



QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE

OATH / AFFIRMATION OF OFFICE

Notice is hereby given in accordance with the provisions of the Local Government Act 1993 (s233A), that an Oath or Affirmation of office must be taken prior to the first meeting of Council after the council is elected. The undertaking of either the Oath or Affirmation of Office will be held in the Koreelah Room, Tenterfield Shire Council Chambers, on **Wednesday 12 January 2022** commencing at **9.00 am**.

BUSINESS PAPER

ORDINARY COUNCIL MEETING

12 JANUARY 2022

Notice is hereby given in accordance with the provisions of the *Local Government Act 1993*, and pursuant to Clause 3.3 of Council's Code of Meeting Practice that an **Ordinary Council Meeting** will be held in the Koreelah Room, Tenterfield Shire Council Chambers, on **Wednesday 12 January 2022** commencing at **9.30 am**.

Daryl Buckingham
Chief Executive

Community Consultation (Public Access) relating to items on this Agenda can be made between 9.30 am and 10.30 am on the day of the Meeting. Requests for public access should be made to the General Manager no later than COB on the Monday before the Meeting.

Section 8 of the Business Paper allows a period of up to 30 minutes of Open Council Meetings for members of the Public to address the Council Meeting on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of five (5) minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone or in person prior to close of business on the Monday prior to the day of the Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit two (2) speakers in support and two (2) speakers in opposition to a recommendation contained in the Business Paper. If there are more than two (2) speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- Personnel matters concerning particular individuals (other than Councillors);
- Personal hardship of any resident or ratepayer;
- Information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
 - Prejudice the commercial position of the person who supplied it, or
 - Confer a commercial advantage on a competitor of the Council; or
 - Reveal a trade secret;
- Information that would, if disclosed prejudice the maintenance of law;
- Matters affecting the security of the Council, Councillors, Council staff or Council property;
- Advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- Information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- Alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- On balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of order and may be expelled.

CONFLICT OF INTERESTS

What is a "Conflict of Interests" - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.

Non-pecuniary - a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Local Government Act (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness

A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in Section 448 of the Local Government Act.

Who has a Pecuniary Interest? - A person has a pecuniary interest in a matter if the pecuniary interest is the interest of:

- The person, or
- Another person with whom the person is associated (see below).

Relatives, Partners

A person is taken to have a pecuniary interest in a matter if:

- The person's spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. "Relative", in relation to a person means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person's spouse;
- (b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter

However, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or
 - (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Participation in Meetings Despite Pecuniary Interest (S 452 Act)

A Councillor is not prevented from taking part in the consideration or discussion of, or from voting on, any of the matters/questions detailed in Section 452 of the Local Government Act.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in S451 of the Local Government Act apply (particularly if you have a significant non-pecuniary interest)

Disclosures to be Recorded (s 453 Act)

A disclosure (and the reason/s for the disclosure) made at a meeting of the Council or Council Committee or Sub-Committee must be recorded in the minutes of the meeting.

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ORDER OF BUSINESS

1. Opening & Welcome
2. Civic Prayer & Acknowledgement of Country
3. Apologies
4. Disclosure & Declarations of Interest
5. Confirmation of Previous Minutes
6. Tabling of Documents
7. Urgent, Late & Supplementary Items of Business
8. Community Consultation (Public Access)
9. Mayoral Minute
10. Recommendations for Items to be Considered in Confidential Section
11. Open Council Reports
 - Our Community
 - Our Economy
 - Our Environment
 - Our Governance
12. Reports of Delegates & Committees
13. Notices of Motion
14. Resolution Register
15. Confidential Business
16. Meeting Close

AGENDA

WEBCASTING OF MEETING

This meeting will be recorded for placement on Council's website for the purposes of broadening knowledge and participation in Council issues, and demonstrating Council's commitment to openness and accountability.

All speakers must ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms or mentioning any private information.

No other persons are permitted to record the meeting, unless specifically authorised by Council to do so.

1. OPENING & WELCOME

2. (A) OPENING PRAYER

"We give thanks for the contribution by our pioneers, early settlers and those who fought in the various wars for the fabric of the Tenterfield Community we have today.

May the words of our mouths and the meditation of our hearts be acceptable in thy sight, O Lord."

(B) ACKNOWLEDGEMENT OF COUNTRY

"I would like to acknowledge the traditional custodians of this land that we are meeting on today. I would also like to pay respect to the Elders past, present, and emerging of the Jukembal, Kamilaroi and Bundjalung nations and extend that respect to other Aboriginal people present."

3. APOLOGIES

4. DISCLOSURES & DECLARATIONS OF INTEREST

5. CONFIRMATION OF PREVIOUS MINUTES

(ITEM MIN1/22) CONFIRMATION OF PREVIOUS MINUTES7

6. TABLING OF DOCUMENTS

7. URGENT, LATE & SUPPLEMENTARY ITEMS OF BUSINESS

8. COMMUNITY CONSULTATION (PUBLIC ACCESS)

9. MAYORAL MINUTE

10. RECOMMENDATIONS FOR ITEMS TO BE CONSIDERED IN CONFIDENTIAL SECTION

11. OPEN COUNCIL REPORTS

OUR COMMUNITY

OUR ECONOMY

OUR ENVIRONMENT

OUR GOVERNANCE

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12. REPORTS OF DELEGATES & COMMITTEES

13. NOTICES OF MOTION

14. RESOLUTION REGISTER

(ITEM RES1/22) RESOLUTION REGISTER - NOVEMBER/DECEMBER 202155

15. CONFIDENTIAL BUSINESS

16. MEETING CLOSED

(ITEM MIN1/22) CONFIRMATION OF PREVIOUS MINUTES

REPORT BY: Elizabeth Melling

RECOMMENDATION

That the Minutes of the following Meeting of Tenterfield Shire Council:

- **Ordinary Council Meeting – 24 November 2021**

as typed and circulated, be confirmed and signed as a true record of the proceedings of these meetings.

ATTACHMENTS

- 1** Minutes - 24 November 2021 8 Pages

MINUTES



QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE

MINUTES OF ORDINARY COUNCIL MEETING WEDNESDAY, 24 NOVEMBER 2021

MINUTES OF THE **Ordinary Council Meeting** OF TENTERFIELD SHIRE held at the Koreelah Room, Tenterfield Shire Council Chambers on Wednesday, 24 November 2021 commencing at 9.32 am

ATTENDANCE

Councillor Peter Petty (Mayor)
Councillor Greg Sauer (Deputy Mayor)
Councillor Don Forbes (Zoom)
Councillor John Macnish
Councillor Brian Murray
Councillor Tom Peters
Councillor Bronwyn Petrie
Councillor Gary Verri

ALSO IN ATTENDANCE

Chief Executive (Daryl Buckingham)
Executive Assistant & Media (Elizabeth Melling)
Chief Corporate Officer (Kylie Smith)
Director Infrastructure (Fiona Keneally)

Clause 254(b) of the Local Government (General) Regulation 2005 requires that the names of the mover and seconder of the motion or amendment are recorded and shown in the Minutes of the meeting.

Website: www.tenterfield.nsw.gov.au

Email: council@tenterfield.nsw.gov.au

WEBCASTING OF MEETING

I advise all present that this meeting is being recorded for placement on Council's website for the purposes of broadening knowledge and participation in Council issues, and demonstrating Council's commitment to openness and accountability.

All speakers must ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms or mentioning any private information.

No other persons are permitted to record the meeting, unless specifically authorised by Council to do so.

OPENING AND WELCOME

CIVIC PRAYER

We give thanks for the contribution by our pioneers, early settlers and those who fought in the various wars for the fabric of the Tenterfield Community we have today.

May the words of our mouths and the meditation of our hearts be acceptable in thy sight, O Lord.

ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the traditional custodians of this land that we are meeting on today. I would also like to pay respect to the Elders past, present, and emerging of the Jukembal, Kamilaroi and Bundjalung Nations and extend that respect to other Aboriginal people present.

APOLOGIES

211/21 **Resolved** that the apologies of Councillor Bob Rogan and Councillor Michael Petrie be accepted.

(Greg Sauer/Bronwyn Petrie)

Motion Carried

DISCLOSURE & DECLARATIONS OF INTEREST

Nil

(ITEM MIN23/21) CONFIRMATION OF PREVIOUS MINUTES

212/21 **Resolved** that the Minutes of the following Meeting of Tenterfield Shire Council:

- Ordinary Council Meeting – 27 October 2021

Be amended as follows - Res.187/21 Part (2) delete "within the NSWRFs compound" and as further typed and circulated, be confirmed and signed as a true record of the proceedings of this meeting.

(Bronwyn Petrie/Brian Murray)

Motion Carried

TABLING OF DOCUMENTS

Nil.

URGENT, LATE & SUPPLEMENTARY ITEMS OF BUSINESS

Nil.

COMMUNITY CONSULTATION (PUBLIC ACCESS)

Nil.

MAYOR MINUTE

Nil.

RECOMMENDATIONS FOR ITEMS TO BE CONSIDERED IN CONFIDENTIAL SECTION

Nil.

OPEN COUNCIL REPORTS

OUR COMMUNITY

Nil.

OUR ECONOMY

Nil.

OUR ENVIRONMENT

Nil.

OUR GOVERNANCE

Nil.

(ITEM GOV74/21) MONTHLY OPERATIONAL REPORT - OCTOBER 2021

SUMMARY

The purpose of this report is to provide a standing monthly report to the Ordinary Meeting of Council that demonstrates staff accountabilities and actions taken against Council's 2020/2021 Operational Plan.

213/21 **Resolved** that Council receives and notes the status of the Monthly Operational Report for October 2021.

(Greg Sauer/Gary Verri)

Motion Carried

Manager Customer Service, Governance & Records, Erika Bursford, entered the meeting, the time being 10.16 am.

(ITEM GOV75/21) AUDIT AND RISK COMMITTEE MEMBERSHIP

SUMMARY

The objective of the Audit & Risk Committee (the Committee) is to provide independent assistance to Tenterfield Shire Council (Council) by monitoring, reviewing and providing advice on risk management, control frameworks, governance processes and external accountability responsibilities.

Committee members are in place for the term of the Council, and where allowed by Council, can be reappointed. Council's Committee Chair, Mr Geoff King, has written to Council to advise he is ceasing his tenure, in line with the end of the Council term. Mr King has also advised that he will not be seeking reappointment to the Committee.

214/21 **Resolved** that Council:

- 1) Receive and note the advice of cessation of tenure of the Chair and member of Tenterfield Shire Council's Audit & Risk Committee, Mr Geoff King, effective from 4 December 2021, and
- 2) Advertise confirmed vacancies of the external, independent, members of Tenterfield Shire Council's Audit & Risk Committee.

(Gary Verri/Bronwyn Petrie)

Motion Carried

Action – Council to write a letter of thanks to Mr Geoff King.

Manager Customer Service, Governance & Records, Erika Bursford, left the meeting and Acting Manager Finance & Technology, Jessica Wild entered the meeting the time being 10.22 am.

Financial Advisor, Igor Ivannikov and Forsyths Associate, Jacob Sauer entered the meeting via Zoom the time being 10.22 am.

(ITEM GOV76/21) PRESENTATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

SUMMARY

The purpose of this Report is to present to Council the Audited Financial Statements for the year ended 30 June 2021, in accordance with the provisions of Section 418 of the *Local Government Act 1993*.

215/21 **Resolved** that Council notes the Audited Annual Financial Statements for the year ended 30 June 2021.

(Brian Murray/John Macnish)

Motion Carried

Financial Advisor, Igor Ivannikov and Forsyths Associate, Jacob Sauer left the meeting, the time being 10.55 am.

SUSPENSION OF STANDING ORDERS

216/21 **Resolved** that Standing Orders be suspended.

(Bronwyn Petrie/Gary Verri)

Motion Carried

The Meeting adjourned for Morning Tea, the time being 10.56 am.

The Meeting reconvened with the same members present, the time being 11.13 am.

RESUMPTION OF STANDING ORDERS

217/21 **Resolved** that Standing Orders be resumed.

(Greg Sauer/Tom Peters)

Motion Carried

(ITEM GOV77/21) QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2021

SUMMARY

The purpose of this Report is to provide Council with a Quarterly Budget Review Statement in accordance with Regulation 203 of the Local Government (General) Regulation 2005 (the Regulation).

218/21 **Resolved** that Council adopts the September 2021 Quarterly Budget Review Statement and recommendations therein that:

- a) No additional operating or capital expenditure outside of the recommendations in this review be approved by Council unless they are offset by other savings (e.g. with road works such as re-sheeting, with a plan to reduce maintenance costs) or grant funded and even then only where there will be no additional operating costs as a result of the expenditure i.e. if capital related expenditure, it should be for the replacement of existing assets only, not new assets.
- b) As part of Council's new Asset Management System implementation and asset revaluation processes for 2021/22, a thorough review of depreciation be undertaken to ascertain if depreciation expenditure can be reduced and that further discussions be held with the State Government regarding them re-acquiring some roads from Council;
- c) Acknowledge the ongoing governance and treasury management difficulties Council faces with the current structure of many grant and

disaster funding payments, and advocate for changes to the timing of these cash payments from State and Federal governments;

- d) That the issue of rate pegging and cost shifting be raised again in appropriate forums; and
- e) That a plan be developed to increase operational income and further reduce operational expenditure as per previous discussions and comments in Council Reports, may include a Special Rates Variation request with a view to returning Council's operating position to surplus.

(Bronwyn Petrie/Gary Verri)

Motion Carried

(ITEM GOV78/21) FINANCE & ACCOUNTS - PERIOD ENDED 31 OCTOBER 2021

SUMMARY

The purpose of this Report is for the Responsible Accounting Officer to provide, in accordance with Clause 212 of the Local Government (General) Regulation 2005 a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The report must be made up to the last day of the month immediately preceding the meeting.

219/21 **Resolved** that Council receive and note the Finance and Accounts Report for the period ended 31 October 2021.

(Tom Peters/Brian Murray)

Motion Carried

Councillor John Macnish – left the meeting, the time being 11.40 am.

(ITEM GOV79/21) CAPITAL EXPENDITURE REPORT AS AT 31 OCTOBER 2021

SUMMARY

The purpose of this Report is to show the progress of Capital Works projects against the Year to Date (YTD) budget each month. This Report outlines Council's financial progress against each project.

220/21 **Resolved** that Council receive and note the Capital Expenditure Report for the period ended 31 October 2021.

(Gary Verri/Greg Sauer)

Motion Carried

Councillor John Macnish – re-entered the meeting and Manager Customer Service, Governance & Records, Erika Bursford, rejoined the meeting, the time being 11.42 am.

(ITEM GOV80/21) TENTERFIELD SHIRE COUNCIL ANNUAL REPORT 2020/2021

SUMMARY

The purpose of this Report is for Council to receive the Annual Report, inclusive of the Annual Financial Statements, for the financial year ending 30 June 2021.

221/21 **Resolved** that Council receive and adopt the Annual Report for 2020/2021.

(Greg Sauer/Gary Verri)

Motion Carried

(ITEM GOV81/21) TENTERFIELD SHIRE COUNCIL END OF TERM REPORT 2016 TO 2021

SUMMARY

The purpose of this report is to present to Council the End of Term Report, from 2016 to 2021, which details the progress Council has been made in the implementation of the Community Strategic Plan (CSP) and the Delivery Program (DP) in delivering the goals of the community over the past Council Term.

222/21 **Resolved** that Council receive and adopt the End of Term Report for 2016 to 2021.

(Gary Verri/Brian Murray)

Motion Carried

Note – Formatting re-alignment required from page 39 to 41 of the End of Term Report.

Manager Customer Service, Governance & Records, Erika Bursford, left the meeting, the time being 11.50 am.

REPORTS OF DELEGATES & COMMITTEES

(ITEM RC25/21) COUNTRY MAYORS ASSOCIATION OF NSW - AGM & GENERAL MEETING - 5 NOVEMBER 2021

223/21 **Resolved** that Council receive and note the Reports from the Country Mayors Association of NSW of 5 November 2021.

(Peter Petty/Greg Sauer)

Motion Carried

(ITEM RES8/21) COUNCIL RESOLUTION REGISTER - OCTOBER 2021

SUMMARY

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that outlines all Resolutions of Council previously adopted and yet to be finalised.

224/21 **Resolved** that Council notes the status of the Council Resolution Register to October 2021.

(Gary Verri/John Macnish)

Motion Carried

NOTICES OF MOTION

Nil.

CONFIDENTIAL BUSINESS

Nil.

Mayor Petty presented the two present, retiring Councillors - Cr. Gary Verri and Cr. Brian Murray with gifts of thanks. He spoke of their time during Council and thanked them for their work and commitment and wished them well for their retirement from Council.

MEETING CLOSED

There being no further business the Mayor declared the meeting closed at 12.01 pm.

.....
Councillor Peter Petty
Mayor/Chairperson

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV1/22
Subject:	OATH AND AFFIRMATION FOR COUNCILLORS

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	Council achieves excellence in corporate governance
Strategy:	Implement strategies, policies and practices to achieve excellence in corporate governance
Action:	Undertake all legislative requirements of Local Government

SUMMARY

The purpose of this report is to inform Councillors of the requirements under section 233A of the NSW *Local Government Act 1993*, being that all Councillors must take an Oath of Office or make an Affirmation of Office at or before the first meeting of the Council after the Councillor is elected.

OFFICER'S RECOMMENDATION:

That in accordance with the requirements of the Local Government Act 1993 it be noted that all Councillors present prior to the commencement of the Ordinary meeting 12 January 2022 have read aloud the prescribed wording of the Oath/Affirmation of Office in front of the Chief Executive and signed the Statement of the Oath/Affirmation of Office for Council's records.

BACKGROUND

Under the NSW *Local Government Act 1993*, section 233A of the Act reads as follows (Tenterfield Shire Council references inserted):

233A Oath and Affirmation for Councillors

- (1) A Councillor must take an Oath of Office or make an Affirmation of Office at or before the first meeting of the Council after the Councillor is elected.
- (2) The oath or affirmation may be taken or made before the Chief Executive of the Council, an Australian legal practitioner or a Justice of the Peace and is to be in the following form:

Oath

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

Affirmation

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

Our Governance No. 1 Cont...

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

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil

2. Policy and Regulation

- NSW Local Government Act 1993.

3. Financial (Annual Budget & LTFP)

Nil

4. Asset Management (AMS)

Nil

5. Workforce (WMS)

Nil

6. Legal and Risk Management

Nil

7. Performance Measures

Nil

8. Project Management

Nil

Daryl Buckingham
Chief Executive

Prepared by staff member:	Elizabeth Melling
Approved/Reviewed by Manager:	Daryl Buckingham, Chief Executive
Department:	Office of the Chief Executive
Attachments:	There are no attachments for this report.

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV2/22
Subject:	ELECTION OF THE MAYOR - JANUARY 2022 TO JANUARY 2024

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	Council achieves excellence in corporate governance
Strategy:	Implement strategies, policies and practice to achieve excellence in corporate governance
Action:	Undertake all legislative requirements of Local Government

SUMMARY

The purpose of this report is for Council to elect the Mayor for the proceeding term, being from January 2022 to January 2024.

OFFICER'S RECOMMENDATION:

- (1) That the Chief Executive, as Returning Officer, call for nominations for the election of Mayor for the two (2) year term January 2022 to January 2024; and**
- (2) Council to determine the form of ballot to be used if so required, conditional on no Councillor attending the meeting via audio visual. If Councillors are attending via audio visual, the vote must be by Open Vote; and**
- (3) Following the election, the Returning Officer declare Cr elected as Mayor for the period January 2022 to January 2024.**

BACKGROUND

Under the Local Government Act 1993, the Civic Office of Mayor elected by Councillors expired on the day of the Council ordinary election, this being Saturday 4 December 2021.

Councils that elect Councillors must hold a Mayoral election at a Council meeting within three weeks of the declaration of the election.

The Local Government Elections Regulation stipulates the Chief Executive (or a person appointed by the General Manager) is the Returning Officer. To this end, the Chief Executive, Daryl Buckingham has agreed to act in this capacity, as Ms Kerri Swain, Jennings & Kneipp is unavailable.

REPORT:

In accordance with the *Local Government Act 1993 and Regulations*, nominations for Mayor must be in writing, signed by two Councillors and the nominee must consent in writing. The nomination and acceptance can be made prior to the meeting.

Our Governance No. 2 Cont...

Any nominations prepared prior to the meeting must be handed to the Returning Officer, Mr Daryl Buckingham in his capacity as Returning Officer for the election. A Nomination form is included as an addendum to this report.

Schedule 7 of the *Local Government (General) Regulation 2005* prescribes three (3) methods of election of Mayors:

- Open Ballot (eg show of hands and only option open to Council given that by necessity, Councillors will be attending by audio visual)
- Ordinary Ballot, or
- Preferential Ballot

Open ballots can be undertaken remotely where a Council is conducting its meetings by audio visual link.

Ordinary and preferential ballots are secret ballots and Councillors will need to **attend the meeting in person** if the election is to be by way of an ordinary or preferential ballot.

Open Voting is by a show of hands – only option open to Council

If there are two candidates, the person receiving the higher number of votes is declared elected. If there are more than two candidates, the person with the lowest number of votes is excluded and this procedure is repeated until one candidate receives a simple majority of the votes.

An Ordinary Ballot is a secret ballot – not possible due to Councillor attendance via Audio Visual

If there are two candidates, the person receiving the higher number of votes is declared elected. Should there be three or more candidates, the candidate receiving the lowest number of votes is excluded and fresh votes are taken until one candidate remains. A cross (X) against the candidate whose nomination is being supported is all that is required when voting.

A Preferential Ballot is a secret ballot and the system can only be adopted if there are more than two candidates – not possible due to Councillor attendance via Audio Visual

Voting is in order of preference, with votes being marked 1,2,3,4 etc. If a candidate receives more than half of the total votes, that person is declared elected. If not, the person with the lowest number of votes is excluded and their preferences are distributed. This procedure is followed until one candidate receives more than half of the total votes. They are then declared elected.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil.

2. Policy and Regulation

- NSW Local Government Act 1993;
- NSW Local Government (General) Regulations 2005; and
- Tenterfield Shire Council Code of Meeting Practice.

Our Governance No. 2 Cont...

3. Financial (Annual Budget & LTFP)

Nil.

4. Asset Management (AMS)

Nil.

5. Workforce (WMS)

Nil.

6. Legal and Risk Management

Election procedures covered by the *NSW Local Government Act 1993*, *NSW Local Government (General) Regulations 2005* and the Tenterfield Shire Council Code of Meeting Practice.

Due to attendance of Councillors via audio visual, the vote is limited to an open vote.

7. Performance Measures

Nil.

8. Project Management

Nil.

**Daryl Buckingham
Chief Executive**

Prepared by staff member:

Elizabeth Melling

Approved/Reviewed by Manager:

Daryl Buckingham, Chief Executive

Department:

Office of the Chief Executive

Attachments:

- | | | |
|----------|---|------------|
| 1 | Attachment 1 (Attachment Booklet 1) - Mayoral Election Nomination Form + Fact Sheet – Election of Mayor and Deputy Mayor by Councillors | 7
Pages |
|----------|---|------------|

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV3/22
Subject:	ELECTION OF THE DEPUTY MAYOR

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	Council achieves excellence in corporate governance
Strategy:	Implement strategies, policies and practice to achieve excellence in corporate governance
Action:	Undertake all legislative requirements of Local Government

SUMMARY

The purpose of this report is for Council to elect the Deputy Mayor for the proceeding term, being from January 2022 to a date yet to be determined.

OFFICER'S RECOMMENDATION:

- 1) **a) That the Chief Executive, as Returning Officer, call for nominations for the election of Deputy Mayor for the one (1) year term January 2022 to January 2023; or**

b) That the Chief Executive, as Returning Officer, call for nominations for the election of Deputy Mayor for the two (2) year term January 2022 to January 2024; and
- 2) **Council to determine the form of ballot to be used if so required, conditional on no Councillor attending the meeting via audio visual. If Councillors are attending via audio visual, the vote must be by Open Vote; and**
- 3) **Following the election, the Returning Officer declare Cr elected as Deputy Mayor for the period January 2022 to**

BACKGROUND

The *Local Government Amendment (Governance and Planning) Bill 2016* included amendments to the Act to change the term of Mayors elected by their Councillor peers from one year to two year terms, however Section 231 (2) of the Act with respect to Deputy Mayor indicates that "*the person may be elected for the Mayoral term or a shorter term*".

Under the Local Government Act 1993, the Civic Office of Deputy Mayor elected by Councillors expired on the day of the Council ordinary election, this being Saturday 4 December 2021.

Councils that elect Councillors must hold a Deputy Mayoral election at a Council meeting within three weeks of the declaration of the election.

Our Governance No. 3 Cont...

The Local Government Elections Regulation stipulates the Chief Executive (or a person appointed by the General Manager) is the Returning Officer. To this end, the Chief Executive, Daryl Buckingham has agreed to act in this capacity, as Ms Kerri Swain, Jennings & Kneipp is unavailable.

REPORT:

In accordance with the *Local Government Act 1993 and Regulations*, nominations for Deputy Mayor must be in writing, signed by two Councillors and the nominee must consent in writing. The nomination and acceptance can be made prior to the meeting.

Any nominations prepared prior to the meeting must be handed to the Returning Officer, Mr Daryl Buckingham in his capacity as Returning Officer for the election. A Nomination form is included as an addendum to this report.

Schedule 7 of the *Local Government (General) Regulation 2005* prescribes three (3) methods of election of Deputy Mayors:

- Open Ballot (eg show of hands and only option open to Council given that by necessity, Councillors will be attending by audio visual)
- Ordinary Ballot, or
- Preferential Ballot

Open ballots can be undertaken remotely where a Council is conducting its meetings by audio visual link.

Ordinary and preferential ballots are secret ballots and Councillors will need to **attend the meeting in person** if the election is to be by way of an ordinary or preferential ballot.

Open Voting is by a show of hands – only option open to Council

If there are two candidates, the person receiving the higher number of votes is declared elected. If there are more than two candidates, the person with the lowest number of votes is excluded and this procedure is repeated until one candidate receives a simple majority of the votes.

An Ordinary Ballot is a secret ballot – not possible due to Councillor attendance via Audio Visual

If there are two candidates, the person receiving the higher number of votes is declared elected. Should there be three or more candidates, the candidate receiving the lowest number of votes is excluded and fresh votes are taken until one candidate remains. A cross (X) against the candidate whose nomination is being supported is all that is required when voting.

A Preferential Ballot is a secret ballot and the system can only be adopted if there are more than two candidates – not possible due to Councillor attendance via Audio Visual

Voting is in order of preference, with votes being marked 1,2,3,4 etc. If a candidate receives more than half of the total votes, that person is declared elected. If not, the person with the lowest number of votes is excluded and their preferences are distributed. This procedure is followed until one candidate receives more than half of the total votes. They are then declared elected.

Our Governance No. 3 Cont...

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil.

2. Policy and Regulation

- NSW Local Government Act 1993;
- NSW Local Government (General) Regulations 2005; and
- Tenterfield Shire Council Code of Meeting Practice.

3. Financial (Annual Budget & LTFP)

Nil.

4. Asset Management (AMS)

Nil.

5. Workforce (WMS)

Nil.

6. Legal and Risk Management

Election procedures covered by the *NSW Local Government Act 1993*, *NSW Local Government (General) Regulations 2005* and the Tenterfield Shire Council Code of Meeting Practice.

Due to attendance of Councillors via audio visual, the vote is limited to an open vote.

7. Performance Measures

Nil.

8. Project Management

Nil.

Daryl Buckingham
Chief Executive

Prepared by staff member:

Elizabeth Melling

Approved/Reviewed by Manager:

Daryl Buckingham, Chief Executive

Department:

Office of the Chief Executive

Attachments:

1	Attachment 2 (Attachment Booklet	1
	1) - Deputy Mayor Election	Page
	Nomination Form	

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV4/22
Subject:	DECISION ON USING COUNTBACKS TO FILL CASUAL VACANCIES

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
CSP Strategy:	Council's decision making processes are open, accountable and based on sound integrated planning.
CSP Delivery Program	Promote and support community involvement in Council decision making process.

SUMMARY

Following the 2021 Local Government Elections, Councils are, for the first time, able to have the option of using a countback of votes cast at the last ordinary election to fill casual vacancies occurring in the offices of Councillors in the first 18 months after the election.

This allows Councils to use a countback to fill vacancies at a lower cost than the cost of holding a by-election.

OFFICER'S RECOMMENDATION:

That Council:

Pursuant to Section 291A(1)(b) of the Local Government Act 1993 (the Act) Tenterfield Shire Council declares that casual vacancies occurring in the office of a Councillor within 18 months after the last ordinary election of Councillors for the Council on 4 December 2021 are to be filled by a countback of votes cast at that election for the office in accordance with Section 291A of the Act and directs the Chief Executive to notify the NSW Electoral Commissioner of the Council's decision within 7 days of the decision.

BACKGROUND

Following the 2021 Local Government Elections, Councils are, for the first time, able to have the option of using a countback of votes cast at the last ordinary election to fill casual vacancies occurring in the offices of Councillors in the first 18 months after the election.

This will allow Councils to use a countback to fill vacancies at a lower cost than the cost of holding a by-election.

To exercise the option of using a countback to fill casual vacancies occurring in the first 18 months following the election, Councils must resolve, at their first meeting after the election, to use a countback to fill casual vacancies.

Our Governance No. 4 Cont...

If Councils do not resolve this at the first meeting after the election, they will be required to fill casual vacancies through a by-election.

REPORT:

Following the 2021 Local Government Elections, Councils are, for the first time, able to have the option of using a countback of votes cast at the last ordinary election to fill casual vacancies occurring in the offices of Councillors in the first 18 months after the election.

This will allow Councils to use a countback to fill vacancies at a lower cost than the cost of holding a by-election.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)
Nil.

2. Policy and Regulation

- Local Government Act 1993

3. Financial (Annual Budget & LTFP)
The cost of holding a by-election can be mitigated for casual vacancies.

4. Asset Management (AMS)
Resources not required to support a by-election in the first 18 months of new Council term.

5. Workforce (WMS)
Workforce resources not required to support a by-election in the first 18 months of new Council term.

6. Legal and Risk Management
Nil. Mitigating risk of conducting by-election in first 18 months after NSW Local Government Election being held.

7. Performance Measures
Nil.

8. Project Management
Nil.

Daryl Buckingham
Chief Executive

Prepared by staff member: Elizabeth Melling

Approved/Reviewed by Manager: Daryl Buckingham, Chief Executive

Department: Office of the Chief Executive

Attachments: **1** Decision on using countbacks to fill casual vacancies (Excerpt from Post Election Guide) 1 Page

Excerpt from "Post-Election Guide for councils, county councils and joint organisations 2021"

**Published by – NSW Government – Office of Local Government,
Department of Planning, Industry and Environment (2021)**

Decision on using countbacks to fill casual vacancies

Following the 2021 local government elections, councils will, for the first time, have the option of using a countback of votes cast at the last ordinary election to fill casual vacancies occurring in the offices of councillors in the first 18 months after the election. This will allow councils to use a countback to fill vacancies at a lower cost than the cost of holding a by-election. To exercise the option of using a countback to fill casual vacancies occurring in the first 18 months following the election, councils must resolve, at their first meeting after the election, to use a countback to fill casual vacancies. If councils do not resolve this at the first meeting after the election, they will be required to fill casual vacancies through a by-election.

It is recommended that councils use the following resolution to exercise the option to use a countback to fill casual vacancies:

"Pursuant to section 291A(1)(b) of the Local Government Act 1993 (the Act) [name of council] declares that casual vacancies occurring in the office of a councillor within 18 months after the last ordinary election of councillors for the Council on [insert date of election] are to be filled by a countback of votes cast at that election for the office in accordance with section 291A of the Act and directs the general manager to notify [insert name of election manager] of the Council's decision within 7 days of the decision."

Where councils resolve² to fill casual vacancies using a countback in the first 18 months of their terms, the general manager is required under the Local Government (General) Regulation 20053 (the Regulation) to notify the election manager of the council's ordinary election of the council's resolution within 7 days of the resolution.

For all councils other than Fairfield and Penrith City Councils, the election manager is the NSW Electoral Commissioner.

Countbacks are not available to fill casual vacancies in the office of a councillor where: → the councillor who vacated office was elected at an election using the optional preferential voting system (i.e. elections where only one civic office is required to be filled such as the election of popularly elected mayors), or → the councillor was elected at an uncontested election.

A by-election must be used to fill these vacancies.

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV5/22
Subject:	COUNCIL DELEGATES ON COMMITTEES, EXTERNAL BOARDS & ASSOCIATIONS

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK	
CSP Goal:	Leadership - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
CSP Strategy:	Maintain strong relationships with all levels of Government and proactively seek involvement in decision making impacting our Shire and the New England Northwest Region.
Delivery Plan Action:	Provide sound and inclusive decisions using the Community Engagement Strategy to guide our interactions.
Operational Plan Action:	Comply with the regulatory and legislative requirements of Councils as outlined by the Office of Local Government and other bodies.

SUMMARY

The purpose of this report is to outline the specific purpose committees, external boards and organisations on which Council has representation so that the delegate/s to represent Council on these committees or boards for the year January 2022 to September 2022 can be determined.

OFFICER'S RECOMMENDATION:

- (1) That Council determine the representation on external bodies, specific purpose committees and other associations as listed below for the proceeding nine (9) months.**

	Representation	Delegate/s January to September 2022
Specific Purpose Committees		
Audit & Risk Committee	Mayor (Observer)	Mayor,
Contributions/Donations Assessment Panel	Mayor + 3 Councillors + 1 Reserve Councillor	Mayor,
Australia Day Awards Committee	Mayor + 3 Councillors + 1 Reserve Councillor	Mayor,
Sir Henry Parkes Memorial School of Arts Joint Management Committee	Mayor + 1 Councillor	Mayor,
Tenterfield Saleyards Advisory Committee	Mayor + 2 Councillors	Mayor,
Aboriginal Advisory Committee	Mayor + 1 Councillor	Mayor,
Heritage Advisory Committee	Mayor + 2 Councillors	Mayor,
Disability, Inclusion & Access Advisory Committee	1 Councillor + 1 Alternative Councillor	
Parks, Gardens & Open Space Advisory Committee	2 Councillors	

Our Governance No. 5 Cont...

Arts & Culture Advisory Committee	2 Councillors	
Tourism Advisory Committee	Mayor + 2 Councillor	Mayor,
Youth Advisory Committee	Mayor + 2 Councillor	Mayor,
Legume to Woodenbong Road	Mayor + 1 Councillor	Mayor,
External Boards, Committees & Organisations		
Country Mayors Association	Mayor	Mayor
Arts North West	Nil	
Border Region Organisation of Councils (BROC)	Mayor + 1 Councillor	Mayor,
Northern Inland Regional Waste	Mayor + 1 Councillor	Mayor,
North West Weight of Loads Group	1 Councillor	
Local Health Advisory Committee	Mayor	Mayor
Tenterfield Shire Local Traffic Committee	Mayor + 2 Councillors	Mayor,
Local Emergency Management Committee	Mayor + 1 Councillor	Mayor,
Bushfire Management Committee	1 Councillor	
NSW RFS Service Level Agreement Liaison Committee	Mayor + 1 Councillor	Mayor,
Australian Rural Roads Group	Mayor	Mayor
Tenterfield Liquor Accord	1 Councillor	
NSW Public Libraries Association	1 Councillor	
Granite Borders Landcare Committee Inc	1 Councillor	
Northern Tablelands Regional Weeds Committee	1 Councillor	
Murray Darling Association	Mayor/and or Deputy Mayor + 1 Councillor	Mayor, Deputy Mayor,
Tenterfield FM Radio Association	1 Councillor	
Community Safety Precinct Committee	Mayor	Mayor
Southern Downs Regional Council Highway Taskforce Alliance	Mayor + 1 Councillor	Mayor,
Bruxner Way Joint Committee	Mayor + Councillor	Mayor,
Joint Regional Planning Panels	Mayor, Deputy Mayor + 1 Councillor as Alternative	Mayor
National Timber Councils'	2 Councillors + 1	

Our Governance No. 5 Cont...

	Councillor Alternative	
Community Engagement Forums		
Our Society	Mayor + 3 Councillors (Open to All Councillors to attend)	Mayor,
Our Economy	Mayor + 3 Councillors (Open to All Councillors to attend)	Mayor,
Our Environment	Mayor + 3 Councillors (Open to All Councillors to attend)	Mayor,

(2) That Council adopt the Committees Register January to September 2022 including updates to committee and external body representation.

(3) That Council endorse the timetable for the Community Engagement Forums as follows (subject to confirmation of venues):

Location	Date	Time
Jennings	Wednesday 19 Jan 2022	3-5pm
Drake	Thursday 20 Jan 2022	3-5pm
Tenterfield	Thursday 20 Jan 2022	6-8pm
Torrington	Friday 21 Jan 2022	12-2pm
Mingoola	Friday 21 Jan 2022	3-5pm
Urbenville	Saturday 22 Jan 2022	10am-12noon
Legume	Saturday 22 Jan 2022	2-4pm
Liston	Saturday 22 Jan 2022	5.30-7.30pm

BACKGROUND

Council is required to determine annually the delegate/s that are to represent Council on external bodies and other community committees and panels. Due to the delay of the Local Government Elections, the period will be nine (9) months initially, then restart as an annual period from September 2022.

REPORT:***Committees Register to 4 December 2021***

The previous Committees Register is provided below for information purposes only. A copy of the current 2019-2021 Committee Register is attached, it contains Committee overviews for your information. This Register will be updated following the determination of representatives for all committees and external bodies for the January to September 2022 period.

Determination of Councillor Representation on Committees & External Bodies

Listed below is a table of all the committees and external bodies that currently have Councillor representation, including the Councillor/s that were delegates in the previous year. Council now needs to determine the representatives for each of these for the part year January to September 2022.

	Representation	Delegate/s 2019-2021
Specific Purpose Committees		
Audit & Risk Committee	Mayor + 1 Councillor	Mayor, Cr Don Forbes
Contributions/Donations Assessment Panel	Mayor + 3 Councillors + 1 Reserve Councillor	Mayor, Cr Michael Petrie, Cr John Macnish, Cr Bob Rogan, Reserve Cr Gary Verri
Australia Day Awards Committee	Mayor + 3 Councillors +	Mayor, Cr Don Forbes, Cr John

Our Governance No. 5 Cont...

	1 Reserve Councillor	Macnish, Cr Greg Sauer, Reserve Cr Gary Verri
Sir Henry Parkes Memorial School of Arts Joint Management Committee	Mayor + 1 Councillor	Mayor, Cr Greg Sauer
Tenterfield Saleyards Advisory Committee	Mayor + 2 Councillors	Mayor, Cr Don Forbes, Cr Michael Petrie
Aboriginal Advisory Committee	Mayor + 1 Councillor	Mayor, Cr Bronwyn Petrie
Heritage Advisory Committee	Mayor + 2 Councillors	Mayor, Cr Brian Murray, Cr Bronwyn Petrie
Disability, Inclusion & Access Advisory Committee	1 Councillor + 1 Alt Councillor	Cr Don Forbes, Cr Bob Rogan (alt)
Parks, Gardens & Open Space Advisory Committee	2 Councillors	Cr Greg Sauer, Cr Brian Murray
Arts & Culture Advisory Committee	2 Councillors	Cr Gary Verri, Cr Bronwyn Petrie
Tourism Advisory Committee	Mayor + 2 Councillor	Mayor, Cr Bob Rogan, Cr Gary Verri
Youth Advisory Committee	Mayor + 2 Councillor	Mayor, Cr Bronwyn Petrie, Cr Greg Sauer
Legume to Woodenbong Road	Mayor + 1 Councillor	Mayor, Cr Gary Verri
External Boards, Committees & Organisations		
Country Mayors Association	Mayor	Mayor
Arts North West	Nil	Cr Verri – Board Member
Border Region Organisation of Councils (BROC)	Mayor + 1 Councillor	Mayor, Cr Brian Murray
Northern Inland Regional Waste	Mayor + 1 Councillor	Mayor, Cr Bob Rogan
North West Weight of Loads Group	1 Councillor	Cr Gary Verri
Local Health Advisory Committee	Mayor	Mayor
Tenterfield Shire Local Traffic Committee	Mayor + 2 Councillors	Mayor, Cr Gary Verri, Cr Tom Peters
Local Emergency Management Committee	Mayor + 1 Councillor	Mayor, Cr Michael Petrie
Bushfire Management Committee	1 Councillor	Cr Tom Peters
NSW RFS Service Level Agreement Liaison Committee	Mayor +1 Councillor	Mayor, Cr Tom Peters
Australian Rural Roads Group	Mayor	Mayor P Petty
Tenterfield Liquor Accord	1 Councillor	Cr Don Forbes
NSW Public Libraries Association	1 Councillor	Cr John Macnish
Granite Borders Landcare Committee Inc	1 Councillor	Cr Bronwyn Petrie
Northern Tablelands Regional Weeds Committee	1 Councillor	Cr Tom Peters
Murray Darling Association	Mayor/and or Deputy Mayor + 1 Councillor	Mayor, Deputy Mayor + Cr Don Forbes
Tenterfield FM Radio Association	1 Councillor	Cr Tom Peters
Community Safety Precinct Committee	Mayor	Mayor
Southern Downs Regional Council Highway Taskforce Alliance	Mayor + 1 Councillor	Mayor, Cr Gary Verri
Bruxner Way Joint Committee	Mayor + 1 Councillor	Mayor, Cr Brian Murray
Joint Regional Planning Panels	Mayor, Deputy Mayor + 1 Councillor as alternative	Mayor, Deputy Mayor + Cr Bob Rogan (Alt)
National Timber Councils'	2 Councillors + 1 Councillor as alternative	Cr Bronwyn Petrie, Cr Michael Petrie + Cr Gary Verri (Alt)
Community Engagement Forums		
Our Society	Mayor + 3 Councillors	Mayor, Cr Greg Sauer, Cr Brian Murray, Cr John Macnish
Our Economy	Mayor + 3 Councillors	Mayor, Cr Bob Rogan, Cr Michael Petrie, Cr Greg Sauer
Our Environment	Mayor + 3 Councillors	Mayor, Cr Gary Verri, Cr Bronwyn Petrie, Cr Tom Peters

Our Governance No. 5 Cont...

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Community committees are an integral part of Council's community engagement and communication functions.

2. Policy and Regulation

- NSW Local Government Act 1993;
- NSW Local Government (General) Regulations 2005; and
- Tenterfield Shire Council Code of Meeting Practice.

3. Financial (Annual Budget & LTFP)

Nil

4. Asset Management (AMS)

Nil

5. Workforce (WMS)

Nil

6. Legal and Risk Management

Nil

7. Performance Measures

Nil

8. Project Management

Nil

Daryl Buckingham
Chief Executive

Prepared by staff member:

Elizabeth Melling

Approved/Reviewed by Manager:

Daryl Buckingham, Chief Executive

Department:

Office of the Chief Executive

Attachments:

1 Attachment 3 (Attachment Booklet 46
1) - Committee Register 2020- Pages
2021

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV6/22
Subject:	DELEGATED AUTHORITY - COUNCIL RECESS PERIOD

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Services to our community are provided in a professional, friendly and timely manner consistent with our corporate values.
Delivery Plan Action:	Deliver Customer Service and Business Services in the support of corporate outcomes.
Operational Plan Action:	Review and continually improve processes and systems in response to changing customer service needs and in the promotion of a positive customer service culture.

SUMMARY

The purpose of this report is to provide a full list of matters considered under the delegated authority to the Chief Corporate Officer as the Acting Chief Executive during the Council Recess Period as per Item (3) of Council Resolution 197/21.

OFFICER'S RECOMMENDATION:

That Council receive and note the Report and approve the delegated authority item listed below:

- a) Support for the St Joseph's Primary School - P & F by donating hire and delivery of chairs & tables to the Debutant Ball 2021 venue to the value of \$161.50;**
- b) Note quote to repair and rectify the deficiencies in terms of the Memorial Hall roof has been accepted and awarded with works commencing as soon as possible.**

BACKGROUND

The report "Council Recess Period – 2021/2022 & Delegation for Chief Executive leave period, Mayor Civic & Ceremonial duties and proposed Council meeting dates" was considered at the October 2021 Ordinary Council Meeting with the following resolution:

Resolution 197/21

Resolved that Council:

- (1) Note the closedown period for Staff from 17 December 2021 to 4 January 2022.*
- (2) Note Councils' elections held on 4 December 2021 are likely to be declared between 21 and 23 December 2021 and the elected positions are vacant during this period.*

Our Governance No. 6 Cont...

- (3) *Resolve to hold the first meeting of the new Council on 12 January 2022 with the following dates for meetings as follows:*
- a) Ordinary Council Meetings be held in each month of the calendar year with the exception of January 2023;*
 - b) Council Meetings be held on the fourth Wednesday of the meeting month at a time to be determined, with the exception of December 2022 which will be held on the third Wednesday of the month; and*
 - c) Ordinary Council Meetings be held each month in the "Koreelah Room", Council Administration Building with the exception of two meetings to be held in Drake and Urbenville.*
- (4) *Pursuant to Section 377 of the Local Government Act 1993, delegate authority to the Chief Executive and Chief Corporate Officer (Acting/Chief Executive in the absence of the Chief Executive) jointly to exercise any function of Council during the recess period with the exception of:*
- Determination of applications for all dwelling types and ancillary structures where significant objections have been received;*
Rezoning matters;
Subdivision applications; and
Entering into Leases and Licences.
- (5) *That a full list of any matters considered under such delegated authority be submitted for Council's information to the first 2022 Ordinary Council Meeting of Council to be held on 23 February 2022.*
- (6) *That Council grant Civic and Ceremonial authority to the Mayor during the period of 4 December 2021 and 12 January 2022.*

REPORT:

The following matters requiring the delegated authority were actioned:

St Joseph's Primary School - P & F

Due to discovery of structural roof deficiencies in the Memorial Hall Building by structural Engineers, all venue bookings needed to be advised and cancelled.

As the Debutant Ball 2021 was to be held shortly after this advice. Staff assisted in both securing a venue and the delivery and free hire of tables and chairs for the ball. Members of the school staff and P&F were most grateful for the support.

Quote to Repair Memorial Hall Roof.

Quotes were called for and received for the rectification works to the Memorial Hall Roof. Two quotations were received. The work has been awarded with works to commence as soon as possible.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil.

Our Governance No. 6 Cont...

2. Policy and Regulation

- Section 377 of the Local Government Act 1993

3. Financial (Annual Budget & LTFP)

A Budget allocation will need to be made in the Quarterly Budget Review as previously discussed.

4. Asset Management (AMS)

Nil.

5. Workforce (WMS)

Nil.

6. Legal and Risk Management

Nil.

7. Performance Measures

Nil.

8. Project Management

Nil.

Daryl Buckingham
Chief Executive

Prepared by staff member:	Elizabeth Melling
Approved/Reviewed by Manager:	Daryl Buckingham, Chief Executive
Department:	Office of the Chief Executive
Attachments:	There are no attachments for this report.

Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM GOV7/22
Subject:	MONTHLY OPERATIONAL REPORT - NOVEMBER 2021

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
CSP Strategy:	Council's decision making processes are open, accountable and based on sound integrated planning.
CSP Delivery Program	Promote and support community involvement in Council decision making process.

SUMMARY

The purpose of this report is to provide a standing monthly report to the Ordinary Meeting of Council that demonstrates staff accountabilities and actions taken against Council's 2020/2021 Operational Plan.

OFFICER'S RECOMMENDATION:

That Council receives and notes the status of the Monthly Operational Report for November 2021.

Daryl Buckingham
Chief Executive

Prepared by staff member:	Elizabeth Melling
Approved/Reviewed by Manager:	Daryl Buckingham, Chief Executive
Department:	Office of the Chief Executive
Attachments:	1 Attachment 4 (Attachment Booklet 112 2) - Monthly Operational Report - Pages November 2021

Department:	Office of the Chief Corporate Officer
Submitted by:	Acting Manager Finance & Technology
Reference:	ITEM GOV8/22
Subject:	FINANCE - UPDATE OF POLICY

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
CSP Strategy:	Council's decision making processes are open, accountable and based on sound integrated planning.
CSP Delivery Program	Promote and support community involvement in Council decision making process.

SUMMARY

The purpose of this report is to update the listed policy aligned with the Finance Department.

OFFICER'S RECOMMENDATION:

That Council adopt the updated Borrowing Policy.

BACKGROUND

Council policies are instruments that communicate decisions and directions for pursuing Council's specific goals. Regular reviews of Council policies are required, to maintain currency of these decisions and directions, and to ensure policies are delivering the outcomes desired from such policies.

REPORT:

The updated Borrowing Policy which is aligned with the Finance departments is presented to Council for review (document attached).

The updates have been made in order to allow Council the option to pursue short-term loan funding to alleviate its ongoing cash-flow issues, which are result of the delays in funding from government bodies for grant works and disaster recovery activities.

The policy has been updated with a new paragraph in section 4 of the document, as below:

Bridging Finance

Council may obtain short-term bridging finance in order to ensure compliance with legislative requirements to fund external restrictions, and to meet grant deed conditions. This may at times be necessary to provide sufficient cash to cover a period of time while Council is waiting to receive a significant amount of funds, such as for grant-funded works or disaster recovery activities which are paid in arrears.

There is also an additional line in section 7:

Our Governance No. 8 Cont...

Floating Interest Rate Loan. A loan where the interest rate can fluctuate for the term of the loan whenever pricing is reset. The floating rate is priced off the market Bank Bill Swap Bid rate (BBSY) rate, plus margins and fees.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Policy documents provide guidance to staff and clear guidelines and expectations on Council business to the community.

2. Policy and Regulation

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Ministerial Revised Borrowing Order 2009
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards

3. Financial (Annual Budget & LTFP)

Nil.

4. Asset Management (AMS)

Nil.

5. Workforce (WMS)

Nil.

6. Legal and Risk Management

Up to date and clear policies assists in mitigating the risk of staff not abiding by the Local Government Act 1993, Local Government (General) Regulations and other legislative requirements.

7. Performance Measures

Council's policies are current, up to date and readily available to the community and Council staff.

8. Project Management

Nil.

Kylie Smith
Chief Corporate Officer

Prepared by staff member:	Jessica Wild
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer
Department:	Office of the Chief Corporate Officer
Attachments:	1 Borrowing Policy



BORROWING POLICY

Summary:

The purpose of this policy is to ensure that the use and management of Council borrowings (including overdraft facilities):

- complies with the Ministerial Revised Borrowing Order dated 13 May 2009;
- is undertaken with due regard for Council's role as a custodian of public funds;
- is undertaken with the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons; and
- complies with Council's overall risk management philosophy.

Policy Number	1.020
File Number	N/A
Document version	V3.0
Adoption Date	12 January 2022
Approved By	Council
Endorsed By	Executive Management Team
Minute Number	
Consultation Period	N/A
Review Due Date	January 2023 (One Year)
Department	Office of Chief Corporate
Policy Custodian	Manager Finance & Technology
Superseded Documents	N/A
Related Legislation	1. Local Government Act 1993; 2. Local Government (General) Regulation 2005; 3. Ministerial Revised Borrowing Order; 4. Local Government Code of Accounting Practice and Financial Reporting; 5. Australian Accounting Standards; and 6. Office of Local Government Circulars.
Delegations of Authority	Manager Finance & Technology

1. Overview

The Council's power to borrow funds arises from Section 621 of the Local Government Act 1993. As a custodian of public funds, Council must exercise the reasonable care and diligence that a prudent person would exercise when borrowing funds.

This policy provides a framework for Council to borrow funds while ensuring the ongoing viability of the Council by not permitting overall borrowings to extend Council beyond its ability to meet future repayments and budgetary obligations. Section 377(1) (f) of the Local Government Act 1993 stipulates that Council cannot delegate the borrowing of money. It is expected that Councillors will have a full understanding of the terms and conditions of borrowing arrangements before entering into any contract.

2. Policy Principles

Delegation of Authority

Authority for the implementation of this policy is delegated by Council to the Chief Executive Officer in accordance with the Local Government Act 1993. The Chief Executive Officer may, in turn, delegate the day-to-day management of Council's borrowings to the Responsible Accounting Officer or other appropriately qualified senior staff (subject to regular reviews).

A record of the delegated authority is to be maintained and delegates are required to acknowledge that they have received a copy of this policy and understand the obligations of their delegated role.

It is the responsibility of the Chief Executive Officer to ensure that delegates have the necessary expertise and skill to carry out their delegated roles.

Guiding Principles

Guiding principles for Council borrowings.

1. Borrowings may only be used to fund capital expenditure and not operating expenditure (which should be funded from revenue).
2. Minimum working capital requirements are to be identified and maintained in a readily available form such that there is no need to call on borrowings to fund any shortfall in reasonably anticipated operating requirements.
3. It is appropriate to fund significant capital works via borrowings such that the full cost of infrastructure is not only borne by present day ratepayers, but also by future ratepayers who will benefit from use of the funded infrastructure.
4. It may be appropriate to fund certain capital projects with user charges, in which case user charges should reflect the project's costs, including loan payments.

5. The impact on Council's budget of any movement in interest rates must be actively managed.

3. Policy Objectives

The objectives of this policy are to ensure that the use and management of Council borrowings (including overdraft facilities):

- complies with the Ministerial Revised Borrowing Order dated 13 May 2009;
- is undertaken with due regard for Council's role as a custodian of public funds;
- is undertaken with the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons; and
- complies with Council's overall risk management philosophy.

4. Policy Statement

Structure of Borrowings

Overdraft

Council may maintain a modest overdraft facility for unexpected changes to operating cash flow requirements. As there are costs involved in accessing the facility, it is not to be used for expected operating cash flow and it is not to be used for long-term financing.

Bridging Finance

Council may obtain short-term bridging finance in order to ensure compliance with legislative requirements to fund external restrictions, and to meet grant deed conditions. This may at times be necessary to provide sufficient cash to cover a period of time while Council is waiting to receive a significant amount of funds, such as for grant-funded works or disaster recovery activities which are paid in arrears.

Credit Cards

It should be noted that the use of Council Credit cards (which is a form of borrowing) is subject to its own Policy. Council should set the overall credit facility limit within that Policy.

Long-Term Borrowings

Considerations

To assist with making the decision on whether to undertake long-term borrowings, Council should consider:

1. the financial impact of the proposed borrowing on Council's Long Term Financial Plan, Delivery Programme and Operational Plan including:
 - a. scenario analysis in the case of changes to market interest rates; and
 - b. any positive impact of the capital works funded by the proposed borrowing;
2. the Debt Service Ratio, which is an indicator of Council's ability to service its borrowings (should be shown to remain below 10%);

3. the cost-benefit analysis of the capital works to be funded and the works alignment with Council's strategic planning and capital programme; and

4. the proposed structure of the borrowings and the proposed way in which the Council will procure the borrowings to achieve competitive and favourable terms.

Requirements

All borrowings must be approved by Council resolution. The intention to borrow funds must be included in Council's annual draft Operational Plan.

Council should advise the Office of Local Government (OLG), completing a loan borrowing forecast return. If Council subsequently changes the purpose of the loan or increases the amount, a Council resolution must be passed prior to drawing any funds. In the event of an increase, Council must also re-submit their loan borrowing return to OLG (this information is normally collected by NSW Treasury Corporation on behalf of OLG).

Process

To minimise the cost of borrowing, the policy will require Council to seek competitive borrowing terms by way of obtaining a minimum of three (3) quotes. Once Council is permitted to borrow from the NSW Treasury Corporation, one of these quotes should be sourced from there.

The borrowing maturity profile should reflect the Council's forecast repayment profile. Consideration should also be given to incorporating flexibility in borrowing covenants in case of early repayment or a need to extend the term of the loan.

During the life of long-term borrowings, Council must regularly update its financials to ensure no breach of covenants or to take advantage of flexibility in the repayment profile should Council's financial situation change over time.

Restrictions

Council is restricted, by the Ministerial Revised Borrowing Order dated 13 May 2009, to source the borrowings from Australia and in Australian currency.

Borrowing Parameters

The maximum term of borrowings is the shorter of 20 years or the expected economic life of the capital works funded.

Monitoring and Reporting

Any breach of this policy is to be reported to the Chief Executive Officer and Responsible Accounting Officer immediately upon becoming aware of such breach. A written statement of the facts relating to the breach is to be prepared within two business days, including the remedial action taken or proposed to be taken. The breach should be reported to Council at the next meeting.

Review

This policy will be reviewed at least once every two years and, in addition, as and when required in the event of legislative or other regulatory changes. Any amendment to this policy must be authorised by Council resolution.

5. Scope

This Policy applies to all of Council's borrowings.

6. Accountability, Roles & Responsibility

Elected Council

It is the Elected Council's responsibility to approve borrowings. There must be a Council resolution for each borrowing.

Staff

Any member of staff involved in organising Council borrowings must do so in accordance with the adopted Borrowing Policy.

7. Definitions

Variable Rate Loan. A loan that attracts an interest rate linked to a variable benchmark. In Australia variable rate loans are normally priced at a fixed margin over the Ausbond Bank Bill Rate which is the market benchmark three month interbank rate

Fixed Rate Loan. A loan that attracts a fixed pre-determined interest rate throughout the term of the loan.

Amortising/Credit Foncier Loan. A loan that is repaid over the term of the loan, normally by equal instalments due quarterly or semi-annually. Interest payments and capital repayments are normally combined and paid on the instalment date.

Interest Only Loan. A loan repaid in full on the final maturity date. The loan can be either a variable rate loan or a fixed rate loan with interest payments normally payable quarterly for a variable rate loan and semi-annually for a fixed rate loan.

Floating Interest Rate Loan. A loan where the interest rate can fluctuate for the term of the loan whenever pricing is reset. The floating rate is priced off the market Bank Bill Swap Bid rate (BBSY) rate, plus margins and fees.

8. Related Documents, Standards & Guidelines

Investment Policy.

Credit Card Policy.

9. Version Control & Change History

Version	Date	Modified by	Details
V1.0	23/05/18	Council	Adoption of Original Policy (Res No. 95/18)
V2.0	28/10/20	Council	Review/Amended Policy (Res No. 231/20)

Department:	Office of the Chief Corporate Officer
Submitted by:	Acting Manager Finance & Technology
Reference:	ITEM GOV9/22
Subject:	FINANCE & ACCOUNTS - PERIOD ENDED 30 NOVEMBER 2021

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council is a financially sustainable organisation, delivering value services to the Community.
CSP Delivery Program	Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.

SUMMARY

The purpose of this Report is for the Responsible Accounting Officer to provide, in accordance with Clause 212 of the Local Government (General) Regulation 2005 a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The report must be made up to the last day of the month immediately preceding the meeting.

OFFICER'S RECOMMENDATION:

That Council receive and note the Finance and Accounts Report for the period ended 30 November 2021.

BACKGROUND

In accordance with Clause 212 of the Local Government (General) Regulation 2005 the Responsible Accounting Officer must provide a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The Report must be made up to the last day of the month immediately preceding the meeting.

REPORT:

A reconciliation of cash books of all funds has been carried out with the appropriate bank statements. A certified schedule of all Council's investments showing the various amounts invested is shown as an attachment to this report.

(a) Reconciliation of Accounts

A reconciliation of the cash books of all funds have been carried out with the appropriate bank statements as at 30 November 2021.

Cash Book Balances on this date were as follows:-

General (Consolidated)	\$12,202,363.41	Credit
General Trust	\$ 382,340.85	Credit

(b) Summary of Investments

Our Governance No. 9 Cont...

The attachment to this report is a certified schedule of all Council's investments as at 30 November 2021 showing the various invested amounts and applicable interest rates.

Concealed Water Leakage Concession Policy Update

For the month of November 2021 no concessions were granted to the value of \$0.00 under Council's Concealed Water Leakage Concession Policy.

603 Certificates

Number of applications for 603 Certificates as to Rates and Charges. During the sale of a property a 603 Certificate is usually requested to identify if there are any outstanding or payable fees to Council by way of rates, charges or otherwise in respect of a parcel of land. There were 42 applications for 603 Certificates in November 2021.

In the calendar year to date, there have been 434 applications compared to 255 applications for the same period last year. For the full 2020 year, there was a total of 279 applications.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil

2. Policy and Regulation

- Investment Policy (Policy Statement 1.091)
- Local Government Act 1993
- Local Government (General) Regulation 2005
- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government Circulars

3. Financial (Annual Budget & LTFP)

Nil

4. Asset Management (AMS)

Nil

5. Workforce (WMS)

Nil

6. Legal and Risk Management

Nil

7. Performance Measures

Nil

8. Project Management

Nil

Kylie Smith
Chief Corporate Officer

Our Governance No. 9 Cont...

Prepared by staff member:	Jessica Wild; Jayne Crotty
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer
Department:	Office of the Chief Corporate Officer
Attachments:	1 Investment Report - 30 November 2021

TENTERFIELD SHIRE COUNCIL - SUMMARY OF INVESTMENTS 30 NOVEMBER 2021

Financial Institution	Issuer Rating	Investment Term	Maturity Date	Interest Rate	Amount	Percentage Exposure
NAB	AA-	60 Days	28/Jan/22	0.20%	1,500,000.00	25.00%
<u>TOTAL NAB INVESTMENTS</u>					<u>1,500,000.00</u>	<u>25.00%</u>
Commonwealth Bank	AA-	2 Months	29/Dec/21	0.21%	3,000,000.00	50.00%
<u>TOTAL CBA INVESTMENTS</u>					<u>3,000,000.00</u>	<u>50.00%</u>
Westpac	AA-	3 Months	27/Jan/22	0.20%	1,500,000.00	25.00%
<u>TOTAL WESTPAC INVESTMENTS</u>					<u>1,500,000.00</u>	<u>25.00%</u>
INVESTMENTS TOTAL					6,000,000.00	100.00%

Summary

I hereby certify that the investments as shown herein, have been invested in accordance with Section 625 of the Local Government Act 1993, and associated Regulations, and in accordance with Council policy and procedures.

Responsible Accounting Officer

By:

J.Wild

* Except as highlighted in the associated Council Report.

Department:	Office of the Chief Corporate Officer
Submitted by:	Acting Manager Finance & Technology
Reference:	ITEM GOV10/22
Subject:	CAPITAL EXPENDITURE REPORT AS AT 30 NOVEMBER 2021

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council is a financially sustainable organisation, delivering value services to the Community.
CSP Delivery Program	Collaborate and deliver resources with other organisations to ensure a variety of cost effective services across the service area.

SUMMARY

The purpose of this Report is to show the progress of Capital Works projects against the Year to Date (YTD) budget each month. This Report outlines Council's financial progress against each project.

OFFICER'S RECOMMENDATION:

That Council receive and note the Capital Expenditure Report for the period ended 30 November 2021.

BACKGROUND

The Capital Expenditure Report indicates to Council the financial progress of each project against the forecast expenditure for that project. The information has also been set out to show which Council service the expenditure relates to.

REPORT:

The carry-forward budgets for capital projects not completed in the 2020/21 year were adopted in the first Quarterly Budget Review at the November 2021 meeting. The budgets for a number of new grants received in the current financial year were also adopted. The Capital Expenditure Report has been updated to show the current list of approved capital projects.

Staff are reminded to proceed with their capital projects as early as possible in the year, so that the funds can be spent within the financial year as per the operational plan and budget. The purpose of this is to avoid excessive carry forward projects across future financial years and to achieve the projects that Council presented in the Operational Plan for the current year.

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Nil

2. Policy and Regulation

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Government Code of Accounting Practice and Financial Reporting

Our Governance No. 10 Cont...

- Australian Accounting Standards
- Office of Local Government Circulars

3. Financial (Annual Budget & LTFP)

Nil

4. Asset Management (AMS)

Nil

5. Workforce (WMS)

Nil

6. Legal and Risk Management

Nil

7. Performance Measures

Nil

8. Project Management

Nil

Kylie Smith
Chief Corporate Officer

Prepared by staff member:	Jessica Wild	
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer	
Department:	Office of the Chief Corporate Officer	
Attachments:	1 Attachment 5 (Attachment Booklet 2) - November 2021 Capital Expenditure Report	3 Pages

Department:	Office of the Chief Corporate Officer
Submitted by:	Acting Manager Finance & Technology
Reference:	ITEM GOV11/22
Subject:	Changes to Proposed Borrowings 2021-22 Financial Year

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council is a financially sustainable organisation, delivering value services to the Community.
CSP Delivery Program	Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.

SUMMARY

The purpose of this report is to recommend to Council that a Corporate Markets Loan with the National Australia Bank be obtained, in order to ensure that there is sufficient cash held to meet the total amount of Council's external cash restrictions, in compliance with the Local Government Act 1993. This short-term bridging finance is necessary to alleviate Council's ongoing cash-flow issues, which are result of the delays in funding from government bodies for grant works and disaster recovery activities which are paid in arrears.

OFFICER'S RECOMMENDATION:

That Council:

- (1) Approves the establishment of a Corporate Markets Loan with NAB with a drawdown facility limit of \$5,000,000 for a rollover period of 90 days, to function as a cash reserve to fund external restrictions when required.**
- (2) That Council notify the Office of Local Government of the loan arrangements.**

BACKGROUND

The adopted Operational Plan and Budget for 2021/2022 allowed for borrowings totaling \$5,904,612 to fund capital expenditure, and this was reported on Council's Proposed Borrowings return to the Office of Local Government.

Council continues to face challenges in treasury management of cash-flow due to the majority of grant-funded and disaster recovery (DRFA) works being funded in arrears by the various state and federal government funding bodies (wherein cash is received after expenditure has been incurred). This issue has been highlighted with Council on a number of previous occasions (e.g. the Quarterly Budget Reviews for March 2021 and September 2021; the presentation of the 2021/2022 Financial Statements in October 2021).

This was significant audit issue for the 2021/2022 Financial Statements, when the delayed timing of cash received versus expenditure resulted in Council reporting a negative unrestricted cash figure of \$1.2 million as at 30 June 2021 (meaning that on that date Council did not hold enough cash & investments to fully fund the external

Our Governance No. 11 Cont...

restrictions). This resulted in the addition of a disclosure in Note C1-2 of the Financial Statements as below:

Council's negative unrestricted cash of \$1.2 million represents a breach of section 409(3) of the LG Act and may also constitute a breach of section 410(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 without seeking Ministerial approval. 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.

The report to Council on the updated 2020/2021 Financial Statements at the 27 October 2021 Council meeting included the below information:

The requirement of Section 409 (3) (a) and (c) of the Local Government Act 1993 means Council would have to borrow funds for bridging finance to cover these payments received in arrears even though it had sufficient cash on hand to cover these costs i.e. if a council is managing its funds holistically why should there be a need to borrow, even from one fund to another let alone externally from a financial institution. Seeking approval from the Minister for a short term bridging finance arrangement creates unnecessary administrative inefficiency, for both Council and the Minister's office, for what is essentially a timing issue where there is no risk of the funds not being received.

What this has highlighted again however is the problem with councils of our size being funded in arrears for grant projects or being required to make a co-contribution for grant funded projects, both issues that Council was successful in moving motions about at this year's LGNSW conference.

Council acknowledges however, that there needs to be improvements made to its recording and monitoring of cash received for specific purposes to ensure there is no breach of the relevant sections of the Local Government Act 1993 in the future.

REPORT:

As previously highlighted to Council, there is an ongoing risk that Council may continue to report negative unrestricted cash balances, given that many of the grant-funded works and disaster recovery (DRFA) works undertaken by Council are funded in arrears. This is also impacted by Council's General Fund reporting deficits for the last several years (there was a deficit of -\$3.749M in 2020/21), which means that Council has not been able to build a reserve of unrestricted cash to allow for the cash-flow timing variations as would normally be expected.

As Council's grant-funded capital works program for the current year (and most likely into the next several years) far exceeds the value of works that have been managed in the past, and whilst the operating deficit continues to be a serious issue (as operational income cannot fully fund normal operations), Council will continue to face the challenge of both managing cash, and ensuring compliance with sections 409(3) and 410(3) of the Local Government Act 1993.

As such, it is recommended that Council obtain short-term bridging finance, which can be accessed for those periods of time during which Council is not expected to hold

Our Governance No. 11 Cont...

sufficient cash to meet the total amount of the external cash restrictions (due to funding delays). This type of financing would act as a cash reserve facility, which could be drawn upon when required, until enough of the funding owed to Council is received and there is no longer the risk of a negative unrestricted cash balance, at which point the loan funds would be repaid to the financial institution.

The establishment of this loan facility is of course an additional cost to Council, however it is necessary in order to ensure that Council complies with the Local Government Act 1993, and given the current funding arrangements and Council's operational deficits posing a risk to financial sustainability, this is currently the best option.

A quote has been obtained from Council's banking provider (National Australia Bank) for a Corporate Markets Loan with a drawdown facility limit of \$5,000,000 for a rollover period of 90 days. By using our normal banking provider, it allows Council to have self-service access to the loan funds in reserve (i.e. the ability to transfer funds between the reserve and the general bank account as needed).

The indicative rates as at 14 December 2021 were:

Description	Rate
BBSY (Monthly Interest Cycle)	0.06%
Customer Margin	0.25%
Total Customer Interest Rate	0.31%

This is the floating rate, and is variable dependent on the Bank Bill Swap Bid Rate (BBSY) – an Australian benchmark interest rate which is managed by ASX Ltd.

The Total Customer Interest Rate is the rate Council would be paying whenever there was cash drawn from the reserve facility – calculated daily, and charged at the end of the 90 day rollover period.

Description	Rate
Facility Fee	0.40% p.a.

The facility fee is charged every 90 day rollover on the total facility limit. This equates to \$20,000 total for one year.

If Council decides at a later date to adjust the financing arrangement (e.g. increase the facility limit), there may be an additional fee involved.

If Council approves the establishment of a Corporate Markets Loan, there would need to be a budget amendment in the December 2021 Quarterly Budget Review for the cost of the facility fee, plus an estimate of the interest for the remainder of the financial year.

Council will need to notify the Minister for Local Government that Council approved the loan facility, in accordance with section 230 (1) of the Local Government (Local) Regulation 2005. This type of short-term bridging finance does not appear to be included in the Proposed Borrowing Return that Council provides to the Office of Local

Our Governance No. 11 Cont...

Government, therefore this notification would instead take the form of a letter outlining the loan arrangements.

It is also suggested that for the monthly Finance & Accounts report, to update the Investment Report to show the allocation of invested cash between Council's funds (General, Water, Sewer, Waste and Stormwater).

COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Council's original loan borrowings were incorporated into the draft Operational Plan and Budget for 2021/2022 that went out for public consultation prior to the adoption of the final Operational Plan and Budget in May 2021.

No additional consultation is required.

2. Policy and Regulation

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Ministerial Revised Borrowing Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Council's Borrowing Policy

3. Financial (Annual Budget & LTFP)

If Council approves the establishment of a Corporate Markets Loan, there would need to be a budget amendment in the December 2021 Quarterly Budget Review for the cost of the facility fee, plus an estimate of the interest for the remainder of the financial year.

4. Asset Management (AMS)

Nil.

5. Workforce (WMS)

Nil.

6. Legal and Risk Management

Nil.

7. Performance Measures

Nil.

8. Project Management

Nil.

Kylie Smith
Chief Corporate Officer

Prepared by staff member:	Jessica Wild
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer
Department:	Office of the Chief Corporate Officer
Attachments:	1 NAB Corporate Markets Loan Fact Sheet



CORPORATE MARKETS LOAN

Customised finance for larger businesses

- Market-linked pricing with options to structure your loan – Floating, Fixed, Cap, Range – via our Markets Specialists
- Choice of pricing periods and interest rate settings to suit your cash flow
- Online transaction capability for repayments and redraws on Floating and Cap components
- Loan can be interest-only or established with principal repayments.

At a glance

Market-linked product with interest rate protection options, customised loan structures and online self-service.

Suitable for

Larger businesses looking for funds over the medium to longer term.
Minimum Lending: As approved by NAB.

How we can help

Customer Need	Our Solution
Market-linked Floating Rate	The Floating component interest rate is quoted as BBSY market rate plus margins and fees. The Floating Rate resets for each pricing period in line with movements in BBSY.
Protection from Interest Rate Risk	A Markets Specialist can structure the loan facility to help protect against rate movements and manage your borrowing costs.
Easy Access to Funds	Once your facility is in place, it's easy to draw down additional funds up to your limit when you need them.
Online Access	You can view your account 24/7. You also have access to redraw and the ability to make repayments within available hours for Floating and Cap components.

Product information

Loan Term	Up to 15 years, with longer terms subject to our lending criteria.
Interest Charges	The Floating Rate is priced off the market BBSY rate plus margins and fees. Fixed Rate is determined and advised by NAB. Interest is calculated daily and payable in arrears up to 2 Banking Days following the end of each pricing period. Interest is charged to your nominated business transaction account.
Fees, Charges & Premiums	Available upon application.
Pricing Periods	1 month, 2 months, 3 months or 6 months – custom options are available. Note: For pricing periods less than 3 months, a Reset Margin will apply. The Reset Margin applicable to your Facility may vary from time to time. NAB publishes Reset Margin rates periodically on nab.com.au

Product information cont.

Interest Options	<p>Available component:</p> <ul style="list-style-type: none"> – Floating interest rate – can fluctuate for the term of the loan whenever pricing is reset. <p>Interest Rate Risk Management components:</p> <ul style="list-style-type: none"> – Fixed – fixed rate for the term of the component. – Cap – can help protect you from rising interest rates by setting a capped rate, while still allowing for the benefits from falling rates. – Range – protects you from rising rates by setting a capped rate while also allowing you to benefit from falling interest rates to an agreed floor rate (usually at a cheaper premium to cap rates). <p>Cap and Range Rate components attract additional premiums. IRRM component terms are available for up to 7 years, with longer terms subject to our lending criteria.</p>
Additional Repayments	<p>Yes, for Floating and Cap components.</p> <p>Non-scheduled repayments for Fixed and Range Rate components might attract Economic Costs, which could be significant.</p>
Redraw	Yes, for Floating and Cap components.
Progressive Drawdown	Yes, for Floating and Cap components.
Repayment Options	Interest-Only or Principal & Interest repayments are available.
Interest Rate Risk Management	Yes – this can be added at any time via Market Specialists with no re-documentation required if within current facility and limit.
Online Self-service	Yes, redraw and repayments are available within available hours for Floating and Cap components.
Same-day Drawdown	Yes, speak to your Business Banker to request.

Complementary services

NAB Connect/Internet Banking	<p>View online 24/7.</p> <p>Online customer self-service functionality with security and multiple authorisation levels. Transactions for repayments and redraws on Floating and Cap components available between midnight and 8pm AEST on banking days. Not available on weekends, national and Sydney public holidays. Future dated transactions can be queued and processed outside of these hours.</p>
NAB Markets Specialist	Discuss how you can help protect your business from interest rate movements and structure your loan components with our Market Specialists to best suit your cash flow and business needs.

How to apply

If you have more questions or need further assistance, contact your NAB Business Banking Relationship Manager, call **13 10 12**, email nab.corporate.banking.support@nab.com.au or visit nab.com.au

Important information

The information is current as at April 2015 and subject to change. The information does not purport to be a complete description of the product/facility. Content within the Fact Sheet is of general nature only and has been prepared without taking into account your objectives, financial situation or needs. Before acting on the information in this Fact Sheet, NAB recommends that you consider whether it is appropriate for your circumstances. The product is only available to approved business customers. Fees and conditions apply.
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Department:	Office of the Chief Executive
Submitted by:	Executive Assistant & Media
Reference:	ITEM RES1/22
Subject:	Resolution Register - November/December 2021

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council fosters a strong organisational culture which strives for best practice in all operations with a supportive corporate governance framework.
CSP Delivery Program	Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.

SUMMARY

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that outlines all Resolutions of Council previously adopted and yet to be finalised.

OFFICER'S RECOMMENDATION:

That Council notes the status of the Council Resolution Register to November/December 2021.

Daryl Buckingham
Chief Executive

Prepared by staff member:	Elizabeth Melling	
Approved/Reviewed by Manager:	Daryl Buckingham, Chief Executive	
Department:	Office of the Chief Executive	
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