year 2018/2019 21,656 Head - \$12,517,711.39 Financial Year 2017/2018 19,027 Head - \$15,984,517.65 Financial Year 2016/2017 24,151 Head - \$23,233,573.17 Financial Year 2015/2016 22,654 Head - \$19,613,572.47
	Deliver Business improvements, recognising emerging risks and opportunities.	Obtaining design and quotes for the installation of the Double Height loading ramp. Truckwash ongoing. Near completion of the steel rail replacement of all holding pens that are used on a regular basis. Biggest risk being further reduction in throughput and loss of income as to whether the saleyards will remain viable.
	Manage the Saleyards Service of Council in a financially responsible manner in line with Budget allocations.	Working and operating within budget. Major financial impact being the very low numbers of cattle being processed through the saleyards.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2019
Number of stock sold per annum	#	20,000	22,000	8,963
Value of stock sold per annum	\$	\$21,336,467	\$21,560,000	\$14,127,684

13. Planning and Regulation



Under the 4 year Delivery Plan *Planning and Regulation* relates to: development planning, controls, assessment and certification; regulation of premises; built environment; urban design; land use data, mapping and reporting; building and assessment advice; heritage; domestic animals; public health and pollution. The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

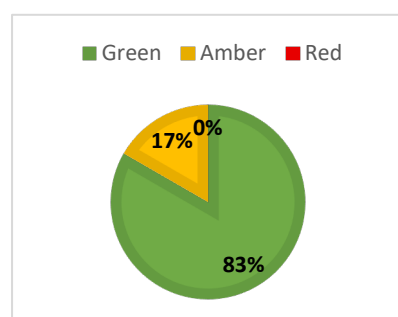
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP13.01) Assess and process construction certificate applications in accordance with legislation and Building Code. <i>Building and development: A – Chief Corporate Officer</i> <i>Regulated premises: A – Chief Corporate Officer</i> <i>Statutory planning certificates, unauthorised activity and building certification: A – Chief Corporate Officer</i>	Manage and deliver building and construction regulatory services.	Ongoing assessment of Construction Certificates in accordance with legislative requirements
DP13.02) Ensure that the community is provided with a high quality built environment that meets the needs of our ageing population. <i>Accountability 11.01: A – Chief Corporate Officer</i>	Monitor and assess application of Tenterfield Local Environmental Plan 2013 and Development Control Plan 2014 (as amended).	Ongoing application of provisions of LEP and DCP
DP13.04) The development of plans and applications for development consider the demand and provision of parking. <i>Accountability 11.06: A – Chief Corporate Officer</i>	Facilitate cross department meetings reviewing development applications and opportunities for supportive strategies and actions.	Cross department communication continuing
DP13.06) Provision of advice and guidance on legislative compliance for the construction of dwellings and commercial/industrial buildings. <i>Building and development: A – Chief Corporate Officer</i> <i>Statutory planning certificates, unauthorised activity and building certification: A – Chief Corporate Officer</i>	Assess and determine regulatory applications, including Development Applications, Complying Development Certificates, Construction Certificates, Section 68 Certificates and Conveyancing Certificates.	Ongoing advice provided through email, phone and meetings where possible. Applications continue to be assessed and determined in accordance with legislation. Strong growth in new dwellings as reflected in monthly statistics. <u>Online Planning Applications– Mandatory Requirements</u> The NSW Government has mandated that from 1 July 2021, all planning applications including Development Applications (DA's) and Complying Development Certificates (CDC's) will need to be electronically lodged online via the NSW Government Planning Portal. The new process enables customers to lodge applications anytime using the online portal, paper applications will no longer be accepted.
DP13.07) Provide advice, planning and inspection that preserve and promotes the Shire's heritage. <i>Heritage: A – Chief Corporate Officer</i>	Management and delivery of heritage advisory services including management of the Heritage Advisor and community in the development and upgrade of heritage assets.	Heritage Advisor attends bi-monthly heritage committee meetings and on other occasions when required. Advice provided to land owners via phone, email and site meetings where possible. Local Heritage Funding applications are now open – closing date is August 13 2021 – for consideration by Heritage Committee at its meeting of 20 August 2021.

DP13.10) Identify, plan and enhance local environments in partnership with the community and stakeholders. <i>Land use reporting: A – Chief Corporate Officer</i> <i>Roads and footpath enforcement: A Chief Corporate Officer</i> <i>Illegal dumping: A Chief Corporate Officer</i> <i>Domestic animal management: A Chief Corporate Officer</i>	Local Strategic Planning Statements are implemented and provide guidance for actions to support the desired outcomes.	Local Strategic Planning Statement adopted August 2020 and uploaded to NSW Planning Portal.
	Deliver Business improvements, recognising emerging risks and opportunities.	Implementation of Greenlight system and integration with NSW Planning Portal is ready to go live. All applications must be lodged on line via the NSW Planning Portal.
	Manage the Planning and Regulation Service of Council in a financially responsible manner in line with Budget allocations.	All projects on budget

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Food premises inspections per annum	%	100%	100%	100%
Average processing time to issue a Development Assessment	Days	35 Days	30 days	30

14. Buildings and Amenities



Under the 4 year Delivery Plan *Buildings and Amenities* relates to: energy management and conservation, asset planning and maintenance scheduling; building and amenities utilisation, income generation and administration. The Office of the Chief Corporate Officer directly oversees these outcomes.

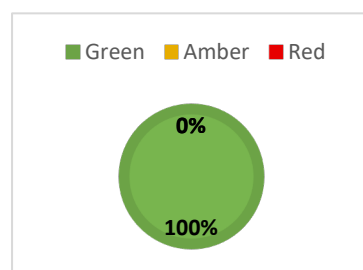
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments:
DP14.01) Provide systems and processes to identify opportunities to reduce the energy consumption of Council owned buildings and amenities. <i>Community & corporate buildings: A – Chief Corporate Officer</i>	Development and delivery of the Building and Amenities Asset Management plan.	Being developed using the Building Condition and Assessment Report 2019 in collaboration with the Asset Manager
DP14.02) Ensure that Council building and facilities meet the needs of users.	Deliver the Property Management Strategy, including maintenance and upgrades in line with Council needs.	Property Management Strategy to be formally developed. Maintenance upgrades continually progressing through grant projects at the moment. Clear position has been identified for future works.
	Deliver Business improvements, recognising emerging risks and opportunities.	Business improvements continue to be monitored and developed. Potential risks and opportunities are currently limited.
	Manage the Buildings and Amenities of Council in a financially responsible manner in line with Budget allocations.	A number of projects are currently being carried out in accordance with the 20/21 financial budget.
DP14.03) Deliver continuous improvements in Council's business, processes and systems.	Develop a Property Strategy for adoption by Council to guide property related transactions.	Some property strategies have been drafted, further work required.
	Manage Land and Property Register and actions.	Being managed as required. Spreadsheets are being updated as required.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2019
Number of registered complaints about public toilets pa	#	<10	<10	0
Accessible facilities comply with current standards	#	90%	90%	90%

15. Parks, Gardens and Open Space



Under the 4-year Delivery Plan *Parks, Gardens and Open Space* relates to: consultation, planning, development; increasing patronage; amenity; maintenance and operations; public art; cycle ways; public trees; sportsgrounds (active and passive); cleanliness and administration. The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

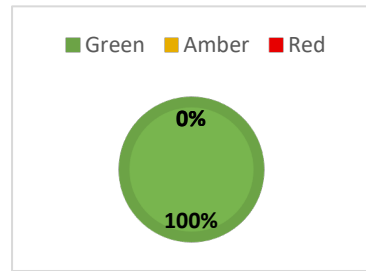
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
<p>DP15.01) Identify and pursue opportunities to increase usage of open spaces assets throughout the Shire.</p> <p>Sport and recreation (passive & active): A - Chief Corporate Officer Open Space Amenities: A - Chief Corporate Officer</p>	<p>Engage with the Parks, Gardens and Open Space Committee and the Tenterfield Shire community to assist in identifying further ideas to increase open space usage throughout the Shire.</p>	<p>Forms part of the (ongoing) agenda for all Parks and Garden Committee meetings. Successful grant funding for further upgrading projects within Tenterfield and villages. Possibility of online bookings for park functions in future however needs development.</p>
<p>DP15.02) Identify and partner with local residents in the development and delivery of town and village beautification initiatives.</p> <p>Place & public art/beautification: A - Chief Executive ("Identify & partner with....") Place & public art/beautification A - Director Infrastructure (Development/implementation/finalisation)</p>	<p>Ensure maintenance standards are conducted and delivered efficiently through Parks, Gardens and Open Space Committee and Village Progress Associations.</p>	<p>Near completion of the installation of new drip line irrigation in gardens in Rouse Street.</p> <p>Legume and Urbenville old toilet blocks demolished.</p> <p>Staff have been planting, pruning and mulching street trees, and maintenance to plants and gardens in Rouse street and gardens in some parks.</p> <p>Mowing season now completed</p> <p>Liston- Contract toilet cleaner appointed.</p> <p>Several Pin Oaks in Logan street have been removed due to aging problems.</p>
<p>DP15.03) Deliver public spaces that are clean, well maintained and encourage usage by visitors and residents of Tenterfield Shire.</p> <p>Sport and recreation (passive & active): A - Chief Corporate Officer Open Space Amenities: A - Chief Corporate Officer</p>	<p>Ensure all Parks, Gardens and Open Space amenities maintenance programs are delivered to a high standard.</p>	<p>Continuing to provide amenities and park facilities to the public with high levels of service within budget constraints. Daily cleaning of Tenterfield township public toilets with rubbish removal and park inspections adding to the cleanliness and appearance to the town.</p> <p>Quotes received for the fencing to be installed around the Rotary park playground.</p>
	<p>Develop and implement a tree management strategy.</p>	<p>Draft tree management plan recommended and approved by the Parks and Gardens Committee, to adopt the plan excluding Logan Street and tree species replacement planting.</p> <p>Public exhibition has now been completed and submissions have been received all commenting on the future of the Pin oaks.</p> <p>Village street trees to be added to the Management Plan in readiness for adoption.</p>

<p>DP15.04) Development and implementation of township and village streetscape plans and policy.</p> <p>Place & public art/beautification: A - Chief Executive (Community engagement: concept)</p> <p>Place & public art/beautification A - Chief Corporate Officer (Development/implementation/finalisation)</p>	<p>Work with the Tenterfield Shire Village Progress Associations and the Parks, Gardens and Open Space Committee to deliver individual town and village themes, promoting the unique aspects of each locality.</p>	<p>All village entrance signs completed and gardens installed.</p> <p>Village Concept Designs are in draft form, to be adopted through Council soon.</p> <p>Village Progress Associations have received funding from several grants to assist with maintenance and projects around each village.</p>
<p>DP15.05) Identify suitable areas for the extension and embellishment of the current and future cycleway network.</p> <p>Footpaths & cycleways: A - Director Infrastructure</p>	<p>Investigate options for further exercise stations sited along existing cycleway.</p>	<p>Council received grant funding for a covered area to include up to ten pieces of exercise equipment. This is to be constructed within the Hockey Field adjacent to the pathway. Quotes and design near completed.</p> <p>Cricket nets in Shirley Park are completed with funding from SCCF3. Lights have also been installed at the new cricket nets.</p>
<p>DP15.06) Deliver, review and update Parks, Gardens and Open Space, Maintenance Programs across the Shire.</p> <p>Cemeteries: A - Chief Corporate Officer</p> <p>Sport and recreation (passive & active): A - Chief Corporate Officer</p> <p>Open Space Amenities: A - Chief Corporate Officer</p> <p>Place & public art/beautification A - Chief Corporate Officer (Development/implementation/finalisation)</p>	<p>Implement and deliver maintenance programs for Parks, Gardens and Open Spaces across the Tenterfield Shire Council area.</p>	<p>Difficult to implement maintenance programs as all the town should be of the one standard. Working towards.</p>
	<p>Deliver Business improvements, recognising emerging risks and opportunities.</p>	<p>Looking at ways to reduce maintenance within parks and increase levels of service.</p> <p>New storage shed at the cemetery near completion</p>
	<p>Manage the Parks, Gardens and Open Space Service of Council in a financially responsible manner in line with Budget allocations.</p>	<p>Budget allocations are monitored and adhered to.</p> <p>Interviews for the horticulture position completed. Both applicants chosen declined the position.</p>

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Cost recovery percentage of expenditure funded by income	\$	11%	20%	20%
Total Use of ovals hours pa	hours	4,864	4,900	Not available*
*Impact of COVID-19 restrictions				

16. Swimming Complex



Under the 4 year Delivery Plan *Swimming Complex* relates to the ongoing: service provision; regulatory compliance; planning; supervision of patrons; and management. The Office of the Chief Corporate Officer directly oversees these outcomes.

a) Delivery and Operational Plan precis

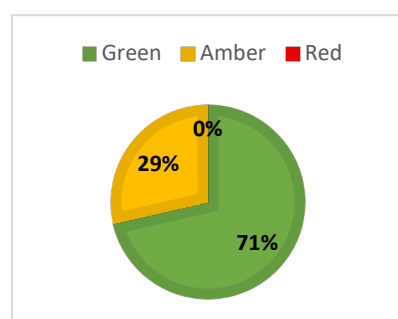
4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP16.01) Provision of an accessible, quality swimming and recreation facility which encourages participation. <i>Aquatic: A - Chief Corporate Officer</i>	Implement Tenterfield War Memorial Baths (TWMB) Management Plan, review and update as necessary.	Current plan to be implemented in the new season.
	Deliver Business improvements, recognising emerging risks and opportunities.	Identified in the preparation of the commencement of the season. Action being taken to suit. Meeting conducted with pool contractors to address maintenance issues prior to season opening.
	Manage the Swimming Complex Service of Council in a financially responsible manner in line with Budget allocations.	Currently being implemented.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Swimming Centre attendance	#	12,459	12,550	Not available*
Net annual operating cost per visit per person	\$	\$8.17	\$8.17	Not available*

*Impact of Drought and COVID-19 restrictions

17. Asset Management and Resourcing



Under the 4 year Delivery Plan *Asset Management and Resourcing* relates to: review, investigation, survey, design, development and project management; asset investigation, planning, policy formulation and management (both as a bureau service to whole organisation and for transport infrastructure). The Office of the Director Infrastructure directly oversees these outcomes.

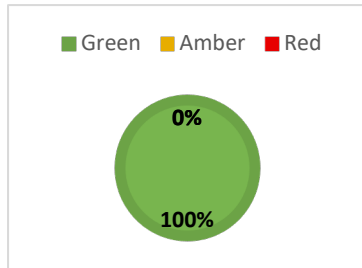
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP17.01) Delivery of survey and design works for infrastructure services, including stormwater drainage, transport, and water and sewer infrastructure. <i>Assets & projects: A – Director Infrastructure</i>	Ensure that asset management, project planning and design activities meet agreed quality and industry standards	Project delivery of projects is undertaken to industry standards. This is a current challenge given the significant increase in workloads against delivery time limits.
	Deliver Business improvements, recognising emerging risks and opportunities.	Project delivery documents are being issued for projects adopted under the 21/22 works program that include assessing risks and opportunities on major projects.
	Manage the Asset Management and Resourcing Service of Council in a financially responsible manner in line with Budget allocations.	Asset replacement projects are scoped in line with the adopted annual budget. Opportunities are being gained through external grant funds to accelerate asset replacement where possible.
DP17.02) Review and implement planning for footpaths and cycleway infrastructure that is safe for users and supports connectivity and active recreation in urban environments. <i>Assets & projects: A – Director Infrastructure</i>	Review the Pedestrian Access and Mobility Plan (incorporating the Disability Action Plan) and Bike Plan to identify any priority gaps in connectivity in our Towns and Villages.	The Pedestrian Access Mobility Plan and the Bike Plans have been reviewed and adopted by Council.
DP17.03) Asset planning considers the impact of consumption and cost driven by the increased demand for existing services and attracts a contribution priced to reflect this impact. <i>Assets & projects: A – Director Infrastructure</i>	Undertake annual inspections (or as deemed appropriate) for condition assessment of Council infrastructure and assets.	Drainage culvert structures are being assessed on individual specific site basis for works planning due to resourcing limitations. A number of structures require maintenance or upgrading to improve efficiency of drains.
DP17.04) Asset Planning, Policy and Management provide strategic direction and information to Council enabling the sustainable management of its asset portfolio as a whole. <i>Assets & projects: A – Director Infrastructure</i>	Develop and implement the Strategic Asset Management Plan and associated systems.	Asset Management Strategy has been adopted by Council. The Asset Management Policy 1.014 updated 2020. AssetFinda management system is being implemented with system operation trials planned at the end of July 2021.
DP17.05) Risk Management embedded in our Asset Management Planning forms the basis for our intervention programs and our Asset Management practices. <i>Assets & projects: A – Director Infrastructure</i>	Review and update Council's Risk Register and intervention programs on an ongoing basis in accordance with inspection schedules.	Asset risks have been prepared for the Risk Management system. Increased workloads due to grant projects and staff resourcing limitations hinder inspection schedules.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Annual Asset Condition Inspections completed per schedule	%	90%	95%	95%
Infrastructure Renewal Ratio	%	100%	100%	95%

18. Commercial Works



Under the 4 year Delivery Plan *Commercial Works* relates to: private works management, benchmarking, offsetting costs through creating synergies. The Office of the Chief Operating Officer directly oversees these outcomes.

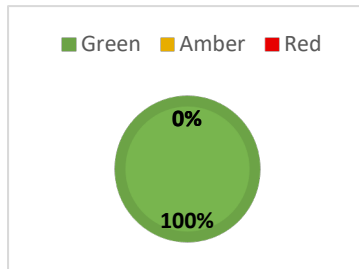
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP18.01) Deliver Commercial Works in accordance with Council Policy. <i>Private works: A – Director Infrastructure</i>	Commercial Works undertaken in accordance with demand.	Works are undertaken on demand, with scheduled work and operational priorities a consideration
	Deliver Business improvements, recognising emerging risks and opportunities.	Delivery of commercial work is scheduled with the aim to gain efficiencies alongside operational and capital projects
	Manage the Commercial Work Service of Council in a financially responsible manner in line with Budget allocations.	Works are delivered within projected estimates and quotations

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Annual commercial operating surplus.	%	TBC	TBC	\$3,050,882
Annual Profit margin.	%	10%	15%	\$2,844,809

19. Stormwater and Drainage



Under the 4 year Delivery Plan *Stormwater and Drainage* relates to ongoing management and improvement of all stormwater infrastructure, gross pollutant traps, natural urban waterways and erosion control apparatus. The Office of the Director Infrastructure directly oversees the outcomes.

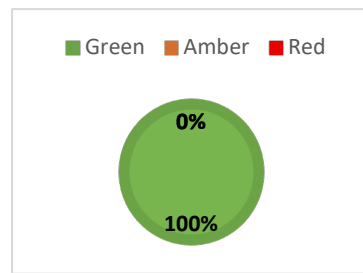
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments:
DP19.01) Stormwater and drainage infrastructure is provided, maintained and renewed. <i>Stormwater: A - Director Infrastructure</i>	Implement the Stormwater Asset Management Plan.	Project scopes are being prepared for storm water asset renewals for the 2021/22 financial year based on upgrading drainage pits.
	Deliver Business improvements, recognising emerging risks and opportunities.	Project delivery is scheduled to gain efficiencies where possible, considering site risks and to seek opportunities to improve the performance of the asset.
	Manage the Stormwater and Drainage of Council in a financially responsible manner in line with Budget allocations.	Asset replacement projects are in accordance with the adopted annual budget limitations.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Number of incidents of public nuisance attributable to stormwater infrastructure per annum.	#	0	0	0
Number of incidents of vehicular and pedestrian traffic interruptions.	#	3	1	0

20. Transport Network



Under the 4 year Delivery Plan *Transport Network* relates to the sustainable management and improvement of all infrastructure used to facilitate transportation: vehicular, aviation, Mt McKenzie and cyclists; car parking; quarries; delineation, line marking, signage and lighting; regulatory compliance; emergency response and on-call; traffic committee administration; and risk mitigation. The Office of the Director Infrastructure directly oversees the outcomes.

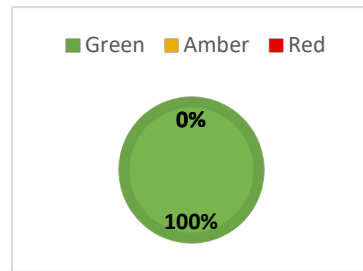
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments:
DP20.01) Construction of Transport Infrastructure. <i>Roads, bridges and retaining walls: A - Director Infrastructure</i>	Manage and deliver construction services for transport infrastructure.	Capital projects are being delivered with additional works funded through grant funding for road upgrading and timber bridge replacements.
DP20.02) Maintenance of transport infrastructure. <i>Roads, bridges and retaining walls: A - Director Infrastructure</i>	Manage and deliver maintenance services for transport infrastructure.	Transport assets, which are mainly roads, are maintained in accordance with the adopted annual budget.
DP20.04) Management of the transport infrastructure assets in response to changing community need. <i>Road safety and Traffic Committee: A - Director Infrastructure</i> <i>Quarries and stockpiling: A - Director Infrastructure</i> <i>Aviation: A - Director Infrastructure</i> <i>Roads, bridges and retaining walls: A - Director Infrastructure</i>	Review and implement the Road Network Management Plan and the Road Network Asset Management Plan.	A review of the Road Network Management Plan is being undertaken.
	Deliver Business improvements, recognising emerging risks and opportunities.	Project delivery is scheduled to gain efficiencies. Projects are undertaken utilizing internal teams and external contractors to deliver projects within grant funding requirements.
	Manage the Transport Network Service of Council in a financially responsible manner in line with Budget allocations.	Asset replacement projects are scoped in line with the adopted annual budget. Where external grant opportunities are available, successful grants are assisting with the asset renewal program.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Renewal expenditure on local roads	\$	\$2,934,669	\$3,298,000	\$
Capital Projects Completed on Time	%	85%	80%	%

21. Plant, Fleet and Equipment



Under the 4 year Delivery Plan *Plant, Fleet and Equipment* relates to: effective provision and management of plant, fleet, equipment, store and depots; and tendering and procurement. The Office of the Director Infrastructure directly oversees these outcomes.

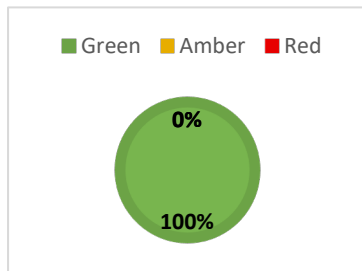
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
<p>DP21.01) Maximise productivity of Council fleet and stores service.</p> <p>Depot, Store: A – Director Infrastructure</p> <p>Fleet & Plant: A – Director Infrastructure</p> <p>Procurement and tendering framework: A – Director Infrastructure</p> <p>Depot, Store, fleet & plant: A – Director Infrastructure</p>	Implementation and delivery of the Fleet Asset Management Plan and the Plant Replacement Program.	Review of Fleet Asset Management Plan is complete, including LTFP and hire rate review. Integration into the new format a working progress with Manager Assets and Projects. Awaiting delivery of two watercarts and a float trailer. The Light Vehicle Tender has closed with report before council.
	Develop and implement the Depot Master Plan.	WHS and environmental considerations are being prioritised for progression of the depot plan for the 20/21 FY. An emulsion storage tank is installed replacing the existing tank which has reached the end of its useful life. Fuel bowsers have recently been repaired and a report will be prepared addressing the future viability of the fuel storage tanks.
	Deliver Business improvements, recognising emerging risks and opportunities.	The Fleet operational expenditure has remained on budget across the fleet during the year closing out slightly over expended. And utilisation has increased significantly closing out the year with a surplus.
	Manage the Plant, Fleet and Equipment Service of Council in a financially responsible manner in line with Budget allocations.	Approximately 95% of Fleet asset maintenance is conducted within a week of falling due; maintenance is conducted in line with industry best practice. 100% of general Fleet safety inspections completed with the 90 day target. Fleet continues to achieve its benchmarks in this area.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Plant safety inspections complete within 14 days of them falling due.	%	90%	100%	Fleet continue to achieve benchmark results, with the availability of assets due to utilization being the only limitation to reaching 100%.
Ratio of un-scheduled to scheduled maintenance.	#	<3.10	<3.10	<3.10

22. Waste Management



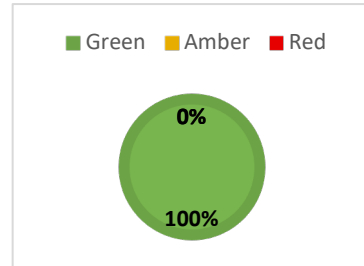
Under the 4-year Delivery Plan *Waste Management* relates to ongoing and sustainably managing waste: reduction; recycling; landfill remediation and development; and public education. The Office of the Chief Operating Officer directly oversees the outcomes.

a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP22.01) Investigate and implement strategies to reduce waste produced by households and industry across the Shire. <i>Waste & recycling: A - Chief Executive</i>	Delivery of the Waste Management Strategy.	Ongoing operations with delivery in-line with Waste Management strategy.
	Deliver Business improvements, recognising emerging risks and opportunities.	Ongoing assessments and improvements to the business program ensuring risks are undertaken as priorities.
	Manage Waste Services of Council in a financially responsible manner in line with Budget allocations.	Continuous review of best fiscal practice for managing Waste Services and maintaining budgets

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Compliance with EPA discharge licence for Waste Landfill Facilities.	%	100%	100%	100%
Total waste diverted from landfill.	tonnes	500	570	475.75
Total waste collected per annum by weight.	tonnes	2240	2270	1180

23. Water Supply



Under the 4-year Delivery Plan *Water Supply* relates to: ongoing water catchment, storage, treatment, distribution, monitoring, regulating, reporting, compliance, charging and administration. The Office of the Director Infrastructure directly oversees the outcomes.

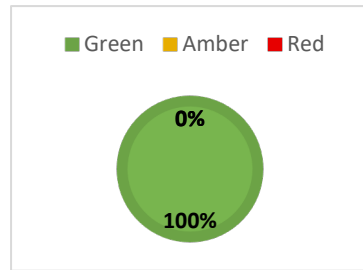
a) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP23.01) Ensure effective and efficient delivery of water services in accordance with existing service levels. <i>Water & Sewer: A - Director Infrastructure</i>	Implementation of the Water and Drought Management Plans.	Ongoing operations with implementation in-line with Water and Drought Management plans.
	Deliver Business improvements, recognising emerging risks and opportunities.	Ongoing assessments and improvements to the reticulation and water systems ensuring licence conditions and risks are undertaken.
	Manage the Water Supply Service of Council in a financially responsible manner in line with Budget allocations.	Continuous review of best fiscal practice for managing Water Supply Services and maintaining budgets
DP23.02) Implementation of Water Quality Assurance Framework in accordance with the Public Health Act. <i>Water & Sewer: A - Director Infrastructure</i>	Implementation of Water Service Strategic Plan in accordance with NSW Office of Water Guidelines.	Ongoing operations with implementation in-line with Water Service Strategic plan as provided by NSW Office of Water Guidelines.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Average annual residential water consumption	Kl	190	185	78.15KL
Drinking water quality - compliance with microbiological requirements	%	100%	100%	100%

24. Sewerage Services



Under the 4-year Delivery Plan *Sewerage Services* relates to: ongoing catchment, transportation, and treatment; monitoring, reporting, environmental compliance and emergency management; trade waste and commercial; fees and charges; public education and administration. The Office of the Director Infrastructure directly oversees the outcomes.

b) Delivery and Operational Plan precis

4 Year Delivery Program	1 Year Operational Plan 20/21	Comments: (Business Manager to provide short precis.)
DP24.01) Provide effective and efficient delivery of sewerage services across to the townships of Tenterfield and Urbenville. <i>Water & Sewer: A - Director Infrastructure</i>	Maintenance and operation of sewerage network, in line with the Asset Management Strategy.	Ongoing operations in-line with asset management strategy.
	Deliver Business improvements, recognising emerging risks and opportunities.	Ongoing assessments and improvements to the sewer system ensuring licence conditions as a risk are undertaken.
	Manage the Sewerage Services of Council in a financially responsible manner in line with Budget allocations.	Continuous review of best fiscal practice for managing Sewerage Services and maintaining budgets
DP24.02) Ensure improvement of infrastructure in line with best practice water treatment guidelines and increased capacity for sewage treatment in service areas. <i>Water & Sewer: A - Director Infrastructure</i>	Tenterfield Shire Council sewerage network upgrades and maintenance conducted in accordance with demand and affordability constraints.	Review of network upgrades conducted in accordance with demand and financial constraints.

Performance Measures

Description	Measure	Benchmark	Target	Progress as at Jun 2021
Compliance with EPA discharge licence for Waste Water Treatment Plants	%	100%	100%	100%
Interruptions to service per annum	#	15	<10	3

Tenterfield Shire Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Quality Nature, Quality Heritage and Quality Lifestyle"



Tenterfield Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Quality Nature, Quality Heritage and Quality Lifestyle"



Tenterfield Shire Council

General Purpose Financial Statements

for the year ended 30 June 2021

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Overview

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

247 Rouse Street
Tenterfield NSW 2372

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

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

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

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

Tenterfield Shire Council

General Purpose Financial Statements

for the year ended 30 June 2021

Understanding Council's Financial Statements

Each year NSW Local Governments are required to present audited financial statements to their council and community.

Tenterfield Shire Council

General Purpose Financial Statements

for the year ended 30 June 2021

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

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

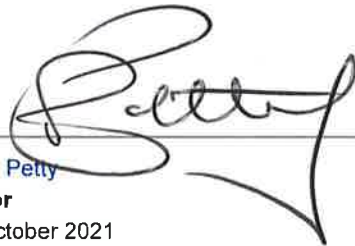
- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

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

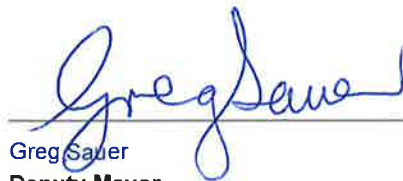
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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

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



Peter Petty
Mayor
27 October 2021



Greg Sauer
Deputy Mayor
27 October 2021



Daryl Buckingham
Chief Executive
27 October 2021



Jessica Wild
Responsible Accounting Officer
27 October 2021

Tenterfield Shire Council

Income Statement

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
	Income from continuing operations			
10,521	Rates and annual charges	B2-1	10,765	10,334
2,639	User charges and fees	B2-2	2,919	2,447
504	Other revenue	B2-3	1,090	323
9,017	Grants and contributions provided for operating purposes	B2-4	11,926	14,331
17,242	Grants and contributions provided for capital purposes	B2-4	20,028	6,339
330	Interest and investment income	B2-5	66	327
–	Other income	B2-6	174	140
40,253	Total income from continuing operations		46,968	34,241
	Expenses from continuing operations			
8,583	Employee benefits and on-costs	B3-1	8,473	8,751
3,725	Materials and services	B3-2	8,346	10,525
535	Borrowing costs	B3-3	485	482
7,569	Depreciation, amortisation and impairment for non-financial assets	B3-4	7,608	7,474
2,059	Other expenses	B3-5	1,751	352
265	Net losses from the disposal of assets	B4-1	2,812	625
22,736	Total expenses from continuing operations		29,475	28,209
17,517	Operating result from continuing operations		17,493	6,032
17,517	Net operating result for the year attributable to Council		17,493	6,032
275	Net operating result for the year before grants and contributions provided for capital purposes		(2,535)	(307)

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

Tenterfield Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Net operating result for the year – from Income Statement		17,493	6,032
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	1,133	(4,741)
Total items which will not be reclassified subsequently to the operating result		1,133	(4,741)
Total other comprehensive income for the year		1,133	(4,741)
Total comprehensive income for the year attributable to Council		18,626	1,291

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

Tenterfield Shire Council

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	13,383	15,066
Receivables	C1-3	5,026	2,137
Inventories	C1-4	355	610
Contract assets and contract cost assets	C1-5	7,417	5,378
Total current assets		26,181	23,191
Non-current assets			
Infrastructure, property, plant and equipment	C1-6	469,004	448,164
Intangible Assets	C1-7	789	729
Right of use assets	C2-1	246	178
Total non-current assets		470,039	449,071
Total assets		496,220	472,262
LIABILITIES			
Current liabilities			
Payables	C3-1	2,433	3,477
Contract liabilities	C3-2	3,412	921
Lease liabilities	C2-1	63	50
Borrowings	C3-3	804	707
Employee benefit provisions	C3-4	1,912	1,844
Provisions	C3-5	863	897
Total current liabilities		9,487	7,896
Non-current liabilities			
Lease liabilities	C2-1	153	81
Borrowings	C3-3	12,905	9,603
Provisions	C3-5	2,659	2,292
Total non-current liabilities		15,717	11,976
Total liabilities		25,204	19,872
Net assets		471,016	452,390
EQUITY			
Accumulated surplus		171,377	153,884
IPPE revaluation reserve	C4-1	299,639	298,506
Council equity interest		471,016	452,390
Total equity		471,016	452,390

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

Tenterfield Shire Council

Statement of Changes in Equity

for the year ended 30 June 2021

	as at 30/06/21			as at 30/06/20		
	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July	153,884	298,506	452,390	149,289	303,247	452,536
Changes due to AASB 1058 and AASB 15 adoption	-	-	-	(1,437)	-	(1,437)
Restated opening balance	153,884	298,506	452,390	147,852	303,247	451,099
Net operating result for the year	17,493	-	17,493	6,032	-	6,032
Restated net operating result for the period	17,493	-	17,493	6,032	-	6,032
Other comprehensive income						
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	1,133	1,133	-	(4,741)	(4,741)
Other comprehensive income	-	1,133	1,133	-	(4,741)	(4,741)
Total comprehensive income	17,493	1,133	18,626	6,032	(4,741)	1,291
Closing balance at 30 June	171,377	299,639	471,016	153,884	298,506	452,390

Notes

C1-6

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

Tenterfield Shire Council

Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021 \$ '000		Notes	Actual 2021 \$ '000	Actual 2020 \$ '000
Cash flows from operating activities				
<i>Receipts:</i>				
10,522	Rates and annual charges		10,984	10,321
2,639	User charges and fees		3,102	2,872
330	Investment and interest revenue received		183	336
26,257	Grants and contributions		29,518	14,794
–	Bonds, deposits and retention amounts received		25	–
504	Other		187	2,464
<i>Payments:</i>				
(8,583)	Employee benefits and on-costs		(8,349)	(8,850)
(3,726)	Materials and services		(10,071)	(8,614)
(535)	Borrowing costs		(437)	(444)
–	Bonds, deposits and retention amounts refunded		–	(13)
(2,059)	Other		(807)	(1,893)
25,349	Net cash flows from operating activities	G1-1	24,335	10,973
Cash flows from investing activities				
<i>Receipts:</i>				
–	Sale of investment securities		–	1,000
–	Sale of real estate assets		324	37
2,421	Sale of infrastructure, property, plant and equipment		2,057	2,231
<i>Payments:</i>				
(28,662)	Purchase of infrastructure, property, plant and equipment		(31,519)	(16,551)
–	Purchase of intangible assets		(211)	(414)
(26,241)	Net cash flows from investing activities		(29,349)	(13,697)
Cash flows from financing activities				
<i>Receipts:</i>				
3,664	Proceeds from borrowings		4,049	1,000
<i>Payments:</i>				
(741)	Repayment of borrowings		(650)	(745)
(29)	Principal component of lease payments		(68)	(47)
2,894	Net cash flows from financing activities		3,331	208
2,002	Net change in cash and cash equivalents		(1,683)	(2,516)
15,066	Cash and cash equivalents at beginning of year		15,066	17,582
17,068	Cash and cash equivalents at end of year	C1-1	13,383	15,066

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

Tenterfield Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 27 October 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

Council is a not for-profit entity.

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

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts. Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note B5-1 – Material budget variations

and are clearly marked.

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Council did not identify any potential material adjustments required to be done as a result of the pandemic. Even though the pandemic had a widespread effect on slowing down economies around the world, as at 30 June 2021 it is hard to predict any significant future implications on Council's business. Council's business operations remain on the same pattern. Council is not aware of any post balance sheet date events which would result in separate disclosures or adjustments to the 30 June 2021 financial results. Hence, 30 June 2021 financial statements were prepared on a going concern basis.

Historical cost convention

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

Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) estimated tip remediation provisions – refer Note C3-5
- (iii) employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-3.

A1-1 Basis of preparation (continued)

- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations
- Tenterfield Water service
- Tenterfield Sewerage service
- Stormwater Management Fund
- Waste Management Fund

Due to their immaterial value and nature, the following committees, entities and operations have been excluded from consolidation:

- Sir Henry Parkes Memorial Management Committee (Joint Committee);
- Tenterfield Saleyards Advisory Committee;
- Aboriginal Advisory Committee;
- Heritage Advisory Committee;
- ANZAC Centenary Steering Committee; and
- Disability, Inclusion and Access Advisory Committee.

The Trust Fund

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

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council does not recognise services provided by volunteers in its income statement due to the immateriality and unjustifiable cost of trying to reliably capture and assign a value to the many services volunteers in our community provide.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

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

A1-1 Basis of preparation (continued)

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

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

For example the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

Council does not expect any material impact from the above amendments and to its classification of liabilities as current or non-current.

This standard has an effective date for the 30 June 2024 reporting period.

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 -2020 and Other Amendments

This Standard amends a number of standards as follows:

- AASB 1 to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences,
- AASB 3 to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations,
- AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability,
- AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset,
- AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making and
- AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Council does not expect any material impact from the above amendments.

This standard has an effective date for the 30 June 2023 reporting period.

New accounting standards adopted during the year

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

- AASB 1059 Service Concession Arrangements: Grantor and associated amendments
- AASB 2018- 6 Amendments to Australian Accounting Standards – Definition of a business
- AASB 2018 – 7 Amendments to Australian Accounting Standards – Definition of material
- AASB 2019 – 3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
- AASB 2019 -5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

A1-1 Basis of preparation (continued)

- AASB 2019 – 7 Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP / GFS Reconciliations
- AASB 2020 – 4 Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions

None of the above newly adopted standards had a material impact on Council's reported financial position, financial performance and/or associated financial statements disclosures.

B Financial Performance

B1 Functions or activities

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

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

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 ¹ \$ '000	2021 \$ '000	2020 \$ '000
Functions or activities										
Civic Office	16	–	405	304	(389)	(304)	16	–	262	262
Organisation and Leadership	–	–	817	1,029	(817)	(1,029)	–	–	–	–
Community Development	10	342	188	351	(178)	(9)	10	341	354	354
Economic Growth and Tourism	1,100	725	1,411	601	(311)	124	1,062	690	2,043	1,702
Theatre and Museum Complex	72	159	259	304	(187)	(145)	(21)	72	196	173
Finance and Technology	8,126	8,586	1,059	501	7,067	8,085	3,387	3,770	9,317	10,645
Corporate and Governance	1	3	688	792	(687)	(789)	–	–	576	347
Workforce Development	262	214	1,507	1,242	(1,245)	(1,028)	52	66	–	–
Library Services	86	86	466	462	(380)	(376)	81	81	131	156
Emergency Services	317	727	639	974	(322)	(247)	316	313	634	465
Asset Management and Resourcing	1	9	647	701	(646)	(692)	–	–	2,035	1,881
Commercial Works	283	133	195	112	88	21	–	–	–	–
Environmental Management	503	437	638	679	(135)	(242)	498	433	23	21
Planning and Regulation	1,808	410	582	543	1,226	(133)	909	185	334	295
Plant, Fleet and Equipment	70	–	(511)	(636)	581	636	–	–	7,967	7,057
Buildings and Amenities	1,838	520	1,428	1,479	410	(959)	1,579	396	10,851	8,612
Livestock Saleyards	103	93	135	162	(32)	(69)	–	–	2,295	1,750
Parks, Gardens and Open Space	135	727	1,115	1,127	(980)	(400)	21	577	10,025	8,849
Swimming Complex	20	10	189	193	(169)	(183)	20	10	961	1,424
Stormwater and Drainage	74	82	100	100	(26)	(18)	2	1	3,740	4,786
Transport Network	22,158	9,783	10,846	9,304	11,312	479	22,076	9,734	377,578	360,547
Sewerage Services	2,712	2,471	1,674	1,666	1,038	805	16	33	27,356	26,200
Waste Management	2,857	2,849	2,453	2,421	404	428	72	191	8,022	7,285
Water Supply	4,416	5,875	2,545	3,798	1,871	2,077	1,858	3,777	31,520	29,451
Total functions and activities	46,968	34,241	29,475	28,209	17,493	6,032	31,954	20,670	496,220	472,262

(1) Contributions in amount of \$2,133 thousand were included in 2020 for comparative purposes

B1-2 Components of functions or activities

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

Civic Office

Corporate affairs and relations; the governance framework; overall corporate performance and reporting; community advocacy; mayoral, councillor and committee support; and media and external communications.

Organisation and Leadership

Collaboration with other organisations and governments; continual improvement; overall strategic direction of the administrative arm; community engagement; administrative support; service integration and corporate advertising.

Community Development

Community engagement, development of partnerships, indigenous affairs, inclusiveness, accessible services, supporting diversity and cultural events.

Economic Growth and Tourism

Community prosperity, tourism, connectivity, partnering, promotion and livability. The Office of the Chief Executive directly oversees these outcomes.

Theatre and Museum Complex

Sir Henry Parkes School of Art; cultural diversity, events and art activities; youth engagement; volunteering; and festivals.

Finance and Technology

Information technology; financial sustainability and advise; investments; financial capacity; procurement compliance; regulatory and statutory compliance; business systems; property strategy, overall management and register, land mapping service (GIS).

Corporate and Governance

Statutory reporting, business processes and integration; procurement compliance; audit; community involvement; customer service; governance; information technology and information management; insurance, risk and business continuity; registers and records management, legal services and election support.

Workforce Development

Workplace health and wellbeing, planning and culture; workers compensation; workforce performance; training; recruitment, selection and retention; and internal communications.

Library Services

Home services; vision impaired; review and updating collections; exchanges; internet and Wi Fi access; accessible technology; exhibitions; online training and resources; research and reference services; and the management of corporate art and memorabilia.

Emergency Services

Integrating land use policies to support emergency management; disaster management; review of emergency management plans; inter-agency communication and collaboration; and rural addressing.

Asset Management and Resourcing

Review, investigation, survey, design, development and project management; asset investigation, planning, policy formulation and management (both as a bureau service to whole organisation and for transport infrastructure).

Commercial Works

Private works management, benchmarking, offsetting costs through creating synergies.

Environmental Management

Education; noxious plants; feral pests (advocacy); illegal dumping and pollution; and roads & footpath regulatory enforcement.

B1-2 Components of functions or activities (continued)

Planning and Regulation

Development planning, controls, assessment and certification; regulation of premises; built environment; urban design; land use data, mapping and reporting; building and assessment advice; heritage; domestic animals; public health and pollution.

Plant, Fleet and Equipment

Effective provision and management of plant, fleet, equipment, store and depots; and tendering and procurement.

Buildings and Amenities

Energy management and conservation, asset planning and maintenance scheduling; building and amenities utilisation, income generation and administration.

Livestock Saleyards

Planning, development, maintenance, operations and administration of the Saleyards.

Parks, Gardens and Open Space

Consultation, planning, development; increasing patronage; amenity; maintenance and operations; public art; cycleways; public trees; sportsgrounds (active and passive); cleanliness and administration.

Swimming Complex

Service provision; regulatory compliance; planning; supervision of patrons; and management.

Stormwater and Drainage

Ongoing management and improvement of all stormwater infrastructure, gross pollutant traps, natural urban waterways and erosion control apparatus.

Transport Network

Sustainable management and improvement of all infrastructure used to facilitate transportation: vehicular, aviation, pedestrian and cyclists; car parking; quarries; delineation, line marking, signage and lighting; regulatory compliance; emergency response and on-call; traffic committee administration; and risk mitigation.

Sewerage Services

Ongoing catchment, transportation, and treatment; monitoring, reporting, environmental compliance and emergency management; trade waste and commercial; fees and charges; public education and administration.

Waste Management

Ongoing and sustainably managing waste: reduction; recycling; landfill remediation and development; and public education.

Water Supply

Ongoing water catchment, storage, treatment, distribution, monitoring, regulating, reporting, compliance, charging and administration.

B2 Sources of income

B2-1 Rates and annual charges

	2021 \$ '000	2020 \$ '000
Ordinary rates		
Residential	2,107	2,041
Farmland	2,321	2,255
Mining	10	9
Business	280	288
Less: pensioner rebates (mandatory)	(136)	(137)
Rates levied to ratepayers	4,582	4,456
Pensioner rate subsidies received	75	76
Total ordinary rates	4,657	4,532
Annual charges		
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>		
Domestic waste management services	1,015	958
Stormwater management services	70	73
Water supply services	1,294	1,235
Sewerage services	2,394	2,268
Waste management services (non-domestic)	180	171
Waste management facility charge	1,254	1,191
Less: pensioner rebates (mandatory)	(218)	(217)
Annual charges levied	5,989	5,679
Pensioner subsidies received:		
– Water	30	32
– Sewerage	27	28
– Domestic waste management	62	63
Total annual charges	6,108	5,802
Total rates and annual charges	10,765	10,334
Timing of revenue recognition for rates and annual charges		
Rates and annual charges recognised at a point in time (2)	10,765	10,334
Total rates and annual charges	10,765	10,334

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

	Timing	2021 \$ '000	2020 \$ '000
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services	1	1,299	825
Sewerage services	1	173	119
Waste management services (non-domestic)	1	304	280
Trade waste	1	27	19
Total specific user charges		1,803	1,243
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Inspection services	2	21	13
Planning and building regulation	2	334	200
Private works – section 67	2	283	548
Section 603 certificates	2	38	14
Other	2	1	–
Companion animals	2	4	4
Local government and health act fees	2	9	10
Total fees and charges – statutory/regulatory		690	789
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Aerodrome	2	1	2
Cemeteries	2	113	146
Saleyards	2	103	93
Tourism	2	32	30
Cinema	2	26	62
Library	2	5	5
Museum and theatre	2	53	14
Service installation	2	55	28
Other	2	38	35
Total fees and charges – other		426	415
Total user charges and fees		2,919	2,447
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		1,803	1,243
User charges and fees recognised at a point in time (2)		1,116	1,204
Total user charges and fees		2,919	2,447

Accounting policy

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

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

Where an upfront fee is charged the fee is recognised on a straight-line basis over the expected life of the membership.

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

B2-3 Other revenue

	Timing	2021 \$ '000	2020 \$ '000
Commissions and agency fees	1	–	2
Diesel rebate	2	70	74
Recycling income (non-domestic)	2	52	43
Insurance rebates	2	27	52
Sale of surplus material	2	1	9
Found assets	2	532	–
Training reimbursement	2	180	20
Net effect from de-recognition of remediation provisions	2	4	53
Other	2	224	70
Total other revenue		1,090	323
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		–	2
Other revenue recognised at a point in time (2)		1,090	321
Total other revenue		1,090	323

Accounting policy for other revenue

Where the revenue is earned the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

	Timing	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	1,636	1,588	–	–
Financial assistance – local roads component	2	824	839	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	1,750	1,682	–	–
Financial assistance – local roads component	2	885	891	–	–
Amount recognised as income during current year		5,095	5,000	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Water supplies	1	–	–	862	25
Bushfire and emergency services	2	136	313	20	–
Community centres	1	–	–	337	–
Economic development	2	89	150	–	–
Employment and training programs	2	–	15	–	–
Environmental programs	2	18	30	–	–
Heritage and cultural	1,2	1,227	22	1,590	238
Library	2	62	62	19	19
LIRS subsidy	2	19	22	–	–
Noxious weeds	1, 2	498	428	–	–
Recreation and culture	2	29	10	2	162
Community development	2	9	103	–	–
Public conveniences	1	–	–	144	514
Street lighting	2	66	–	–	–
Town planning	1,2	50	–	139	2
Waste management	2	–	–	50	53
Disaster recovery	2	1,261	3,199	–	–
Transport (roads to recovery)	2	1,567	1,567	–	–
Transport (other roads and bridges funding)	1, 2	16	158	15,844	2,865
Critical drought initiative	2	–	1,332	793	2,248
Other councils – joint works/services	1	133	145	–	–
Transport for NSW contributions (regional roads, block grant)	2	1,594	1,594	–	–
Tourism	2	–	6	–	–
FBT contributions	2	52	50	–	–
Waste management services	2	5	125	–	–
Total special purpose grants and non-developer contributions – cash		6,831	9,331	19,800	6,126
Total special purpose grants and non-developer contributions (tied)		6,831	9,331	19,800	6,126
Total grants and non-developer contributions		11,926	14,331	19,800	6,126
Comprising:					
– Commonwealth funding		8,333	8,552	5,963	762
– State funding		3,593	3,859	13,837	5,364
– Other funding		–	1,920	–	–
		11,926	14,331	19,800	6,126

B2-4 Grants and contributions (continued)

Developer contributions

	Notes	Timing	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):		G4				
Cash contributions						
S 7.11 – contributions towards amenities/services		2	–	–	197	153
S 64 – water supply contributions		2	–	–	15	27
S 64 – sewerage service contributions		2	–	–	16	33
Total developer contributions – cash			–	–	228	213
Total developer contributions			–	–	228	213
Total contributions			–	–	228	213
Total grants and contributions			11,926	14,331	20,028	6,339
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			133	145	1,343	539
Grants and contributions recognised at a point in time (2)			11,793	14,186	18,685	5,800
Total grants and contributions			11,926	14,331	20,028	6,339

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

Notes	Operating 2021 \$ '000	Operating 2020 \$ '000	Capital 2021 \$ '000	Capital 2020 \$ '000
Grants				
Unspent funds at 1 July	2,626	1,038	946	1,794
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,189	2,185	154	437
Add: grants received for the provision of goods and services in a future period	–	412	3,412	509
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(2,196)	(233)	(426)	(1,134)
Less: Funds received in prior year but revenue recognised and funds spent in current year	(412)	(776)	(509)	(660)
Unspent grants at 30 June	1,207	2,626	3,577	946
Contributions				
G4				
Unspent funds at 1 July	–	–	–	89
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	222	–
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	–	(89)
Unspent contributions at 30 June	–	–	222	–

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

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

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

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

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

B2-4 Grants and contributions (continued)

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

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

Developer contributions

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

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

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

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

B2-5 Interest and investment income

	2021 \$ '000	2020 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	33	145
– Cash and investments	33	182
Total interest and investment income (losses)	66	327
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
General Council cash and investments	66	327
Total interest and investment income	66	327

Accounting policy

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

B2-6 Other income

	2021 \$ '000	2020 \$ '000
Rental income		
Other lease income		
Council owned property	174	140
Total Other lease income	174	140
Total rental income	174	140
Total other income	174	140

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2021 \$ '000	2020 \$ '000
Salaries and wages	7,591	7,571
Employee leave entitlements (ELE)	1,513	1,397
Superannuation	880	907
Workers' compensation insurance	188	135
Fringe benefit tax (FBT)	46	30
Other	45	31
Total employee costs	10,263	10,071
Less: capitalised costs	(1,790)	(1,320)
Total employee costs expended	8,473	8,751

Accounting policy

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

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

	Notes	2021 \$ '000	2020 \$ '000
Raw materials and consumables		2,752	2,508
Contractor and consultancy costs		3,514	5,880
Audit fees	F2-1	50	52
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	182	180
Advertising		127	74
Cleaning		57	53
Electricity and heating		251	274
Insurance		461	452
Postage		42	44
Printing and stationery		15	21
Street lighting		117	125
Subscriptions and publications		223	209
Telephone and communications		248	233
Travel expenses		4	18
Training costs (other than salaries and wages)		133	167
Other expenses		119	120
– Legal expenses: other		37	106
Other		14	9
Total materials and services		8,346	10,525
Total materials and services		8,346	10,525

Accounting policy

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

B3-3 Borrowing costs

	Notes	2021 \$ '000	2020 \$ '000
(i) Interest bearing liability costs			
Interest on leases		7	6
Interest on loans		463	436
Total interest bearing liability costs		470	442
Total interest bearing liability costs expensed		470	442
(ii) Other borrowing costs			
– Remediation liabilities	C3-5	15	40
Total other borrowing costs		15	40
Total borrowing costs expensed		485	482

Accounting policy

Borrowing costs are expensed as incurred.

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

	Notes	2021 \$ '000	2020 \$ '000
Depreciation and amortisation			
Plant and equipment		646	576
Office equipment		45	40
Furniture and fittings		5	5
Land improvements (depreciable)		36	50
Infrastructure:	C1-6		
– Buildings		772	768
– Other structures		118	121
– Roads		3,204	3,189
– Bridges		941	950
– Footpaths		42	41
– Stormwater drainage		100	100
– Water supply network		711	711
– Sewerage network		488	479
– Swimming pools		21	21
– Other open space/recreational assets		108	110
Right of use assets	C2-1	85	–
Other assets:			
– Library books		24	27
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-6	333	391
– Quarry assets	C3-5,C1-6	6	17
Intangible assets	C1-7	151	62
Total gross depreciation and amortisation costs		7,836	7,658
Less: capitalised costs		(228)	(184)
Total depreciation and amortisation costs		7,608	7,474
Total depreciation, amortisation and impairment for non-financial assets		7,608	7,474

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets and Note C1-7 for intangible assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

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

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

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

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

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

B3-5 Other expenses

	Notes	2021 \$ '000	2020 \$ '000
Receivables write-off			
Other		25	–
Total impairment of receivables	C1-3	25	–
Other			
Grants funded rates credit		493	–
Grants funded donations, contributions and assistance to other organisations (incl. Section 356)		603	–
Council funded donations, contributions and assistance to other organisations (incl. Section 356)		126	50
Emergency services levy (includes FRNSW, SES, and RFS levies)		504	302
Total other		1,726	352
Total other expenses		1,751	352

Accounting policy

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

Impairment expenses are recognised when identified.

B4 Gains or losses

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

	Notes	2021 \$ '000	2020 \$ '000
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of property assets sold/written off		-	(309)
Gain (or loss) on disposal		-	(309)
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		2,057	2,231
Less: carrying amount of plant and equipment assets sold/written off		(2,347)	(2,481)
Gain (or loss) on disposal		(290)	(250)
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(2,564)	(60)
Gain (or loss) on disposal		(2,564)	(60)
Gain (or loss) on disposal of real estate assets held for sale	C1-4		
Proceeds from disposal – real estate assets		324	37
Less: carrying amount of real estate assets sold/written off		(282)	(43)
Gain (or loss) on disposal		42	(6)
Net gain (or loss) on disposal of assets		(2,812)	(625)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Non-infrastructure assets

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

Infrastructure assets

It is not common for infrastructure assets to be sold. De-recognition of carrying value of infrastructure assets usually occurs in cases of replacement or when they are no longer serviceable. Physical replacement of infrastructure assets result in loss from disposal of replaced assets through profit and loss account. Renewal works which represent reversal of consumed service potential add up to the carrying value of the asset.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 24/06/2020 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
REVENUES				
Rates and annual charges	10,521	10,765	244	2% F
User charges and fees	2,639	2,919	280	11% F
Due to increased water usage consumption after water restrictions were lifted, and some additional commercial/private works completed.				
Other revenues	504	1,090	586	116% F
Insurance settlement for fire at Urbenville Medical Centre in December 2020, and new subsidies received for Street Lighting Carbon Offset and Workforce Training.				
Operating grants and contributions	9,017	11,926	2,909	32% F
A number of new grants were received throughout the year. Also accrual for contract assets.				
Capital grants and contributions	17,242	20,028	2,786	16% F
A number of new grants were received throughout the year.				
Interest and investment revenue	330	66	(264)	(80)% U
Due to the current low interest rates and a six (6) month freeze on charging interest on overdue rates and charges as a result of a NSW State Government directive.				
Other income	-	174	174	∞ F
Leases renewed for some commercial properties at higher market rates, as well as some outstanding rental income collected for previous years.				

B5-1 Material budget variations (continued)

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
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EXPENSES

Employee benefits and on-costs	8,583	8,473	110	1%	F
Materials and services	3,725	8,346	(4,621)	(124)%	U

Includes operational expenditure for operational grants received this year (e.g. Drought Communities Extension), as well as some expenditure relating to operational grants received in the 2019/20 financial year (e.g. bushfire recovery funding).

Borrowing costs	535	485	50	9%	F
Depreciation, amortisation and impairment of non-financial assets	7,569	7,608	(39)	(1)%	U
Other expenses	2,059	1,751	308	15%	F
Net losses from disposal of assets	265	2,812	(2,547)	(961)%	U

Includes amount of write offs of undepreciated components of renewed roads assets. This figure is higher than in previous year due to extensive amount of capital works on road network in 2021 financial year. It is hard to budget for this category of loss.

STATEMENT OF CASH FLOWS

Cash flows from operating activities	25,349	24,335	(1,014)	(4)%	U
Cash flows from investing activities	(26,241)	(29,349)	(3,108)	12%	U

New grants for capital purposes received throughout the year, resulted in additional capital expenditure when compared to original budget.

Cash flows from financing activities	2,894	3,331	437	15%	F
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Mainly due to an additional loan being taken out in the 2020/2021 Financial Year to fund capital purchases.

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2021 \$ '000	2020 \$ '000
Cash and cash equivalents		
Cash on hand and at bank	8,631	6,380
Cash-equivalent assets		
– Deposits at call	4,370	8,373
Trust account	382	313
Total cash and cash equivalents	13,383	15,066

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	13,383	15,066
Balance as per the Statement of Cash Flows	13,383	15,066

Accounting policy

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

C1-2 Restricted cash, cash equivalents and investments

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Total cash, cash equivalents and investments	13,383	–	15,066	–
attributable to:				
External restrictions	14,583	–	12,069	–
Internal restrictions	–	–	2,924	–
Unrestricted ¹	(1,200)	–	73	–
	13,383	–	15,066	–

(1) See explanation about negative unrestricted cash in the disclosure note below.

	2021 \$ '000	2020 \$ '000

Details of restrictions

External restrictions – included in liabilities

Specific purpose unexpended grants – general fund	3,413	921
Unspent LIRS Loan Funds	–	19

External restrictions – included in liabilities

	3,413	940
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External restrictions – other

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

Developer contributions – general	222	–
Specific purpose unexpended grants (recognised as revenue) – general fund	1,345	2,575
Water fund	590	1,030
Sewer fund	4,846	3,528
Domestic waste management	3,109	2,949
Stormwater management	1,032	990
Bruxner Way widening (RMS)	26	57

External restrictions – other

	11,170	11,129
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Total external restrictions

	14,583	12,069
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Internal restrictions

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

Plant and vehicle replacement	–	2,333
Employees leave entitlement	–	461
International town partnerships	–	10
Special projects	–	120

Total internal restrictions

	–	2,924
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Total restrictions

	14,583	14,993
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Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

Negative unrestricted cash

Council's negative unrestricted cash of \$1.2 million represents a breach of section 409(3) of the LG Act.

Due to timing differences in the receipt of payments of funds for infrastructure projects in the final quarter of 2020/21 Council has utilised restricted funds to keep these projects progressing.

The Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021. The Council acknowledges it may have used restricted special rates and charges funds

C1-2 Restricted cash, cash equivalents and investments (continued)

for purposes other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410(3) of the LG Act.

At 30 June 2021 Council had Disaster Recovery Funding Arrangement (DRFA) claims in excess of \$3.0 million as contract assets (refer Note C1-5) for works delivered during the financial years 2019/20 and 2020/21. Post 30 June 2021 these restricted funds have been refunded as project funding has been received. Hence, the financial statements for the year ended 30 June 2021 are prepared on a going concern basis.

C1-3 Receivables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Purpose				
Rates and annual charges	452	-	671	-
Interest and extra charges	62	-	179	-
User charges and fees	775	-	446	-
Private works	86	-	307	-
Accrued revenues				
– Interest on investments	1	-	1	-
Government agency receivables	3,036	-	148	-
Net GST receivable	628	-	401	-
Other debtors	41	-	39	-
Total	5,081	-	2,192	-
Less: provision of impairment				
Other debtors	(55)	-	(55)	-
Total provision for impairment – receivables	(55)	-	(55)	-
Total net receivables	5,026	-	2,137	-
Externally restricted receivables				
Water supply				
– Rates and availability charges	67	-	89	-
– Other	1,079	-	438	-
Sewerage services				
– Rates and availability charges	122	-	170	-
– Other	99	-	71	-
Domestic waste management	213	-	259	-
Stormwater management	4	-	7	-
Total external restrictions	1,584	-	1,034	-
Unrestricted receivables	3,442	-	1,103	-
Total net receivables	5,026	-	2,137	-

	2021 \$ '000	2020 \$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	55	55
Balance at the end of the year	55	55

C1-3 Receivables (continued)

Accounting policy

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

Impairment

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

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

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 60 days past due has seen a significant increase in credit risk.

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

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Rates and annual charges outstanding are secured against the property.

C1-4 Inventories

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
(i) Inventories at cost				
Real estate for resale	70	–	352	–
Stores and materials	285	–	258	–
Total inventories at cost	355	–	610	–
Total inventories	355	–	610	–

(i) Other disclosures

Notes	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
(a) Details for real estate development				
Residential	70	–	352	–
Total real estate for resale	70	–	352	–
(Valued at the lower of cost and net realisable value)				
Represented by:				
Acquisition costs	70	–	352	–
Total costs	70	–	352	–
Total real estate for resale	70	–	352	–
Movements:				
Real estate assets at beginning of the year	352	–	395	–
– WDV of sales (expense)	(282)	–	(43)	–
Total real estate for resale	70	–	352	–

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

	2021 \$ '000	2020 \$ '000
Real estate for resale	–	300
	–	300

Accounting policy

Raw materials and stores, work in progress and finished goods

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

Land held for resale

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

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

C1-5 Contract assets

	2021 \$ '000	2020 \$ '000
Contract assets	7,417	5,378
Total contract assets	7,417	5,378

Contract assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Grant Contract Asset (AASB 1058 - asset exemption)	4,482	-	2,978	-
Accrued Income (AASB 1058)	2,802	-	2,255	-
Contract Asset (AASB 15)	133	-	145	-
Total contract assets	7,417	-	5,378	-

Significant changes in contract assets

Contract Assets relating to work for external parties (AASB 15)

No significant changes.

Grant Contract Assets - work related to infrastructure grants (AASB 1058 - Asset Exemption)

Increase by \$1.5M mostly due to accrual of income for capital works done on enforceable and specific grant related projects. Most significant accruals were done on the following projects as at 30 June 2021:

- a) Mt Lindesay Upgrade - \$1.6M
- b) Tooloom Rd - Forestry HML Heavy Vehicle Access Project under Fixing Local Roads program - \$1M
- c) March 2021 Storms & Floods damage under DRFA program - \$0.8M

Accrued Income - not specific or not enforceable grants (AASB 1058)

Increase by \$0.5M mostly due to accrual of works on non-specific or not enforceable contracts which are expected to be reimbursed by fund providers.

Accounting policy

Contract assets

Contract assets represent Council's right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period									At 30 June 2021		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ¹ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Reclassifications \$ '000	Net effect from found assets to P&L \$ '000	Revaluation decrements/impairment to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	7,177	–	7,177	2,809	7,850	–	–	(1,781)	–	–	–	–	16,056	–	16,056
Plant and equipment	14,747	(6,649)	8,098	2,865	1,396	(2,347)	(646)	60	5	–	–	–	16,383	(6,953)	9,430
Office equipment	671	(344)	327	–	53	–	(45)	–	–	–	–	–	724	(389)	335
Furniture and fittings	155	(133)	22	–	–	–	(5)	–	–	–	–	–	155	(138)	17
Land:															
– Crown land - managed by council	1,202	–	1,202	–	–	–	–	–	–	–	–	76	1,278	–	1,278
– Crown land - devolved to council	2,504	–	2,504	–	–	–	–	–	–	–	–	247	2,750	–	2,750
– Operational land	3,441	–	3,441	–	21	–	–	–	–	532	–	–	3,995	–	3,995
– Community land	1,414	–	1,414	–	–	–	–	–	–	–	–	111	1,525	–	1,525
– Land under roads (post 30/6/08)	10	–	10	–	–	–	–	–	–	–	–	–	10	–	10
Land improvements – depreciable	1,746	(391)	1,355	–	–	–	(36)	–	(9)	–	(331)	162	1,758	(616)	1,142
Infrastructure:															
– Buildings	30,643	(17,230)	13,413	486	1,922	(218)	(772)	271	176	–	–	–	32,950	(17,671)	15,279
– Other structures	3,642	(1,324)	2,318	–	272	–	(118)	197	(167)	–	–	664	4,960	(1,794)	3,166
– Roads	263,213	(50,777)	212,436	3,996	4,581	(1,356)	(3,204)	1	–	–	–	–	268,882	(52,429)	216,453
– Bridges	89,157	(42,394)	46,763	1,753	244	(927)	(941)	1,167	–	–	–	–	89,403	(41,344)	48,059
– Footpaths	3,350	(873)	2,477	–	22	–	(42)	–	–	–	–	–	3,374	(915)	2,459
– Bulk earthworks (non-depreciable)	91,880	–	91,880	–	1,883	–	–	1	–	–	–	–	93,763	–	93,763
– Stormwater drainage	8,354	(4,558)	3,796	–	40	–	(100)	–	–	–	–	–	8,395	(4,659)	3,736
– Water supply network	58,100	(34,507)	23,593	747	36	(18)	(711)	1	–	–	–	210	58,672	(34,813)	23,859
– Sewerage network	33,905	(11,934)	21,971	–	–	–	(488)	–	–	–	–	198	34,217	(12,537)	21,680
– Swimming pools	1,205	(298)	907	–	–	–	(21)	–	–	–	(524)	–	1,408	(1,047)	361
– Other open space/recreational assets	2,350	(668)	1,682	92	229	(45)	(108)	83	(5)	–	–	320	2,956	(708)	2,248
Other assets:															
– Library books	947	(816)	131	–	–	–	(24)	–	–	–	–	–	167	(60)	107
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):															
– Tip assets	2,865	(1,667)	1,198	–	–	–	(333)	–	349	–	–	–	3,124	(1,910)	1,214
– Quarry assets	88	(39)	49	–	–	–	(6)	–	39	–	–	–	105	(23)	82
Total infrastructure, property, plant and equipment	622,766	(174,602)	448,164	12,748	18,549	(4,911)	(7,600)	–	388	532	(855)	1,988	647,010	(178,006)	469,004

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

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

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period									At 30 June 2020		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals ¹ \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Adjustments and transfers \$ '000	Other movements (Found Assets at FV through Equity) \$ '000	Revaluation decrements/impairment to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	416	–	416	4,515	2,248	–	–	(2)	–	–	–	–	7,177	–	7,177
Plant and equipment	13,171	(6,135)	7,036	3,613	506	(2,481)	(576)	–	–	–	–	–	14,747	(6,649)	8,098
Office equipment	622	(304)	318	–	50	–	(40)	–	–	–	–	–	671	(344)	327
Furniture and fittings	148	(128)	20	–	8	–	(5)	–	–	–	–	–	155	(133)	22
Land:															
– Operational land	3,441	–	3,441	–	–	–	–	–	–	–	–	–	3,441	–	3,441
– Community land	1,414	–	1,414	–	–	–	–	–	–	–	–	–	1,414	–	1,414
– Crown land - managed by council	1,202	–	1,202	–	–	–	–	–	–	–	–	–	1,202	–	1,202
– Crown land - devolved to council	2,504	–	2,504	–	–	–	–	–	–	–	–	–	2,504	–	2,504
– Land under roads (post 30/6/08)	10	–	10	–	–	–	–	–	–	–	–	–	10	–	10
Land improvements – depreciable	1,371	(342)	1,029	–	376	–	(50)	–	–	–	–	–	1,746	(391)	1,355
Infrastructure:															
– Buildings	37,953	(20,786)	17,167	260	688	(309)	(768)	–	–	–	(3,625)	–	30,643	(17,230)	13,413
– Other structures	3,397	(1,203)	2,194	–	245	–	(121)	–	–	–	–	–	3,642	(1,324)	2,318
– Roads	260,413	(47,502)	212,911	1,480	2,392	(60)	(3,189)	–	255	–	(1,352)	–	263,213	(50,777)	212,436
– Bridges	89,813	(41,757)	48,056	–	–	–	(950)	–	(255)	–	(88)	–	89,157	(42,394)	46,763
– Footpaths	3,276	(833)	2,443	–	75	–	(41)	–	–	–	–	–	3,350	(873)	2,477
– Bulk earthworks (non-depreciable)	91,380	–	91,380	–	602	–	–	–	–	–	(101)	–	91,880	–	91,880
– Stormwater drainage	8,355	(4,458)	3,897	–	–	–	(100)	–	–	–	–	–	8,354	(4,558)	3,796
– Water supply network	57,471	(33,472)	23,999	–	83	–	(711)	–	–	–	–	221	58,100	(34,507)	23,593
– Sewerage network	33,210	(11,344)	21,866	367	12	–	(479)	–	–	–	–	204	33,905	(11,934)	21,971
– Swimming pools	1,164	(277)	887	–	41	–	(21)	–	–	–	–	–	1,205	(298)	907
– Other open space/recreational assets	2,191	(558)	1,633	–	157	–	(110)	2	–	–	–	–	2,350	(668)	1,682
Other assets:															
– Library books	930	(789)	141	–	16	–	(27)	–	–	–	–	–	947	(816)	131
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):															
– Tip assets	3,178	(1,275)	1,903	–	–	–	(391)	–	(313)	–	–	–	2,865	(1,667)	1,198
– Quarry assets	125	(22)	103	–	–	–	(17)	–	(37)	–	–	–	88	(39)	49
Total infrastructure, property, plant and equipment	617,155	(171,185)	445,970	10,235	7,499	(2,850)	(7,596)	–	(350)	–	(5,166)	425	622,766	(174,602)	448,164

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

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

Accounting policy

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

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

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

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

When infrastructure, property, plant and equipment are acquired by Council for nil or consideration significantly less than fair value, the assets are initially recognised at their fair value at acquisition date.

Land is not depreciated unless it was acquired to be controlled by the council for a specified period of time. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Water and sewer assets	Years
Office equipment	10	Water - Mains	80 to 90
Office furniture	10 to 20	Water - Pumping Stations	30 to 80
Computer equipment	4	Water Dam	100
Plants - Light vehicles	1	Water - Reservoirs	40 to 80
Plants - Heavy plant/road making equipment	10	Water - Treatment Works	30 to 80
Other plant and equipment	10	Sewerage - Ancilliary	30 to 50
		Sewerage - Pumping Stations	30
		Sewerage - Treatment Works	30 to 70
		Sewerage - Mains	80 to 90
Transportation assets		Stormwater assets	
Sealed roads: surface	30	Drains	80
Sealed roads: pavement base	50		
Sealed roads: pavement sub-base	Infinite		
Unsealed roads surface:			
- depreciable component	25		
- non-depreciable component	Infinite	Buildings	
Bulk earthworks	Infinite	Buildings	15 to 75
Bridge: concrete	100		
Bridge: timber	80	Other infrastructure assets	
Kerb, gutter and footpaths	80	Swimming pools	50
		Other open space/ recreational assets	10 to 100

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. As at 30 June 2021 only vehicle assets had residual values.

Depreciation starts in the year following the year of acquisition of an asset.

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

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

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

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

Rural Fire Service assets

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

Council did not recognise Rural Fire Services Assets, including buildings, plant and equipment, due to lack of evidence of control over the economic benefits which are expected to flow from these assets.

C1-7 Intangible assets

Intangible assets are as follows:

	2021 \$ '000	2020 \$ '000
Software		
Opening values at 1 July		
Gross book value	964	550
Accumulated amortisation	(235)	(173)
Net book value – opening balance	729	377
Movements for the year		
Purchases	211	414
Amortisation charges	(151)	(62)
Closing values at 30 June		
Gross book value	1,175	964
Accumulated amortisation	(386)	(235)
Total software – net book value	789	729
Total intangible assets – net book value	789	729

Accounting policy

Information technology (IT) and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll, and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from five to ten years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility, and where Council has an intention and ability to use the asset.

C2 Leasing activities

C2-1 Council as a lessee

Information relating to the leases in place and associated balances and transactions is provided below.

Buildings

Council leases land for operational purposes. The land leases contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

(a) Right of use assets

	Office and IT equipment \$ '000	Land \$ '000	Total \$ '000
2021			
Opening balance at 1 July	178	–	178
Additions to right-of-use assets	–	132	132
Adjustments to right-of-use assets due to re-measurement of lease liability	21	–	21
Depreciation charge	(85)	–	(85)
Impairment of right-of-use assets	–	–	–
Balance at 30 June	114	132	246
2020			
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	141	–	141
Adjustments to right-of-use assets due to re-measurement of lease liability	37	–	37
Impairment of right-of-use assets	–	–	–
Balance at 30 June	178	–	178

(b) Lease liabilities

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Lease liabilities	63	153	50	81
Total lease liabilities	63	153	50	81

C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$ '000	1 – 5 years \$ '000	> 5 years \$ '000	Total \$ '000	Total per Statement of Financial Position \$ '000
2021					
Cash flows	77	75	106	258	216
2020					
Cash flows	55	84	–	139	131

(d) Income Statement

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

	2021 \$ '000	2020 \$ '000
Interest on lease liabilities	7	6
Variable lease payments based on usage not included in the measurement of lease liabilities	14	24
Depreciation of right of use assets	85	–
Expenses relating to low-value leases	–	1
	106	31

(e) Statement of Cash Flows

	2021 \$ '000	2020 \$ '000
Total cash outflow for leases	75	46
	75	46

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

Council has a lease at significantly below market for land and building which is used for School of Arts.

The lease is for 80 years and requires payments of a maximum amount of \$1 per year. The use of the right-to-use asset is restricted by the lessor to specified community services which Council must provide, these services are detailed in the lease. Council does not believe that this lease is material from a statement of financial position or performance perspective.

Accounting policy

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

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

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

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

C2-1 Council as a lessee (continued)

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

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

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

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (below \$10,000). Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

– property, plant and equipment – where the rental is incidental, or the asset is held to meet Councils service delivery objective (refer note C1-6).

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

(i) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	174	140
Total income relating to operating leases for Council assets	174	140

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

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

< 1 year	174	140
1–2 years	174	140
2–3 years	174	140
3–4 years	174	140
4–5 years	174	140
> 5 years	174	140
Total undiscounted lease payments to be received	1,044	840

Accounting policy

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

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

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

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

C3 Liabilities of Council

C3-1 Payables

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Payables				
Goods and services	1,363	-	2,227	-
Goods and services – accruals	267	-	646	-
Accrued expenses:				
– Borrowings	80	-	47	-
– Salaries and wages	147	-	91	-
Advances	7	-	7	-
Security bonds, deposits and retentions	131	-	106	-
Other	56	-	40	-
Trust account	382	-	313	-
Total payables	2,433	-	3,477	-
Total payables	2,433	-	3,477	-

Payables relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Water	323	-	132	-
Sewer	27	-	29	-
Other	72	-	1,798	-
Payables relating to externally restricted assets	422	-	1,959	-
Total payables relating to restricted assets	422	-	1,959	-
Total payables relating to unrestricted assets	2,011	-	1,518	-
Total payables	2,433	-	3,477	-

Accounting policy

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

Payables

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

C3-2 Contract Liabilities

		2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
	Notes				
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	3,412	–	534	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	–	–	387	–
Total grants received in advance		3,412	–	921	–
Total contract liabilities		3,412	–	921	–

Notes

(i) Council has received funding to construct assets to be controlled by the council under Stronger Country Communities Funding and Drought Stimulus Package grant agreements. The funds received are under enforceable contracts which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

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

	2021 \$ '000	2020 \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	921	1,436
Total revenue recognised that was included in the contract liability balance at the beginning of the period	921	1,436

Significant changes in contract liabilities

Unexpended capital grants (to construct Council controlled assets)

Increase by \$2.8M was mostly due to advance payment received in 2021 for Kildare Road project under Fixing Local Roads program (\$2.4M).

Unexpended operating grants (received prior to performance obligation being satisfied)

Drop by \$0.4M due to delivery of services in 2021 financial year for funds received under "Weeds funding - Blackberry & Serrated Tussock" project in 2020 financial year.

Accounting policy

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

C3-3 Borrowings

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Loans – secured ¹	804	12,905	707	9,603
Total borrowings	804	12,905	707	9,603

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

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

Borrowings relating to restricted assets

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Externally restricted assets				
Water	237	5,931	316	6,111
Sewer	93	1,670	86	1,763
Domestic waste management	–	–	159	233
Borrowings relating to externally restricted assets	330	7,601	561	8,107
Total borrowings relating to restricted assets	330	7,601	561	8,107
Total borrowings relating to unrestricted assets	474	5,304	146	1,496
Total borrowings	804	12,905	707	9,603

C3-3 Borrowings (continued)

(a) Changes in liabilities arising from financing activities

	2020		Non-cash movements				2021
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	10,310	3,399	–	–	–	–	13,709
Lease liability (Note C2-1b)	131	(47)	132	–	–	–	216
Total liabilities from financing activities	10,441	3,352	132	–	–	–	13,925

	2019		Non-cash movements				2020
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	10,055	255	–	–	–	–	10,310
Lease liability (Note C2-1b)	–	–	–	–	–	131	131
Total liabilities from financing activities	10,055	255	–	–	–	131	10,441

(b) Financing arrangements

	2021 \$ '000	2020 \$ '000
Total facilities		
Credit cards/purchase cards	50	50
Total financing arrangements	50	50
Undrawn facilities		
– Credit cards/purchase cards	41	30
Total undrawn financing arrangements	41	30

Accounting policy

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

C3-4 Employee benefit provisions

	2021 Current \$ '000	2021 Non-current \$ '000	2020 Current \$ '000	2020 Non-current \$ '000
Annual leave	759	–	750	–
Long service leave	1,153	–	1,094	–
Total employee benefit provisions	1,912	–	1,844	–

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

	2021 \$ '000	2020 \$ '000
Provisions – employees benefits	1,215	1,217
	1,215	1,217

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

Provisions – employees benefits	1,215	1,217
	1,215	1,217

Accounting policy

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

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

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

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

C3-5 Provisions

	2021 Current \$ '000	2021 Non-Current \$ '000	2020 Current \$ '000	2020 Non-Current \$ '000
Other provisions				
Workers compensation	42	–	29	–
Sub-total – other provisions	42	–	29	–
Asset remediation/restoration:				
Asset remediation/restoration (future works)	821	2,659	868	2,292
Sub-total – asset remediation/restoration	821	2,659	868	2,292
Total provisions	863	2,659	897	2,292

Description of and movements in provisions

	Other provisions		
	Asset remediation \$ '000	Workers compensation \$ '000	Net carrying amount \$ '000
2021			
At beginning of year	3,160	29	3,189
Unwinding of discount	15	–	15
Amounts used (payments)	(79)	(16)	(95)
Remeasurement effects	(22)	–	(22)
Other	406	–	477
Total other provisions at end of year	3,480	13	3,564
2020			
At beginning of year	3,545	31	3,576
Unwinding of discount	40	–	40
Amounts used (payments)	(23)	(2)	(25)
Remeasurement effects	(402)	–	(402)
Total other provisions at end of year	3,160	29	3,189

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council tip and quarry.

Accounting policy

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

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

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

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

C3-5 Provisions (continued)

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

D Council structure

D1 Results by fund

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

D1-1 Income Statement by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
Income from continuing operations			
Rates and annual charges	7,183	1,238	2,344
User charges and fees	1,330	1,355	234
Interest and investment revenue	53	6	7
Other revenues	1,078	(72)	84
Grants and contributions provided for operating purposes	11,681	218	27
Grants and contributions provided for capital purposes	18,342	1,670	16
Other income	174	–	–
Total income from continuing operations	39,841	4,415	2,712
Expenses from continuing operations			
Employee benefits and on-costs	7,661	542	270
Materials and services	6,752	958	636
Borrowing costs	118	225	142
Depreciation, amortisation and impairment of non-financial assets	6,367	734	507
Other expenses	1,582	76	93
Net losses from the disposal of assets	2,768	18	26
Total expenses from continuing operations	25,248	2,553	1,674
Operating result from continuing operations	14,593	1,862	1,038
Net operating result for the year	14,593	1,862	1,038
Net operating result attributable to each council fund	14,593	1,862	1,038
Net operating result for the year before grants and contributions provided for capital purposes	(3,749)	192	1,022

D1-2 Statement of Financial Position by fund

	General 2021 \$ '000	Water 2021 \$ '000	Sewer 2021 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	7,947	590	4,846
Receivables	3,659	1,146	221
Inventories	355	–	–
Contract assets and contract cost assets	6,633	784	–
Total current assets	18,594	2,520	5,067
Non-current assets			
Infrastructure, property, plant and equipment	416,779	29,557	22,668
Intangible assets	789	–	–
Right of use assets	246	–	–
Total non-current assets	417,814	29,557	22,668
TOTAL ASSETS	436,408	32,077	27,735
LIABILITIES			
Current liabilities			
Payables	2,088	318	27
Income received in advance	(5)	5	–
Contract liabilities	3,412	–	–
Lease liabilities	63	–	–
Borrowings	474	237	93
Employee benefit provision	1,912	–	–
Provisions	863	–	–
Total current liabilities	8,807	560	120
Non-current liabilities			
Lease liabilities	153	–	–
Borrowings	5,304	5,931	1,670
Provisions	2,659	–	–
Total non-current liabilities	8,116	5,931	1,670
TOTAL LIABILITIES	16,923	6,491	1,790
Net assets	419,485	25,586	25,945
EQUITY			
Accumulated surplus	144,261	14,014	13,102
Revaluation reserves	275,224	11,572	12,843
Council equity interest	419,485	25,586	25,945
Total equity	419,485	25,586	25,945

D2 Interests in other entities

D2-5 Subsidiaries, joint arrangements and associates not recognised

New England Joint Organisation (NEJO)

The NEJO was established on 11 May 2018 and is a separately constituted entity pursuant to Part 7 (Sections 400O to 400ZH) of the *Local Government Act (NSW) 1993*, as amended, and the Local Government (General) Regulation 2008.

The principle purpose of the NEJO is to establish strategic regional priorities and to provide regional leadership to the geographical area for which it serves, and to identify and take up opportunities for intergovernmental cooperation on matters relating to the joint organisation area.

NEJO comprises of seven voting member councils: Armidale Regional Council, Glen Innes Severn Council, Inverell Shire Council, Moree Plains Shire Council, Narrabri Shire Council, Tenterfield Shire Council and Uralla Shire Council.

The Board of NEJO consists of:

- The Mayors of each Member Council, who are entitled to one (1) vote at Meetings;
- A non-voting representative of the NSW Government, who is the Regional Director of the Department of Premier and Cabinet.

The Chairperson is to be elected by the voting representatives of the Board from one (1) of the Mayoral representatives. Chairperson does not have a casting vote.

A decision of the Board is supported by a majority at which a quorum is present is a decision of NEJO.

Tenterfield Shire Council, as a member of the NEJO, has a one seventh voting right in respect to the decisions of the Board. Considering the fact that decision making is based on majority votes, council does not have control, joint control or significant influence over relevant activities of the organisation.

In accordance with the Charter each member of the NEJO contributes annual fees towards the operation of the joint organisation. In 2020/2021 the contribution made by Tenterfield Shire Council was \$13,180. For the period ended 30 June 2021 NEJO's net operating result was \$81 thousand (2020: \$46 thousand).

North West Weight of Loads Committee (NWWLC)

Council joined the North West Weight of Loads Committee (NWWLC) in March 2021. The NWWLC is a joint venture between the Council of the Shire of Moree Plains, the Council of the Shire of Narrabri, the Western Plains Regional Council, the Council of the Shire of Glen Innes Severn, the Council of the Shire of Gunnedah, the Council of the Shire of Tenterfield, the Council of the Shire of Inverell and the Council of the Shire of Warrumbungle.

Council's interest in the group capital is 12.5% which no control or significant influence over the group's activity. The principal activity of the NWWLC is the checking and enforcement of load weights carried by heavy vehicles on roads within the above named Council boundaries.

Tenterfield Shire Council's member contribution to the NWWLC was \$2,026.55 in 2020/21.

For the period ended 30 June 2021 NWWLC's net operating income attributable to Tenterfield Shire Council was zero.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Council.

Council's objective is to maximise its return on cash and investments while maintaining an adequate level of liquidity and preserving capital. The finance team manage the cash and investments portfolio with the assistance of independent advisers. Council has an investment policy which complies with s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up and performance of the portfolio as required by local government regulations.

NSW Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance team under policies approved by the Councillors.

The fair value of receivables, loans, investments and financial liabilities approximates the carrying amount.

The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from its independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

	2021 \$ '000	2020 \$ '000
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The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

Impact of a 1% movement in interest rates

– Equity / Income Statement	5	47
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(b) Credit risk

Council's receivables for the purposes of credit risk exposure comprise two categories:

1) Category 1: rates and annual charges (including interests on outstanding rates); statutory entitlements (GST receivable); government grants and subsidies; accrued grants income; and interest on investments.

2) Category 2: user charges and fees; private works; other debtors.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

E1-1 Risks relating to financial instruments held (continued)

Credit risk profile

Receivables – Category 1

Rates and annual charges (including interest on overdue rates debtors)

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

Government grants, subsidies, GST receivable

Credit risk on this type of debtors is negligible due to allocation of the funds to the council for the whole period of fund agreements, absence of evidence of default of the Australian Government in the past, currently and in the future and timely payments made by the government.

Interest on investments

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Contract Assets

This class of assets comprises of accrued income under various government grants. Credit risk on this type of accruals is negligible due to allocation of the funds to the council for the whole period of fund agreements, absence of evidence of default of the Australian Government in the past, currently and in the future and timely payments made by the government.

	Not yet overdue \$ '000	< 1 year overdue \$ '000	1 - 2 years overdue \$ '000	2 - 5 years overdue \$ '000	> 5 years overdue \$ '000	Total \$ '000
2021						
Gross carrying amount - Receivables (AASB 9)	628	514	–	–	–	1,142
Contract Assets (AASB 15 and AASB 1058)	7,417	–	–	–	–	7,417
2020						
Gross carrying amount - Receivables (AASB 9)	402	850	–	–	–	1,252
Contract Assets (AASB 15 and AASB 1058)	5,378	–	–	–	–	5,378

Receivables - Category 2

Fees and charges, Private works and other debtors

Council applies the simplified approach for Category 2 debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, Category 2 debtors have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision as at 30 June 2021 is determined as follows. The expected credit losses incorporate forward-looking information.

	Not yet overdue \$ '000	0 - 30 days overdue \$ '000	31 - 60 days overdue \$ '000	61 - 90 days overdue \$ '000	> 91 days overdue \$ '000	Total \$ '000
2021						
Gross carrying amount	2,083	1,110	293	453	–	3,939
Expected loss rate (%)	0.15%	0.12%	0.48%	11.00%	0.00%	1.41%
ECL provision	3	1	1	50	–	55
2020						
Gross carrying amount	662	17	42	219	–	940
Expected loss rate (%)	1.00%	10.00%	15.00%	18.00%	0.00%	5.75%

continued on next page ...

E1-1 Risks relating to financial instruments held (continued)

	Not yet overdue \$ '000	0 - 30 days overdue \$ '000	31 - 60 days overdue \$ '000	61 - 90 days overdue \$ '000	> 91 days overdue \$ '000	Total \$ '000
ECL provision	7	2	7	39	–	55

(c) Liquidity risk

Payables, lease liability and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (for lease liability maturity analysis refer to Note C2-1) and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

	Weighted average interest rate %	Subject to no maturity \$ '000	≤ 1 Year \$ '000	payable in:		Total cash outflows \$ '000	Actual carrying values \$ '000
				1 - 5 Years \$ '000	> 5 Years \$ '000		
2021							
Trade/other payables	0.00%	131	2,035	–	–	2,166	2,433
Loans	4.44%	–	1,407	7,652	9,603	18,662	13,709
Total financial liabilities		131	3,442	7,652	9,603	20,828	16,142
2020							
Trade/other payables	0.00%	106	3,371	–	–	3,477	3,477
Loans	5.56%	–	1,136	5,411	7,860	14,407	10,310
Total financial liabilities		106	4,507	5,411	7,860	17,884	13,787

E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment

The fair value of assets must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020	2021	2020	2021	2020	2021	2020
Infrastructure, property, plant and equipment	C1-6								
Plant and equipment		30/06/18	30/06/18	–	–	9,430	8,098	9,430	8,098
Office equipment		30/06/16	30/06/16	–	–	335	327	335	327
Furniture and fittings		30/06/16	30/06/16	–	–	17	22	17	22
Crown land		30/06/21	30/06/18	–	–	4,028	3,706	4,028	3,706
Land – operational		30/06/18	30/06/18	–	–	3,995	3,441	3,995	3,441
Land – community		30/06/21	30/06/16	–	–	1,525	1,414	1,525	1,414
Land under roads		30/06/14	30/06/14	–	–	10	10	10	10
Land improvements – depreciated		30/06/21	30/06/16	–	–	1,142	1,355	1,142	1,355
Buildings		30/06/18	30/06/18	–	–	15,279	13,413	15,279	13,413
Other structures		30/06/21	30/06/16	–	–	3,166	2,318	3,166	2,318
Roads		30/06/19	30/06/19	–	–	216,453	212,436	216,453	212,436
Bulk earthworks		30/06/19	30/06/19	–	–	48,059	46,763	48,059	46,763
Footpaths		30/06/19	30/06/19	–	–	2,459	2,477	2,459	2,477
Bridges		30/06/19	30/06/19	–	–	93,763	91,880	93,763	91,880
Stormwater assets		30/06/19	30/06/19	–	–	3,736	3,797	3,736	3,797
Water supply assets		30/06/17	30/06/17	–	–	23,859	23,593	23,859	23,593
Sewerage network		30/06/17	30/06/17	–	–	21,680	21,971	21,680	21,971
Swimming pools		30/06/21	30/06/16	–	–	361	907	361	907
Open space and recreation		30/06/21	30/06/16	–	–	2,248	1,682	2,248	1,682
Library books		30/06/21	30/06/16	–	–	107	131	107	131
Tip assets		30/06/18	30/06/18	–	–	1,214	1,198	1,214	1,198
Quarry assets		30/06/18	30/06/18	–	–	82	49	82	49
Total infrastructure, property, plant and equipment				–	–	452,948	440,988	452,948	440,988

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Crown Land

All valuations of Crown Land are based upon the land valuations issued by the Valuer - General. Crown Land was valued as at 30 June 2021 using the 1 July 2019 VG valuation data. There has been no change to the valuation process during the reporting period.

Community Land

All valuations of Community Land are based upon the land valuations issued by the Valuer - General. Community Land was valued as at 30 June 2021. There has been no change to the valuation process during the reporting period.

Operational Land

The valuation of Operational Land has been based upon relevant sales in the area. In certain locations there was a lack of appropriate comparable sales evidence and in these instances the closest comparable sales and factors relating the land parcels geographic, land use and zoning were also taken into consideration. The last valuation was undertaken at 30 June 2018 by Scott Fullarton Valuations Pty Ltd. There has been no change to the valuation process during the reporting period.

Other Structures, Swimming Pools and Open Space & Recreation Assets

The valuation process involved current replacement cost approach. Unobservable inputs such as replacement cost, asset condition and useful life required extensive professional judgement. The unobservable inputs place this class of asset at Level 3. The last valuation was undertaken on 30 June 2021 by APV Valuers and Asset Management Pty Ltd. There has been no change to the valuation process during the reporting period.

Plant & Equipment, Office Equipment, Furniture & Fittings and Library Books

Plant & Equipment, Furniture & Fittings, Library Books and Office Equipment are valued at cost but disclosed at fair value in the Notes of the financial statements. It is assumed that the carrying amount of these asset classes is approximate fair value. Assets include graders, motor vehicles, mowers, chainsaws, computers, tables, chairs, lighting, library books and resources. The key unobservable input is the condition of the assets. There has been no change to the valuation process during the reporting period.

Buildings

Buildings assets are valued externally. Council engaged Scott Fullarton Valuations Pty Ltd to perform a comprehensive valuation of buildings assets as at 30 June 2018.

Most of the Council's buildings are specialised by nature and were valued utilising the cost approach. The approach estimated the replacement cost of each building and componentising of significant parts of specific buildings with different useful lives and taking into account a range of factors. Where the unit rates could be supported by market evidence, Level 2 inputs were utilised. Other inputs (such as estimates useful life, asset condition and componentisation) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued utilising Level 3 inputs.

There were no changes in valuation technique from prior year.

Water supply and Sewerage network assets

Due to specialised nature of the assets all water and sewer network assets were valued using cost approach with the Level 3 input dominating the valuation. As a result, this class of assets is always valued externally with sufficient regularity to ensure carrying amount of the assets is not materially different to fair value. Council engaged independent professional valuer, AssetVal Pty Ltd, to perform a comprehensive revaluation of its water and sewerage supply network assets as at 30 June 2017.

Valuer applied significant judgement in determining following inputs into the valuation process: unit rates, condition assessment and obsolescence, useful life. The valuation technique has not changed from previous year.

Transportation assets

Transportation assets is a valuation class of asset for the purposes of AASB 13 *Fair Value Measurement* which combines following classes of assets from Note C1-6: roads, bridges, footpaths, bulk earthworks, stormwater drainage.

This valuation relies on key unobservable inputs such as unit rates, condition ratings, useful life. The key unobservable inputs and no active market place these assets categories at Level 3. The last valuation of replacement cost was undertaken on 30

E2-1 Fair value measurement (continued)

June 2019 by AssetVal Pty Ltd. Further adjustments were then applied based on the condition of the assets using internal inspection data.

Remediation Assets for Tips and Quarries

Restoration, cell capping, leachate collection and site closures have been recognised as significant costs for the remediation assets. In particular, the closing of a landfill site will include preparation, final cell capping, site re-vegetation and leachate management. The key unobservable inputs are discount rate, estimated costs, legislative requirements, and timing of remediation and indexation of labour costs. There has been no change to the valuation process during the reporting period.

Fair value measurements using significant unobservable inputs (level 3)

There were no movements between levels of hierarchy during the year. For schedule of changes in values please refer to Note C1-6.

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are::

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

* For 180 Point Members, Employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2020 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2020. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2021 was \$ 119,383.42. The last valuation of the Scheme was performed by

E3-1 Contingencies (continued)

Fund Actuary, Richard Boyfield FIAA as at 30 June 2020.

Council's expected contribution to the plan for the next annual reporting period is \$99,267.36.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2021 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,620.5	
Past Service Liabilities	2,445.6	107.2%
Vested Benefits	2,468.7	106.2%

* excluding member accounts and reserves in both assets and liabilities.

The share of this deficit that is broadly attributed to Council is estimated to be in the order of 0.22% as at 30 June 2021.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation	3.5% per annum
Increase in CPI	2.5% per annum

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	2021 \$ '000	2020 \$ '000
Compensation:		
Short-term benefits	886	973
Post-employment benefits	67	65
Total	953	1,038

F1-2 Councillor and Mayoral fees and associated expenses

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

Mayoral fee	27	27
Councillors' fees	122	122
Other Councillors' expenses (including Mayor)	33	31
Total	182	180

F2 Other relationships

F2-1 Audit fees

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements

	50	50
Remuneration for audit and other assurance services	50	50

Total Auditor-General remuneration

	50	50
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(ii) Other assurance services

Audit and review of financial statements – auditors other than NSW Auditor-General

	-	2
Remuneration for other assurance services performed by auditors other than NSW Auditor-General	-	2

Total audit fees

	50	52
--	----	----

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2021 \$ '000	2020 \$ '000
Net operating result from Income Statement	17,493	6,032
Adjust for non-cash items:		
Depreciation and amortisation	7,608	7,474
Net losses/(gains) on disposal of assets	2,812	625
Adoption of AASB 15/1058	–	(1,437)
Net effect from found assets	(532)	–
Unwinding of discount rates on reinstatement provisions	15	40
+/- Movement in operating assets and liabilities and other cash items:		
Decrease/(increase) in receivables	(2,889)	2,622
Decrease/(increase) in inventories	(27)	94
Decrease/(increase) in accrued grants income	–	–
Decrease/(increase) in contract assets	(2,039)	(5,378)
Increase/(decrease) in payables	(864)	703
Increase/(decrease) in accrued interest payable	33	(2)
Increase/(decrease) in other accrued expenses payable	56	(231)
Increase/(decrease) in other liabilities	110	(195)
Increase/(decrease) in contract liabilities	2,491	921
Increase/(decrease) in provision for employee benefits	68	132
Increase/(decrease) in other provisions	–	(427)
Net cash provided from/(used in) operating activities from the Statement of Cash Flows	24,335	10,973

G2-1 Commitments

Capital commitments (exclusive of GST)

	2021 \$ '000	2020 \$ '000
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Water Supply	9,046	582
Plant and equipment	–	1,821
Intangibles	73	13
Sewer Network	100	21
Waste Management	110	–
Roads	4,252	2,594
Parks	19	2
Buildings	362	1,484
Other	83	201
Total commitments	14,045	6,718
These expenditures are payable as follows:		
Within the next year	14,045	6,718
Total payable	14,045	6,718
Sources for funding of capital commitments:		
Unrestricted general funds	458	52
Future grants and contributions	12,808	3,729
Externally restricted reserves	779	74
Internally restricted reserves	–	2,863
Total sources of funding	14,045	6,718

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed. No other matters have arisen subsequent to balance date that would require these financial statements to be amended

G4 Statement of developer contributions as at 30 June 2021

G4-1 Summary of developer contributions

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year		Interest and investment income earned \$ '000	Expenditure during year and transfers to unrestricted \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2021 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash \$ '000					
Drainage	–	2	–	–	–	–	2	–
Roads	–	151	–	–	(6)	–	145	–
New multi-residential development	–	4	–	–	–	–	4	–
Open space	–	2	–	–	–	–	2	–
Community facilities	–	5	–	–	–	–	5	–
Emergency services	–	10	–	–	–	–	10	–
Waste management	–	18	–	–	–	–	18	–
Other	–	5	–	–	–	–	5	–
S7.11 contributions – under a plan	–	197	–	–	(6)	–	191	–
Total S7.11 and S7.12 revenue under plans	–	197	–	–	(6)	–	191	–
S64 contributions	–	31	–	–	–	–	31	–
Total contributions	–	228	–	–	(6)	–	222	–

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

	Opening balance at 1 July 2020 \$ '000	Contributions received during the year		Interest and investment income earned \$ '000	Expenditure during year and transfers to unrestricted \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2021 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash \$ '000					
CONTRIBUTION PLAN NUMBER 2013								
Drainage	–	2	–	–	–	–	2	–
Roads	–	151	–	–	(6)	–	145	–
New multi-residential development	–	4	–	–	–	–	4	–
Open space	–	2	–	–	–	–	2	–
Community facilities	–	5	–	–	–	–	5	–
Emergency services	–	10	–	–	–	–	10	–
Waste management	–	18	–	–	–	–	18	–
Other	–	5	–	–	–	–	5	–
Total	–	197	–	–	(6)	–	191	–

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts	Indicator	Indicators		Benchmark
	2021	2021	2020	2019	
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	302	1.12%	1.14%	2.95%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	26,940				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	15,014	31.97%	39.63%	39.07%	> 60.00%
Total continuing operating revenue ¹	46,968				
3. Unrestricted current ratio					
Current assets less all external restrictions	9,230	2.25x	2.17x	3.93x	> 1.50x
Current liabilities less specific purpose liabilities	4,107				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	8,395	6.98x	6.49x	7.39x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,203				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	514	4.41%	7.55%	7.48%	< 10.00%
Rates and annual charges collectable	11,648				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	13,383	7.88 mths	8.77 mths	12.47 mths	> 3.00 mths
Monthly payments from cash flow of operating and financing activities	1,698				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2021	2020	2021	2020	2021	2020	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(4.24)%	(0.57)%	6.99%	(9.17)%	37.91%	31.64%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	24.64%	35.13%	57.24%	35.17%	98.41%	97.53%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	2.25x	2.17x	4.50x	1.93x	42.23x	32.77x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	6.67x	6.91x	5.12x	2.86x	11.77x	9.50x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	6.37%	10.81%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	4.68 mths	6.12 mths	∞	∞	∞	∞	> 3.00 mths
Monthly payments from cash flow of operating and financing activities							

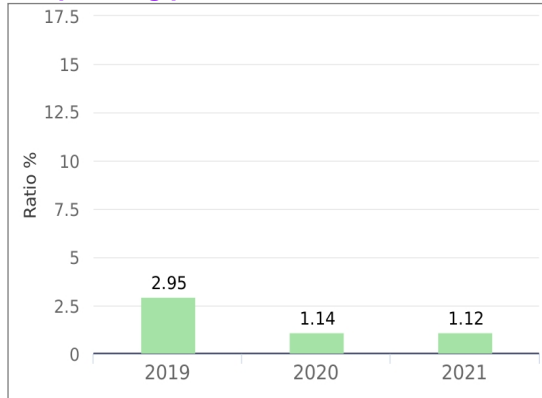
(1) - (2) Refer to Notes at Note G5-1 above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2020/21 result

2020/21 ratio 1.12%

The ratio is above the benchmark.

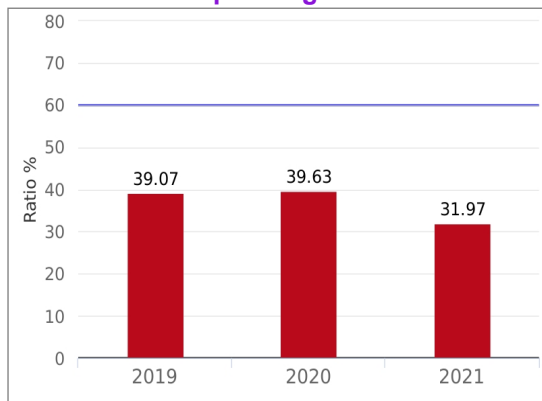
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2020/21 result

2020/21 ratio 31.97%

The deterioration in this ratio is an indicator that a Special Rate Variation is required to improve Council's income stream from non-grant funded sources.

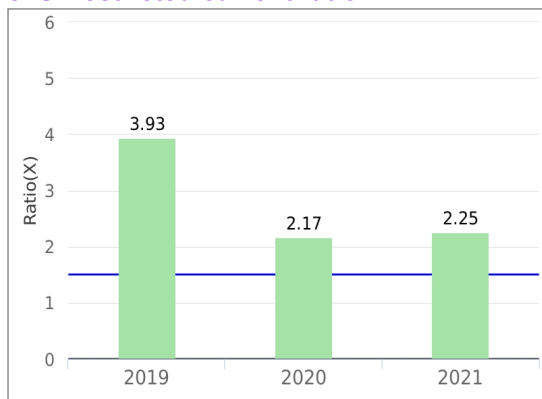
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

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

Commentary on 2020/21 result

2020/21 ratio 2.25x

While still above the benchmark, the high level of outstanding amounts owed to Council for grant funded Capital Works where payment is received after expenditure is incurred, is causing issues with Council's ability to restrict cash

Benchmark: — > 1.50x

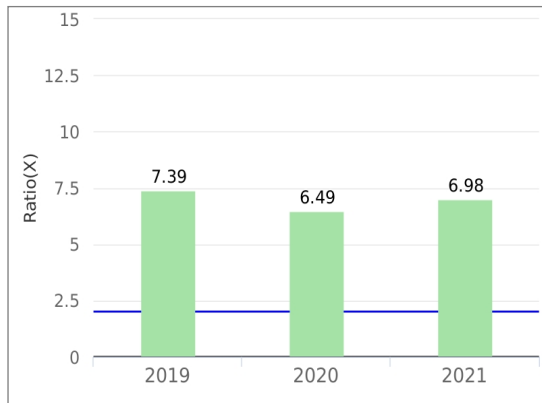
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2020/21 result

2020/21 ratio 6.98x

This ratio continues to be above the benchmark.

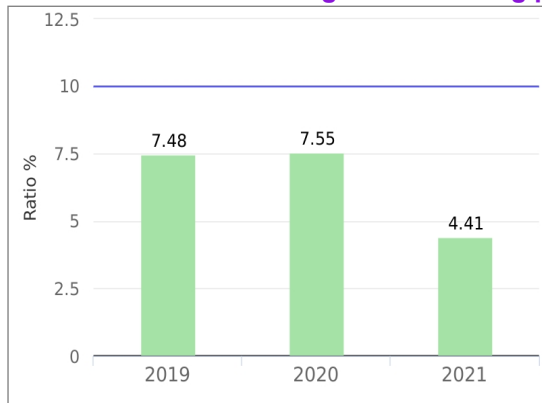
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

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

Commentary on 2020/21 result

2020/21 ratio 4.41%

This improved result is in large part due to the Sale of Land for unpaid rates which occurred during the year.

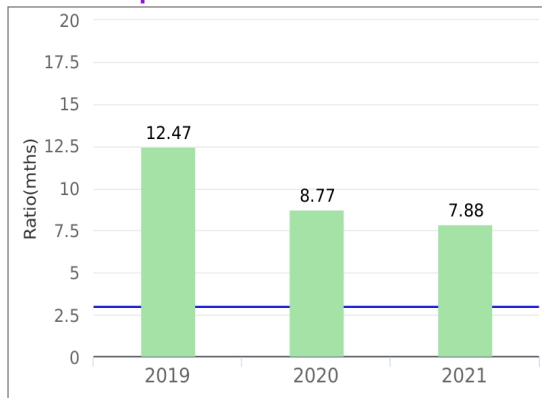
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2020/21 result

2020/21 ratio 7.88 mths

This ratio continues to be well above the benchmark.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

247 Rouse Street
Tenterfield NSW 2372

Contact details

Mailing Address:

PO Box 214
Tenterfield NSW 2372

Telephone: 02 6736 6000

Facsimile: 02 6736 6005

Opening hours:

9:00am - 4:30pm
Monday to Friday

Internet: www.tenterfield.nsw.gov.au

Email: council@tenterfield.nsw.gov.au

Officers

Chief Executive

Daryl Buckingham

Responsible Accounting Officer

Jessica Wild

Public Officer

Kylie Smith

Auditors

Audit Office of New South Wales
GPO Box 12
SYDNEY NSW 2001

Elected members

Mayor

Peter Petty

Councillors

Greg Sauer (Deputy Mayor)
Gary Verri
Bronwyn Petrie
John Macnish
Brian Murray
Tom Peters
Don Forbes
Robert Rogan
Michael Petrie

Other information

ABN: 85 010 810 083



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Tenterfield Shire Council

To the Councillors of Tenterfield Shire Council

Opinion

I have audited the accompanying financial statements of Tenterfield Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter – Compliance with the *Local Government Act 1993*

I draw attention to Note C1-2 'Restricted cash, cash equivalents and investments', where the Council has reported a negative unrestricted cash balance of \$1.2 million at 30 June 2021.

The Council acknowledges it has used externally restricted funds for purposes other than their intended use during the year ended 30 June 2021. In doing so, it has not complied with section 409 of the *Local Government Act 1993* (the Act).

In addition, the Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021. The Council acknowledges it may have used restricted special rates and charges funds for purposes other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410 of the Act.

My opinion is not modified in respect of this matter.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the Act, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Act, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

3 November 2021
SYDNEY



Cr Peter Petty
Mayor
Tenterfield Shire Council
PO Box 214
TENTERFIELD NSW 2372

Contact: Chris Harper
Phone no: 02 9275 7374
Our ref: D2120011/1794

3 November 2021

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2021
Tenterfield Shire Council**

I have audited the general purpose financial statements (GPFS) of Tenterfield Shire Council (the Council) for the year ended 30 June 2021 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2021 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

Rural fire-fighting equipment not recognised in the financial statements

Council did not record rural fire-fighting equipment in the Council's GPFS.

Rural fire-fighting equipment, specifically the red fleet vehicles, is controlled by the Council and should be recognised in their financial statements. This is supported by the requirements of the *Rural Fires Act 1997* and service agreements between Councils and the NSW Rural Fire Service (RFS).

The Department of Planning, Industry and Environment (inclusive of the Office of Local Government) confirmed in the 'Report on Local Government 2020' (tabled in Parliament on 27 May 2021) their view that rural firefighting equipment is not controlled by the RFS.

Compliance with the *Local Government Act 1993* - use of externally restricted funds for purposes other than their intended use

Council has reported a negative unrestricted cash balance of \$1.2 million at 30 June 2021.

The Council acknowledges it has used externally restricted funds for purposes other than their intended use during the year ended 30 June 2021. In doing so, it has not complied with section 409 of the *Local Government Act 1993* (the Act).

In addition, the Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021. The Council acknowledges it may have used restricted special rates and charges funds for purposes other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410 of the Act.

INCOME STATEMENT

Operating result

	2021	2020	Variance
	\$m	\$m	%
Rates and annual charges revenue	10.8	10.3	↑ 4.9
Grants and contributions revenue	32.0	20.7	↑ 54.6
Operating result from continuing operations	17.5	6.0	↑ 191.7
Net operating result before capital grants and contributions	(2.5)	(0.3)	↓ 733.3

The Council's operating result from continuing operations (\$17.5 million including depreciation and amortisation expense of \$7.6 million) was \$11.5 million higher than the 2019–20 result. This is mainly due to an increase in grants and contributions revenue for capital purposes.

The net operating loss result before capital grants and contributions (\$2.5 million) was \$2.2 million lower than the 2019–20 result. This is mainly due to a decrease in grants and contributions for operating purposes.

Rates and annual charges revenue (\$10.8 million) increased by \$431,000 (4.9 per cent) in 2020–21 due mainly to the normal rate peg allowance increases in the year.

Grants and contributions revenue (\$32.0 million) increased by \$11.3 million (54.6 per cent) in 2020–21 due to the effect of:

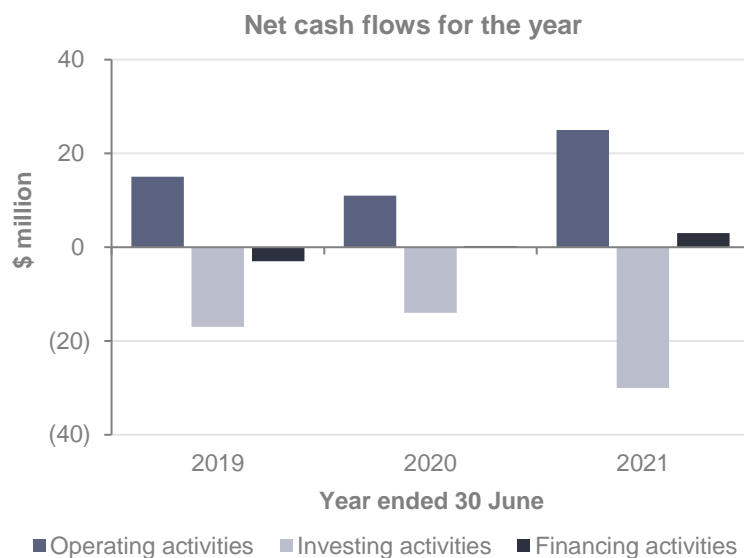
- additional funding received through the Fixing Local Roads program (\$3.8 million) for Tooloom Road and Kildare Road
- increased funding for the Mt Lindsay road upgrade (\$2.8 million)
- stimulus support for local infrastructure through the Local Roads and Community Infrastructure Program (\$1.3 million)
- drought community program extension (\$947,000)
- Disaster Recovery Funding Arrangement for March 2021 floods and storms (\$879,000).

STATEMENT OF CASH FLOWS

Cash from operating activities increased by \$14.2 million due to an increase in grants and contributions.

Cash outflows from investing activities increased by \$16.5 million due to higher capital expenditure on Infrastructure, Property, Plant and Equipment.

Cash inflows from financing activities increased by \$3.1 million. This was due to new borrowings of \$4 million in the current year relating to transport infrastructure, IT infrastructure and enhancements to the Tenterfield Depot.



FINANCIAL POSITION

Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	13.4	15.1	Major external restrictions include water, sewer and domestic waste operations, as well as grants for specific purposes, unexpended loans and developer contributions.
Restricted cash and investments:			The decrease in cash and cash equivalents relates to capital expenditure on additions and renewals incurred during the year.
• External restrictions	14.6	12.1	
• Internal and unrestricted	(1.2)	3.0	The increase in externally restricted cash is due to the receipt of grant funding for a specific purpose which had not been spent at year end.
			Council has reported a negative unrestricted cash balance of \$1.2 million at 30 June 2021. Refer to the 'significant audit issues and observations' section of this report relating to 'Compliance with the <i>Local Government Act 1993</i> '.

PERFORMANCE

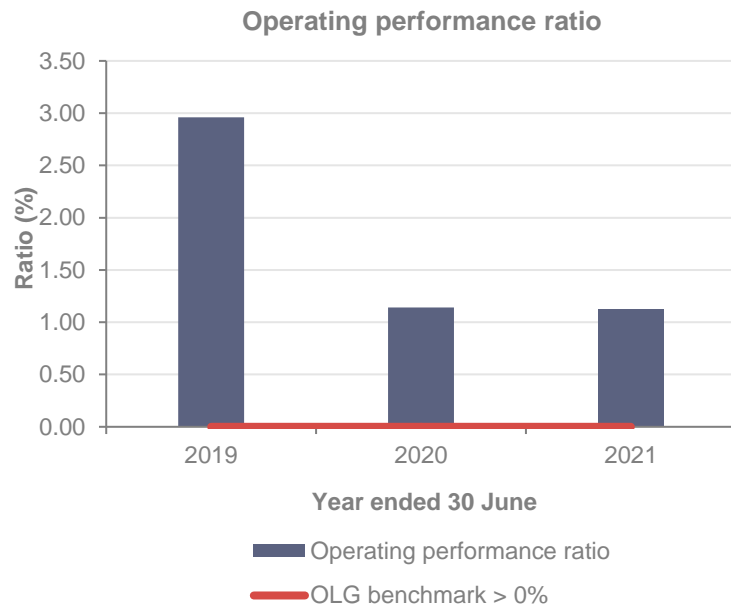
Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

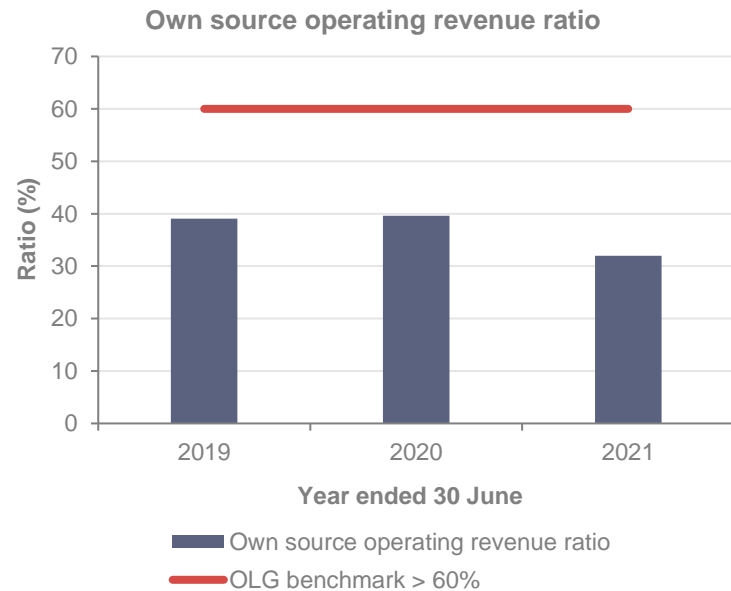
Council exceeded the OLG benchmark for the current reporting period. The ratio is consistent with the prior year.



Own source operating revenue ratio

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

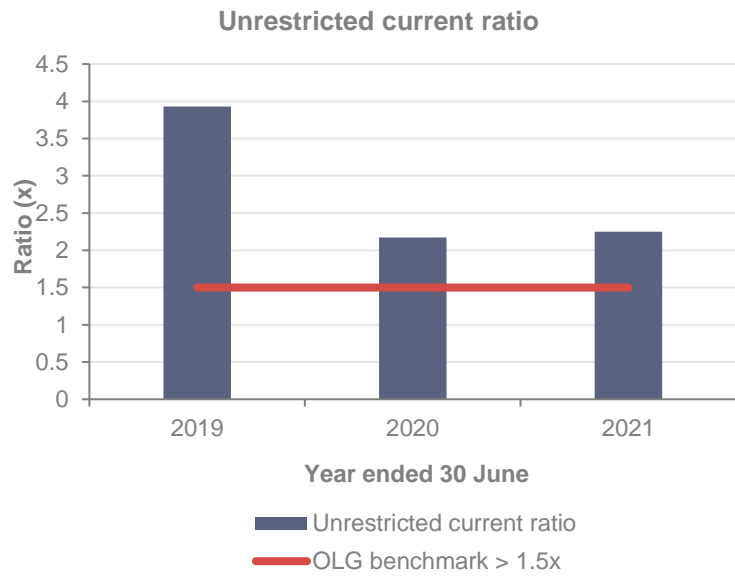
Council's ratio continues to be below the benchmark set by OLG as Council relies on government grants and contributions to assist in funding operations. The ratio declined during the year due to an increase in capital grant funding received.



Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

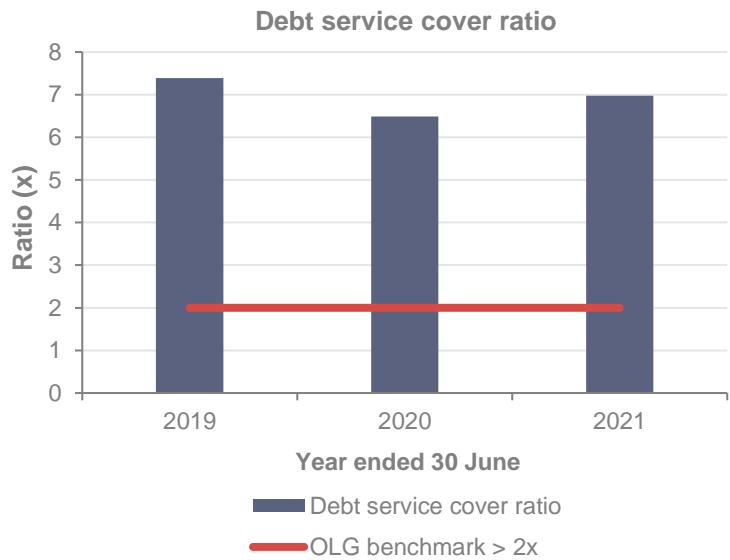
Council continues to exceed the OLG benchmark for the current reporting period.



Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

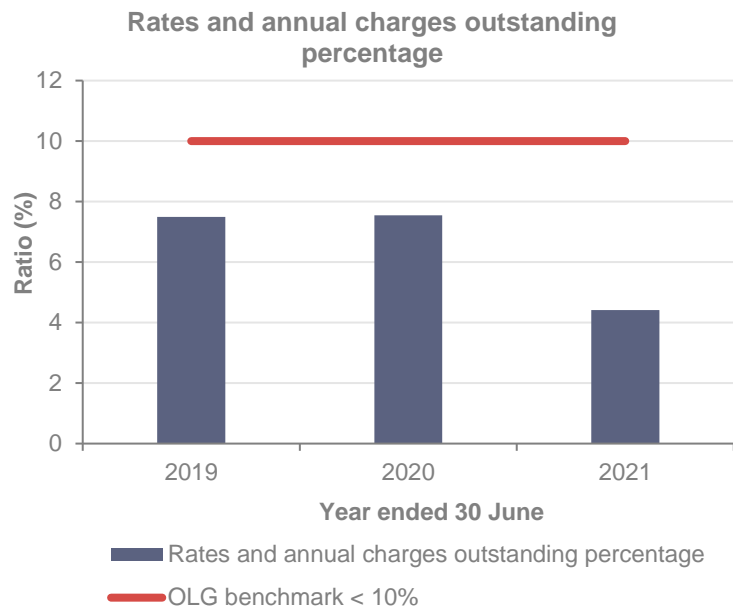
Council exceeded the OLG benchmark for the current reporting period.



Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

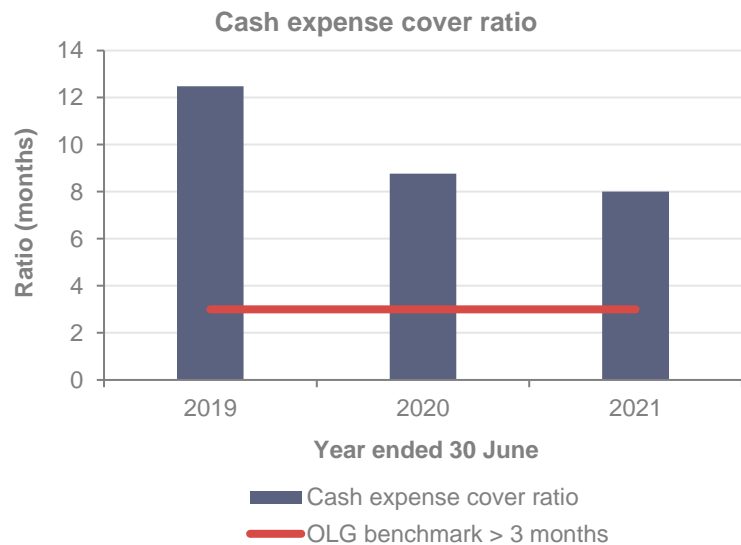
The Council exceeded the OLG benchmark for the current reporting period. The percentage improved during the year due to sale of land for unpaid rates.



Cash expense cover ratio

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period.



Infrastructure, property, plant and equipment renewals

Infrastructure, Property, Plant and Equipment (IPPE) renewal expenditure was \$12.7 million. This increased by \$2.5 million compared to 2019–20 due to Council increasing its renewal works in accordance with its infrastructure management plans. Renewal expenditure was above depreciation for the year by \$5.1 million.

OTHER MATTERS

Impact of new accounting standards

AASB 1059 'Service Concession Arrangements: Grantors'

The Council did not identify any service concession arrangements as part of adopting this standard.

The Council's disclosure of the impact of adopting AASB 1059 is disclosed in Note A1-1.

Legislative compliance

My audit procedures identified instances of non-compliance with legislative requirements that will be reported in the Management Letter and to the Minister for Local Government.

Refer to the 'significant audit issues and observations' section of this report relating to 'Compliance with the *Local Government Act 1993*'.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

cc: Mr Daryl Buckingham, Chief Executive Officer
Mr Geoff King, Chair of the Audit, Risk and Improvement Committee
Ms Jessica Wild, Acting Manager Finance and Technology
Mr Geoff Allen, Principal, Forsyths
Ms Kiersten Fishburn, Secretary of the Department of Planning, Industry and Environment

Tenterfield Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

"Quality Nature, Quality Heritage and Quality Lifestyle"



Tenterfield Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2021

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Tenterfield Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2021

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

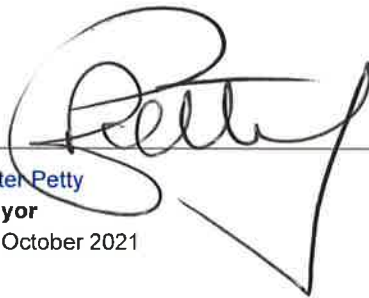
- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

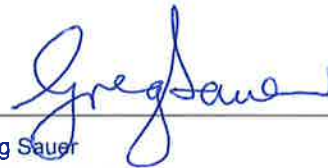
We are not aware of any matter that would render these statements false or misleading in any way.

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



Peter Petty
Mayor

27 October 2021



Greg Sauer
Deputy Mayor

27 October 2021



Daryl Buckingham
Chief Executive

27 October 2021



Jessica Wild
Responsible Accounting Officer

27 October 2021

Tenterfield Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	1,238	1,179
User charges	1,299	825
Fees	56	40
Interest	6	18
Grants and contributions provided for non-capital purposes	218	1,509
Other income	(72)	4
Total income from continuing operations	2,745	3,575
Expenses from continuing operations		
Employee benefits and on-costs	542	847
Borrowing costs	225	225
Materials and services	958	1,979
Depreciation, amortisation and impairment	734	747
Loss on de-recognition of assets	18	–
Other expenses	76	105
Total expenses from continuing operations	2,553	3,903
Surplus (deficit) from continuing operations before capital amounts	192	(328)
Grants and contributions provided for capital purposes	1,670	2,300
Surplus (deficit) from continuing operations after capital amounts	1,862	1,972
Surplus (deficit) from all operations before tax	1,862	1,972
Less: corporate taxation equivalent [based on result before capital]	(50)	–
Surplus (deficit) after tax	1,812	1,972
Plus accumulated surplus	12,151	10,179
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	50	–
Closing accumulated surplus	14,013	12,151
Return on capital %	1.4%	(0.4)%
Subsidy from Council	23	346
Calculation of dividend payable:		
Surplus (deficit) after tax	1,812	1,972
Less: capital grants and contributions (excluding developer contributions)	(1,670)	(2,300)
Surplus for dividend calculation purposes	142	–
Potential dividend calculated from surplus	70	–

Tenterfield Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Income from continuing operations		
Access charges	2,344	2,218
User charges	173	119
Liquid trade waste charges	27	19
Fees	34	20
Interest	7	21
Grants and contributions provided for non-capital purposes	27	28
Other income	84	12
Total income from continuing operations	2,696	2,437
Expenses from continuing operations		
Employee benefits and on-costs	270	279
Borrowing costs	142	149
Materials and services	636	664
Depreciation, amortisation and impairment	507	495
Loss on sale of assets	26	–
Other expenses	93	79
Total expenses from continuing operations	1,674	1,666
Surplus (deficit) from continuing operations before capital amounts	1,022	771
Grants and contributions provided for capital purposes	16	33
Surplus (deficit) from continuing operations after capital amounts	1,038	804
Surplus (deficit) from all operations before tax	1,038	804
Less: corporate taxation equivalent [based on result before capital]	(266)	(212)
Surplus (deficit) after tax	772	592
Plus accumulated surplus	12,063	11,259
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	266	212
Closing accumulated surplus	13,101	12,063
Return on capital %	5.1%	4.0%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	772	592
Less: capital grants and contributions (excluding developer contributions)	(16)	(33)
Surplus for dividend calculation purposes	756	559
Potential dividend calculated from surplus	377	279

Tenterfield Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Contract assets and contract cost assets	784	2,777
Cash and cash equivalents	590	1,030
Receivables	1,146	527
Total current assets	2,520	4,334
Non-current assets		
Infrastructure, property, plant and equipment	29,557	27,582
Total non-current assets	29,557	27,582
Total assets	32,077	31,916
LIABILITIES		
Current liabilities		
Payables	318	1,925
Income received in advance	5	5
Borrowings	237	316
Total current liabilities	560	2,246
Non-current liabilities		
Borrowings	5,931	6,111
Total non-current liabilities	5,931	6,111
Total liabilities	6,491	8,357
Net assets	25,586	23,559
EQUITY		
Accumulated surplus	14,014	12,151
Revaluation reserves	11,572	11,408
Total equity	25,586	23,559

Tenterfield Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2021

	2021 \$ '000	2020 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	4,846	3,528
Receivables	221	241
Total current assets	5,067	3,769
Non-current assets		
Infrastructure, property, plant and equipment	22,668	22,782
Total non-current assets	22,668	22,782
Total assets	27,735	26,551
LIABILITIES		
Current liabilities		
Payables	27	29
Borrowings	93	86
Total current liabilities	120	115
Non-current liabilities		
Borrowings	1,670	1,763
Total non-current liabilities	1,670	1,763
Total liabilities	1,790	1,878
Net assets	25,945	24,673
EQUITY		
Accumulated surplus	13,102	12,063
Revaluation reserves	12,843	12,610
Total equity	25,945	24,673

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993 (Act)*, the *Local Government (General) Regulation 2005 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Tenterfield Shire Water Supplies

Water supply system servicing the towns of Tenterfield, Urbenville and Jennings.

b. Tenterfield Shire Sewerage Services

Sewerage reticulation and treatment system servicing the towns of Tenterfield and Jennings.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **26%** (19/20 27.5%)

Note – Significant Accounting Policies (continued)

Land tax – the first \$755,000 of combined land values attracts **0%**. For the combined land values in excess of \$755,000 up to \$4,616,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$4,616,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **4.85%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Planning, Industry & Environment – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DPIE – Water guidelines is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 26% (19/20 27.5%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 26% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

(iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with the DPIE – Water guidelines and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2021 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

Note – Significant Accounting Policies (continued)

In accordance with the Best Practice Management of Water Supply and Sewer Guidelines, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are submitted to DPIE – Water.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Tenterfield Shire Council

To the Councillors of Tenterfield Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Tenterfield Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2021, the Statement of Financial Position of each Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water Supply
- Sewerage.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2021, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'CHarper', with a long horizontal stroke extending to the right.

Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

3 November 2021
SYDNEY

Tenterfield Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2021

"Quality Nature, Quality Heritage and Quality Lifestyle"



Tenterfield Shire Council

Special Schedules

for the year ended 30 June 2021

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Tenterfield Shire Council

Permissible income for general rates

	Notes	Calculation 2020/21 \$ '000	Calculation 2021/22 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	4,598	4,715
Notional general income	c = a + b	4,598	4,715
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.00%
Or plus rate peg amount	i = e x (c + g)	120	94
Sub-total	k = (c + g + h + i + j)	4,718	4,809
Plus (or minus) last year's carry forward total	l	2	2
Sub-total	n = (l + m)	2	2
Total permissible income	o = k + n	4,720	4,811
Less notional general income yield	p	4,718	4,825
Catch-up or (excess) result	q = o - p	1	(14)
Carry forward to next year ⁶	t = q + r + s	1	(14)
Notes			

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT
Special Schedule – Permissible income for general rates
Tenterfield Shire Council

To the Councillors of Tenterfield Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Tenterfield Shire Council (the Council) for the year ending 30 June 2022.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2021'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

A handwritten signature in black ink, appearing to read 'CHarper', with a long horizontal stroke extending to the right.

Chris Harper
Director, Financial Audit

Delegate of the Auditor General for New South Wales

3 November 2021
SYDNEY

Tenterfield Shire Council

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	2020/21 Required maintenance ^a \$ '000	2020/21 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings	2,208	653	66	66	15,279	32,950	3.0%	15.0%	48.0%	32.0%	2.0%
	Sub-total	2,208	653	66	66	15,279	32,950	3.0%	15.0%	48.0%	32.0%	2.0%
Other structures	Other structures	–	–	35	35	3,166	4,960	22.0%	43.0%	21.0%	13.0%	1.0%
	Sub-total	–	–	35	35	3,166	4,960	22.0%	43.0%	21.0%	13.0%	1.0%
Roads	Bridges	6,394	7,533	28	28	48,059	89,420	12.0%	49.0%	11.0%	19.0%	9.0%
	Footpaths	12	–	4	4	2,458	3,374	54.0%	39.0%	6.0%	1.0%	0.0%
	Bulk earthworks	–	–	–	–	93,764	93,764	100.0%	0.0%	0.0%	0.0%	0.0%
	Roads	11,776	2,867	2,412	2,413	216,453	268,892	58.0%	18.0%	11.0%	11.0%	2.0%
	Sub-total	18,182	10,400	2,444	2,445	360,734	455,450	57.6%	20.5%	8.7%	10.2%	2.9%
Water supply network	Water supply	5,588	12,537	517	517	23,859	58,657	9.0%	6.0%	59.0%	5.0%	21.0%
	Sub-total	5,588	12,537	517	517	23,859	58,657	9.0%	6.0%	59.0%	5.0%	21.0%
Sewerage network	Sewerage network	349	–	313	313	21,680	34,215	13.0%	43.0%	39.0%	5.0%	0.0%
	Sub-total	349	–	313	313	21,680	34,215	13.0%	43.0%	39.0%	5.0%	0.0%
Stormwater drainage	Stormwater drainage	654	330	–	–	3,736	8,373	24.0%	33.0%	13.0%	26.0%	4.0%
	Sub-total	654	330	–	–	3,736	8,373	24.0%	33.0%	13.0%	26.0%	4.0%
Open space / recreational assets	Swimming pools	855	–	–	–	361	1,409	1.0%	4.0%	4.0%	91.0%	0.0%
	Open Space & Recreation	73	–	448	448	1,099	1,151	39.0%	38.0%	13.0%	10.0%	0.0%
	Sub-total	928	–	448	448	1,460	2,560	18.1%	19.3%	8.0%	54.6%	0.0%
Total – all assets		27,909	23,920	3,823	3,824	429,914	597,165	46.3%	20.4%	17.7%	11.1%	4.5%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1 Excellent/very good	No work required (normal maintenance)	4 Poor	Renewal required
2 Good	Only minor maintenance work required	5 Very poor	Urgent renewal/upgrading required
3 Satisfactory	Maintenance work required		

Tenterfield Shire Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts		Indicators		Benchmark
	2021	Indicator 2021	2020	2019	
Buildings and infrastructure renewals ratio ¹					
Asset renewals ¹	9,883	151.93%	102.03%	236.55%	>= 100.00%
Depreciation, amortisation and impairment	6,505				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	27,909	6.24%	5.10%	4.57%	< 2.00%
Net carrying amount of infrastructure assets	447,119				
Asset maintenance ratio					
Actual asset maintenance	3,824	100.03%	100.01%	100.01%	> 100.00%
Required asset maintenance	3,823				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	23,920	4.01%	3.74%	3.86%	
Gross replacement cost	597,165				

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Includes renewal works in Work In Progress (WIP).

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Tenterfield Shire Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2021	2020	2021	2020	2021	2020	
Buildings and infrastructure renewals ratio ¹							
Asset renewals ¹	172.18%	118.02%	105.06%	0.00%	0.00%	76.62%	>= 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	5.47%	4.28%	23.42%	22.21%	1.61%	0.97%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	100.03%	100.00%	100.00%	100.00%	100.00%	100.11%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	2.26%	2.29%	21.37%	18.22%	0.00%	0.00%	
Gross replacement cost							

(1) Includes renewal works in Work In Progress (WIP).

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.