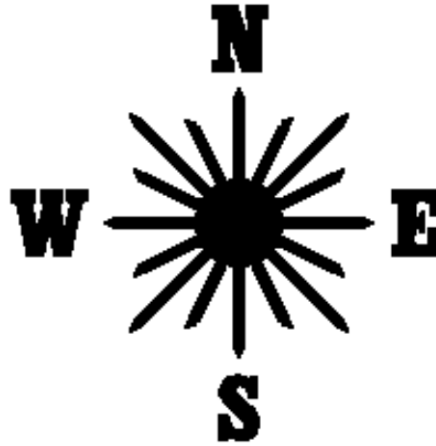


CENTRAL DARLING



SHIRE COUNCIL

ORDINARY COUNCIL MEETING BUSINESS PAPER

Wednesday 28th October 2020

The Meeting will be held at 9.00am in the
Council Chambers, 21 Reid Street, Wilcannia.

MISSION STATEMENT

To promote the Central Darling Shire area by encouraging development through effective leadership, community involvement and facilitation of services.

RECORDING AND WEBCAST OF COUNCIL MEETINGS

Council meetings are recorded and webcast on Council's website, your attendance and/or input may be recorded and publicly broadcast.

PUBLIC RECORDING PROHIBITED WITHOUT COUNCIL AUTHORITY

A person may only use a recording device, including audio and visual recording and any device capable of recording speech, to record a Council meeting by the resolution of the Council.

A person may be expelled from a Council meeting for having used a recording device without consent.

PHOTOGRAPHY PROHIBITED WITHOUT PERMISSION

Photography is not permitted at a Council meeting without the consent of the General Manager.

PUBLIC FORUM - EXTRACT FROM THE CODE OF MEETING PRACTICE POLICY

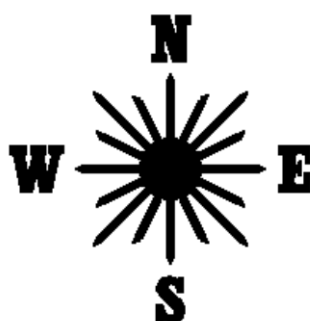
1. The Council may hold a public forum prior to each ordinary meeting of the Council for the purpose of hearing oral submissions from members of the public on items of business to be considered at the meeting. Public forums may also be held prior to extraordinary Council meetings and meetings of Committees of the Council.
2. Public forums are to be chaired by the Mayor or their nominee.
3. To speak at a public forum, a person must first make an application to the Council in the approved form. Applications to speak at the public forum must be received by same day 8.50am before the date on which the public forum is to be held, and must identify the item of business on the agenda of the Council meeting the person wishes to speak on, and whether they wish to speak 'for' or 'against' the item.
4. A person may apply to speak on no more than two (2) items of business on the agenda of the Council meeting.
5. Legal representatives acting on behalf of others are not to be permitted to speak at a public forum unless they identify their status as a legal representative when applying to speak at the public forum.
6. The General Manager or their delegate may refuse an application to speak at a public forum. The General Manager or their delegate must give reasons in writing for a decision to refuse an application.
7. No more than three (3) speakers are to be permitted to speak 'for' or 'against' each item of business on the agenda for the Council meeting.
8. If more than the permitted number of speakers apply to speak 'for' or 'against' any item of business, the General Manager or their delegate may request the speakers to

nominate from among themselves the persons who are to address the Council on the item of business. If the speakers are not able to agree on whom to nominate to address the Council, the General Manager or their delegate is to determine who will address the Council at the public forum.

9. If more than the permitted number of speakers apply to speak 'for' or 'against' any item of business, the General Manager or their delegate may, in consultation with the Mayor or the Mayor's nominated Chairperson, increase the number of speakers permitted to speak on an item of business, where they are satisfied that it is necessary to do so to allow the Council to hear a fuller range of views on the relevant item of business.
10. Approved speakers at the public forum are to register with the Council any written, visual or audio material to be presented in support of their address to the Council at the public forum, and to identify any equipment needs no more than three (3) days before the public forum. The General Manager or their delegate may refuse to allow such material to be presented.
11. The General Manager or their delegate is to determine the order of speakers at the public forum.
12. Each speaker will be allowed five (5) minutes to address the Council. This time is to be strictly enforced by the Chairperson.
13. Speakers at public forums must not digress from the item on the agenda of the Council meeting they have applied to address the Council on. If a speaker digresses to irrelevant matters, the Chairperson is to direct the speaker not to do so. If a speaker fails to observe a direction from the Chairperson, the speaker will not be further heard.
14. A Councillor (including the Chairperson) may, through the Chairperson, ask questions of a speaker following their address at a public forum. Questions put to a speaker must be direct, succinct and without argument.
15. Speakers are under no obligation to answer a question put under Clause 4.14. Answers by the speaker, to each question are to be limited to three (3) minutes.
16. Speakers at public forums cannot ask questions of the Council, Councillors or Council staff.
17. The General Manager or their nominee may, with the concurrence of the Chairperson, address the Council for up to three (3) minutes in response to an address to the Council at a public forum after the address and any subsequent questions and answers have been finalised.
18. Where an address made at a public forum raises matters that require further consideration by Council staff, the General Manager may recommend that the Council defer consideration of the matter pending the preparation of a further report on the matters.
19. When addressing the Council, speakers at public forums must comply with this code and all other relevant Council codes, policies, and procedures. Speakers must refrain from engaging in disorderly conduct, publicly alleging breaches of the Council's Code of Conduct, or making other potentially defamatory statements.

20. If the Chairperson considers that a speaker at a public forum has engaged in conduct of the type referred to in Clause 4.19, the Chairperson may request the person to refrain from the inappropriate behaviour and to withdraw and unreservedly apologise for any inappropriate comments. Where the speaker fails to comply with the Chairperson's request, the Chairperson may immediately require the person to stop speaking.
21. Clause 4.20 does not limit the ability of the Chairperson to deal with disorderly conduct by speakers at public forums in accordance with the provisions of Part 14 of this code.
22. Where a speaker engages in conduct of the type referred to in Clause 4.19, the General Manager or their delegate may refuse further applications from that person to speak at public forums for such a period as the General Manager or their delegate considers appropriate.
23. Councillors (including the Mayor) must declare and manage any conflicts of interest they may have in relation to any item of business that is the subject of an address at a public forum, in the same way that they are required to do so at a Council or Committee meeting. The Council is to maintain a written record of all conflict of interest declarations made at public forums and how the conflict of interest was managed by the Councillor who made the declaration.

CENTRAL DARLING



SHIRE COUNCIL

ORDINARY COUNCIL MEETING

Wednesday, 28th October 2020
9.00am
Council Chambers
21 Reid Street, Wilcannia

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1. OPENING OF MEETING

The Council Meeting will be declared open by the Mayor/Administrator.

2. ACKNOWLEDGEMENT OF COUNTRY

We would like to acknowledge the traditional custodians of this land and pay respects to Elders past and present.

3. APOLOGIES AND LEAVE OF ABSENCE

- DIRECTOR BUSINESS SERVICES -JACOB PHILP

4. DISCLOSURES OF INTEREST

Pursuant to the Model Code of Conduct for Local Councils in NSW Councillors and Council staff are required to declare any pecuniary or non-pecuniary conflicts of interest.

Recommendation:

That the Disclosures of Interest – Pecuniary and Non-Pecuniary be received and noted.

5. CONFIRMATION OF MINUTES

5.1 ORDINARY MEETING – 23rd September 2020

Recommendation:

That the Minutes of the Ordinary Council Meeting held on 23rd September be received and confirmed as an accurate record.

Attachments:

1. [23rd September 2020](#)

5.2 BUSINESS ARISING

Nil

6. MAYORAL (ADMINISTRATOR) MINUTE(S)

6.1 ADMINISTRATOR MINUTE – OCTOBER 2020

As required by the *Local Government Act* contract of employment the General Managers annual performance review was conducted with the assistance of an independent facilitator, Mr Mark Anderson of LGNSW. The General Managers performance was deemed satisfactory and he is to be congratulated on his leadership over the last twelve months.

As part of the engagement of LGNSW, they have been asked to assist the GM to establish a robust performance framework for the Directors.

Over the past month, meetings have continued across the shire on the redesign of our s355 Committees and to introduce the project to develop a new Community Strategic Plan (CSP). Council has now appointed our lead consultants to facilitate this process.

The CSP will set the community's vision for the next 10 years and will guide Council and government in the delivery of services. I would encourage all to participate in this process, as your input will ensure a document that is relevant for the shire.

Issues around water have continued to demand time with video conferencing sessions to discuss Floodplain Harvesting and the Wilcannia Weir Project. The GM and I also held a telephone meeting with the executive of the Menindee SDL SAG Committee to discuss water policy. Water policy has also been discussed with Local Member Roy Butlers staff.

Council is in the final stages of the sale of land for unpaid rates and this will tidy up a longstanding legacy issue. Staff have worked with affected landowners to facilitate outcomes that addresses the recovery of the debt wherever possible.

Staff have continued work for the preparation of Annual Statements and the Audit. This work has been impacted by staff leave and IT issues, however the project remains on track.

7. FINANCIAL REPORTS

7.1 PROGRESSES TOWARDS SALE OF LAND FOR UNPAID RATES AUCTION

REPORT AUTHOR: ACTING RATES OFFICER
RESPONSIBLE DIRECTOR: GENERAL MANAGER

EXECUTIVE SUMMARY:

This report provides an update on the progress towards the Sale of Land for Unpaid Rates and Charges Auctions planned (at time of writing) for late October 2020.

RECOMMENDATION:

That Council will:

- 1. Receive the report**
- 2. Note that monthly reports will be provided to Council until such time that the auctions have concluded, and the sale process has been finalised.**

BACKGROUND:

Section 713 of the Local Government Act 1993 (the LGA) provides that Council may sell land by public auction where rates and charges remain unpaid for a period of five (5) years or longer.

At its Ordinary Meeting on 25 March 2020, Council resolved to sell 111 properties at public auctions, or by private treaty subsequent to such public auctions, but to defer advertising and scheduling of such auctions until such time that it is considered appropriate to proceed in light of the Covid-19 situation, which was beginning to evolve at that time.

At its Ordinary Meeting on 24 June 2020, Council endorsed that sale of land auctions be conducted in the week commencing 26 October 2020, for 104 properties, with auctions held at venues in Wilcannia, Ivanhoe, and Menindee.

Council received and noted a progress report on the matter at the Ordinary Meetings 22 July 2020, 26 August 2020, and 23 September 2020

REPORT:

Since the progress report on the matter was received at the Ordinary Meeting 26 August 2020 the following has occurred:

1. Payment in full (by owner) has been made on one property which has been withdrawn from sale.
2. One further landlocked parcel has been withdrawn pending the adjoining owner making a possessory title application.
3. One further matter has been resolved through a private sale with a sustainable payment arrangement in place with the new owner – property withdrawn from sale.

4. Part payment – achieved in respect of one property in respect to 2 of 3 lots for one outlying rural parcel where the adjoining property owner who is seeking possessory title of that land. 2 lots withdrawn with the 3rd lot/parcel remains listed.
5. Payment Arrangements – Staff have continued to seek payment or sustainable payment arrangements from those ratepayers with who contact is possible. In some instances, discussions have also occurred with family members of deceased owners.
Since Council received a report on this matter at its Ordinary meeting on 23 September 2020, no further payment arrangements have been established.
6. Decisions have been made to offer several adjoining parcels in one line, as provided by S 713(4) of the LGA;

The council may, in the case of adjoining parcels of land (whether in the same or different ownerships) each of which may be sold under this Division—

(a) sell them separately or as a single parcel and under whatever conditions of sale it considers proper, and

(b) do such things as it considers appropriate for the purpose of selling the land at its full value.

This has effectively reduced the number of properties being offered for sale to 86 although this number accounts for 94 properties/assessments. It is considered that sales in one line of those properties so offered, offers the best opportunity for sales and the best possible sale prices being achieved.

Adjoining/Surrounding Property Owner Concerns – Land Locked Parcels

There remain 18 remote rural properties (included in the 94 properties that remain listed for sale) which are land locked and/or effectively occupied by large agricultural holdings/stations. In most cases existing ownership dates back decades in some cases over 100 years.

There are reports that, in other large rural shires, outside parties have purchased land locked parcels as “camp” blocks or a base for hunting feral and non-feral animals with access gain by trespassing the surrounding station properties. In many cases, such action would jeopardise biosecurity regulations that apply to the surrounding stations.

All such surrounding property owners were previously notified of the proposed sales and staff have had many discussions with the majority of adjoining owners (and attempted to contact the others). This has assisted our understanding of their intention in regard to bidding at auction or seeking possessory title.

To date, adjoining owners have indicated their intent as follows.

Bid at auction	10	Unconfirmed	8
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Next steps

At the time Council considers this report, it is expected that auctions for White Cliffs and Wilcannia properties (scheduled for Monday 26th and Tuesday 27th October 2020) will have been conducted.

The auction for properties in the Ivanhoe area are scheduled for Thursday 29 October 2020 and, at Menindee, on Friday 30 October 2020.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

No direct linkages

Delivery Outcome

No direct linkages

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social	Nil	Nil
Environmental	Nil	Nil
Economic	Improved cashflow Crystallisation of Bad Debt exposure	Nil
Governance	Nil	Nil

Financial and Resource Implications:

None

Policy, Legal and Statutory Implications:

Local Government Act 1993

Councils Debt Recovery Policy

Council's Economic Hardship Policy

Risk Management – Business Risk/Work Health and Safety/Public:

Proceeding to proposed sales is required to reduce further negative impacts on Council's cashflow and Doubtful Debt Exposure.

Previously reported concerns regarding possible unruly behaviour at Wilcannia auctions will be managed through local Police who have indicated they can provide a part time presence (as other operational needs allow) and through private security staff who have been engaged. The private security staff will also assist with ensuring Covid-19 social distancing protocols are respected.

OPTIONS:

None that are viable or that would address the ongoing and growing outstanding rates position.

The situation will however require constant review particularly regarding the Covid-19 situation to ensure the best prospects for successful auctions.

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Internal Exhibition

Regular liaison between relevant staff and Outstanding Collections (Council's agent) has occurred and will continue to occur.

External Exhibition

The proposed sales have been advertised in the NSW Government Gazette (as required under the Local Government Act 1993), through appropriate local media and on Council's website and social media page(s).

Where contact has been possible, all affected owners, occupants and other known interested parties have been directly notified in writing of Council's decision.

Commercial marketing of the proposed sales commenced 26 September 2020 and continued through to 23 October 2020.

Attachments

Nil

7.2 COUNCIL 2020-2021 CURRENT GRANTS REGISTER

REPORT AUTHOR:	SENIOR FINANCE OFFICER
RESPONSIBLE DIRECTOR:	DIRECTOR BUSINESS SERVICES

EXECUTIVE SUMMARY:

This report is to provide a summary of Council's current grants and contributions reconciliation 2020-2021 as of 16 October 2020.

RECOMMENDATION:

That Council will:

- 1. Receive and adopt the report**

BACKGROUND:

Council's commitment to transparency and greater financial management have at the request of the Administrator, developed a Grants and Contributions Register for public access to be presented during ordinary Council Meetings.

REPORT:

Council's current Grants Register is not in line with current best practice due to the limitations of Council's general ledger and job cost systems. Council is currently in the process of improving those systems in line with best practice reporting. This process is expected to be completed by December 2020.

In September 2020 Council has received part payment of \$4,000,000 for Upgrade of Pooncarie Road project (\$25,000,000). The project being delivered is upgrade of the Pooncarie Rd to Menindee NSW. This project is to be completed by December 2022.

After the Treasurer delivered the Federal Budget on 6 October 2020, Council has been advised by Hon Mark Coulton MP, Minister for Regional Health, Regional Communications and Local Government that Central Darling Shire Council has been approved to receive

additional Local Roads Community Infrastructure funding of \$700,000, total project fund is \$1,701,818. Council yet to plan to extend the project with the additional funding.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

GOAL: 4 A consultative and professional Council providing relevant, attainable, and efficient delivery of services.

Delivery Outcome

OBJECTIVE: 4.2 Efficient and effective services

Financial and Resource Implications:

Monitoring of the Current Grants and Contributions Reconciliation 2019/2020 enables timely financial management and improved cash flow processes.

Policy, Legal and Statutory Implications:

Regulation 208 of the Local Government (General) Regulation 2005 provides a requirement that:

A member of the staff of a council who has control of any of the council's accounting records must—

- (a) produce those records for inspection and audit in proper order whenever directed or requested to do so by the council's mayor, responsible accounting officer, general manager (if not the council's responsible accounting officer) or auditor or by the Director-General or a person to whom the Director-General's functions under section 430 of the Act have been delegated or subdelegated under section 745 of the Act, and
- (b) render all practicable assistance to the mayor, responsible accounting officer, general manager, auditor, the Director-General, or such a delegate or subdelegate with respect to those records.

Risk Management – Business Risk/Work Health and Safety/Public:

Monthly reporting allows Council to keep informed of the process of the grants register to actual income and costs.

OPTIONS:

There are no alternative options.

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Nil

Attachments

- [2. Council Current Grants and Contribution Reconciliation.](#)

7.3 CASH AND INVESTMENTS – SEPTEMBER 2020

REPORT AUTHOR: MANAGER FINANCE
RESPONSIBLE DIRECTOR: DIRECTOR BUSINESS SERVICES

EXECUTIVE SUMMARY:

This report is to provide a summary of Council's cash and investments as at 30th September 2020.

RECOMMENDATION:

That Council will:

1. Receive and note the report

REPORT:

In accordance with Clause 212 of the *Local Government (General) Regulations 2005*, a monthly report setting out details of all money that Council has invested under Section 625 of the *Local Government Act 1993* is required to be submitted to Council.

Cash and Investment Accounts

Cash & Investment Accounts	Current Month	Last Month	Movement	Interest Rate	Current Month Interest	YTD Interest
Westpac 11am Investment Account	\$5,950,000.00	\$8,000,000.00	(\$2,050,000.00)	0.10%	\$268.49	\$817.11
Operating Account	\$4,281,289.41	\$113,553.54	\$4,167,735.87	0.01%	\$3.90	\$33.53
Post Office Clearing Account	\$218,903.78	\$23,143.81	\$195,759.97			
Total Cash at Bank as at 30th September 2020					\$10,450,193.19	

Commentary:

For the period ended 30th September 2019 Council held a cash balance of \$3.424 million. Council's cash balance for the month ended 30th September 2020 is significantly higher than this amount due primarily to:

- Federal Assistance Grant received in advance \$3,086,967
- Payment for RMS works \$1,081,635
- Receipt of Drought Funding \$400,000
- Receipt of grant funding for the Pooncarie road Project \$4,000,000

Restrictions

Restriction Type	Restriction Amount	
Internal	\$260,000	
External	\$1,565,000	
Total Restrictions as at 30 June 2020		\$1,825,000

Loan Accounts

Loan Account	Current Month	Last Month	Movement	Interest Rate	Current Month Interest	YTD Interest
Garbage Trucks	\$267,156.32	\$280,655.27	(\$13,498.95)	3.66%	\$633.02	\$2,034.82
Total Loan Liability as at 30 th September 2020					\$267,156.32	

Attachments

Nil

7.4 IN PRINCIPLE ADOPTION OF DRAFT FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

REPORT AUTHOR: MANAGER FINANCE
RESPONSIBLE DIRECTOR: ACTING DIRECTOR BUSINESS SERVICES

EXECUTIVE SUMMARY:

The purpose of this report is to comply with statutory requirements in relation to the General-Purpose Financial Statements and Special Purpose Financial Statements for the year ending 30 June 2020.

The draft Financial Statements are to be referred to Council's Auditor, with authorisation from the Mayor, a Councillor, the General Manager, and the Responsible Accounting Officer.

Under section 413 (2)(c) of the Local Government Act 1993 (as amended), before audit certificates can be issued, it is necessary for Council to adopt a resolution to be attached to the Financial Statements stating that:

Council's Annual Financial Statements and Special Purpose Finance Statements are being prepared in accordance with:

- The Local Government Act 1993, (as amended) and the Regulations made thereunder.
- The Australian Accounting Standards and professional pronouncements.
- The Local Government Code of Accounting Practice and Financial Reporting.

These Statements must be signed by the Mayor, one (1) other Councillor, the General Manager, and the Responsible Accounting Officer.

It should be noted that the unaudited Statement reflects an opinion only and is not legally binding until such time as the Financial Statements have been audited.

RECOMMENDATION:

That Council will:

1. In relation to the Financial Statements and in accordance with Section 413 (2)(c) of the Local Government Act 1993 (as amended):

a) Council resolves that, in its opinion, the General-Purpose Financial Statements and the Special Purpose Financial Statements for the year ended 30 June 2020 and Special Schedules are properly drawn up in accordance with the provisions of the Local Government Act 1993, (as amended) and the Regulations thereunder.

b) the Financial Statements be approved and signed by the Mayor, the Deputy Mayor, the General Manager, and the Responsible Accounting Officer.

2. The Financial Statements be referred to Council's Auditor for audit.

3. The audited Financial Statements be forwarded to the Office of Local Government by 30 November 2020.

4. The General Manager be delegated authority to, after Council receives a copy of the Audited Financial Statements and Auditor's report, place the Audited Financial Statements on public exhibition and give notice that Council will present its Audited Financial Statements at the Ordinary Council Meeting to be held on 26 November 2020 or 17 December 2020, depending on the actual audit completion time.

5. The audited Financial Statements be presented at the meeting of Council to be held on 25 November 2020 or the 16 December 2020 in accordance with Section 419(1) of the Local Government Act 1993 (as amended).

REPORT:

In accordance with Section 416 (1) of the Local Government Act 1993 (as amended), a councils Financial Statements for a year must be prepared and audited within four (4) months of the end of the reporting period concerned.

The statutory process that must be followed is that:

1. A statement as required under section 413 (2)(c) must be made by resolution and signed by the Mayor, one (1) Councillor, the General Manager, and the Responsible Accounting Officer.
2. The Financial Statements must then be referred to the Council's Auditor, and once audited the statements must be included in Council's Annual Report.
3. Copies of the Audited Financial Statements must then be lodged with the Office of Local Government by 30 November.
4. As soon as practicable after Council receives a copy of the Auditor's report, the Statements must be placed on public exhibition and notice given of a meeting at which Council proposes to present its Audited Financial Statements, together with the Auditor's report. This act of giving notice of the meeting is required to be delegated to the General Manager as technically the notice of meeting cannot be set until the final audited Statements and Audit Report are received

Commentary:

The Audited Financial Statements form part of Council's Annual Report and therefore represents an integral part of the Integrated Planning and Reporting Framework.

The Audited Financial Statements provide an important avenue for the review of Council's progress by any interested stakeholders, including the Community.

This form of reporting also provides a benchmark by which Council can assess its financial performance and the suitability of the assumptions made in the Long-Term Financial Plan.

Attachments

- 3 [Draft Financial Statements for the year ended 30 June 2020](#)

**7.5 ESTABLISHMENT OF A FINANCIAL RESERVE FRAMEWORK AND ADOPTION
OF A FINANCIAL RESERVE MANAGEMENT POLICY**

REPORT AUTHOR:	MANAGER FINANCE SERVICES
RESPONSIBLE DIRECTOR:	DIRECTOR BUSINESS SERVICES

EXECUTIVE SUMMARY:

This report provides a framework for the establishment and management of externally and internally restricted Financial Reserves and unrestricted cash.

The establishment and management of reserves for specific purposes are a sound and prudent management strategy.

All Reserves must be cash backed and included in Council's investment portfolio.

RECOMMENDATION:

That Council will:

- 1. Receive the report**
- 2. Adopt the Financial Reserve Management Policy**
- 3. Include the consideration of Financial Reserves in the preparation of the 2021/2031 Long Term Financial Plan**
- 4. Include the management of Financial Reserves in the Quarterly Budget Review procedures and reports.**
- 5. Include the reporting of Financial Reserve balances within the annual Financial Statements.**

BACKGROUND:

Central Darling Shire Council (CDSC) are committed to becoming financially sustainable in order to provide long term financial resources to support its ongoing operations, infrastructure maintenance and capital works expenditure.

Section 202 of the LG(General) Regulations 2005 requires council to establish and maintain a system of budgetary control that will enable council's actual income and expenditure to be monitored each month and compared to the budget estimates of council's income and expenditure.

The use of financial reserves will enable council to access a source of funds within its own cash reserves for ongoing expenditure.

This process will also assist council to strengthen its Long Term Financial Plan using the reserves as a known source of income.

Council has prepared a Financial Reserve Management Policy (FRMP) which is attached and provides a framework for the establishment and management of externally and internally restricted financial reserves and unrestricted cash.

REPORT

The proposed FRMP clearly explains the reasons why CDSC are implementing a financial reserve framework. It defines the purpose of each external cash reserve in schedule 2 of the policy and the purpose of each internal cash reserve in schedule 1 of the policy.

The policy also provides clear guidelines for the management of reserves within councils Quarterly Budget Review (QBR) system.

The underlying principles of financial reserves management is that all reserves must be cash backed and the use of them approved by council resolution. Once the FRMP is adopted, council will integrate the reserve structure into its 2021/2031 LTFP, including the definitions and aims of the reserves to assist with budgeting for future operational, infrastructure maintenance and capital works expenditure.

During the 2021/2031 LTFP process, attention will be given to prioritising works and projects to include in each annual budget, while existing reserves will be considered and evaluated as possible or appropriate sources of funding for works programs. After the annual budget

adoption process, the monitoring and reporting process of reserve utilisation will be reported to council on a regular basis by operational areas of council. These reports regarding works progress and reserve movements will be managed by finance staff and included in the quarterly budget review process and as such consolidated and approved at budget level.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

Goal 3. A protected and supported natural environment and a sustainable and well-maintained built environment.

Delivery Outcome

Goal Outcome 3.4. Improved infrastructure across the shire

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social	A sustainable LTFP to support social improvements.	
Environmental	A sustainable LTFP to protect the CDSC environment	
Economic	A sustainable LTFP to support the CDSC economy.	
Governance	A sustainable LTFP.	

Financial and Resource Implications:

The FRMP will be funded within councils existing financial resources.

Policy, Legal and Statutory Implications:

The FRMP has been prepared within the relevant legislation.

Risk Management – Business Risk/Work Health and Safety/Public:

The FRMP will be subject to existing Risk Management protocols.

OPTIONS:

Nil

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Internal Exhibition

Nil

External Exhibition

Nil

Attachments

1. Financial Reserves management Policy.

8. GOVERNANCE REPORTS

8.1 STAFF ENGAGEMENT

REPORT AUTHOR: GENERAL MANAGER
RESPONSIBLE DIRECTOR: GENERAL MANAGER

EXECUTIVE SUMMARY:

This report is to inform Council of staff appointments in the past few months.

RECOMMENDATION:

That Council will:

1. Receive the report

REPORT:

Council in the past 12 months has obtained significant amount of funding to undertake projects throughout the shire. To deliver these projects, it has been necessary for Council to appoint additional staff to ensure delivery of these projects. All staff appointments have been on term contracts varying from 1-3 years depending on the project and their position. Some positions are remote positions located away from the shire. It has been necessary to entice staff with the qualification and expertise by offering working from home employment, otherwise would not consider in relocating to the shire.

Wages for employment of the new staff, have been included in the funding for the projects which they will be responsible for; with the exception of the Senior Planning Officer, this position was budgeted as the Environmental Officer and hasn't been filled in past years.

Temporary accommodation has been found to accommodate the new staff, with three (3) new staff units being constructed behind the Ross Street Flats, due to be completed in January 2021 for housing staff.

Building Maintenance Manager- 2-year contract, 7 days/fortnight, delivering building maintenance and capital works provided by various types of funding agreements. The position has been filled.

Project Engineer- 2-year fulltime contract, primary role in delivery of Water Treatment Plants for White Cliffs, Wilcannia, and Ivanhoe. The role will also assist in other projects where engineering expertise is required. The position has been filled.

Senior Planning Officer- 1-year contract with possible extension dependant on future projects. This role will be working remotely from the shire and the person is in Sydney. The position is 25 hours/week, with some visits to the shire when it is necessary, this will occur additional hours worked during the week.

Community Engagement Officer- 2-year contract, 20 hours/week. Assist Council and consultant in delivery of strategic planning, prepare media releases and other council communications to the public. This position will be working remotely, has been advertised with interviews happening soon, and the appointment of employment to follow.

Administration Officers- there has been several casual appointments have been made to backfill vacant roles, left by staff leaving or taking extended leave. Further Administration

Officers positions are likely to become vacant in the next 3-6 months with their spouses transferring away from the shire for work or staff semiretirement.

Attachments

Nil

8.2 ENGAGEMENT OF ITC SERVICE

REPORT AUTHOR:	GENERAL MANAGER
RESPONSIBLE DIRECTOR:	GENERAL MANAGER

EXECUTIVE SUMMARY:

The purpose of this report is to inform Council of the engagement of EFEX (ThinkEx Holdings Pty Ltd) for Council ITC services for a 12-month period.

RECOMMENDATION:

That Council will:

- 1. Receive the report**
- 2. Council takes note of the urgent matters raised in the report and the reason given for EFEX (ThinkEx Holdings Pty Ltd) engagement for ITC services for a 12-month period.**

BACKGROUND:

Over the past 2 years, there has been several occasions Council's Information Technology Communications (ITC) has failed resulting in loss of productivity and corruption of systems. More recently, overloading of Council's servers lost Council 1½ days of productivity, where internal staff could not access computer software programs and telephones, this took several weeks to fully resolve the outrage. Council ITC is managed by the Director for Business Services who is currently on leave, no other staff members have the capability to manage Council ITC system, exposing Council to further ITC system issues.

Past internal and external Audit's has identified having one person managing Council's ITC system, leaves council exposed to potential fraud, as well not meeting statutory requirements. Several Council servers are old and are becoming problematic in continuing to maintain and will need to be replaced within 12 months.

REPORT:

On 24 September, Council engage the services of EFEX (ThinkEx Holdings Pty Ltd) for a "Manage Service Agreement" to manage Councils ITC system. This service agreement includes end User Support, Network Services, and monitoring of Councils ITC. The term of the contract is for 12 months, with 90 days option to cancel the contract if Council is not satisfied with the service.

The agreement includes seven (7) work sites, maintenance of fourteen (14) servers and forty-six (46) users across the shire. The upfront cost for boarding fees was \$4,416 and monthly expense of \$5,100. The annual monthly fee for this service will total \$52,992, plus

the onboarding fee of \$4,416, an overall total \$57,408. While funds were not identified in the 2020/21 Financial Budget, there is funds available in ITC budget line for maintenance which will be used to cover the Manage Service Agreement.

Councils Procurement Policy states: *“Council may invite Tenders or will obtain three written itemised quotations before making a contract for the carrying out of works or the supply of goods and services involving costs between \$30,000 and \$149,999. The acceptance of the Tender/Quotation is to be reported to Council”*. Urgent discussion between the General Manager and Administrator prior to signing the contract. The General Manager recommended to the Administrator, due to the urgency, Council requiring ITC Help Support and the going maintenance, EFEX is prominent in all eastern states with an office in Broken Hill, as they are the best located to serve Council quickly. On expiry of the 12-month contract with EFEX, Council can explore alternative options through tendering /quotation processes.

At the time of writing this report, EFEX are meeting all expectations as per the contract. The Help Service are resolving staff issues in a timely manner with no complaints from staff. EFEX have identified several security issues which is not part of the contract and will be recommending to Council these be addressed. Over the next 3 months, EFEX will be investigating the use of “Cloud Servers” which are off site and will make Council onsite servers redundant. This will further increase Council ITC security; no ITC technician will need to be onsite for maintenance and Council not having to outlay capital cost for server’s replacement. The Cloud Server’s will be additional cost to Council and will be reported back to Council later.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

Goal 4. A consultative and professional Council providing relevant, attainable and efficient delivery of services as per the standards set by Council and providing community development and succession planning.

Delivery Outcome

Objective 4.2 Efficient and effective services

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social	Nil	Nil
Environmental	Nil	Nil
Economic	Nil	Nil
Governance	compliance within legislative requirements	Nil

Financial and Resource Implications:

originally not budgeted, however there is sufficient funds available in the ITC maintenance budget.

Policy, Legal and Statutory Implications:

In the past Council has not met legislative requirements for security which has been reported in Internal and External Audits.

Risk Management – Business Risk/Work Health and Safety/Public:
Nil

OPTIONS:

Nil

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Internal Exhibition

Not Required

External Exhibition

Not Required

Attachments

[4 EFEX Manage Service Agreement](#)

8.3 MEETINGS AND WORKSHOPS ATTENDEND BY THE GENERAL MANAGER

REPORT AUTHOR:	GENERAL MANAGER
RESPONSIBLE DIRECTOR:	GENERAL MANAGER

EXECUTIVE SUMMARY:

The information provided is meetings and workshops which the General Manager has attended up to this Council meeting. The report excludes staff meetings and other confidential discussions the General Manager has been involved in. Due to COVID -19, some meetings have been either video/teleconferences or webinars.

RECOMMENDATION:

That Council will:

- 1. Receive and note the report**

REPORT:

Thursday 24 September – White Cliffs Community Engagement meeting

Saturday 26 September- Menindee SDL SAG meeting (VC)

Wednesday 7 October- Staff interviews

Thursday 8 October- Menindee SDL SAG/ Minister Pavey (VC)

- Cultural Solution

Monday 12 October- RDA Far West/Minister Tudehope (VC)

Thursday 15 October – Staff Interviews

Friday 16 October – RDA Far West Committee meeting

Monday 26 October – Wilcannia Land Auction for unpaid Rates

Tuesday 27 October – Wilcannia/White Cliffs Land Auction for Unpaid Rates

Attachments

Nil

8.4 MENINDEE ELEVATED TANKS-DILAPIDATION SURVEY

REPORT AUTHOR:	GENERAL MANAGER
RESPONSIBLE DIRECTOR:	GENERAL MANAGER

EXECUTIVE SUMMARY:

The purpose of this report is to inform Council on the recent dilapidation survey, undertaken by Essential Water, for the potential transfer of ownership to Council.

RECOMMENDATION:

That Council will:

- 1. Receive the report**
- 2. Council resolves not to acquire ownership of the Menindee Elevated Tanks until community consultation is completed by Essential Water.**

BACKGROUND:

Last year, Council received \$1m of funding for the formation of the Far South West Joint Organisation, which was specifically for tourism and infrastructure projects, these funds can be spent over a 3-year period. Part of the \$1m funding received by Council, \$100,000 was allocated to the Menindee Regional Tourism Association (MRTA) for the painting of a mural on the old Menindee elevated water tanks, adjacent to the railway station.

The Menindee elevated water tanks are owned by Essential Water, and approval was requested by Council on behalf of the MRTA, to paint a mural on the elevated water tanks. Essential Water rejected the request by Council, as they stated the risks of injury was high, due to the condition and the height of the water tanks. Essential Water offer to transfer ownership of the elevated water tanks, at no cost to Council, to mitigate their risk.

The General Manager requested that Essential Water undertake a dilapidation survey of the elevated water tanks, before Council considers taking ownership, to ensure that the community was not going to be burden with another asset in the future.

REPORT:

Late September 2020, Council received a dilapidation report from Essential Water, "Menindee Elevated Tanks Condition and Cost" (Report). The Report has highlighted several deficiencies in the cast iron of the tanks and the structural steel stands.

Noted in the Menindee Elevated Tanks Condition & Cost, the most critical issues identified is the cast iron water tanks themselves: "the cast iron demonstrates the development of cracking. By observing the nature of the cracking, it will slowly cause the tanks to lose their integrity over the coming years and, when a critical point is reached, exhibit an abrupt failure".

The general condition of the structural steel stand beneath the water tanks "appears in good condition", considering the age of the structure. "Wind bracing panels will need re-tensioning as in many cases the tie rods have become loose".

The report suggests, "there is the possibility to re-purpose the remaining steel structure after the removal of the cast iron tanks. The specific purpose would need to be defined and structural analysis subsequently performed", however "when re-purposing historical steelwork, it may not be able to meet the requirements of modern standards".

The report recommends "to utilise the tanks as a mural to show case artwork, it is often more cost effective to remove the historic structure and replace it with one that is fit for purpose".

Estimated cost for making safe works in the report:

- removal of the cast iron water tanks- approx. \$55,000
- Blast and repaint the structural steel -approx. \$128,200
- Replacement of Corroded joists – approx. \$39,200

The conclusion of the Report in the summary, "the cast iron tanks on the structural steelwork pose a high risk. It is recommended to have them removed as soon as possible. The structural steelwork is, with some exceptions, in generally good condition. To make safe, repairs are recommended as well as the application of new surface protection. As with all assets, regular inspections over the next 20 years are also recommended".

Since Council receiving this report, Essential Water have contacted Council and indicated they wish to consult with the Menindee Community about the removal of the iron water tanks.

At this stage, it is not in the best interest of Council to take ownership of the Menindee Elevated Water Tanks, due to the risk and high cost in maintaining the asset into the future. However, community opinion may change following consultation by Essential Water. If the Menindee community willingness for the structure to remain intact or remove the cast iron water tanks from the structural steel work.

The money for painting the mural is still available to MRTA and does not need to be spent for another 2 years. If the mural on the elevated water tanks cannot proceed, the money can be spent on another project at their choice or delegated to another community project undertaken by others.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

Goal 3. A protected and supported natural environment and a sustainable and well-maintained built environment.

Delivery Outcome

Objective 3.1 Collaborative approach to environmental management and protection

Objective 3.2 Improved town entrances and streetscapes

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social		removal of tanks could be negative impact to community
Environmental	Nil	Nil
Economic	If mural could proceed	Ownership in current state
Governance		Nil

Financial and Resource Implications:

No financial implications if Council does not take on ownership

Significant financial implication which is not fully known if Council take ownership

Policy, Legal and Statutory Implications:

None which is known at this early stage

Risk Management – Business Risk/Work Health and Safety/Public:

Nil

OPTIONS:

Council takes ownership of tanks, or

Council declines offer from Essential Water to own tanks

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:**Internal Exhibition**

Not Required

External Exhibition

Not require at this stage, until Essential Water has finished their consultation with Menindee Community

Attachments

5. Menindee Elevated Tanks Condition and Cost Report-Essential Water

9. CORPORATE SERVICES REPORTS

Nil Report

10. SHIRE SERVICES REPORTS

10.1 WATER AND SEWER UPDATE

REPORT AUTHOR: PROJECTS ENGINEER
RESPONSIBLE DIRECTOR: DIRECTOR SHIRE SERVICES

EXECUTIVE SUMMARY:

The purpose of this report is to provide an update on water and sewer maintenance, capital works and expenditure on all assets within the Central Darling Local Government Area.

RECOMMENDATION:

That Council will:

1. Receive and note the report.

REPORT:

Water & Sewerage Operations:

- Wilcannia's potable water supply transitioned to Darling River supply on Friday 16th October 2020 following positive jar testing and successful full WTP trial. Wilcannia's water supply will remain on river supply.
- White Cliffs town water supply is sourced from Wakefield Tank. Wakefield Tank storage supply without further rain is expected to last through to May 2021.
- Ivanhoe town water supply is currently being sourced from Morrison's Tank. Morrison's Tank current capacity is 400 megalitres following recent (early October 2020) Willandra Creek flow and capture and pumping to Morrison's Tank which is at capacity.

Works Description	Original Budget	% Expended	Remaining Budget
Wilcannia Water	\$433,500	17.4%	\$357,863
Wilcannia Sewer	\$230,865	30.7%	\$159,951
White Cliffs Water	\$165,500	21.3%	\$130,287
Ivanhoe Water	\$351,000	18.7%	\$285,498
Aboriginal Communities R&M	\$126,355	13.0%	\$109,905

Water and Sewer Capital Works

Restart Program (RNSW 827) - White Cliffs Water Supply Augmentation

Public Works Advisory (PWA) were engaged to undertake management of the tendering process. The White Cliffs Water Treatment Plant Request for Tender was issued on 5th December 2019 and closed on 27 February 2020 following an extension of time of 3 weeks. One tender was received which exceeded project estimates and PWA recommended Council not accept the tender. Council considered this recommendation at the March Ordinary Meeting and resolved to accept the PWA recommendation and not accept the tender.

Council has subsequently considered retendering in the context of the Wilcannia and Ivanhoe WTP projects, and accordingly, Council decided to defer the White Cliffs WTP retendering to align with the tendering of the Wilcannia and Ivanhoe WTP Projects and maximise the opportunity for greater industry interest by issuing RFT's for 3 new WTP's in September/October 2020.

The White Cliffs Water Supply Rising Main and Reticulation draft plans have been received subject to finalisation of the AHIP process w.r.t items of indigenous cultural heritage and inline booster pump design. In this regard Council will complete its review of reticulation pressure boosting options by end of August 2020.

The program for issuance of the White Cliffs Water Supply Rising Main and Reticulation RFT is expected by September/October 2020 but will be programmed precisely in consideration of the WTP RFT's expected to be issued at the same time.

Restart Program (RNSW 1869) Safe and Secure Program - Wilcannia Sewer Augmentation

The completed Wilcannia Sewerage Scoping Study has been forwarded to DPIE and Restart NSW their consideration and Section 60 Approval to enable the project planning to continue.

Capital funding is subject to further funding application by Council and assessment by the DPIE Review Panel.

No further action or advice received at this stage.

Restart Program (RNSW 1869) Wilcannia and Ivanhoe New Water Treatment Plants

Background

Council engaged City Water Technology (CWT) to,

1. Finalisation of the preferred water treatment chain and capacity for new WTPs at Wilcannia and Ivanhoe based on the Advanced Treatment Concept Report completed by PWA. CWTs engagement included negotiation on Council's behalf with Department of Industry - Water with respect technical issues.
2. Resolve if possible, the IWCM identified issue of unaccounted for non-revenue water, and determine new WTP's capacity for each location, and
3. Secure Section 60 Approval (LGA Act, 1993) from DPIE and issue RFT for new WTP's at Wilcannia, Ivanhoe and White Cliffs.

Council has been offered capital funding for new WTPs at Wilcannia and Ivanhoe to the value of \$3.5 Million and \$2.5 Million respectively. \$200,000 has been approved in the first instance to complete necessary preconstruction works and confirm WTP capacities.

Water Loss Considerations

The recent update of the IWCM Issues Paper, taking into account the improved water usage data from Council's Mag flow meters suite at each plant and smart metering at residences, identifies Non-Revenue Water (NRW) at Wilcannia at an unacceptable level.

A first step in clarification of this issue was the completion of a filtered reservoir drop test on Tuesday 18/8/2020 between 1am and 3am. A second drop test was undertaken to confirm the initial drop test results. The 2nd drop test results (no drop) were compromised by Clear Water Tank pumps remaining on automatic control. A 3rd drop test was undertaken and this test confirmed the original drop test results. The integrity of the non-return valve between the Clear Water Tank and filtered water reservoir was inspected and no material leak detected.

Further analysis by CWT and PWA will be considered by Council and CWT prior to making a submission to DPIE addressing the NRW issue and getting agreement with respect to WTP Capacity.

Subject to resolution of this matter the Request for Tenders (RFT) for 3 new WTP's at Wilcannia, Ivanhoe and White Cliffs are intended to be issued November 2020.

Works Description	Original Budget	% Expended	Remaining Budget
White Cliffs WTP and Retic	\$5,500,000	3.5%	\$5,306,655
Wilcannia WTP	\$3,500,000	3.7%	\$3,371,325
Ivanhoe WTP	\$2,500,000	3.2%	\$2,420,300

Attachment

Nil

10.2 ENVIRONMENTAL SERVICES UPDATE

REPORT AUTHOR: ADMINISTRATION OFFICER - ENVIRONMENTAL
RESPONSIBLE DIRECTOR: DIRECTOR SHIRE SERVICES

EXECUTIVE SUMMARY:

This report is to provide a summary of Council's Environment Services statistics for the month of September 2020.

RECOMMENDATION:

That Council will:

1. Receive and note the report.

REPORT:

<u>Statistics for September 2020</u>		
Development	Number of DAs Approved – New Dwellings	0
	Number of DAs Approved – Renovation	0
	Number of DAs Approved – Other	0
	Total Value of DAs Approved	\$0
	Number of Construction Certificates Issued	0
	Number of LGA S68 Approvals	0
Food Safety	Food Premises Inspected	4
Animal Control Activities	Impounded	8 Dogs 0 Cats
	Rehomed	2 Dog 0 Cats
	Returned to Owner	2 Dog 0 Cats
	Euthanized	0 Dogs 0 Cats
	Registrations	0 Dog
	Microchipped	0
	Penalty Notices Issued	0
Water Sampling	Microbiology Samples Collected	8
	Chemistry Samples Collected	0
	Non-Compliant Samples	0
	Darling River Algae Samples	0

Attachment

Nil

10.3 CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012 AMENDMENTS

REPORT AUTHOR:	SENIOR PLANNING OFFICER/ SPO
RESPONSIBLE DIRECTOR:	DIRECTOR SHIRE SERVICES

EXECUTIVE SUMMARY:

Information report to advise that four (4) Draft Planning Proposals to amend the Central Darling Local Environmental Plan 2012 will be on display at the Council's website and at various council offices.

RECOMMENDATION:

That Council will:

- 1. Receive the report and note the information and to endorse the exhibition of the four planning proposals.**

BACKGROUND:

Council is required to publicly advertise draft planning proposals to amend the Central Darling Local Environmental Plan 2012, and to invite comment. Upon completion of the advertising period, Council is to consider any submissions received, and amend the planning proposals in line with public comment. Following the exhibition process the planning proposals will be prepared and sent to the Department of Planning, Industry and Environment to finalise and then prepare for the gazettal of the amendments to the Central Darling Local Environmental Plan 2012.

REPORT:

This report is for information and to seek Council's endorsement to advertise / publicly exhibit four draft planning proposals following the receipt of Gateway Determination (for each draft planning proposal) from the Department of Planning, Industry and Environment.

Council has received Gateway Determination under section 3.34 (1) of the [*Environmental Planning and Assessment Act 1979*](#) (the Act) in respect to four planning proposals to amend the Central Darling Local Environmental Plan 2012.

This report is to seek Council's endorsement to advertise / publicly exhibit four draft planning proposals. The local residents and community may still view the proposals in hard copy at Council offices during the exhibition period (taking Covid 19 precautions), the four Planning proposals will also be placed on Central Darling Shire Council website "Documents on Public Exhibition" page for comment.

Further notification of the planning proposals will be undertaken by mailing individual letters to Wilcannia residents and other affected residents, community organisations and other organisations in the Central Darling Shire local government area.

The planning proposals to be placed on public exhibition are as follows:

The planning proposal [PP_2020_CENTR_004_00] to amend Schedule 4 of the Central Darling Local Environmental Plan (LEP) 2012 to include the reclassification of four (4) sites from 'community' to 'operational' land in the Central Darling Shire Council Local Government Area will be on public exhibition for a minimum of 28 days for comment.

The planning proposal [PP – 2020-CENTR-003-00] to amend Central Darling Local Environmental Plan 2012 – Wilcannia Water Treatment Plant, will be on public exhibition for a minimum of 6 weeks (42 days).

The planning proposal [PP – 2020-CENTR-001-00] to establish a heritage conservation area in Wilcannia, include new heritage listing in schedule 5 and amend errors in current listings in Schedule 5 of the Central Darling LEP 2012, will be on public exhibition for a minimum of 6 weeks (42 days).

The planning proposal [PP-2020-CENTR-002-00] to amend Central Darling Local Environmental Plan 2012 – Land Use Table Changes, will be on public exhibition for a minimum of 6 weeks (42 days).

Following the exhibition period, the submissions and comments will be reviewed, and the draft planning proposals will be finalised considering any comments received.

Following the community consultation process the Planning proposals will be completed and resubmitted to the Department of Planning, Industry and Environment for gazettal.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

GOAL 3: A protected and supported natural environment and a sustainable and well-maintained built environment.

Delivery Outcome

OBJECTIVE: 3.1 Collaborative approach to environment management and protection

OBJECTIVE: 3.5 Well planned towns in accordance with the LEP and sound planning principles

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social	N/A	N/A
Environmental	Bring about conformity with Councils LEP 2012	N/A
Economic	N/A	N/A
Governance	To bring about conformity with legislative requirements	N/A

Financial and Resource Implications:

The amendment the reclassification of four (4) sites from 'community' to 'operational' land in the Central Darling Shire Council Local Government Area will be enable the development of

a community health clinic and for Council to dispose of the subject land to the community health clinic.

The amendment to the Central Darling Local Environmental Plan 2012 – to rezone residential land to SP1 Infrastructure land will enable the expansion and improvement of the Wilcannia Water Treatment Plant, which is a funded project.

Policy, Legal and Statutory Implications:

Advertisement of proposed amendments to the Central Darling Local Environmental Plan for Public comment prior to adoption is a statutory requirement.

Risk Management – Business Risk/Work Health and Safety/Public:

The amendment the reclassification of four (4) sites from ‘community’ to ‘operational’ land in will be enable the development of a community health clinic and for Council to dispose of the subject land.

The amendment to rezone residential land to SP1 Infrastructure land will enable the expansion and improvement of the Wilcannia Water Treatment Plant, which is a funded project from the Safe and Secure Water Program NSW Government.

The amendment to Central Darling Local Environmental Plan 2012 – to add additional land uses to the Land Use Table will enable existing uses within the Wilcannia town centre to be permitted with consent, therefore removing planning prohibitions for use of the land within Wilcannia town centre.

OPTIONS:

N/A

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Internal Exhibition

No

External Exhibition

The planning proposals will be advertised publicly. The planning proposals will be available in hard copy at Council offices during the exhibition period (observing Covid 19 requirements). The four planning proposals will also be placed on Central Darling Shire Council website “Documents on Public Exhibition” page for comment.

The planning proposals will also be notified by mailing individual letters to Wilcannia residents and other affected residents, community organisations and other organisations in the Central Darling Shire local government area.

Attachments

6. [Gateway approval letters from the Department of Planning, Industry and Environment.](#)
7. [Four planning proposals \(submitted for gateway approval\).](#)

10.4 ROADS AND AERODROMES REPORT

REPORT AUTHOR: ROADS AND ASSET ENGINEER
RESPONSIBLE DIRECTOR: DIRECTOR SHIRE SERVICES

EXECUTIVE SUMMARY:

The purpose of this report is to provide an update on road and aerodrome maintenance, capital works and expenditure on all road asset classes within the Central Darling Local Government Area.

RECOMMENDATION:

That Council will:

1. Receive and note the report

REPORT:

State Roads

Council are engaged by Roads and Maritime Services (RMS) to maintain the State Highway network within the Shire boundaries. The two State Highways are the Barrier Highway and the Cobb Highway.

Council are engaged under contract conditions specified under the Routine Maintenance Council Contract (RMCC). The contract details routine works required to be completed throughout the year and capital works which are supplied to Council via a Works Order (WO).

2020/21 RMCC Routine Maintenance preliminary allocation is: \$878,000

2019/20 RMCC Works Orders which have been issued, in progress and carry over to this financial year include

1. HW21 111.20.23 Bushley pit 3 extension, \$19,665 (now complete)
2. HW21 111.20.24 Source gravel to Glen Albyn, \$412,502 (now complete)
3. HW21 111.20.25 Glen Albyn Side Track, \$266,163 (now complete)
4. HW21 111.20.26 Source gravel to Rosewood from Bushley 3, \$105,600 (now complete)
5. HW21 111.20.28 Glen Albyn Sth IS, \$1,947,460 (claim \$940,000)

Total: \$2,751,390

2020/21 - No Works Orders have been issued to date

Works Description	Original Budget	% Expended	Remaining budget
RMCC Routine	\$1,048,240	34%	\$694,756
WO 2019/20	\$2,909,790	60%	\$1,165,860
WO 2020/21	\$0	0%	\$0

Regional Roads

Council maintains 790km of Regional Roads throughout the Shire.

202/21 Regional Road Block Grant amount (including traffic and supplementary components) has not been confirmed. The figures below reflect the 2019/20 allocation. Payments to Council's will be made in July and January with any reconciliations required being done in January following State (RMS) budget adoption.

202/21 Regional Roads Repair Program was successful with \$400,000 being 50% of the project costs. The remaining 50% is being sourced from the Regional Roads Block Grant which is reflected in the table below. Refer to determination report included in this agenda.

Works Description	Original Budget	% Expended	Remaining Budget
Regional Roadblock Grant	\$2,408,000	23%	\$1,844,282
Regional Roads Repair Program	\$800,000	20%	\$641,080

Local Roads

Council maintains 1600km of Local Roads throughout the Shire.

202/21 budget allocation to Local road operational works is \$1,480,000. This is funded from the Financial Assistance Grant – Local Roads Component.

2020/21 Roads to Recovery (R2R) allocation is \$1,502,727. Four capital improvement projects will be delivered this year.

Works Description	Original Budget	% Expended	Remaining Budget
Local Roads Component (FAG)	\$1,480,000	72%	\$414,861
Menindee Street (R2R)	\$240,000	2%	\$235,440
Little Menindee Creek Road (R2R)	\$450,000	1%	\$445,440
Pumpkin Point Road (R2R)	\$300,000	2%	\$295,440
Irrigation Road (R2R)	\$515,727	2%	\$503,757

Aerodromes

Council maintains 6 aerodromes throughout the Shire; Wilcannia, Menindee, Ivanhoe, White Cliffs, Tilpa and Emmdale.

The Royal Flying Doctor Services (RFDS) initiated the registration process in 2018 to enable 3 of Council's aerodromes to be registered in accordance with the CASA regulations. Wilcannia, Ivanhoe and White Cliffs received modest infrastructure improvements to enable the process to be completed. Pursuant to the agreement between Council and the RFDS, the licensing costs will be borne by the RFDS for a 3-year period.

Works Description	Original Budget	% Expended	Remaining Budget
Aerodromes	\$124,000	33%	\$83,126

Attachment

10.5 SERVICES UPDATE

REPORT AUTHOR: DEPUTY DIRECTOR SHIRE SERVICES
RESPONSIBLE DIRECTOR: DIRECTOR SHIRE SERVICES

EXECUTIVE SUMMARY:

The purpose of this report is to provide an update on the services expenditure on all associated assets within the Central Darling Local Government Area.

RECOMMENDATION:

That Council will:

1. Receive and note the report.

REPORT:

Services:

Works Description	Original Budget	% Expended	Remaining Budget
Parks & Gardens/ Sporting Facilities	\$181,350	18%	\$148,990
Ancillary Works	\$250,500	11%	\$224,164
Street Cleaning/Bins	\$121,000	32%	\$82,196
Buildings	\$674,800	35%	\$436,936
Swimming Pools	\$481,200	4%	\$462,895
Domestic Waste	\$189,000	23%	\$146,402

Services Capital Works

Council has received funding to improve facilities throughout the Shire through the Building Stronger Country Communities Projects for Round 1, 2 and 3. The table below reflects expenditure and progress to date.

Works Description	Original Budget	% Expended	Remaining Budget
Building Stronger Country Communities Round 1	\$893,640.00	100%	\$0
Building Stronger Country Communities Round 2	\$1,395,084	52%	\$665,798
Building Stronger Country Communities Round 3	\$760,340	4%	\$727,966

10.6 MENINDEE COMMON TRUST LICENCE FOR EXTRACTIVE INDUSTRIES

REPORT AUTHOR: DIRECTOR SHIRE SERVICES
RESPONSIBLE DIRECTOR: GENERAL MANAGER

EXECUTIVE SUMMARY:

The purpose of this report is to seek Council endorsement to enter into agreement with the Menindee Common Trust for the sourcing of gravel on common land.

RECOMMENDATION:

That Council will:

- 1. Receive the report.**
- 2. Authorise the Administrator and/or General Manager to sign the Licence Agreement for Occupation of Land for Extractive Industries and affix the Common Seal of Council.**

BACKGROUND:

The Pooncarie Rd Initial Seal project requires substantial amounts of gravel to be sourced to construct the base layer of the pavement prior to sealing. Potential sites were identified along the Pooncarie Rd, one of which is located on the Menindee Common. To enable Council to legally access the site and source gravel an Agreement is required between Council and the Menindee Common Trust.

The Menindee Common Trust were appointed under the *Commons Management Act 1989* as Crown Land Manager of Reserve Menindee Common, Reserve 64899, notified 9 November 1934. Reserve 71522 notified 25 May 1945.

REPORT:

The Agreement will be used by Crown Lands in issuing licence for the identified gravel pit. If agreed by both parties, the pit will be added to Council's head licence 497430.

The Agreement is attached to this report for perusal by Council.

The recommendation above seeks to authorise the Administrator or General Manager to sign the document and attach the Common Seal of Council.

LINKS TO THE COMMUNITY STRATEGIC PLAN AND DELIVERY PROGRAM AND OPERATIONAL PLAN:

Community Strategic Plan Outcome

Goal 3:

A protected and supported natural environment and a sustainable and well maintained built environment

Delivery Outcome

Safe and reliable network of roads throughout the Shire:

- Investigate alternative options for road surfaces
- Ensure all roads within the Shire are maintained at an appropriate standard

SUSTAINABILITY ASSESSMENT:

	Positive	Negative
Social	Part of the Pooncarie Rd Initial Seal Project – Employment and Social benefits	Nil
Environmental	Schedule 2 of the Agreement includes Environmental Mitigation Measures that will be adhered to	Aesthetic appearance of disturbed gravel pit area.
Economic	100% funded by State and Federal Govt	Nil
Governance	In accordance with legislative requirements for the registration of gravel pits within the Shire	Nil

Financial and Resource Implications:

No rent is applicable for gravel sourced on Crown Lands – refer Schedule 1 of the Agreement

Policy, Legal and Statutory Implications:

In Accordance with:

Commons Management Act 1989;

Crown land Management Act 2016

Protection of the Environment Operations Act 1997;

Commons Management Regulation 2018

Risk Management – Business Risk/Work Health and Safety/Public:
Nil

OPTIONS:

Do not licence the gravel pit and source gravel elsewhere, if available.

COUNCIL SEAL REQUIRED:

Yes

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Internal Exhibition

Nil

External Exhibition

Council's Environmental Consultant, Green Edge Environmental, is managing the Extractive Industry Licencing requirements and will liaise with all stakeholders involved.

Attachments

1. [Licence Agreement for Occupation of Land for Extractive Industries](#)

11. MINUTES OF COMMITTEE MEETINGS

Nil Report.

12. CONFIDENTIAL MATTERS

13. MEETING CLOSE

The Council Meeting will be declared closed by the Mayor/Administrator.

The next meeting of Council will be held on Wednesday, 26 November in Wilcannia at 9.00am

**MINUTES OF THE ORDINARY COUNCIL MEETING HELD IN THE
COUNCIL CHAMBERS, 21 REID STREET, WILCANNIA
ON WEDNESDAY, 23 SEPTEMBER 2020.**

PRESENT: Administrator, Bob Stewart

IN ATTENDANCE: General Manager, Greg Hill
Director Shire Services, Reece Wilson
Manager Finance, Kevin Smith
Senior Finance Officer, Gemma Dillon

OPENING OF MEETING

The meeting was declared open at 9.00am.

ACKNOWLEDGEMENT OF COUNTRY

An acknowledgement of the traditional custodians of the land was delivered by the Administrator, Bob Stewart.

APOLOGIES AND LEAVE OF ABSENCE

Director Business Services, Jacob Philp

DISCLOSURES OF INTEREST

Resolved

1. That the Disclosures of Interest – Pecuniary and Non – Pecuniary be received and noted as NIL.

CONFIRMATION OF MINUTES

5.1 ORDINARY MEETING – 26 August 2020

Resolved

That the Minutes of the Ordinary Council Meeting held on 26 August 2020 be received and confirmed as an accurate record.

Minute Number: 01-09-20

5.2 BUSINESS ARISING

Nil

MAYORAL (ADMINISTRATOR) MINUTE(S)

6.1 ADMINISTRATORS REPORT

Nil Report

FINANCIAL REPORTS

7.1 COMMUNITY GRANTS APPLICATION – CENTRAL DARLING PISTOL CLUB

Resolved

1. Receive and note the report

2. Note that Council approve financial assistance, under Councils Community Grants Policy, to the Central Darling Pistol Club, Incorporated in the amount of \$494.47 to cover the annual rates and charges levied on its property at 123 Menindee Road Menindee for the 2020-21 period.

Minute Number: 02-09-20

7.2 RECISION – TRANSFER OF LAND COUNCIL – 69 HOOD STREET WILCANNIA

Resolved

1. Receive the report and note the report.
2. Rescind resolution of September 2010 under minute No. 40-9-10 to accept transfer of the land to Councils and to classify that land as Operational Land.

Minute Number: 03-09-20

7.3 COUNCIL 2020-2021 CURRENT GRANTS REGISTER

Resolved

1. Receive and note the report.

Minute Number: 04-09-20

7.4 CASH AND INVESTMENTS – SEPTEMBER 2020

Resolved

1. Receive and note the report.

Minute Number: 05-09-20

7.5 PROGRESS TOWARDS SALE OF LAND FOR UNPAID RATES

Resolved

1. Receive and note the report.

2. Note that monthly reports will be provided to Council until such time that the auctions have concluded, and the sale process has been finalised.

Minute Number: 06-09-20

GOVERNANCE REPORTS

8.1 CORRESPONDANCE RECEIVED – TABLED FOR PUBLIC INFORMATION

Resolved

1. Receive and note the report.

Minute Number: 07-09-20

8.2 MODEL CODE OF CONDUCT, FOR LOCAL COUNCILS IN NSW

Resolved

1. Receive and note the report.
2. Resolved to adapt the amendment
 - a. Model Code of Conduct for Local Council in NSW
 - b. Procedure for Code of Conduct for Council Committee Members, Delegates of Council and Council Advisors.
 - c. Procedure for Code of Conduct for Councillors (this includes Administrators)
 - d. Procedure for Code of Conduct for Council Staff.
3. Replace a revised version of the 'Model Code of Conduct, for Local Councils in NSW' on Councils website.
4. The General Manager distributes the Code of Conduct and Procedures to the relevant Council staff, Committee's, and Administrator to ensure awareness of the changes.

Minute Number: 08-09-20

8.3 MODEL CODE OF MEETING PRACTICE – RECORDING OF MEETINGS

Resolved

1. Receive and note the report.
2. Council RESOLVES TO ADOPT THE AMENDMENT TO THE Code of Meeting Practice.
3. A revised version of the Model Code of Meeting Practice to be placed on Councils website.

Minute Number: 09-09-20.

8.4 MEETINGS AND WORKSHOPS ATTENDED BY THE GENERAL MANAGER

Resolved

1. Receive and note the report.

Minute Number: 10-09-20

CORPORATE SERVICES REPORTS

NIL

SHIRE SERVICES REPORTS

10.1 ROADS AND AERODROMES REPORT

Resolved

1. Receive and note the report.

Minute Number: 11-09-20

10.2 SERVICE UPDATE

Resolved

1. Receive and note the report.

Minute Number: 12-09-20

10.3 PLANS OF CONSOLIDATION OF LOTS 97,98,99 AND 101 IN DP757463

Resolved

1. Receive and note the report.
2. Endorse the Consolidation of Lots 97,98,99 and 101 in DP757463.
3. Authorise the Administrator and General Manager to sign the DP Administration Sheet and affix the Common Seal of Council.

Minute Number: 13-09-20

10.4 ENVIRONMENTAL SERVICE UPDATE

Resolved

1. Receive and note the report.

Minute Number: 14-09-20

10.5 POONCARRIE ROAD – PROJECT REPORT

Resolved

1. Receive and note the report.

Minute Number: 15-09-20

10.6 WATER AND SEWER REPORT

Resolved

1. Receive and note the report.

Minute Number: 16-09-20

MINUTES OF COMMITTEE MEETINGS

11.1 DARNICK HALL 24 JANUARY 2020

Resolved

1. Receive and note the report.

Minute No: 17-09-20

11.2 MENINDEE COMMON COMMUNITY 28 JUNE 2020

Resolved

1. Receive and note the report.

Minute No. 18-09-20

11.3 WHITE CLIFFS COMMUNITY ASSOC. 1 SEPTEMBER 2020

Resolved

1. Receive and note the report.

Minute No: 19-09-20

MEETING CLOSE

There being no further business to discuss, the meeting was closed at 9.24am.

The minutes of this meeting were confirmed at the Ordinary Meeting of the Central Darling Shire Council held on Wednesday, 28 OCTOBER 2020.

.....
ADMINISTRATOR

Grant Title	Funding Body	Funding Division	Responsible Officer	Status	Date Grant Approved	Grant Completion Date	Total Grant Funds	Expended To-21	Amount Unexpended YTD
White Cliffs New Water Treatment Plant & Retention Network	Treasury of NSW/Weston NSW	State	Darren Scotti	Active	23/07/2017	30/06/2024	\$ 5,500,000.00	\$	\$ 5,500,000.00
Stronger Country Communities Fund Round 2	Department of Premier and Cabinet	State	Andrew Algate	Active	5/12/2018	30/06/2023	\$ 1,395,084.00	\$ 149,071.52	\$ 685,566.80
Financial Assistant Grant Entitlement 2019/2020 - Local Roads	Local Government Grants Commission	Commonwealth	Reece Wilson	Active	22/08/2019	30/06/2023	\$ 842,553.60	\$	\$ 408,137.87
Financial Assistant Grant Entitlement 2019/20 Non Roads	Local Government Grants Commission	Commonwealth	Jacob Philip	Active	22/08/2019	30/06/2023	\$ 2,079,210.00	\$	\$
Wilcannia Waste Facility	NSW Environmental Trust	State	Reece Wilson	Hold/Pending	14/09/2018	30/06/2023	\$ 200,000.00	\$	\$ 194,136.19
Menindee Waste Facility	NSW Environmental Trust	State	Reece Wilson	Hold/Pending	14/09/2018	30/06/2023	\$ 134,457.00	\$	\$ 128,712.00
Irwinhoe Waste Facility	NSW Environmental Trust	State	Reece Wilson	Hold/Pending	14/09/2018	30/06/2023	\$ 95,083.00	\$	\$ 91,078.85
Aboriginal Communities Water And Sewerage Program	Department of Planning, Industry & Environment	State	Reece Wilson	Active	10/09/2019	30/06/2024	\$ 709,130.00	\$ 16,450.00	\$ 694,005.73
Menindee Fish Hatchery Scoping Study	Department of Agriculture	Commonwealth	Greg Hill	Active	30/01/2020	24/08/2023	\$ 127,402.00	\$ 33,060.00	\$ 94,342.00
Western WAP WSP Central Darling Shire Council - 2020/21	Local Land Services	State	Reece Wilson	Active	1/07/2020	30/06/2023	\$ 9,305.70	\$	\$ 4,708.66
Drought Communities Programme - Extension	Department of Planning, Industry & Environment	Commonwealth	Reece Wilson	Active	1/07/2020	31/12/2023	\$ 1,000,000.00	\$ 229,514.25	\$ 505,797.31
Wilcannia Township Gravity Sewer Scheme Scoping Study	Resort NSW	State	Reece Wilson	Active	19/11/2020	30/06/2023	\$ 60,000.00	\$	\$ 9,448.38
Management Plan for Crown Land	NSW Communities & Justice	State	Reece Wilson	Active	15/11/2020	30/06/2023	\$ 100,000.00	\$	\$ 265.05
Isaacs Cultural Centre	Infrastructure NSW	State	Greg Hill	Hold/Pending	7/05/2021	30/06/2024	\$ 3,500,000.00	\$	\$ 3,500,000.00
Replacement of Wilcannia Water Treatment Plant	Department of Industry	State	Darren Scotti	Hold/Pending	15/01/2021		\$ 3,500,000.00	\$	\$ 3,500,000.00
Replacement of Irwinhoe Water Treatment Plant	Department of Industry	State	Darren Scotti	Hold/Pending	15/01/2021		\$ 2,500,000.00	\$	\$ 2,500,000.00
Roads to Recovery - Round 1	Department of Infrastructure, Regional Development and Cities	Commonwealth	Reece Wilson	Active	15/03/2021	30/06/2024	\$ 1,502,771.00	\$	\$ 131,623.62
Upgrade of Pooncarrie Road	Roads and Maritime Services	State	Matthew D. Dubica	Active	6/03/2021	30/06/2023	\$ 15,000,000.00	\$ 355,800.43	\$ 29,994,088.19
Remote Activity Upgrade Program Round 7	Department of Industry, Science, Energy and Resources	Commonwealth	Reece Wilson	Active	13/05/2021	30/06/2023	\$ 80,000.00	\$	\$ 61,615.08
Stronger Country Communities Fund Round 3	Department of Premier and Cabinet	State	Reece Wilson	Active	6/05/2021	30/06/2023	\$ 793,340.00	\$ 32,374.27	\$ 777,965.73
Regional Road Block Grant Assistance	Roads and Maritime Services	State	Reece Wilson	Active	1/07/2021	30/06/2023	\$ 2,838,000.00	\$ 475.88	\$ 2,866,154.09
Regional Road Repair 2020/2021	Roads and Maritime Services	State	Reece Wilson	Active	11/11/2021	30/06/2023	\$ 400,000.00	\$	\$ 474,656.31
Local Roads and Community Infrastructure Program	Department of Infrastructure, Transport, Regional Development and Communications	Commonwealth	Reece Wilson	Active	22/05/2021	30/06/2023	\$ 1,721,818.00	\$ 2,600.00	\$ 1,898,198.00
Warr Mtn Night Patrol and Wings Drop in Centre	Department of Planning, Industry & Environment	State	Greg Hill	Active	15/05/2021	30/06/2023	\$ 200,000.00	\$	\$ 140,000.00
Isaacs Curatorial Co-ordination Project	Regional NSW	State	Greg Hill	Active	6/05/2021	30/06/2023	\$ 15,000.00	\$	\$ 15,000.00
DSP Council Strategic Planning	Department of Planning, Industry & Environment	State	Reece Wilson	Active	17/05/2021	30/06/2023	\$ 220,000.00	\$ 63.69	\$ 219,936.31
DSP Council Capacity and Capability Building	Department of Planning, Industry & Environment	State	Reece Wilson	Active	17/05/2021	30/06/2023	\$ 150,000.00	\$ 19,715.61	\$ 130,284.39
DSP Infrastructure / Employment Generation / Community Projects	Department of Planning, Industry & Environment	State	Reece Wilson	Active	17/05/2021	30/06/2023	\$ 1,430,000.00	\$ 11,970.47	\$ 1,418,029.53
Menindee Rural Drought Emergency Funding Water Carting	Department of Planning, Industry & Environment	State	Reece Wilson	Active	30/12/2021		\$ 80,000.00	\$	\$ 45,645.00
Wilcannia Showgrounds Stimulus Program	Department of Planning, Industry & Environment	State	Reece Wilson	Active	26/05/2022	30/06/2023	\$ 130,000.00	\$ 1,284.03	\$ 128,715.97
Irwinhoe Multi Service Outlet Project	Department of Industry, Innovation & Science	Commonwealth	Greg Hill	Active	29/05/2022	31/12/2022	\$ 450,000.00	\$ 6,000.00	\$ 444,000.00
Repair 2020/21 Project Funding	Transport for NSW	State	Reece Wilson	Active	23/05/2022	31/05/2023	\$ 400,000.00	\$ 13,568.20	\$ 126,110.21
Financial Assistant Grant Entitlement 2020/2021 - Local Roads	Local Government Grants Commission	State	Reece Wilson	Active	5/01/2022	30/06/2023	\$ 1,648,446.00	\$ 822,716.05	\$ 825,729.95
Financial Assistant Grant Entitlement 2020/2021 - Non Roads	Local Government Grants Commission	Commonwealth	Jacob Philip	Active	5/01/2022	30/06/2023	\$ 4,353,450.00	\$	\$ 4,353,450.00
MAARA Curatorial Co-ordination Project	Museums and Galleries NSW, State Library of NSW and Sydney University	State	Greg Hill	Active	5/01/2022	30/07/2023	\$ 90,000.00	\$	\$ 90,000.00
Roads to Recovery 2020/21	Department of Infrastructure, Regional Development and Cities	Commonwealth	Reece Wilson	Active	1/07/2022	30/06/2023	\$ 1,500,000.00	\$	\$ 1,500,000.00
Isaacs Corporation Establishment - Legal Cost	Regional NSW	State	Greg Hill	Active	20/07/2022		\$ 25,000.00	\$	\$ 25,000.00
COVID-19 Economic Stimulus Package - Emergency Service Levy	NSW Office of Local Government	State	Reece Wilson	Active	23/07/2022	30/06/2023	\$ 75,662.67	\$	\$ 75,662.67
Regional Road Block Grant 2020-2021	Transport for NSW	State	Reece Wilson	Active	4/08/2022	30/06/2023	\$ 1,402,000.00	\$ 475.88	\$ 1,401,524.12
PNWD Toilet Facility Upgrades	Far West Joint Organisation	State	Geoff Lam	Active	1/05/2023	30/06/2023	\$ 230,000.00	\$ 516.29	\$ 221,853.35
PNWD Tourism Infrastructure Enhancement	Far West Joint Organisation	State	Andrew Algate	Active	5/01/2023	30/06/2023	\$ 550,000.00	\$	\$ 550,000.00
PNWD Tourism Technology	Far West Joint Organisation	State	Jacob Philip	Active	5/01/2023	30/06/2023	\$ 220,000.00	\$	\$ 220,000.00
							\$ 67,165,688.97	\$ 1,935,983.37	\$ 57,053,648.47

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Isaacs Corporation Establishment - Legal Cost	Regional NSW	State	Greg Hill	Active	20/07/2022		\$ 25,000.00	\$	\$ 25,000.00
COVID-19 Economic Stimulus Package - Emergency Service Levy	NSW Office of Local Government	State	Reece Wilson	Active	23/07/2022	30/06/2023	\$ 75,662.67	\$	\$ 75,662.67
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							\$ 67,165,686.97	\$ 1,935,983.37	\$ 57,053,648.47

Central Darling Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020

DRAFT

Central Darling Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020

General Purpose Financial Statements

for the year ended 30 June 2020

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Overview

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

21 Reid Street
Wilcannia NSW 2836

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

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

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

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

General Purpose Financial Statements

for the year ended 30 June 2020

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

General Purpose Financial Statements

for the year ended 30 June 2020

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

The attached General Purpose Financial Statements have been prepared in accordance with:

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

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

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

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

Signed in accordance with a resolution of Council made on dd MMMM yyyy.

[Mayor]
Administrator
dd MMMM yyyy

[GeneralManager]
General Manager
dd MMMM yyyy

[ResponsibleAccountingOfficer]
Responsible Accounting Officer
dd MMMM yyyy

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
	Income from continuing operations			
2,303	Rates and annual charges	3a	2,348	2,202
4,165	User charges and fees	3b	13,331	6,966
324	Other revenues	3c	503	446
11,137	Grants and contributions provided for operating purposes	3d,3e	11,047	10,436
2,750	Grants and contributions provided for capital purposes	3d,3e	3,228	2,106
77	Interest and investment income	4	121	110
–	Net gains from the disposal of assets	6	–	13
–	Rental income	12e	2	–
–	Net share of interests in joint ventures and associates using the equity method	17	–	1,461
20,756	Total income from continuing operations		30,580	23,740
	Expenses from continuing operations			
4,838	Employee benefits and on-costs	5a	4,750	4,584
120	Borrowing costs	5b	58	61
7,259	Materials and contracts	5c	12,157	10,216
4,342	Depreciation and amortisation	5d	4,115	3,661
992	Other expenses	5e	1,735	1,408
17,551	Total expenses from continuing operations		22,815	19,930
3,205	Operating result from continuing operations		7,765	3,810
3,205	Net operating result for the year		7,765	3,810
3,205	Net operating result attributable to council		7,765	3,810
455	Net operating result for the year before grants and contributions provided for capital purposes		4,537	1,704

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Net operating result for the year (as per Income Statement)		7,765	3,810
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10(a)	17,739	(1,663)
Total items which will not be reclassified subsequently to the operating result		17,739	(1,663)
Total other comprehensive income for the year		17,739	(1,663)
Total comprehensive income for the year		25,504	2,147
 Total comprehensive income attributable to Council		 25,504	 2,147

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	7,775	3,190
Receivables	8	3,894	2,942
Inventories	9	455	517
Total current assets		12,124	6,649
Non-current assets			
Infrastructure, property, plant and equipment	10(a)	192,739	172,295
Right of use assets	12a	457	—
Investments accounted for using the equity method	17	1,461	1,461
Total non-current assets		194,657	173,756
Total assets		206,781	180,405
LIABILITIES			
Current liabilities			
Payables	13	954	571
Income received in advance	13	86	88
Contract liabilities	11	60	—
Lease liabilities	12b	137	—
Borrowings	13	165	165
Provisions	14	1,083	990
Total current liabilities		2,485	1,814
Non-current liabilities			
Lease liabilities	12b	309	—
Borrowings	13	141	290
Provisions	14	826	785
Total non-current liabilities		1,276	1,075
Total liabilities		3,761	2,889
Net assets		203,020	177,516
EQUITY			
Accumulated surplus	15	122,577	114,812
Revaluation reserves	15	80,443	62,704
Council equity interest		203,020	177,516
Total equity		203,020	177,516

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Changes in Equity

for the year ended 30 June 2020

\$ '000	Notes	as at 30/06/20			as at 30/06/19		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		114,812	62,704	177,516	111,002	64,367	175,369
Changes due to AASB 1058 and AASB 15 adoption	15	–	–	–	–	–	–
Changes due to AASB 16 adoption	15	–	–	–	–	–	–
Restated opening balance		114,812	62,704	177,516	111,002	64,367	175,369
Net operating result for the year		7,765	–	7,765	3,810	–	3,810
Restated net operating result for the period		7,765	–	7,765	3,810	–	3,810
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	10(a)	–	17,739	17,739	–	(1,663)	(1,663)
Other comprehensive income		–	17,739	17,739	–	(1,663)	(1,663)
Total comprehensive income		7,765	17,739	25,504	3,810	(1,663)	2,147
Equity – balance at end of the reporting period		122,577	80,443	203,020	114,812	62,704	177,516

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Cash flows from operating activities				
Receipts:				
2,073	Rates and annual charges		2,849	2,166
4,081	User charges and fees		13,057	6,639
77	Investment and interest revenue received		63	117
13,887	Grants and contributions		14,525	12,332
–	Bonds, deposits and retention amounts received		2	1
–	Other		(808)	1,685
Payments:				
(4,838)	Employee benefits and on-costs		(5,155)	(4,624)
(7,921)	Materials and contracts		(12,095)	(10,525)
(52)	Borrowing costs		(58)	(61)
–	Other		(815)	(3,265)
7,307	Net cash provided (or used in) operating activities	16b	11,565	4,465
Cash flows from investing activities				
Receipts:				
–	Sale of infrastructure, property, plant and equipment		–	13
Payments:				
(6,632)	Purchase of infrastructure, property, plant and equipment		(6,570)	(5,340)
(6,632)	Net cash provided (or used in) investing activities		(6,570)	(5,327)
Cash flows from financing activities				
Payments:				
(99)	Repayment of borrowings and advances		(149)	(168)
(352)	Lease liabilities (principal repayments)		(261)	–
(451)	Net cash flow provided (used in) financing activities		(410)	(168)
224	Net increase/(decrease) in cash and cash equivalents		4,585	(1,030)
4,214	Plus: cash and cash equivalents – beginning of year	16a	3,190	4,220
4,438	Cash and cash equivalents – end of the year	16a	7,775	3,190

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Notes to the Financial Statements

for the year ended 30 June 2020

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation

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

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

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

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

Council is a not for-profit entity.

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

(a) Historical cost convention

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

(b) Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 9.
- (ii) estimated tip remediation provisions – refer Note 10.
- (iii) employee benefit provisions – refer Note 10.

Significant judgements in applying the council's accounting policies

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 7.

Monies and other assets received by Council

(a) The Consolidated Fund

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

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

- General purpose operations
- Water service

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

- Sewerage service

(b) The Trust Fund

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

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

Goods and Services Tax (GST)

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

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

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

Volunteer services

Volunteer Services are considered to be non-material.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods (and which have not been early adopted by Council).

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

AASB 16 Leases

AASB 16 will result (for YE 19/20 and beyond) in almost all operating leases being recognised on the balance sheet by Council (alongside existing finance leases) with the distinction between operating and finance leases removed.

Under the new standard, a financial liability (ie. a lease liability) and an asset (ie. a right to use the leased item) will be recognised for nearly all arrangements where Council commits itself to paying a rental fee for the use of a specific asset.

The only exceptions are short-term and low-value leases which are exempt from the accounting (but not disclosure) requirements of AASB 16 - Leases.

Council staff have reviewed all of Council's leasing arrangements over the last 12 months taking into consideration the new lease accounting rules in AASB 16 (applicable from 1/7/19).

AASB 16 will (on the whole) affect Council's accounting for existing operating lease agreements that are in place as at 30/6/19.

At the end of this reporting period, Council has non-cancellable operating lease commitments of \$284,000 - refer Note 18(c).

Of these commitments, approximately \$4000 relate to short-term leases.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

Both these lease types and amounts will continue to be accounted for as they currently are (being expensed on a straight-line basis within the Income Statement).

For the remaining operating lease commitments of \$51,000 Council anticipates it will recognise lease liabilities (on its balance sheet) of \$261,000 (after adjustments for prepayments and accrued lease payments recognised as at 30 June 2019) and also recognise complimentary right-of-use assets (on its balance sheet) totaling \$261,000 on 1 July 2019.

From a financial position standpoint, as a result of recognising the above lease liabilities and right-of-use assets, Council's net assets (as at 1 July 2019) will be approximately \$261,000 lower while net current assets will be \$261,000 lower due to the presentation of a portion of the lease liability as a current liability.

From a financial performance standpoint, Council expects that net operating result will decrease by approximately \$18,750 for the 19/20 financial year as a result of adopting the standard.

Operating cash flows will increase and financing cash flows decrease by approximately \$30,000 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

AASB 15 Revenue from Contracts with Customers and associated amending standards.

AASB15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Councils should assess each revenue stream but particular impact is expected for grant income and rates which are paid before the commencement of the rating period.

The changes in revenue recognition requirements in AASB15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The impact of AASB15 is expected to be minimal.

AASB 1058 Income of NFP Entities

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 Contributions.

Under AASB 1058 the future timing of income recognition will depend on whether the transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service) related to an asset (such as cash or another asset) received by an entity.

AASB 1058 also applies when a council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the council's objective is principally to enable the asset to further the council's objectives.

Upon initial recognition of the asset, this standard requires council to consider whether any other financial statement elements (called 'related amounts') should be recognised in accordance with the applicable accounting standard, such as:

- (a) contributions by owners
- (b) revenue, or a contract liability arising from a contract with a customer
- (c) a lease liability
- (d) a financial instrument, or
- (e) a provision.

If the transaction is a transfer of a financial asset to enable council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), the council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will then recognise income as it satisfies its obligations under the transfer similarly to income recognition in relation to performance obligations under AASB 15.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

If the transaction does not enable council to acquire or construct a recognisable non-financial asset to be controlled by council, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income.

The specific impacts of AASB1058 for Council are expected to be minimal.

AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities

This Standard provides a temporary option for not-for-profit entities to not apply the fair value initial measurement requirements for right-of-use assets arising under leases with significantly below market terms and conditions, principally to enable the entity to further its objectives (for example, concessionary or peppercorn leases).

The Standard requires an entity that elects to apply the option (i.e. measures a class or classes of such right-of-use assets at cost rather than fair value) to include additional disclosures in the financial statements to ensure users understand the effects on the financial position, financial performance and cash flows of the entity arising from these leases

As per a NSW Office of Local Government recommendation, Council has elected to measure right-of-use assets (under a concessionary or peppercorn lease) at cost. The standard requires additional disclosures be provided in relation to below market-value leases measured at cost.

The specific impacts of AASB2018-8 for Council are expected to be minimal.

Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2018.

Going concern

Council has been under administration since 23 December 2013 due to its poor financial position.

Since that time Council has operated on an altered business model by reducing staff and contractors and tightly controlling expenditure.

The financial statements for the 2019 year have been prepared on a going concern basis.

Management believe Council is a going concern as it forecasts positive net cash flows for future years in its Long Term Financial Plan.

Central Darling Shire received Ministerial approval under section 410 of the *Local Government Act 1993*, to allow Council to continue utilising restricted cash reserves to cover operational shortfalls until 30 June 2020, at which time any such outstanding funds must be restored.

New accounting standards adopted during the year

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2019.

Those newly adopted standards which had an impact on reported position, performance and/or disclosures have been discussed in Note 12.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(a). Council functions/activities – financial information

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

\$ '000	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Carrying amount of assets	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Functions or activities										
Governance	–	–	135	138	(135)	(138)	–	–	–	551
Administration	772	1,769	3,868	3,186	(3,096)	(1,417)	–	–	9,081	11,596
Public order and safety	119	101	398	102	(279)	(1)	98	100	1,477	1,298
Environment	859	716	677	1,330	182	(614)	2,103	169	782	444
Community services and education	92	3	156	287	(64)	(284)	–	3	1,654	283
Housing and community amenities	2,013	932	835	24	1,178	908	–	930	5,419	3,405
Water supplies	1,039	1,929	1,565	1,537	(526)	392	80	927	24,445	28,053
Sewerage services	363	217	231	266	132	(49)	111	–	4,881	4,514
Recreation and culture	665	14	672	651	(7)	(637)	600	13	9,232	11,014
Transport and communications	18,892	11,423	12,777	12,369	6,115	(946)	2,007	1,570	149,868	119,247
Economic affairs	541	173	901	40	(360)	133	60	100	542	–
General purpose income	5,225	6,463	–	–	5,225	6,463	6,000	5,573	(600)	–
Total functions and activities	30,580	23,740	22,215	19,930	8,365	3,810	11,059	9,385	206,781	180,405

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Governance

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

Administration

Includes corporate support, executive services, shire services and any other Council policy compliance.

Public order and safety

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

Health

Includes immunisations, food control and health clinics.

Environment

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

Community services and education

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration, youth services; aged and disabled services and children's services.

Housing and community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; and other community amenities

Water supplies

Supply of water services to W ilcannia, Menindee, White Cliffs and Ivanhoe.

Sewerage services

Supply of sewerage services to W ilcannia.

Recreation and culture

Includes community centres and halls, sporting grounds, venues, swimming pools, parks and gardens, and other sporting, recreational and cultural services.

Transport and communications

Includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas and caravan parks, tourism and area promotion, and other business undertakings.

General purpose income

Includes grant funding not directly attributable to the above categories.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations

Note 3. Revenue from continuing operations

\$ '000	2020	2019
(a) Rates and annual charges		
Ordinary rates		
Residential	448	329
Farmland	348	439
Business	45	45
Rates levied to ratepayers	841	813
Pensioner rate subsidies received	20	20
Total ordinary rates	861	833
Annual charges		
(pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	603	547
Water supply services	641	612
Sewerage services	243	210
Annual charges levied	1,487	1,369
Total annual charges	1,487	1,369
TOTAL RATES AND ANNUAL CHARGES	2,348	2,202

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

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

Accounting policy for rates and charges

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

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

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

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

2019 accounting policy

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	2020	2019
(b) User charges and fees		
Specific user charges		
(per s.502 - specific 'actual use' charges)		
Water supply services	345	344
Total specific user charges	345	344
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Planning and building regulation	30	32
Private works – section 67	850	732
Total fees and charges – statutory/regulatory	880	764
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Caravan park	24	23
Cemeteries	11	11
Leaseback fees – Council vehicles	–	2
RMS (formerly RTA) charges (state roads not controlled by Council)	11,972	5,603
Swimming centres	–	1
Waste disposal tipping fees	55	56
Rent and hire of council property	7	11
Other	37	151
Total fees and charges – other	12,106	5,858
TOTAL USER CHARGES AND FEES	13,331	6,966

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for user charges and fees

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

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

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

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

2019 accounting policy

User charges and fees are recognised as revenue when the service has been provided.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	2020	2019
(c) Other revenues		
Rental income – other council properties (2019 only)	101	65
Commissions and agency fees	200	194
Insurance claims recoveries	9	61
Sales – general	87	65
Other	106	61
<u>TOTAL OTHER REVENUE</u>	<u>503</u>	<u>446</u>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for other revenue

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

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

2019 accounting policy:

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

Rental income is accounted for on a straight-line basis over the lease term.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(d) Grants				
General purpose (untied)				
Financial assistance – general component	4,304	3,961	–	–
Financial assistance – local roads component	1,696	1,612	–	–
Total general purpose	6,000	5,573	–	–
Specific purpose				
Bushfire and emergency services	97	100	–	–
Community care	–	10	–	–
Economic development	–	–	60	–
Environmental programs	59	8	2,044	159
Heritage and cultural	12	13	–	–
Public halls	–	–	–	507
Recreation and culture	10	–	577	101
Transport (roads to recovery)	1,503	545	–	–
Transport (other roads and bridges funding)	–	–	500	1,025
Airport	–	–	4	–
Youth	2	3	–	–
Water and sewer	148	927	43	–
Other	–	–	–	314
Crown Land Administration	–	100	–	–
Total specific purpose	1,831	1,706	3,228	2,106
Total grants	7,831	7,279	3,228	2,106
Grant revenue is attributable to:				
– Commonwealth funding	–	545	1,564	–
– State funding	–	6,734	5,107	2,106
– Other funding	7,831	–	(3,443)	–
	7,831	7,279	3,228	2,106

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(e) Contributions				
Other contributions:				
Cash contributions				
RMS contributions (regional roads, block grant)	3,216	3,157	–	–
Total other contributions – cash	3,216	3,157	–	–
Total other contributions	3,216	3,157	–	–
Total contributions	3,216	3,157	–	–
TOTAL GRANTS AND CONTRIBUTIONS	11,047	10,436	3,228	2,106

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for grants and contributions**Accounting policy from 1 July 2019****Grant income under AASB 15**

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

The performance obligations are varied based on the agreement but include [provide details of performance obligations within AASB 15 grants e.g. events, vaccinations]. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Grant income

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

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

Capital grants

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

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

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

Contributions

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

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

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

Accounting policy prior to 1 July 2019

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and revenue is recognised at this time and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed below.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	2020	2019
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(f) Unspent grants and contributions – external restrictions

Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner due to externally imposed restrictions.

Operating grants

Unexpended at the close of the previous reporting period	2	–
Add: operating grants recognised as income in the current period but not yet spent (2019 only)	–	2
Add: operating grants received for the provision of goods and services in a future period	–	–
Less: operating grants recognised in a previous reporting period now spent (2019 only)	(2)	–
Less: operating grants received in a previous reporting period now spent and recognised as income	–	–
Unexpended and held as externally restricted assets (operating grants)	–	2

Unspent funds relating to Roads to Recovery funding received in the 2019 financial year.

Capital grants

Unexpended at the close of the previous reporting period	–	103
Add: capital grants recognised as income in the current period but not yet spent (2019 only)	–	–
Add: capital grants received for the provision of goods and services in a future period	–	–
	–	(103)
Less: capital grants received in a previous reporting period now spent and recognised as income	–	–
Unexpended and held as externally restricted assets (capital grants)	–	–

\$ '000	AASB 15 2020	AASB 1058 2020
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(g) Disaggregation of material revenue streams

The following shows the revenue recognition pattern for the material revenue streams of Council.

Revenue recognition at a point in time

Rates and annual charges	–	–
Financial assistance grants	–	–
User charges and fees	–	–
Grant revenue and non-developer contributions	–	–
Developer contributions	–	–
Fines	–	–
Sale of goods	–	–
Other [specify if material]	–	–
	–	–

Revenue recognised over time

Grant revenue	–	–
Grants to acquire or construct Council controlled assets	–	–
User charges and fees	–	–

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB 15 2020	AASB 1058 2020
Other [specify if material]	—	—
	—	—

Note 4. Interest and investment income

\$ '000	2020	2019
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	118	102
– Cash and investments	3	8
Finance income on the net investment in the lease	—	—
Total Interest and investment income	121	110
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	—	49
General Council cash and investments	121	8
Restricted investments/funds – external:		
Water fund operations	—	46
Sewerage fund operations	—	7
Total interest and investment revenue	121	110

Accounting policy for interest and investment revenue

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

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations

\$ '000	2020	2019
(a) Employee benefits and on-costs		
Salaries and wages	3,843	3,732
Employee leave entitlements (ELE)	494	494
Superannuation	318	295
Workers' compensation insurance	123	81
Fringe benefit tax (FBT)	45	42
Training costs (other than salaries and wages)	103	69
Total employee costs	4,926	4,713
Less: capitalised costs	(176)	(129)
TOTAL EMPLOYEE COSTS EXPENSED	4,750	4,584
Number of 'full-time equivalent' employees (FTE) at year end	46	45

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 16 for more information.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on leases		7	–
Interest on loans		14	25
Total interest bearing liability costs		21	25
Total interest bearing liability costs expensed		21	25
(ii) Other borrowing costs			
Fair value adjustments on recognition of advances and deferred debtors			
– Remediation liabilities	14	37	36
Total other borrowing costs		37	36
TOTAL BORROWING COSTS EXPENSED		58	61

Accounting policy for borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(c) Materials and contracts		
Raw materials and consumables	11,844	9,623
– Contractor costs	157	132
Auditors remuneration ²	63	53
Legal expenses:		
– Legal expenses: debt recovery	47	–
– Legal expenses: other	16	6
Expenses from short-term leases (2020 only)	30	–
Expenses from leases of low value assets (2020 only)	–	–
Expenses from Peppercorn leases (2020 only)	–	–
Variable lease expense relating to usage (2020 only)	–	–
Operating leases expense (2019 only):		
– Operating lease rentals: minimum lease payments ¹	–	402
Total materials and contracts	12,157	10,216
TOTAL MATERIALS AND CONTRACTS	12,157	10,216

Accounting policy for materials and contracts

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

Operating leases (2019 only)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1. Operating lease payments are attributable to:

Computers	30	20
Motor vehicles	–	382
	30	402

2. Auditor remuneration

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:**(i) Audit and other assurance services**

Audit and review of financial statements	63	53
Remuneration for audit and other assurance services	63	53

Total Auditor-General remuneration**Non NSW Auditor-General audit firms**

Total Auditor remuneration	63	53
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Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
(d) Depreciation, amortisation and impairment of non-financial assets			
Depreciation and amortisation			
Plant and equipment		125	137
Infrastructure:	10(a)		
– Buildings – non-specialised		852	843
– Other structures		231	230
– Roads		1,861	1,663
– Stormwater drainage		25	25
– Water supply network		636	628
– Sewerage network		86	86
Right of use assets	12	250	–
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	14,10(a)	49	49
Total gross depreciation and amortisation costs		4,115	3,661
Total depreciation and amortisation costs		4,115	3,661
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT FOR NON-FINANCIAL ASSETS		4,115	3,661

Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets**Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 9 for IPPE.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(e) Other expenses		
Advertising	18	8
Training costs (other than salaries and wages)	–	–
Travel expenses	–	–
Bad and doubtful debts	600	250
Bank charges	9	9
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	130	139
Donations, contributions and assistance to other organisations (Section 356)	2	22
Electricity and heating	243	222
Insurance	391	392
Printing and stationery	28	41
Street lighting	42	71
Subscriptions and publications	157	130
Telephone and communications	102	96
Valuation fees	13	28
Total other expenses	1,735	1,408
TOTAL OTHER EXPENSES	1,735	1,408

Accounting policy for other expenses

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 6. Gain or loss from disposal of assets

\$ '000	Notes	2020	2019
Plant and equipment	10(a)		
Proceeds from disposal – plant and equipment		–	13
Net gain/(loss) on disposal		–	13
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>–</u>	<u>13</u>

Accounting policy for disposal of assets

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

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

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(a). Cash and cash equivalents

\$ '000	2020	2019
Cash and cash equivalents		
Cash on hand and at bank	7,775	3,190
Total cash and cash equivalents	7,775	3,190

Accounting policy for cash and cash equivalents

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

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(b). Restricted cash, cash equivalents and investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Total cash, cash equivalents and investments	7,775	—	3,190	—
attributable to:				
External restrictions	727	—	2,150	—
Internal restrictions	—	—	—	—
Unrestricted	7,048	—	1,040	—
	7,775	—	3,190	—

\$ '000	2020	2019
Details of restrictions		
External restrictions – included in liabilities		
Specific purpose unexpended grants – general fund (2020 only)	—	—
Specific purpose unexpended grants – water fund (2020 only)	—	—
Specific purpose unexpended grants – sewer fund (2020 only)	—	—
External restrictions – included in liabilities	—	—
External restrictions – other		
Specific purpose unexpended grants (recognised as revenue) – general fund	—	2
Water supplies	—	1,329
Sewerage services	727	427
Domestic waste management	—	392
External restrictions – other	727	2,150
Total external restrictions	727	2,150
TOTAL RESTRICTIONS	727	2,150

Notes to the Financial Statements

for the year ended 30 June 2020

Note 8. Receivables

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Purpose				
Rates and annual charges	1,305	—	1,206	—
Interest and extra charges	603	—	545	—
User charges and fees	1,168	—	896	—
Net investment in finance lease	—	—	—	—
Government grants and subsidies	20	—	210	—
Net GST/PAYG receivable	2,128	—	815	—
Total	5,224	—	3,672	—
Less: provision of impairment				
Rates and annual charges	(1,040)	—	(440)	—
Interest and extra charges	(190)	—	(190)	—
User charges and fees	(100)	—	(100)	—
Total provision for impairment – receivables	(1,330)	—	(730)	—
TOTAL NET RECEIVABLES	3,894	—	2,942	—
Externally restricted receivables				
Water supply				
– Rates and availability charges	1,019	—	992	—
– Other	1,319	—	110	—
Sewerage services				
– Rates and availability charges	156	—	147	—
– Other	172	—	—	—
Total external restrictions	2,666	—	1,249	—
Unrestricted receivables	1,228	—	1,693	—
TOTAL NET RECEIVABLES	3,894	—	2,942	—

\$ '000	2020	2019
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	730	480
+ new provisions recognised during the year	—	250
Balance at the end of the year	730	730

Accounting policy for receivables

Recognition and measurement

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

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

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

Notes to the Financial Statements
for the year ended 30 June 2020

Note 8. Receivables (continued)

Impairment

Council needs to enter custom text here : Impairment !

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 9. Inventories and other assets

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Inventories				
(i) Inventories at cost				
Stores and materials	455	–	517	–
Total inventories at cost	455	–	517	–
<u>TOTAL INVENTORIES</u>	<u>455</u>	<u>–</u>	<u>517</u>	<u>–</u>

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Total externally restricted assets	–	–	–	–
Total internally restricted assets	–	–	–	–
Total unrestricted assets	455	–	517	–
TOTAL INVENTORIES AND OTHER ASSETS	455	–	517	–

Accounting policy for inventories and other assets

Raw materials and stores, work in progress and finished goods

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment

\$ '000	as at 30/06/19			Asset movements during the reporting period					as at 30/06/20		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	2,682	–	2,682	5,807	–	–	(5,299)	–	3,190	–	3,190
Plant and equipment	3,405	(2,400)	1,005	–	748	(125)	–	–	4,152	(2,525)	1,627
Furniture and fittings	–	–	–	–	17	–	–	–	17	–	17
Land:											
– Operational land	458	–	458	–	–	–	–	–	458	–	458
– Community land	523	–	523	–	–	–	–	–	523	–	523
Infrastructure:											
– Buildings – non-specialised	33,402	(20,730)	12,672	–	–	(852)	550	–	33,952	(21,582)	12,370
– Other structures	7,288	(5,123)	2,165	–	–	(231)	882	–	8,170	(5,354)	2,816
– Roads, bridges, footpaths	126,848	(28,582)	98,266	–	–	(1,861)	3,820	17,252	149,978	(32,500)	117,478
– Bulk earthworks (non-depreciable)	24,235	–	24,235	–	–	–	–	–	24,234	–	24,234
– Stormwater drainage	1,379	(660)	719	–	–	(25)	–	–	1,379	(685)	694
– Water supply network	45,139	(19,598)	25,541	–	–	(636)	–	429	45,567	(20,234)	25,333
– Sewerage network	6,123	(2,184)	3,939	–	–	(86)	–	58	6,182	(2,270)	3,912
Reinstatement, rehabilitation and restoration assets (refer Note 11):											
– Tip assets	488	(398)	90	–	–	(49)	47	–	535	(448)	87
Total Infrastructure, property, plant and equipment	251,970	(79,675)	172,295	5,807	765	(3,865)	–	17,739	278,337	(85,598)	192,739

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

\$ '000	as at 30/06/18			Asset movements during the reporting period						as at 30/06/19		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ⁽¹⁾	Additions new assets	Depreciation expense	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	3,823	–	3,823	5,065	–	–	(6,206)	–	–	2,682	–	2,682
Plant and equipment	3,144	(2,263)	881	–	261	(137)	–	–	–	3,405	(2,400)	1,005
Land:												
– Operational land	458	–	458	–	–	–	–	–	–	458	–	458
– Community land	523	–	523	–	–	–	–	–	–	523	–	523
Infrastructure:												
– Buildings – non-specialised	32,943	(19,887)	13,056	–	–	(843)	459	–	–	33,402	(20,730)	12,672
– Other structures	7,417	(2,813)	4,604	–	–	(230)	18	(2,227)	–	7,288	(5,123)	2,165
– Roads	121,773	(26,919)	94,854	–	–	(1,663)	5,075	–	–	126,848	(28,582)	98,266
– Bulk earthworks (non-depreciable)	24,234	–	24,234	–	–	–	–	–	–	24,235	–	24,235
– Stormwater drainage	1,293	(316)	977	–	–	(25)	–	(233)	–	1,379	(660)	719
– Water supply network	43,784	(18,970)	24,814	–	–	(628)	654	–	701	45,139	(19,598)	25,541
– Sewerage network	6,027	(2,097)	3,930	–	–	(86)	–	–	96	6,123	(2,184)	3,939
Reinstatement, rehabilitation and restoration assets (refer Note 17):												
– Tip assets	475	(350)	125	–	13	(49)	–	–	–	488	(398)	90
Total Infrastructure, property, plant and equipment	245,894	(73,615)	172,279	5,065	274	(3,661)	–	(2,460)	797	251,970	(79,675)	172,295

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

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

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

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

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

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

Land is not depreciated. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20	Swimming pools	50
Sealed roads: structure	50	Unealed roads	20
Unsealed roads	20	Other open space/recreational assets	20
Bridge: concrete	100	Other infrastructure	20
Bridge: other	50		
Road pavements	60		
Kerb, gutter and footpaths	40		

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

Land under roads

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

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Crown reserves

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

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

Rural Fire Service assets

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

These Rural Fire Service assets are not recognised as assets of the Council in these financial statements.

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(b). Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/20			as at 30/06/19		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
Land						
– Operational land	81	–	81	81	–	81
Infrastructure	46	20	26	45,139	19,598	25,541
Total water supply	127	20	107	45,220	19,598	25,622
Sewerage services						
Infrastructure	6	2	4	6,124	2,184	3,940
Total sewerage services	6	2	4	6,124	2,184	3,940
Domestic waste management						
Plant and equipment	874	509	365	874	461	413
Total DWM	874	509	365	874	461	413
TOTAL RESTRICTED IPP&E	1,007	531	476	52,218	22,243	29,975

Note 11. Contract assets and liabilities

\$ '000	Notes	2020 Current	2020 Non-current
Contract liabilities			
Grants and contributions received in advance:			
Unexpended capital grants (to construct Council controlled assets)	(i)	60	–
Total grants received in advance		60	–
Total contract liabilities		60	–

Notes

Council has received funding for the upgrade of a remote aerodrome at Tilpa. The funds received are under an enforceable contract which requires Council to undertake the upgrade works in accordance with the grant approval and the asset is under Council's control and recognised as part of Council's IPPE assets disclosed in Note 10a. The revenue is recognised over time as the upgrade works are completed, and the contract liability reflects the funds received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

\$ '000	2020 Current	2020 Non-current
(i) Contract liabilities relating to restricted assets		
Externally restricted assets		
Water	–	–
Sewer	–	–
Unspent grants held as contract liabilities (excl. Water & Sewer)	60	–
Contract liabilities relating to externally restricted assets	60	–
Total contract liabilities relating to restricted assets	60	–
Total contract liabilities relating to unrestricted assets	–	–

Notes to the Financial Statements

for the year ended 30 June 2020

Note 11. Contract assets and liabilities (continued)

Total contract liabilities

60

—

Significant changes in contract assets and liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

Note 12. Leases

The Council has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

(i) Council as a lessee

Council has leases over vehicles, and IT equipment. Information relating to the leases in place and associated balances and transactions are provided below.

Plant & Vehicles

Lease Number	Lessor	Asset Class / Type	Leased Asset	Lease Type	Payment frequency	Annual Amount \$
L0001	Toyota Fleet	Plant and equipment	Landcruiser Prado	Ordinary	monthly	30,829
L0002	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	11,918
L0003	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	18,482
L0004	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	13,490
L0005	Toyota Fleet	Plant and equipment	RAV 4	Ordinary	monthly	2,998
L0006	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	19,441
L0007	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	20,171
L0008	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	20,876
L0009	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	18,018
L0010	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,928
L0011	Toyota Fleet	Plant and equipment	PRADO	Ordinary	monthly	6,658
L0012	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	7,608
L0013	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,858
L0014	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	7,986
L0015	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	5,516
L0016	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,731
L0017	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	7,663
L0018	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	7,228
L0019	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	3,514
L0020	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,990
L0021	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,276

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Leases (continued)

L0022	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	1,707
L0023	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,524
L0024	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,524
L0025	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,524
L0026	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,524
Total Annual Payment						249,982

IT Equipment

Leases for IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 1 and 3 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage. Total Annual Lease payments is approximately \$26,000.

\$ '000	Plant & Equipment	Ready to use	Total
(a) Right of use assets			
Opening balance at 30 June 2019	–	–	–
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	242	–	242
Additions to right-of-use assets	465	–	465
Depreciation charge	(250)	–	(250)
<u>RIGHT OF USE ASSETS</u>	<u>457</u>	<u>–</u>	<u>457</u>

\$ '000	2020 Current	2020 Non-current
(b) Lease liabilities		
Lease liabilities	137	309
<u>TOTAL LEASE LIABILITIES</u>	<u>137</u>	<u>309</u>

(i) The maturity analysis

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

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
Cash flows	261	185	–	446	446
\$ '000	2020 Current	2020 Non-current			

(ii) Lease liabilities relating to restricted assets**Externally restricted assets**

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Leases (continued)

\$ '000	2020 Current	2020 Non-current
Water	—	—
Sewer	—	—
Lease liabilities relating to externally restricted assets	—	—
Total lease liabilities relating to unrestricted assets	137	309
<u>Total lease liabilities</u>	<u>137</u>	<u>309</u>

\$ '000	2020
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(c) Income Statement

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

Interest on lease liabilities	7
Depreciation of right of use assets	250
Expenses relating to short-term leases	30
	<u>287</u>

(d) Statement of Cash Flows

Total cash outflow for leases	250
	<u>250</u>

Accounting policy

Accounting policies under AASB 16 – applicable from 1 July 2019

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

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

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

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

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Leases (continued)

Exceptions to lease accounting

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

Leases at significantly below market value / concessionary leases

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

Accounting policy under AASB 117 and associated Accounting Interpretations (2019 only)

Refer to Note 5c and Note 12

(ii) Council as a lessor**(e) Operating leases**

Council leases 1 vehicle only at a weekly amount of \$35

\$ '000	2020
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(i) Operating lease income**Other lease income**

Leaseback fees - council vehicles	2
Total income relating to operating leases	2

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

< 1 year	2
1–2 years	–
2–3 years	–
Total undiscounted contractual lease income receivable	2

\$ '000	Plant & Equipment 2020
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(v) Reconciliation of IPP&E assets leased out as operating leases

Opening balance as at 1 July 2019	–
Additions renewals	–
Additions new assets	–
Reinstatement costs for impaired assets	–
Carrying value of disposals	–
Depreciation expense	–
Impairment loss/revaluation decrements (recognised in P/L)	–
Impairment reversal / prior period revaluation decrements reversal (via P&L)	–
Impairment loss (recognised in equity)	–
Impairment reversal (recognised in equity)	–
WIP transfers	–
Adjustments and transfers	–
Amalgamations transfers in/(out)	–
Transfers from/(to) 'held for sale' category	–

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Leases (continued)

\$ '000	Plant & Equipment 2020
Transfers from/(to) real estate assets (Note 8)	—
Transfers from/(to) investment property	—
Transfers from/(to) right-of-use assets	—
Revaluation decrements to equity (ARR)	—
Revaluation increments to equity (ARR)	—
Other movement (details here)	—
Closing balance as at 30 June 2020	—

Accounting policy

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

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

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

The lease income is recognised on a straight-line basis over the lease term.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Payables and borrowings

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Payables				
Accrued expenses:				
– Salaries and wages	28	–	7	–
– Other expenditure accruals	920	–	560	–
Security bonds, deposits and retentions	6	–	4	–
Prepaid rates	–	–	–	–
Total payables	954	–	571	–
Income received in advance (2019 only)				
Payments received in advance	86	–	88	–
Total income received in advance	86	–	88	–
Borrowings				
Loans – secured ¹	165	141	165	290
Total borrowings	165	141	165	290
<u>TOTAL PAYABLES AND BORROWINGS</u>	<u>1,205</u>	<u>141</u>	<u>824</u>	<u>290</u>

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

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 17.

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
(a) Payables and borrowings relating to restricted assets				
Externally restricted assets				
Water	(1,909)	–	–	–
Payables and borrowings relating to externally restricted assets	(1,909)	–	–	–
Total payables and borrowings relating to restricted assets	(1,909)	–	–	–
Total payables and borrowings relating to unrestricted assets	3,114	141	824	290
<u>TOTAL PAYABLES AND BORROWINGS</u>	<u>1,205</u>	<u>141</u>	<u>824</u>	<u>290</u>

(b) Current payables and borrowings not anticipated to be settled within the next twelve months

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

(c) Changes in liabilities arising from financing activities

as at 30/06/19

Non-cash changes

as at 30/06/20

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Payables and borrowings (continued)

\$ '000	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	455	(149)	–	–	–	–	306
Lease liabilities	–	446	–	–	–	–	446
TOTAL	455	297	–	–	–	–	752

	as at 30/06/18		Non-cash changes			as at 30/06/19
\$ '000	Opening Balance	Cash flows	Acquisition	Fair value changes	Other non-cash movement	Closing balance
Loans – secured	623	(168)	–	–	–	455
TOTAL	623	(168)	–	–	–	455

\$ '000	2020	2019
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(d) Financing arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Credit cards/purchase cards	45	45
Total financing arrangements	45	45

Drawn facilities as at balance date:

– Credit cards/purchase cards	8	7
Total drawn financing arrangements	8	7

Undrawn facilities as at balance date:

– Credit cards/purchase cards	37	38
Total undrawn financing arrangements	37	38

Additional financing arrangements information

Breaches and defaults

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

Security over loans

Loans are secured over the general rating income of Council.

Leased liabilities are secured by the underlying leased assets.

Accounting policy for payables and borrowings

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

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

Payables

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

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Payables and borrowings (continued)

the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

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

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Provisions

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Provisions				
Employee benefits				
Annual leave	560	–	541	–
Long service leave	–	27	449	23
Sub-total – aggregate employee benefits	560	27	990	23
Asset remediation/restoration:				
Asset remediation/restoration (future works)	523	799	–	762
Sub-total – asset remediation/restoration	523	799	–	762
<u>TOTAL PROVISIONS</u>	<u>1,083</u>	<u>826</u>	<u>990</u>	<u>785</u>

(a) Provisions relating to restricted assets

Total provisions relating to restricted assets	–	–	–	–
Total provisions relating to unrestricted assets	1,083	826	990	785
<u>TOTAL PROVISIONS</u>	<u>1,083</u>	<u>826</u>	<u>990</u>	<u>785</u>

\$ '000	2020	2019
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(b) Current provisions not anticipated to be settled within the next twelve months

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

Provisions – employees benefits	798	705
	<u>798</u>	<u>705</u>

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Provisions (continued)

(c) Description of and movements in provisions

\$ '000	ELE provisions		
	Annual leave	Long service leave	Total
2020			
At beginning of year	541	472	1,013
Other	19	(445)	(426)
Total ELE provisions at end of year	560	27	587
2019			
At beginning of year	483	502	985
Other	58	(30)	28
Total ELE provisions at end of year	541	472	1,013

\$ '000	Other provisions	
	Asset remediation	Total
2020		
At beginning of year	762	762
Other	560	560
Total other provisions at end of year	1,322	1,322
2019		
At beginning of year	713	713
Additional provision for landfill remediation	49	49
Total other provisions at end of year	762	762

Nature and purpose of non-employee benefit provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council's landfills.

Accounting policy for provisions

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

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

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

Employee benefits

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Provisions (continued)

in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

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

On-costs

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

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

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Provisions for close-down and restoration, and environmental clean-up costs – tips and quarries

Restoration

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process, and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

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

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Provisions (continued)

Close-down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

Fair value through other comprehensive income reserve (FVOCI)

Changes in the fair value of financial assets are taken through the fair value through other comprehensive income revaluation reserve. The accumulated changes in fair value are transferred to profit or loss when the financial asset is derecognised or impaired.

(b) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

Adjustments to the current year figures for the year ended 30 June 2020

Statement of Financial Position

(ii) AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Costs incurred in fulfilling customer contracts

Prior to adopting AASB 15 Council would recognise direct costs associated with fulfilling customer contracts as expenses when incurred, as they did not qualify for recognition as assets under any other accounting standards. Under AASB 15, as these costs relate directly to the contracts, generate resources used in satisfying the contracts, and are expected to be recovered, they are capitalised as 'costs to fulfil a contract' assets and released through profit and loss on the same basis as the revenue is recognised.

Transfer of control to a customer – over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Principal v agent

Prior to adoption of AASB 15, the Council had assessed that they were a principal in transactions where another party was involved in providing the goods or services including pass-through grants.

Under AASB 15, the indicators of a principal have changed and there are now a number of performance obligations within grant agreements where the Council is acting as an agent since the only obligation is to transfer the funds to a third party.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

The result is that Council can only recognise the “commission” to which they are entitled rather than the gross revenue and expenses. There is no change to reported profit.

Licences

Council has reviewed the licences it grants and considers that all licences are either short-term or low value and elects to recognise all revenue from licences up-front rather than spreading them over the life of the licence.

Prepaid rates

Under AASB 1004, rates were recorded as revenue at the earliest of receipt of the funds from the ratepayer and the beginning of the rating period. Under AASB 1058, prepaid rates are recognised as a financial liability until the beginning of the rating period.

Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of Financial Position

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards	Notes
Current assets					
Cash and cash equivalents	7,775	–	–	7,775	
Receivables	3,894	–	–	3,894	
Inventories	455	–	–	455	
Total current assets	12,124	–	–	12,124	
Current liabilities					
Payables	954	–	–	954	
Income received in advance	86	–	–	86	
Contract liabilities	60	–	(60)	–	
Lease liabilities	137	–	–	137	
Borrowings	165	–	–	165	
Provisions	1,083	–	–	1,083	
Total current liabilities	2,485	–	(60)	2,425	
Non-current assets					
Infrastructure, property, plant and equipment	192,739	–	–	192,739	
Right of use assets	457	–	–	457	

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards	Notes
Investments accounted for using equity method	1,461	—	—	1,461	
Total non-current assets	194,657	—	—	194,657	
Non-current liabilities					
Lease liabilities	309	—	—	309	
Borrowings	141	—	—	141	
Provisions	826	—	—	826	
Total Non-current liabilities	1,276	—	—	1,276	
Net assets	203,020	—	60	203,080	
Equity					
Accumulated surplus	122,577	—	60	122,637	
Revaluation reserves	80,443	—	—	80,443	
Council equity interest	203,020	—	60	203,080	
Total equity	203,020	—	60	203,080	

The introduction of AASB 15 and AASB 1058 has resulted in the reporting of income, largely from government grants, to be presented on the basis of recognition of contract liabilities for certain revenues where income is received in advance of the performance of the obligations associated with the contract at balance date. Such revenues were previously taken to account as income and are now presented as liabilities.

Income Statement

\$ '000	Income Statement and comprehen- sive income under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Income Statement and comprehen- sive income under previous revenue standards	Notes
<u>Income from continuing operations</u>					
Rates and annual charges	2,348	—	—	2,348	
User charges and fees	13,331	—	—	13,331	
Other revenues	503	—	—	503	
Grants and contributions provided for operating purposes	11,047	—	—	11,047	
Grants and contributions provided for capital purposes	3,228	—	60	3,288	
Interest and investment income	121	—	—	121	
Rental income	2	—	—	2	
Total Income from continuing operations	30,580	—	60	30,640	
<u>Expenses from continuing operations</u>					

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Income Statement and comprehensive income under AASB 15 and AASB 1058	Reclassification	Remeasurement	Income Statement and comprehensive income under previous revenue standards	Notes
Employee benefits and on-costs	4,750	—	—	4,750	
Borrowing costs	58	—	—	58	
Materials and contracts	12,157	—	—	12,157	
Depreciation and amortisation	4,115	—	—	4,115	
Other expenses	1,735	—	—	1,735	
Total Expenses from continuing operations	22,815	—	—	22,815	
Total Operating result from continuing operations	7,765	—	60	7,825	
Net operating result for the year	7,765	—	60	7,825	
Total comprehensive income	25,504	—	60	25,564	

The introduction of AASB 15 and AASB 1058 has resulted in the reporting of income, largely from government grants, to be presented on the basis of recognition of contract liabilities for certain revenues where income is received in advance of the performance of the obligations associated with the contract at balance date. Such revenues were previously taken to account as income and are now presented as liabilities.

Adjustments to the current year figures for the year ended 30 June 2020**Statement of Financial Position**

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Contract assets	—	—	—
Total assets	180,405	—	180,405
Contract liabilities	—	—	—
Total liabilities	2,889	—	2,889
Accumulated surplus	—	—	—
Total equity	177,516	—	177,516

(iii) AASB 16 Leases**Council as a lessee**

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Financial statement impact of adoption of AASB 16

Council has recognised right-of-use assets and lease liabilities of \$242,000 at 1 July 2019 for leases previously classified as operating leases, or leases that are significantly below market value which were previously off balance sheet.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 2%.

\$ '000	Balance at 1 July 2019
Operating lease commitments at 30 June 2019 per Council financial statements	402

Reconciliation of lease liabilities recognised on adoption of AASB 16 Leases

Operating lease commitments discounted using the incremental borrowing rate at 1 July 2019 —

Add:

Contracts not accounted for as operating lease commitments last year 242

Lease liabilities recognised at 1 July 2019 242

Council as a lessor

For the arrangements where Council is a lessor, there are no significant accounting policy changes on adoption of AASB 16 except for sub-leases, which have now been classified in relation to the right-of-use asset under the head lease rather than the underlying asset.

Adjustments to the current year figures for the year ended 30 June 2020**Statement of Financial Position**

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Rights-of-use assets	—	242	242
Total assets	180,405	242	180,647
Payables – accrued interest on leases (30/6/2019)	—	—	—
Leases	—	242	242
Total liabilities	2,889	242	3,131
Accumulated surplus	—	—	—

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Total equity	177,516	–	177,516

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Statement of cash flow information

\$ '000	Notes	2020	2019
(a) Reconciliation of cash and cash equivalents			
Total cash and cash equivalents per Statement of Financial Position	7(a)	7,775	3,190
Balance as per the Statement of Cash Flows		7,775	3,190
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		7,765	3,810
Adjust for non-cash items:			
Depreciation and amortisation		4,115	3,661
Net losses/(gains) on disposal of assets		–	(13)
Share of net (profits)/losses of associates/joint ventures using the equity method		–	(1,461)
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(1,552)	(1,029)
Increase/(decrease) in provision for impairment of receivables		600	250
Decrease/(increase) in inventories		62	(309)
Decrease/(increase) in other current assets		–	23
Increase/(decrease) in other accrued expenses payable		381	(558)
Increase/(decrease) in other liabilities		–	14
Increase/(decrease) in contract liabilities		60	–
Increase/(decrease) in provision for employee benefits		(426)	28
Increase/(decrease) in other provisions		560	49
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		11,565	4,465

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Interests in other entities

\$ '000	Council's share of net income		Council's share of net assets	
	2020	2019	2020	2019
Joint Arrangement	—	1,461	1,461	1,461
Total	—	1,461	1,461	1,461

Joint arrangements

(i) Joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

(c) Relevant interests and fair values

\$ '000	Interest in outputs		Interest in ownership		Proportion of voting power	
	2020	2019	2020	2019	2020	2019
Far West Joint Organisation	0.0%	25.0%	0.0%	25.0%	0.0%	25.0%

(d) Summarised financial information for joint ventures

\$ '000	Far West Joint Organisation	
	2020	2019
Statement of financial position		
Current assets		
Cash and cash equivalents	—	6,369
Other current assets	—	1
Non-current assets	—	41
Current liabilities		
Other current liabilities	—	567
Net assets	—	5,844
Reconciliation of the carrying amount		
Opening net assets (1 July)	5,844	—
Profit/(loss) for the period	—	5,844
Closing net assets	5,844	5,844
Council's share of net assets (%)	0.0%	25.0%
Council's share of net assets (\$)	—	1,461
Statement of comprehensive income		
Income	—	5,844
Profit/(loss) from continuing operations	—	5,844
Profit/(loss) for the period	—	5,844
Total comprehensive income	—	5,844
Share of income – Council (%)	0.0%	25.0%
Profit/(loss) – Council (\$)	—	1,461
Total comprehensive income – Council (\$)	—	1,461

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Interests in other entities (continued)

\$ '000	Far West Joint Organisation	
	2020	2019
Summarised Statement of cash flows		
Cash flows from operating activities	–	6,418
Cash flows from investing activities	–	(49)
Net increase (decrease) in cash and cash equivalents	–	6,369

(ii) Joint operations

\$ '000	Principal activity	Place of business	Interest in ownership		Interest in voting	
			2020	2019	2020	2019
(a) Council is involved in the following joint operations (JO's)						
Name of joint operation:						
Far West Joint Organisation	To provide a stronger voice for Local Government and the communities they represent.	6 Midway Dr, Buronga, NSW 2738 Australia	0%	25%	0%	25%

Accounting policy for joint arrangements

The council has determined that it has only joint ventures

Joint ventures:

Interests in joint ventures are accounted for using the equity method in accordance with *AASB128 Investments in Associates and Joint Ventures*.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Commitments

\$ '000	2020	2019
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Non-cancellable operating lease commitments (2019 only)

a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:

Within the next year	29	284
Later than one year and not later than 5 years	–	51
Total non-cancellable operating lease commitments	29	335

b. Non-cancellable operating leases include the following assets:

Refer to Note 15 for information relating to leases for 2020.

Office Equipment and computers

Motor Vehicles

Conditions relating to finance and operating leases:

- All finance agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the fund.

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

Division B	1.9 times employee contributions
Division C	2.5% salaries
Division D	1.64 times employee contributions

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40 million per annum from 1 July 2018 for 3 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2018. These additional lump sum contributions are used to fund the deficit of assets to accrued liabilities as at 30 June 2018.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2019 was \$36,424.74. The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA on 31 December 2018, and covers the period ended 30 June 2019.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Contingencies (continued)

The amount of additional contributions included in the total employer contribution advised above is \$52,000.00. Council's expected contribution to the plan for the next annual reporting period is \$30,813.32.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2019 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,798.7	
Past Service Liabilities	1,784.2	100.8%
Vested Benefits	1,792.0	100.4%

* excluding member accounts and reserves in both assets and liabilities.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.50% per annum
Increase in CPI	2.50% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Contingencies (continued)

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

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

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

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2020	Carrying value 2019	Fair value 2020	Fair value 2019
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	7,775	3,190	–	3,190
Receivables	3,894	2,942	–	2,942
Total financial assets	11,669	6,132	–	6,132
Financial liabilities				
Payables	954	571	–	571
Loans/advances	306	455	–	455
Lease liabilities	446	–	–	–
Total financial liabilities	1,706	1,026	–	1,026

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Financial risk management (continued)

- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – price risk and interest rate risk

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

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2020				
Possible impact of a 1% movement in interest rates	3	3	(3)	(3)
2019				
Possible impact of a 1% movement in interest rates	3	3	(3)	(3)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

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

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

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

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

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
2020						
Gross carrying amount	(1,305)	913	392	–	–	–
2019						

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Financial risk management (continued)

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
Gross carrying amount	–	844	362	–	–	1,206

Receivables - non-rates and annual charges

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

The loss allowance provision as at 30 June 2020 is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2020						
Gross carrying amount	3,919	–	–	–	–	3,919
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2019						
Gross carrying amount	111	435	141	3	1,776	2,466
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	10.50%	7.56%
ECL provision	–	–	–	–	290	290

(c) Liquidity risk

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

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

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

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

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

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2020							
Trade/other payables	0.00%	6	–	–	–	6	954
Loans and advances	0.00%	–	–	–	–	–	306
Total financial liabilities		6	–	–	–	6	1,260
2019							
Trade/other payables	0.00%	4	567	–	–	571	571

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Financial risk management (continued)

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
Loans and advances	0.00%	–	165	290	–	455	455
Total financial liabilities		4	732	290	–	1,026	1,026

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on dd/MM/yyyy and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

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

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----	
REVENUES				
Rates and annual charges	2,303	2,348	45	2% F
User charges and fees	4,165	13,331	9,166	220% F
Other revenues	324	503	179	55% F
Operating grants and contributions	11,137	11,047	(90)	(1)% U
Capital grants and contributions	2,750	3,228	478	17% F
Interest and investment revenue	77	121	44	57% F
Net gains from disposal of assets	–	–	–	∞ F
Rental income	–	2	2	∞ F
Joint ventures and associates – net profits	–	–	–	∞ F
EXPENSES				
Employee benefits and on-costs	4,838	4,750	88	2% F
Borrowing costs	120	58	62	52% F
Materials and contracts	7,259	12,157	(4,898)	(67)% U
Depreciation and amortisation	4,342	4,115	227	5% F
Other expenses	992	1,735	(743)	(75)% U
STATEMENT OF CASH FLOWS				
Cash flows from operating activities	7,307	11,565	4,258	58% F
Cash flows from investing activities	(6,632)	(6,570)	62	(1)% F
Cash flows from financing activities	(451)	(410)	41	(9)% F

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement

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

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

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

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

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

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

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

(1) Assets and liabilities that have been measured and recognised at fair values

2020	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobserv-able inputs	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/19	—	1,627	—	1,627
Operational land	30/06/18	—	458	—	458
Community and crown land	30/06/18	—	—	523	523
Buildings	30/06/18	—	12,370	—	12,370
Other structures	30/06/19	—	—	2,816	2,816
Roads, bridges and footpaths	30/06/20	—	—	117,478	117,478
Bulk earthworks	30/06/20	—	—	24,541	24,541
Stormwater drainage	30/06/19	—	—	694	694
Water supply network	30/06/17	—	—	25,333	25,333
Sewerage network	30/06/17	—	—	3,912	3,912
Total infrastructure, property, plant and equipment		—	14,455	175,297	189,752

2019	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobserv-able inputs	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/19	—	1,005	—	1,005
Operational land	30/06/18	—	458	—	458
Community and crown land	30/06/18	—	—	523	523
Buildings	30/06/18	—	12,672	—	12,672
Other structures	30/06/19	—	—	2,165	2,165
Roads, bridges and footpaths	30/06/15	—	—	98,266	98,266
Bulk earthworks	30/06/15	—	—	24,235	24,235

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement (continued)

	Date of latest valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
2019					
Stormwater drainage	30/06/19	—	—	719	719
Water supply network	30/06/17	—	—	24,541	24,541
Sewerage network	30/06/17	—	—	3,939	3,939
Total infrastructure, property, plant and equipment		—	14,135	154,388	168,523

Note that capital WIP is not included above since it is carried at cost.

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement (continued)

(2) Valuation techniques used to derive level 2 and level 3 fair values

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

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

Infrastructure, property, plant and equipment (IPP&E)

Stormwater drainage

The Stormwater Drainage asset class consists of Council's pits and Culverts. AssetVal Pty Ltd completed the valuation of these assets in 2019. The valuation methodology adopted was based on current replacement cost of the asset.

Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of AssetVal Pty Ltd, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, and pattern of consumption.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Other structure

Council's other structure assets comprise of fences, flagpoles, monuments and the like.

AssetVal Pty Ltd completed the valuation of these assets in 2019.

Replacement costs (unit rate) and useful lives of Council's other structure assets were determined through professional judgement on behalf of AssetVal Pty Ltd, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on the assets location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life and pattern of consumption.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings

Council engaged AssetVal Pty Ltd to value all buildings and shelters in 2018. The valuation methodology adopted was based on current replacement cost of the asset.

The valuation aspects are generally, but not limited to the location, size, condition, style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Roads, bridges, footpaths and bulk earthworks

Council's roads & Bridges are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation.

The valuation of assets was completed by APV Valuers in June 2015.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement (continued)

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Tip remediation

Council operates a landfilling operation as well as a range of waste services, including recycled and reclaimed products. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site.

Closure of the landfill will involve a wide range of activities including preparation of a Landfill Closure and Management Plan, final capping of the landfill waste and site re-vegetation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure.

The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. There has been no change to the valuation process during the reporting period.

Water supply network

This asset category includes:

Dams & Weirs, Mains, Reservoirs and treatment plants.

The valuation of assets was completed by Brearly & Hansen Valuers in June 2017.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components. Valuation techniques remained the same for this reporting period.

Sewerage network

This asset category includes:

Mains, Pumping stations and sewerage ponds.

The valuation of assets was completed by Brearly & Hansen Valuers in June 2017.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components. Valuation techniques remained the same for this reporting period.

Community land

Assets within the "Community Land" class are:

- Council owned land, and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General 01/07/2016.

Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement (continued)

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General 01/07/2016.

Currently all Council assets in this asset class are based on a modelled market based valuation process, however, should Council have an asset in future for which this valuation process is not available, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

(3) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

\$ '000	Crown / Community land	Other structures	Roads, bridges, footpaths	Bulk earthworks	Stormwater drainage
2019					
Opening balance	523	4,604	94,854	24,235	977
Depreciation and impairment	—	(230)	(1,663)	—	(25)
Other movement (WIP transfers)	—	18	5,075	—	—
Other movement (Asset revaluation)	—	(2,227)	—	—	(233)
Closing balance	523	2,165	98,266	24,235	719
2020					
Opening balance	523	2,165	98,266	24,235	719
Depreciation and impairment	—	(231)	(1,861)	—	(25)
Other movement (WIP transfers)	—	882	3,820	—	—
Other movement (Asset revaluation)	—	—	17,253	—	—
Closing balance	523	2,816	117,478	24,235	694

\$ '000	Water supply network	Sewerage network	Total
2019			
Opening balance	24,814	3,930	153,937
Depreciation and impairment	(628)	(86)	(2,632)
Other movement (WIP transfers)	654	—	5,747
Other movement (Asset revaluation)	701	95	(1,664)
Closing balance	25,541	3,939	155,388
2020			
Opening balance	25,541	3,939	155,388
Depreciation and impairment	(636)	(86)	(2,839)
Other movement (WIP transfers)	429	—	5,131
Other movement (Asset revaluation)	—	58	17,311
Closing balance	25,334	3,911	174,991

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Fair Value Measurement (continued)

the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Other structures	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Roads, bridges, footpaths and bulk earthworks	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Stormwater drainage	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Water supply network	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Sewerage network	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Community Land	Current replacement cost	Replacement cost Asset condition rating

(4) Highest and best use

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 23. Related party disclosures

Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2020	2019
Compensation:		
Short-term benefits	600	505
Post-employment benefits	55	46
Other long-term benefits	9	8
Total	664	559

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Result by fund

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
Income Statement by fund			
Income from continuing operations			
Rates and annual charges	1,464	641	243
User charges and fees	12,986	345	–
Interest and investment revenue	59	53	9
Other revenues	503	–	–
Grants and contributions provided for operating purposes	10,979	–	68
Grants and contributions provided for capital purposes	3,185	–	43
Rental income	2	–	–
Total income from continuing operations	29,178	1,039	363
Expenses from continuing operations			
Employee benefits and on-costs	4,750	–	–
Borrowing costs	58	–	–
Materials and contracts	11,083	929	145
Depreciation and amortisation	3,393	636	86
Other expenses	1,735	–	–
Total expenses from continuing operations	21,019	1,565	231
Operating result from continuing operations	8,159	(526)	132
Net operating result for the year	8,159	(526)	132
Net operating result attributable to each council fund	8,159	(526)	132
Net operating result for the year before grants and contributions provided for capital purposes	4,974	(526)	89

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
Statement of Financial Position by fund			
ASSETS			
Current assets			
Cash and cash equivalents	5,139	1,909	727
Receivables	2,703	1,019	172
Inventories	455	–	–
Total current assets	8,297	2,928	899
Non-current assets			
Infrastructure, property, plant and equipment	163,424	25,334	3,981
Investments accounted for using the equity method	1,461	–	–
Right of use assets	457	–	–
Total non-current assets	165,342	25,334	3,981
TOTAL ASSETS	173,639	28,262	4,880

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Result by fund (continued)

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
LIABILITIES			
Current liabilities			
Payables	954	—	—
Income received in advance	86	—	—
Contract liabilities	60	—	—
Lease liabilities	137	—	—
Borrowings	165	—	—
Provisions	1,083	—	—
Total current liabilities	2,485	—	—
Non-current liabilities			
Lease liabilities	309	—	—
Borrowings	141	—	—
Provisions	826	—	—
Total non-current liabilities	1,276	—	—
TOTAL LIABILITIES	3,761	—	—
Net assets	169,878	28,262	4,880
EQUITY			
Accumulated surplus	111,708	8,672	2,197
Revaluation reserves	61,907	15,852	2,684
Council equity interest	173,615	24,524	4,881
Total equity	173,615	24,524	4,881

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 25(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2020	Indicator 2020	Prior period 2019	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	4,537	16.59%	1.14%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	27,352			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	16,305	53.32%	43.67%	>60.00%
Total continuing operating revenue ¹	30,580			
3. Unrestricted current ratio				
Current assets less all external restrictions	8,731	5.37x	2.93x	>1.50x
Current liabilities less specific purpose liabilities	1,627			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	8,710	18.61x	17.26x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	468			
5. Rates, annual charges, interest and extra charges outstanding percentage				
Rates, annual and extra charges outstanding	678	18.90%	33.01%	<10.00%
Rates, annual and extra charges collectible	3,587			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	7,775	5.03 mths	2.05 mths	>3.00 mths
Monthly payments from cash flow of operating and financing activities	1,544			

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

Notes to the Financial Statements

for the year ended 30 June 2020

Note 25(b). Statement of performance measures – by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2020	2019	2020	2019	2020	2019	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	19.14%	(0.63)%	(50.63)%	20.32%	27.81%	(22.58)%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	51.46%	42.27%	100.00%	51.94%	69.42%	100.00%	>60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	5.37x	2.93x	(0.53)x	∞	∞	∞	>1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	18.00x	12.64x	∞	∞	∞	∞	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates, annual charges, interest and extra charges outstanding percentage							
Rates, annual and extra charges outstanding	25.08%	(0.70)%	0.00%	162.09%	0.00%	70.00%	<10.00%
Rates, annual and extra charges collectible							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	4.56	0.98	∞	17.54	∞	28.47	>3.00
Payments from cash flow of operating and financing activities	mths	mths		mths		mths	mths

(1) - (2) Refer to Notes at Note 31a above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 26. Council information and contact details

Principal place of business:

21 Reid Street

Wilcannia NSW 2836

Contact details

Mailing Address:

PO Box 165

Wilcannia NSW 2836

Opening hours:

9:00am - 5:00pm

Monday to Friday

Telephone: 08 8083 8900

Facsimile: 08 8091 5994

Internet: www.centraldarling.nsw.gv.au

Email: council@centraldring.nsw.gv.au

Officers

General Manager

[GeneralManager]

Responsible Accounting Officer

[ResponsibleAccountingOfficer]

Public Officer

Jacob philp

Auditors

Audit Office of NSW

Level 19 Tower 2 Darling Park

201 Sussex St

Sydney NSW 2000

Other information

ABN: 65 061 502 429

General Purpose Financial Statements
for the year ended 30 June 2020

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General Purpose Financial Statements
for the year ended 30 June 2020

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Central Darling Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020

Special Purpose Financial Statements

for the year ended 30 June 2020

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(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Special Purpose Financial Statements

for the year ended 30 June 2020

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on dd MMMM yyyy.

[Mayor]

Administrator

dd MMMM yyyy

[GeneralManager]

General Manager

dd MMMM yyyy

[ResponsibleAccountingOfficer]

Responsible Accounting Officer

dd MMMM yyyy

Income Statement – Water Supply Business Activity

for the year ended 30 June 2020

\$ '000	2020	2019
Income from continuing operations		
Access charges	641	612
User charges	345	344
Interest	53	46
Grants and contributions provided for non-capital purposes	–	927
Total income from continuing operations	1,039	1,929
Expenses from continuing operations		
Materials and contracts	929	909
Depreciation, amortisation and impairment	636	628
Total expenses from continuing operations	1,565	1,537
Surplus (deficit) from continuing operations before capital amounts	(526)	392
Surplus (deficit) from continuing operations after capital amounts	(526)	392
Surplus (deficit) from all operations before tax	(526)	392
Less: corporate taxation equivalent (27.5%) [based on result before capital]	–	(108)
SURPLUS (DEFICIT) AFTER TAX	(526)	284
Plus accumulated surplus	11,532	11,140
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	–	108
Closing accumulated surplus	11,006	11,532
Return on capital %	(2.1)%	1.5%
Subsidy from Council	749	–
Calculation of dividend payable:		
Surplus (deficit) after tax	(526)	284
Surplus for dividend calculation purposes	–	284
Potential dividend calculated from surplus	–	142

Income Statement – Sewerage Business Activity

for the year ended 30 June 2020

\$ '000	2020	2019
Income from continuing operations		
Access charges	243	210
Interest	9	7
Grants and contributions provided for non-capital purposes	68	—
Total income from continuing operations	320	217
Expenses from continuing operations		
Materials and contracts	145	180
Depreciation, amortisation and impairment	86	86
Total expenses from continuing operations	231	266
Surplus (deficit) from continuing operations before capital amounts	89	(49)
Grants and contributions provided for capital purposes	43	—
Surplus (deficit) from continuing operations after capital amounts	132	(49)
Surplus (deficit) from all operations before tax	132	(49)
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(24)	—
SURPLUS (DEFICIT) AFTER TAX	108	(49)
Plus accumulated surplus	1,657	1,706
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	24	—
Closing accumulated surplus	1,789	1,657
Return on capital %	2.2%	(1.2)%
Subsidy from Council	—	101
Calculation of dividend payable:		
Surplus (deficit) after tax	108	(49)
Less: capital grants and contributions (excluding developer contributions)	(43)	—
Surplus for dividend calculation purposes	65	—
Potential dividend calculated from surplus	32	—

Statement of Financial Position – Water Supply Business Activity

as at 30 June 2020

\$ '000	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	–	1,329
Receivables	1,019	1,102
Total current assets	1,019	2,431
Non-current assets		
Infrastructure, property, plant and equipment	25,334	25,622
Total non-current assets	25,334	25,622
TOTAL ASSETS	26,353	28,053
LIABILITIES		
Current liabilities		
Bank overdraft	(1,909)	–
Total current liabilities	(1,909)	–
TOTAL LIABILITIES	(1,909)	–
NET ASSETS	28,262	28,053
EQUITY		
Accumulated surplus	8,672	11,532
Revaluation reserves	15,852	16,521
TOTAL EQUITY	24,524	28,053

Statement of Financial Position – Sewerage Business Activity

as at 30 June 2020

\$ '000	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	727	427
Receivables	172	147
Total current assets	899	574
Non-current assets		
Infrastructure, property, plant and equipment	3,981	3,940
Total non-current assets	3,981	3,940
TOTAL ASSETS	4,880	4,514
NET ASSETS	4,880	4,514
EQUITY		
Accumulated surplus	2,197	1,657
Revaluation reserves	2,684	2,857
TOTAL EQUITY	4,881	4,514

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Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 2093 (NSW), the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Combined Water Supply

The Central Darling Shire Water Supply comprises the operations and assets of Council's Water Supply System which services the towns of Wilcannia, Ivanhoe and White Cliffs.

b. Sewerage Services

The Central Darling Shire Sewerage Service comprises the whole of the operations and assets of Council's Sewerage Reticulation and Treatment System servicing the township of Wilcannia.

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

Monetary amounts

Amounts shown in the financial statements are in Australian dollars and rounded to the nearest one thousand dollars.

(i) Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$692,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 0.88% at 30/6/20.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2020 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.

Special Purpose Financial Statements
for the year ended 30 June 2020

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Central Darling Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2020

Special Schedules
for the year ended 30 June 2020

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Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2019/20
Notional general income calculation ¹			
Last year notional general income yield	a	835	813
Notional general income	c = a + b	835	813
Permissible income calculation			
Or rate peg percentage	e	0.00%	2.70%
Or plus rate peg amount	i = e x (c + g)	—	22
Sub-total	k = (c + g + h + i + j)	835	835
Plus (or minus) last year's carry forward total	l	3	3
Sub-total	n = (l + m)	3	3
Total permissible income	o = k + n	838	838
Less notional general income yield	p	—	835
Catch-up or (excess) result	q = o - p	838	3
Carry forward to next year ⁶	t = q + r + s	838	3

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Report on Infrastructure Assets

as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
(a) Report on Infrastructure Assets - Values												
Buildings	Buildings	—	1,550	120	119	—	9,354	0.0%	0.0%	0.0%	0.0%	100.0%
	Buildings – non-specialised	—	310	180	22	—	3,000	0.0%	0.0%	0.0%	0.0%	100.0%
	Buildings – specialised	—	60	60	77	—	2,580	0.0%	0.0%	0.0%	0.0%	100.0%
	Other	—	—	—	—	12,370	6,000	0.0%	0.0%	0.0%	0.0%	100.0%
	Community Services	—	820	10	7	—	6,300	0.0%	0.0%	0.0%	0.0%	100.0%
	Council Housing	—	1,700	250	205	—	3,600	0.0%	0.0%	0.0%	0.0%	100.0%
	Water	—	280	10	7	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Economic Activity	—	520	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Transport	—	10	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Amenities / Toilets	—	25	70	73	—	2,100	0.0%	0.0%	0.0%	0.0%	100.0%
	Sub-total	—	5,275	700	510	12,370	32,934	0.0%	0.0%	0.0%	0.0%	100.0%
Other structures	Other structures	—	—	—	—	2,816	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	2,816	—	0.0%	0.0%	0.0%	0.0%	0.0%
Roads	Sealed roads	—	600	400	248	—	58,798	0.0%	0.0%	0.0%	0.0%	100.0%
	Unsealed roads	—	5,478	3,200	2,381	—	50,000	0.0%	0.0%	0.0%	0.0%	100.0%
	Bridges	—	200	15	43	—	19,510	0.0%	0.0%	0.0%	0.0%	100.0%
	Footpaths	—	400	45	55	—	1,861	0.0%	0.0%	0.0%	0.0%	100.0%
	Other road assets	—	200	100	59	—	4,872	0.0%	0.0%	0.0%	0.0%	100.0%
	Bulk earthworks	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	141,712	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Kerb and Gutter	—	200	25	1	—	3,467	0.0%	0.0%	0.0%	0.0%	100.0%
	Aerodromes	—	200	180	85	—	13,750	0.0%	0.0%	0.0%	0.0%	100.0%
		Sub-total	—	7,278	3,965	2,872	141,712	152,258	0.0%	0.0%	0.0%	0.0%

Report on Infrastructure Assets - Values (continued)

as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Water supply network	Water supply network	—	3,200	400	159	—	19,265	0.0%	0.0%	0.0%	0.0%	100.0%
	Other	—	—	—	—	25,333	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Treatment Plants	—	5,500	500	556	—	10,500	0.0%	0.0%	0.0%	0.0%	100.0%
	Bores	—	30	30	69	—	869	0.0%	0.0%	0.0%	0.0%	100.0%
	Weirs, Storage Tanks, Dams	—	8,000	150	33	—	10,813	0.0%	0.0%	0.0%	0.0%	100.0%
	Pump Station	—	450	175	81	—	2,110	0.0%	0.0%	0.0%	0.0%	100.0%
	Sub-total	—	17,180	1,255	898	25,333	43,557	0.0%	0.0%	0.0%	0.0%	100.0%
Sewerage network	Sewerage network	—	340	40	4	—	1,980	0.0%	0.0%	0.0%	0.0%	100.0%
	Other	—	160	125	76	3,912	548	0.0%	0.0%	0.0%	0.0%	100.0%
	Pumping Station	—	600	95	41	—	906	0.0%	0.0%	0.0%	0.0%	100.0%
	Treatment Plants	—	80	20	2	—	3,141	0.0%	0.0%	0.0%	0.0%	100.0%
	Sub-total	—	1,180	280	123	3,912	6,575	0.0%	0.0%	0.0%	0.0%	100.0%
Stormwater drainage	Stormwater drainage	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	694	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Box Culverts	—	4	4	4	—	71	0.0%	0.0%	0.0%	0.0%	100.0%
	Pipes	—	8	5	1	—	2,930	0.0%	0.0%	0.0%	0.0%	100.0%
	Pits	—	5	5	1	—	104	0.0%	0.0%	0.0%	0.0%	100.0%
	Outlets	—	20	10	2	—	108	0.0%	0.0%	0.0%	0.0%	100.0%
	Gross Pollutant Traps	—	10	7	2	—	56	0.0%	0.0%	0.0%	0.0%	100.0%
	Sub-total	—	47	31	10	694	3,269	0.0%	0.0%	0.0%	0.0%	100.0%
Open space / recreational assets	Swimming pools	—	550	550	443	—	3,800	0.0%	0.0%	0.0%	0.0%	100.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Recreation	—	300	150	212	—	2,100	0.0%	0.0%	0.0%	0.0%	100.0%
	Sub-total	—	850	700	655	—	5,900	0.0%	0.0%	0.0%	0.0%	100.0%
Other infrastructure assets	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL - ALL ASSETS		—	31,810	6,931	5,068	186,837	244,493	0.0%	0.0%	0.0%	0.0%	100.0%

(a) Required maintenance is the amount identified in Council's asset management plans.

Report on Infrastructure Assets - Values (continued)

as at 30 June 2020

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

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Report on Infrastructure Assets (continued)

as at 30 June 2020

Asset Class	Asset Category	Estimated cost	Estimated cost	2019/20	2019/20	Net carrying amount	Click to Enter type of asset valuation (xxx)	Assets in condition as a percentage of gross replacement cost				
		to bring assets to satisfactory standard	to bring to the agreed level of service set by Council	Required maintenance ^a	Actual maintenance			1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000							
(b) Report on Infrastructure Assets - Values												
Buildings	Buildings	1,550	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – non-specialised	310	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – specialised	60	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	12,370	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	1,920	—	—	—	12,370	—	0.0%	0.0%	0.0%	0.0%	0.0%
Other structures	Other structures	—	—	—	—	2,816	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	2,816	—	0.0%	0.0%	0.0%	0.0%	0.0%
Roads	Sealed roads	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Unsealed roads	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Bridges	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Footpaths	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other road assets	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Bulk earthworks	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	141,712	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	141,712	—	0.0%	0.0%	0.0%	0.0%	0.0%
Water supply network	Water supply network	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	25,333	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	25,333	—	0.0%	0.0%	0.0%	0.0%	0.0%
Sewerage network	Sewerage network	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	3,912	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	3,912	—	0.0%	0.0%	0.0%	0.0%	0.0%
Stormwater drainage	Stormwater drainage	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	694	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	694	—	0.0%	0.0%	0.0%	0.0%	0.0%

Report on Infrastructure Assets - Values (continued)

as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Click to Enter type of asset valuation (xxx)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Open space / recreational assets	Swimming pools	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
Other infrastructure assets	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	TOTAL - ALL ASSETS	1,920	—	—	—	186,837	—	0.0%	0.0%	0.0%	0.0%	0.0%

(a) Required maintenance is the amount identified in Council's asset management plans.

Report on Infrastructure Assets (continued)

as at 30 June 2020

	Amounts	Indicator	Prior period	Benchmark
\$ '000	2020	2020	2019	
Infrastructure asset performance indicators (consolidated) *				
Buildings and infrastructure renewals ratio ¹				
Asset renewals ²	3,278	88.81%	178.59%	>=100.00%
Depreciation, amortisation and impairment	3,691			
Infrastructure backlog ratio ¹				
Estimated cost to bring assets to a satisfactory standard	29,844	15.97%	18.99%	<2.00%
Net carrying amount of infrastructure assets	186,837			
Asset maintenance ratio				
Actual asset maintenance	5,068	73.12%	78.82%	>100.00%
Required asset maintenance	6,931			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	31,810	13.01%	0.00%	
Gross replacement cost	244,493			

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Report on Infrastructure Assets (continued)

as at 30 June 2020

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

19/20 ratio 88.81%

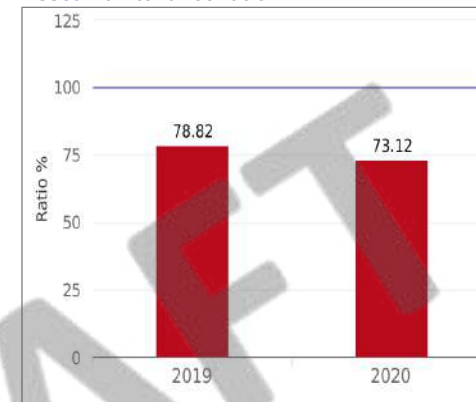
Benchmark: — $\geq 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

19/20 ratio 73.12%

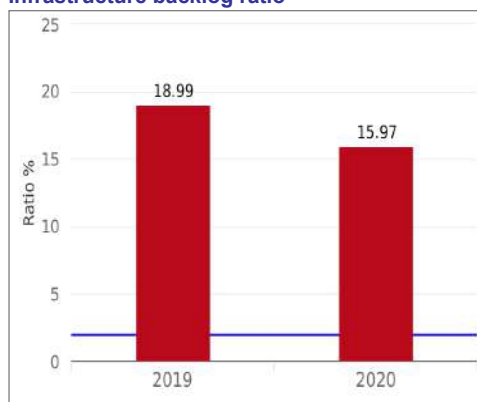
Benchmark: — $> 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

19/20 ratio 15.97%

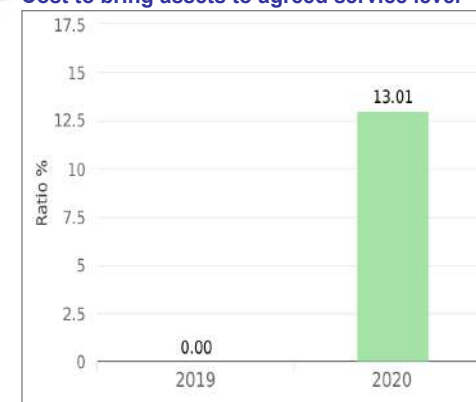
Benchmark: — $< 2.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

19/20 ratio 13.01%

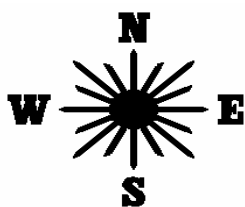
Report on Infrastructure Assets (continued)

as at 30 June 2020

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2020	2019	2020	2019	2020	2019	
Infrastructure asset performance indicators (by fund)							
Buildings and infrastructure renewals ratio ¹							
Asset renewals ²							
Depreciation, amortisation and impairment	110.41%	224.77%	0.00%	0.00%	0.00%	0.00%	>=100.00%
Infrastructure backlog ratio ¹							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	18.94%	9.74%	0.00%	67.26%	0.00%	29.96%	<2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	75.00%	82.99%	71.55%	69.72%	43.93%	39.29%	>100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	6.92%	0.00%	39.44%	0.00%	17.95%	0.00%	

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



Central Darling Shire Council

Title of Policy	Financial Reserve Management Policy		
This applies to	All Councillors, Administrators, staff, contractors and volunteers		
Author	Manager Financial Services	Date approved:	
Position of Author	Manager Financial Services	Authorised by:	
Legislation, Australian Standards, Code of Practice	Local Government Act, 1993 Australian Accounting Standards Code of Accounting Practice		
Related Policies/Procedures	Annual Financial Statements Long Term Financial Plan Quarterly Budget Reviews		

1 **STRATEGIC PURPOSE**

To provide a framework for the establishment and management of externally and internally restricted financial reserves and unrestricted cash.

2 **POLICY STATEMENT**

This policy covers both Statutory and Discretionary Financial Reserves.

This policy also covers unrestricted cash.

This policy excludes the Asset Revaluation Reserve that arises under the Australian Accounting Standards as it reflects the increments or decrements of fixed asset values as a result of asset revaluation.

3 **DEFINITIONS**

Cash Backed – Money available in the form of liquid cash held in bank accounts or as investments.

Externally Restricted Financial Reserves – Reserves that are subject to external restrictions in their purpose. These Reserves are cash backed.

Internally Restricted Financial Reserves – Reserves established by Council to ensure that sufficient funds are available when required for a specific purpose. These funds are cash backed.

Unrestricted Cash – These are funds which are available to be used to cover unexpected or emergency expenses not provided for in the annual budget and not covered by an available internal restriction.

4 CONTENT

The establishment and management of Reserves for specific purposes are a sound and prudent management strategy. All Reserves must be cash backed and included in Council's Investment Portfolio.

4.1 CLASSIFICATION OF FINANCIAL RESERVES

4.1.1 Externally Restricted Reserves

The purpose of each external cash restriction is contained in Schedule 2.

The following criteria apply to externally restricted Reserves:

- a) The Reserve is subject to legal requirements that govern the use of the funds.
- b) A Reserve will be established for any value if there is a legal requirement or a requirement under Australian Accounting Standards.
- c) Transfer of funds are restricted by the individual funding agreements. Council must authorise transfers by Council resolution.
- d) The Reserve includes funds that have not been utilized for the purpose for which they were received, and an obligation or requirement to return funds to the contributor exist.

4.1.2 Internally Restricted Reserves

The purpose of each internal cash restriction is contained in Schedule 1.

The following criteria apply to internally restricted Reserves:

- a) The Reserve is not subject to legal requirements that govern the use of the funds.
- b) The establishment of a new Reserve must be for a specific internal purpose authorized by a Council resolution.
- c) Transfer of funds are restricted by the internal purpose of the Reserve. All transfers must be authorised by Council resolution.
- d) The Reserve has been established for a specific internal purpose. However, if that

purpose does not eventuate or Council changes its priorities, the funding can be diverted to other purposes by Council Resolution.

4.1.3 Unrestricted Cash

Unrestricted cash refers to monies that are not tied to a particular use. Unrestricted cash can be used for any purpose since it is not earmarked for a specific use and is taken as an instant reservoir of the cash that can be used for sudden monetary requirements. Unrestricted cash is extremely liquid and that is why it can be used readily for any purpose, when required.

4.2 INTEREST ON RESTRICTED CASH

Interest must be applied to external cash restrictions where required by legislation or otherwise, such as section 94 developer charges. Interest is added to the balance in the relevant cash restriction. The rate of interest is equal to the average return on investments for the financial year.

If interest is paid on internally restricted cash, the interest is paid into the General Fund.

4.3 BORROWINGS FROM RESTRICTED CASH

Council may borrow from internally restricted cash, (but not from externally restricted cash without consent from the Minister of Local Government). Any such borrowing must be authorised by resolution of Council and the full impact of borrowing disclosed. Interest must be paid on any such borrowings.

4.4 TRANSFERS TO AND FROM RESTRICTED CASH

Funds may be transferred into, or transferred out of, a cash restriction by resolution of Council.

The authority for such transactions may be given:

- a) By specific resolution in the case of a particular project, the subject of a Council resolution,

OR

- b) In the budget process, by virtue of the adoption of the Annual Budget,

OR

- c) In the Quarterly Budget Review Statement, by virtue of the adoption of that statement by Council,

OR

- d) By the adoption of the Annual Financial Statements containing a schedule of restricted cash showing transfers in and out.

A transfer contained in a Quarterly Budget Review Statement must show the restricted cash item audited opening balance, the amount transferred in or out and the estimated closing balance.

4.5 REPORTING ON RESTRICTED CASH

The level of restricted cash shall be reported in the Quarterly Budget Review Statement and annually in the Financial Statements.

Council must assess at least annually, the adequacy of each internal cash restriction during the preparation of the Long-Term Financial Plan and Annual Budget.

5 RESPONSIBILITIES AND ACCOUNTABILITIES

Accountability for cash reserve management shall be the responsibility of the Management Executive (MANEX)

Specific responsibilities are as follows:

Administrator – the voting of money to or from a Reserve for use on Council works, services or operations.

General Manager and Directors – Have a responsibility to ensure that all Reserve balances changes or Reserves to be established/removed are done in consultation with the Finance team and are approved by Council resolution.

6 HISTORY

Date	Version Number	Activity log	Resolution Number	Resolution Date
28/10/2020	1	New		

Name and Purpose of Internal Cash Restrictions Held

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis												
Employee Leave Entitlement (ELE)	To ensure that adequate funds are available to fund employee leave entitlements such as long service leave, and annual leave.	<p>The amount of this Reserve is based on a formula calculated by reference to average brackets and total leave accruals.</p> <table><tr><th>Age Band</th><th>% of Gross Entitlement</th></tr><tr><td>60+</td><td>100%</td></tr><tr><td>55-60</td><td>60%</td></tr><tr><td>50-55</td><td>30%</td></tr><tr><td>45-50</td><td>20%</td></tr><tr><td><45</td><td>10%</td></tr></table>	Age Band	% of Gross Entitlement	60+	100%	55-60	60%	50-55	30%	45-50	20%	<45	10%
Age Band	% of Gross Entitlement													
60+	100%													
55-60	60%													
50-55	30%													
45-50	20%													
<45	10%													
Plant Replacement	To be able to internally fund replacement of plant and vehicles at the optimal time.	The amount of this Reserve is based on an internal hire rate which is determined by the actual purchase price plus operating expenditure (including depreciation) less proceeds of sales.												
Asset Replacement	To ensure adequate funds are available to replace existing assets across the Council area to their previous level of service.	<p>The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.</p> <p>The annual transfer may also consist of budget savings on completed works and budgeted projects not carried out.</p>												
Carry Over Works – General Fund	To carry over unspent funds for uncompleted capital and operational works as agreed by Council resolution.	The annual transfer to this Reserve is the remaining (allocated) unspent budget required to complete the adopted Council works in progress at financial year end.												
Information Technology (IT)	To fund replacement of hardware and upgrades to the current IT system.	An annual transfer to this Reserve is the equivalent value of asset depreciation as per Note 9 of the Annual Financial Statements less the written down value of equipment sold throughout the relevant financial year or sale proceeds whichever is the higher.												

Schedule 1 (cont)

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis
Section 355 Committees	To hold funds on behalf of s355 Committees.	Funds transferred to and from this Reserve will represent any surplus or deficit operating results on operations for the financial year for respective s355 Committees.

Name and Purpose of External Cash Restrictions Held

Name of External Cash Restriction	Purpose of Restriction	Purpose
Unexpended Government Grants and Contributions	This Reserve includes funds received from State or Federal Governments by way of a specific advance or grant or a contribution that is constrained or tied to a specific project or purpose, subject to contractual obligations or other legislation.	Funds will be expensed in line with funding conditions and individual funding agreements.
Water Supplies	This Reserve consists of funds set aside for future replacement of water related assets across the Council area and water capital works projects not completed in previous years.	Any surplus generated by the water business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.
Sewerage Services	This reserve consists of funds set aside for future replacement of sewer related assets across the Council area and sewer capital works projects not completed in previous years.	Any surplus generated by the sewer business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.
Domestic Waste	This reserve consists of funds set aside for future replacement of domestic waste related assets across the Council area and domestic waste capital works projects not completed in previous years.	Any surplus generated by the sewer business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.



MANAGED SERVICE AGREEMENT

MSA – Central Darling Shire Council

Contract # EFX_MD0020200922MSA Version 1

Central Darling Shire Council

ABN: 65 061 502 439

Greg Hill

General Manager

hillg@centraldarling.nsw.gov.au

ThinkEx Holdings Pty Ltd (trading as EFEX)

ABN: 28 625 658 568

Michael Harding

IT Account Manager

BDM Email address

Tuesday, September 22, 2020

Central Darling Shire Council
Greg Hill
21 Reid Street
Wilcannia NSW 2836
hillg@centraldarling.nsw.gov.au

Dear Greg Hill,

I'd like to take the opportunity to thank you for choosing EFEX as your trusted Managed Technology service provider.

EFEX is proud to deliver customer-focused solutions to thousands of businesses across Australia. We pride ourselves on our service quality and the confidence our customers feel with EFEX as a strategic partner.

Our strong track record of maintaining long term customer relationships is based upon consistent engagement and industry leading product development. We aim to deliver solutions which meet your Technology requirements today and into the future.

Once again, thank you, and welcome to EFEX. Should you have any further questions after reading this agreement, please do not hesitate to contact your Account Manager.

I look forward to continuing our partnership well into the future.

Regards,

Nick Sheehan
Chief Executive Office

efex



EFEX Managed Services Agreement

Services Matrix

EFEX Managed Services Matrix

End User Computing	Essentials	Advanced
End User Support - Onsite and remote	✓	✓
3rd Party application support liaison & patches	✗	✓
Mobile device support (Email and Networking only)	✗	✓
Network Services - (Servers & Internal Network)	Essentials	Advanced
Remote Server Control	✓	✓
OS Server Patches	✓	✓
Firewall Management & Maintenance	✗	✓
Email System Management	✗	✓
3rd Party Vendor Management	✗	✓
Intrusion event response (Infections, Unauthorised access, malware etc)	+	+
Network Appliance Firmware patching	✗	✓
Onsite Server Support	✗	✓
Periodic Preventative Maintenance - Remote	✗	✓
DNS Hosting Management	✗	✓
IT Strategy Review	✗	✓
Restoration of data from approved backups	✗	✓
After Hours Support	✗	+
Monitoring	Essentials	Advanced
Server Monitoring	✓	✓
Workstation Monitoring	✓	✓
Monitored Backups	✓	✓
Access to Help Desk & SLAs	✓	✓
Network Monitoring	✗	✓
Firewall Monitoring (Approved device)	✗	✓

V Included

✗ Not Included

+ Available - Billed Separately

EFEX Managed Services Agreement

OnBoarding Matrix

EFEX Onboarding Matrix

Description	Essentials	Advanced
Onboarding		
Configure / Verify Company and Site Contacts & Agreements	✓	✓
Deploy and Configure Remote monitoring and Control Agents	✓	✓
Deploy AUVIK Router monitoring	✗	✓
Verify and Test Backups (not Disaster Recovery)	✓	✓
Apply device labelling - Servers and Networking	✗	✓
Apply Device Labelling - Workstations	✗	✗
Documentation		
Document & Assess Fit for purpose Backups	✓	✓
Document Cabling Environment (or suitability thereof)	✗	✓
Document - Network Diagram from Auvik	✗	✓
Document Warranties on critical infrastructure	✗	✓
Documentation Discovery Questionnaire	✓	✓
Document Licensing information	✗	✓
Document Line of Business application support	✗	✓
Document 3rd Party suppliers, equipment and support	✓	✓
Document WAN details - ISP, contact details etc	✓	✓
Document Domain details (www) & DNS	✓	✓
Document Voice details - Provider etc (not call flows)	✗	✓
Review Login/Account Management	✓	✓
Review and document security configuration (Anti Virus / Firewall etc)	✗	✓
Handover & Completion		
GLUH Portal setup and preferred hardware bundles	✓	✓
User training on process and call lodging	✓	✓
Provide Welcome Pack	✓	✓
Call from Service Delivery Manager for introduction	✓	✓
Risk assessment and declarations	✓	✓

Offeror:

Michael Harding
IT Account Manager
EFEX
ABN: 28 625 658 568
Level 16, 275 Alfred Street
North Sydney, NSW, 2060

Offeree:

Greg Hill
General Manager
Central Darling Shire Council
ABN: 65 061 502 439
21 Reid Street
Wilcannia NSW 2836

Contract Information:

Contract # EFX_MD0020200922MSA
Version 1
Contract Start Date: / /
Contract Term: 12 Months

Contract Summary

Central Darling Shire Council agrees to the contract term of **12 Months**.

Central Darling Shire Council acknowledges that payment must be paid for the entire term and agrees to pay EFEX in advance the monthly fees.

All prices quoted within this document are exclusive of GST.

Users, Workstations & Servers - Agreement Summary

The "Client" Central Darling Shire Council agrees that the quantity **Sites (7)** and the quantity of **Users (46)** and the quantity of **Servers (14)**, the quantity of **Workstations (46)** covered by this agreement is accurate at the time of signing this agreement contract.

Should the number of Sites, Workstations or Servers change, the agreement will be amended to reflect this. Any changes in pricing will be quoted to Central Darling Shire Council prior to billing.

It is the responsibility of Central Darling Shire Council to advise EFEX of any changes to their agreement, this includes changes to the quantity of Sites, Workstations & Servers.

Upfront Costs

On-boarding Fee	\$4,416.00
Upfront Total:	\$4,416.00

Monthly Expenses Summary

MSA Advanced – Plan (14 Servers, and 46 Workstations – Total 60 Endpoints)	\$5,100.00
Monthly Total:	\$5,100.00

MANAGED SERVICE AGREEMENT

A. The Client wishes to outsource maintenance and support for its information technology infrastructure.

B. EFEX agrees to provide the Client with the Services specified in Appendix B ('Included Services') and other services on the terms set out in this Agreement.

IT IS AGREED

1. DEFINITIONS

In this Agreement:

"Additional Fee" means a charge in addition to the Monthly Fee as specified in Appendix C.

"Due Date" means the due date for payment under clause 3.3.

"Fees" means the Monthly Fee and the Additional Fee.

"Monthly Fee" means the monthly fee referred to in Appendix C.

"Out of Scope Services" means the services for which EFEX is entitled to charge Additional Fees, which are all services and work other than those listed in Appendix B and which includes, without limitation, the services described in clause 8.

"Services" means the services which are within the scope covered by the Monthly Fee as set out in Appendix B.

"System" means the hardware, software and associated operating system used by the Client which may comprise one or more computer systems.

2. TERM OF AGREEMENT

2.1 This Agreement shall be for a minimum term of 12 Months commencing immediately upon execution of this agreement. After the initial term, this Agreement shall remain in place until terminated by either party giving at least 90 days written notice of termination to the other.

2.2 The Client acknowledges that the Monthly Fee must be paid for the term.

2.3 In the event of early termination, except where EFEX fails with respect of Termination in Clause 4, the Client acknowledges that they will agree to pay an early termination fee which is the equivalent to the number of months remaining multiplied by the monthly fee.

2.4 Upon contract termination, EFEX will assist the Client with the orderly termination of services, including transfer of services to another provider. EFEX will provide the Client an estimate and invoice for the time required to prepare documentation and complete the handover project. The handover project is part of the Out of Scope Services for which Additional Fees are payable by the Client. All documentation will be retained by EFEX until such time as all outstanding fees are paid by the Client.

3. PAYMENT

3.1 The Client agrees to pay EFEX in advance the Monthly Fees.

3.2 An invoice for the Monthly Fees will be produced and sent to the Client on the 15th day of each month for the following month.

3.3 The Client must pay:

(a) the Monthly Fees each month, the first payment being due and payable on the date of this Agreement and thereafter on the first day of each month; and

(b) the Additional Fees and all other moneys payable by the Client to EFEX under this Agreement within 14 days from the date of invoice.

3.4 EFEX reserves the right to charge interest under this Agreement if any invoices or other charges made under this Agreement are not paid by the Due Date. The interest will commence from the date that the payment was first due and will be at the rate calculated on daily rests from time to time charged by ANZ Banking Corporation on business overdrafts until all moneys due are paid in full. The interest calculated will appear on subsequent invoices to the Client until all interest has been paid.

3.5 EFEX may vary Fees as per a review process in consultation with the client.

3.6 EFEX may suspend services if payment is not received within fourteen (14) days of the Due Date. If EFEX suspends services under this clause, the Client must still perform all its obligations under this Agreement, including payment of all Monthly Fees and Additional Fees.

4. TERMINATION

4.1 Either party may terminate this Agreement by one (1) month written notice to the other party if the other party:

(a) fails to fulfil in any material respect its obligations under this Agreement, and does not carry out such obligations within (1) one month of receiving the written notice from the notifying party specifying such failure and requiring rectification;

(b) breaches any material term or condition of this Agreement and fails to remedy such breach within one (1) month of receipt of written notice specifying such breach; or

(c) terminates or suspends its business operations, unless it is succeeded by a permitted assignee under this Agreement; or

(d) becomes, threatens or resolves to become subject to any form of insolvency, receivership or administration.

4.2 EFEX may terminate this Agreement if payment of an invoice is overdue by more than thirty (30) days on three (3) or more separate invoices during the term of this Agreement.

4.3 If this Agreement is terminated under clause 4.1 due to a breach or default by the Client, the Monthly Fees payable for the balance of the term must be paid to EFEX by the Client upon demand.

5. TERMS OF SERVICE

5.1 Agreement Scope and Coverage

(a) EFEX shall provide the Services and the Out of Scope Services.

(b) Hardware costs of any kind are not included under the terms of this Agreement. Projects will be billed on a per project basis. Any and all services requested by the Client that fall outside of the terms of this Agreement will be considered Projects and will be quoted and billed as separate Out of Scope Services.

(c) EFEX shall provide the Services at times noted in Appendix A.

5.2 Escalation Policy

(a) EFEX will use its best endeavours to respond to the Client's Service Request as provided for in Appendix A. Service Requests must be initiated by the Client's nominated Contact Person only by email to EFEX's Help Desk, or by phone if email is unavailable. EFEX will assign a Service Ticket for tracking and tickets will be escalated as detailed in Appendix A.

(b) EFEX will treat each service call as a remote service call, unless it is immediately clear to EFEX that a service call requires on-site service. Should EFEX be unable to resolve the issue remotely within a reasonable period, an engineer will be dispatched in accordance with the response times specified in Appendix A.

5.3 Maintenance Changes

(a) The Client is responsible to notify EFEX of forthcoming events with IT dependencies in accordance with clause 5.3(c).

(b) EFEX is responsible for notifying the Client of maintenance changes in accordance with clause 5.3(c).

(c) Maintenance changes are classified into three categories of service:

(i) Planned Maintenance: Planned service maintenance is approved work that is planned and scheduled at least two weeks prior to the change. EFEX will communicate (as needed) to the appropriate audience a minimum of one week prior to the scheduled change.

(ii) Unplanned Maintenance: Unplanned service maintenance is priority work that is unplanned due to an urgent repair to prevent failure. Unplanned service outages will be given priority (and communicated immediately) on a case-by-case basis depending on the type and urgency of the service failure.

(iii) Emergency Service Change: An emergency service change is defined as a service failure that affects the entire site or a significant number of users that requires immediate repair. EFEX reports all emergency service changes to the appropriate people in EFEX and determines necessary communication steps. Emergency service announcements are communicated usually the day of the service failure. After hours service failures will be communicated the following business day.

5.4 Major Changes

Major upgrades to the System will be treated as Out of Scope Services outside the scope of this service level agreement. Funding for major updates will be negotiated on a service-by-service basis.

5.5 Requested Service Calls

If the Client requests onsite service and no problem is found or reproduced, the Client may be billed at the current applicable rates as indicated in Appendix C.

6. CLIENT RESPONSIBILITY

6.1 The Client must:

(a) Facilitate the installation of managed service software on the Client's network as necessary to permit the performance of the services contemplated in this agreement.

(b) Provide configuration and proper ownership documentation to EFEX and its agents for hardware and software if requested.

(c) Immediately alert EFEX and its agents concerning any third-party activity on the Client's network or hardware upon becoming aware of the activity.

(d) Obtain written confirmation from EFEX and its agents before any additional hardware or software is installed into the Client's environment, such approval shall not be unreasonably withheld or delayed.

This confirmation is always to ensure that EFEX is dealing with a known environment. If the Client adds, removes or alters any Services or Equipment operated by the Client without the express written confirmation of EFEX, the Client does so at its own risk and expense. EFEX shall not be liable or responsible for problems created as a result of the Client's alteration of Services, Equipment and/or the Client's network or system. Every attempt will be made by EFEX and its agents to assist the Client at the rates as specified in Appendix C should work be required to address any issue that may occur.

(e) Maintain backups of all critical software, documents, and applications on all the Client's file servers, personal PCs, organizers, and other electronic equipment.

(f) Provide EFEX and its agents with full and safe access to the Client's equipment and premises to enable EFEX to provide the Services.

(g) Provide to EFEX and its agents free of charge all information, facilities and services reasonably required to enable EFEX to perform its obligations under this Agreement.

(h) Only use EFEX and its agents during the term for the provision of the Services. The Client must not permit any third party to alter, change or interfere with the System or the Client's equipment without the prior written consent of EFEX.

(i) Ensure that the System is used in a proper manner by the Client's competent and trained employees only.

(j) Cooperate with EFEX's and its agents personnel in relation to diagnosis of any alleged faults.

(k) Provide to EFEX and its agents such telecommunication and internet facilities as are reasonably required by EFEX for testing and diagnostic purposes at the expense of the Client.

(l) Warrants to EFEX and its agents that the System including all hardware and software are, as at the Effective Date, in reasonable working order and condition for the purpose of allowing the Services to be provided by EFEX and its agents.

(m) The Client acknowledges that any change to their initial configuration as per their site document may result in a review of this Agreement and the Fees associated with it.

7. SUITABILITY OF EXISTING ENVIRONMENT

7.1 Minimum Hardware and Software Standards Required for Services

(a) In order for the Client's existing environment to qualify for EFEX's Managed Services, the following requirements must be met:

(i) all Servers with Microsoft Windows Operating Systems must be running current Microsoft supported operating systems and have all the latest Microsoft Service Packs and critical updates installed;

(ii) if the Client is running software releases earlier than 2008, then EFEX will assist the client to migrate to the supported platform under terms of a work authority;

(iii) all desktop PCs and notebooks/laptops with Microsoft Windows Operating Systems must be running current Microsoft supported Windows Professional Edition operating systems and have all the latest Microsoft Service Packs and critical updates installed;

(iv) all Apple iMac and MacBook's must be running current Apple supported operating systems and have all the latest Service Packs and critical updates installed;

(v) all mobile devices supported under this Agreement must be running latest updates and operating systems;

(vi) all Server and Desktop Software must be Genuine, Licensed and vendor-supported;

(vii) the environment must have a currently licensed, up to date and vendor-supported server-based antivirus solution protecting all servers, desktops, notebooks/laptops, email, tablet/smart phones/apple mac

(viii) the environment must have a currently licensed, Vendor-Supported Server based Backup Solution that can be monitored by EFEX as required;

(ix) the environment must have a currently licensed, vendor-supported hardware firewall between the Internal Network and the Internet;

(x) all wireless data traffic in the environment must be securely encrypted;

(xi) there must be an outside static IP address assigned to a network device, allowing Remote Desktop Protocol ("RDP") or Virtual Private Network ("VPN") access; and

(xii) Hardware faults are only supported under this agreement if the hardware is covered under an active Vendor warranty.

(xiii) Hardware must meet the minimum requirements to operate 3rd Party applications as specified by the 3rd party vendor.

(b) Any hardware or systems failing to meet these requirements are excluded from this Service Agreement.

(c) The Client agrees to pay any 3rd Party Vendor Support Charges incurred in order to resolve any issues (subject to EFEX first receiving the Client's authorization to incur such charges).

8. EXCLUDED SERVICES

8.1 Out of Scope Services

The Services do not include:

(a) Parts, equipment or software not covered by vendor/manufacturer warranty or support;

(b) The cost of any parts, equipment, or shipping charges of any kind;

(c) The cost of any Software, Licensing, or Software Renewal or Upgrade Fees of any kind;

(d) The cost of any 3rd Party Vendor or Manufacturer Support or Incident Fees of any kind;

(e) Any costs of bringing the Client's environment up to minimum standards required for Services;

(f) Rectifying any failure due to acts of God, malicious damage, building modifications, power failures, rodent damage or other adverse environmental conditions or factors;

(g) Service and repairs made necessary by the alteration or modification of equipment other than that authorized by EFEX, including alterations, software installations or modifications of equipment made by the Client's employees or anyone other than EFEX;

(h) Maintenance of Applications software packages, whether acquired from EFEX or any other source except as specified in Appendix B;

(i) Programming (modification of software code) and program (software) maintenance except as specified in Appendix B; and

(j) Training Services of any kind.

(k) Print Devices – if the fault is found to be not an IT issue / fault

(l) Installation or restore and configuration of new network devices such as iPads, iPhones Smartphones and BYOD devices to network

(m) New Server Infrastructure installations are excluded and will be managed as a separate project and charged in accordance with the Additional Fees listed in Appendix C.

(n) Office relocation's will be managed as a separate project and charged in accordance with the Additional Fees listed in Appendix C.

(o) After business hours priority support.

(p) Microsoft Licensing audits and Software asset management (SAM)

8.2 Disaster Recovery Service Exclusions

EFEX reserves the right to charge the Client for labour and any out of pocket expenses incurred during a server recovery if circumstances surrounding the Client's server failure involve in whole or in part:

(a) the Client failing to adhere to all the requirements outlined in Clause 6 of this Agreement;

(b) physical environmental failure events that render hardware unusable;
(c) force majeure events beyond EFEX's reasonable control (including but not limited to Acts of God, government regulation, labour strikes, natural disaster, and national emergency);
(d) any act or omission on the part of any third party other than EFEX and its agents.

9. CONFIDENTIALITY

EFEX and its agents will not use or disclose confidential Client information to any third party without the prior approval of the Client, except as necessary or consistent with providing the Services or when legally required to do so. The terms and provisions of this clause shall survive any expiration or termination of this Agreement.

10. OWNERSHIP OF WORK PRODUCT

10.1 All worldwide intellectual property rights associated with any ideas, concepts, techniques, processes or other work product created by EFEX during performing the Services shall belong exclusively to EFEX, and the Client shall have no right or interest therein. Unless this Agreement is terminated by EFEX for the Client's material breach or failure to make payments to EFEX, EFEX hereby grants to the Client a perpetual, royalty-free, non-transferable, nonexclusive license to use, solely for the Client's internal business purposes, the object code form of any application software programs or other work product created by EFEX and supplied to the Client in performing the Services.

10.2 Notwithstanding anything to the contrary in this Agreement, EFEX will retain all right, title and interest in and to all software development tools, know-how, methodologies, processes, technologies or algorithms used in providing the Services which are based on trade secrets or proprietary information of EFEX or are otherwise owned or licensed by EFEX.

10.3 Licenses will not be granted by either party to the other for any of its patents, trade secrets, trademarks or copyrights except as otherwise expressly provided for in this Agreement. Nothing in this Agreement will require EFEX or the Client to violate the proprietary rights of any third party in any software or otherwise.

10.4 EFEX and the Client each agree to execute and deliver such other instruments and documents as the other party reasonably requests to evidence or effect the transactions contemplated by this clause.

10.5 The provisions of this clause will survive the expiration or termination of this Agreement.

11. RELATIONSHIP

EFEX is an independent contractor. Neither EFEX nor the Client are, or shall be deemed for any purpose to be, employees, partners or agents of the other, nor shall neither party have the power or authority to bind the other party to any contract or obligation.

12. RESTRICTION ON EMPLOYMENT OF STAFF

12.1 The Client acknowledges that EFEX has a substantial investment in its employees who provide Services to the Client under this Agreement, and that such employees are subject to EFEX's control and supervision. In consideration of EFEX entering into this Agreement, the Client agrees not to solicit, hire, employ, retain, or contract with any person who is or was an employee of EFEX during the term of this Agreement and for a period of 6 months after expiry or termination of this Agreement without the express written consent of EFEX.

12.2 If the Client enters into an agreement with any employee or former employee of EFEX to provide services to the Client (or any affiliate, associate or subsidiary of the Client) in any capacity either during any term of this Agreement or within a period of 6 months from the date of expiry or termination of this Agreement for any reason, without the express written consent of EFEX, the Client agrees to pay EFEX within seven (7) days of the Client engaging the services of the employee an amount equal to 6 months' salary or wage payable by EFEX to such employee.

13. LIABILITY

13.1 Provision of the Services does not imply any guarantee or representation that EFEX is able to assist the Client in achieving any results from the System which are not technically feasible.

13.2 EFEX is not liable for delays arising from any industrial dispute or any cause outside of EFEX's reasonable control. Response and escalation times will be subject to a reasonable extension in the event of any such delay.

13.3 EFEX agreeing to provide the Services does not imply any guarantee that EFEX will be successful in correcting any software or hardware fault in the System. EFEX shall not be liable to the Client for any failure to achieve a correction of a fault but EFEX acknowledges that it will use its best endeavors to rectify the fault.

13.4 The Client acknowledges that it has agreed to the terms of this Agreement in the knowledge that

EFEX's liability is limited and that the prices charged by EFEX have been calculated accordingly. The Client acknowledges that EFEX would not enter into this Agreement without these limitations on liability. The Client acknowledges that the goods and services to be provided under this Agreement are not of a type used for personal, domestic or household purposes.

13.5 EFEX's liability to the Client for all loss or damage suffered by the Client in connection with this Agreement and the Services is limited to payment of an amount being the lowest of: (a) the cost of replacing goods or supplying equivalent goods;

(b) the cost of repair of the goods; and

(c) having the services supplied again or the payment of the cost of the services being supplied again. 13.6 Subject to clause 13.5 and to the extent permitted by the Australian Consumer Law, the liability of EFEX is limited as set out in clause 13.5 and in no event shall EFEX be liable for any other claims or damages including but not limited to claims for negligence, loss of profits, and any indirect, special or consequential damages or injury to any person or other entity.

13.7 The Client must indemnify EFEX and its employees, and agents in respect of any third-party claims which arise from any acts carried out by EFEX on the instructions of the Client or its authorised representatives and any liability resulting from any breach by the Client of this Agreement.

14. ASSIGNMENT

14.1 The Client must not assign its rights or obligations under this Agreement without the prior written consent of EFEX.

14.2 EFEX may assign part or all of this agreement to a third party without the prior consent of the Client.

14.3 All terms and provisions of this Agreement shall be binding upon and inure for the benefit of the parties hereto and their respective permitted transferees, successors and permitted assigns.

15. ENTIRE AGREEMENT AND MODIFICATIONS

15.1 Each party acknowledges that it has read this Agreement and agrees that the Agreement is the complete and exclusive statement of the parties and supersedes and merges all prior proposals, understandings, and agreements, oral or written, between the parties relating to the subject matter hereof, including without limitation, the terms of any Client request for proposal.

15.2 No modification, amendment, supplement to or waiver of this Agreement shall be binding upon the parties hereto unless made in writing and duly signed by both parties.

16. GOVERNING LAW

Queensland law shall govern the construction, validity, and interpretation of this Agreement and the performance of its obligations.

17. SEVERABILITY

In the event any one or more of the provisions of this Agreement is held to be invalid or otherwise unenforceable, the offending provision may be severed from this Agreement and the enforceability of the remaining provisions shall be unimpaired.

18. NOTICE

18.1 All notices, requests and communications under this Agreement shall be in writing.

18.2 Notice shall be deemed to have been given on the date of service if personally delivered or served by facsimile or email on the party to whom notice is to be given (provided that any notice served by facsimile after 5.00 pm on a business day shall be deemed served on the next business day).

18.3 If notice is mailed, it shall be deemed to be given within 3 days after mailing, if mailed to the party to whom notice is to be given, by prepaid, registered or certified postage, and addressed to the party at the address set out below, or any other address that the relevant party may designate by written notice from time to time.

19. FORCE MAJEURE

19.1 If EFEX is unable to perform or is delayed from performing its obligations under this Agreement because an event beyond EFEX's reasonable control ("Force Majeure Event"), then that obligation is suspended but only so far and for so long as it is effective by the Force Majeure Event. If the Force Majeure Event continues for more than 60 days, EFEX may terminate this Agreement by giving written notice to the Client.

EFEX

ABN: 28 625 658 568

Name: Michael Harding

Title: IT Account Manager

Date: / /

Signature: 

EFEX

ABN: 28 625 658 568

Name: Kevin Blair

Title: General Manager - Technology

Date: 24 / SEP / 2020

Signature: 

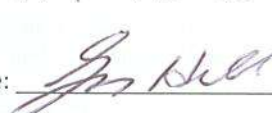
Central Darling Shire Council

ABN: 65 061 502 439

Name: Greg Hill

Title: General Manager

Date: 24 / 9 / 2020

Signature: 

Central Darling Shire Council - Witness

ABN: 65 061 502 439

Name: ROBERT KEVIN STEWART

Title: ADMINISTRATOR

Date: 24 / 9 / 2020

Signature: 

Addendum

Appendix A - Service Levels

Service Level Description

The following section outlines the description of the service levels. It will address:

- Hours of coverage
- Contact details
- Incident response
- On-site visits

Hours of Coverage	
Business Hours	7.30 am to 6.00 pm (AEST) Monday to Friday excluding National public holidays
After Hours	Outside of the above hours

Contact Details			
Telephone	1300 376 347		
Email	Service@efex.com.au		
Note	It is essential that all Critical & High Incidents (P1 & P2) be logged via the telephone instead of emailing the service desk.		
Escalations	Service Team	service@efex.com.au	1300 376 347
	Team Leader	teamlead.sd@efex.com.au	02 8039 8712
	Manager	manager.sd@efex.com.au	02 8039 8713
	Head of Managed Technology	head.sd@efex.com.au	02 8039 8714

Incident Response

Prioritisation

The Priority for allocating resources to the resolution of an Incident is based upon a combination of urgency and impact. The negotiation and agreement of Incident Priority is determined at the time of Incident logging between the EFEX Service Desk and the customer.

Urgency is an assessment of the speed with which an Incident needs resolution. Impact reflects the likely effect the Incident will have upon the business service.

Urgency		Impact	
Level	Description	Level	Description
1	Must occur now	1	Affects all users/Critical users
2	Must occur ASAP	2	Affects a large number but not all users, User is important
3	Must occur when possible	3	Affects low number or single users
4	Can occur during scheduled visit	4	Minimal impact issue or request

Incident Priority

Incident Priority is determined as a combination of Urgency and Impact and calculated as below:

Incident Priority		Urgency			
		Critical Business Services	Core Business Services	Support Services	Non-Urgent Services
Impact	Whole Company	P1*	P1*	P2*	P4
	Department/s, Large Groups or VIP	P1*	P2*	P3	P4
	Small Group	P2*	P2*	P3	P4
	Single User	P2*	P3	P3	P4

Service Levels

Priority	Response	Update Cycle
P1: Critical*	Immediate	1 Hour
P2: High*	30 Minutes	4 Hours
P3: Medium	4 hours	Daily or as agreed
P4: Low	1 day	N/A

*It is essential that Critical Incidents (P1 & P2) be logged via the telephone

> Addendum

Appendix B - Included Services

Included Services

The following table shows the included services in the EFEX Managed Services Program:

DESCRIPTION OF SERVICE

Network Monitoring

- Active monitoring of the Server and network environment with failure notification.
- Active monitoring of approved Backup applications with failure notification and backup restore testing.
- Monitor Server Event Logs including Application, System and Security Logs.
- Monitor Server and network performance and capacity planning.
- Monitor and advise issues in relation to:
 - Memory running low
 - Hard drive showing sign of failure
 - Hard drive running out of disk space

Pro-active Network Maintenance (EFEX Advanced MSA only)

- Microsoft Windows patch management for Servers and Workstations.
- Hardware Firmware management and updates where applicable.
- Ensure Microsoft Office applications are functioning as designed.
- Ensure approved backup applications are functioning as designed.
- Ensure approved accounting applications are functioning as designed.

Network Management (covered by Essentials Time Block)

- Set-up new users including login restrictions, passwords, security and applications (up to 1 hour per user).
- Manage Microsoft Exchange users including mailbox management.
- Manage office workstations including Microsoft updates.
- Assist in the determination of hardware failure and resolution for hardware items covered under existing warranty.
- Assist in the determination of office connectivity issues to the internet and liaise with the internet service provider
- Manage printers and other network devices (IT related issues only)
- Manage Smart devices with emails and line of business APPS if applicable
- Disaster recovery of servers (Only applicable if EFEX recommended and up to date backup software is installed)
- Manage user permissions and update security settings for users and applications.
- File system management.
- Create new directories, shares and security groups.
- Third party vendor management including warranty claims for hardware sold by EFEX. Annual Software version upgrades of 1 (one) approved business applications (maximum of 6 hours)
- Critical Software updates and patches for approved business applications

Reporting & Documentation

- Develop network documentation and document software and hardware changes made by EFEX.
- Create a Document asset register
- Provider quarterly reports of work accomplished.

ADDED VALUE SERVICES

- A dedicated Technical Account Manager for your business where applicable.
- Travel to site is included in the MSA agreement unless otherwise stated in appendix D.
- Consulting Services for Cloud Migration Planning and IT Strategic Planning.
- Disaster Recovery Planning.

> Addendum

Appendix C - Fee Schedule

SERVICE	MSA
Onsite Labour Remote Management Help Desk	Provided as per defined Business Hours

Rates for Additional Fees

Below is the table of rates for the EFEX Managed Service Agreement. The rates are the default rates unless the Client is notified before commencement of work/project. Alterations to these rates must be provided in writing 30 days in advance of the change.

Rates per hour ex GST for Out of Scope Services

SERVICE	LEVEL 1 & 2 ENGINEER	LEVEL 3 ENGINEER
Non MSA Standard Rates	\$180.00	\$240.00
MSA Agreement Rates	\$135.00	\$185.00
After Hours / Weekend Work Rates	\$270.00	\$370.00

NOTE: Weekend work must be approved by EFEX five (5) business days in advance or as otherwise agreed. EFEX charge a minimum time of 4 Hours minimum applies to all non P1 calls.

> Addendum

Appendix D - Special Conditions

Special Conditions

The following table shows the special conditions in the EFEX Managed Services Agreement:

CONDITIONS

The following special exclusions apply to this contract

1. During the onboarding phase of this agreement an assessment will be performed. Further exclusions may be applied to this contract dependent upon those results.
2. Support of all Windows operating systems pre Microsoft Windows 8.1 and Server 2012R2 is conditional dependent on current extended licenses in place from Microsoft.
3. Any issues arising to computers or the extended network from operating systems no longer under support are not covered under this agreement and will be charged separately; this extends to security issues.

Greg Hill

From: Michael Harding <michael.harding@efex.com.au>
Sent: Wednesday, 23 September 2020 3:08 PM
To: Allan Tonkin
Cc: Greg Hill
Subject: RE: Questions and clarification of CDSC Managed Service Agreement

Hi Allan and Greg,

Hope my answers are going to be satisfactory. Please see below in green from my discussion with my presales team this afternoon.

- 1 Confirm that on-site service will be sourced from Broken Hill and the cost of travel per visit?
 - Any labour / travel outside of maintenance work covered under a service agreement is chargeable at our hourly rate.
 - Travel to site is chargeable
 - Time onsite if maintenance is covered by the service agreement
 - Any remedial or project work would be chargeable
- 2 Provide a detailed explanation of how the "ticket system" works and what are the cost per ticket etc.
 - During Business Hours there is an unlimited number of service calls that can be made however this does exclude security breaches based on current IT Environment unless Efex Security Advanced is added to service agreement. Please let us know if you would like a quote for this.
 - As your system has been hacked and also been restored via backup multiple times over the last 12 months my recommendation would be under the next phase after the service agreement which is optimization we would recommend top level antivirus and security advanced packages to help out with your IT security.
 - First stage would be to control your environment under a managed service agreement.
- 3 Will the onboarding process require onsite visits?
 - No – Most onboarding is done remotely.
- 4 Note that the CDSC IT staff member may not be available to assist with onboarding but the BHCC IT staff may be able to help?
 - Understood.
 - We may require BHCC IT Staff details
- 5 Can you provide a ballpark estimate for a cloud based solution to our data storage so we can include the cost in a report to council.
 - Within 2 business weeks we could provide you with a ballpark estimate to migrate over to cloud services however this is subject to gaining access to your IT environment and further discussions with you to work out what you require.
 - Recommendation would be as part of point 6 to work out a technology roadmap for your IT Strategy for the future including telco and print.
- 6 Note that CDSC do not have an IT Strategy but will require 1 at some stage. Probably as part of your advice to move to the cloud etc?
 - See above
- 7 Is the onboarding fee of \$4416 a fixed price fee?
 - Yes, It is based on number of users and sites.
- 8 What does the \$5100 monthly fee cover?
 - Everything that is in the IT managed services agreement including screen shot below based our maintenance and support.
 - o Any subscriptions such as Anti-virus, security packages, cloud solutions are all additional.
- 9 Will we get a report from the onboarding process so we have a copy of all of the information collected?
 - We can arrange for this to happen either in a document from us or possibly via a portal you will have access to
- 10 Can we get monthly reports for the first 3 months then revert to quarterly reports?
 - Yes we can provide reporting.
 - What specific data in reports are you looking for?

11 Note that at some stage will need assistance to comply with a number of current internal audit matters such as policy's, documentation, security etc.

- We can provide as much detail as our systems pick up however anything outside of this could be do and charge.
- We have certain systems in place after on-boarding which does auditing of systems and can provide certain reports.
- We can provide material to help out with policies however anything outside of the given normal would be chargeable

p.s – If it would help in your decision making I could offer the ability to cancel the service agreement within 90 days if you deem a service agreement to be not applicable for CDSC. However I do personally believe for your organization outsourcing your IT will be the best solution for you.

Michael Harding | IT Business Development and Account Manager

m 0423 241 444 | p 1300 136 069

e michael.harding@efex.com.au

efex



**Managed Print
Services**



**Voice &
Data**



**IT Managed
Services**



**Technology
as a
Service**



**Cloud
Solutions**



IT Security



**Fleet
Management
Solutions**

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From: Allan Tonkin <tonkina@centraldarling.nsw.gov.au>

Sent: Wednesday, 23 September 2020 10:52 AM

To: Michael Harding <michael.harding@efex.com.au>

Cc: Greg Hill <hillg@centraldarling.nsw.gov.au>

Subject: Questions and clarification of CDSC Managed Service Agreement

[EXTERNAL]

Good morning Michael.

Further to our discussion this morning, could you please provide answers and explanations for the following:

- 1 Confirm that on-site service will be sourced from Broken Hill and the cost of travel per visit?
- 2 Provide a detailed explanation of how the "ticket system" works and what are the cost per ticket etc.
- 3 Will the onboarding process require onsite visits?
- 4 Note that the CDSC IT staff member may not be available to assist with onboarding but the BHCC IT staff may be able to help?
- 5 Can you provide a ballpark estimate for a cloud based solution to our data storage so we can include the cost in a report to council.
- 6 Note that CDSC do not have an IT Strategy but will require 1 at some stage. Probably as part of your advice to move to the cloud etc?
- 7 Is the onboarding fee of \$4416 a fixed price fee?
- 8 What does the \$5100 monthly fee cover?
- 9 Will we get a report from the onboarding process so we have a copy of al of the information collected?
- 10 Can we get monthly reports for the first 3 months then revert to quarterly reports?

11 Note that at some stage will need assistance to comply with a number of current internal audit matters such as policy's, documentation, security etc.

Thanks Michael

We look forward to your response.

Happy to answer any questions. 0427627207

Allan

Sent from [Mail](#) for Windows 10

Menindee Elevated Tanks

Condition & Costs



Report Prepared for Essential Water

By

Far West Primary Industries PTY LTD

Revision A

17th September 2020

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1 INTRODUCTION

Far West Primary Industries was engaged by Essential Water to inspect and report on the current condition of the Menindee Elevated Tanks by the railway. In addition to this, given the limitations noted within, the request included the provision of estimated costs involved to make the tanks safe for the next 20 years.

Aerial photography was provided by Essential Water, and was of great assistance to inspection.

2 GENERAL OVERVIEW

The following images are used to give a general overview of the tanks.



Figure 1 - The Menindee Elevated Tanks. Looking South.



Figure 2 - Fish-eye view of Centre & West Tanks, facing North West



Figure 3 - Fisheye view of centre tank, facing north



Figure 4 - Fisheye view of Centre and East Tank - facing north

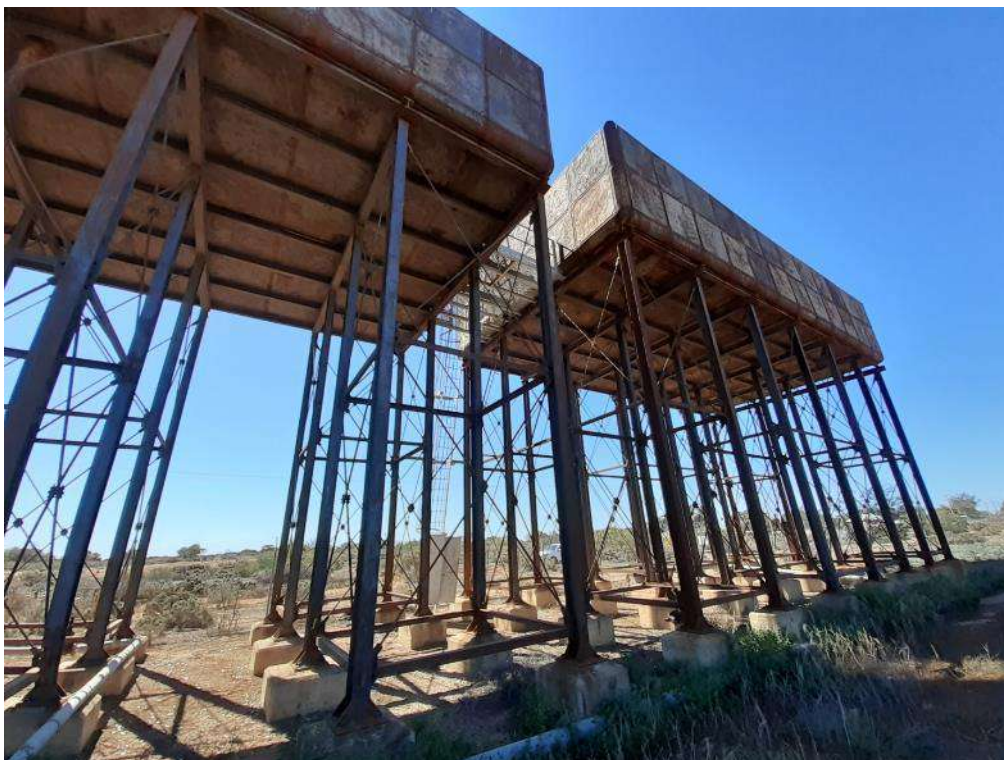


Figure 5 - Fisheye view of Centre & East Tanks, facing North East

3 CONDITION OF THE CAST IRON TANKS

3.1 CRACKING OF CAST IRON

The cast iron demonstrates the development of cracking. By observing the nature of the cracking, it will slowly cause the tanks to lose their integrity over the coming years and, when a critical point is reached, exhibit an abrupt failure.

The following images show typical conditions observed on all the cast iron tanks.



Figure 6 - Example of cracking & failing cast iron. Some corners are more progressed than others.



Figure 7 - Further cracking at the interface between the walls & the tank floor



Figure 8 – Example of Cracking developing in Cast Iron Floor



Figure 9 - Example of Cast Iron piece, having already broken away from the rest of the rest of the tank



Figure 10 - Cracking developing - Bolts slowly blowing out. Looking from top of tank down to the floor.

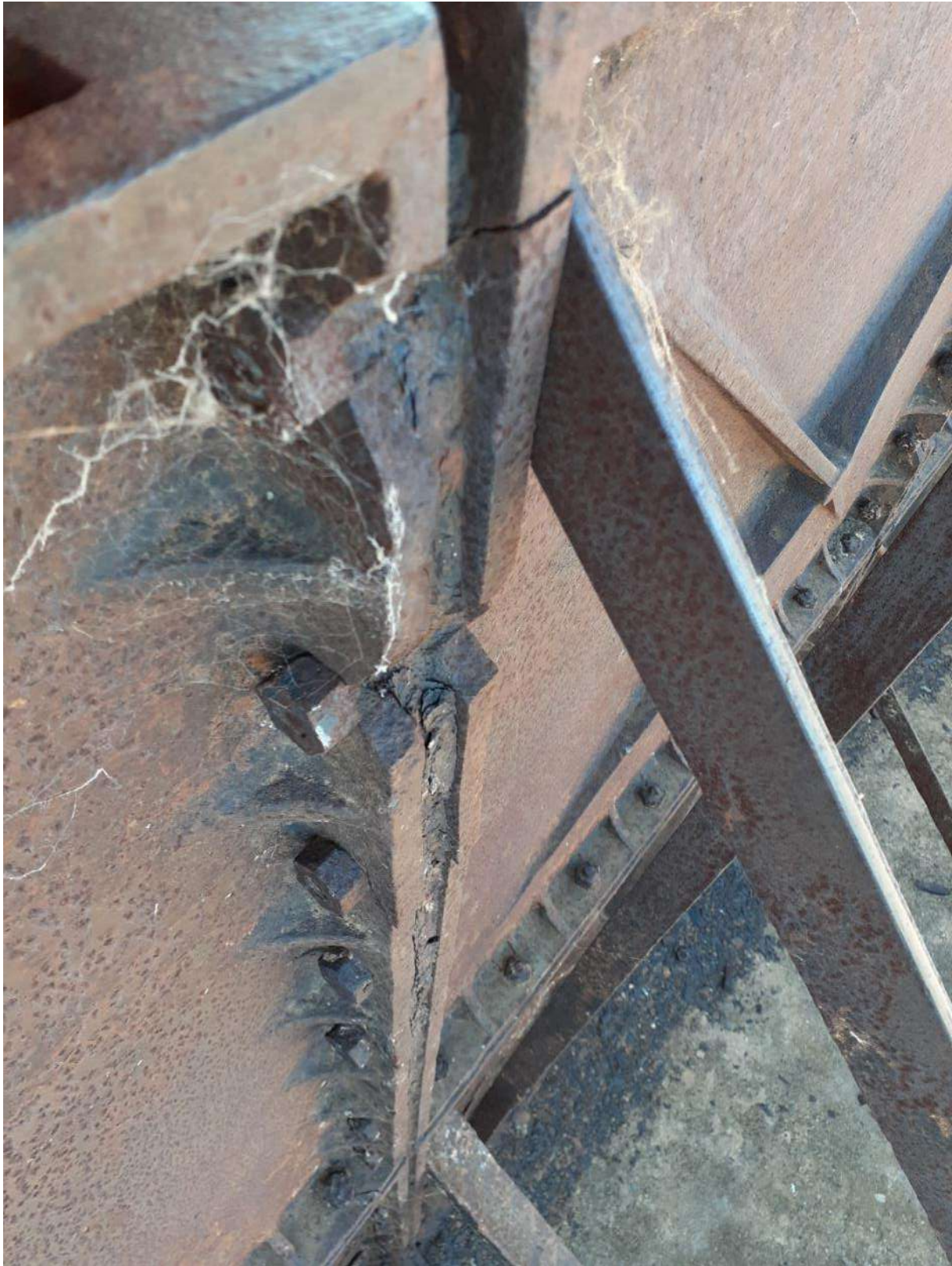


Figure 11 - Example of bolts, further progressing in the process of blowing out.



Figure 12 - Typical example of the internal walls - note the frequency of bolt damage.



Figure 13 - Further example of deterioration of bolted connections. Some corners are more progressed than others. All corners shown development into this type of deterioration.

Cracking in the Cast Iron could be attributed to a number of causes and could be any combination of:

- Thermal cycles (Diurnal temperature range)
 - This range has been exacerbated since the tanks were decommissioned, as the presence of water provides additional thermal mass.
 - Hence, the rate of deterioration accelerated.
- Corrosion Cracking/Crevise Corrosion
 - Alkaline environment created where grout was poured into the tank floor. Now exposed to more frequent wet and dry cycles, with temperature compounding. This may indicate the more prevalent deterioration at the interface between the walls & the floor.
 - The Tanks were also known to hold chlorinated raw water. This is a potentially contributing factor.
- Graphite corrosion
 - A type of corrosion unique to cast iron and in mild atmospheres. This has the effect of reducing strength with no obvious dimensional changes. This is a dangerous type of corrosion, and given the era and type of material, this may also be present.
- Internal pressure in bolt holes where bolts expand due to corrosion

Given the extent of cracking observed, it does not appear to be feasible to safely restrain the cast iron in the current state.

The works required inside the tank are extensive. Given the number of bolts that require repair work, including the number of bolt holes in the cast iron panels that are now compromised and may no longer be salvageable. In light of the cracking that already exists in corners of each tank and the cracking noted in floor panels, it is not considered safe for personnel work inside the tank, not without fall restraints that are independent of the tanks.

3.2 RECOMMENDED ACTION

The following actions are recommend;

- **Remove the cast iron from the top of the steel structure.** As soon as possible.
- Perform a risk assessment and increase the exclusion zone beneath the tanks.
 - **To address the risk created by large iron fragments falling from the tanks.**

4 CONDITION OF THE STRUCTURAL STEEL

In general the steelwork consists of that manufactured in the 1920s, whose properties, section sizes and other relevant information can be found in the Dorman Long 1924 handbook. The noted brands of steelwork for the Centre and East tanks are AIS Kembla (Australian Iron and Steel). For the West Tank is it Dorman Long & Co Ltd, Middlesbrough.

Drawings are provided with this report for additional information. Refer to drawings JB00116-001_A & JB00116-002_A.

4.1 CORRODED JOISTS ON THE WEST TANK

Corrosion is noted on the West tank support structure. A repair has been made where additional joists have been placed alongside the corroded joists, where the web has corroded to the extent that it can no longer provide structural support (Figure 14 & Figure 15).

When the cast iron tank is removed from above, the repair joists will no longer be secured from the weight of the tank. These joists should be removed along with the cast iron tanks.

The corroded joists should also be removed. Should the steel structure be repurposed, than these joists should be replaced with an appropriate modern equivalent and detailed appropriately.

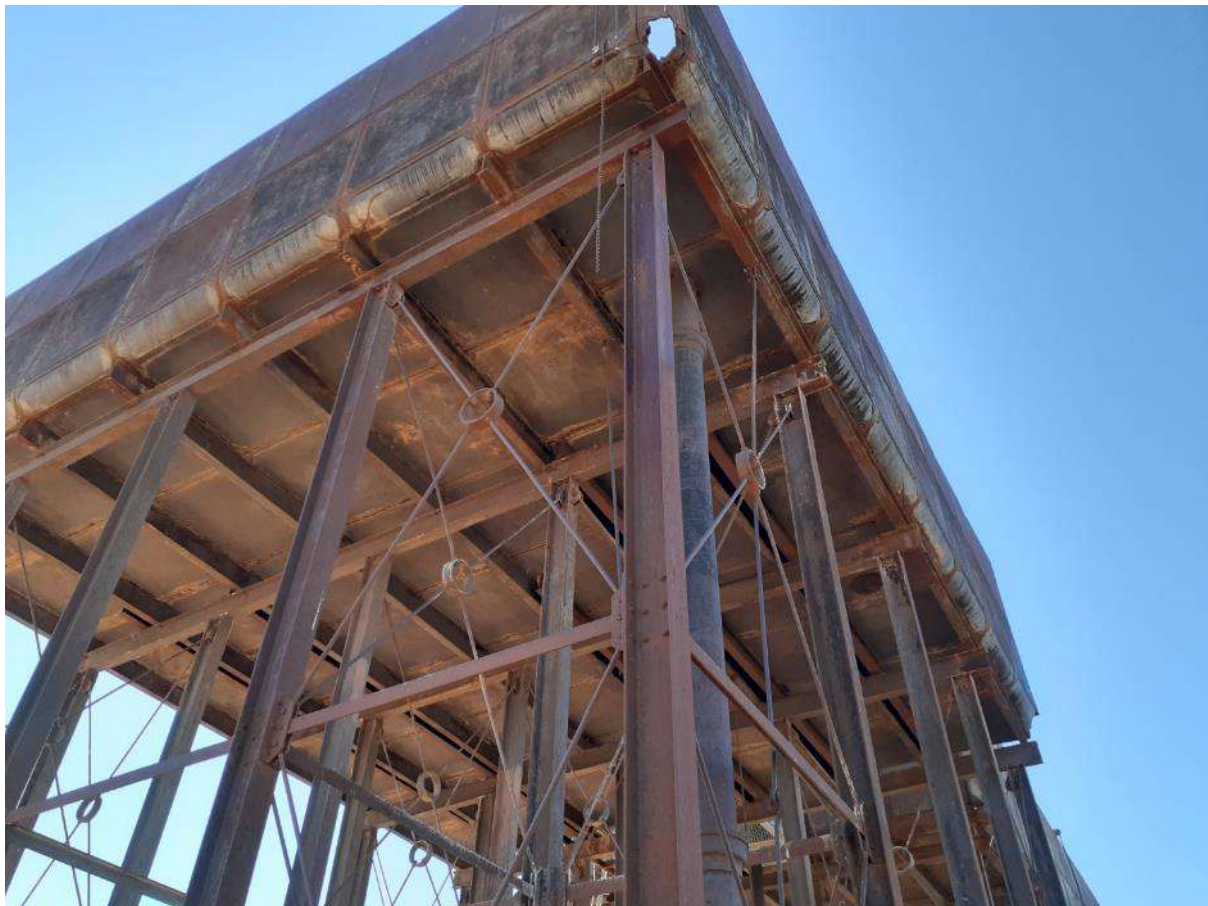


Figure 14 - Replacement Joists installed beside corroded floor joists



Figure 15 - Example of web of floor joist corroded away. Note second joist installed beside it.

4.2 CONCRETE BREAKOUT ON PLINTH

A plinth located on the West tank shows breakout from the steel. This plinth does not appear to be significantly compromised. It can be repaired with suitable preparation works and applying grout or other suitable mixture.



Figure 16 - Breakout on Plinth, West Tank

4.3 GENERAL CONDITION OF STRUCTURAL STEEL

With the exceptions noted above, the general condition of structural steel beneath the tanks appears in good condition when considering the age of the structure.

4.3.1 Wind Bracing

Wind bracing panels, as a general rule, will need re-tensioning as in many cases the tie rods have become loose.



Figure 17 - General condition of structural steelwork - Minor surface rust

4.3.2 Surface Rust

The previous surface coating of the structural steel has largely deteriorated and the existence of which is only evident in a few areas.

The rust that has subsequently developed does not appear significant, and can be addressed by a suitable cleaning or blasting method, followed by application of a suitable outdoor surface coating regime.

The cleaning process may uncover areas where corrosion may be more advanced. Patching or repair work by qualified boilermakers is advised.

Following surface cleaning and repairs as required, it is recommended to apply a zinc-rich undercoat, followed by two UV-resistant top coats, as noted in the costings under Section 5.

Alternatively, after surface cleaning and repairs, the additional cost of painting can be avoided if it is replaced by a rigorous corrosion inspection regime that is carried out by or with the direct supervision of, a structural engineer or other appropriately qualified person. Inspections should be carried out annually, with this time period being extended only by sound maintenance principles.



Figure 18 - Minor surface corrosion - Looking West at a plinth on the second tank. Note difference in column connection of the West tank in the background.



Figure 19 - Typical Joists and Bearers beneath the East and Centre Tanks - Minor surface rust



Figure 20 - Typical Column for East & Centre Tanks. Note sparse evidence of previous surface coating.



Figure 21 - Typical Column for the East Tank



Figure 22 - Typical condition beneath East Tank, similar for Centre Tank

4.4 COMMENTARY ON FUTURE USE

There is the possibility to re-purpose the remaining steel structure after the removal of the cast iron tanks. The specific purpose would need to be defined and structural analysis subsequently performed.

It should be noted, that when re-purposing historical steelwork, it may not be able to meet the requirements of modern standards. For instance, the East and Centre tanks utilise hold down bolts for the structural steelwork, and as it is not known the means by which the bolts are anchored. In the case of the West Tank the foundations have been poured to encase the columns and details about how compression and moment actions are transferred to the foundation, and then the ground, are not obvious from a visual inspection. In the absence of historical structural drawings, determining the required information for analysis of the foundations may require costly investigation works.

With this in mind, in reference to utilising the tanks as a mural to show case artwork, it is often more cost effective to remove the historic structure and replace it with one that is fit for purpose.

Given the sentimental value of the tanks, professional photographs could be taken and segments of the tanks could be kept and put on display. The display could be arranged to remove the hazards presented by the tanks in their current form. This could be in addition to a purpose build structure to show case a mural at a similar height and location as the historic tanks.

5 COSTS FOR MAKE SAFE WORKS

Given the extent of the scope, and with consideration exclusively for make safe activities, the following costs are estimated.

This section is to be read in conjunction with the attached spreadsheet titled “**200912 – Estimated Costs for Menindee Elevated Tanks.xlsx**”.

These costs exclude:

- GST
- Design costs for future purposes
- Emergent repair works that may become evident during these proposed works
- Travel and accommodation costs
- Dump/Disposal costs

Assumptions:

- 10 work days required for Dismantling works
- 10 work days required for each of the cleaning and painting activities
 - Contractors coordinate works to minimise travel

As with all high-level estimated costs, it cannot be overstated that when clients are preparing budgets that they allow suitable contingency amounts, and seek contractor specific pricing.

5.1 REMOVE CAST IRON TANKS

Estimated costs to remove the Cast Iron Tanks – Approx. **\$55,000**

5.2 BLAST & RE-PAINT

Estimated costs to clean and re-paint the structural steel – Approx. **\$128,200**

5.3 REPLACEMENT OF CORRODED JOISTS

Estimated costs to clean and re-paint the structural steel – Approx. **\$39,200**

6 INSPECTION REGIME

It is recommended that visual inspections on the completed make-safe works initially be conducted every 12 months, with this inspection time period being extended by sound maintenance principals.

7 CONCLUSION

In summary, the cast iron tanks on the structural steelwork pose a high risk. It is recommended to have them removed as soon as possible. The structural steelwork is, with some exceptions, in generally good condition. To make safe, repairs are recommended as well as the application of new surface protection. As with all assets, regular inspections over the next 20 years are also recommended.

If you have any further questions or any additional items you wish to discuss, please do not hesitate to contact us.

Joe O'Connor

MIE Aust

Mechanical Engineer



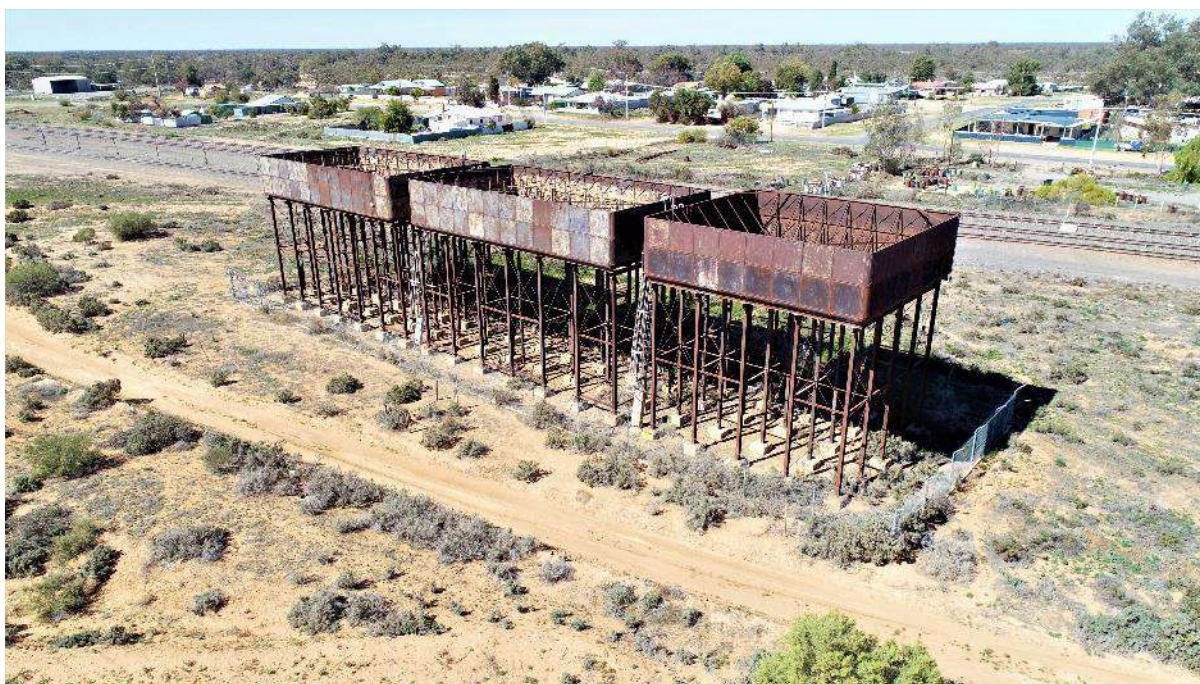
e joe@farwestpi.com

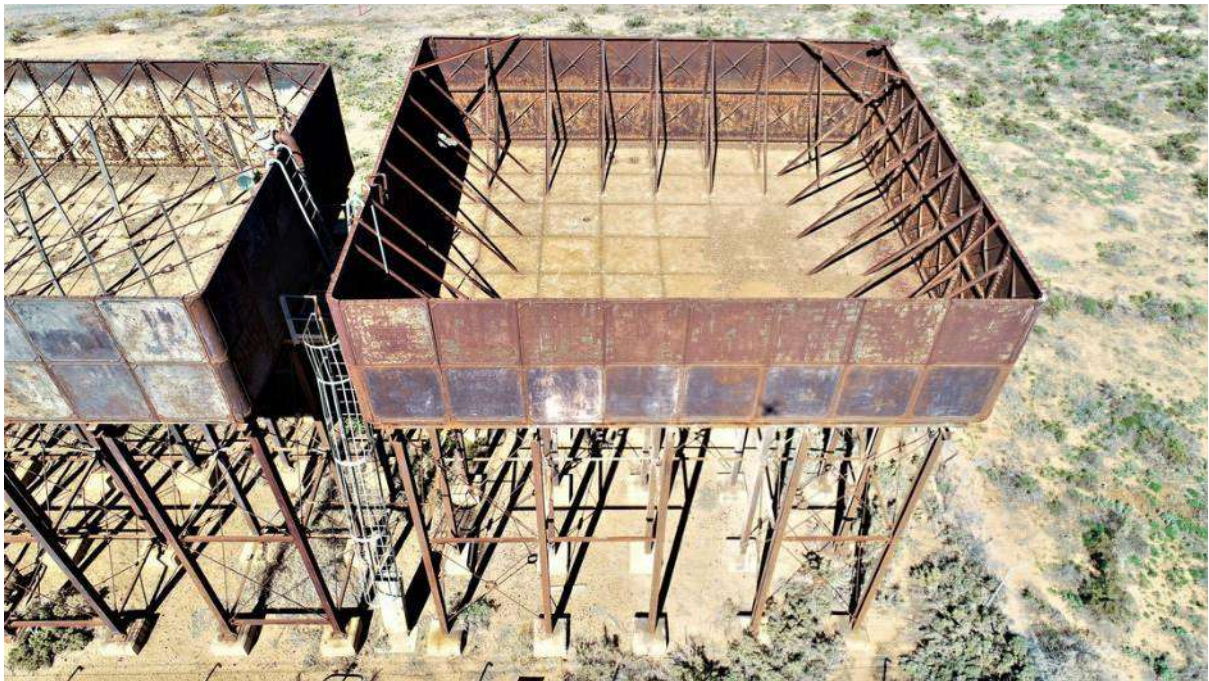
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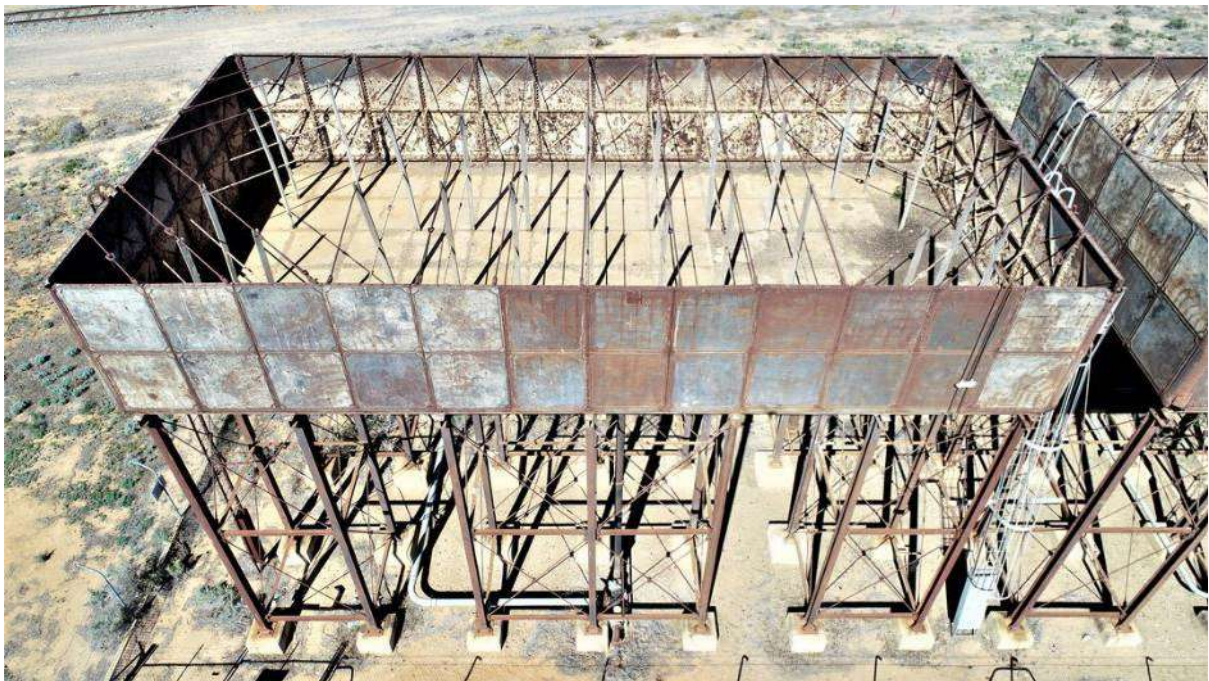
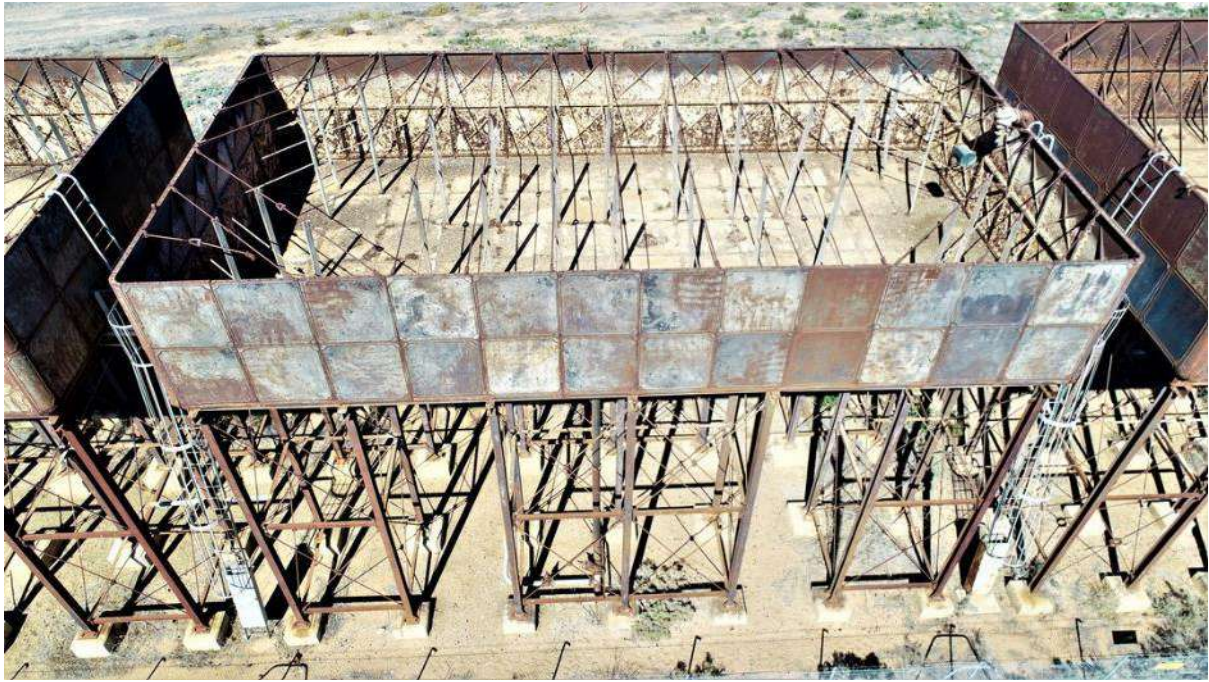
Far West Primary Industries Pty Ltd

APPENDIX – ADDITIONAL PHOTOS

Additional Photographs:

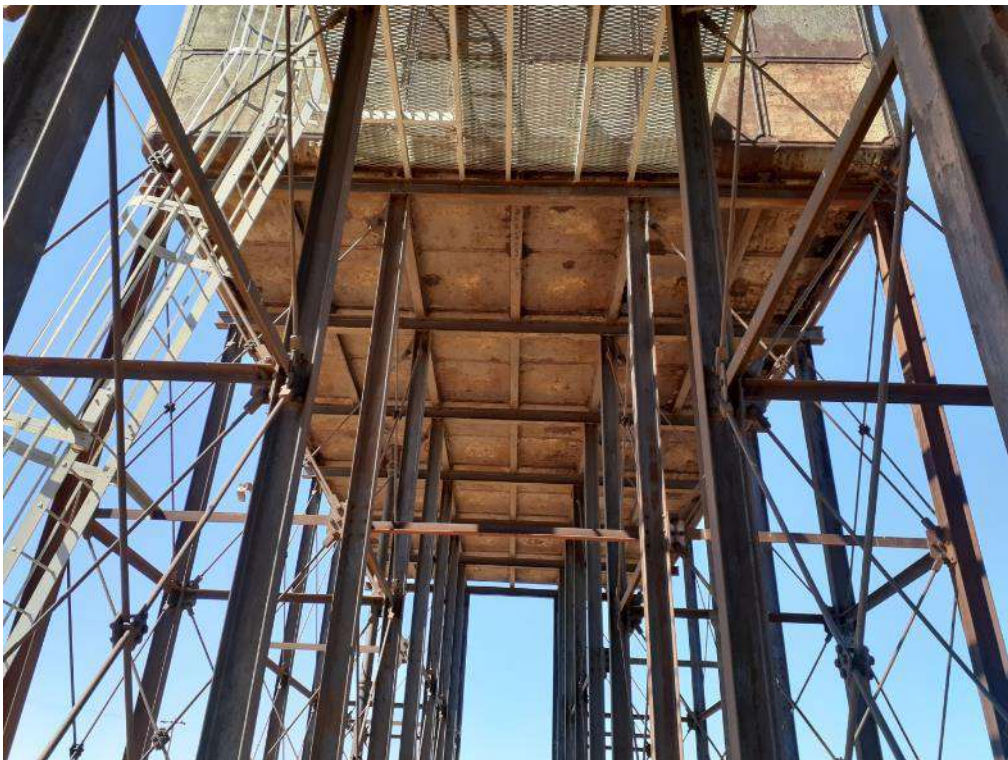


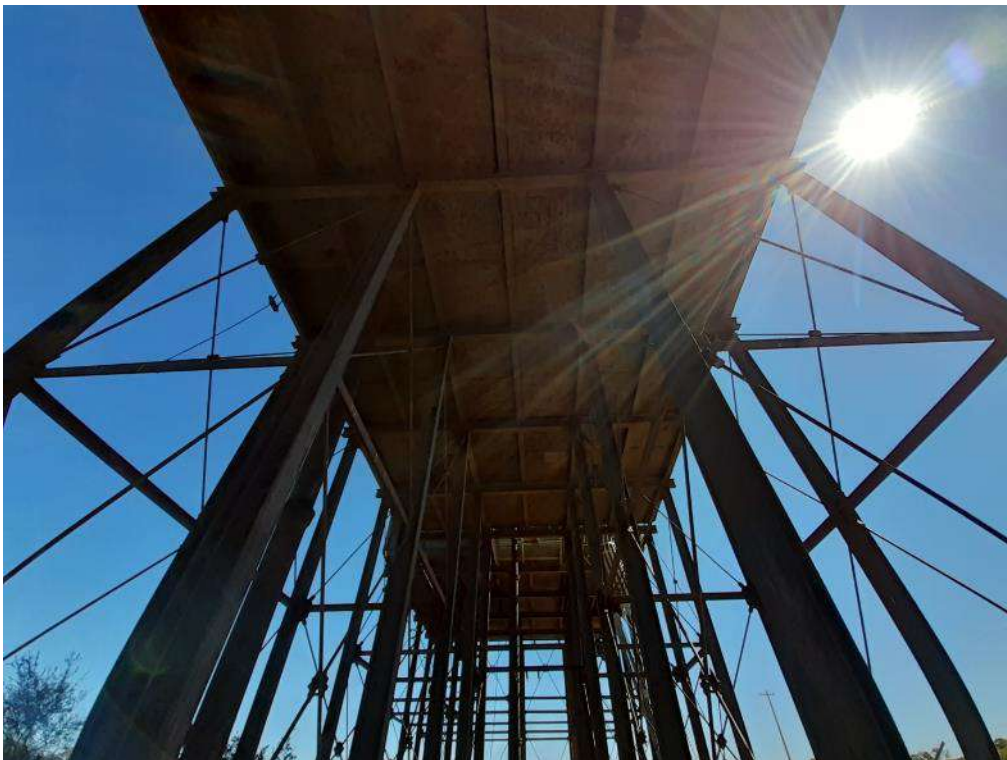




















Mr Greg Hill
General Manager
Central Darling Shire Council
PO Box 165
WILCANNIA NSW 2836

Dear Mr Hill

Planning proposal [PP_2020_CENTR_003_00] to amend Central Darling Local Environmental Plan 2012 – Wilcannia Water Treatment Plant

I am writing in response to Council's request for a Gateway determination under section 3.34(1) of the *Environmental Planning and Assessment Act 1979* (the Act) in respect of the planning proposal to rezone the land on which the Wilcannia water treatment plant is located from zone R1 General Residential to zone SP2 Infrastructure (Water Supply System) at No's 16-34 Hood Street, Wilcannia.

As delegate of the Minister for Planning and Public Spaces, I have now determined that the planning proposal should proceed subject to the conditions in the enclosed Gateway determination.

I have also agreed, as delegate of the Secretary, the planning proposal's inconsistency with section 9.1 Direction/3.1 Residential zones is justified in accordance with the terms of the Direction. No further approval is required in relation to this Direction.

I have considered Council's request to be the local plan-making authority and have determined not to condition the Gateway for Council to be the local plan-making authority as Council is the landowner of the subject site and may have interest in the specified matter.

The amending local environmental plan (LEP) is to be finalised within nine (9) months of the date of the Gateway determination. Council should aim to commence the exhibition of the planning proposal as soon as possible. Council's request for the Department of Planning, Industry and Environment to draft and finalise the LEP should be made eight weeks prior to the projected publication date.

All related files for LEP Amendment, including PDF maps, Map Cover Sheet, planning proposal document and GIS data, if available, must be submitted to the Department via the Planning Portal website at www.planningportal.nsw.gov.au. To submit the data, Council is requested to create an account and log in using these details.

The state government is committed to reducing the time taken to complete LEPs by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage. In order to meet these commitments, the Minister may take action under section 3.32(2)(d) of the Act if the time frames outlined in this determination are not met.

Should you have any enquiries about this matter, I have arranged for Ms Jenna McNabb from the Department of Planning, Industry and Environment, Western Region office, to assist you. Ms McNabb can be contacted on 5852 6800.

Yours sincerely



3.7.20

Damien Pfeiffer
Director, Western Region
Local and Regional Planning

Encl: Gateway determination



Mr Greg Hill
General Manager
Central Darling Shire Council
PO Box 165
WILCANNIA NSW 2836

Dear Mr Hill

Planning proposal [PP_2020_CENTR_002_00] to amend Central Darling Local Environmental Plan 2012- Land Use Table changes

I am writing in response to Council's request for a Gateway determination under section 3.34(1) of the *Environmental Planning and Assessment Act 1979* (the Act) in respect of the planning proposal to add additional permitted uses with consent to the land use tables for zones RU1 primary Production, RU5 Village, RE1 Public Recreation and R1 General Residential in the Central Darling LEP 2012.

As delegate of the Minister for Planning and Public Spaces, I have now determined that the planning proposal should proceed subject to the conditions in the enclosed Gateway determination.

I have also agreed, as delegate of the Secretary, the planning proposal's inconsistencies 1.2 Rural Zones, 1.5 Rural Lands and 3.1 Residential zones are justified in accordance with the terms of the Direction. No further approval is required in relation to these Directions.

I have considered Council's request to be the local plan-making authority and have determined not to condition the Gateway for Council to be the local plan-making authority for the following reason, as Council have interest in some of the specified matters.

The amending local environmental plan (LEP) is to be finalised within nine (9) months of the date of the Gateway determination. Council should aim to commence the exhibition of the planning proposal as soon as possible. Council's request for the Department of Planning, Industry and Environment to draft and finalise the LEP should be made six (6) weeks prior to the projected publication date.

The state government is committed to reducing the time taken to complete LEPs by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage. In order to meet these commitments, the Minister may take action under section 3.32(2)(d) of the Act if the time frames outlined in this determination are not met.

Should you have any enquiries about this matter, I have arranged for Ms Jenna McNabb, Planning Officer, from the Department of Planning, Industry and Environment, Western Region office, to assist you. Ms McNabb can be contacted on 5852 6800.

Yours sincerely



26/06/2020

Damien Pfeiffer
Director, Western Region
Local and Regional Planning

Encl: Gateway determination
Authorised plan-making reporting template



Mr Greg Hill
General Manager
Central Darling Shire
PO Box 165
WILCANNIA NSW 2836

Dear Mr Hill

Planning proposal [PP_2020_CENTR_001_00] to amend Central Darling Local Environmental Plan 2012 – Heritage.

I am writing in response to Council's request for a Gateway determination under section 3.34(1) of the *Environmental Planning and Assessment Act 1979* (the Act) in respect of the planning proposal to establish a heritage conservation area in Wilcannia, include new heritage listings in Schedule 5 and amend errors in current listings in Schedule 5.

As delegate of the Minister for Planning and Public Spaces, I have now determined that the planning proposal should proceed subject to the conditions in the enclosed Gateway determination.

I have also agreed, as delegate of the Secretary, the planning proposal's consistency with section 9.1 Directions 1.2 Rural Zones, 1.5 Rural Lands, 2.3 Heritage Conservation and 3.1 Residential Zones. No further approval is required in relation to these Directions.

I have considered Council's request to be the local plan-making authority and have determined not to condition the Gateway for Council to be the local plan-making authority due to the specified matters in the proposal.

The amending local environmental plan (LEP) is to be finalised within twelve 12 months of the date of the Gateway determination. Council should aim to commence the exhibition of the planning proposal as soon as possible. Council's request for the Department of Planning, Industry and Environment to draft and finalise the LEP should be made six (6) weeks prior to the projected publication date.

All related files for LEP Amendment, including PDF maps, Map Cover Sheet, planning proposal document and GIS data, if available, must be submitted to the Department via the Planning Portal website at www.planningportal.nsw.gov.au. To submit the data, Council is requested to create an account and log in using these details.

The state government is committed to reducing the time taken to complete LEPs by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage. In order to meet these commitments, the Minister may take action under section 3.32(2)(d) of the Act if the time frames outlined in this determination are not met.

Should you have any enquiries about this matter, I have arranged for Ms Jenna McNabb, Planning Officer from the Department of Planning, Industry and Environment, Western Region office, to assist you. Ms McNabb can be contacted on 5852 5800.

Yours sincerely



26/06/2020

Damien Pfeiffer
Director, Western Region
Local and Regional Planning

Encl: Gateway determination
Authorised plan-making reporting template

CENTRAL DARLING SHIRE COUNCIL

CONSTITUED 1 MAY 1959
ABN: 65 061 502 439

E MAIL: council@centraldarwin.nsw.gov.au
WEBSITE: www.centraldarwin.nsw.gov.au

PLEASE ADDRESS ALL
CORRESPONDENCE TO:
THE GENERAL MANAGER
PO BOX 165
WILCANNIA NSW 2836



PHONE: (08) 8083 8900
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COUNCIL CHAMBERS
21 REID STREET
WILCANNIA NSW 2836

PLANNING PROPOSAL FOR AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

LOCAL GOVERNMENT AREA: THE CENTRAL DARLING SHIRE COUNCIL

Proposed amendments to establish the Wilcannia Heritage Conservation Area; include additional heritage items; and make corrections to existing heritage schedule



Wilcannia streetscape photos from McDougall & Vines (2017)

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D.	Maps
E.	Stakeholder consultation documents
F.	Council resolution
G.	List of Proposed heritage items and addresses

No	Author	Version
1	MB Town planning Pty Ltd	Version A – 27 August 2018
2	MB Town planning Pty Ltd	Version B – 20 December 2019
3	MB Town planning Pty Ltd	Version C – 20 March 2020
3	MB Town planning Pty Ltd	Version D – 9 June 2020

1. INTRODUCTION - OBJECTIVES AND INTENDED OUTCOMES

This is a planning proposal prepared by Central Darling Shire Council for submission to the NSW Department of Planning and Environment pursuant to Section 3.33 of the *NSW Environmental Planning and Assessment Act, 1979*.

This planning proposal is for amendments to be made to *Central Darling Local Environmental Plan 2012* (CDLEP2012) relating to European and general community heritage. Those amendments would establish the Wilcannia Heritage Conservation Area; add additional heritage items to the heritage schedule; and make minor corrections to the existing heritage schedule.

This planning proposal follows from the completion of the *Wilcannia, NSW Community Based Heritage Survey 2017* (the heritage survey) (Annexure A), by McDougall & Vines, Conservation and Heritage Consultants. At its 28 February 2018 meeting Central Darling Shire Council resolved to alter CDLEP2012 in accordance with the recommendations within that heritage survey (Annexure F).

The heritage survey identifies a number of structures within the Central Darling Local Government Area as having heritage significance worthy of listing. It also identifies the proposed Wilcannia Heritage Conservation Area as being worthy of inclusion. This planning proposal therefore proposes to include those matters within CDLEP2012.

In addition to reflecting the heritage survey, there are a small number of errors within the existing heritage schedule (Schedule 5) of CDLEP2012. To ensure that the planning proposal has the appropriate authority, this planning proposal will be presented to Central Darling Shire Council for any further resolution prior to submission.

This planning proposal has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979 (the Act), the Standard Instrument – Principal Local Environmental Plan (Standard Instrument) and guidelines published by the Department of Planning and Environment (DP&E), including A guide to preparing planning proposals and A guide to preparing local environmental plans.

This planning proposal relates only to those matters to be amended in the Central Darling Local Environmental Plan 2012.

1.0 DESCRIPTION OF THE LOCALITY AND SITE

Central Darling Shire Council proposes to make amendments to *Central Darling Local Environmental Plan 2012* that will:

- Establish the Wilcannia Heritage Conservation Area;
- Include additional heritage items; and
- Make corrections to the existing heritage schedule.

This planning proposal explains and justifies those proposed amendments.

Concurrently with this planning proposal, several existing heritage items are being proposed to be nominated for listing on the *State Heritage Register* under the *NSW Heritage Act, 1977*.

This planning proposal follows from the completion of the *Wilcannia, NSW Community Based Heritage Survey 2017* (the heritage survey) by McDougall & Vines, Conservation and Heritage Consultants (Annexure A); from the *White Cliffs Solar Power Station Nomination Report 2006* (Annexure C); and from the subsequent 28 February 2018 resolution of Central Darling Shire Council to alter its Local Environmental Plan (Annexure F).

Implementation of the Planning Proposal will contribute to the achievement of Goal 3 of the *Central Darling Shire – Community Strategic Plan 2017-27* (CSP), which is to achieve a “protected and supported natural environment and well-maintained built environment”. It will contribute to the achievement of that goal by protecting additional heritage items that are of European and general community significance, whilst allowing for alterations and additions to listed structures where warranted so as to ensure that they can be successfully used. It will also protect and enhance the proposed Wilcannia Heritage Conservation Area, which is of general community significance.

The resultant protection and enhancement of items of European and general community heritage significance will complement the existing protection of Aboriginal heritage through relevant provisions of CDLEP2012 and Part 6 of the *NSW National Parks and Wildlife Act, 1974*. Furthermore, a separate study of Aboriginal heritage is being carried out.

The proposed heritage protection and enhancement provisions will also contribute to the achievement of CSP Goal 1 (a healthy and cohesive community) and Goal 2 (a strong regional economy).

Pursuant to Section 3.8 of the *NSW Environmental Planning and Assessment Act, 1979*, the planning proposal will give effect to the *Far West Regional Plan 2036* of the NSW Department of Planning and Environment. Most particularly, the Planning Proposal gives effect to Goal 2 (exceptional semi-arid rangelands), Direction 19 (conserve and adaptively re-use European heritage assets), Action 19.2 by reflecting the outcomes of the heritage survey.

1.1 STATUTORY AND STRATEGIC PLANNING CONTEXT RELEVANT TO THE PLANNING PROPOSAL

Central Darling Local Government Area

The location of the Central Darling Local Government Area (Central Darling LGA) is shown in Figure 1. It is in far-western NSW.

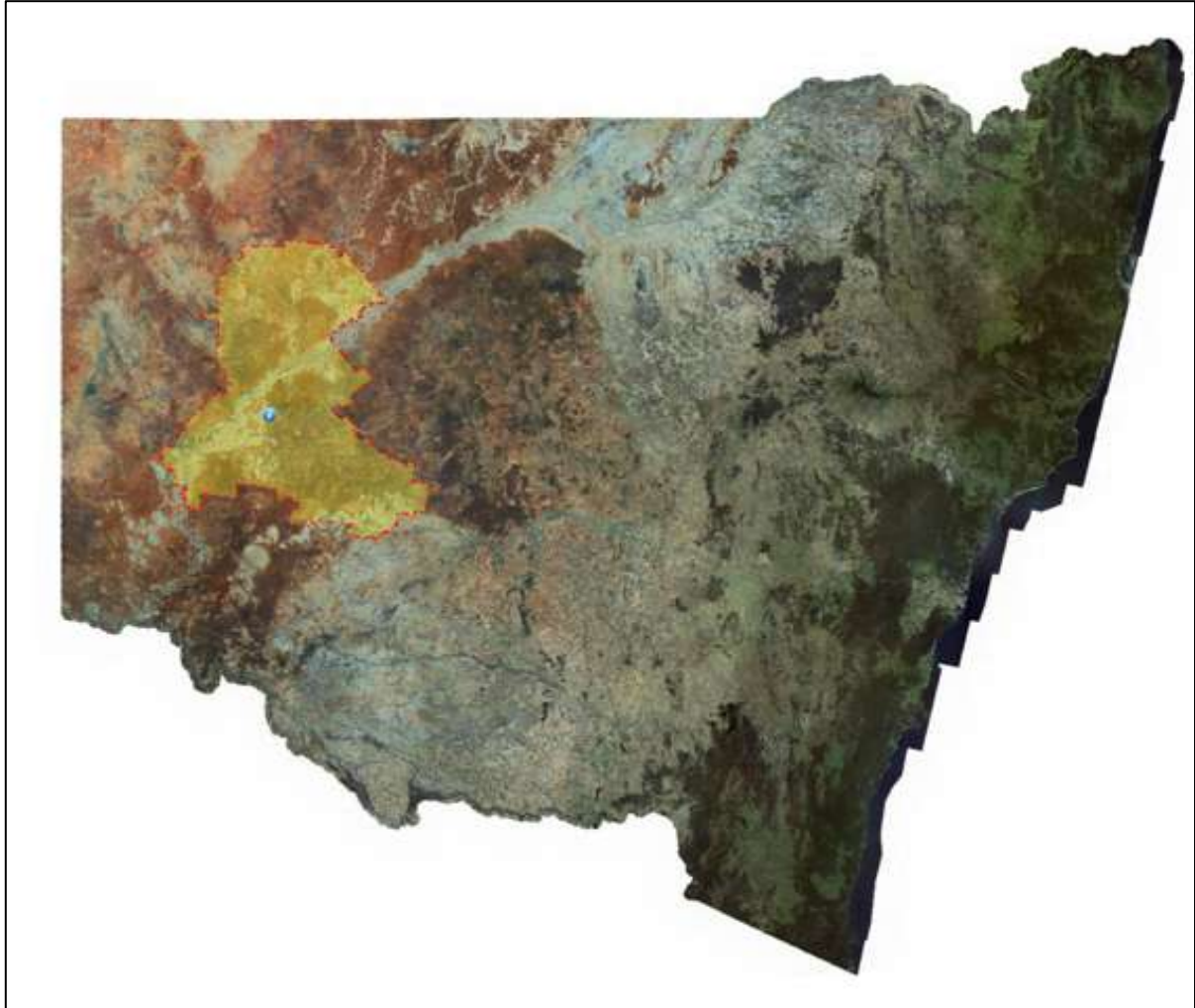


Figure 1: Location of the Central Darling LGA (highlighted in yellow) within NSW (Source: Six Maps)

The Central Darling LGA is the largest local government area in NSW by spatial extent, comprising around 53,000 square kilometres, but with the smallest population, being 1,833 according to the 2016 Australian Bureau of Statistics Census. Its low population density reflects its semi-arid nature.

The main town within the Central Darling LGA is Wilcannia, which is centrally located within the local government area and has a population of around 745. White Cliffs is located 72 kilometres to the north of Wilcannia, with a population of around 148. The town of Menindee is located 151 kilometres to the southwest of Wilcannia, with a population of around 551. The town of Ivanhoe is situated 183 kilometres to the southeast of Wilcannia, with a population of around 196.

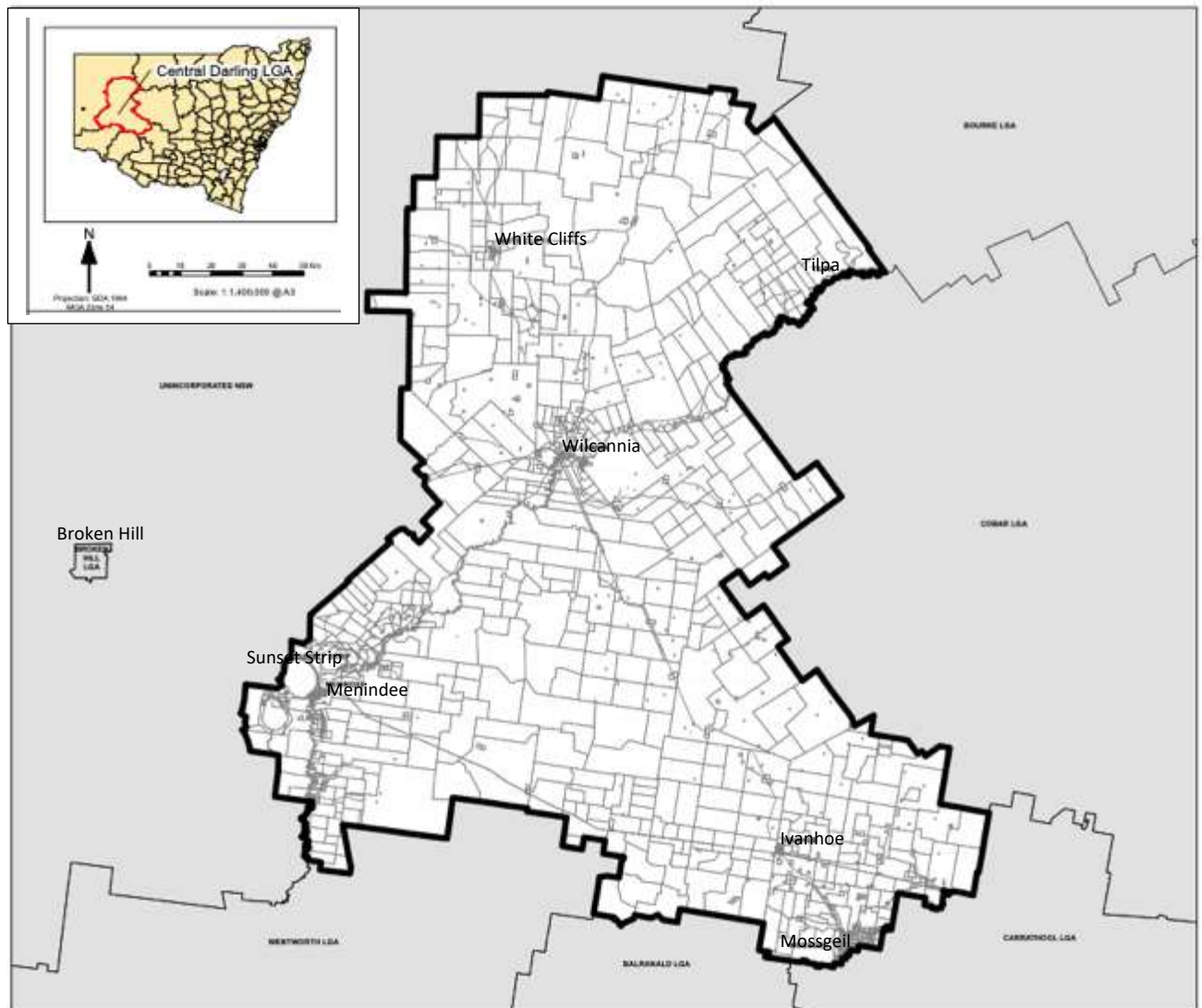


Figure 2: Location of towns and the Darling River within the Central Darling LGA (Source: Central Darling Local Environmental Plan 2012 – land application map)

The nearest substantial town to the Central Darling LGA is Broken Hill, a 198 kilometre west of Wilcannia. Wilcannia is around 712 kilometres northeast of Adelaide South Australia, and is around 950 kilometres west of Sydney, being connected to both cities by the Barrier Highway.

The Central Darling LGA is traversed by the Darling River system. The land uses that depend on the Darling River are horticultural uses around the town of Menindee (where the Darling River forms an intermittent lake system), large sheep grazing properties, opal mining near to the town of White Cliffs and seasonal tourism.

The Central Darling LGA is home to indigenous people including the Paakantji people and the Ngiyampaa people. Indigenous people are around 38 percent of the population.

The population of the Central Darling LGA has been declining with the current population of 1,833. The Central Darling LGA is affected by social and economic issues due to the remote location in far west NSW and the major issue of poor water security. Other issues are low employment levels and infrastructure maintenance challenges. However, the residents of the Central Darling LGA enjoy their remote location that provides a unique way of life.

Wilcannia is located on the north-western side of the Darling River. The Central Darling Shire is headquartered in Wilcannia. Wilcannia is a major service centre and resting place for travellers along the Barrier Highway.

Wilcannia

Wilcannia is substantially on the north western side of the Darling River (Figure 3). The Central Darling Shire main office is located in Wilcannia. Wilcannia also serves as a service centre for the smaller outlying towns and is a rest stop for seasonal travellers along the Barrier Highway.

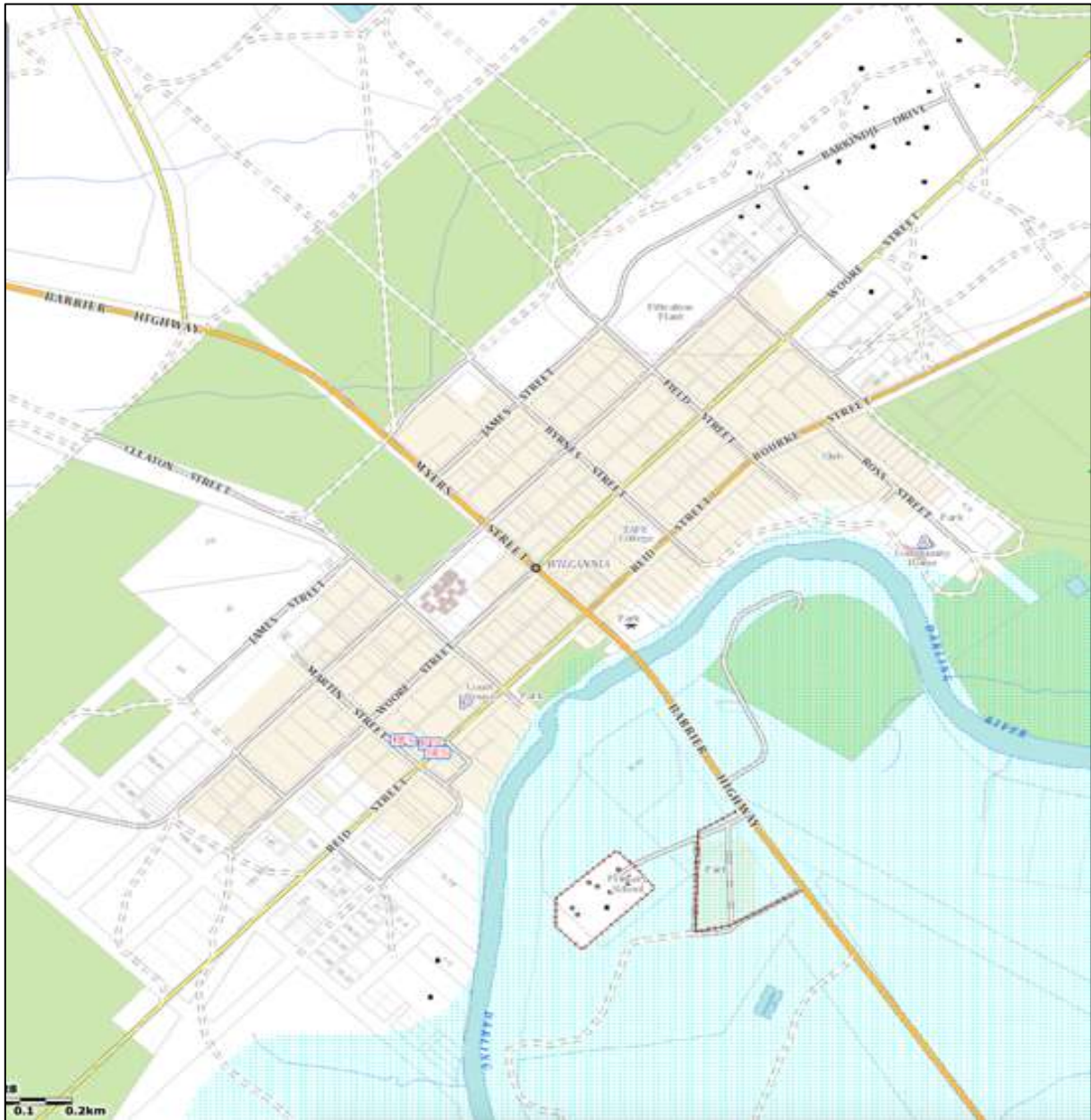


Figure 3: Plan of Wilcannia (Source: Six Maps)

As set out in the survey report, Wilcannia was proclaimed in 1866 and, from the 1870s to the 1890s it became the third largest river port in Australia and boasted 13 hotels. Its significance was further boosted by the discovery of precious metals, gemstones and other minerals in the region. From the early 1900s onwards the economic importance of Wilcannia was lessened, substantially due to changing transport technologies and infrastructure reducing the importance of river transport.

Some structures remain from the time of Wilcannia's greatest importance, as does the town's grid layout. The main street is Reid Street. There is a cemetery around 1.5 kilometre to the southwest. That cemetery is affected by the planning proposal.

LOCALITIES OUTSIDE OF WILCANNIA

White Cliffs is a small town to the north west of Wilcannia with a history of opal mining, with small amount of current opal mining activity. Due to the high summer temperatures, (average 30 – 40 degrees Celsius) a large percentage of White Cliffs inhabitants live in dwellings built underground. There is two motels accommodating tourists drawn by the town's remoteness and unique outback character, one of the hotels is situated underground. White Cliffs is also home to the White Cliffs Solar Power Station, located in the southern part of the town (Figure 4). That White Cliffs solar power station is no longer operational.



Photo 1: White Cliffs map, marked up to show the indicative location of the White Cliffs Solar Power Station (Source: Google maps 2019)

Menindee is a small town on the Menindee Lake system three hours south west of Wilcannia and one and a half hours south east of Broken Hill. Menindee is situated within a shallow natural and manmade lake system that previously supported various horticultural and tourist activities. Part of Menindee lakes hosted areas of holiday houses adjacent to the manmade part of the lake system.

Ivanhoe is a small service town south east of Wilcannia on the Bruce Highway. Both Menindee and Ivanhoe are on the 1918 railway line that connects Sydney and Adelaide which the Outback explorer train to Broken Hill stopping once a week (the Indian pacific train passes through Ivanhoe and Menindee but does not stop).

Located approximately 50 kilometres east of Menindee on the Menindee Ivanhoe Road is the large grazing property (444 square kilometre) "Big Amp" (Figure 5). The grazing property possesses a historic windmill dating from 1932 (which is subject to this planning proposal).

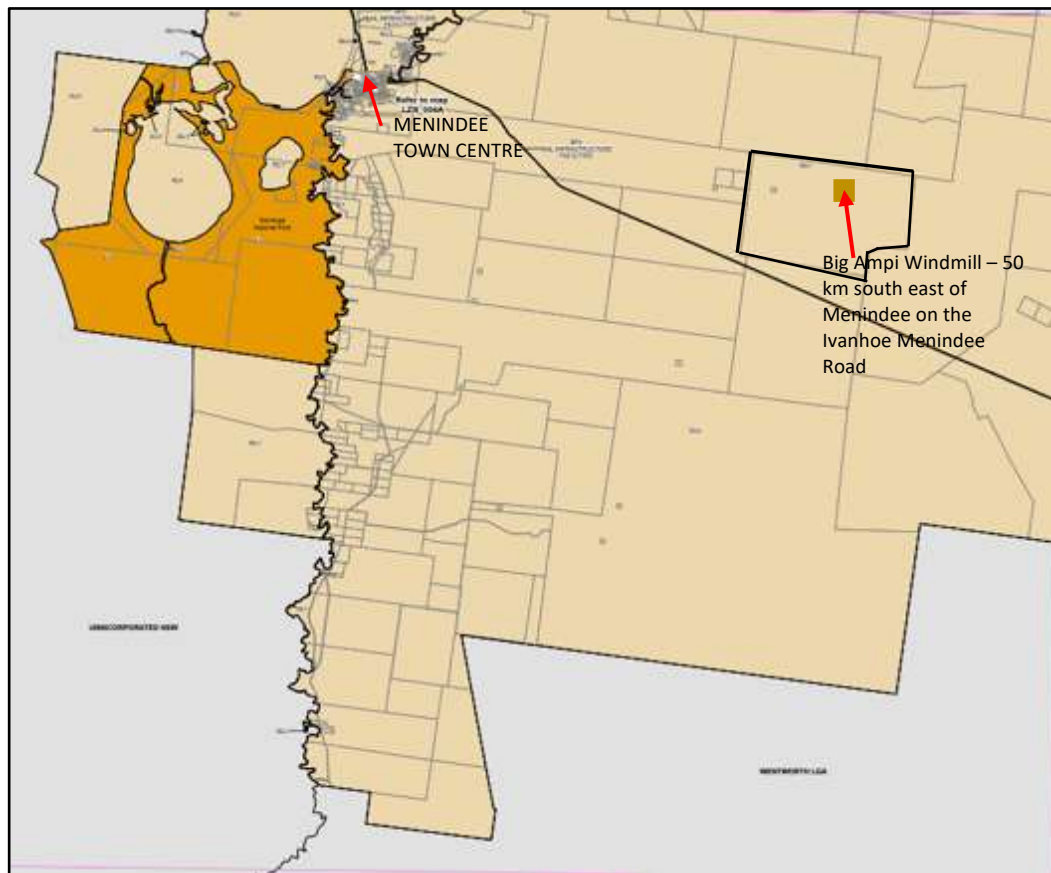


Figure 4: Location of "Big Amp", show on the Central Darling Local Environmental Plan 2012 sheet 004 (Base source: NSW legislation website 2020))

1.2 Objectives and Intended outcomes

This planning proposal by Central Darling Shire Council is for submission to the New South Wales Department of Planning and Environment pursuant to Section 3.33 of the *NSW Environmental Planning and Assessment Act, 1979*.

The objectives and intended outcomes are to list specified buildings and structures within the Central Darling Local Government Area as heritage items; to create the Wilcannia Heritage Conservation Area; and to undertake specified minor corrections to existing Schedule 5.

Central Darling Shire Council proposes to make amendments to *Central Darling Local Environmental Plan 2012* that will:

- Establish the Wilcannia Heritage Conservation Area;
- Include additional heritage items; and
- Make corrections to the existing heritage schedule.

PART 2. EXPLANATION OF PROVISIONS FOR THE PROPOSED AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

Part 3 of the Environmental Planning & Assessment Act facilitates the making and amendments to Local planning instruments.

Section 3, Division 3.1 of the Act relates to strategic planning. Section 3.8(2) provides that, in preparing a planning proposal, the planning proposal authority is to give effect to any district strategic plan applying to the

local government area to which the planning proposal relates or, if there is no district strategic plan, to any regional strategic plan applying to the region of which the local government area is part. In that regard, there is no district strategic plan for the Central Darling Local Government Area and the relevant regional strategic plan is the *Far West Regional Plan 2036* (FWRP2036). There is now a draft Local Strategic Planning Statement for the Central Darling Shire Council. The way in which the planning proposal gives effect to FWRP2036 is set out further below.

Section 3.13 of the Act allows the making of an environmental planning instrument for the purposes of achieving the objects of the Act. That can include an instrument that amends an existing instrument, such as the existing Central Darling Local Environmental Plan 2012 (DCLEP 2012).

The objects of the Act are set out in Section 1.3 and include, amongst other things:

- (a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,*
- (b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,*
- (c) to promote the orderly and economic use and development of land,*
- (d) to promote the delivery and maintenance of affordable housing,*
- (e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,*
- (f) to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),*
- (g) to promote good design and the amenity of the built environment,*
- (h) to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,*
- (i) to promote the sharing of responsibility for environmental planning and assessment between different levels of government in the State,*
- (j) to provide increased opportunity for community participation in environmental planning and assessment.*

The present planning proposal involves all of those objects and directly involves object (f) through protection of the heritage significance of structures and of the proposed heritage conservation area. That will assist in achieving object (a), because protection of heritage significance is considered to provide important social, psychological and social benefits. It will also assist in achieving object (c), because the appropriate identification of structures of heritage significance, and the exclusion of structures that are not of heritage significance, is part of an orderly land use planning process. Care needs to be taken to ensure that object (d) is not thwarted, such as by ensuring that someone is not prevented by heritage considerations from using a building for housing where appropriate. That is achieved through the development assessment process, where heritage values are balanced against other considerations.

The development assessment process also involves achieving objects (g) and (h). Heritage conservation must involve community participation to be worthwhile and effective in accordance with object (j), and there has already been such community participation in the course of undertaking the heritage survey. In accordance with object (i), the NSW Department of Environment and Heritage will be involved in a separate but related proposal to list some structures on the State Heritage Register and will also potentially be called upon to provide funding and expertise in heritage protection, but as a separate process to the current planning proposal. Other objects are indirectly related to the current planning proposal.

Section 3.14 relates to the contents of environmental planning instruments and includes (amongst other things) "(a) protecting, improving or utilising to the best advantage the environment". The protection of heritage items and the establishment of a heritage conservation area are consistent with that matter.

Section 3.20 relates to the standardisation of environmental planning instruments and provides for a process whereby the *Standard Instrument – Principal Local Environmental Plan* (the Standard Instrument) is to be

used. CDLEP2012 is in the form of the Standard Instrument. Section 3.20(6) provides that the instrument may be amended by another amending instrument. The planning proposal involves the addition of heritage items and a heritage conservation to schedule 5. The heritage provisions of CDLEP2012 (clause 5.10), which affect items and a heritage conservation area listed in schedule 5, are compulsory, standard provisions.

Part 3, Division 4 of the Act relates to local environmental plans, which are a type of environmental planning instrument. Under Section 3.31, a “local plan making authority” may make a local environmental plan for its local government area. That “local plan making authority” in this instance is Central Darling Shire Council. Under section 3.34, Central Darling Shire Council is also a “planning proposal authority”.

Under section 3.33, before making a local environmental plan, the planning proposal authority is required to prepare “a document that explains the intended effect of the proposed instrument and sets out the justification for the making of the proposed instrument”, being the planning proposal. It must include:

- (a) a statement of the objectives or the intended outcomes of the proposed instrument,*
- (b) an explanation of the provisions that are to be included in the proposed instrument,*
- (c) the justification for those objectives, outcomes and provisions and the process for their implementation (including whether the proposed instrument will give effect to the local strategic planning statement of the council of the area and will comply with relevant directions under section 9.1),*
- (d) if maps are to be adopted by the proposed instrument, such as maps for proposed land use zones; heritage areas; flood prone land – a version of the maps containing sufficient detail to indicate the substantive effect of the proposed instrument,*
- (e) details of the community consultation that is to occur before the making of the proposed instrument.*

The Planning Secretary may issue requirements in respect to the preparation of a planning proposal. No such requirements have been issued at this time. Central Darling Shire Council does not have a strategic planning statement at this time.

Item (a) above is addressed in part 3 of this planning proposal. Item (b) above is addressed in part 4 of this planning proposal. Item (c) is addressed in part 5 of this planning proposal. Item (d) is addressed in part 6 and Appendix C of this planning proposal. Item (e) is addressed in part 7 of this planning proposal.

2.0 Far West Regional Plan 2036

Far West Regional Plan 20136 (FWRP2036) is the strategic plan for the Central Darling LGA. The purpose of CDLEP2012 and amending instruments such as presently proposed is to give effect to FWRP2036.

The Far West Region is shown in Figure 6 and includes seven local government areas and the unincorporated area of far western NSW. The Central Darling LGA is centrally located within that region. It covers 323,477 square kilometres, which comprises 40 percent of NSW.

The vision for the Far West Region identifies that its economy is diversified and includes agriculture (including traditional sheep grazing for meat and wool but also including new sectors such as kangaroo and goat farming for meat), mining (particularly around Broken Hill), renewable energy generation, and tourism related to Aboriginal culture and outback experiences. Cultural heritage is recognised as part of tourism and also as enriching the lives of residents of the region.

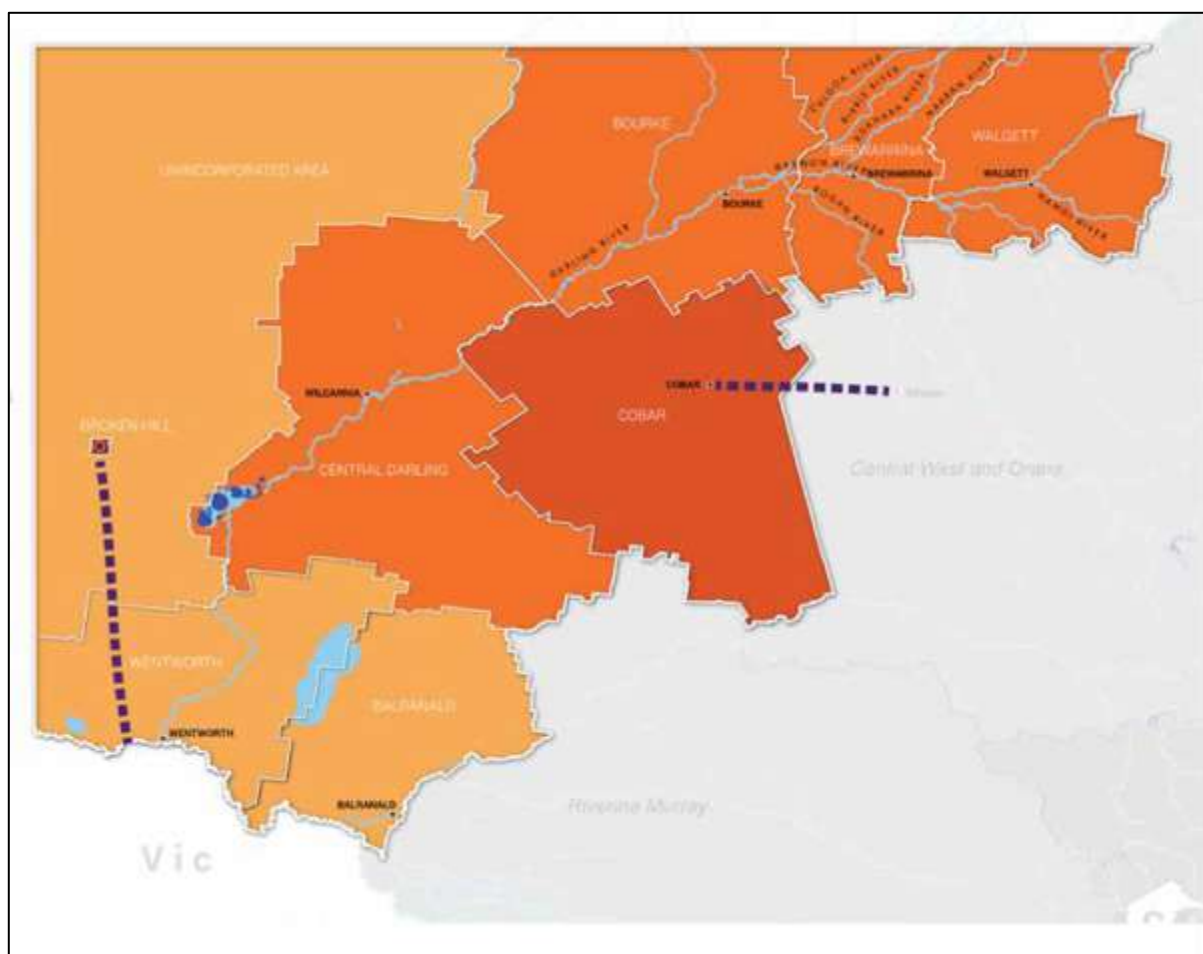


Figure 5: Map of the Far West Region within NSW, covered by the Far West Regional Plan (Source: Draft Far West Regional Plan Report – Department of Planning and Environment 2016).

There are goals arising from that vision, being:

1. *“A diverse economy with efficient transport and infrastructure networks.*
2. *Exceptional semi-arid rangelands traversed by the Barwon-Darling River.*
3. *Strong and connected communities.”¹*

Protection of heritage can be relevant to Goal 1 because heritage can enhance tourism. Protection of heritage can also be relevant to Goal 2 because it can foster community identity and psychological well-being for residents, which helps to strengthen and connect communities.

For the purposes of the FWRP2036, Wilcannia is identified as a “centre”, compared to Broken Hill which is a “strategic centre”. Wilcannia is the only “centre” identified within the Central Darling LGA.

In further commentary about “Places and Heritage”, the FWRP2036 recognises that tourism is “connected to the backdrop of the outback, important sites to Aboriginal people and areas that influenced Australia’s colonial history”. In that commentary, the importance is recognised of Aboriginal sites, that are estimated to be the oldest human made structures on earth. CDLEP2012 does not specifically identify Aboriginal heritage items but it does include provisions that protect heritage items that are identified through other legislation, in particular the *NSW National Parks and Wildlife Act, 1974*.

As a comment on the FWRP2036, it is appropriate to briefly consider the categories of Aboriginal and European heritage. There may be post-colonisation heritage items that are significant to Aboriginal people and those may be protected through environmental planning instruments. Post-colonisation heritage items can be significant to Aboriginal people as part of the broader community.

¹ Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

This planning proposal is focussed upon post-colonisation buildings, normally referred to as European heritage. It also includes two structures that are relatively modern and, whilst considered as European heritage, it is noted that as Australia becomes more multicultural it becomes less appropriate to regard structures built during that period as “European heritage” when they become of heritage significance. It is noted that a separate study of Aboriginal heritage in the Central Darling Local Government Area is being carried out.

Associated with each of the goals are “directions”.

In relation to “goal 1”, direction 4 is to diversify energy supply through renewable energy generation. The proposal to list the White Cliffs Solar Power Station as a heritage item is relevant to that direction. The proposed listing will not affect actual renewable energy generation because the plant is no longer operational. However, the listing will assist in recognising the history of renewable energy generation and will indirectly assist in promoting the renewable energy sector.

Also in relation to “goal 1” is “promote tourism opportunities”. The proposed listings will assist in achieving that goal.

In relation to “goal 2”, direction 19 is to conserve and adaptively reuse European heritage assets. It includes recognition of the tourism benefits of such reuse and conservation and specifically refers to the Wilcannia Hospital and Courthouse as being notably significant. The commentary identifies the need for protection of heritage, but also identifies the need to removing barriers to adaptive reuse. Direction 19 includes the following actions:

- “19.1 Increase heritage protection and revitalise main streets and town centres through community education and development incentives in local plans.*
- 19.2 Prepare, review and update heritage studies in consultation with the community to recognise and conserve heritage assets and items and include in appropriate local planning controls.*
- 19.3 ...*
- 19.4 Consult with the Heritage Division of the Office of Environment and Heritage when assessing applications for land use changes, new developments or expanding uses within or near heritage items.*
- 19.5 Map and protect heritage items (including archaeology) from land use conflicts arising from inappropriate and incompatible surrounding land uses, including from cumulative impacts of development.”²*

The heritage survey has been carried out in consultation with affected property owners and interested parties, directly implementing direction 19.2. The present planning proposal is to directly implement direction 19.1. Consistently with direction 19.4, the Heritage Branch will be consulted during exhibition of the planning proposal, in addition to consultation that has occurred to date. The present proposal also involves mapping heritage items. Of particular relevance to objective 19.5 is the proposed listing of the Big Ampy wind generated pump, which involves mapping of that item within the Big Ampy property so that land use conflicts can be managed without burdening the whole property with a heritage listing that would potentially interfere with the operations within that property.

In relation to “goal 3”, none of the directions are directly relevant to the planning proposal. There are housing and healthy built environment directions that are obliquely relevant, insofar as consideration is required of whether heritage listings may pose challenges for adaptive reuse for housing in some instances, or such as whether heritage listings may impede disability access arrangements into public buildings. However, those matters are able to be addressed on a case-by-case basis through the normal development assessment process and do not warrant a decision not to list significant buildings as heritage items.

² Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

2.1 Relevant State environmental planning policies

State Environmental Planning Policy 55 – Remediation of land may affect properties that would be affected by the planning proposal because the properties may potentially have been contaminated by past activities.

Clause 6(1) of the Policy provides as follows:

In preparing an environmental planning instrument, a planning authority is not to include in a particular zone (within the meaning of the instrument) any land specified in subclause (4) if the inclusion of the land in that zone would permit a change of use of the land, unless:

- (a) the planning authority has considered whether the land is contaminated, and*
- (b) if the land is contaminated, the planning authority is satisfied that the land is suitable in its contaminated state (or will be suitable after remediation) for all the purposes for which land in the zone concerned is permitted to be used, and*
- (c) if the land requires remediation to be made suitable for any purpose for which land in that zone is permitted to be used, the planning authority is satisfied that the land will be so remediated before the land is used for that purpose.*

Clause 6(2) goes on to require formal preliminary investigation in specified circumstances in which specified land is to be included in a zone.

Listing of a building on the heritage schedule under CDLEP2012 means that under clause 5.10(10) there is the potential for the land to be used for a purpose that would not otherwise be permitted, as an incentive for the owners of heritage items. Nonetheless, that potential broadening of permitted uses does not amount to the inclusion of land in a particular zone – no change of zoning is proposed. As such, there is no requirement for any contamination issues to be resolved as part of the planning proposal. Any contamination issues may be addressed as part of any development application where that matter is relevant.

State Environmental Planning Policy (Affordable Rental Housing) 2009 includes certain provisions relating to complying development, including for secondary dwellings and group homes in certain cases. Such complying development options are not available for properties that are a heritage item. Implementation of the planning proposal will therefore limit those complying development options for the affected properties. Given that appropriate development will continue to be permitted, but subject to a development application, it is not considered that the proposal will impose an unreasonable impost or prevent reasonable proposals for secondary dwellings or group homes.

State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004 applies to “BASIX affected development” but does not apply to “BASIX excluded development”. “BASIX excluded development” includes alterations, enlargements or extensions to a building listed on the State Heritage Register. Although it is intended that specified heritage items in Wilcannia are included on the State Heritage Register, that will be through the *Heritage Act 1977* and does not form part of the present planning proposal. In relation to other heritage items, BASIX still applies, albeit that BASIX requirements that conflict with heritage requirements may be the subject of an “alternative assessment”. There are no significant implications arising from the planning proposal of relevance to BASIX requirements.

State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017 allows specified works within the boundaries of an existing school to be “development without consent”. In the case of demolition, that does not apply to a heritage item. The present planning proposal includes a correction to the heritage schedule in relation to Wilcannia Central School, involving identification of the correct lots within which heritage significant fabric is located. For that part of the school property, demolition will not be allowed as “development without consent”, whilst for the part of the school incorrectly identified that development may potentially become “development without consent”. That is not an unreasonable outcome. Under that same State policy there are similar exclusions for demolition as exempt development. Complying development in general (including under the SEPP) is not allowed for heritage items (except in specified circumstances for State-listed heritage items). Again, the outcome will not be unreasonable and will ensure the appropriate buildings at the school are State-listed.

State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 includes provisions that allow specified development to be exempt or complying development. It also includes a provision relating to exempt development generally that excludes heritage items from being able to be the subject of a complying development certificate, excepting for certain exclusions for State listed heritage items. Properties within a heritage conservation area are excluded in some cases from being able to be the subject of exempt or complying development. Affected properties will still be able to be the subject of development applications and the outcome is not considered to be unreasonable on balance.

State Environmental Planning Policy (Infrastructure) 2007 allows certain types of infrastructure development to be exempt or complying development or to be “development without consent”. Those provisions apply differently to heritage items in some cases. That outcome is acceptable on balance.

State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 allows for certain activities to be exempt development but excludes heritage items and conservation areas from those provisions. The proposed heritage items are not on properties where mining is likely to occur. In the case of Big Ampy, it is appropriate that the heritage listing is limited to the specific item so as to ensure that such listing does not interfere with any provisions that would benefit that property under the State policy.

2.2 Ministerial directions

This planning proposal must address whether the implementation of the planning proposal will comply with ministerial directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

Part 1 of the directions relates to employment and resources.

Part 1.1 of the directions relates to business and industrial zones. It applies where a planning proposal will affect any existing business or industrial zone. As explained further below, the proposal will affect some properties in Wilcannia that are zoned B2 Local Centre. The proposal will not affect properties within any other business or industrial zone.

For the properties affected by Part 1.1 (the business zoned properties), the planning proposal must (a) give effect to the objectives of the direction; (b) retain the areas of existing business or industrial zones; (c) not reduce the total potential floor space area for employment uses and related public services in business zones; (d) ...; and (e) ensure that proposed new employment areas... . The planning proposal does not alter the area of business zones and does not change the available gross floor area. The objectives are (in summary) (a) encourage employment growth; (b) protect employment land; and (c) support the viability of identified centres. The proposal gives effect to those objectives by enhancing the attractiveness and identity of Wilcannia which will encourage tourism and enhance business activity. The proposal will therefore comply with the directions in Part 1.1.

Part 1.2 of the directions relates to rural zones. It applies where a planning proposal will affect land in an existing or proposed rural zone.

The direction is applicable to the planning proposal because the planning proposal affects the following sites:

- Big Ampy, which is zoned RU1 Primary Production;
- the Wilcannia Cemetery, which is also zoned RU1 Primary Production; and
- the White Cliffs Solar Power Station, which is zoned RU5 Village.

The relevant direction is that the planning proposal must not rezone the land to business, residential, industrial or other specified uses. The planning proposal complies with that direction.

Part 1.3 of the directions relates to mining, petroleum production and extractive industries. It seeks to ensure that land is not rezoned in a way that will compromise the potential extraction of minerals and the like. The direction applies where a planning proposal would prohibit the extraction of minerals or the like or restrict such activities by permitting a form of development that would be incompatible with those activities. The direction is not applicable because the planning proposal would not permit any different land use to the land uses that are already permitted.

Part 1.4 of the directions relates to rural lands. It applies to any planning proposal that seeks to change zone boundaries for rural or environment protection zone lands or to change the minimum lot size for such lands. The direction does not apply to the planning proposal.

Part 2 of the directions relates to environment and heritage.

Part 2.1 of the direction relates to environment protection zones. It provides that a planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas and must not reduce the extent of existing environment protection zones. The direction does not have to be complied with for matters of minor significance. In that regard, the proposal does not affect existing environment protection zones and is of minor significance. The direction therefore does not apply to the planning proposal.

Part 2.2 of the direction relates to coastal management and is not applicable.

Part 2.3 relates to heritage conservation. Its objective is to conserve items, areas and places of environmental heritage significance and indigenous heritage significance. The direction is that a planning proposal must contain provisions that facilitate the conservation of:

- (a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area,
- (b) Aboriginal objects or Aboriginal places that are protected under the *National Parks and Wildlife Act, 1974*, and
- (c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.

The direction further provides that a planning proposal may be inconsistent with the direction if the relevant planning authority can satisfy the Director-General or relevant officer that (a) the environmental or indigenous heritage significance of the item, area, object or place is conserved by existing or draft environmental planning instruments, legislation or regulations that apply to the land or the provisions of the planning proposal that are inconsistent are of minor significance.

In that regard, the planning proposal is inconsistent with the direction to the extent that it does not involve the identification and protection of specifically Aboriginal heritage. The planning proposal relates to post-colonisation buildings and structures of European or general community significance. That is because the impetus behind the heritage survey has been to protect the identified post-colonisation structures. CDLEP2012 includes provisions relating to Aboriginal heritage. Indigenous heritage significance of the local government area is also protected by provisions within the *National Parks and Wildlife Act, 1974*. Furthermore, a separate study of Aboriginal heritage is being carried out. It is therefore unnecessary for the planning proposal to further address that matter as part of the present planning proposal.

The planning proposal otherwise complies with and achieves the objectives of the direction.

Part 2.4 relates to recreation vehicle areas and is not relevant to the planning proposal. Part 2.5 relates to a different area and is not applicable.

Part 3 relates to housing, infrastructure and urban development.

Part 3.1 relates to residential zones. It affects planning proposals that will affect land within a residential zone. The planning proposal will affect land zoned R1 General Residential and it therefore affects the planning proposal. The direction is that a planning proposal must include provisions that facilitate housing diversity and other specified housing outcomes. The direction is not applicable where the provisions that are inconsistent are of minor significance. In that regard, the planning proposal will not significantly affect housing outcomes and the direction does not have to be complied with.

Part 3.2 relates to caravan parks and manufactured home estates and does not affect the planning proposal.

Part 3.3 relates to home occupations. The planning proposal does not affect home occupation provisions and the direction is not relevant to the planning proposal.

Part 3.4 relates to integration of land use and transport. The planning proposal does not involve any significant inconsistency with that direction.

Part 3.5 relates to development near licensed aerodromes. It is noted that the wind-generator at Big Ampy is near an airstrip on that property. However, that airstrip is not licensed and therefore the direction is not relevant to the planning proposal.

Part 3.6 relates to shooting ranges. The planning proposal will not affect any shooting range.

Part 4 relates to hazard and risk.

Part 4.1 relates to acid sulfate soils. The planning proposal does not affect any classified acid sulfate soil land.

Part 4.2 relates to mine subsidence and unstable land. White Cliffs is affected by opal mining leases, which does not relate to any mine subsidence districts but is subject to mine stability controls within CDLPE2012. The White Cliffs Solar Power Station is not affected land stability considerations. The White Cliffs Solar Power Station is not within the areas identified on the CDLPE2012 *Dugout Areas Map*, excepting that one of the lots that contains the power station is, for a miniscule portion, within that area but is completely removed from the power station (Figure 7). No other areas proposed for heritage listing are affected by mine instability or subsidence.

Part 4.3 relates to flood prone land and restricts specified rezoning within flood prone areas. The planning proposal does not change permissible land uses and any inconsistencies with the direction are of minor significance.

Part 4.4 relates to planning for bushfire protection. The direction affects the proposal because some of the properties that are proposed to be heritage listed or to be within a conservation area are bushfire prone land. The direction requires that there be consultation with the NSW Rural Fire Service and that *Planning for Bushfire Protection* is taken into consideration. The planning proposal may only be progressed if the proponent can satisfy the Director-General or relevant officer that Council has obtained written advice from the Commissioner of the NSW Rural Fire Service that the NSW Rural Fire Service does not object to the planning proposal. This planning proposal will be forwarded to the Commissioner of the NSW Rural Fire Service and they will be asked to confirm that the NSW Rural Fire Service does not object to the planning proposal. Advice to that effect will be obtained before the planning proposal is forwarded to the Director-General.



Photo 2: Site of proposed heritage listing of White Cliffs Solar Power Station (source six maps 2020)

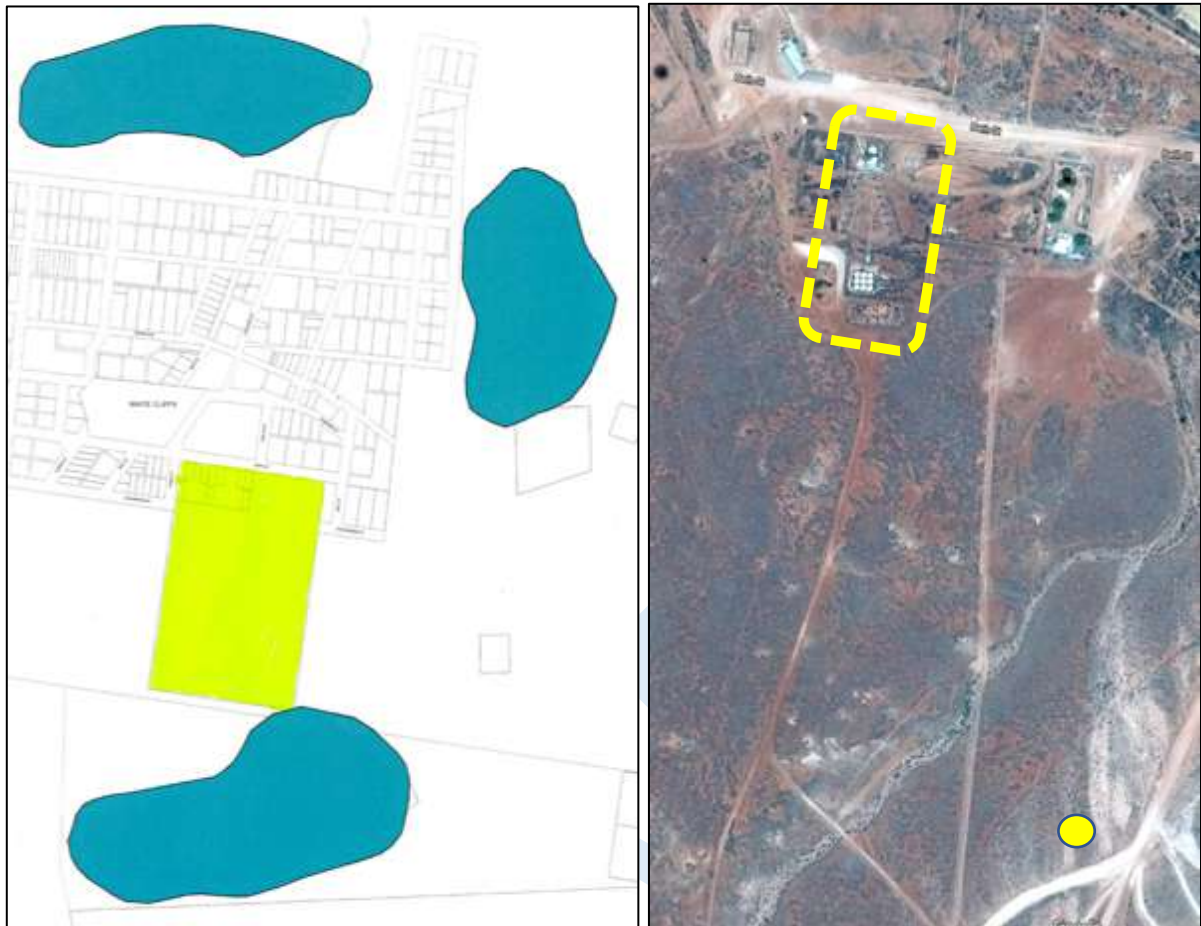


Figure 6 & Photo 3: Site of proposed heritage listing of White Cliffs Solar Power Station within the CDLEP2012 Dugout Areas Map (left) and location of intrusion of one lot into dugout areas map relative – indicated by a yellow dot, relative to the location of power station infrastructure – indicated within the yellow border (right)

Part 5 relates to regional plan for specified areas and does not affect the planning proposal.

Part 6 relates to local plan making.

Part 6.1 relates to approval and referral requirements and provides that a planning proposal must minimise the reliance upon concurrence authorities and restricts the use of designated development categories. The planning proposal does not involve development requiring concurrence and does not introduce any new category of designated development. The planning proposal is therefore consistent with that direction.

Part 6.2 relates to the reservation of land for public purposes and is not applicable.

Part 6.3 relates to site specific provisions. The planning proposal does not include such provisions.

Part 7 relates to metropolitan planning and is not relevant to the planning proposal.

2.3 Local planning controls

The planning proposal involves creating the (currently proposed) Wilcannia Heritage Conservation Area; adding sites and specified buildings and structures to the heritage schedule; and making some minor corrections to the existing heritage schedule.

The properties that are proposed to be listed as heritage items are zoned either R1 General Residential, RU5 Village, RU1 Primary Production or W1 Natural Waterways.

Extracts from the *Land Use Table* for those zones are:

Zone RU1 Primary Production

1 Objectives of zone

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.
- To encourage diversity in primary industry enterprises and systems appropriate for the area.
- To minimise the fragmentation and alienation of resource lands.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.

2 Permitted without consent

Environmental protection works; Extensive agriculture; Home-based child care; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Air transport facilities; Airstrips; Animal boarding or training establishments; Aquaculture; Bed and breakfast accommodation; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Camping grounds; Caravan parks; Cellar door premises; Cemeteries; Community facilities; Correctional centres; Crematoria; Depots; Dual occupancies (attached); Dwelling houses; Eco-tourist facilities; Environmental facilities; Extractive industries; Farm buildings; Farm stay accommodation; Flood mitigation works; Forestry; Freight transport facilities; Heavy industrial storage establishments; Heavy industries; Helipads; Home businesses; Home industries; Home occupations (sex services); Industrial training facilities; Information and education facilities; Intensive livestock agriculture; Intensive plant agriculture; Jetties; Landscaping material supplies; Open cut mining; Plant nurseries; Recreation areas; Recreation facilities (major); Recreation facilities (outdoor); Roadside stalls; Rural industries; Rural workers' dwellings; Sewerage systems; Veterinary hospitals; Water recreation structures; Water supply systems

4 Prohibited

Any development not specified in item 2 or 3

Zone RU5 Village

1 Objectives of zone

- To provide for a range of land uses, services and facilities that are associated with a rural village.
- To retain and facilitate expansion and redevelopment of the existing central business districts of Menindee and Ivanhoe and to further strengthen the core commercial functions of those areas.
- To ensure that development retains and enhances the existing village character.

2 Permitted without consent

Environmental protection works; Home-based child care; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Centre-based child care facilities; Community facilities; Dwelling houses; Liquid fuel depots; Neighbourhood shops; Places of public worship; Recreation areas; Recreation facilities (indoor); Recreation facilities (outdoor); Respite day care centres; Schools; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Cellar door premises; Electricity generating works; Extractive industries; Farm buildings; Farm stay accommodation; Forestry; Heavy industrial storage establishments; Heavy industries; Marinas; Mooring pens; Moorings; Open cut mining; Roadside stalls; Rural workers' dwellings; Waste disposal facilities; Wharf or boating facilities

Zone B2 Local Centre

1 Objectives of zone

- To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.
- To encourage employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To encourage infrastructure that supports the viability of business centre precincts.
- To enable business development to occur while retaining the existing character of the local centre.

2 Permitted without consent

Environmental protection works; Home-based child care; Roads; Water reticulation systems

3 Permitted with consent

Boarding houses; Centre-based child care facilities; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Information and education facilities; Light industries; Medical centres; Passenger transport facilities; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Service stations; Shop top housing; Tourist and visitor accommodation; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Animal boarding or training establishments; Biosolids treatment facilities; Boat building and repair facilities; Camping grounds; Cemeteries; Correctional centres; Crematoria; Eco-tourist facilities; Electricity generating works; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Freight transport facilities; Heavy industrial storage establishments; Highway service centres; Industries; Marinas; Mooring pens; Moorings; Open cut mining; Recreation facilities (major); Resource recovery facilities; Rural industries; Rural workers' dwellings; Sewage treatment plants; Vehicle body repair workshops; Waste disposal facilities; Water treatment facilities; Wharf or boating facilities

Zone W1 Natural Waterways

1 Objectives of zone

- To protect the ecological and scenic values of natural waterways.
- To prevent development that would have an adverse effect on the natural values of waterways in this zone.
- To provide for sustainable fishing industries and recreational fishing.

2 Permitted without consent

Nil

3 Permitted with consent

Airstrips; Aquaculture; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Community facilities; Emergency services facilities; Environmental facilities; Environmental protection works; Flood mitigation works; Heliports; Information and education facilities; Jetties; Mooring pens; Moorings; Recreation areas; Research stations; Roads; Water recreation structures; Water recycling facilities; Water supply systems; Wharf or boating facilities

4 Prohibited

Business premises; Hotel or motel accommodation; Industries; Multi dwelling housing; Recreation facilities (major); Residential flat buildings; Restricted premises; Retail premises; Seniors housing; Service stations; Warehouse or distribution centres; Any other development not specified in item 2 or 3

It is appropriate to consider whether any of the current uses of properties that would be affected by the planning proposal are occupied by non-conforming uses, being uses that are prohibited in the zone in which they are located.

In that regard, it is noted that “electricity generating works” are prohibited within the RU5 Village zone within which the White Cliffs Solar Power Station is located. However, that prohibition is set aside by *State Environmental Planning Policy (Infrastructure) 2007*, and in particular clause 34, which permits such electricity generating works with consent.

The uses of 66-68 Reid Street and of 70-72 Reid Street would be defined as “public administration buildings” and are prohibited within the R1 General Residential zone within which they are located. The R1 zone is not a prescribed zone for the purpose of provisions within *State Environmental Planning Policy (Infrastructure) 2007* that relate to public administration buildings and therefore those provisions do not overcome that prohibition. However, the prohibition is overcome by clause 5.12, which permits the continued use of existing buildings of the Crown.

There do not appear to be any other current non-conforming uses. It is beyond the scope of this planning proposal to determine that matter with certainty.

Clause 5.10 of CDLEP2012 provides the following:

“Heritage conservation

Note.

Heritage items (if any) are listed and described in Schedule 5. Heritage conservation areas (if any) are shown on the [Heritage Map](#) as well as being described in Schedule 5.

(1) Objectives

The objectives of this clause are as follows:

- (a) to conserve the environmental heritage of Central Darling,*
- (b) to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,*
- (c) to conserve archaeological sites,*
- (d) to conserve Aboriginal objects and Aboriginal places of heritage significance.*

(2) Requirement for consent

Development consent is required for any of the following:

(a) demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance):

- (i) a heritage item,*
- (ii) an Aboriginal object,*
- (iii) a building, work, relic or tree within a heritage conservation area,*

(b) altering a heritage item that is a building by making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,

(c) disturbing or excavating an archaeological site while knowing, or having reasonable cause to suspect, that the disturbance or excavation will or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed,

(d) disturbing or excavating an Aboriginal place of heritage significance,

(e) erecting a building on land:

- (i) on which a heritage item is located or that is within a heritage conservation area, or*
- (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance,*

(f) subdividing land:

- (i) on which a heritage item is located or that is within a heritage conservation area, or*

(ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance.

(3) When consent not required

However, development consent under this clause is not required if:

(a) the applicant has notified the consent authority of the proposed development and the consent authority has advised the applicant in writing before any work is carried out that it is satisfied that the proposed development:

(i) is of a minor nature or is for the maintenance of the heritage item, Aboriginal object, Aboriginal place of heritage significance or archaeological site or a building, work, relic, tree or place within the heritage conservation area, and

(ii) would not adversely affect the heritage significance of the heritage item, Aboriginal object, Aboriginal place, archaeological site or heritage conservation area, or

(b) the development is in a cemetery or burial ground and the proposed development:

(i) is the creation of a new grave or monument, or excavation or disturbance of land for the purpose of conserving or repairing monuments or grave markers, and

(ii) would not cause disturbance to human remains, relics, Aboriginal objects in the form of grave goods, or to an Aboriginal place of heritage significance, or

(c) the development is limited to the removal of a tree or other vegetation that the Council is satisfied is a risk to human life or property, or

(d) the development is exempt development.

(4) Effect of proposed development on heritage significance

The consent authority must, before granting consent under this clause in respect of a heritage item or heritage conservation area, consider the effect of the proposed development on the heritage significance of the item or area concerned. This subclause applies regardless of whether a heritage management document is prepared under subclause (5) or a heritage conservation management plan is submitted under subclause (6).

(5) Heritage assessment

The consent authority may, before granting consent to any development:

(a) on land on which a heritage item is located, or

(b) on land that is within a heritage conservation area, or

(c) on land that is within the vicinity of land referred to in paragraph (a) or (b),

require a heritage management document to be prepared that assesses the extent to which the carrying out of the proposed development would affect the heritage significance of the heritage item or heritage conservation area concerned.

(6) Heritage conservation management plans

The consent authority may require, after considering the heritage significance of a heritage item and the extent of change proposed to it, the submission of a heritage conservation management plan before granting consent under this clause.

(7) Archaeological sites

The consent authority must, before granting consent under this clause to the carrying out of development on an archaeological site (other than land listed on the State Heritage Register or to which an interim heritage order under the [Heritage Act 1977](#) applies):

(a) notify the Heritage Council of its intention to grant consent, and

(b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.

(8) Aboriginal places of heritage significance

The consent authority must, before granting consent under this clause to the carrying out of development in an Aboriginal place of heritage significance:

- (a) consider the effect of the proposed development on the heritage significance of the place and any Aboriginal object known or reasonably likely to be located at the place by means of an adequate investigation and assessment (which may involve consideration of a heritage impact statement), and*
- (b) notify the local Aboriginal communities, in writing or in such other manner as may be appropriate, about the application and take into consideration any response received within 28 days after the notice is sent.*

(9) Demolition of nominated State heritage items

The consent authority must, before granting consent under this clause for the demolition of a nominated State heritage item:

- (a) notify the Heritage Council about the application, and*
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.*

(10) Conservation incentives

The consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected, or for any purpose on an Aboriginal place of heritage significance, even though development for that purpose would otherwise not be allowed by this Plan, if the consent authority is satisfied that:

- (a) the conservation of the heritage item or Aboriginal place of heritage significance is facilitated by the granting of consent, and*
- (b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and*
- (c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and*
- (d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and*
- (e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.”³*

For the purposes of those heritage provisions, the following definitions within the CDLEP2012 Dictionary are relevant:

“Aboriginal object means any deposit, object or other material evidence (not being a handicraft made for sale) relating to the Aboriginal habitation of an area of New South Wales, being habitation before or concurrent with (or both) the occupation of that area by persons of non-Aboriginal extraction and includes Aboriginal remains.

Aboriginal place of heritage significance means an area of land, the general location of which is identified in an Aboriginal heritage study adopted by the Council after public exhibition and that may be shown on the [Heritage Map](#), that is:

- (a) the site of one or more Aboriginal objects or a place that has the physical remains of pre-European occupation by, or is of contemporary significance to, the Aboriginal people. It may (but need not) include items and remnants of the occupation of the land by Aboriginal people, such as burial places, engraving sites, rock art, midden deposits, scarred and sacred trees and sharpening grooves, or*

³ Central Darling Local Environmental Plan 2012 – Legislation NSW website – 2019.

(b) a natural Aboriginal sacred site or other sacred feature. It includes natural features such as creeks or mountains of long-standing cultural significance, as well as initiation, ceremonial or story places or areas of more contemporary cultural significance.

Note.

The term may include (but is not limited to) places that are declared under section 84 of the [National Parks and Wildlife Act 1974](#) to be Aboriginal places for the purposes of that Act.

heritage conservation area means an area of land of heritage significance:

- (a) shown on the [Heritage Map](#) as a heritage conservation area, and*
 - (b) the location and nature of which is described in Schedule 5,*
- and includes any heritage items situated on or within that area.*

heritage conservation management plan means a document prepared in accordance with guidelines prepared by the Public Service agency responsible to the Minister administering the [Heritage Act 1977](#) that documents the heritage significance of an item, place or heritage conservation area and identifies conservation policies and management mechanisms that are appropriate to enable that significance to be retained.

heritage impact statement means a document consisting of:

- (a) a statement demonstrating the heritage significance of a heritage item or heritage conservation area, and*
- (b) an assessment of the impact that proposed development will have on that significance, and*
- (c) proposals for measures to minimise that impact.*

heritage item means a building, work, place, relic, tree, object or archaeological site the location and nature of which is described in Schedule 5.

Note.

An inventory of heritage items is also available at the office of the Council.

heritage management document means:

- (a) a heritage conservation management plan, or*
- (b) a heritage impact statement, or*
- (c) any other document that provides guidelines for the ongoing management and conservation of a heritage item, Aboriginal object, Aboriginal place of heritage significance or heritage conservation area.*

Heritage Map means the [Central Darling Local Environmental Plan 2012 Heritage Map](#).

heritage significance means historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic value.”⁴

There are a series of *Heritage Map* maps forming part of CDLEP2012. Those maps affected by the planning proposal are reproduced in Appendix D, along with proposed changes to those maps. It is appropriate to take note that the definition of “heritage item” does not relate to how it is shown on the heritage map. For example, if the proponent wishes for only part of a site to be affected as a heritage item but the address and real property description are provided in the heritage schedule, then it is necessary for the description in Schedule 5 to appropriately specify the part of the property that is affected. For example, co-ordinates could be given and a specified distance from that co-ordinate point could be provided in the description within Schedule 5. Alternatively, the description could refer to the map.

Schedule 5 is structured as a list under headings “Locality”, “Item name”, “Address”, “Property description”, “significance” (whether local or State) and a unique item number. The significance of a heritage item cannot be changed from local to State merely by amending CDLEP2012. To be State listed, the heritage item has to be

⁴ Central Darling Local Environmental Plan 2012 – Legislation NSW website – 2019.

listed on the State Heritage Register through the *NSW Heritage Act, 1977*. Some existing heritage items are proposed to be forwarded for State listing concurrently with the planning proposal. When that listing takes place (if it takes place) the NSW Department of Planning will be advised and a change to Schedule 5 to reflect that change will occur without the need for a full planning proposal process, under Section 3.22 of the Act.

There are presently 36 heritage items within Schedule 5 and there are no conservation areas.

There are provisions within CDLEP2012 that affect properties that are proposed to become heritage items or to be within the proposed *Wilcannia Heritage Conservation Area*, in addition to the zoning provisions set out above and in addition to the heritage provisions within clause 5.10. It is unnecessary as part of this planning proposal to set out each and every such provision. The provisions that would typically be of key relevance to the development potential of the properties in question are maximum permissible building height and maximum floor space ratio. However, such provisions are not applicable under CDLEP2012. The scale and density of any proposed development are subject to a merit assessment when an application is made.

There is no Central Darling Development Control Plan and there is no other relevant Development Control Plan.

2.4 THE PROPOSED PROVISIONS

The proposed inclusions as heritage items in Schedule 5 of CDLEP2012 (in addition to the existing heritage items) are (numbering provided is pending numbering to be determined at a later stage in the planning proposal process):

Item number	Locality	Item name	Address	Property description
37	Menindee	Comet wind turbine pump	Part 14,860 Ivanhoe-Menindee Road	Part Lot 4742, DP762609, being within 50 metres of coordinates (coordinates to be supplied prior to implementation of planning proposal)
38	White Cliffs	Solar Power Station	Beth Street, White Cliffs	Part of Lot 102, DP611504; Lot 101, DP838308; Lot 15, Section 2, DP759084; Lot 20, Section 2, DP759084; Lot 11, Section 2, DP759084; Lot 1, Section 2, DP759084; Lot 2, Section 2, DP759084; Lot 4, Section 2, DP759084; Lot 6, Section 2, DP759084; Lot 9, Section 2, DP759084; Lot 10, Section 2, DP759084, Lot 15, Section 2, DP759084, Lot 20, Section 2, DP759084, Lot 10, Section 2, DP759084
39	Wilcannia	House, former brewery residence	19-23 Bonney Street	Lot A, DP901402
40	Wilcannia	House	26-30 Byrnes Street	Lot 10, Section 28, DP759091

Item number	Locality	Item name	Address	Property description
41	Wilcannia	House	15-17 Hood Street	Lot A, DP419309
42	Wilcannia	Former commercial bank	25 Reid Street	Lot 19, Section 3, DP759091
43	Wilcannia	CDEP Building	39 Reid Street	Lot 3, DP580065
44	Wilcannia	Row of shops	40A, 40B and 40C Reid Street	Lot 1, DP906421; Lot B, DP312008; Lot A, DP312008
45	Wilcannia	Portable steam engine (added to existing item name "Old wharf and winch")	41-43 Reid Street	Lot 32, DP580065
46	Wilcannia	Shop and house	54 Reid Street	Lot 6, Section 14, DP759091
47	Wilcannia	Auto repair workshop	60 Reid Street	Lot 3, Section 14, DP759091
48	Wilcannia	Former Court House Hotel	65-67 Reid Street	Lot 5, Section 2, DP759091
49	Wilcannia	House "Riversleigh"	69 Reid Street	Lot 1, DP369615
50	Wilcannia	Sandstone house	81 Reid Street	Lot 3, DP301856
51	Wilcannia	Sandstone house	83 Reid Street	Lot 2, DP301856; Lot 1, DP301856
52	Wilcannia	Attached cottages	93-99 Reid Street	Lot 1, DP906277; Lot 983994
53	Wilcannia	Steam engines (added to existing item name "water tower")	Part 6-8 Ross Street	Part 7308, DP1179888 (refer to map)
54	Wilcannia	Cemetery	West Wilcannia Road	Lot1, DP1114450; Lot 7327 DP1181235; Lot 1, DP1181250; Lot 1, DP1105883; Lot 7326, DP1181235; Lot 1, DP1105881; Lot 1, DP110854; Lot 1, DP1105882

Table 1 – List of Heritage items

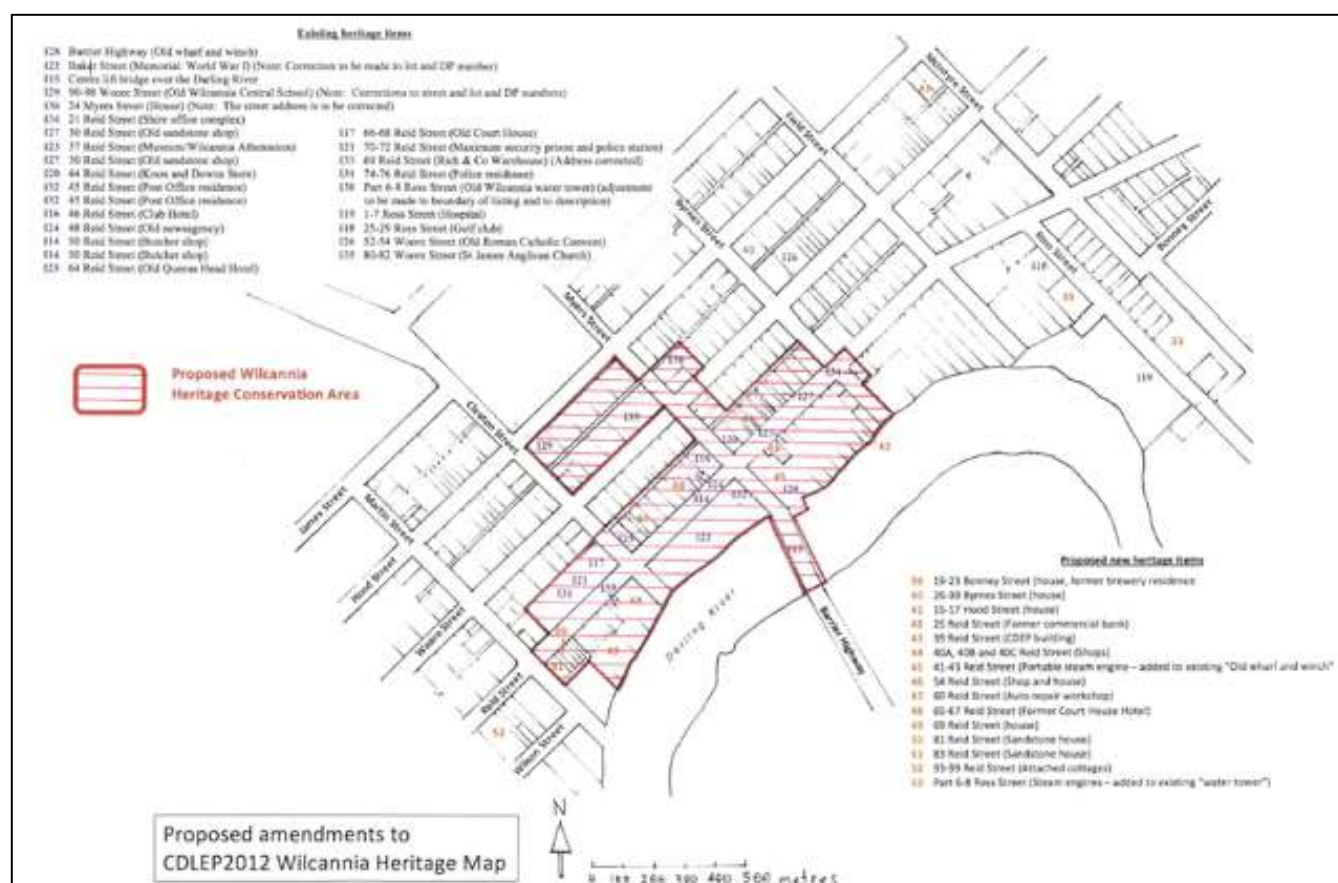


Figure 7: Proposed heritage conservation area and current and proposed heritage items.

6-8 Ross Street is already listed, but it is proposed to change the description from "Old Wilcannia water tower" to "Steam engines and old Wilcannia water tower". Additionally, as that property has a lot and deposited plan number, it is proposed to change the property description from "Crown Land" to "Part 7308, DP1179888". Additionally, it is proposed to change the address from "Ross Street" to "Part 6-8 Ross Street" as that property has that address according to Six Maps data.

The precise location of the Comet wind turbine pump at 14,680 Ivanhoe-Menindee Road (Big Amp) to be confirmed by land owner. Also the item listed at 69 Reid Street, "71 Reid Street" is already listed, being "Rich and Co Warehouse". However, that property address is officially known as "69 Reid Street" (according to Six Maps). The official address of "69 Reid Street" also covers the proposed new heritage item, being "House "Riversleigh"".

The maps in Appendix 3 show the proposed mapping of new heritage items and also show existing heritage items.

The proposed Wilcannia heritage conservation area shown in Annexure C includes:

- 79, 81 and 83 Reid Street and the Reid Street road reserve immediately in front of those properties as well as the rear laneway road reserve immediately behind and to the side of those properties;
- part of 2-8 Martin Street, being Lot 21, DP834330;
- 69 Reid Street and the Reid Street road reserve in front of that property;
- 77 Reid Street and the Reid Street road reserve in front of that property;
- 65-67 Reid Street and the Reid Street road reserve in front of that property;
- the Cleaton Street road reserve south of Reid Street and the part of the Reid Street road reserve adjacent to that road reserve area;
- 74-76 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 70-72 Reid Street and the part of the Reid Lane road reserve adjacent to that property;

- 66-68 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- the Cleaton Street road reserve between Reid Street and the north western side of Reid Lane;
- 64 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 62 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 60 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 58 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 56 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 54 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 52 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 50 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 48 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- 46 Reid Street and the part of the Reid Lane road reserve adjacent to that property;
- Baker Park and the part of the Reid Street road reserve adjacent to it;
- 49-63 Reid Street and the part of the Reid Street road reserve and the Barrier Highway road reserve adjacent to that property;
- 45 Reid Street and the part of the Barrier Highway road reserve adjacent to that property;
- the Barrier Highway and Myers Street road reserve areas between the south eastern side of Reid Street and the north eastern side of Reid Lane;
- The Barrier Highway roadway and footway including the bridge structures located thereon where it traverses the Darling River, as defined by the land presently zoned W1 Natural Waterways;
- 41-43 Reid Street and the part of the Reid Street road reserve in front of that property;
- 39 Reid Street and the part of the Reid Street road reserve in front of that property;
- 37 Reid Street and the part of the Reid Street road reserve in front of that property;
- 35 Reid Street and the part of the Reid Street road reserve in front of that property;
- 33 Reid Street and the part of the Reid Street road reserve in front of that property;
- 27-31 Reid Street and the part of the Reid Street road reserve in front of that property;
- 25 Reid Street and the part of the Reid Street road reserve in front of that property;
- 1-3 Byrnes Street and the part of the Byrnes Street road reserve adjacent to that property;
- 5-7 Byrnes Street and the part of the Byrnes Street road reserve adjacent to that property;
- 9 Byrnes Street and the part of the Reid Street and Byrnes Street road reserves adjacent to that property;
- 21 Reid Street;
- the part of 19 Reid Street between 2-6 Byrnes Street and 21 Reid Street; 2-6 Byrnes Street;
- 26 Reid Street and the part of Reid Lane adjacent to that property;
- 30 Reid Street and the part of Reid Lane adjacent to that property;
- 32 Reid Street and the part of Reid Lane adjacent to that property;
- 34 Reid Street and the part of Reid Lane adjacent to that property;
- 38 Reid Street and the part of Reid Lane adjacent to that property;
- 40A Reid Street and the part of Reid Lane adjacent to that property;
- 40B Reid Street and the part of Reid Lane adjacent to that property;
- 40C Reid Street and the part of Reid Lane adjacent to that property;
- 42 Reid Street and the part of Reid Lane adjacent to that property;
- 44 Reid Street and the part of Reid Lane adjacent to that property;
- 16 Myers Street and the part of the Myers Street road reserve in front of that property;
- 18 Myers Street and the part of the Myers Street road reserve in front of that property;
- 20 Myers Street and the part of the Myers Street and Woore Street road reserves adjacent to that property;
- 22 Myers Street and the part of the Myers Street road reserve in front of that property;
- 24 Myers Street and the part of the Myers Street road reserve in front of that property and the part of the laneway road reserve adjacent to the north western side of that property;
- 80-86 Woore Street and the part of the Woore Street road reserve adjacent to that property;
- 88 Woore Street and the part of the Woore Street road reserve adjacent to that property;

- 90-98 Woore Street and the part of the Woore Street road reserve adjacent to that property and the part of the Cleaton Street road reserve adjacent to that property and the part of the Hood Street road reserve adjacent to that property; and the part of 76-92 Hood Street (Burke Park) indicated in Figure 10, being along a line perpendicular to the south eastern side of the DeSailly Street road reserve.

In order to facilitate the inclusion of the Wilcannia Conservation Area within Schedule 5 it would be necessary to include a new heading for the list of Heritage Items by inserting "Part 1 Heritage Items" above the existing list. There would then be a new heading below that list, being "Part 2 Heritage Conservation Areas". Below that list would be the following text:

<i>Description</i>	<i>Identification on Heritage Map</i>	<i>Significance</i>
<i>Wilcannia</i>	<i>Shown by a heavy red outline and hatched and marked "C1"</i>	<i>Local</i>

The map shown in Annexure D as "Wilcannia Heritage Conservation Area" but reproduced to be in accordance with NSW Department of Planning drafting requirements, would be included within the CDLEP2012 maps.

The minor corrections that would be undertaken to Schedule 5 of CDLEP2012 are:

- The current listing, being:

<i>Wilcannia</i>	<i>Memorial: World War I</i>	<i>Baker Park</i>	<i>Lot 3, Section 59, DP759091</i>
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would be deleted and would be replaced by:

<i>Wilcannia</i>	<i>Memorial: World War I</i>	<i>Baker Park</i>	<i>Lot 7301, DP1177652</i>
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That is in order to provide the property description for where the existing memorial is actually located.

- The current listing, being:

<i>Wilcannia</i>	<i>Old Wharf and winch</i>	<i>Adjacent to bridge</i>	<i>Lot 32, DP580065</i>
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would be deleted and would be changed to:

<i>Wilcannia</i>	<i>Old Wharf and winch</i>	<i>41-43 Reid Street</i>	<i>Lot 32, DP580065</i>
	<i>and portable steam engine</i>		

It would have its address changed to 41-43 Reid Street and the proposed new listing on that property would include the description Old Wharf and winch. That is because the street address properly correlates to the real property description currently included in Schedule 5 and should therefore be used. It is noted that the actual Old Wharf and winch might not be precisely within Lot 32 and may instead be partially within Crown Land adjacent to the river. However, it is not considered necessary to specify the precise location within CDLEP2012 because the listing appropriately signals the significance of the item (which is under repair or reconstruction consideration).

- The current listing, being:

<i>Wilcannia</i>	<i>Two sandstone houses</i>	<i>8-10 Myers Street</i>	<i>Lot 4, DP1128425</i>
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would be deleted and would be replaced by:

<i>Wilcannia</i>	<i>Two sandstone houses</i>	<i>24 Myers Street</i>	<i>Lot 4, DP1128425</i>
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That is because there is no "8-10 Myers Street, Wilcannia" and because the property with the given description of Lot 4, DP1128425 is at 24 Myers Street

- The current listing, being:

<i>Wilcannia</i>	<i>Old Wilcannia Central School</i>	<i>77-79 Hood Street</i>	<i>Lot 8, DP1128425</i>
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would be deleted and would be replaced by:

<i>Wilcannia</i>	<i>Old Wilcannia Central School</i>	<i>90-98 Woore Street</i>	<i>Lots 9-10, DP1128425</i>
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That is because the current lot description is not where the original school building is located (Figure 12). The original school is located within Lot 10, although it is also appropriate to list Lot 9 as that will ensure appropriate management of the curtilage of the original school building.

PART 3 - JUSTIFICATION FOR THE PROPOSED AMENDMENTS

3.0 – DEMONSTRATE JUSTIFICATION FOR THE PLANNING PROPOSAL

The proposal is justified by the *Wilcannia, NSW Community Based Heritage Survey, 2017* by McDougall & Vines, Conservation and Heritage Consultants 2017 (the Heritage Survey); and by the *Nomination Report: Australian Historic Engineering Plaquing Program. A Historic Engineering Marker (HEM) for White Cliffs Solar Power Station (1981)*, by Chris Dalitz, 2006 (the Nomination Report).

Summary of findings of the Heritage Survey, and associated planning proposal actions

The heritage survey was carried out by Elizabeth Vines of McDougall & Vines, Conservation and Heritage Consultants. A summary of Ms Vines' relevant experience is provided in Appendix B, wherein it is demonstrated that Ms Vines' is a highly qualified heritage expert.

The heritage survey has involved a community-based approach, wherein the knowledge of members of the Wilcannia community was drawn upon by Ms Vines along with evidence from visual inspection and from historical information sources as set out in the heritage survey. Local historian Chris Elliot also made a substantial contribution to the heritage survey.

At this stage state heritage inventory datasheets have not been prepared for each proposed heritage item. Those will be prepared during the assessment of the planning proposal.

The heritage survey builds upon the previous heritage survey undertaken by Godden Mackay Logan Pty Ltd, being *Central Darling Shire Cultural Resource and Tourism Study 1996* and the *Wilcannia, NSW, Main Street and Town Centre Interpretation Report*, November 2010.

The heritage survey identifies the following themes arising from the relationship between places in Wilcannia and its historical context:

- Developing local and regional economies – the growth of river and other transport in Wilcannia and the region, based on expansion of pastoralism and mining.
- Building settlements, town and cities – building the township of Wilcannia – public and commercial buildings, housing and accommodation.
- Governing – law and order, State and local government administration in Wilcannia, with associated buildings and complexes.
- Developing cultural life – Developing Wilcannia's cultural life, leisure and social institutions for the local community and notable residents.

The heritage survey identifies heritage items on the basis of places being:

- *A place or places of outstanding value on either a local, State or national level that may have one or a range of values including historical, architectural, aesthetic, scientific or social values and that may be rare or representative of a type;*
- *A place that demonstrates the development of Wilcannia and relates to the State's historic themes;*
- *An element or elements of a place that warrant retention even though the remainder of a place does not have particular heritage value, including archaeological elements or landscape items.*

Criteria for heritage significance are identified as including:

- Association with people, events or phases of history of great importance;
- Rarity;
- Unusual technical skill in construction;
- Excellence as an example of a valuable group of items.

The heritage survey identifies the following buildings as warranting listing on the State heritage register, being places that are already listed heritage items:

- Post office and residence at 45 Reid Street
- Courthouse at 66-68 Reid Street
- Maximum security prison and police station at 70-72 Reid Street
- Rich & Co Bond Store at 71 Reid Street.

That listing process will be pursued separately to this planning proposal, under the *NSW Heritage Act, 1977*.

The items proposed for listing set out in Part 4 of this planning proposal are set out in the heritage survey as being recommended for listing, excepting that the proposed listing of the White Cliffs Solar Power Station arises from a separate document.

The proposed Wilcannia Heritage Conservation Area is described in the heritage survey and is consistent with the proposed Wilcannia Heritage Conservation Area. The heritage survey describes the conservation area as the "Reid Street Heritage Conservation Area". However, the conservation area may appropriately describe as the Wilcannia Heritage Conservation Area as there is no potential other heritage conservation area within Wilcannia.

The Wilcannia Heritage Conservation Area will include some buildings that are already listed as heritage items; some that are proposed to be listed as heritage items under the current planning proposal; some that are neither current nor proposed heritage items but that are contributory to the significance of the conservation area; and some that are neutral in their contribution to the significance of the conservation area.

As set out in the heritage survey, the Wilcannia Conservation Area should be established because it is significant for its streetscape character and is of value due to the collective nature of the buildings and elements in the area, which demonstrate the themes identified above. Furthermore, those elements give the area a special sense of place arising not only from the buildings but from their reasons for those buildings having been constructed in their particular locations and how all of those buildings form part of a place narrative that reflects evolving economic and social conditions. It is relevant to note that not only the individual properties but also the road reserve areas form part of the conservation area and consideration will be required of the impacts of road and drainage works and tree planting schemes on the significance of the conservation area.

The proposed Wilcannia Heritage Conservation Area takes in the bridge over the Darling River; the old wharf area; the concentration of historic buildings along Reid Street and Myers Street; important public buildings; and the public open space adjacent to the Barrier Highway/Myers Street which provides viewing opportunities and an open space context to the historic Anglican Church and school building.

A summary of the justification for each of the proposed listings arising from the heritage survey is as follows:

25 Reid Street, Wilcannia

Early sandstone building approx. 1870.

"This small simple former bank building is a rare surviving early structure in the Central Darling Shire. It has strong associations with the historic spread of banking facilities within the region".



Photo 4: 25 Reid Street Wilcannia – former Bank Building 1870 (Source: mb Town planning 2019)

39 Reid Street, Wilcannia

CDEP Building (former West Darling Transport) approx. 1940.

“This building is one of a small number of Inter War buildings deriving its detailing from Art Deco/Modern design and reflects the growth of Wilcannia at this time”.



Photo 5: 39 Reid Street Wilcannia – CDEP Building 1940 (Source: Google maps 2018)

40 Reid Street, Wilcannia

Row of shops Late 19th Century

“This row of six attached small shops is associated with the growth of Wilcannia in the late 19th Century”.



Photo 6: 40 Reid Street Wilcannia – Row of 6 attached shops 1890's (Source: Google maps 2018)

41-43 Reid Street, Wilcannia

Portable steam engine

“This example of a portable steam engine reflects the significance of these machines in the development of agriculture and extended settlement in the Western Rivers region”.

Note: The property is a Council-owned park and therefore the location of this moveable structure on that land does not pose any unreasonable burden to any private property owner.



Photo 7: 41 – 43 Reid Street Wilcannia – portable steam engine in Park area (Source: MB Townplanning 2019)

54 Reid Street, Wilcannia

Shop and house – major re-presentation in 2010 of approx. 1918.

“This small shop is one of a number constructed in timber and corrugated iron, probably in 1918. It reflects the more modest premises of many shopkeepers at this time – in contrast to the more substantial stone structures elsewhere in the Wilcannia township”.



Photo 8: 54 Reid Street Wilcannia – Small shop and house 1918 (Source: Google maps streetview 2019)

60 Reid Street, Wilcannia

Wilcannia Auto Repairs inter-War construction

“This building is one of a small number of Inter War buildings deriving its detailing from Art Deco/Moderne design, and reflects the growth of Wilcannia at that time.



Photo 9: 60 Reid Street Wilcannia – Wilcannia Auto Repairs 1930's (Source: Google maps street view 2019)

65-67 Reid Street, Wilcannia

Former Court House Hotel latter 19th Century

“The former Court House Hotel is one of a number of hotels in the township which first traded in the 1860s as Wilcannia developed as a River Port. It reflects the importance of the town at that time and the provisions of facilities for residents and visitors to Wilcannia”.



Photo 10: 65- 67 Reid Street Wilcannia – Forer Court House Hotel (Source: MB Townplanning 2019)

73 Reid Street, Wilcannia (officially 69 Reid Street – to be identified in schedule by lot and DP), Behind 73 Reid Street, Wilcannia (officially 69 Reid Street – to be identified in schedule by lot and DP)

Old Fuel Store late 19th Century and House late 19th or early 20th Century

“This building is associated with the commercial activities of the Knox and Downs retail company, an important part of the economic development of Wilcannia and the Western NSW region during the late 19th and early 20th centuries”. “An important early residence in Wilcannia, built of local stone. It also has landmark qualities being visible from the other side of the river. It reflects early living conditions and lifestyle qualities on the river”.



Current view (showing verandah which was completed in early 2016)



2010 photo prior to erection of verandah

Photo 11 & 12 (73) Reid Street Wilcannia – Old Fuel Store and residence behind (Source: MB Townplanning 2019)

81-83 Reid Street, Wilcannia (each property to be separately listed)

Sandstone houses 1880-1890

“An important pair of early stone residences in Wilcannia, built of local materials, which reflects early living conditions and lifestyle on the river. The houses are an important streetscape element in Reid Street”.



Photo 13: 81 – 83 Reid Street Wilcannia – Two stone dwellings 1880 (Source: MB Townplanning 2019)

93-99 Reid Street, Wilcannia

Attached cottages latter 19th Century

“This small residence is indicative of the type of accommodation constructed in Wilcannia in the 1870s and 1880s by/for working men and women of lower socio-economic status, and essential to understanding the history of the town’s development”.



Photo 14 &15 : 93 – 99 Reid Street Wilcannia – Small workers residence 1880 (Source: McDougall Vines Heritage Community Survey 2017)

26-30 Byrnes Street, Wilcannia

House 1883

“This is one of a number of similar substantial stone houses in Wilcannia, dating from the c1880s and reflecting the growth of the town’s economy at that time. It is associated with the Catholic Church and the provision of church education facilities”.

19-21 Hood Street, Wilcannia (officially 15-17 Hood Street)

House approx. 1880

“This is one of a number of similar substantial stone houses in Wilcannia, dating from the c1880s and reflecting the growth of the town’s economy at that time”.

The house is in a deteriorated condition. Whilst it may be challenging to retain the building, the property owner has not objected to its listing. If the property is listed, but if a subsequent dilapidation survey finds retention to be impracticable, the listing would not necessarily prevent appropriate demolition of the building (with consent).

Wilcannia Central School, 93 Hood Street (officially 90-98 Woore Street)

School 1875

“This 1875 school building reflects the provision of public education in Wilcannia and the early spread of education facilities in the region”.



Photo 16 & 17: 33 Hood Street Wilcannia – Wilcannia Central School (McDougall Vines Heritage Community Survey 2017 and Google Street view 2019))

Wilcannia Cemetery, Menindee Road (officially West Wilcannia Road)

Cemetery

“As the main public cemetery in the Central Darling Shire, the Wilcannia Cemetery is significant as the location of burials from the earliest days of settlement – both of European and aboriginal people”.



Photo 18: Wilcannia Cemetery (Source: MB Townplanning 2019)

6-8 Ross Street, Wilcannia

Steam engines (description to be added to existing water tower description of the same property)

“The examples of portable steam engines reflect the significance of these machines in the development of agriculture and extended settlement in the Western Rivers region”.

19-23 Ross Street, Wilcannia (officially 19-23 Bonney Street)

House approx. 1875-1880

“This is one of the more significant houses in Wilcannia due to its size, form and brick construction, and reflects the type of dwelling constructed by the entrepreneurial settler in Wilcannia in the 1880s”.

14860 Ivanhoe-Menindee Road, Menindee (Big Amp) (co-ordinates to be confirmed and 50 metre radius to be applied)

Windmill 1932

“Located on the Menindee-Ivanhoe road this windmill is a reminder of the pastoral history in semi-arid rangelands and Australia’s engineering past. The structure has considerable engineering significance and rarity value. It is also a remarkable landmark along this outback road”.



Photo 19 & 20: Big Ampy Windmill (source: MB Townplanning 2019) and (by Capt James Boland 2017)



Photo 21: Big Ampy Windmill (source: six maps 2020)



Photo 22: Big Amp Windmill on Ivanhoe Menindee Road location in relation to runway on Big Amp property(source: six maps 2020)



Photo 23: Big Amp Windmill shown in location to the Ivanhoe Menindee Road and the closest cross road of Teryawynia Ashmont Road(source: six maps 2020)

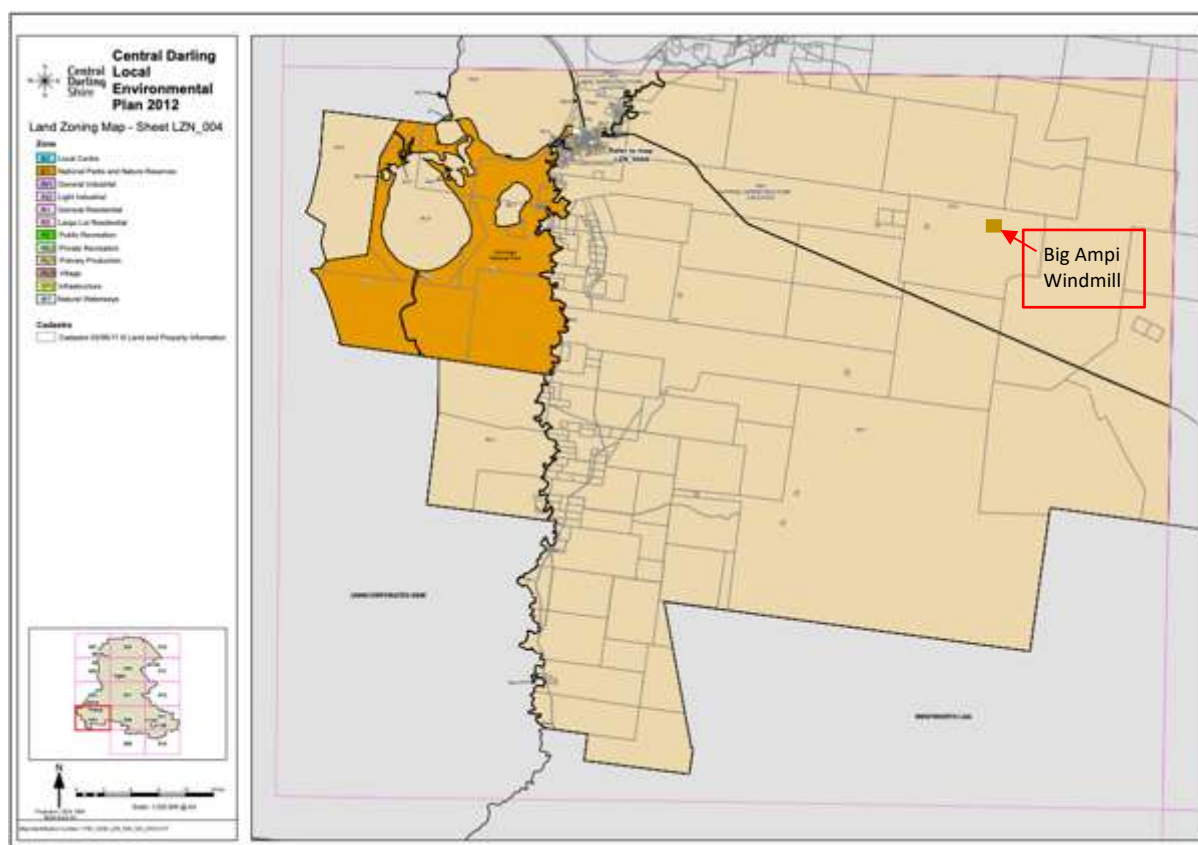


Figure 8: Proposed Big Ampí Windmill Heritage site shown in relation to Menindee on Central Darling Local Environmental Plan land zoning map 004(source: NSW Legislation website 2020)

Summary of the finding of the Nomination Report 2006

The nomination report relates to the White Cliffs Solar Power Station, at Beth Street, White Cliffs (to be identified by real property descriptions of the relevant lots).

The White Cliffs Solar Power Station was constructed in 1981 and was the subject of a major upgrade in 1997. The design and construction was led by Australian National University researchers, particularly Professor Stephen Kaneff, and by an Australian National University-related company.

It started generating electricity in 1982 using two different technologies and was arguably the first commercial solar power station in the world.

The facility ceased the generation of electricity in January 2005 and was, at least at the time of preparation of the nomination report in 2006, in an operable condition but with dishes locked to prevent damage.

The property is now owned by Central Darling Council and is in a locked-up condition.

Deriving from the Nomination Report, a summarised statement of significance is:

Historic:	The item reflects the historic achievement as the first solar power station in Australia and arguably the first commercial solar power station in the world.
Associational:	The item is strongly associated with the now Late Professor Stephen Kaneff, who established the field of solar energy research at the Australian National University.
Technical achievement:	The item demonstrates achievements in solar thermal power technology and in solar energy generation

	generally. The item is significant in demonstrating a range of aspects of solar technology.
Social:	Not applicable.
Informational:	The item provides great potential for those with an interest in the history of solar energy technology to understand how this technology was under development during its pioneering phase. It also provides educational opportunities.
Rarity:	The item is unique as the first solar power station in Australia and arguably the first commercial solar power station in the world.
Demonstrative:	The item does not demonstrate a class of places.
The listing of the heritage item may assist in creating an impetus for site to become an interpretative facility.	

3.1 SECTION B - RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK Far West Regional Plan 2036

Far West Regional Plan 2036 is the relevant strategic plan for the Central Darling LGA. The purpose of Central Darling Local Environmental Plan 2012 and amending instruments such as presently proposed is to give effect to Far West Regional Plan 2036.

The NSW Government's vision for the Far West Region is to create "...a diverse economy, supported by the right infrastructure, an exceptional natural environment and resilient communities."

There are goals arising from that vision, being:

- Goal 1 - A diverse economy with efficient transport and infrastructure networks
- Goal 2 - Exceptional semi-arid rangelands traversed by the Barwon-Darling River
- Goal 3 - Strong and connected communities

The vision for the Far West Region identifies that its economy is diversified and includes agriculture (including traditional sheep grazing for meat and wool but also including new sectors such as kangaroo and goat farming for meat), mining (particularly around Broken Hill), renewable energy generation, and tourism related to Aboriginal culture and outback experiences. Cultural heritage is recognised as part of tourism and also as enriching the lives of residents of the region.

Protection of heritage can be relevant to Goal 1 because heritage can enhance tourism. Protection of heritage can also be relevant to Goal 2 because it can foster community identity and psychological well-being for residents, which helps to strengthen and connect communities.

For the purposes of the FWRP2036, Wilcannia is identified as a "centre", compared to Broken Hill which is a "strategic centre". Wilcannia is the only "centre" identified within the Central Darling LGA.

In further commentary about "Places and Heritage", the FWRP2036 recognises that tourism is "connected to the backdrop of the outback, important sites to Aboriginal people and areas that influenced Australia's colonial history".

This planning proposal is focussed upon post-colonisation buildings, normally referred to as European heritage. It also includes two structures that are relatively modern and, whilst considered as European heritage, it is noted that as Australia becomes more multicultural it becomes less appropriate to regard structures built during that period as "European heritage" when they become of heritage significance. It is noted that a separate study of Aboriginal heritage in the Central Darling Local Government Area is being carried out.

Associated with each of the goals are "directions".

In relation to “goal 1”, direction 4 is to diversify energy supply through renewable energy generation. The proposal to list the White Cliffs Solar Power Station as a heritage item is relevant to that direction.

Also in relation to “goal 1” is “promote tourism opportunities”. The proposed listings will assist in achieving that goal.

In relation to “goal 2”, direction 19 is to conserve and adaptively reuse European heritage assets. It includes recognition of the tourism benefits of such reuse and conservation and specifically refers to the Wilcannia Hospital and Courthouse as being notably significant.

The heritage survey has been carried out in consultation with affected property owners and interested parties, directly implementing direction 19.2. The present planning proposal is to directly implement direction 19.1. Consistently with direction 19.4, the Heritage Branch will be consulted during exhibition of the planning proposal, in addition to consultation that has occurred to date.

Relevant State environmental planning policies

State Environmental Planning Policy 55 – Remediation of land may affect properties that would be affected by the planning proposal because the properties may potentially have been contaminated by past activities.

Clause 6(2) goes on to require formal preliminary investigation in specified circumstances in which specified land is to be included in a zone.

Listing of a building on the heritage schedule under CDLEP2012 means that under clause 5.10(10) there is the potential for the land to be used for a purpose that would not otherwise be permitted, as an incentive for the owners of heritage items. There is no requirement for any contamination issues to be resolved as part of the planning proposal. Any contamination issues may be addressed as part of any development application where that matter is relevant.

State Environmental Planning Policy (Affordable Rental Housing) 2009 includes certain provisions relating to complying development, including for secondary dwellings and group homes in certain cases. Such complying development options are not available for properties that are a heritage item.

State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004 applies to “BASIX affected development” but does not apply to “BASIX excluded development”. “BASIX excluded development” includes alterations, enlargements or extensions to a building listed on the State Heritage Register. For Local listed heritage items, BASIX still applies, albeit that BASIX requirements that conflict with heritage requirements may be the subject of an “alternative assessment”.

State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017 allows specified works within the boundaries of an existing school to be “development without consent”. In the case of demolition, that does not apply to a heritage item. The present planning proposal includes a correction to the heritage schedule in relation to Wilcannia Central School, involving identification of the correct lots within which heritage significant fabric is located. For that part of the school property, demolition will not be allowed as “development without consent”, whilst for the part of the school incorrectly identified that development may potentially become “development without consent”.

State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 includes provisions that allow specified development to be exempt or complying development. It also includes a provision relating to exempt development generally that excludes heritage items from being able to be the subject of a complying development certificate, excepting for certain exclusions for State listed heritage items. Properties within a heritage conservation area are able to utilise some exempt and complying development provisions.

State Environmental Planning Policy (Infrastructure) 2007 allows certain types of infrastructure development to be exempt or complying development or to be “development without consent”. Those provisions apply differently to heritage items in some cases. That outcome is acceptable on balance.

State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 allows for certain activities to be exempt development but excludes heritage items and conservation areas from those provisions. The proposed heritage items are not on properties where mining is likely to occur. In the

case of Big Ampj, it is appropriate that the heritage listing is limited to the specific item so as to ensure that such listing does not interfere with any provisions that would benefit that property under the State policy.

Ministerial directions

Ministerial directions are issued under Section 9.1 of the Environmental Planning and Assessment Act (formerly Section 117 Directions). Local councils must follow these Directions when preparing planning proposals for new LEPS. The Directions cover the following broad categories:

- employment and resources
- environment and heritage
- housing, infrastructure and urban development
- hazard and risk
- regional planning
- local plan making.
- Metropolitan planning

This planning proposal must address whether the implementation of the planning proposal will comply with Ministerial Directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

Part 1 of the directions relates to employment and resources.

Part 1.1 of the directions relates to business and industrial zones. It applies where a planning proposal will affect any existing business or industrial zone. As explained further below, the proposal will affect some properties in Wilcannia that are zoned B2 Local Centre. The proposal will not affect properties within any other business or industrial zone.

The planning proposal does not alter the area of business zones and does not change the available gross floor area. The objectives are (in summary) (a) encourage employment growth; (b) protect employment land; and (c) support the viability of identified centres. The proposal gives effect to those objectives by enhancing the attractiveness and identity of Wilcannia which will encourage tourism and enhance business activity. The proposal will therefore comply with the directions in Part 1.1.

Part 1.2 of the directions relates to rural zones. The direction is applicable to the planning proposal because the planning proposal affects the following sites:

- Big Ampj, which is zoned RU1 Primary Production;
- the Wilcannia Cemetery, which is also zoned RU1 Primary Production; and
- the White Cliffs Solar Power Station, which is zoned RU5 Village.

The relevant direction is that the planning proposal must not rezone the land to business, residential, industrial or other specified uses. The planning proposal complies with that direction.

Part 1.3 of the directions relates to mining, petroleum production and extractive industries. The direction is not applicable because the planning proposal would not permit any different land use to the land uses that are already permitted.

Part 1.4 of the directions relates to rural lands. It applies to any planning proposal that seeks to change zone boundaries for rural or environment protection zone lands or to change the minimum lot size for such lands. The direction does not apply to the planning proposal.

Part 2 of the directions relates to environment and heritage.

Part 2.1 of the direction relates to environment protection zones. It provides that a planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas and must not reduce the extent of existing environment protection zones. The direction does not have to be complied with for matters of minor significance. In that regard, the proposal does not affect existing environment protection zones and is of minor significance. The direction therefore does not apply to the planning proposal.

Part 2.2 of the direction relates to coastal management and is not applicable.

Part 2.3 relates to heritage conservation. Its objective is to conserve items, areas and places of environmental heritage significance and indigenous heritage significance.

The direction is that a planning proposal must contain provisions that facilitate the conservation of -

- items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area,
- Aboriginal objects or Aboriginal places protected under the *National Parks and Wildlife Act, 1974*, and
- Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.

The direction further provides that a planning proposal may be inconsistent with the direction if the relevant planning authority can satisfy the Director-General or relevant officer that (a) the environmental or indigenous heritage significance of the item, area, object or place is conserved by existing or draft environmental planning instruments, legislation or regulations that apply to the land or the provisions of the planning proposal that are inconsistent are of minor significance.

In that regard, the planning proposal is inconsistent with the direction to the extent that it does not involve the identification and protection of specifically Aboriginal heritage. The planning proposal relates to post-colonisation buildings and structures of European or general community significance.

The CDLEP2012 includes provisions relating to Aboriginal heritage. The planning proposal otherwise complies with and achieves the objectives of the direction.

Part 2.4 relates to recreation vehicle areas and is not relevant to the planning proposal.

Part 2.5 relates to a different area and is not applicable.

Part 3 relates to housing, infrastructure and urban development.

Part 3.1 relates to residential zones. The planning proposal enables the current long-established commercial buildings and businesses to be a permitted use in the residential zone. This proposal does not reduce the amount of residential land within Wilcannia.

Part 3.2 relates to caravan parks and manufactured home estates and does not affect the planning proposal.

Part 3.3 relates to home occupations. The planning proposal does not affect home occupation provisions and the direction is not relevant to the planning proposal.

Part 3.4 relates to integration of land use and transport. The planning proposal does not involve any significant inconsistency with that direction.

Part 3.5 relates to development near licensed aerodromes. The planning proposal does not involve any significant inconsistency with that direction.

Part 3.6 relates to shooting ranges. The planning proposal will not affect any shooting range.

Part 4 relates to hazard and risk.

Part 4.1 relates to acid sulfate soils. The planning proposal does not affect any classified acid sulfate soil land.

Part 4.3 relates to flood prone land and restricts specified rezoning within flood prone areas. The planning proposal does not change permissible land uses and any inconsistencies with the direction are of minor significance.

Part 4.4 relates to planning for bushfire protection. The direction does not affect the proposal because none of the affected land is within bushfire prone land.

Part 5 relates to regional plan for specified areas and does not affect the planning proposal.

Part 6 relates to local plan making.

Part 6.1 relates to approval and referral requirements and provides that a planning proposal must minimise the reliance upon concurrence authorities and restricts the use of designated development categories. The planning proposal does not involve development requiring concurrence and does not introduce any new category of designated development. The planning proposal is therefore consistent with that direction.

Part 6.2 relates to the reservation of land for public purposes and is not applicable.

Part 6.3 relates to site specific provisions. The planning proposal does not include such provisions.

Part 7 relates to metropolitan planning and is not relevant to the planning proposal.

Standard Instrument – Principal Local Environmental Plan

Central Darling Local Environmental Plan 2012

The planning proposal involves creating the (currently proposed) Wilcannia Heritage Conservation Area; adding sites and specified buildings and structures to the heritage schedule; and making some minor corrections to the existing heritage schedule.

The properties that are proposed to be listed as heritage items are zoned either R1 General Residential, RU5 Village, RU1 Primary Production or W1 Natural Waterways.

The proposal is considered consistent with the clause 1.2(2)(d) of the Central Darling Local Environmental Plan 2012 (CDLEP2012) which aims to “to minimise land use conflict.”

It is appropriate to consider whether any of the current uses of properties that would be affected by the planning proposal are occupied by non-conforming uses, being uses that are prohibited in the zone in which they are located.

In that regard, it is noted that “electricity generating works” are prohibited within the RU5 Village zone within which the White Cliffs Solar Power Station is located. However, that prohibition is set aside by *State Environmental Planning Policy (Infrastructure) 2007*, and in particular clause 34, which permits such electricity generating works with consent.

The uses of 66-68 Reid Street and of 70-72 Reid Street would be defined as “public administration buildings” and are currently prohibited within the R1 General Residential zone within which they are located. However this prohibition is being addressed in another Planning Proposal that adds this use to the land use table for the R1 General Residential zone.

There do not appear to be any other current non-conforming uses. It is beyond the scope of this planning proposal to determine that matter with certainty.

There are a series of *Heritage Map* maps forming part of CDLEP2012. Those maps affected by the planning proposal are reproduced in Appendix D, along with proposed changes to those maps. It is appropriate to take note that the definition of “heritage item” does not relate to how it is shown on the heritage map.

Schedule 5 is structured as a list under headings “Locality”, “Item name”, “Address”, “Property description”, “significance” (whether local or State) and a unique item number. The significance of a heritage item cannot be changed from local to State merely by amending CDLEP2012. To be State listed, the heritage item has to be listed on the State Heritage Register through the *NSW Heritage Act, 1977*. Some existing heritage items are proposed to be forwarded for State listing concurrently with the planning proposal.

There are presently 36 heritage items within Schedule 5 and there are no conservation areas.

There are provisions within CDLEP2012 that affect properties that are proposed to become heritage items or to be within the proposed *Wilcannia Heritage Conservation Area*, in addition to the zoning provisions set out above and in addition to the heritage provisions within clause 5.10.

There is no Central Darling Development Control Plan and there is no other relevant Development Control Plan.

SECTION C – ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No. The planning proposal is unlikely to adversely impact on any critical habitat, threatened species, population or ecological communities or their habitats as the proposed heritage items and the proposed heritage conservation area are within the established Wilcannia town centre.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

No, The land is within the established Wilcannia town centre, the land is a mix of private and public owned land. The public land is currently managed by council officers, with daily inspections of each site.

9. How has the planning proposal adequately addressed any social and economic effects?

The clarification of the heritage items and the conservation area will clarify how future development will occur and what is required. This provides a safeguard to the heritage items within the Wilcannia town area from demolition or unauthorised development.

Social Impact

The clarification of the heritage items and heritage conservation area provides a safeguard to the heritage items within the Wilcannia town area from demolition or unauthorised development which will assist in future heritage tourism. This will benefit the community in the long term.

Economic impacts

The clarification of the legal use of the subject sites will remove red tape for future uses of the land by council which results in less cost for council in the future use and any works to the sites.

SECTION D - STATE AND COMMONWEALTH INTERESTS

10. Is there adequate public infrastructure for the planning proposal?

The proposed heritage items and heritage conservation area is within the Wilcannia town centre, there is no issue with public infrastructure with the planned changes for the heritage items or the heritage conservation area within the Central Darling Local Environmental Plan.

11. What are the views of State and Commonwealth Public Authorities consulted in accordance with the gateway determination, and have they resulted in any variations to the planning proposal?

Any Gateway Determination issued will specify relevant agencies to be consulted. The NSW Heritage has been consulted regarding the proposed planning proposal as have other state Agencies particularly those owning the proposed State Heritage Items

It is considered appropriate that any Gateway Determination issued requiring public exhibition of the Planning Proposal for a minimum of 28 days, in accordance with the requirements of the Environmental Planning and Assessment Regulation 2000.

The Central Darling Shire Council has engaged MB Town Planning to prepare the draft planning proposal for the gateway determination. The required public exhibition of the Planning proposal for a minimum of 28 days in accordance with the requirements of the Environmental Planning and Assessment Regulation 2000 will be undertaken by Central Darling Shire Council.

PART 4. PROPOSED CHANGES TO THE CDLEP MAPPING

The proposed maps are set out in Annexure D, including the existing heritage maps and an illustration of the proposed amendments, including mapping of the proposed new heritage items and of the proposed Wilcannia Heritage Conservation Area.

The proposed maps will form the basis of preparation of maps in compliance with NSW Department of Planning and Environment standards as part of the implementation of the planning proposal.

PART 5. COMMUNITY CONSULTATION

Central Darling Shire Council has been engaged with heritage conservation over many years, with a particular impetus in 1996 with the carrying out of the *Central Darling Shire Cultural Resource and Tourism Study* and a 1998 heritage study by Godden Mackay Logan. That led to the listing of heritage items in the now repealed *Central Darling Local Environmental Plan 2004*.

Council established a heritage advisory service in 2007 and created the *Wilcannia Conservation Guidelines* in 2008. In 2010 Council adopted the Main Street and Town Centre Interpretation Report and in 2012 Council adopted the Conservation Management Plan. Since then various individual conservation management plans have been prepared for individual properties in Wilcannia.

Local community members are actively involved in heritage conservation projects. Council accesses \$7,500- per year under the NSW Government's Heritage Grants Program and contributes \$15,000- per year, which together forms the Local Heritage Fund which has been used for repair of stonework and similar projects. Local community members are also actively pursuing a project to recreate the old wharf where there are remains on the riverbank adjacent to the bridge.

The heritage survey that forms the basis of the present planning proposal arose from the *Three Year Heritage Strategy 2014-17*. Funding was established in 2016 and much of the survey work was carried out during the period between August and October 2016. The survey received media coverage at that time, including by the ABC in August 2016 (see Annexure E). A public meeting was notified, with advertising for the public meeting in the *Barrier Daily Truth*, in the *Wilcannia News* and on public noticeboards in Wilcannia, and the meeting was held on 13 October 2016 at 5:30pm at the Wilcannia Golf Club. A copy of the advertising material for the meeting is in Annexure E.

Comments received at the public meeting were taken into consideration in the preparation of the heritage survey, and there was consultation as required up until the draft heritage survey was placed on public notification for a 28 day period finishing on 31 August 2017. The public notification included advertising in the *Barrier Daily Truth*, in the *Wilcannia News* and on noticeboards.

A summary of written (including emailed) submissions received is:

- Correspondences from one of the owners of 69 Reid Street regarding the appropriate street number referencing for that property and for the various buildings on that property. Additionally, that correspondent has provided corrections regarding the naming and information about 69 Reid Street. Additionally, that correspondent seeks that attention is given to the retention and/or protection of original kerbing and guttering;
- Correspondence from the owner of 24-26 Myers Street seeking that the current heritage listing with the wrong street numbering is corrected. Additionally, various corrections were made and additional data sources were assessed based upon information provided by that correspondent;
- Correspondence from a member of the Desailly family, which is a family associated with Wilcannia. The correspondent notes that a member of the Desailly family married Edward Dickens (the youngest son of author Charles Dickens) and that Edward Dickens lived in Wilcannia. The correspondent seeks recognition of Edward Dickens' involvement with Wilcannia. The correspondent raises concern about being unable to locate historical rate books, which would show more historical information. The correspondent identifies some corrections which have been made.

Council, at its 27 September 2017 Ordinary Meeting, resolved to adopt the heritage survey subject to further minor editing and consultation with the heritage advisor.

Council, at its 25 October 2017 meeting and following further consultation with the heritage advisor, resolved to undertake additional consultation, involving public notification of Council's intent to list the proposed heritage items; public notification of Council's intent to create the Wilcannia Heritage Conservation Area; and also resolved to pursue funding opportunities for specified restoration and information management projects. Additionally, at that meeting it was reported that the owner of Big Ampy had contacted Council's heritage advisor seeking recognition of the windmill on that property.

Further consultation was carried out, ending in December 2017, including letters to individual property owners affected by proposed heritage listings. The general notification was advertised in the *Barrier Daily Truth*, in the Wilcannia News and on noticeboards in Wilcannia. It included an explanation of the proposed Wilcannia Heritage Conservation Area and of the proposed heritage items. No responses were received in response to that further consultation. However, representations were subsequently made by *Friends of White Cliffs Solar Power Station* seeking inclusion of the White Cliffs Solar Power Station, based upon past nominations for it to be a heritage item.

Council, at its 28 February 2018 meeting, took into consideration the further consultation and further advice from Council's heritage consultant and resolved to make the present planning proposal (Annexure F). Council also resolved to undertake further consultation with owners of properties that are proposed to be State listed, two of which are owned by State government agencies, one of which is owned by Council and the other of which is privately owned. The State government agencies have not replied whilst the private owner has written to raise no objection. The letters regarding proposed State listings were sent on 9 May 2018. A copy of the letter sent is out in Annexure E.

It is intended for the planning proposal to be notified by letter to the owners of all properties that are proposed to become heritage listed (except where that owner is Council); and to the owners of all properties that are proposed to be located within the Wilcannia Heritage Conservation Area. Individualised letters are to be sent to each proposed heritage listed property to explain that their property is proposed to be heritage listed and explaining how that will affect that property. A separate letter will be sent to owners of properties within the proposed Wilcannia Heritage Conservation Area (so that some property owners will receive a letter about each proposal).

There will also be advertisements digitally in the *Barrier Daily Truth*, in the Wilcannia News, and in the relevant Council branches in Menindee and Ivanhoe. Due to Covid 19 and the demise of the paper copies of the local newspapers (now digital format only) additional information may have to be distributed to residents in the form of a brochure or letter and other information sent in hard copy. This is due to the low rate of computer and smart phone use in the Central Darling Shire Council area (also lack of mobile and data coverage due to the far western NSW location).

Public notices will be placed on regularly used noticeboards across the Central Darling Local Government Area, including in White Cliffs. The planning proposal will also be explained prominently on Council's website and Facebook page. It is intended that the notification provided a 28-day period for submissions to be received. A public community consultation meeting will be held within the first week of the exhibition period in Wilcannia.

The material available for inspection in person or on Council's website will include this planning proposal and also a summary document intended for public viewing, with clear mapping, a clear summary of each proposed heritage item, a clear map of the proposed conservation area, and a clear explanation of what a heritage item is and of what a heritage conservation area is and the implications for each. The heritage survey and the report concerning White Cliffs Solar Power Station will be provided in an online form and for inspection in person.

In the material sent to owners of affected heritage properties there will be a clear description of their particular proposed heritage listing and of what heritage listing means. In the letters set concerning the heritage conservation area there will be a clear map and a clear explanation of what inclusion in the heritage conservation area means.

NSW Environment & Heritage will be notified of the Planning Proposal. All other government departments identified by the NSW Department of Planning as warranting notification will be notified.

During the notification period, the relevant Council representative will be available to take enquiries and their telephone number and a dedicated email address will be provided.

Submissions received will be collated and assessed at the completion of the notification period and will be taken into consideration. Amendments will be made to the Planning proposal if required.

PART 6. PROJECT TIMELINE

To be determined following the assessment of the planning proposal by council and the determination of the gateway process.

The anticipated project timeline is as follows, whilst noting that it is only an estimate and depends on factors outside of the control of the proponent:

Report to Council:	February 2020
Request gateway determination:	June 2020
Receive gateway determination:	July 2020
Public exhibition:	August/ September 2020
Consider submissions and make final report:	September/ October 2020
Submission to Planning NSW for Parliamentary Counsel:	October 2020
Planning proposal is made:	October 2020

PART 7. SUMMARY

This planning proposal demonstrates why it is appropriate to list the various heritage items identified, establish the Wilcannia Heritage Conservation Area and make minor corrections to the existing heritage schedule.

Implementation of the planning proposal will achieve relevant goals of the Central Darling Shire Community Strategic Plan and of the Far West Regional Plan 2036. The proposal will allow the protection of important parts of the post-Colonisation heritage of Wilcannia and will also protect two important, more modern engineering heritage items in the surrounding rangelands. The proposed heritage protections will help to promote community well-being and will also help to support tourism opportunities.

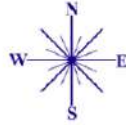
It is therefore considered that the planning proposal is worthy of support.

CENTRAL DARLING SHIRE COUNCIL

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PLANNING PROPOSAL FOR AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

LOCAL GOVERNMENT AREA: THE CENTRAL DARLING SHIRE COUNCIL

Proposed amendments to the Central Darling Local Environmental Plan 2012 to rezone 16– 34 Hood Street, Wilcannia from Zone R1 General Residential to Zone SP2 Infrastructure.



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Annexure B:	Proposed Land Use Zone Map Amendment

No	Author	Version
1	MB Town planning Pty Ltd	Version A - 20 February 2019
2	MB Town planning Pty Ltd	Version B – 12 July 2019
3	MB Town planning Pty Ltd	Version C – 20 December 2019
4	MB Town planning Pty Ltd	Version D – 15 June 2020

1. INTRODUCTION - OBJECTIVES AND INTENDED OUTCOMES

The Central Darling Local Government Area is the largest LGA in NSW by spatial extent, comprising around 53,000 square kilometres, with the smallest population, being 1,833. Its population density is due to the semi-arid climate. The main town within the Central Darling LGA is Wilcannia, centrally located within the local government area and having a population of around 745 people.

This planning proposal by Central Darling Shire Council is for submission to the New South Wales Department of Planning and Environment pursuant to Section 3.33 of the *NSW Environmental Planning and Assessment Act, 1979*.

The Planning Proposal is for amendments to be made to *Central Darling Local Environmental Plan 2012* (CDLEP2012) clarify and rezone land used for Infrastructure as SP2 Infrastructure land use zone. This planning proposal is to rezone 16-34 Hood Street, Wilcannia from Zone R1 General Residential to Zone SP2 Infrastructure (Water Supply Systems).

This planning proposal has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979 (the Act), the Standard Instrument – Principal Local Environmental Plan (Standard Instrument) and guidelines published by the Department of Planning and Environment (DP&E), including A guide to preparing planning proposals and A guide to preparing local environmental plans.

This planning proposal relates only to those matters to be amended in the Central Darling Local Environmental Plan 2012.

1.0 DESCRIPTION OF THE SITE AND LOCALITY

The planning proposal applies to land within Wilcannia town area with street address of 16-34 Hood Street, Wilcannia, and the legal description of Lot 1, DP807546 (Figure 1). The site has a rectangular configuration of dimensions 201.42 metres by 106.52 metres. The subject site has an area of 2.146 hectares. There are no easements on the site.

The site currently has two water treatment tanks, two office/ administration buildings and a shed. There are various other structures on the site for the water treatment process and communications systems (satellite dishes).



Photo 1: Photograph of Wilcannia Water Treatment Plant, taken from Hood Street (source: MB Town planning 2019)

The site - Wilcannia water treatment Plant

The subject site is owned by Central Darling Shire Council and is developed for the Wilcannia Water Treatment Plant (Wilcannia WTP).

The construction of the Wilcannia WTP was completed in 1985 and commissioned in the same year. Water is pumped from the Darling River to a raw water reservoir. The town has a dual water supply, raw (untreated) water is reticulated throughout the town for outdoor use. The raw water also gravitates through the treatment plant to produce potable (drinking) water for indoor use.

The treatment process consists of the addition of a flocculent to settle out suspended soils. Metered amounts of a mild soda are added to control the Ph (alkalinity). The water then passes through a sand filter, is chlorinated to control bacteria then pumped into the filtered water reservoir. Samples of the potable water are regularly tested to ensure compliance with Australian drinking water standards.



Figure 1: Map of Wilcannia showing location of water treatment plant (source: Six Maps)- water treatment plant is marked with star



Photo 2: Photograph of Wilcannia WTP, taken from Hood Street (source: Google Maps 2019)



Photo 3: Aerial photograph of Wilcannia WTP (source: Six Maps 2019)

1.1 STATUTORY AND STRATEGIC PLANNING CONTEXT

Central Darling Local Government Area

The location of the Central Darling Local Government Area (Central Darling LGA). It is in far-western NSW.

The Central Darling LGA is the largest local government area in NSW by spatial extent, comprising around 53,000 square kilometres, but with the smallest population, being 1,833 people according to the 2016 Australian Bureau of Statistics Census. Its low population density reflects its semi-arid nature. The main town within the Central Darling LGA is Wilcannia (a population 745 people).

The nearest substantial town to the Central Darling LGA is Broken Hill which is 198 kilometres (2 hours) road distance west of Wilcannia. Wilcannia is around 712 kilometres northeast of Adelaide and is around 950 kilometres west of Sydney, being connected to both cities by the Barrier Highway.

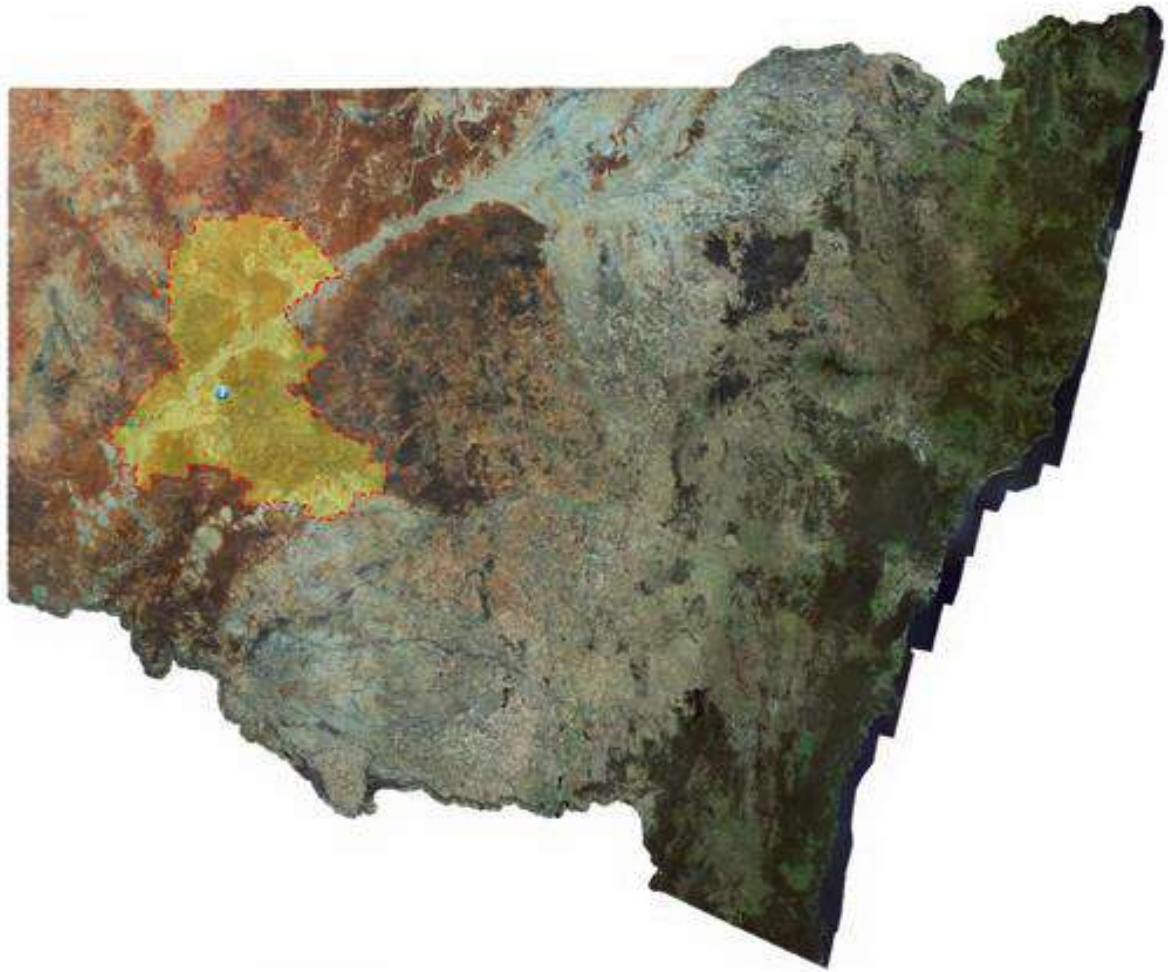


Figure 2: Location of the Central Darling LGA (highlighted in yellow) within NSW (Source: Six Maps)

The Central Darling LGA is traversed by the Darling River system, which helps support some horticultural uses around Menindee (where the Darling River forms an intermittent lake system). The Central Darling LGA is characterised by large sheep grazing properties, opal mining near to White Cliffs and seasonal tourism.

The Central Darling LGA is home to indigenous people including the Paakantji people and the Ngiyampaa people. Indigenous people are around 38 percent of the population.

The population of the Central Darling LGA has been declining with the current population of 1,833. The Central Darling LGA is affected by social and economic issues due to the remote location in far west NSW and the major issue of poor water security. Other issues are low employment levels and infrastructure maintenance challenges. However, the residents of the Central Darling LGA enjoy their remote location that provides a unique way of life.

Wilcannia is located on the north-western side of the Darling River. The Central Darling Shire is headquartered in Wilcannia. Wilcannia is a major service centre and resting place for travellers along the Barrier Highway.

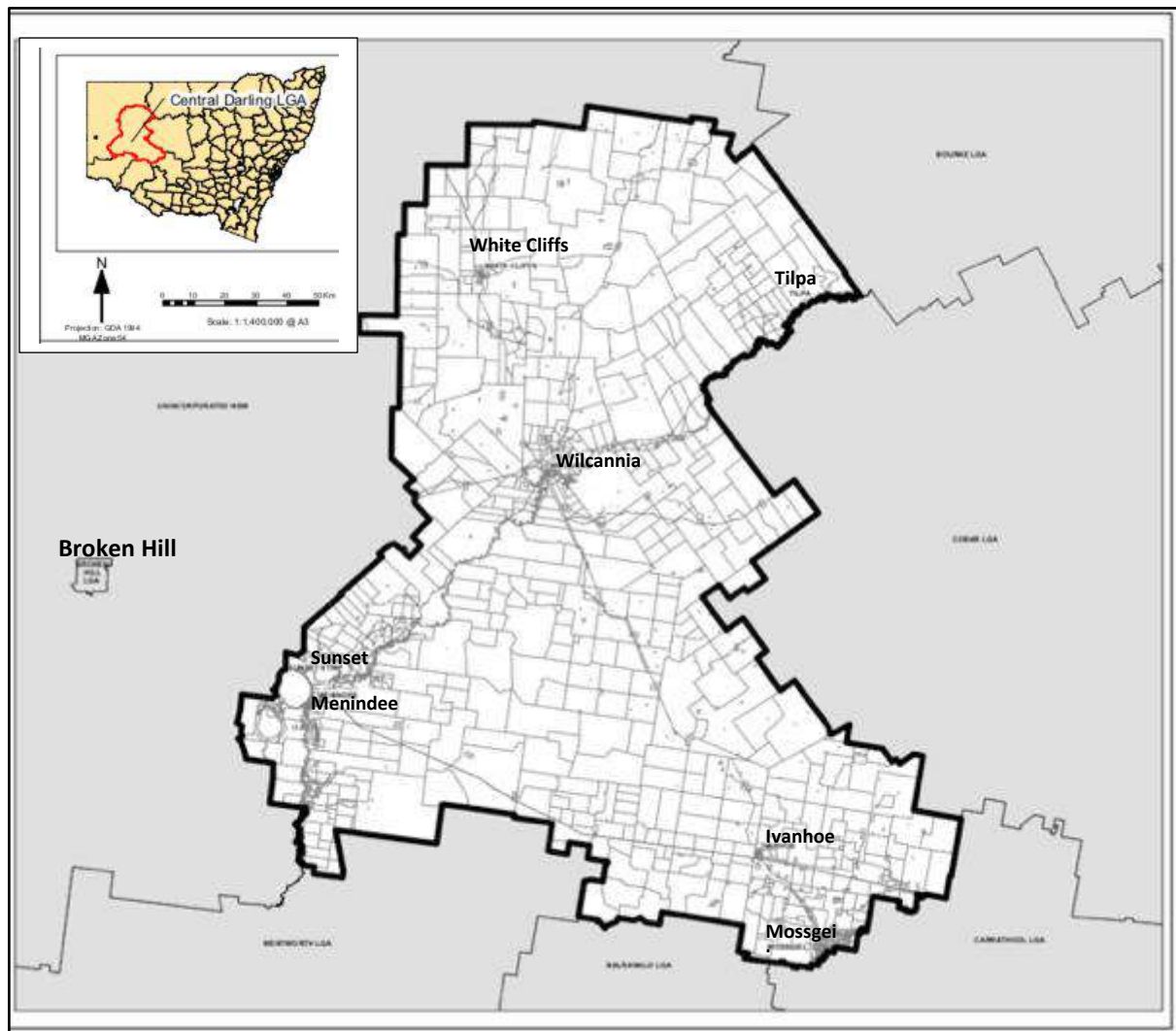


Figure 3: Location of Wilcannia, Broken Hill and the Darling River within the Central Darling LGA (source: Central Darling Local Environmental Plan 2012 application map)

1.2 Objectives and Intended outcomes

The objective and intended outcome of this planning proposal is to amend the Central Darling Local Environmental Plan 2012 (CDLEP2012) to rezone 16-34 Hood Street, Wilcannia from Zone R1 General Residential to Zone SP2 Infrastructure (Water Supply Systems). This will require an amendment to the CDLEP2012 Land Zoning Map (*Sheet LZN_006A*) as addressed in the following document.

The Water Treatment Plant is located on land zoned for R1 General Residential in the CDLEP2012. As detailed above, water treatment facilities are currently a prohibited use in the R1 General Residential zone.

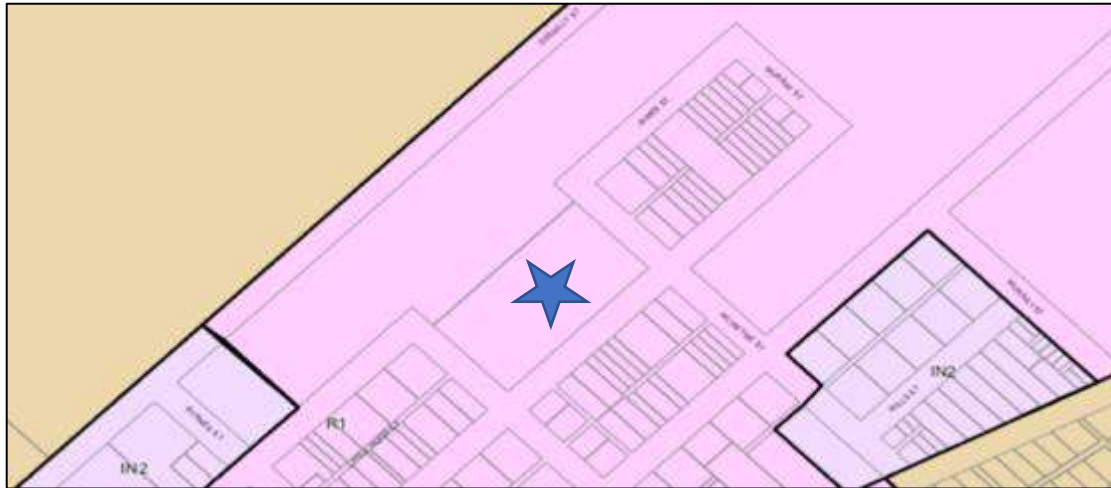


Figure 4: Extract from CDLEP2012 Land Zoning Map (Sheet LZN_006A) showing subject site marked with a star.

PART 2. EXPLANATION OF PROVISIONS FOR THE PROPOSED AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

FOR THE PROPOSED AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

The proposed amendment to the Central Darling Local Environmental Plan 2012 is to change to land zoning of the lot located at 16-34 Hood Street, Wilcannia from Zone R1 General Residential to Zone SP2 Infrastructure (Water Supply Systems). This change is to legalise the current use of the land and to enable future works to the Wilcannia Water treatment plant. Part 3 of the Environmental Planning & Assessment Act facilitates the making and amendments to Local planning instruments.

Section 3, Division 3.1 of the Act relates to strategic planning. Section 3.8(2) provides that, in preparing a planning proposal, the planning proposal authority is to give effect to any district strategic plan applying to the local government area to which the planning proposal relates or, if there is no district strategic plan, to any regional strategic plan applying to the region of which the local government area is part. In that regard, there is no district strategic plan for the Central Darling Local Government Area and the relevant regional strategic plan is the *Far West Regional Plan 2036* (FWRP2036). There is now a draft Local Strategic Planning Statement for the Central Darling Shire Council. The way in which the planning proposal gives effect to FWRP2036 is set out further below.

Section 3.13 of the Act allows the making of an environmental planning instrument for the purposes of achieving the objects of the Act. That can include an instrument that amends an existing instrument, such as the existing CDLEP2012.

The objects of the Act are set out in Section 1.3 and include, amongst other things:

- (a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,*
- (b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,*
- (c) to promote the orderly and economic use and development of land,*
- (d) to promote the delivery and maintenance of affordable housing,*
- (e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,*
- (f) to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),*

- (g) to promote good design and the amenity of the built environment,*
- (h) to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,*
- (i) to promote the sharing of responsibility for environmental planning and assessment between different levels of government in the State,*
- (j) to provide increased opportunity for community participation in environmental planning and assessment.*

The present planning proposal directly achieves object (c) to promote the orderly and economic use and development of the land. This is because the subject site is currently developed for the Wilcannia WTP but is zoned for R1 General Residential.

Section 3.14 relates to the contents of environmental planning instruments and allows an environmental planning instrument to (amongst other things) make provision for:

- (a) protecting, improving or utilising, to the best advantage, the environment
- (b) controlling (whether by the imposing of development standards or otherwise) development

The planning proposal to rezone the subject site from R1 General Residential to SP2 Infrastructure (Water Supply Systems) is consistent with Section 3.14 clauses (a) and (b).

Section 3.20 relates to the standardisation of environmental planning instruments and provides for a process whereby the *Standard Instrument – Principal Local Environmental Plan* (the Standard Instrument) is to be used. CDLEP2012 is in the form of the Standard Instrument. Section 3.20(6) provides that the instrument may be amended by another amending instrument. The planning proposal involves the rezoning of the subject site in the CDLEP2012 Land Zoning Map (Sheet LZN_006A) from Zone R1 General Residential to Zone SP2 Infrastructure (Water Supply Systems).

Part 3, Division 3.4 of the Act relates to local environmental plans, which are a type of environmental planning instrument. Under Section 3.31, a “local plan making authority” may make a local environmental plan for its local government area. That “local plan making authority” in this instance is Central Darling Shire Council. Under section 3.34, Central Darling Shire Council is also a “planning proposal authority”.

Under Section 3.33, before making a local environmental plan, the planning proposal authority is required to prepare “a document that explains the intended effect of the proposed instrument and sets out the justification for the making of the proposed instrument”, being the planning proposal. It must include:

- (a) a statement of the objectives or the intended outcomes of the proposed instrument,*
- (b) an explanation of the provisions that are to be included in the proposed instrument,*
- (c) the justification for those objectives, outcomes and provisions and the process for their implementation (including whether the proposed instrument will give effect to the local strategic planning statement of the council of the area and will comply with relevant directions under section 9.1),*
- (d) if maps are to be adopted by the proposed instrument, such as maps for proposed land use zones; heritage areas; flood prone land – a version of the maps containing sufficient detail to indicate the substantive effect of the proposed instrument,*
- (e) details of the community consultation that is to occur before the making of the proposed instrument.*

The Planning Secretary may issue requirements in respect to the preparation of a planning proposal. No such requirements have been issued at this time. Central Darling Shire Council does not have a strategic planning statement at this time.

2.0 Far West Regional Plan 2036

Far West Regional Plan 2036 is the relevant strategic plan for the Central Darling LGA. The purpose of Central Darling Local Environmental Plan 2012 and amending instruments such as presently proposed is to give effect to **Far West Regional Plan 2036**.

The Far West Region includes seven local government areas and the unincorporated area of far western NSW. The Central Darling LGA is centrally located within that region. It covers 323,477 square kilometres, which comprises 40 percent of NSW.

For the purposes of the FWRP2036, Wilcannia is identified as a “centre”, compared to Broken Hill which is a “strategic centre”. Wilcannia is the only “centre” identified within the Central Darling LGA.

The NSW Government’s vision for the Far West Region is to create “...a diverse economy, supported by the right infrastructure, an exceptional natural environment and resilient communities.”¹

There are goals arising from that vision, being:

- *“Goal 1 - A diverse economy with efficient transport and infrastructure networks*
- *Goal 2 - Exceptional semi-arid rangelands traversed by the Barwon-Darling River*
- *Goal 3 - Strong and connected communities”*²

The planning proposal to rezone the site of the Wilcannia WTP from Zone R1 General Residential to Zone SP2 Infrastructure (Water Supply Systems) is particularly relevant to the first and third goals.

In commentary about management of water resources under the goal 1 - direction 9, the FWRP2036 recognises that

*“The availability of water and the security of its supply is critical for the region. Water is a key input for agriculture and mining, as well as for community sustainability.”*³

The focus of the plan is mainly on the coordinated approach to water resource management across environmental, industrial and residential uses, as follows:

*“The focus for the future is to appropriately locate, monitor and manage development to protect the security of the region’s water supplies.”*⁴

In commentary about management of water resources under the goal 3 - direction 20, the FWRP2036 relates to the management and conservation of water resources for communities. The commentary recognises that water supply is critical for communities and to support development and industry growth. Furthermore, it outlines the responsibilities for water supply and sewerage services, as follows:

*“At the local level, water supply and sewerage services are provided by councils...These services operate within guidelines issued by the Department of Industry to secure drinking water supplies for country towns and to assist regional water utilities to meet standards for water supply and sewerage services.”*⁵

In commentary about management of water resources under goal 3 - direction 24, of the FWRP2036 relates to healthy built environments and specifies that:

1 Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

2 Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

3 Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

4 Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

5 Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

“Councils need to promote water sensitive urban design techniques to improve water use planning and supply, and water security. Wastewater can be re-used on parks, gardens and reserves, or to supplement agricultural uses. The Far West can become a leader in applying water sensitive design techniques.”⁶

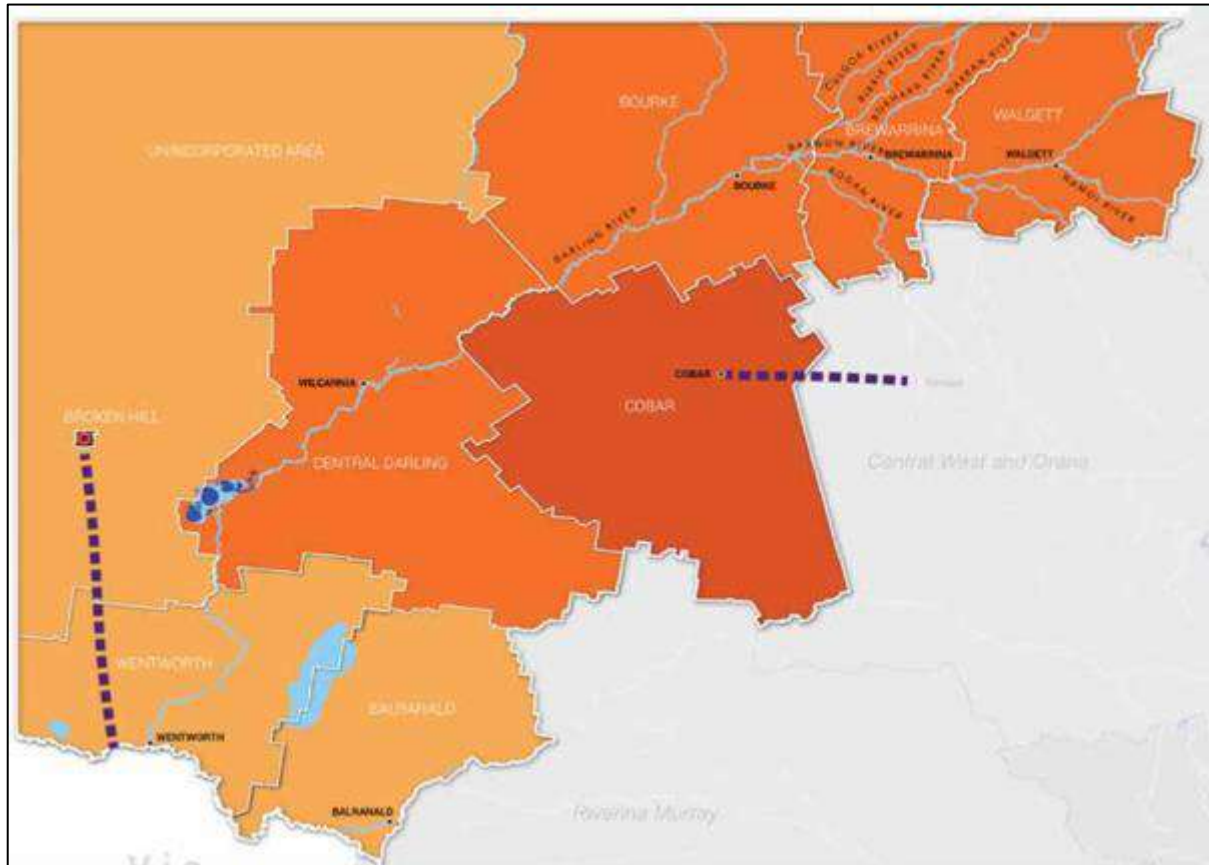


Figure 5: Far West Regional water resources Plan - Far West Regional Plan 2036 (source: New South Wales Department of Planning and Environment Website 2019)

2.1 RELEVANT STATE ENVIRONMENTAL PLANNING POLICIES

State Environmental Planning Policy (Infrastructure) 2007

State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) was introduced to facilitate the delivery of infrastructure across NSW by improving regulatory certainty and efficiency. The Infrastructure SEPP has specific planning provisions and development controls for different types of infrastructure including water supply systems.

Part 3, Division 24 of the Infrastructure SEPP relates to water supply systems and clause 124 specifies that the terms water reticulation system, water storage facility, water supply system and water treatment facility have the same meanings as in the standard Instrument. The definitions of water supply system and water treatment facility in the Standard Instrument are as follows:

“water supply system means any of the following:

- (a) a water reticulation system,
- (b) a water storage facility,
- (c) a water treatment facility,

⁶ Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

(d) a building or place that is a combination of any of the things referred to in paragraphs (a)–(c).

water treatment facility means a building or place used for the treatment of water (such as a desalination plant or a recycled or reclaimed water plant) whether the water produced is potable or not, and includes residuals treatment, storage and disposal facilities, but does not include a water recycling facility.

Note. Water treatment facilities are a type of **water supply system**—see the definition of that term in this Dictionary.”⁷

Standard Instrument – Principal Local Environmental Plan

The Standard Instrument - Principal Local Environmental Plan (Standard Instrument) sets out thirty-five standard zones for councils to use when preparing local environmental plans (LEPs) for their local government area. This includes Zone SP2 Infrastructure, with the following zone objectives:

- To provide for infrastructure and related uses.
- To prevent development that is not compatible with or that may detract from the provision of infrastructure.

LEP practice note PN 11-002 provides an overview of the general purpose of each zone. It states that the general purpose of the SP2 Infrastructure zone is for infrastructure land that is highly unlikely to be used for a different purpose in the future. It further specifies that the Standard Instrument definition for the primary use must be applied to the Land Use Zoning map annotation. This is clarified in LEP PN 10-001 Zoning for Infrastructure in LEPs, as set out below.

LEP Practice Note (PN 10-001) Zoning for Infrastructure in LEPs

The purpose of this practice note is to provide guidance to councils on zoning public infrastructure in standard instrument local environmental plans. It also updates the information provided for Special Purpose ‘SP’ zones, including SP2 Infrastructure.

The practice note specifies that prior to zoning infrastructure land in new LEPs, the following steps should be taken:

“Prior to zoning infrastructure land in new LEPs, the following steps should first be taken:

- Identify whether the **infrastructure type** is covered in the Infrastructure SEPP, including facilities whether the SEPP provisions are associated with public or private infrastructure.
- Identify whether the infrastructure is **currently operating** or is no longer used; whether the land is intended for other future infrastructure purposes or whether the land is now considered to be **surplus public land**.

The Infrastructure SEPP identifies the prescribed zones for various types of infrastructure. This should act as a guide when determining the choice of zone for particular uses.”⁸

In regard to the above, the infrastructure type is covered in the Infrastructure SEPP as a water treatment facility and it is currently operating.

Principle 4.2 –of the Practice Note specifies that the land uses in zones Special Purpose Zones should be annotated on the Land Zoning Map. This annotation should use the infrastructure categories contained in the Infrastructure SEPP or the Standard Instrument dictionary, rather than the specific type of infrastructure. It goes on to clarify that for water treatment facilities the infrastructure category to be used on the land zoning map is water supply system (Figure 7).

⁷ State Environmental Planning Policy (Exempt and Complying Development) 2008 – sourced from Legislation website NSW 2019)

⁸ LEP PN 10-001 Zoning for Infrastructure in LEPs - Department of Planning, Industry and Environment website – 2019.

Infrastructure categories to be used on land zoning maps *	Examples of infrastructure type
Air transport facility	airports, heliport
Correctional centre	prisons, remand centre, detention centre
Educational establishment	high school, primary school, TAFE, university
Health services facility	hospitals, medical centres
Waste or resource management facility	landfill, waste transfer station, waste depot
Water supply system	dams, reservoirs, water treatment facilities

Figure 7: Infrastructure categories to be used on land zoning maps (Source: LEP Practice Note – PN 10-001, Principle 4.1)

2.2 MINISTERIAL DIRECTIONS

Ministerial directions are issued under Section 9.1 of the Environmental Planning and Assessment Act (formerly Section 117 Directions). Local councils must follow these Directions when preparing planning proposals for new LEPS. The Directions cover the following broad categories:

- employment and resources
- environment and heritage
- housing, infrastructure and urban development
- hazard and risk
- regional planning
- local plan making.
- Metropolitan planning

This planning proposal must address whether the implementation of the planning proposal will comply with Ministerial Directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

The Ministerial Directions relevant to this planning proposal are discussed below.

Part 1 of the directions relates to employment and resources.

Part 1.1 of the directions relates to business and industrial zones. It applies where a planning proposal will affect any existing business or industrial zone. The planning proposal does not affect any business or industrial zones.

Part 1.2 of the directions relates to rural zones. It applies where a planning proposal will affect land in an existing or proposed rural zone. The land is not a rural zone so does not relevant to the planning proposal.

Part 1.3 of the directions relates to mining, petroleum production and extractive industries. It seeks to ensure that land is not rezoned in a way that will compromise the potential extraction of minerals and the like. The direction applies where a planning proposal would prohibit the extraction of minerals or the like or restrict such activities by permitting a form of development that would be incompatible with those activities. The

direction is not applicable because the planning proposal would not permit any different land use to the land uses that are already permitted.

Part 1.4 of the directions relates to rural lands. It applies to any planning proposal that seeks to change zone boundaries for rural or environment protection zone lands or to change the minimum lot size for such lands. The direction does not apply to the planning proposal.

Part 2 of the directions relates to environment and heritage.

Part 2.1 of the direction relates to environment protection zones. It provides that a planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas and must not reduce the extent of existing environment protection zones. The direction does not have to be complied with for matters of minor significance. In that regard, the proposal does not affect existing environment protection zones and is of minor significance. The direction therefore does not apply to the planning proposal.

Part 2.2 of the direction relates to coastal management and is not applicable.

Part 2.3 relates to heritage conservation. Its objective is to conserve items, areas and places of environmental heritage significance and indigenous heritage significance. The planning proposal does not affect any land that is of environmental or indigenous heritage significance of an item, and area, object or a place conserved by an environmental planning instrument, legislation or regulations. The planning proposal only makes the current use – Water treatment facility permissible on the land.

The planning proposal complies with and achieves the objectives of the direction.

Part 2.4 relates to recreation vehicle areas and is not relevant to the planning proposal.

Part 2.5 relates to a different area and is not applicable.

Housing, infrastructure and urban development:

Part 3.1 relates to residential zones. This direction applies when a planning authority prepares a planning proposal that will affect land within an existing or proposed residential zone. The planning proposal will affect land zoned R1 General Residential and it therefore relevant to the planning proposal. However, the direction is not applicable where the provisions that are inconsistent are of minor significance. In that regard, the planning proposal will not significantly affect housing outcomes as the subject site is already developed for the Wilcannia Water Treatment Plant. The planning proposal is not removing residential land from the CDLEP2012 that would otherwise be available for housing as it has been used for water treatment works and public works for over 30 years.

Hazard and risk:

Part 4.1 relates to acid sulfate soils. The planning proposal does not affect any classified acid sulfate soil land.

Part 4.2 relates to mine subsidence and unstable land. The subject site is not affected by mine instability or subsidence.

Part 4.3 relates to flood prone land and restricts specified rezonings within flood prone areas. The subject site is not affected by flood prone land.

Part 4.4 relates to planning for bushfire protection. The subject site is not bushfire prone land.

Local plan making:

Part 6.1 relates to approval and referral requirements and provides that a planning proposal must minimise the reliance upon concurrence authorities and restricts the use of designated development categories. The planning proposal does not involve development requiring concurrence and does not introduce any new category of designated development. The planning proposal is therefore consistent with that direction as the planning proposal is legalising the current use of the land for water treatment works.

Part 6.2 relates to the reservation of land for public purposes and is not applicable, as the land is already public land and used for public purpose. The planning proposal regularises the current use of the land for the water treatment works.

Part 6.3 relates to site specific provisions. The planning proposal does not include such provisions.

Part 7 relates to metropolitan planning and is not relevant to the planning proposal.

2.3 LOCAL PLANNING CONTROLS - Central Darling Local Environmental Plan 2012

The proposal is considered consistent with the clause 1.2(2)(d) of the Central Darling Local Environmental Plan 2012 (CDLEP2012) which aims to “to minimise land use conflict.” This is because the existing use of the site for the WTP conflicts with the zoning of the site for R1 (General Residential). The purpose of the planning proposal therefore, is to regularise the zoning of the subject site for SP2 Infrastructure, for a water supply system use.

The objectives of Zone R1 General Residential follow:

- *To provide for the housing needs of the community.*
- *To provide for a variety of housing types and densities.*
- *To enable other land uses that provide facilities or services to meet the day to day needs of residents.*
- *To minimise land use conflict between land uses on land within the zone and land uses on land within adjoining zones.*

Water treatment facilities are prohibited in this zone.

The objectives of Zone SP2 Infrastructure follow:

- *To provide for infrastructure and related uses.*
- *To prevent development that is not compatible with or that may detract from the provision of infrastructure.*

Water treatment facilities are permitted with consent in the SP2 Infrastructure zone if the purpose is shown on the Land Zoning Map. This includes any development that is ordinarily incidental or ancillary to development for that purpose.

There are no further provisions of the CDLEP2012 of particular relevance to the planning proposal.

There is no Central Darling Development Control Plan and there is no other relevant Development Control Plan.

2.4 THE PROPOSED PROVISIONS

The proposed outcome will be achieved by the rezoning of the land, as follows:

Land Use	Street address	Lot & DP	Current zoning	Proposed zoning
Water treatment facility	16-34 Hood Street, Wilcannia	Lot 1, DP807546	R1 General Residential	SP2 Infrastructure (Water Supply Systems)

PART 3 - JUSTIFICATION FOR THE PROPOSED AMENDMENTS

3.0 – DEMONSTRATE JUSTIFICATION FOR THE PLANNING PROPOSAL

1. Is the planning proposal a result of any strategic study or report?

The planning proposal is a result of Central Darling Shire Council prepared an expression of interest (EOI)(February 2018) for an application to the NSW Government to obtain funding under the Safe and Secure Water Program (Annexure A). The EOI was for funding to replace the Wilcannia WTP. The EOI was submitted as the existing Wilcannia WTP constructed in 1986 is reaching the end of its service life. Part of the funding condition is that the public infrastructure (water treatment works) must be permissible with consent on the land. This has resulted in the need to rezone the land from Zone R1 General Residential to SP2 Infrastructure

to enable the current and future use of the land for water treatment works to be permitted on the land under the Central Darling Local Environmental Plan 2012.

The submission explained the reasons why the WTP needs replacement, as follows:

The Wilcannia WTP is aging and cannot reliably produce drinking water that meets the Australian Drinking Water Guidelines (ADWG) on a continuous basis. The current plant is costing the Central Darling Shire Council significant funds in ongoing maintenance and repairs and without an upgrade, has the potential for failure which could result in public health issues for the community of Wilcannia.

The Council has been invited by the NSW Government to submit a detailed application for the funding.

As outlined in Part 5 above, the CDLEP2012 prohibits water treatment facilities within Zone R1 General Residential. However, the proposed rezoning to SP2 Infrastructure will allow for the replacement of the Wilcannia WTP on the subject site.

The EOI application provides information on the benefits that the replacement WTP will provide for the council, the community and the plant employees, as follows:

- *Consistently produce treated water that is safe to drink & protects public health*

The Wilcannia water supply is exposed to the following threats that could lead to the treated water quality not meeting the requirements as set out in Council's Drinking Water Management Plan.

- Algal Blooms and associated taste, odours and toxins due to stagnation of water in the weir pool.

- High colour and turbidity in the raw water extracted from the weir pool which is exacerbated during extreme wet weather events and prolonged dry periods.

A new plant would be designed to consistently meet the Critical Control Point (CCP) targets and produce water that is safe to drink even during these events that lead to adverse raw water quality.

- *Improved reliability and ensures continuous water supply to the community*

The age and condition of the existing plant equipment means that the equipment has reached the end of its useful life. As the plant is manually operated it cannot reliably meet the CCP targets and produce water that is safe to drink. As a result, there is a greater reliance on manual operation requiring highly skilled operators that are difficult to attract in this remote regional area.

A new plant will be built to the improved design standards with the latest and modern equipment and control system and will be fully automated, requiring less operator intervention. This will significantly improve the quality of water produced and reliability of the plant.

- *Regulatory Requirement – Provides a safe workplace for Council staff*

The Work Health and Safety Act aims to secure the health and safety of workers and workplaces by protecting workers and other persons against harm to their health, safety and welfare through the elimination, or minimisation of risks arising from work. According to the Act Council has a 'primary duty of care' to ensure the health and safety of its workers. Operation of the current plant involves substantial manual handling and operational housekeeping. There are several work health and safety risks to operational staff at the plant and Council would be failing in its primary duty of care stated in the Act. A new plant would be designed to eliminate or mitigate all WHS risks to operating staff and provide a substantial improvement in workplace health and safety.

- *Operational cost reduction*

There are ongoing failures and breakdowns which require repairs. There is also the need for additional staffing to ensure WHS compliance and safety. Construction of a new plant will reduce these costs substantially presenting a significant saving to Council and the ratepayers.

Depending on the technology selected, a new plant can result in significant reductions in operating costs. A new WTP will operate more efficiently potentially resulting in lower electricity requirements. This represents a significant saving to Central Darling Shire Council.

2. Is the planning proposal the best means of achieving the objectives or intended outcomes; or is there a better way?

The planning proposal is the best means of achieving the objective, as the subject site is already developed for the Water Treatment Plant (WTP). The WTP was built on the site in 1985 and has been operational since that time. Relocating the WTP to a new site would mean that the infrastructure connections for the incoming raw water and outgoing treated water to the town's reticulated system would need to be replaced.

In addition, there is no shortage of housing land in Wilcannia and the rezoning of the subject site from Zone R1 General Residential to SP2 Infrastructure will not impact upon land for housing supply.

3.1 SECTION B – RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK

3. Is the proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (including any exhibited draft plans or strategies)?

The Far West Regional Plan 2036 (FWRP2036) is the regional plan for the Central Darling LGA.

The NSW Government's vision for the Far West Region is to create "...a diverse economy, supported by the right infrastructure, an exceptional natural environment and resilient communities."

There are goals arising from that vision, being:

- Goal 1 - A diverse economy with efficient transport and infrastructure networks
- Goal 2 - Exceptional semi-arid rangelands traversed by the Barwon-Darling River
- Goal 3 - Strong and connected communities

The planning proposal facilitates the more efficient and improved infrastructure for Wilcannia by updating and improving the water treatment plant, so meets the objective of improving infrastructure networks of water treatment works therefore goal 1.

4. Is the proposal consistent with a council's local strategy or other local strategic plan?

The Local Strategic plan is in draft, however the planning proposal is in line with the objectives and is consistent with the Draft Local Strategic Plan and the Community Strategic Plan for the Central Darling Shire Council.

5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

The State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) is relevant to the proposal. Division 24 of the Infrastructure SEPP relates to water supply systems. The relevant sections are discussed in earlier in this report - Statutory and strategic planning context. The planning proposal meets the requirements and objectives of the relevant state policies.

6. Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 directions)?

Ministerial Directions are addressed earlier in this report - Statutory and strategic planning context, the planning proposal meets the requirements of the Ministerial directions.

3.2 SECTION C – ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No. The planning proposal is unlikely to adversely impact on any critical habitat, threatened species, population or ecological communities or their habitats as the proposed rezoning of land is within the established Wilcannia residential area, and is located on a Crown Reserve lot classified Community land for community use.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

There are no likely negative environmental planning effects as a result of this planning proposal. The positive impacts on the environment can be summarised, as follows:

The new WTP at Wilcannia achieve the following outcomes:

- consistently produce water that meets the relevant guidelines and requirements
- appropriately treat the wastewater from the plant and reduce the impact to the environment

These outcomes are described in detail in Section A(1) above.

9. Has the planning proposal adequately addressed any social and economic effects?

The social and economic benefits of the planning proposal are addressed in Section A(1) above. The new WTP at Wilcannia achieve the following outcomes:

- operate reliably
- be fully automated and have less reliance on operator intervention
- be able to meet the service levels for the water supply scheme
- address all work health and safety issues and provide a safe workplace for council staff

The clarification of the legal use of the subject site will remove substantial red tape (so reduces additional development process costs) for future uses of the land by council, particularly for the water treatment plant and the satellite dishes. This lot has a historic land use – water treatment plant and facility which is a community use, the rezoning of the land to SP2 Infrastructure establishes a clear legal use of the land.

3.2 SECTION D – STATE AND COMMONWEALTH INTERESTS

10. Is there adequate public infrastructure for the planning proposal?

The planning proposal is for new public infrastructure. An EOI application has been made to the NSW Government's Safe and Secure Water Program to fund this infrastructure project.

The lot is currently used for the water treatment plant with a number of water tanks and other council and telecommunications infrastructure on the lot. Therefore, the proposed extension of the water treatment plant and the installation of up to date equipment improves the public infrastructure for Wilcannia.

11. How many lots or hectares of residential or employment land are proposed?

The proposal rezones residential land to SP2 Infrastructure land, there is no loss of residential land as this Crown Reserve land is already used for Water Treatment works and other public infrastructure uses.

12. What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination, and have they resulted in any variation to the planning proposal?

Any Gateway Determination issued will specify relevant Commonwealth and State agencies to be consulted.

The planning proposal seeks to amend the written instrument LEP and includes amendments to the land use zone map of the Central Darling Local Environmental Plan 2012.

It is considered appropriate that any Gateway Determination issued requiring public exhibition of the Planning Proposal for a minimum of 28 days, in accordance with the requirements of the *Environmental Planning and Assessment Regulation 2000*.

The Central Darling Shire Council has engaged MB Town Planning to prepare the draft planning proposal for the gateway determination.

To MB Town Planning's knowledge, there has been no consultation at this stage with State and Commonwealth public authorities, other than the request by the NSW State Government to change the land use zone to enable the water treatment plant/ facility to be permissible on the land with consent.

3.4 SECTION E – RECLASSIFICATION OF PUBLIC LAND

13. Is the planning proposal a result of any strategic study or report?

The planning proposal is the result of a State Government funded project, Central Darling Shire Council prepared an expression of interest (EOI) application to the NSW Government for funding under the Safe and Secure Water Program (Annexure A). The EOI was for funding to replace the Wilcannia WTP, part of the funding requirement is that the proposed works are permitted with consent on the land. The planning proposal is to change the land zoning from R1 General Residential to SP2 Infrastructure zoning, this will assist in meeting the funding requirements and facilitate future work to the facility which can be undertaken with less red tape, thus producing financial and time savings for council.

The CDLEP2012 prohibits water treatment facilities within Zone R1 General Residential. However, the proposed rezoning to SP2 Infrastructure will allow for the replacement of the Wilcannia WTP on the subject site.

The EOI application provides information on the benefits that the replacement WTP will provide for the council, the community and the plant employees, as follows:

- *Consistently produce treated water that is safe to drink & protects public health*
- *The Wilcannia water supply is exposed to the following threats that could lead to the treated water quality not meeting the requirements as set out in Council's Drinking Water Management Plan.*
- *Improved reliability and ensures continuous water supply to the community*
- *Regulatory Requirement – Provides a safe workplace for Council staff*
- *Operational cost reduction*
- *Depending on the technology selected, a new plant can result in significant reductions in operating costs. A new WTP will operate more efficiently potentially resulting in lower electricity requirements. This represents a significant saving to Central Darling Shire Council.*

14. Is the planning proposal consistent with the local council's community plan, or other local strategic plan?

The planning proposal is for the rezoning of residential land to Infrastructure land within the *Central Darling Local Environmental Plan 2012*, this change is to facilitate and improve works to the Wilcannia's water treatment plant and facility which benefits the community. The amendments are consistent with the Central Darling Community Plan and the Draft Central Darling Local Strategic Plan as it has a positive effect for the community, the provision of a cleaner water supply, and saves the council money with the use of better and more efficient water treatment infrastructure.

15. If the provisions of the planning proposal include the extinguishment of any interests in the land, an explanation of the reasons why the interests are proposed to be extinguished.

The planning proposal changes the current land use of the lot from R1 General Residential zone to SP2 Infrastructure. The land has historically been used for community land/ infrastructure uses. The planning proposal is considered important to make the current land use of the Water Treatment Plan to be the lawful use of the land. This also reduces future red tape for any development that may occur on the relevant land in relation to public infrastructure uses.

16. The concurrence of the landowner, where the land is not owned by the relevant planning authority.

The planning proposal changes the land use from residential to infrastructure to legalise the use of the land for water treatment works. The land owner is Central Darling Shire Council. All adjoining

landowners and residents of Wilcannia will be consulted with the proposed amendments to the *Central Darling Local Environmental Plan 2012*.

PART 4. PROPOSED CHANGES TO THE CDLEP MAPPING

Draft mapping has been provided (Annexure B) as part of this proposal to detail the proposed amendment to the Central Darling Local Environmental Plan 2012 Land Zoning Map (Sheet LZN_006A).

The draft mapping will form the basis for the preparation of the amended Land Use Zoning Map as part of the implementation of the planning proposal.

PART 5. COMMUNITY CONSULTATION

It is intended for the planning proposal to be notified by letter to the owners of all properties that are affected or adjacent to the subject site. (except where that owner is Council).

Individualised letters are to be sent to each residential property to explain how the changes to the Central Darling Local Environmental Plan 2012, by the change in land zoning from R1 General Residential zone to the SP2 Infrastructure land use zone. This change in land use zone will make the current use of the land for the water treatment plant and other council infrastructure uses to be permitted with consent.

The notification to the residents of Central Darling Shire Council area will be by advertisements digitally in the Barrier Daily Truth, in the Wilcannia News, and in the relevant Council branches in Wilcannia, Menindee and Ivanhoe. Due to Covid 19 and the demise of the paper copies of the local newspapers (now digital format only) additional information may be distributed to residents in the form of a brochure or letter and other information sent in hard copy. This is due to the low rate of computer and smart phone use in the Central Darling Shire Council area (also lack of mobile and data coverage due to the far western NSW location).

Public notices will be placed on regularly used noticeboards across the Central Darling Local Government Area, (Menindee, Wilcannia, Ivanhoe, White Cliffs, Tilpa). The planning proposal will also be explained prominently on Council's website and Facebook page. It is intended that the notification provides a 28-day period for submissions to be received. A public community consultation meeting will be held within the first week of the exhibition period in Wilcannia.

The material available for inspection in person or on Council's website will include this planning proposal and also a summary document intended for public viewing with a clear summary (in plain English) of each of the proposed amendments.

During the notification period, the relevant Council representative will be available to take enquiries and their telephone number, and a dedicated email address will be provided.

Submissions received will be collated and assessed at the completion of the notification period and will be taken into consideration. Amendments will be made to the Planning proposal if required.

PART 6. PROJECT TIMELINE

To be determined following the assessment of the planning proposal by council and the determination of the gateway process.

The anticipated project timeline is as follows, whilst noting that it is only an estimate and depends on factors outside of the control of the proponent:

Report to Council:	February 2020
Request gateway determination:	June 2020
Receive gateway determination:	July 2020
Public exhibition:	August/ September 2020

Consider submissions and make final report:	September/ October 2020
Submission to Planning NSW for Parliamentary Counsel:	October 2020
Planning proposal is made:	October 2020

PART 7. SUMMARY

This planning proposal requests the rezoning of 16–34 Hood Street, Wilcannia from Zone R1 General Residential to Zone SP2 Infrastructure.

The proposed rezoning will allow for the replacement of the Wilcannia Water treatment plant (WTP) on the subject site. The existing R1 General Residential zone prohibits the use of the site for water treatment facilities. The subject site therefore, cannot be further developed for a new water treatment plant without the rezoning of the site to Zone SP2 Infrastructure (requirement for Government funding for project).

The Wilcannia Water treatment plant is ageing and cannot reliably produce drinking water that meets the Australian Drinking Water Guidelines (ADWG) on a continuous basis. The current plant is costing the Central Darling Shire Council significant funds in ongoing maintenance and repairs, and without an upgrade has the potential for failure which could result in public health issues for the community.

A new Water Treatment Plant at Wilcannia can achieve the following outcomes:

- consistently produce water that meets the relevant guidelines and requirements
- appropriately treat the wastewater from the plant and reduce the impact to the environment
- operate reliably
- be fully automated and have less reliance on operator intervention
- be able to meet the service levels for the water supply scheme
- address all work health and safety issues and provide a safe workplace for council staff

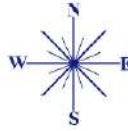
For the reasons outlined above and presented in detail in this report, the planning proposal to rezone the land from general residential R1 to Infrastructure SP2 should be supported.

CENTRAL DARLING SHIRE COUNCIL

CONSTITUTED 1 MAY 1959
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PLANNING PROPOSAL FOR AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

LOCAL GOVERNMENT AREA: THE CENTRAL DARLING SHIRE COUNCIL

Proposed amendments to the Central Darling Local Environmental Plan 2012 to amend the land use table



New Wilcannia park with heritage 1890 water supply tank

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ANNEXURES

Annexure A: Comprehensive Planning Proposal for to amend the Central Darling Local Environmental Plan 2012 land use table. This report includes - assessment against State Environment Planning Policies and - assessment against Section 9.1 Local Planning Directions.

Annexure B: Council Report and Minute (xxx 2020)

No	Author	Version
1	MB Town planning Pty Ltd	Version A – 20 November 2019
2	MB Town planning Pty Ltd	Version B – 20 December 2019
3	MB Town planning Pty Ltd	Version C – 20 March 2020
3	MB Town planning Pty Ltd	Version D – 9 June 2020

1. INTRODUCTION - OBJECTIVES AND INTENDED OUTCOMES

This is a planning proposal prepared by Central Darling Shire Council for submission to the NSW Department of Planning and Environment pursuant to Section 3.33 of the *NSW Environmental Planning and Assessment Act, 1979*.

Proposed amendments to The Central Darling Local Environmental Plan 2012 (Amendment No (#)).

The Planning Proposal is to amend the Central Darling Local Environmental Plan 2012 (CDLEP2012) to clarify permitted land uses for various Crown Reserves within the Central Darling Local Government area. And to rectify administrative errors within the Local Environmental Plan permitted land uses within certain land use zones.

The subject land is located within Central Darling Shire Local Government area within the townships of Wilcannia, Menindee, Tilpa, Ivanhoe and White Cliffs.

1.0 DESCRIPTION OF THE SITE AND LOCALITY

The planning proposal applies to land within the towns of Wilcannia, Menindee, Tilpa, Ivanhoe and White Cliffs. This issue of prohibited land uses particularly Crown Reserve Lots, has been identified during the Crown Reserves Plan of Management Project. The direction to resolve the prohibited land uses is from the Department of Primary Industries within the larger Department of Environment, Primary Industries and Environment.

The problem to be resolved under the planning proposal relates to the existing land uses on a number of lots being prohibited within the land use zone, this applies to various crown reserve lots and other lots across the Central Darling Shire Local Government Area. The planning proposal directly seeks to clarify and correctly identify the land use within the current land use zone. This is deemed necessary by Central Darling Shire Council due to any works on these sites currently requiring justification by the use of existing use rights and in certain cases using the State Environmental Planning Policy (Infrastructure), to support development to these affected lots.

The planning proposal to amend the Central Darling Local Environmental Plan 2012 land use table is viewed as the most efficient way to regularise the current land use and facilitate any future works to the subject sites (Rubbish / waste disposal facilities, Community Centres, Air transport facilities, car parks, public administration buildings, commercial premises etc).

This planning proposal has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979 (the Act), the Standard Instrument – Principal Local Environmental Plan (Standard Instrument) and guidelines published by the Department of Planning and Environment (DP&E), including A guide to preparing planning proposals and A guide to preparing local environmental plans.

This planning proposal relates only to those matters to be amended in the Central Darling Local Environmental Plan 2012.

The objective and intended outcome is to legalise the current land use and enable any future development on the affected lots, to be permitted with consent under the Central Darling Local Environmental Plan 2012 land use table.

1.1 STATUTORY AND STRATEGIC PLANNING CONTEXT

Central Darling Local Government Area

The location of the Central Darling Local Government Area (Central Darling LGA) is shown in Figure 4. It is in far-western NSW.

The Central Darling LGA is the largest local government area in NSW by spatial extent, comprising around 53,000 square kilometres, but with the smallest population, being 1,833 people according to the 2016 Australian Bureau of

Statistics Census. Its low population density reflects its semi-arid nature. The main town within the Central Darling LGA is Wilcannia (Figure 5), centrally located within the local government area and having a population of around 745 people.

The nearest substantial town to the Central Darling LGA is Broken Hill (Figure 5), a 198 kilometre (2 hours) road distance west of Wilcannia. Wilcannia is around 712 kilometres northeast of Adelaide and is around 950 kilometres west of Sydney, being connected to both cities by the Barrier Highway.



Figure 1: Location of the Central Darling LGA (highlighted in yellow) within NSW (Source: Six Maps)

The Central Darling LGA is traversed by the Darling River system, which helps support some horticultural uses around Menindee (where the Darling River forms an intermittent lake system). The Central Darling LGA is characterised by large sheep grazing properties, opal mining near to White Cliffs and seasonal tourism.

The Central Darling LGA is home to indigenous people including the Paakantji people and the Ngiyampaa people. Indigenous people are around 38 percent of the population.

The population of the Central Darling LGA has been declining with the current population of 1,833. The Central Darling LGA is affected by social and economic issues due to the remote location in far west NSW and the major issue of poor water security. Other issues are low employment levels and infrastructure maintenance challenges. However, the residents of the Central Darling LGA enjoy their remote location that provides a unique way of life.

Wilcannia is located on the north-western side of the Darling River. The Central Darling Shire is headquartered in Wilcannia. Wilcannia is a major service centre and resting place for travellers along the Barrier Highway.

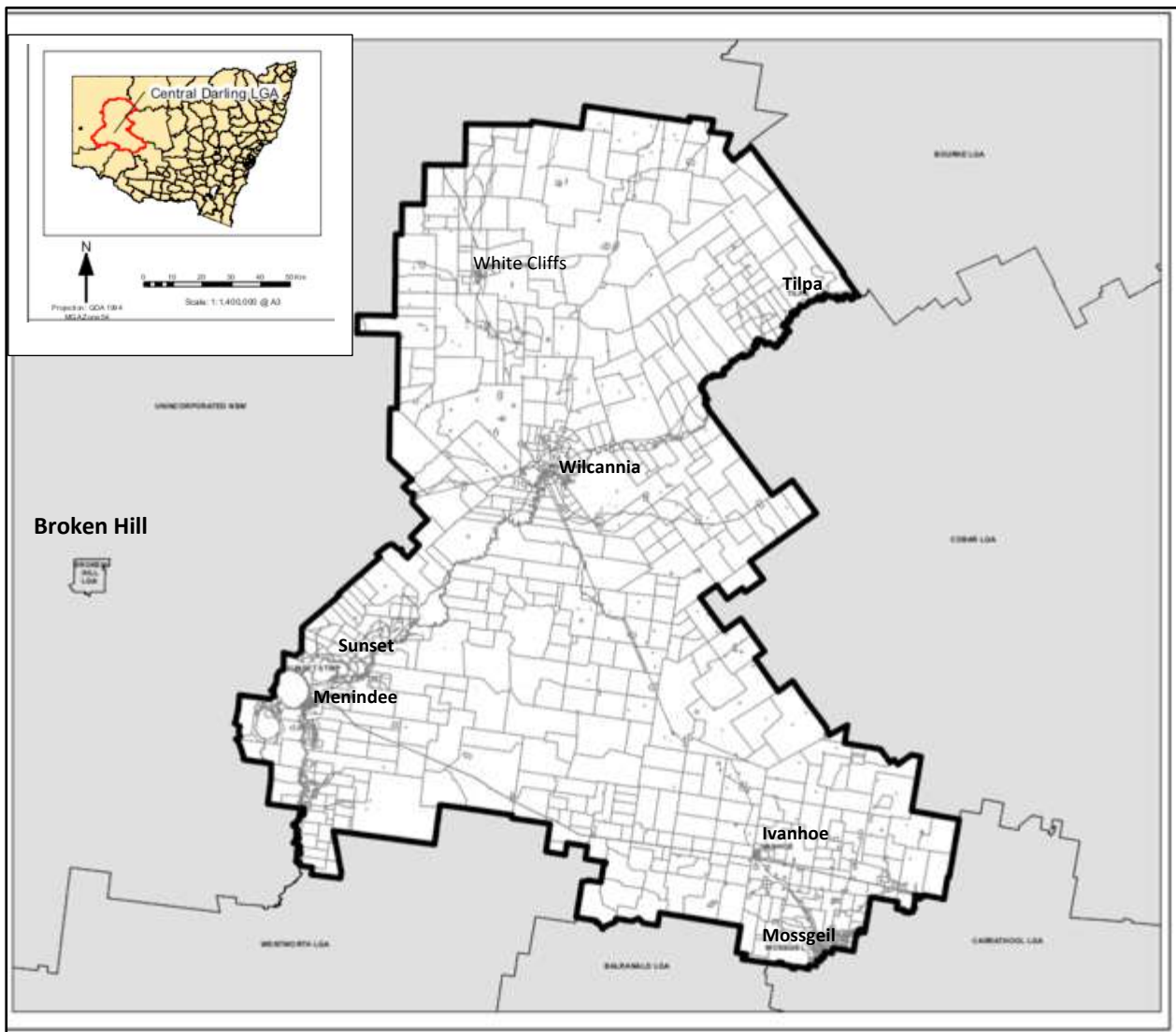


Figure 2: Location of Central Darling Shire Towns (source: NSW Legislation Website 2020)

1.2 Objectives and Intended outcomes

The objective and intended outcomes of this planning proposal is to amend the Central Darling Local Environmental Plan 2012 (CDLEP2012) to resolve an issue with various crown reserve lots and other lots across the Central Darling Shire Council area where the historic and current land use is a prohibited land use within the CDLEP 2012. This issue has been identified during the Crown Reserves Plan of Management Project directed by the Department of Primary Industries within the larger Department of Environment, Primary Industries and Environment.

The planning proposal seeks to clarify and correctly identify the land use within the current land use zone. This is deemed necessary by Council due to any works on these sites currently requiring development assessment by the use of existing use rights and in certain cases using the State Environmental Planning Policy (Infrastructure), to support proposed development to these affected lots.

The intention of the planning proposal is to amend the Central Darling Local Environmental Plan 2012 land use table to regularise the current land uses and facilitate any future works to the Crown Land reserves (Rubbish / waste disposal facilities, Community Centres, Air transport facilities, car parks, public administration buildings, commercial premises etc). The amendment will enable a more efficient approval of works to council facilities and operational land where they are located on a crown reserve lot. The additional land use of the Air Transport facilities also allows a project to commence for new Royal Flying Doctor Service administration and storage buildings to be constructed at Tilpa.

The additional amendments to the Central Darling Local Environmental Plan 2012 (CDLEP2012) are to correct errors in the land use zones where the existing uses were omitted in the making of the CDLEP2012. This change is to facilitate the existing use of the buildings and the land, particularly in the Wilcannia town centre and its immediate surrounds.

The addition of Educational establishments and child care facilities to the be a permitted land use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school.

PART 2. EXPLANATION OF PROVISIONS FOR THE PROPOSED AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

FOR THE PROPOSED AMENDMENTS TO THE CENTRAL DARLING LOCAL ENVIRONMENTAL PLAN 2012

Part 3 of the Environmental Planning & Assessment Act facilitates the making and amendments to Local planning instruments.

Section 3, Division 3.1 of the Act relates to strategic planning. Section 3.8(2) provides that, in preparing a planning proposal, the planning proposal authority is to give effect to any district strategic plan applying to the local government area to which the planning proposal relates or, if there is no district strategic plan, to any regional strategic plan applying to the region of which the local government area is part. In that regard, there is no district strategic plan for the Central Darling Local Government Area and the relevant regional strategic plan is the *Far West Regional Plan 2036* (FWRP2036). There is now a draft Local Strategic Planning Statement for the Central Darling Shire Council. The way in which the planning proposal gives effect to FWRP2036 is set out further below.

Section 3.13 of the Act allows the making of an environmental planning instrument for the purposes of achieving the objects of the Act. That can include an instrument that amends an existing instrument, such as the existing CDLEP2012.

The objects of the Act are set out in Section 1.3 and include, amongst other things:

- (a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,*
- (b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,*
- (c) to promote the orderly and economic use and development of land,*
- (d) to promote the delivery and maintenance of affordable housing,*
- (e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,*
- (f) to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),*
- (g) to promote good design and the amenity of the built environment,*
- (h) to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,*
- (i) to promote the sharing of responsibility for environmental planning and assessment between different levels of government in the State,*
- (j) to provide increased opportunity for community participation in environmental planning and assessment.*

The planning proposal directly achieves object (a) and (c) to social and economic welfare of the community and a better environment by the proper management, development and conservation of the New South Wales natural and other resources and to promote the orderly and economic use and development of the land.

The proposed change to the land use table promotes a better social and economic benefit for the community as legalising the subject sites both historic and current use enables better management of the land. Currently the use of the subject Crown Reserve lots and other lots are prohibited under the Central Darling Local Environmental Plan 2012, the proposed amendment corrects this error and reduces the time taken to approve any development on the affected lots by making the current use of the lots permissible in the land use zone.

Section 3.14 relates to the contents of environmental planning instruments and allows an environmental planning instrument to (amongst other things) make provision for:

- (a) protecting, improving or utilising, to the best advantage, the environment*
- (b) controlling (whether by the imposing of development standards or otherwise) development*

The planning proposal to amend the land use table is consistent with Section 3.14 clauses (a) and (b).

Section 3.20 relates to the standardisation of environmental planning instruments and provides for a process whereby the *Standard Instrument – Principal Local Environmental Plan* (the Standard Instrument) is to be used. CDLEP2012 is in the form of the Standard Instrument.

Section 3.20(6) provides that the instrument may be amended by another amending instrument. This is deemed necessary by Central Darling Shire Council due to any works on these sites currently requiring development assessment by the use of existing use rights and in certain cases using the State Environmental Planning Policy (Infrastructure), to support proposed development to these affected lots.

Part 3, Division 3.4 of the Act relates to local environmental plans, which are a type of environmental planning instrument. Under Section 3.31, a “local plan making authority” may make a local environmental plan for its local government area. That “local plan making authority” in this instance is Central Darling Shire Council. Under section 3.34, Central Darling Shire Council is also a “planning proposal authority”.

Under Section 3.33, before making a local environmental plan, the planning proposal authority is required to prepare “a document that explains the intended effect of the proposed instrument and sets out the justification for the making of the proposed instrument”, being the planning proposal. It must include:

- (a) a statement of the objectives or the intended outcomes of the proposed instrument,*
- (b) an explanation of the provisions that are to be included in the proposed instrument,*
- (c) the justification for those objectives, outcomes and provisions and the process for their implementation (including whether the proposed instrument will give effect to the local strategic planning statement of the council of the area and will comply with relevant directions under section 9.1),*
- (d) if maps are to be adopted by the proposed instrument, such as maps for proposed land use zones; heritage areas; flood prone land – a version of the maps containing sufficient detail to indicate the substantive effect of the proposed instrument,*
- (e) details of the community consultation that is to occur before the making of the proposed instrument.*

The Planning Secretary may issue requirements in respect to the preparation of a planning proposal. No such requirements have been issued at this time. Central Darling Shire Council does not have a strategic planning statement at this time.

The above Items are addressed in further parts of this planning proposal.

2.0 Far West Regional Plan 2036

Far West Regional Plan 2036 is the relevant strategic plan for the Central Darling LGA. The purpose of Central Darling Local Environmental Plan 2012 and amending instruments such as presently proposed is to give effect to **Far West Regional Plan 2036**.

The Far West Region is shown in Figure 4 and includes seven local government areas and the unincorporated area of far western NSW. The Central Darling LGA is centrally located within that region. It covers 323,477 square kilometres, which comprises 40 percent of NSW.

For the purposes of the FWRP2036, Wilcannia is identified as a “centre”, compared to Broken Hill which is a “strategic centre”. Wilcannia is the only “centre” identified within the Central Darling LGA.

The NSW Government’s vision for the Far West Region is to create “...a diverse economy, supported by the right infrastructure, an exceptional natural environment and resilient communities.”

There are goals arising from that vision, being:

- *Goal 1 - A diverse economy with efficient transport and infrastructure networks*
- *Goal 2 - Exceptional semi-arid rangelands traversed by the Barwon-Darling River*
- *Goal 3 - Strong and connected communities*

The planning proposal to amend the Central Darling Local Environmental Plan 2012 is supported by the first and aims to achieve the third goal.

In commentary about amending the land use table within the Central Darling Local Environmental Plan 2012 under the goal 1 - direction 5, Promote tourism opportunities the FWRP2036 recognises that

“Domestic visitors to outback NSW have increased in recent years, mainly due to an increase in popularity for camping/driving holidays in the more remote parts of Australia, the growing number of ‘grey nomads’, improved mobility and a general appreciation of the unique landscape.

Tourism opportunities that help to extend the length of time that visitors spend in the region need to be further explored. They could include a focus on the region’s organic and native produce, natural landscape and scientific and paleo-archaeological-focused tourism around the region’s Aboriginal heritage.

Tourism can generate employment and business growth that contributes to better economic outcomes for Aboriginal communities.

Heritage trails

Heritage trails can combine the attraction of significant heritage items with the remote outback experience. A Far West Sculpture Trail encompassing four major sites is being proposed to increase tourism to the Far West.¹⁵ Two of the sites, at Broken Hill and Mutawintji, are already in place, and planning is under way for a further two sites at White Cliffs and Wilcannia.”¹

One of the lots subject to the additional land use is the historic Wilcannia waste disposal facility (tip) this facility and the surrounding lots (subject to the planning proposal) have been used as a rubbish tip or land fill from the 1870s onwards. This rubbish tip attracts heritage bottle collectors and other archaeology tourist who are also attracted the heritage buildings within Wilcannia town centre.

In commentary about amending the land use table within the Central Darling Local Environmental Plan 2012 under the goal 1 - direction 10, Enhance the productivity of employment lands, the FWRP2036 recognises that:

“Councils have indicated there is a sufficient supply of employment and industrial land across the region to meet projected demand over the next 20 years.³² In some cases, however, this land may not be adequately located, zoned or serviced. Councils will need to provide a sufficient supply of this land, protect it from incompatible land uses, and identify infrastructure requirements in their planning strategies and local plans to support economic growth.

Clustering commercial activities in centres creates a more vibrant and sustainable main street and a focus for community activities. The NSW Government’s preference is to locate retail activity in existing centres to capitalise on infrastructure and strengthen the role and function of these areas. Strengthening commercial centres will:

- *attract retail and other supporting commercial infrastructure;*
- *strengthen the local economy;*

¹ Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

- *make the best use of existing infrastructure and services (including public transport and community facilities);*
- *facilitate tourism and visitors; and*
- *enhance the value of public space and consider net community benefit.*

Actions

10.6 Accommodate future commercial and retail activity in existing commercial centres, unless there is a demonstrated need and positive social and economic benefits for the community.

10.7 Require proposals for new retail developments to demonstrate how they:

- *respond to retail supply and demand needs;*
- *respond to innovation in the retail sector;*
- *maximise the use of existing infrastructure (including public transport and community facilities) commensurate with the scale of the proposal; and*
- *enhance the value of public places.”²*

Various lots within the immediate surrounds of the Wilcannia town centre are exiting commercial and even public administration buildings the use of these buildings as commercial retail, business or commercial offices is currently prohibited in the R1 Residential Zone. The lots where the additional uses to the R1 General Residential Zone is required is to enable the use of the current Car Parks, Commercial premises, function centres, public administration buildings, Registered clubs and water treatment facilities and tourist and visitor accommodation (to cover the various existing hotels/ motels in the R1 zone.

This addition above land uses to the permitted with consent in the General Residential R1 zone will assist in the further development of these properties in the immediate surrounds of the Wilcannia Town Centre by rectifying this error in the original Central Darling Local Environmental Plan 2012. This will change is to facilitate future growth in the Wilcannia commercial area and surrounds, which will also promote the economic growth of the area and create more jobs for the local and aboriginal community in Wilcannia. The pre-school in Burke park is a vitally important facility for the whole Wilcannia community.

The addition of Educational establishments and childcare facilities as a permitted use in the Public Recreation zone RE1, enables lawful work to the preschool where the use is a permitted use within the zone (this assists in future funding projects for the pre-school from the State Government).

In commentary about amendment to the land use zones under the goal 3 - direction 25 the FWRP2036 relates to Protect Cultural heritage, as follows:

The region’s rich Aboriginal and European cultural heritage is integral to the identity and character of the Far West. Aboriginal cultural heritage includes places and items that are of significance to Aboriginal people because of their traditions, observances, lore, customs, beliefs and history. It relates to the connection and sense of belonging that Aboriginal people have with the landscape and each other.

Many buildings from the early settlement of towns are heritage-listed and include religious buildings, institutional buildings and railway stations. The entire town of Broken Hill is on the National Heritage List for its significant role in Australia’s mining industry and national development, and the planning, design and landscaping of the town, as well as its iconic isolation in the desert.⁵²

Development can have a cumulative impact on both Aboriginal cultural heritage values and historic places. Protecting and preserving heritage at the strategic planning stage will provide greater certainty for all stakeholders in the development assessment process.

² Far West Regional Plan 2036 – Department of Planning and Environment. 2017. Accessed Website Department of Planning, Industry and Environment December 2019.

The additional land uses to be added to the General Residential R1 zone around the Wilcannia town centre contain various local heritage items and some proposed state heritage items and part of this area is proposed as the Wilcannia heritage conservation area (refer to the heritage conservation area planning proposal). The proposed amendment to legalise the historic and current use of the buildings on the various lots within the immediate surrounds of the Wilcannia town centre will enhance the heritage potential of the buildings and assist in the protection of Wilcannia historical past. This will promote pride in the community and facilitate heritage tourism which will assist all the people of Wilcannia.

The addition of Educational establishments and childcare facilities to the be a permitted land use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school. The pre-school works in conjunction with the Wilcannia public school on the opposite side of Hood Street. The pre-school is vital for the town of Wilcannia, and the preschool is a historic and dedicated use of part of Burke Park.

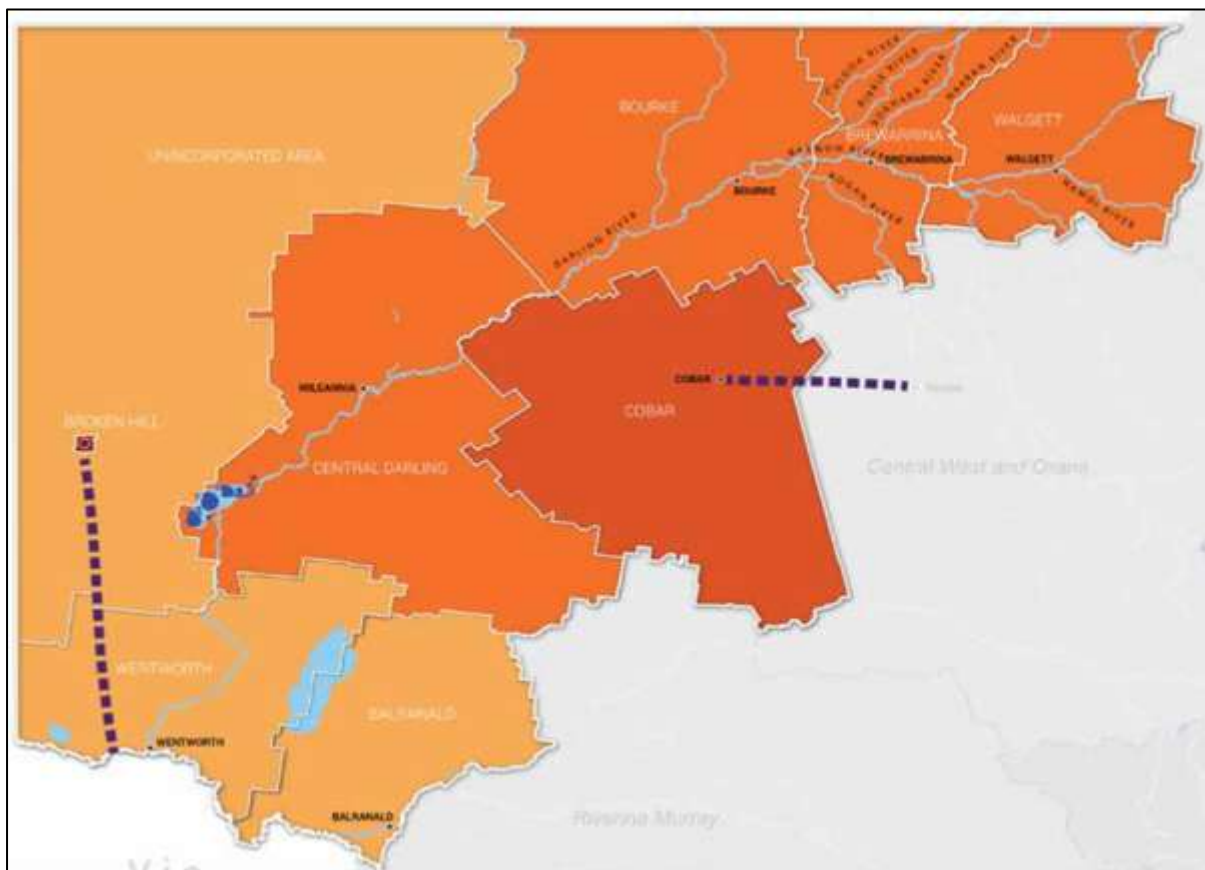


Figure 3: Far West Regional water resources Plan - Far West Regional Plan 2036 (source: New South Wales Department of Planning and Environment Website 2019)

2.1 Relevant State environmental planning policies

State Environmental Planning Policy (Infrastructure) 2007

State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) was introduced to facilitate the delivery of infrastructure across NSW by improving regulatory certainty and efficiency. The Infrastructure SEPP has specific planning provisions and development controls for different types of infrastructure.

Part 3, Division 10A of the Infrastructure SEPP relates to Operational land (this is dependent on the Crown Lands Plan of Management approval of certain Crown Reserve Lots becoming Operational land, Division 14 Public administration buildings and buildings of the Crown (this covers the Government buildings that are using existing use rights for use and any changes to the heritage building), and Division 23 Waste or resource management facilities. The Infrastructure SEPP is currently enabling the use of the all the Central Darling Shire Waste Disposal

facilities as their current use is prohibited in the RU1 Primary Production land that they are located upon. The addition of waste disposal facility to the RU1 zone will enable the guaranteed use and upgrades of these facilities by council without the reliance on the Infrastructure SEPP.

waste disposal facility means a building or place used for the disposal of waste by landfill, incineration or other means, including such works or activities as recycling, resource recovery and other resource management activities, energy generation from gases, leachate management, odour control and the winning of extractive material to generate a void for disposal of waste or to cover waste after its disposal.

State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017

State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017 (Education SEPP) was introduced to facilitate the delivery of schools and childcare facilities in one document, across NSW by improving regulatory certainty and efficiency. The Education SEPP has specific planning provisions and development controls for different types of Educational establishments and childcare facilities under different planning approval pathways under the NSW Planning system.

Part 3 Early education and care facilities – specific development controls provide development standard for the construction and operation of childcare facilities.

The addition of educational establishments and childcare facilities to be permissible with consent on RE1 Public recreation land, removes the restriction placed on the development from the following clauses for the Education SEPP.

“16 Additional uses of certain State land permitted

(1) In this clause, **prescribed State land** means State land that is—

- (a) not zoned for conservation purposes under an environmental planning instrument, and
- (b) not a forestry area within the meaning of the [Forestry Act 2012](#), and
- (c) not reserved under the [National Parks and Wildlife Act 1974](#), and

(d) not reserved under the [Crown Lands Act 1989](#) for a public purpose that, in the opinion of the relevant planning panel, is an environmental protection or nature conservation purpose.”³

“(7) In this clause, a reference to land **zoned for conservation purposes** means land in any of the following land use zones—

- (a) **Zone RE1 Public Recreation,**
- (b) Zone E1 National Parks and Nature Reserves,
- (c) Zone E2 Environmental Conservation,
- (d) Zone W1 Natural Waterways.”⁴

Standard Instrument – Principal Local Environmental Plan

The Standard Instrument - Principal Local Environmental Plan (Standard Instrument) sets out thirty-five standard zones for councils to use when preparing local environmental plans (LEPs) for their local government area.

This includes Zone RU1 Primary Production, with the following zone objectives:

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.
- To encourage diversity in primary industry enterprises and systems appropriate for the area.
- To minimise the fragmentation and alienation of resource lands.

³ State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017 (Education SEPP) – NSW Legislation Website 2019.

⁴ State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017 (Education SEPP) – NSW Legislation Website 2019.

- *To minimise conflict between land uses within this zone and land uses within adjoining zones.*

LEP practice note PN 11-002 provides an overview of the general purpose of each zone. It states that the general purpose of the RU1 Primary Production zone is for the following:

This zone covers land used for most kinds of commercial primary industry production, including extensive agriculture, intensive livestock and intensive plant agriculture, aquaculture, forestry, mining and extractive industries. The zone is aimed at utilising the natural resource base in a sustainable manner. The zone is not a default zone for non-urban land. The zone is allocated to land where the principal function is primary production.

However, the zoning of all non-urban land surrounding the Wilcannia town centre is all zoned RU1 Primary Production regarding the historical or current use of the land. To minimise changes to Central Darling Local Environmental Plan 2012 mapping the addition of land uses to the RU1 Primary Production and R1 General Residential Zone is seen as the most efficient way to legalise the current use of various affected lots across the Central Darling Local Government Area.

The addition of Educational establishments and childcare facilities to the be a permitted land use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school.

LEP Practice Note (PN 10-002) Preparing LEPs using the Standard Instrument: standard zones

The purpose of this practice note is to provide guidance to councils on zoning in standard instrument local environmental plans.

The practice note specifies that zones for the new LEPs should:

“The core zone objectives are used to clarify the role and function of the zone. There are one or more core objectives for development in each zone.

The Land Use Table in the Standard Instrument mandates certain permitted and prohibited land uses in certain zones. For each zone, mandated uses may be set out under:

- *Item 2 (Permitted without consent)*
- *Item 3 (Permitted with consent)*
- *Item 4 (Prohibited).*

*An **open zone** is one where a broad variety of land use can be considered. When developing the Land Use Table for an open zone, councils should:*

- *specifically list any mandated or other uses that may be undertaken without consent under Item 2;*
- *specifically list any mandated or other land uses as prohibited under Item 4 ‘Prohibited’; and*
- *specifically list any mandated or other uses in Item 3 to achieve the zone objectives. In addition, insert the words ‘Any development not specified in Item 2 or 4.’*

This ‘open’ approach allows greater flexibility. For example, the High-Density Residential zone and some Business zones could be considered ‘open’ providing for a mix of commercial, residential, tourist and visitor and recreational activities.

The open approach minimises the need to undertake ‘spot rezoning’s’ or other ad hoc LEP amendments to permit additional acceptable uses that were not anticipated during the initial LEP preparation. In addition, councils can maximise the flexibility in nominating permissible land uses by using ‘group’ terms rather than

listing only some of the development types from within that group (e.g. ‘commercial premises,’ ‘residential accommodation,’ ‘tourist and visitor accommodation’).”⁵

From the above “open approach” the addition of Car Parks, Commercial premises, function centres, public administration buildings, Registered clubs and water treatment facilities and tourist and visitor accommodation within the R1 General Residential Zone will cover the existing uses within the surrounding area of the Wilcannia Town Centre and encourage future redevelopment opportunities within the town.

The addition of the waste disposal facility to the RU1 zone is to enable the rubbish tip in each of the main towns of the Central Darling Council to operate in a legal manner.

The additions to the Central Darling Local Environmental Plan 2012 though not completely in keeping with the general objectives of the RU1 Primary Production and R1 General Residential zones the addition to the RU1 zone of the Waste disposal facility aligns with the fourth objective of the zone “*To minimise conflict between land uses within this zone and land uses within adjoining zones*” as the change legalises a historic and important use of the land in each of the towns.

The additions to the R1 General Residential zone also minimise conflict of land uses, by legalising the historic use of the land which in turn will provide future benefits to the town by expanding the commercial uses in the township, therefore potential job opportunities for the residents of Wilcannia.

The addition of Educational establishments and childcare facilities to the be a permitted land use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school.

2.2 Ministerial directions

Ministerial directions are issued under Section 9.1 of the Environmental Planning and Assessment Act (formerly Section 117 Directions). Local councils must follow these Directions when preparing planning proposals for new LEPs. The Directions cover the following broad categories:

- employment and resources
- environment and heritage
- housing, infrastructure and urban development
- hazard and risk
- regional planning
- local plan making.
- Metropolitan planning

This planning proposal must address whether the implementation of the planning proposal will comply with Ministerial Directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

This planning proposal must address whether the implementation of the planning proposal will comply with ministerial directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

Part 1 of the directions relates to employment and resources.

Part 1.1 of the directions relates to business and industrial zones. It applies where a planning proposal will affect any existing business or industrial zone. The planning proposal does not affect any business or industrial zones. The proposed amendments will however expand the commercial properties available within Wilcannia which will assist in the promotion of employment. The proposal will not affect properties within any other business or industrial zones.

⁵ LEP Practice Note (PN 10-002) Preparing LEPs using the Standard Instrument: standard zones – Department of Planning, Industry and Environment website – 2019.

For the properties affected by Part 1.1 (the properties that are currently commercial businesses will now be permissible uses in the residential zone where they are located). the planning proposal must (a) give effect to the objectives of the direction; (b) retain the areas of existing business or industrial zones; (c) not reduce the total potential floor space area for employment uses and related public services in business zones; (d) ...; and (e) ensure that proposed new employment areas.

The planning proposal does not alter the area of business zones, however, the addition of commercial uses as being permissible in the R1 general residential zone in Wilcannia expands the available gross floor area for commercial businesses.

The objectives are (in summary) (a) encourage employment growth; (b) protect employment land; and (c) support the viability of identified centres. The proposal gives effect to those objectives by increasing the amount of land that permits commercial business on the perimeter of the town centre. The proposal will therefore comply with the directions in Part 1.1.

Part 1.2 of the directions relates to rural zones. It applies where a planning proposal will affect land in an existing or proposed rural zone.

The direction is applicable to the planning proposal because the planning proposal affects the following sites:

- Wilcannia, Ivanhoe, Menindee, Sunset, White Cliffs and Tilpa Waste disposal facilities, which are currently non permitted uses within the RU1 Primary Production.

The planning proposal legitimises the current and historical use of these sites for waste disposal facilities, this land has never been used for primary production purposes. Therefore, the planning proposal complies with the Ministerial directions.

The relevant direction is that the planning proposal must not rezone the land to business, residential, industrial or other specified uses. The planning proposal complies with that direction.

Part 1.3 of the directions relates to mining, petroleum production and extractive industries. It seeks to ensure that land is not rezoned in a way that will compromise the potential extraction of minerals and the like. The direction applies where a planning proposal would prohibit the extraction of minerals or the like or restrict such activities by permitting a form of development that would be incompatible with those activities. The direction is not applicable because the planning proposal would not permit any different land use to the land uses that are already permitted.

Part 1.4 of the directions relates to rural lands. It applies to any planning proposal that seeks to change zone boundaries for rural or environment protection zone lands or to change the minimum lot size for such lands. The direction does not apply to the planning proposal.

“1.5 Rural Lands Objective

(1) The objectives of this direction are to:

- (a) protect the agricultural production value of rural land,*
- (b) facilitate the orderly and economic use and development of rural lands for rural and related purposes,*
- (c) assist in the proper management, development and protection of rural lands to promote the social, economic and environmental welfare of the State,*
- (d) minimise the potential for land fragmentation and land use conflict in rural areas, particularly between residential and other rural land uses,*
- (e) encourage sustainable land use practices and ensure the ongoing viability of agriculture on rural land*
- (f) support the delivery of the actions outlined in the New South Wales Right to Farm Policy.*

What a relevant planning authority must do if this direction applies

(4) A planning proposal to which clauses 3(a) or 3(b) apply must:

- (a) be consistent with any applicable strategic plan, including regional and district plans endorsed by the Secretary of the Department of Planning and Environment, and any applicable local strategic planning statement*
- (b) consider the significance of agriculture and primary production to the State and rural communities*

- (c) identify and protect environmental values, including but not limited to, maintaining biodiversity, the protection of native vegetation, cultural heritage, and the importance of water resources*
- (d) consider the natural and physical constraints of the land, including but not limited to, topography, size, location, water availability and ground and soil conditions*
- (e) promote opportunities for investment in productive, diversified, innovative and sustainable rural economic activities*
- (f) support farmers in exercising their right to farm*
- (g) prioritise efforts and consider measures to minimise the fragmentation of rural land and reduce the risk of land use conflict, particularly between residential land uses and other rural land uses*
- (h) consider State significant agricultural land identified in State Environmental Planning Policy (Primary Production and Rural Development) 2019 for the purpose of ensuring the ongoing viability of this land*
- (i) consider the social, economic and environmental interests of the community.*

(5) A planning proposal to which clause 3(b) applies must demonstrate that it:

*is consistent with the priority of minimising rural land fragmentation and land use conflict, particularly between residential and other rural land uses
will not adversely affect the operation and viability of existing and future rural land uses and related enterprises, including supporting infrastructure and facilities that are essential to rural industries or supply chains
where it is for rural residential purposes:*

i. is appropriately located taking account of the availability of human services, utility infrastructure, transport and proximity to existing centres

ii. is necessary taking account of existing and future demand and supply of rural residential land.

Note: *where a planning authority seeks to vary an existing minimum lot size within a rural or environment protection zone, it must also do so in accordance with the Rural Subdivision Principles in clause 5.16 of the relevant Local Environmental Plan.* ⁶

The addition of the waste disposal facility to the RU1 zone is to enable the rubbish tip in each of the main towns of the Central Darling Council to operate in a legal manner. Furthermore, the additions to the RU1 Primary Production of the Waste disposal facility aligns with objective 4(g) the zone to minimise fragmentation of rural land and reduce risk of land use conflict between residential uses and other rural land use as the sites are currently used as waste disposal facilities, they are on the edge of the residential areas and don't affect the surrounding RU1 agricultural use of the land.

Part 2 of the directions relates to environment and heritage.

Part 2.1 of the direction relates to environment protection zones. It provides that a planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas and must not reduce the extent of existing environment protection zones. The direction does not have to be complied with for matters of minor significance. In that regard, the proposal does not affect existing environment protection zones and is of minor significance. The direction therefore does not apply to the planning proposal.

Part 2.2 of the direction relates to coastal management and is not applicable.

Part 2.3 relates to heritage conservation. Its objective is to conserve items, areas and places of environmental heritage significance and indigenous heritage significance. The direction is that a planning proposal must contain provisions that facilitate the conservation of:

⁶ Ministerial Directions issued under Section 9.1 of the Act - Accessed Website Department of Planning, Industry and Environment December 2019.

- (a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area,
- (b) Aboriginal objects or Aboriginal places that are protected under the *National Parks and Wildlife Act, 1974, and*
- (c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.

The direction further provides that a planning proposal may be inconsistent with the direction if the relevant planning authority can satisfy the Director-General or relevant officer that (a) the environmental or indigenous heritage significance of the item, area, object or place is conserved by existing or draft environmental planning instruments, legislation or regulations that apply to the land or the provisions of the planning proposal that are inconsistent are of minor significance.

The planning proposal does not affect any land that is of environmental or indigenous heritage significance of an item, and area, object or a place conserved by a environmental planning instrument, legislation or regulations. The planning proposal only makes the current use permissible on the land.

The planning proposal complies with and achieves the objectives of the direction.

Part 2.4 relates to recreation vehicle areas and is not relevant to the planning proposal.

Part 2.5 relates to a different area and is not applicable.

Housing, infrastructure and urban development:

Part 3.1 relates to residential zones. This direction applies when a planning authority prepares a planning proposal that will affect land within an existing or proposed residential zone. The planning proposal will affect land zoned R1 General Residential and it therefore relevant to the planning proposal. However, the direction is not applicable where the provisions that are inconsistent are of minor significance. In that regard, the planning proposal will not significantly affect housing outcomes as the subject sites are currently used for the purpose (ie car park, commercial premises, public administration building and *tourist and visitor accommodation, therefor there will be no impact on the housing for Wilcannia town centre.* The planning proposal is not removing land from the CDLEP2012 that would otherwise be available for housing.

The addition of Educational establishments and childcare facilities to the be a permitted land use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school.

Hazard and risk:

Part 4.1 relates to acid sulfate soils.

The planning proposal does not affect any classified acid sulfate soil land.

Part 4.2 relates to mine subsidence and unstable land.

The subject sites are not affected by mine instability or subsidence.

Part 4.3 relates to flood prone land and restricts specified rezoning's within flood prone areas.

The subject sites are not affected by flood prone land.

Part 4.4 relates to planning for bushfire protection.

The subject sites are not bushfire prone land.

Part 5 relates to regional plan for specified areas and does not affect the planning proposal.

Local plan making:

Part 6.1 relates to approval and referral requirements and provides that a planning proposal must minimise the reliance upon concurrence authorities and restricts the use of designated development categories.

The planning proposal does involve development – listed as designated Development under the Environmental Planning and Assessment Regulation 2000, in Schedule 3 item 32 - Waste management facilities or works. However, this use (Waste disposal facility – Rubbish Tip) is an historic and existing use for the land in question in the Central Darling Shire Local Government area. The Waste disposal facilities have historic use of the subject land for the towns of Wilcannia, Menindee, White Cliffs and Ivanhoe. As these facilities are on Crown Reserve Lots and have historic and dedicated uses for this purpose, it is considered unnecessary to seek concurrence on the crown reserve lots historically dedicated for this use as a waste disposal facility. The planning proposal is therefore consistent with that direction.

Part 6.2 relates to the reservation of land for public purposes and is not applicable.

Part 6.3 relates to site specific provisions. The planning proposal does not include such provisions.

2.3 Central Darling Local Environmental Plan 2012

The proposal is considered consistent with the clause 1.2(2)(d) of the Central Darling Local Environmental Plan 2012 (CDLEP2012) which aims to “to minimise land use conflict.” This is because the existing use of the sites for the waste disposal facilities and other operational land uses currently conflicts with the permitted land use in the zone. As stated previously the current CDLEP 2012 prohibits the current / historic use of various crown reserve lots across the LGA and various existing lots adjacent to the Wilcannia town centre. The purpose of the planning proposal, therefore, is to regularise the land use within the relevant land use zones to ensure the current land use is not a prohibited use within the zone.

The addition of the waste disposal facility to the RU1 zone is to enable the rubbish tip in each of the main towns of the Central Darling Council to operate in a legal manner.

The additions to the land use table of the Central Darling Local Environmental Plan 2012, are generally compatible with the objectives of the RU1 Primary Production and R1 General Residential zones. The addition to the RU1 zone of the Waste disposal facility aligns with the fourth objective of the zone “*To minimise conflict between land uses within this zone and land uses within adjoining zones*” as the change legalises a historic and important use of the land in each of the towns. The additions to the R1 General Residential zone also minimises conflict of land uses, by legalising the historic use of the land which in turn will provide future benefits to the town by expanding the amount of available land for commercial uses in the township, therefore potential job opportunities for the residents of Wilcannia.

The addition of Educational establishments and childcare facilities to the be a permitted use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre-school.

There are no further provisions of the CDLEP2012 of particular relevance to the planning proposal.

There is no Central Darling Development Control Plan and there is no other relevant Development Control Plan.

The two land use zones where the additional uses are to be added are RU1 Primary Production and RE1 Public Recreation Zone (extract from the Central Darling Local Environmental Plan 2012) are as follows:

Central Darling Local Environmental Plan 2012

[Land Use Table](#) Zone RU1

Zone RU1 Primary Production

1 Objectives of zone

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.
- To encourage diversity in primary industry enterprises and systems appropriate for the area.
- To minimise the fragmentation and alienation of resource lands.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.

2 Permitted without consent

Environmental protection works; Extensive agriculture; Home-based childcare; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Air transport facilities; Airstrips; Animal boarding or training establishments; Aquaculture; Bed and breakfast accommodation; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Camping grounds; Caravan parks; Cellar door premises; Cemeteries; Community facilities; Correctional centres; Crematoria; Depots; Dual occupancies (attached); Dwelling houses; Eco-tourist facilities; Environmental facilities; Extractive industries; Farm buildings; Farm stay accommodation; Flood mitigation works; Forestry; Freight transport facilities; Heavy industrial storage establishments; Heavy industries; Helipads; Home businesses; Home industries; Home occupations (sex services); Industrial training facilities; Information and education facilities; Intensive livestock agriculture; Intensive plant agriculture; Jetties; Landscaping material supplies; Open cut mining; Plant nurseries; Recreation areas; Recreation facilities (major); Recreation facilities (outdoor); Roadside stalls; Rural industries; Rural workers' dwellings; Sewerage systems; Veterinary hospitals; Water recreation structures; Water supply systems

4 Prohibited

Any development not specified in item 2 or 3

Zone RE1 Public Recreation

1 Objectives of zone

- *To enable land to be used for public open space or recreational purposes.*
- *To provide a range of recreational settings and activities and compatible land uses.*
- *To protect and enhance the natural environment for recreational purposes.*

2 Permitted without consent

Environmental protection works; Roads; Water reticulation systems

3 Permitted with consent

Aquaculture; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Community facilities; Environmental facilities; Flood mitigation works; Heliports; Information and education facilities; Jetties; Kiosks; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Water recreation structures; Water recycling facilities; Water storage facilities

4 Prohibited

Any development not specified in item 2 or 3

Central Darling Local Environmental Plan 2012

Land Use Table Zone RU5

Zone RU5 Village

1 Objectives of zone

- To provide for a range of land uses, services and facilities that are associated with a rural village.
- To retain and facilitate expansion and redevelopment of the existing central business districts of Menindee and Ivanhoe and to further strengthen the core commercial functions of those areas.
- To ensure that development retains and enhances the existing village character.

2 Permitted without consent

Environmental protection works; Home-based childcare; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Centre-based childcare facilities; Community facilities; Dwelling houses; Liquid fuel depots; Neighbourhood shops; Oyster aquaculture; Places of public worship; Recreation areas; Recreation facilities (indoor); Recreation facilities

(outdoor); Respite day care centres; Schools; Tank-based aquaculture; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; **Air transport facilities**; Airstrips; Cellar door premises; Electricity generating works; Extractive industries; Farm buildings; Farm stay accommodation; Forestry; Heavy industrial storage establishments; Heavy industries; Marinas; Mooring pens; Moorings; Open cut mining; Pond-based aquaculture; Roadside stalls; Rural workers' dwellings; Waste disposal facilities; Wharf or boating facilities

2.4 The Proposed Provisions

The proposed outcome will be achieved by the rezoning of the land, the affect Crown Reserve lots are listed in the tables below.

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category Justification	Lot & DP	Current zoning
90899	Rubbish Depot/ Waste Disposal Facility. 16/9/1977	Justification for the Category - Community land / Rubbish Depot/ Waste Disposal Facility. Fenced waste disposal facility, this area has been used as a rubbish depot since 1880.	Lot 107 DP 820452	RU1 Primary Production Requires an addition of waste disposal facility added to the Central Darling Local Environmental Plan 2012 as a Waste Disposal facility is currently not a permitted use on the land.



Photo 1: Lot 107 DP 820452. Yellow area is lot in question other areas are part of regeneration lots and sanitary depot/ Septic tank pump. Fenced area of current waste disposal facility for Wilcannia – (6 maps).



Photo 2: Lot 107 DP 820452. Fenced area of current waste disposal facility for Wilcannia (Source MbTown planning 2019)

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category Justification	Lot & DP	Current zoning
90900	Sanitary Depot Wilcannia Septic Tank Pump Out Reserve Trust 16/9/1977	<p><u>Category.</u> Justification for the Category - Community land / sanitary Depot.</p> <p>New use of area</p> <p><u>Category.</u> Community land/ waste disposal facility.</p> <p>Septic tank pumps out no longer required. This area is now absorbed into the waste disposal facility.</p> <p>Fenced waste disposal facility, this area has been used as a rubbish depot since 1880.</p>	<p>Lot 108 DP 820452</p> <p>Other lots included in the total area.</p>	<p>RU1 Primary Production</p> <p>Requires an addition of waste disposal facility added to LEP for a rubbish depot to be a permitted use on the land.</p>




Photo 3: Lot 108 DP 820452. Yellow area is lot in question (sanitary Depot) other areas are part of regeneration lots and rubbish depot. Fenced area of current waste disposal facility for Wilcannia – (6 maps).



Photo 4: Lot 108 DP 820452. Fenced area of current waste disposal facility for Wilcannia (Source MbTown planning 2019)

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category Justification	Lot & DP	Current zoning
630016	Public Recreation 19/7/1881 Sturt Park	Justification for the Category - Community land / Public Recreation Current use Part of site is now in the Wilcannia Waste disposal facility Category – Community land/ regeneration natural site. Category 1- Community land/ Waste Disposal facility- Rubbish Depot.	Lot 83 DP 757463	RU1 Primary Production zone Waste Disposal facilities are not currently a permitted use on this land. Requires change to land use table in LEP.

		Undeveloped land next to tip/ Part of fenced tip area. Tip extension area.		
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The image is an aerial photograph of a landscape. A large, irregularly shaped area is outlined in red, representing a fenced rubbish depot. To the left of this area is a smaller, green, rectangular field. In the background, there are some buildings and a road. A search window is visible in the top left corner of the map, showing the following details: Lot 83, Section 1, Plan 757463, and Plan Type. The search window also has buttons for 'Search' and 'Result'.

Photo 5: Lot 83 DP 757463. Sturt park no longer park area now part of Wilcannia Waste Disposal facility (fenced rubbish depot area outlined in red line) – (6 maps).



Photo 6: Lot 83 DP 757463. Sturt park no longer park area now part of Wilcannia Waste Disposal facility (fenced rubbish depot area outlined in red line). Waste disposal facility / rubbish depot (Source MbTown planning 2019)

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category Justification	Lot & DP	Current zoning
87409	Regeneration Area 26/9/1969	Justification for the Category - Community land / regeneration Area Current use - Community land/ Regeneration Area natural area. Issue that part of the regeneration land is now a fenced part of the Wilcannia Waste Disposal facility.	Lot 7316, DP 1181235	RU 1 Primary Production Subject to Planning proposal to enable waste disposal facility on RU1 Primary Production zoned lot.



Photo 7: Lot 7316, DP 1181235 - highlighted in yellow - Wilcannia Regeneration Area – current use of southern part of lot is fenced part of Wilcannia Waste disposal facility– (6 maps).



Photo 8: Lot 7305 DP 1179888,.- Wilcannia Regeneration Area current use of southern part of lot is fenced part of Wilcannia Waste disposal facility (Source MbTown planning 2019)

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category Justification	Lot & DP	Current zoning
630012	Community Purposes; Public Park; Showground/ 6/5/1960 Burke Park	Justification for the Category - Community land / Community Purposes; Public Park; Showground In original dedication 6 May 1960 Part of the lot uses for Little Darlings Childcare Centre (Corner of Hood and Cleaton Streets Wilcannia. Part of lot building with Preschool.	Lot 90 DP 757463 Part Lot 90 (preschool)	RU1 Primary Production/ RE1 Public recreation. Education establishments is not a permitted use on RE1 land. This part of the site is subject to a planning proposal to allow the additional use in the RE1 zone.



Photo 9: Lot 90 DP 757463 Part Lot 90 (preschool). Red outlined area is for Burke Park - Community Purposes; Public Park; Showground and the small square is the Pre School – (6 maps).



Photo 10 & 11: Burke Park - Community Purposes; Public Park; Showground and the small square is the Pre School – (MB Town Planning 2019).



Photo 12: Burke Park - Community Purposes; Public Park; Showground and the small square is the Pre School – (MB Town Planning 2019).

Reserve number	Dedicated Purpose / Land Use	Assigned Categorisation/ actual category/ <u>Justification</u>	Lot & DP	Current zoning
88701	Public Recreation	<p>Justification - Original classification - Community land / a Park (public recreation) - Dedicated use – Community Hall Reserve</p> <p>Actual use - Community land/ a park and Community land/ general community uses.</p> <p>This additional classification is due to the additional uses on the land being a Community hall, Rural Fire Service Shed and equipment, Children's playground/ park.</p> <p>Royal Flying Doctor Service Administration and equipment building.</p>	Lots -6882 DP 48661 Tilpa Tonga Road	<p>RU1 Primary Production RU5 Village zone does not permit of Air transport facilities. Yes community hall and public recreation areas and Emergency services land - RFS building and water tanks.</p> <p>The additional building belongs to the Royal Flying Doctors Service and they are planning to put an additional building therefore we have to add an additional use to the RU5 Village zone of airport.</p>



Photo 13: Lots 6882 DP 48661 - Tilpa park – Tilpa Community Centre – community buildings with the Rural Fire Service shed and Royal Flying Doctor Service building. (Source – 6 maps 2019)



Photo 14: Lots 6881-6882 DP 48661. Tilpa park – Tilpa Community Centre – community buildings with the Rural Fire Service shed and Royal Flying Doctor Service building. (Source – 6 maps 2019)



Photo 15 & 16: Tilpa park – Tilpa Community Centre – community buildings with the Rural Fire Service shed and Royal Flying Doctor Service building.
(Source – MB Town Planning 2019)



Photo 17: Tilpa park – (Source – MB Townplanning 2019)

Tilpa Community Centre – community buildings with the Rural Fire Service shed and Royal Flying Doctor Service building.

Amendments to the Central Darling Local Environmental Plan to rectify administrative errors within the land use table.

The following changes to the Central Darling Local Environmental Plan 2012 are required.

The addition to “Permitted with Consent” in the R1 General Residential Zone – Car Parks, Commercial premises, function centres, public administration buildings, Registered clubs and water treatment facilities and tourist and visitor accommodation (to cover the various existing hotels/ motels in the R1 zone).

The addition of Educational establishments and Child care facilities to the be a permitted use to the Public Recreation zone RE1 is to formalise the historic and dedicated use of part of Burke Park for a pre school.

The justification for this amendment is that these uses are existing uses within the Wilcannia Township. This modification to the Local Environmental Plan establishes long term existing uses as permitted with consent as opposed to be prohibited in the zone.

This amendment to the Local Environmental Plan is to rectify errors in the initial Local Environmental Plan.

Other additions to 2. Permitted with consent in the R1 zone is:

tourist and visitor accommodation means a building or place that provides temporary or short-term accommodation on a commercial basis, and includes any of the following:

- (a) backpackers’ accommodation,
 - (b) bed and breakfast accommodation,
 - (c) farm stay accommodation,
 - (d) hotel or motel accommodation,
 - (e) serviced apartments,
- but does not include:
- (f) camping grounds, or
 - (g) caravan parks, or
 - (h) eco-tourist facilities.

Central Darling Local Environmental Plan 2012

[Land Use Table Zone R1](#)

Zone R1 General Residential

1 Objectives of zone

- To provide for the housing needs of the community.
- To provide for a variety of housing types and densities.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To minimise land use conflict between land uses on land within the zone and land uses on land within adjoining zones.

2 Permitted without consent

Environmental protection works; Home-based childcare; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Attached dwellings; Boarding houses; Building identification signs; Business identification signs; Centre-based child care facilities; Community facilities; Dwelling houses; Food and drink premises; Group homes; Hostels; Kiosks; Multi dwelling housing; Neighbourhood shops; Oyster aquaculture; Places of public worship; Pond-based aquaculture; Residential flat buildings; Respite day care centres; Semi-detached dwellings; Seniors housing; Shop top housing; Tank-based aquaculture; Waste or resource transfer stations; Water recycling facilities; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Biosolids treatment facilities; Boat building and repair facilities; **Car parks**; Charter and tourism boating facilities; **Commercial premises**; Correctional centres; Crematoria; Depots; Electricity generating works; Entertainment facilities; Extractive industries; Farm buildings; Farm stay accommodation; Forestry; Freight transport facilities; **Function centres**; Heavy industrial storage establishments; Helipads; Highway service centres; Industrial retail outlets; Industrial training facilities; Industries; Marinas; Mooring pens; Moorings; Mortuaries; Open cut mining; **Public administration buildings**; Recreation facilities (major); **Registered clubs**; Research stations; Restricted premises; Rural industries; Rural workers’ dwellings; Service stations; Sewage treatment plants; Sex services premises; Signage; Storage premises; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle

repair stations; Warehouse or distribution centres; Waste or resource management facilities; **Water treatment facilities**; Wharf or boating facilities; Wholesale supplies.

Central Darling Local Environmental Plan 2012

Land Use Table Zone RE1

Zone RE1 Public Recreation

1 Objectives of zone

- To enable land to be used for public open space or recreational purposes.
- To provide a range of recreational settings and activities and compatible land uses.
- To protect and enhance the natural environment for recreational purposes.

2 Permitted without consent

Environmental protection works; Roads; Water reticulation systems

3 Permitted with consent

Aquaculture; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Community facilities; Environmental facilities; Flood mitigation works; Heliports; Information and education facilities; Jetties; Kiosks; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Water recreation structures; Water recycling facilities; Water storage facilities

4 Prohibited

Any development not specified in item 2 or 3



Figure 4: Land Zoning Map (Central Darling Local Environmental Plan 2012) Wilcannia Town Centre. Aqua blue zoning (B2) represents the Local town Centre, the predominant purple zoning (R1) represents General Residential zone and the dark purple and light purple zoning (IN1 & IN2) represents General and Light Industrial land. The dark and light green zoning (RE1 & RE2) represent public and private recreation. (Source: NSW Legislation website - Central Darling Local Environmental Plan 2012). The stars indicate the land use of the sites (Central Darling Shire Council and Wilcannia Golf Club Ltd.) that are the current and historical land use for the sites and are not currently a permitted use under the current zoning of the Central Darling Local Environmental Plan 2012.

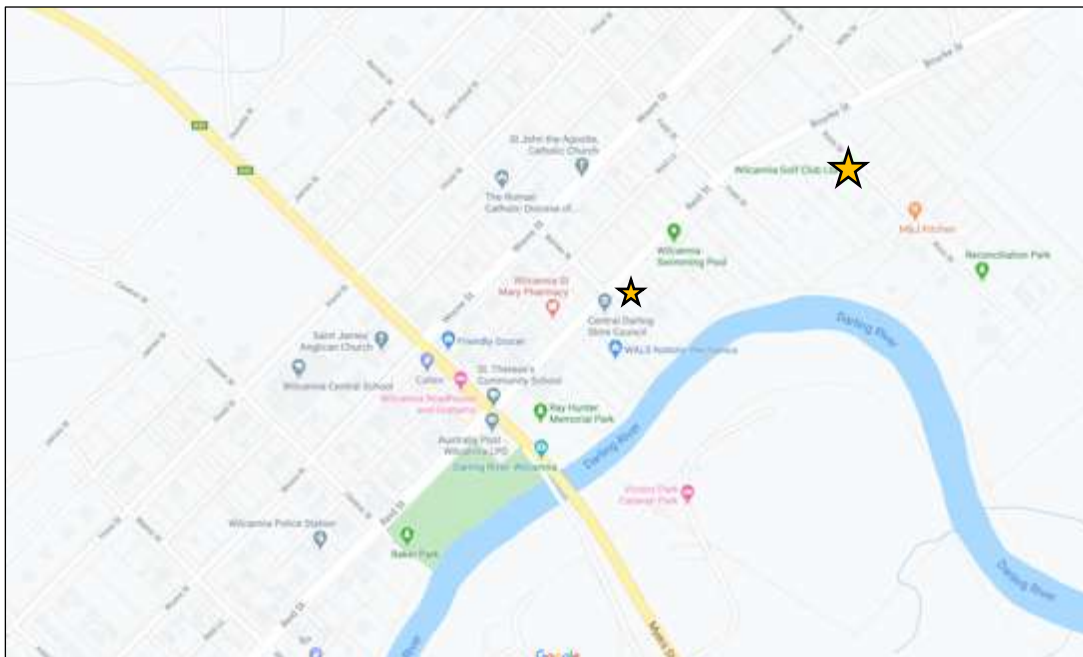


Figure 5: Wilcannia Town Centre Google Maps, the stars indicate the land use of the sites (Central Darling Shire Council and Wilcannia Golf Club Ltd) that are the current and historical land use for the sites and are not currently a permitted use under the current zoning of the *Central Darling Local Environmental Plan 2012*. (Source Google Maps 2020).

PART 3 - JUSTIFICATION FOR THE PROPOSED AMENDMENTS

3.0 – Demonstrate justification for the planning proposal

Justification for the proposal

- Is the planning proposal a result of any strategic study or report?

Yes, the Crown Reserves Plan of Management Project directed and funded by the New South Wales Department of Primary Industry, which is the Government Department responsible for Crown Reserve land in New South Wales.

- Is the planning proposal the best means of achieving the objectives or intended outcomes; or is there a better way?

The planning proposal is the best means of achieving the objective, as the subject sites are in current use as Waste Disposal facilities, Air transport facilities, Community facilities and a childcare centre; the planning proposal formalises the historic and current use of these sites and will facilitate future expansion of the uses if required. The current prohibition of the existing and historic use of the sites was an oversight or lapse made when the Central Darling Local Environmental Plan 2012 was gazetted in 2012.

The addition of more land uses into the RU1 Primary Production zone, the RE1 Public Recreation zone, the RU5 Village zone, and the R1 General Residential zone is the most efficient and time efficient method for legalising the current use of the relevant sites around the towns in the Central Darling Shire Council LGA.

The changing of the actual zone would create the requirement for many lots/sites to be spot rezoned, this may not be of benefit at this time (due to additional research and investigation plus the change in councils mapping).

The most efficient planning method is through this planning proposal which adds additional land uses to the R1 General Residential zone, RU1 Primary production, RE1 Public recreation and RU5 Village zones. This does change

the current land use zoning, or the Local Environmental Planning maps; this is the preferred outcome for the community of each town within the Central Darling Shire Council.

3.1 SECTION B - RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK

3. Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?
Yes.

Far West Regional Plan 2036

Far West Regional Plan 2036 is the relevant strategic plan for the Central Darling LGA. The purpose of Central Darling Local Environmental Plan 2012 and amending instruments such as presently proposed is to give effect to Far West Regional Plan 2036.

The NSW Government's vision for the Far West Region is to create "...a diverse economy, supported by the right infrastructure, an exceptional natural environment and resilient communities."

There are goals arising from that vision, being:

- Goal 1 - A diverse economy with efficient transport and infrastructure networks
- Goal 2 - Exceptional semi-arid rangelands traversed by the Barwon-Darling River
- Goal 3 - Strong and connected communities

The planning proposal to add additional uses to RU5 Village, R1 General Residential, RE1 Public Recreation and RU1 Primary Production Zones is viewed as the most effective way of regularising the current land use and to facilitate future use of the sites.

Relevant State environmental planning policies

State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) was introduced to facilitate the delivery of infrastructure across NSW by improving regulatory certainty and efficiency. The Infrastructure SEPP has specific planning provisions and development controls for different types of infrastructure including Waste Disposal and Air transport facilities.

Standard Instrument – Principal Local Environmental Plan

The Standard Instrument - Principal Local Environmental Plan (Standard Instrument) sets out thirty-five standard zones for councils to use when preparing local environmental plans (LEPs) for their local government area. This includes RU5 Village, R1 General Residential, RE1 Public Recreation and RU1 Primary Production Zones. These zones are the zones identified to have additional land uses added to the land use table to permit the current use of the land within these zones.

Ministerial directions

Ministerial directions are issued under Section 9.1 of the Environmental Planning and Assessment Act (formerly Section 117 Directions). Local councils must follow these Directions when preparing planning proposals for new LEPS. The Directions cover the following broad categories:

- employment and resources
- environment and heritage
- housing, infrastructure and urban development
- hazard and risk
- regional planning
- local plan making.
- Metropolitan planning

This planning proposal must address whether the implementation of the planning proposal will comply with Ministerial Directions issued under Section 9.1 of the Act, or under the equivalent former provisions (formerly Section 117 Directions).

Part 1 of the directions relates to employment and resources.

The proposed amendments will however expand the commercial properties available within Wilcannia which will assist in the promotion of employment. The proposal will not affect properties within any other business or industrial zones.

Part 1.2 of the directions relates to rural zones. The planning proposal legitimises the current and historical use of these sites for waste disposal facilities, this land has never been used for primary production purposes. Therefore, the planning proposal complies with the Ministerial directions.

Part 1.3 of the directions relates to mining, petroleum production and extractive industries. The direction is not applicable because the planning proposal would not permit any different land use to the land uses that are already permitted.

Part 1.4 of the directions relates to rural lands. It applies to any planning proposal that seeks to change zone boundaries for rural or environment protection zone lands or to change the minimum lot size for such lands. As the planning proposal adds an additional land use to cover the existing use of the land as Waste disposal facilities. Therefore, the planning proposal is consistent with the directions.

Part 2 of the directions relates to environment and heritage.

Part 2.1 of the direction relates to environment protection zones. The proposal does not affect existing environment protection zones and is of minor significance. The direction therefore does not apply to the planning proposal.

Part 2.2 of the direction relates to coastal management and is not applicable.

Part 2.3 relates to heritage conservation. The planning proposal only makes the current use permissible on the land.

The planning proposal complies with and achieves the objectives of the direction.

Part 2.4 relates to recreation vehicle areas and is not relevant to the planning proposal. Part 2.5 relates to a different area and is not applicable.

Part 3 relates to housing, infrastructure and urban development.

Part 3.1 relates to residential zones. The planning proposal enables the current long-established commercial buildings and businesses to be a permitted use in the residential zone. This proposal does not reduce the amount of residential land within Wilcannia.

Part 3.2 relates to caravan parks and manufactured home estates and does not affect the planning proposal.

Part 3.3 relates to home occupations. The planning proposal does not affect home occupation provisions and the direction is not relevant to the planning proposal.

Part 3.4 relates to integration of land use and transport. The planning proposal does not involve any significant inconsistency with that direction.

Part 3.5 relates to development near licensed aerodromes. The planning proposal does not involve any significant inconsistency with that direction.

Part 3.6 relates to shooting ranges. The planning proposal will not affect any shooting range.

Part 4 relates to hazard and risk.

Part 4.1 relates to acid sulfate soils. The planning proposal does not affect any classified acid sulfate soil land.

Part 4.3 relates to flood prone land and restricts specified rezoning within flood prone areas. The land is not flood prone land.

Part 4.4 relates to planning for bushfire protection. The direction does not affect the proposal because none of the affect land is within bushfire prone land.

Part 5 relates to regional plan for specified areas and does not affect the planning proposal.

Part 6 relates to local plan making.

Part 6.1 relates to approval and referral requirements and provides that a planning proposal must minimise the reliance upon concurrence authorities and restricts the use of designated development categories. The planning proposal does not involve development requiring concurrence nor designated development. The planning proposal is therefore consistent with that direction.

Part 6.2 relates to the reservation of land for public purposes and is not applicable.

Part 6.3 relates to site specific provisions. The planning proposal does not include such provisions.

Part 7 relates to metropolitan planning and is not relevant to the planning proposal.

Central Darling Local Environmental Plan 2012

The proposal is considered consistent with the clause 1.2(2)(d) of the Central Darling Local Environmental Plan 2012 (CDLEP2012) which aims to “to minimise land use conflict.”

SECTION C – ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No. The planning proposal is unlikely to adversely impact on any critical habitat, threatened species, population or ecological communities or their habitats as the site is already as waste disposal facilities and community area with Air transport facilities.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

No, The land (Waste disposal facilities) is currently managed by council officers, with daily inspections of each site. The other land is a mix of public and private land and management of the land is not affected.

9. How has the planning proposal adequately addressed any social and economic effects?

The clarification of the legal use of the subject sites will remove substantial red tape for future uses of the land by council. These sites have historic land use – waste disposal facility and community use, the addition to the land use tables establishes a clear legal use of the land.

Social Impact

The clarification of the legal use of the subject sites will remove the need for future objections for improvements to the site by council, particularly with regard to specific funding projects and justification.

Economic impacts

The clarification of the legal use of the subject sites will remove red tape for future uses of the land by council which results in less cost for council in the future use and any works to the sites.

SECTION D - STATE AND COMMONWEALTH INTERESTS

10. Is there adequate public infrastructure for the planning proposal?

The proposed sites are currently used as waste disposal facilities and community facilities, there is no issue with public infrastructure with the planned changes to the Central Darling Local Environmental Plan.

11. How many lots or hectares of residential or employment land are proposed?

There is no residential or employment land proposed in the planning proposal.

12. What are the views of State and Commonwealth Public Authorities consulted in accordance with the gateway determination, and have they resulted in any variations to the planning proposal?

Any Gateway Determination issued will specify relevant agencies to be consulted.

The planning proposal seeks to amend the written instrument LEP and includes amendments to the land use zone map of the Central Darling Local Environmental Plan.

It is considered appropriate that any Gateway Determination issued requiring public exhibition of the Planning Proposal for a minimum of 28 days, in accordance with the requirements of the Environmental Planning and Assessment Regulation 2000.

The Central Darling Shire Council has engaged MB Town Planning to prepare the draft planning proposal for the gateway determination. To MB Town Planning's knowledge, there has been no consultation at this stage with State and Commonwealth public authorities.

SECTION D - STATE AND COMMONWEALTH INTERESTS

13. Is the planning proposal a result of any strategic study or report?

The Planning proposal is the result of the Crown Reserve Plan of Management Report project where certain Crown Reserve lots identifying lots where the current use was prohibited under the *Central Darling Local Environmental Plan 2012*. The planning proposal rectifies these errors and also amends the land use table enabling the current land use as being permitted on the land.

14. Is the planning proposal consistent with the local council's community plan, or other local strategic plan?

The planning proposal to amend the *Central Darling Local Environmental Plan 2012*, is consistent with the Central Darling Community Plan and the Draft Central Darling Local Strategic Plan.

15. If the provisions of the planning proposal include the extinguishment of any interests in the land, an explanation of the reasons why the interests are proposed to be extinguished.

No, the planning proposal does not extinguish any interests in the land.

16. The concurrence of the landowner, where the land is not owned by the relevant planning authority.

The land owner for the Crown Reserves is the New South Wales State Government administered by the Department of Planning, Industry and Environment which has in certain cases requested the amendments and has been consulted regarding the imminent additions to the land use table.

PART 4. PROPOSED CHANGES TO THE CDLEP MAPPING

There is no proposed change to the Central Darling Local Environmental maps as the planning proposal adds additional land uses to the land use table and does not change the land use zones or boundaries.

PART 5. COMMUNITY CONSULTATION

It is intended for the planning proposal to be notified by letter to the owners of all properties that are affected by the change to the land use table of the Central Darling Local Environmental Plan. (except where that owner is Council). One of the main landowners is the New South Wales State Government and is managed through the Crown Reserve Management Unit (Department of Planning, Industry and Environment) which is being consulted with during the Crown Reserve Plan of Management project.

Individualised letters are to be sent to each affected property to explain how the changes to the Central Darling Local Environmental Plan 2012, by the additional land uses added to the land use table, will make the current uses of the land permitted with consent.

There will also be advertisements digitally in the Barrier Daily Truth, in the Wilcannia News, and in the relevant Council branches in Menindee and Ivanhoe. Due to Covid 19 and the demise of the paper copies of the local newspapers (now digital format only) additional information may have to be distributed to residents in the form of a brochure or letter and other information sent in hard copy. This is due to the low rate of computer and smart phone use in the Central Darling Shire Council area (also lack of mobile and data coverage due to the far western NSW location).

Public notices will be placed on regularly used noticeboards across the Central Darling Local Government Area, (Menindee, Wilcannia, Ivanhoe, White Cliffs, Tilpa). The planning proposal will also be explained prominently on Council's website and Facebook page. It is intended that the notification provided a 28-day period for submissions to be received. A public community consultation meeting will be held within the first week of the exhibition period in Wilcannia.

The material available for inspection in person or on Council's website will include this planning proposal and also a summary document intended for public viewing with a clear summary (in plain English) of each of the proposed amendments.

During the notification period, the relevant Council representative will be available to take enquiries and their telephone number, and a dedicated email address will be provided.

Submissions received will be collated and assessed at the completion of the notification period and will be taken into consideration. Amendments will be made to the Planning proposal if required.

PART 6. PROJECT TIMELINE

To be determined following the assessment of the planning proposal by council and the determination of the gateway process.

The anticipated project timeline is as follows, whilst noting that it is only an estimate and depends on factors outside of the control of the proponent:

Report to Council:	February 2020
Request gateway determination:	June 2020
Receive gateway determination:	July 2020
Public exhibition:	August/ September 2020
Consider submissions and make final report:	September/ October 2020
Submission to Planning NSW for Parliamentary Counsel:	October 2020
Planning proposal is made:	October 2020

PART 7. SUMMARY

This planning proposal demonstrates why it is appropriate to amend the *Central Darling Local Environmental Plan 2012* land use table to enable the current land uses to be permitted with consent.

Implementation of the planning proposal will achieve relevant goals of the Central Darling Shire Community Strategic Plan and of the Far West Regional Plan 2036. The proposal will make operations for Central Darling Shire Council more efficient with the Waste disposal facilities being permissible uses on the land. The other affected sites will benefit in that the current and, in most case, historic uses of the land will be permitted with consent which will facilitate further development and efficient use of the affected land as commercial and other uses.

It is therefore considered that the planning proposal is worthy of support.

Works Program October 2020



Page 1

MENINDEE COMMON TRUST

And

Central Darling Shire Council

**LICENCE AGREEMENT FOR
OCCUPATION OF LAND FOR
EXTRACTIVE INDUSTRIES**

AGREEMENT dated **26 October 2020**

BETWEEN **Menindee Common Trust**, appointed under the *Commons Management Act 1989* (herein after referred to as the “CMA Act 1989”), as Crown Land Manager of Reserve **Menindee Common, Reserve 64899, notified 9 November 1934. Reserve 71522, notified 25 May 1945** (hereinafter called the “Licensor”).

AND **Central Darling Shire Council (ACN 061 502 439) of PO Box 165 Wilcannia, NSW, 2836**

THE PARTIES AGREE AS FOLLOWS.

1 INTERPRETATIONS, DEFINITIONS AND ADMINISTRATION

Authority for grant of Licence

1.1 The Licensor warrants that it is the Crown Land Manager responsible for the care, control and management of the Premises under the CMA Act 1989.

2 DEFINITIONS

In this Licence unless the contrary intention appears:

Access Plan means the drawing annexed to each Premises Appendix A depicting the Premises and a description of the route of access to an Enclosed Area.

Base Annual Rent means:

- (a) the Initial Rent where the rent has not been redetermined or adjusted in accordance with sub-clauses 14.4 or 14.5; or
- (b) in any other case - the Rent as last redetermined or adjusted in accordance with those provisions;

Business Day means any day which is not a Saturday, Sunday or Public Holiday in New South Wales;

CMA Act 1989 means the *Commons Management Act 1989*;

CLM Act 2016 means the *Crown land Management Act 2016*

Commencement Date means the date referred to in Column 2 of Item 16 of Schedule 1;

Consumer Price Index Number in relation to a quarter, means the number for that quarter appearing in the Consumer Price Index (All Groups Index) for Sydney published by the Australian Statistician.

Due Date means the date for payment of Rent under this Licence as is specified in Column 2 of Item 6, of Schedule 1;

Enclosed Area means the fenced area (which comprises the Premises and Third-Party Exclusive Areas) described in each Premises Appendix as the Enclosed Area and shown

on the Plan annexed to each Premises Appendix where land is, or is intended to be fenced;

Environment has the same meaning given to that term in the *Protection of the Environment Operations Act 1997*;

Environmental Law means any Law relating to the protection of the Environment;

Expiry Date means the date referred to in Column 2 of Item 17 of Schedule 1;

"GST", "taxable supply", "consideration", "tax invoice" and "GST amount" have the meanings given to those terms in *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

Hazardous Substance means a substance that because of its quality, concentration, acute or chronic toxic effects, carcinogenicity, teratogenicity, mutagenicity, corrosiveness, flammability, physical, chemical or infectious characteristics, may pose a hazard to property, human health or the environment when improperly treated, stored, disposed of or otherwise managed;

Improvements means any structure of a permanent nature attached to the land;

Initial Rent means the Rent payable under this Licence in respect of each Premises as is specified in Column 2 of Item 5 of Schedule 1;

Law includes the provisions of any statute, rule, regulation, proclamation, ordinance or by-law, present or future, whether state, federal or otherwise;

Licence means this licence including all Schedules and Annexures hereto;

Licensee means the licensee referred to in Column 2 of Item 2, of Schedule 1;

Licensor means the licensor referred to in Column 2 of Item 1 of Schedule 1 and includes its assigns and for the purpose of clauses 35, 36, 37, 38, 39, 40, 41, and 42 includes Her Majesty the Queen, the State of New South Wales and the Minister and their heirs, successors, agents, servants, employees and contractors;

Market Rent means the Rent as specified in Column 2 of Item 3, of Schedule 1 that would reasonably be expected to be paid for the site if it were offered for the same or a substantially similar use to which the site may be put under the Licence;

Market Rent Review Date means the date described as such in Column 2 of Item 8, of Schedule 1 and expressed as an absolute dollar or as a percent of the Market Rent;

Minister means the Minister administering the *Commons Management Act 1989*;

Party/Parties means the parties to this Licence;

Premises means the land and/or the buildings described in the Premises Appendix and on the plan annexed thereto;

Permitted Use means the use shown in Column 2 of Item 15, of Schedule 1;

Regulations means the *Commons Management Regulation 2018*, as amended or replaced from time to time; or the Local Government (General) Regulation 2005;

Rent means the Base Annual Rent calculated and payable upon each Due Date less any Rent Rebate granted to the Licensee together with all other payments due to be paid by the Licensee as Rent under this Licence;

Rent Rebate means such amount as specified in Column 2 of Item 4 of Schedule 1 given to the Licensee from the Licensor as per clause 14.6 as expressed either as an absolute dollar value or a percentage of the market value;

Sub-Licensee means a person who holds a sub-licence of any part of the Premises from the Licensee in accordance with the provisions of this Licence;

Tenant Fixtures means any plant or equipment, fittings or improvements in the nature of fixtures brought onto the Premises by, or on behalf of, or at the request of, the Licensee;

Term means the term of operation of this Licence in relation to the Premises;

Term of Agreement means the figure set out in Column 2 of Item 18, of Schedule 1;

Third Party Exclusive Areas means those areas that are exclusively for the use of third parties as shown on the Plan annexed to each Premises Appendix.

3 CONSTRUCTION

3.1 This Licence must be constructed in accordance with this clause unless the context requires otherwise;

3.1.1 Plurals

Words importing the singular include the plural and vice versa;

3.1.2 Gender

Words importing any gender include the other gender;

3.1.3 Persons

A reference to a person includes:

- (a) an individual, a firm, unincorporated association, corporation and a government;
and
- (b) the legal personal representatives, successors and assigns of that person;

3.1.4 Headings

Headings (including any headings described as parts and sub-headings within clauses) wherever appearing will be ignored in constructing this Licence;

3.1.5 Clauses and sub-clauses

- (a) A reference to a clause includes all sub-clauses, paragraphs, sub-paragraphs and other components which form part of the clause referred to;

- (b) A reference to a sub-clause includes any sub-paragraphs and other components of the sub-clause referred to;

3.1.6 Time

A reference to time is a reference to local Sydney time;

3.1.7 Money

A reference to \$ or dollars is a reference to the lawful currency of Australia;

3.1.8 Defined Terms

If a word or phrase is defined cognate words and phrases have corresponding definitions. A defined term, unless inconsistent with the context of its use, is denoted by the appearance of that word using a capital letter at the beginning of that word;

3.1.9 Writing

A reference to writing includes any mode of representing or reproducing words in tangible and permanently visible form;

3.1.10 Contra Preferentum

No rules of construction will apply to the disadvantage of any Party responsible for preparation of this Licence or any part of it;

3.1.11 Statutes

A reference to a Statute, Act, legislation, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them made by any legislative authority;

3.1.12 Licence

A reference to this Licence will include any extension or variation of this Licence;

3.1.13 Priority

If an inconsistency occurs between the provisions of this Licence and the provisions of a licence granted in accordance with this Licence, the provisions of this Licence will prevail.

3.2 Warranties and Undertakings

- (a) The Licensee warrants that it:
 - (i) has relied only on its own inquiries about this Licence; and
 - (ii) has not relied on any representation or warranty by the Licensor or any person acting or seeming to act on the Licensor's behalf.
- (b) The Licensee must comply on time with undertakings given by or on behalf of the Licensee.

3.3 Further Assurances

Each Party must do everything necessary to give full effect to this Licence.

3.4 Relationship of Licensor and Licensee

Nothing contained or implied in this Licence will be deemed or construed to create the relationship of partnership or of principal and agent or of joint venture between the Licensor and the Licensee. Specifically, the Parties understand and agree that neither the method of computation of Rent, nor any other provision, nor any acts of the Licensee and the Licensor or either of them will be deemed to create any relationship between them other than the relationship of Licensor and Licensee upon the terms and conditions only as provided in this Licence.

3.5 Time to be of the Essence

Where in any provision of this Licence a Party is given or allowed a specified time within which to undertake or do any act or thing or any power is conferred or any event occurs after the lapsing of a specified time, time shall be the essence of the contract in that regard.

4 SEVERABILITY

Any provision of this Licence which is prohibited or unenforceable in any jurisdiction shall as to such jurisdiction, be ineffective to the extent of such prohibition or inability to enforce without invalidating the remaining provisions of such provisions in any other jurisdiction.

5 ESSENTIAL CONDITIONS OF LICENCE

The Licensor and the Licensee agree that the clauses specified in Column 2 of Item 19 of Schedule 1 are essential conditions of this Licence.

6 PERMITTED USE

6.1 Grant of Licence

The Licensor grants to the Licensee a right to occupy the area delineated on the plan annexed to the Premises Appendix **A** for the Permitted Use.

6.2 Permitted Use only

The Licensee must not:

- (a) use the Premises;
- (b) or allow them to be used (except pursuant to a Licence lawfully granted by the Licensor),

for any purpose other than the Permitted Use specified or referred to in Column 2 of Item 15 of Schedule 1.

6.3 No exclusive possession

The Licensee acknowledges that this Licence does not confer exclusive possession of the Premises upon the Licensee.

7 COMMENCEMENT OF LICENCE AND TERM

This Licence will commence on the date (and where a time is specified or referred to at that time) specified or referred to in Column 2 of Item 16, of Schedule 1 and subject to clauses 10 and 11 will continue in force until the Expiry Date (and where a time is specified or referred to at that time) specified or referred to in Column 2 of Item 17, of Schedule 1.

8 NO RIGHT TO PURCHASE OR TRANSFER OF LICENCE RIGHTS

8.1 In respect of this Licence, and without limitation, the grant of this Licence does not confer upon the Licensee:

- (a) a right to purchase or lease any part of the Premises; or
- (b) any tenancy or other estate or interest in any part of the Premises other than contractual rights as Licensee under this Licence.

8.2 Subject to any other provisions of this Licence the Licensee must not during the Term of this Licence, sub-licence, part with possession of the Premises, transfer or create any interest in the Licence or authorise or permit any person to occupy the Premises without the prior written consent of the Licensor.

9 LICENSEE TO YIELD UP

9.1 The Licensee must forthwith upon the termination of this Licence or any extension of it peaceably vacate the Premises at the Licensee's expense.

9.2 The Licensee must:

- (a) unless otherwise provided for in this Licence, remove all Licensee Fixture/s, signs, names, advertisements, notices or hoardings erected, painted, displayed, affixed or exhibited upon, to or within the Premises by or on behalf of the Licensee (other than a notice displayed by the Licensor); and
- (b) unless otherwise provided for in this Licence, rehabilitate the Premises, (to the extent to which it has been altered or affected by the Licensee's occupation and use of the Premises) as nearly as practicable to the original condition before the installation of the Licensee's Fixtures to the reasonable satisfaction of the Licensor; and
- (c) ensure that when it vacates the Premises in relation to its occupation of the Premises under this Licence, the Premises comply with any Environmental Law to the extent applicable at the time of granting of this Licence; and
- (d) leave the Premises in a clean and tidy condition.

9.3 Sub-clause 9.2 does not apply unless the Licensor permits the Licensee to carry out any works on the Premises reasonably required in order to comply with that clause.

10 TERMINATION OF LICENCE - S.3.43 of the CLM Act 2016 TO APPLY

10.1 Without limiting the Licensee's statutory or other rights apart from this Licence, the Parties acknowledge that subject to subclause 10.2 this Licence will terminate under

section 3.43 of the CLM Act 2016 if the reservation or dedication over that part of the Reserve that comprises the whole or part of the Premises is revoked, unless the revocation notification otherwise provides.

- 10.2 Where only part of the Premises is affected by the revocation or proposed revocation the Parties undertake to consult to determine if an agreement under section 3.43(2) can be reached for the continuation of this Licence in respect to that part of the Premises not affected by the revocation.
- 10.3 The Licensee expressly acknowledges that as provided by section 3.43 of the CLM Act 2016 no compensation will be payable in respect of the Termination of this Licence by the operation of section 56.

11 TERMINATION OF LICENCE ON DEFAULT

- 11.1 The Licensor may terminate this Licence in the manner set out below in the following circumstances:
- (a) if the Rent or any part of it or any moneys owing to the Licensor under the Licence is or are in arrears for one month, whether formally demanded or not;
 - (b) if the Licensee breaches an essential condition of this Licence or any rule or regulation made under this Licence;
 - (c) if defects notified under a provision of this Licence are not remedied within the time specified in the notice;
 - (d) if the Licensee is a corporation and an order is made or a resolution is passed for its winding up except for reconstruction or amalgamation;
 - (e) if the Licensee is a company and ceases or threatens to cease to carry on business or goes into liquidation, whether voluntarily or otherwise, or is wound up or if a liquidator or receiver (in both cases whether provisional or otherwise) is appointed;
 - (f) if the Licensee is a company and is placed under official management under corporations law or enters a composition or scheme of arrangement;
 - (g) if the interest the Licensee has under this Licence is taken in execution;
 - (h) if the Licensee or any person claiming through the Licensee conducts any business from the licensed Premises after the Licensee has committed an act of bankruptcy.
- 11.2 In the circumstances set out in sub-clause 11.1 the Licensor may end this Licence by:
- (a) notifying the Licensee that it is ending the Licence; or
 - (b) re-entering the Premises, with force if necessary, and ejecting the Licensee and all other persons from the Premises and repossessing them; or
 - (c) doing both.
- 11.3 If the Licensor ends this Licence under this clause, the Licensee will not be released

from liability for any prior breach of this Licence and other remedies available to the Lessor to recover arrears of Rent shall not be prejudiced.

- 11.4 If the Lessor ends this Licence under this clause or the Licence terminates under clause 10, the Lessor may remove the Licensee's property and store it at the Licensee's expense without being liable to the Licensee for trespass, detainee, conversion or negligence. After storing it for at least one month, the Lessor may sell or dispose of the property by auction or private sale. It may apply any proceeds of the auction or sale towards any arrears of Rent or other moneys or towards any loss or damage or towards the payment of storage and other expenses.

12 ACCEPTANCE OF RENT NOT WAIVER

Demand or acceptance of Rent or any other moneys due under this Licence by the Lessor after termination does not operate as a waiver of the termination.

13 HOLDING OVER BY LICENSEE

- (a) At the end of the Term of Agreement as specified in Column 2 of Item 18 of Schedule 1, the Licensee will be entitled with the consent of the Lessor to remain in possession of the Premises on the following terms and conditions:
 - (i) the Licensee will become a monthly tenant of the Lessor at a monthly rental equivalent to one twelfth proportion of the annual Rent payable at the time of expiration or sooner determination of this Licence;
 - (ii) the Licensee must comply with and be bound by the terms and conditions of this Licence insofar as the terms and conditions are applicable, provided that the Lessor may from time to time by notice in writing served on the Licensee direct that any particular condition not apply or be amended in the manner set out in the notice.
- (b) The Lessor and the Licensee expressly agree that where any provision of this Licence confers any right, duty, power or obligation on a Party upon the expiration or determination of this Licence or on the Expiry Date and the Licensee is authorised to remain in possession of the Premises pursuant to a consent granted under this clause the emergence of the right, duty, power or obligation shall be postponed until such time as the Licensee ceases to be entitled to possession pursuant to this clause.
- (c) The tenancy created by operation of this clause may be determined by the Lessor serving on the Licensee a notice to quit. The notice shall take effect at the expiration of the period of one month from the date of service of the notice or such further period as may be specified in the notice.
- (d) The tenancy created by operation of this clause may be determined by the Licensee serving on the Lessor a notice stating that as from a date specified in the notice the tenancy is surrendered.

14 LICENSEE'S RENT AND OUTGOINGS

14.1 Licensee to Pay Rent

The Licensee covenants with the Lessor that the Licensee must, during the whole of the Term of Agreement and any extension of it, pay the Rent to the Lessor in

accordance with the provisions of this clause without demand free of exchange and without deduction whatsoever.

14.2 Goods and Services Tax

- (a) The Parties agree that all payments to be made and other consideration to be provided by the Licensee under the Licence are GST exclusive unless explicitly expressed otherwise. If any payment or consideration to be made or provided by the Licensee to the Licensors is for a taxable supply under the Licence on which the Licensors must pay GST and the Licensors give the Licensee a tax invoice, the Licensee must pay to the Licensors an amount equal to the GST payable ("the GST Amount") by the Licensors for that taxable supply upon receipt of that tax invoice.
- (b) The Parties agree that they are respectively liable to meet their own obligations under the GST Law. The GST Amount shall not include any amount incurred in respect of penalty or interest or any other amounts payable by the Licensors as a result of default by the Licensors in complying with the GST Law.

14.3 Rent and Adjusted Rent

The Licensee must pay to the Licensors on the Commencement Date the Initial Rent and thereafter must pay on each Due Date, Rent in advance adjusted as provided in sub-clauses 14.4 and 14.5.

14.4 Calculation of Annual Rental Adjustment

- (a) On each anniversary of the Due Date the Rent will be adjusted in accordance with the following formula:

$$R = B \times \frac{C}{D}$$
 where:
 R represents the Base Annual Rent following adjustment under this clause;
 B represents the Base Annual Rent before adjustment under this clause;
 C represents the Consumer Price Index Number for the last quarter for which such a number was published before the Due Date; and
 D represents the Consumer Price Index Number for the last quarter of the last adjustment of Rent for which such a number was published.
- (b) In the event that such index be discontinued or abolished the Minister may at his absolute discretion nominate another Index.
- (c) Any Rent adjusted under this sub-clause shall be adjusted to the nearest whole dollar.
- (d) An adjustment of Rent made under this clause shall take effect on its Due Date, notwithstanding that any Rent notice to the Licensee is not issued until after that date specified or referred to in Column 2 of Item 6 of Schedule 1.

14.5 Market Rent Review

- (a) In addition to the Rent adjustment provided for in clause 14.4 the Rent may, subject to the following provisions of this clause, be redetermined to an amount

that is the Market Rent on that date with effect on and from each Market Rent Review Date by the Licensor;

- (b) A redetermination of Rent for the purposes of sub-clause 14.5(a) will be taken to have been made on the Market Rent Review Date if it is made at any time within the period of six months before and up to six months after that Market Rent Review Date specified or referred to in Column 2 of Item 8 of Schedule 1.
- (c) Where the Licensor does not redetermine the Rent as provided for in sub-clause 14.5(a) it may subsequently redetermine the Rent at any time before the next Market Rent Review Date. No succeeding Market Rent Review Date shall be postponed by reason of the operation of this clause.
- (d) A redetermination of Rent made under sub-clause 14.5(a) or 14.5(c) will take effect and be due and payable on the next Due Date following the date of issue of the notice of redetermination (or where the said Due Date and the date of issue of the notice of redetermination are the same, then that date) even if the Licensee wishes to dispute the redetermination.

14.6 Rebate for Charitable or Non Profit Organisations

- (a) At the absolute discretion of the Licensor, the Licensor may determine that the Licensee is entitled to a Rent Rebate on the basis that the Licensee is a recognised charitable or non-profit organisation;
- (b) Subject to sub-clause 14.6(a), the Rent is calculated by subtracting the Rent Rebate from the Base Annual Rent, but the Rent must exceed the statutory minimum rental applicable;
- (c) Where the Licensee is not entitled to a Rent Rebate, the Base Annual Rent applies.

15 CONTINUING OBLIGATION

The obligation of the Licensee to pay Rent is a continuing obligation during the Term of Agreement and any extension of it and shall not abate in whole or in part or be affected by any cause whatsoever.

16 NO REDUCTION IN RENT

Subject to this Licence the Licensee must not without the written consent of the Licensor by any act, matter or deed or by failure or omission impair, reduce or diminish directly or indirectly the Rent reserved or imposed by this Licence. However, if at any time during the Licence:

- (a) some natural disaster or other serious event occurs which is beyond the reasonable control of the Licensee; and
- (b) as a result of the damage caused by the natural disaster or other serious event, the Licensee is not able to use the Premises in a reasonable manner,

the Licensee's obligations to pay Rent will abate to the extent proportional to the effect on the Licensee's ability to occupy and use the Premises until the Premises are restored to a condition in which the Licensee is able to conduct the Licensee's activities and/or occupy the Premises in a reasonable manner.

17 LICENSEE TO PAY RATES

- 17.1 The Licensee must when the same become due for payment pay all (or in the first and last year of the Term of Agreement the appropriate proportionate part) rates, taxes, assessments, duties, charges and fees whether municipal, local government, parliamentary or otherwise which are at any time during the currency of this Licence separately assessed and lawfully charged upon, imposed or levied in respect of the Licensee's use or occupation of the Premises to the extent referable to the Licensee's use or occupation of the Premises.
- 17.2 Where the Licensors requires evidence for such payments the Licensee must produce such evidence within ten Business Days after the respective due dates for payment.
- 17.3 In the case where such rates, taxes, duties and fees so covenanted to be paid by the Licensee are not paid when they become due the Licensors may if it thinks fit pay the same and any such sum or sums so paid may be recovered by the Licensors as if such sums were Rent.

18 LICENSEE TO PAY OTHER CHARGES

The Licensee must pay all other fees, charges and impositions for which it may properly be liable which are imposed by an authorised third party and which are at any time during the Term of Agreement payable in respect of the Premises or on account of the use and occupation of the Premises by the Licensee.

19 LICENSEE TO PAY FOR SERVICES

The Licensee must as and when the same become due for payment pay to the Licensors or to any other person or body authorised to supply the same all proper charges for gas, electricity, water or other services supplied to the Licensee or consumed in or on the Premises, by the Licensee.

20 LICENSEE TO PAY COST OF WORK

Whenever the Licensee is required under this Licence to do or effect any act, matter or thing then the doing of such act matter or thing shall unless this Licence otherwise provides be at the sole risk, cost and expense of the Licensee.

21 COSTS PAYABLE BY LICENSEE TO LICENSOR

Except when law limits costs being recovered from a Licensors by a Licensee, the Licensee must pay in full the Licensors's reasonable legal costs, the fees of all consultants and all duties fees, charges and expenses incurred reasonably, properly and in good faith by the Licensors in consequence of or in connection with or incidental to:

- (a) the preparation and completion of this Licence;
- (b) any variation of this Licence made otherwise than at the request of the Licensors;
- (c) any application for the consent of the Licensors and the Minister if applicable under this Licence;

- (d) any and every failure to comply breach or default by the Licensee under this Licence;
- (e) the exercise or attempted exercise of any right power privilege authority or remedy of the Licensor under or by virtue of this Licence;
- (f) the examination of plans, drawings and specifications of any improvement erected or constructed or to be erected or constructed on the Premises by the Licensee and the inspection of it, in this case the costs to be mutually agreed;
- (g) any entry, inspection, examination, consultation or the like which discloses a breach by the Licensee of any covenant of this Licence;
- (h) the Licensee requiring the Licensor to do any act, matter or thing under this Licence, unless otherwise provided for in this Licence.

22 COSTS PAYABLE BY LICENSOR

The Licensor must pay its own direct and external consultants' costs in relation to any rental redetermination matter without reimbursement from the Licensee.

23 INTEREST ON OVERDUE MONEYS

The Licensee must pay interest to the Licensor on any moneys due and payable under this Licence or on any judgment in favour of the Licensor in an action arising from this Licence until all outstanding moneys including interest are paid in full. The rate of interest applicable is the rate set by the Licensor's Bank for the time being as its benchmark rates for overdrafts of one hundred thousand dollars (\$100,000.00) or more. Interest shall accrue and be calculated daily.

24 MANNER OF PAYMENT OF RENT AND OTHER MONEYS

The Rent and other moneys payable in accordance with this Licence must be paid to the address or bank account specified in Column 2 of Item 9, of Schedule 1 or to such other person or at such other address as the Licensor may from time to time direct by notice in writing served on the Licensee.

25 OBLIGATIONS AND RESTRICTIONS RELATING TO PREMISES

25.1 Access

Subject to the sub-clauses hereunder the Licensor confirms that the Licensee will have unfettered and free access to and from, the Premises at all times, provided however that:

- (a) The Licensee must strictly observe the reasonable directions and requirements of the Licensor at all times regarding the methods and routes of access to the Premises taken by the Licensee;
- (b) If the Licensee has shown the position of its intended access on the Access Plan **Appendix A** and described the nature of the activity to be conducted on the land at those positions, then in respect of that access, the Licensor will not require further notice;

- (c) The Licensee as far as is practicable, must use existing access tracks to, from, within and surrounding the Premises;

25.2 Entry by the Public

The Licensee must allow the public to have right of access over that part of the Premises as specified in Column 2 of Item 20, of Schedule 1 and any such part of the Premises shall be suitably signposted. Otherwise the Licensee may prohibit unauthorised entry to the remainder of the Premises. If required by the Licensors plans showing the areas where public access is authorised and unauthorised shall be displayed in a prominent location at the entrance to the Premises.

25.3 Additions and Alterations

The Licensee shall not make any additions or alterations to the Premises without first obtaining the written consent of the Licensor, the Minister (unless it has been deemed to have been given under section 2.23 of the CLM Act 2016) and any development consent required under the *Environmental Planning & Assessment Act 1979*. Any additions or alterations consented to by the Licensor and the Minister shall be carried out at the Licensee's expense.

25.4 Maintenance of Premises and Enclosed Areas

The Licensee must keep the Premises clean and tidy and in good order and condition.

25.5 Licensee to erect barricades etc

Where the Premises or any part of the Premises become to the knowledge of the Licensee (or which ought reasonably to be in the knowledge of the Licensee) unsafe, hazardous or dangerous the Licensee shall forthwith erect such warning signs, fences and barricades as may be necessary until the Premises are rendered safe.

25.6 No residence on Premises

The Licensee must not reside or permit any other person to reside on the Premises, unless Schedule 2, Special Conditions, permit otherwise.

25.7 Licensee not to remove materials

- (a) The Licensee must not mine, remove, extract, dig up or excavate any sand, stone, gravel, clay, loam, shell or similar substance from, on or in the Premises or permit any other person to undertake such action without the prior consent in writing of the Licensor and the Minister and subject to such conditions as the Licensor or the Minister may determine.
- (b) Sub-clause 25.7(a) does not apply to any removal, digging up or excavation as may be necessary to construct or undertake any Improvement authorised by or under this Licence provided that any such removal, digging up or excavation is undertaken in accordance with the requirements of that authorisation.
- (c) A failure by the Licensee to comply with any condition imposed pursuant to sub-clause 25.7(a) constitutes a failure by the Licensee to comply with a provision or covenant of this Licence.

25.8 Licensee not to burn off

The Licensee must not carry out any burning off on the Premises except with the prior consent of the Licensor in writing, which consent shall not be unreasonably withheld, and after compliance with the requirements of the *Rural Fires Act 1997*. Any consent granted in accordance with this clause shall be subject to such reasonable conditions as the Licensor may impose.

25.9 Rodents and Vermin

The Licensee must take all reasonable precautions to keep the Premises free of rodents, vermin, insects and pests and shall in the event of failing to do so if required by the Licensor employ from time to time a duly certified pest exterminator at cost of the Licensee and as approved by the Licensor whose approval will not be unreasonably withheld. In performing its obligations pursuant to this clause the Licensee and any one acting on the Licensee's behalf shall not use any substance or undertake any activity prohibited by any legislation.

26 ADVERTISING

- (a) The Licensee must not permit to be displayed or placed on the Premises or any part of them any sign, advertisement or other notice without first obtaining the Licensor's written consent other than safety signs, in respect of which the Licensor's consent shall not be required; and
- (b) The Licensor may at any time by notice in writing require the Licensee to discontinue to use any piece or mode of advertising to which the Licensor has granted consent under sub-clause 26(a) which in the opinion of the Licensor has ceased to be suitable or has become unsightly or objectionable and the Licensee on receipt of the notice shall comply accordingly.

27 NOTIFICATION OF ACCIDENT

The Licensee must give to the Licensor prompt notice in writing of any serious accident or serious defect at or in the Premises or any part of them unless the defect or accident is capable of being and is promptly remedied by the Licensee.

28 LICENSEE NOT TO COMMIT NUISANCE ETC

The Licensee must not:

- (a) carry on or permit to be carried on at the Premises any noxious, nuisance or offensive trade or business; or
- (b) carry on or permit to be carried on at the Premises any act, matter or thing which results in nuisance damage or disturbance to the Licensor or owners or occupiers of adjoining or neighbouring lands or buildings; or
- (c) use the Premises for any illegal activity.

29 HAZARDOUS SUBSTANCES

The Licensee must not keep any Hazardous Substance on the Premises without prior consent of the Licensor, which consent shall not be unreasonably withheld.

30 RELICS

- (a) Unless authorised to do so by a permit under section 87 or a consent under section 90 of the *National Parks and Wildlife Act 1974* and subject to observance and compliance with any conditions imposed on the grant of such permit or consent the Licensee must not knowingly disturb, destroy, deface or damage any aboriginal relic or place or other item of archaeological significance within the Premises and shall take every reasonable precaution in drilling excavating or carrying out other operations or works in the Premises against any such disturbance, destruction, defacement or damage.
- (b) If the Licensee becomes aware of any aboriginal relic or place or other item of archaeological significance within the Premises the Licensee must within 24 hours notify the Licensors and the Chief Executive of the Office of Environment and Heritage of the existence of such relic place or item.
- (c) The Licensee must not continue any operations or works on the Premises likely to interfere with or disturb any relic, place or item referred to in sub- clause 30(b) without the approval of the Chief Executive of the Office of Environment and Heritage and the Licensee shall observe and comply with all reasonable requirements of the said Director-General in relation to carrying out the operations or works.

31 ARTEFACTS

All fossils, artefacts, coins, articles of value, articles of antiquity, structure and other remains or things of geological historical or archaeological interest discovered on or under the surface of the Premises shall be deemed to be the absolute property of the Licensors and the Licensee must as authorised by the Licensors watch or examine any excavations and the Licensee must take all reasonable precautions to prevent such articles or things being removed or damaged and shall as soon as practicable after discovery thereof notify the Licensors of such discovery and carry out the Licensors' orders as to the delivery up to or disposal of such articles or things at the Licensors' expense.

32 OWNERSHIP AND REMOVAL OF TENANT FIXTURES AND IMPROVEMENTS

- (a) During the Term of Agreement and any extension of it, ownership of Tenant Fixtures vests in the Licensee. Notwithstanding anything contained in this Licence, so long as any Rent or other moneys are due by the Licensee to the Licensors or if the Licensee has committed any breach of this Licence which has not been made good or remedied and whether the Licensee is still in possession or not, the Licensee shall not be entitled to remove any of the Tenant Fixtures, fittings or equipment from the Licensed property.
- (b) Upon expiry of the Licence all Improvements undertaken by the Licensee become the property of the Licensors.

33 GENERAL REQUIREMENT TO REPAIR

Without prejudice to the specific obligations contained in this Licence the Licensee must to the satisfaction of the Licensors at all times keep the Premises in good repair and properly maintained in all respects.

34 BREAKAGES

The Licensee must, immediately at the Licensee's expense, make good any breakage defect or damage to the Premises (including but not limited to broken glass) or to any adjoining premises or to any facility or appurtenance of the Licensor occasioned by want of care, misuse or abuse on the part of the Licensee or the Licensor's other Licensees occupants occupiers or other persons claiming through or under the Licensee or otherwise occasioned by any breach or default of the Licensee hereunder.

35 INDEMNITIES AND INSURANCE

35.1 Indemnity for use of Premises

- (a) The Licensee indemnifies and keeps indemnified the Licensor from and against all actions, suits, claims, demands, proceedings, losses, damages, compensation, sums of money, costs, legal costs, charges and expenses whatsoever to which the Licensor will or may be or becomes liable for or in respect of the Licensee's occupation operation and use of the Premises or for or in respect of all losses, damages, accidents or injuries of whatsoever nature or kind and howsoever sustained or occasioned (and whether to any property or to any person or resulting in the destruction of any property or the death of any person or not) at or upon the Premises or originating on the Premises although occurring or sustained outside the same except to the extent that any such claims and demands:
 - (i) arise from or are contributed to by the negligence or wilful act or omission on the part of the Licensor; or
 - (ii) arise from the occupation, operation or use of the Premises by any other occupier, or the acts of any person who has access to the Premises with the consent of another occupier, and the Licensor is adequately indemnified by that other occupier in respect of the relevant claim or demand, and the Licensor must use its reasonable endeavours to ensure that an indemnity in this form is contained in any agreement with any other occupier of the Premises.

35.2 Indemnity Continues After Expiration of Licence

The obligations of the Licensee under this clause continue after the expiration or other determination of this Licence in respect of any act, deed, matter or thing happening before such expiration or determination for the period limited by the Statute of Limitations.

35.3 Exclusion of Consequential Loss

Despite any other provision of this Licence, both Parties exclude, and agree that they will have no rights against the other for liability for consequential or indirect loss arising out of this Licence including (without limitation) in respect of loss of profits or loss of business. This clause does not apply in respect of wilful acts by either Party.

36 INSURANCE - PUBLIC RISK

The Licensee must effect and maintain with a reputable and solvent insurer with respect to the Premises and the activities carried on in the Premises public risk insurance for an amount not less than the amount set out in Column 2 of Item 12, of Schedule 1 or such

other amount as the Licensor may from time to time reasonably require as the amount payable in respect of liability arising out of any one single accident or event. The Licensor acknowledges that the Licensee may effect the public risk insurance pursuant to an insurance policy which is not specific as to the location of risk.

37 PROVISIONS RE POLICIES

- (a) All insurance policies required to be effected by the Licensee pursuant to this Licence are specified in Schedule 2, Special Conditions and shall be in place prior to the Licensee occupying the Premises.
- (b) The Licensee must produce to the Licensor, once per calendar year or once per period of insurance (whichever first occurs), a certificate of insurance and/or a certificate of currency in respect of the insurance policies required to be effected by the Licensee pursuant to this Licence.
- (c) The Licensee must not at any time during the Term of Agreement do or bring upon the Premises anything which it ought reasonably believe may render void or voidable any policy of insurance. If the Licensee brings anything onto the Premises whereby the rate of premium on such insurance is liable to be increased, the Licensee must obtain insurance cover for such increased risk and pay all additional premiums on the Premises required on account of the additional risk caused by the use to which the Premises are put by the Licensee.
- (d) The Licensee must use all reasonable endeavours to ensure that full, true and particular information is given to the office or company with which the said insurances are effected of all matters and things the non-disclosure of which might in any way prejudice or affect any such policy or policies of insurance or the payment of all or any moneys there under.

38 INDEMNITY FOR NON-COMPLIANCE WITH LEGISLATION

The Licensee indemnifies and keeps indemnified the Licensor from and against any and all actions, suits, claims, demands, proceedings, losses, damages, compensation, sums of money, costs, legal costs, charges and expenses whatsoever arising from the non-compliance by the Licensee with any New South Wales or Commonwealth legislation that may apply to the Licensee's use, occupation of and access to the site and the Licensee's operation of their business from and access to the site.

This clause does not merge on the expiration or other determination of this Licence in respect of any act, deed, matter or thing happening before such expiration or determination.

39 INDEMNITY FOR BREACH OF ENVIRONMENTAL LAW

Without prejudice to any other indemnity granted by this Licence, the Licensee indemnifies and keeps the Licensor indemnified against all claims whatsoever arising from a breach by the Licensee of any Environmental Law which breach is in relation to the Premises. This clause shall not merge on expiration or other determination of this Licence in respect of any act, deed, matter or thing happening before such expiration or determination.

40 NO LIABILITY FOR FAILURE OF SERVICES

The Licensor is not liable for any loss, injury or damage sustained by the Licensee or any other person at any time as a result of or arising in any way out of the failure of the electricity, telephones, gas, water supply, sewerage, drainage or any other services or facilities provided by the Licensor or enjoyed by the Licensee in conjunction with the Premises or this Licence provided that such failure is not due to the negligent or wilful act or omission of the Licensor its servants or agents.

41 LICENSEE NOT TO IMPOSE LIABILITY ON LICENSOR

Subject to any other provision of this Licence, the Licensee must not without the written consent of the Licensor by any act, matter or deed or by failure or omission cause or permit to be imposed on the Licensor any liability of the Licensee under or by virtue of this Licence even though the Licensee is entitled to do so under any law present or future or otherwise.

42 RELEASE OF LICENSOR FROM LIABILITY

- (a) The Licensee occupies, uses and keeps the Premises at the risk of the Licensee and hereby releases to the full extent permitted by law the Licensor from all claims and demands of every kind resulting from any accident, damage or injury occurring therein but excluding such claims and demands to the extent that such claims and demands arise out of the negligent or wilful acts omissions or default of the Licensor. The Licensor has no responsibility or liability for any loss of or damage to fixtures and/or personal property of the Licensee or any agent or servant of the Licensee or of any member of the public whilst in or upon the Premises (but excluding such loss or damage claims and demands to the extent that such loss or damage, claims and demands arise out of the negligent acts or wilful omissions or default of the Licensor).
- (b) The obligations of the Licensee under this clause continue after the expiration or other determination of this Licence in respect of any act, deed, matter or thing happening before such expiration or determination for which the Licensee is responsible. Such obligation is to be governed by the Statute of Limitations.

43 LICENSOR'S WARRANTIES AND COVENANTS

43.1 Hazardous Chemicals

The Licensor warrants that it has not received any notices pursuant to the *Contaminated Land Management Act 1997* (NSW).

44 LICENSOR'S POWERS AND FUNCTIONS

44.1 Approval by Licensor

- (a) In any case where pursuant to this Licence the doing or executing of any act, matter or thing by the Licensee is dependent upon the approval or consent of the Licensor such approval or consent is not effective unless given in writing and may be given or withheld (unless the context otherwise requires) by the Licensor and may be given subject to such conditions as the Licensor may determine unless otherwise provided in this Licence provided such consent or

approval is not unreasonably withheld or such terms and conditions are not unreasonable.

- (b) Any failure by the Licensee to comply with a condition imposed by the Licensor pursuant to sub-clause 44.1(a) constitutes a failure by the Licensee to comply with a condition of this Licence.

45 APPLICATION OF CERTAIN STATE AND COMMONWEALTH LAWS

45.1 Proportionate Liability

Part 4 of the Civil Liability Act 2002 (NSW) does not apply to this Licence.

45.2 Licensee to Comply with all Commonwealth and NSW State Laws

- (a) The Licensee must comply with the requirements of all Statutes, regulations or by-laws and requirements of all relevant public and local authorities in so far as they apply in relation to the use and occupation of the Premises to the extent to which the Licensee is bound at law to comply with the same and nothing in this Licence affects this obligation.
- (b) The Licensee must forthwith on being served with a notice by the Licensor comply with any notice or direction served on the Licensor by a competent authority relating to the destruction of noxious animals or plants or pests or the carrying out of repairs alterations or works on or to the Premises.

45.3 Licensee to Comply with Environmental Laws

In relation to its use of the Premises, the Licensee shall, during the Term of Agreement, and in relation to the Premises:

- (a) comply with relevant Environmental Law;
- (b) use its best endeavours to prevent a breach of any Environmental Law;
- (c) report any breach even if accidental; and
- (d) provide to the Licensor as soon as reasonably practicable details of notices received by or proceedings commenced against the Licensee pursuant to an Environmental Law:
 - (i) relating to a breach or alleged breach by the Licensee of an Environmental Law; or
 - (ii) requiring the Licensee to carry out works to decrease the affectation of the Premises by any Hazardous Substance.

45.4 Licensee's Failure to Comply with Statutory Requirements

Where the Licensee breaches any law in relation to its use of the Premises it is taken to breach a condition of the Licence, provided that:

- (a) the Licensee has been found guilty of the breach, and

- (b) the Licensor determines that the breach warrants the Termination of the Licence.

46 NOTICES

46.1 Service of Notice on Licensee

Any notice served by the Licensor on the Licensee must be in writing and is sufficiently served if:

- (a) served personally or left addressed to the Licensee at the address stated in Column 2 of Item 10, of Schedule 1 or such other address as the Licensee notifies in writing to the Licensor; or
- (b) sent by email to the Licensee's email address stated in Column 2 of Item 10, of Schedule 1 or such other address as the Licensee notifies in writing to the Licensor;
- (c) forwarded by prepaid security mail addressed to the Licensee at the address stated in Column 2 of Item 10, of Schedule 1;

and every such notice must also be served on the Licensee's solicitors as they may be nominated from time to time, or such other address as the Licensee's solicitors notify in writing to the Licensor, by any methods identified in subclauses 46.1 (a) and (b).

46.2 Service of Notice on Licensor

Any notice served by the Licensee on the Licensor must be in writing and is sufficiently served if:

- (a) served personally or left addressed to the Licensor at the address stated in Column 2 of Item 11, of Schedule 1 or such other address as the Licensor notifies in writing to the Licensee; or
- (b) sent by email to the Licensor's email address stated in Column 2 of Item 11, of Schedule 1 or such other address as the Licensor notifies in writing to the Licensee;
- (c) forwarded by prepaid security mail addressed to the Licensor at the address stated in Column 2 of Item 11, of Schedule 1

and every such notice must also be served on the Licensor's solicitors, as they may be nominated from time to time, or such other address as the Licensor's solicitors notify in writing to the Licensee, by any methods identified in subclauses 46.2 (a) and (b).

46.3 Notices

- (a) Any notice served by the Licensor or the Licensee under this Licence is effective if signed by a director or secretary or the solicitors for the Party giving the notice or any other person or persons nominated in writing from time to time respectively by the Licensor or by the Licensee to the other.
- (b) Any notice sent by prepaid security mail is deemed to be served at the expiration of 2 Business Days after the date of posting.

47 PROCEDURE - DISPUTE RESOLUTION

- (a) In the event that the Licensor and the Licensee are in dispute regarding any matter relating to or arising under this Licence or in respect of any approvals or consents to be granted by the Licensor (except those approvals or consents where the Licensor has an obligation to act reasonably) to the Licensee hereunder or where it is acting in its statutory capacity, then either the Licensor or the Licensee may give notice and particulars of such dispute to the other Party.
- (b) Where a notice of dispute is served pursuant to this clause the Parties agree to enter into informal negotiations to try and resolve the dispute in good faith and in an amicable manner.
- (c) If the dispute is not resolved informally within 21 days of service of written notification, the Parties may confer with a mutually agreed third party whose role will be to assist in the resolution of the dispute by mediation or expert appraisal of the dispute. The Parties agree to provide all information and assistance reasonably requested by such third party, including access to any accounting or other business records relating to or arising out of the Licence.
- (d) A third party appointed in accordance with this clause may decide in which proportions any fees will be borne by the respective Parties. In the absence of any such decision by the third party fees shall be borne equally by the Parties.
- (e) Neither Party shall be entitled to commence or maintain any proceedings in any court or tribunal until negotiations or mediations have taken place pursuant to this clause except where either Party seeks urgent interlocutory relief.
- (f) Either Party may at any time bring negotiations or mediation to an end by serving upon the other Party written notice stating that the dispute has failed to be resolved. Upon service of such notice both Parties shall be entitled to pursue any legal remedies available to them in relation to the dispute. This sub-clause does not in any way limit a mediator's power to apportion fees under sub-clause 47(d).
- (g) Notwithstanding the existence of a dispute under this or any other clause of this Licence the Parties must, unless acting in accordance with an express provision of this Licence, continue to perform their obligations under this Licence.

MISCELLANEOUS**48 NO MORATORIUM**

Any present or future legislation which operates to vary obligations between the Licensee and the Licensor, except to the extent that such legislation is expressly accepted to apply to this Licence or that its exclusion is prohibited, is excluded from this Licence.

49 NO WAIVER

No waiver by a Party of any breach of any covenant obligation or provision in this Licence either express or implied shall operate as a waiver of another breach of the same or of any other covenant obligation or provision in this Licence contained or implied. None of

the provisions of this Licence shall be taken either at law or in equity to have been varied waived discharged or released by a Party unless by express consent in writing.

50 NO MERGER

Nothing in this Licence merges, postpones, extinguishes lessens or otherwise prejudicially affects the rights and remedies of the Parties under this Licence or under any other agreement.

51 COUNTERPARTS

- (a) A Party may execute this Licence by signing any counterpart.
- (b) All counterparts constitute one document when taken together.

52 CONTACT PERSON

The Licensor and the Licensee each must nominate a person to contact about matters arising under this Licence. The person so nominated is the person referred to in Column 2 of Items 13 and 14, of Schedule 1 or such other person as the Licensor nominates in writing to the Licensee and the Licensee nominates in writing to the Licensor from time to time.

53 APPLICABLE LAW

This Licence shall be construed and interpreted in accordance with the law of New South Wales.

54 NO HOLDING OUT

- (a) The Licensee must not in connection with the Premises or otherwise directly or indirectly hold out or not permit to be held out to any member of the public any statement, act, deed, matter or thing indicating that the Premises or the business conducted or operated thereon or any parts or parts thereof are or is being carried on or managed or supervised by the Licensor.
- (b) The Licensee must not act as or represent itself to be the servant or agent of the Licensor.

55 WHOLE AGREEMENT

- (a) The provisions contained in this Licence expressly or by statutory implication cover and comprise the whole of the agreement between the Parties.
- (b) No further or other provisions whether in respect of the Premises or otherwise will be deemed to be implied in this Licence or to arise between the Parties hereto by way of collateral or other agreement by reason or any promise representation warranty or undertaking given or made by any Party hereto to another on or prior to the execution of this Licence.
- (c) The existence of any such implication or collateral or other agreement is hereby negated.

56 SPECIAL CONDITIONS

The Special Conditions set out in Schedule 2 apply and form part of this Licence.

SCHEDULE 1

Item	Clause	Column 1	Column 2
1	2	Licensor	Menindee Common Trust
2	2	Licensee	Central Darling Shire Council
3	2	Market Rent	\$0 pa including GST
4	2	Rent Rebate	\$0 including GST
5	2	Initial Rent	\$ \$0 pa including GST
6	2	Due Date	26 October 2020 and each anniversary of this date in each year of the Term of Agreement and any holding over period. Day usage fees are to be paid quarterly.
7	14.4	Annual Rental Adjustment	12 months from commencement and annually there after
8	14.5	Market Rent Review Date	3 years from Commencement Date of Licence and every 3 years thereafter
9	24	Address for Payment of Rent [OPTIONAL] Electronic Funds Transfer details for payment of rent	PO Box 165 Wilcannia, NSW, 2836 Name of financial institution: N/A BSB:N/A Acc no: N/A Account in name of:N/A
10	46.1	Licensee's address for Service of Notices	PO Box 165 Wilcannia, NSW, 2836 Attention: TBA Phone: TBA Email: TBA
11	46.2	Licensor's address for Service of Notices	PO Box 165 Wilcannia, NSW, 2836 Attention: Reece Wilson Phone: 0429 915 992 Email: wilsonr@centraldarling.nsw.gov.au
12	36	Public Risk Insurance amount	\$20 Million

13	52	Licensor's Person	Contact	TBA
14	52	Licensee's Person	Contact	Reece Wilson
15	6	Permitted Use		Extractive Industries
16	7	Commencement Date		1 October 2020
17	7	Expiry Date		1 October 2025
18	2	Term of Agreement		Five years
19	5	Essential Conditions of Licence		Clauses 1.1, 1.2, 6.2, 6.3, 8, 14, 33, 35, 36, 37, 38, 39, 41, 42, 45.2, 45.3, 45.4
20	25.2	Entry by the public		N/A

End of Schedule 1

Schedule 2 Special Conditions

Mitigation measures

A range of mitigation measures will be put in place to ensure the proposal has minimal impact on the environment, both on site and off site, including:

- all machinery to be serviced off site
- all plant and equipment will be equipped with fire extinguishers
- all vehicles and machinery to be regularly serviced, be in good working order and emissions to be kept within manufacturers standards
- all vehicles to be serviced off site
- any discarded oils, worn machinery parts, damaged tyres, broken hoses or empty containers will be removed to a waste storage area on the day they are generated
- compliance with the Environmental Management and Rehabilitation Plan (EM & R Plan)
- appropriate signage as required under legislation and adherence with best practice management
- contingency plans adhering to relevant Australian standards and guidelines will be in place to deal with spills
- a spill kit will be permanently attached to the bunded fuel storage on site during crushing campaigns
- daily prestart machinery checks will be made for leaks of oil, fuel or other liquids
- Environmental Management and Rehabilitation Plan (EM&RP) will be followed at all times
- gravel will only be quarried and used as required

- haulage roads will be maintained to the CDSC quality standards, allowing efficient and safe operation
- if an unidentified cultural heritage site is discovered during quarrying, work will cease immediately and the NSW Environment, Energy and Science (131 555) will be contacted - CDSC will then wait for further advice
- in the event of unexpected breakdown of heavy machinery on the site, the spill kit will be used to prevent leakage of petroleum products to the soil - should soil contamination occur, soil will be removed to a licensed facility as per EPA guidelines
- install cut-off drains as required
- install silt fences and erosion control as required
- machinery will be washed down off site prior to entering the proposed gravel quarry, to ensure it is weed free
- maintain current stormwater management plan
- materials transported in trucks will be appropriately covered and contained by tarpaulins as per CDSC policy
- no burning of timber or other combustible materials will occur on site
- no quarrying will occur within the drip line of trees outside of the quarrying areas
- pests will be controlled within the quarrying area by annually undertaking surveys to assess impacts and undertake control actions
- plant and equipment serviced and using manufacturers specified mufflers
- quarrying and processing will only occur during suitable conditions e.g not on days of rain, high wind or flooding
- quarrying operations to occur on site (7am-8pm Monday to Sunday)
- quarrying pits and stockpiles are to be examined prior to work starting each day to remove any reptiles or other fauna that may be within the work site
- quarrying site to be marked out using permanent markers indicating 'no go zones'
- species profiles to be kept on site of threatened species that have potential to inhabit the site
- staff inducted on refuelling procedures, which will be stored with refuelling equipment
- supervision of earthworks will be undertaken by a suitably qualified/experienced mines manager as per CDSC policies
- temporary sediment control structures shall be maintained at all times during quarrying and checked, repaired, replaced or cleaned out after any significant rainfall event
- the extractive industry licence holder will ensure that no machinery, fuels, oils, chemicals, hazardous substances or other equipment will be stored within the extraction site when not in use

- the extractive industry licensed areas will be monitored regularly for the presence of noxious weeds to avoid spreading weeds in gravel transported to other areas of the property.
- staff trained in best practice management in erosion and sedimentation control
- staff trained in best practice management in gravel quarrying to minimise impacts on non-target natural resources
- staff to be trained in best practice management in soil conservation and management
- staff trained in best practice in chemical and hazardous substance management
- staff shall be trained in firefighting techniques in the event of a bushfire, or fire on plant or equipment.

Head licence conditions Licence 497430

1. The licence holder shall ensure that the approved activities are undertaken within the authorised licence area, as outlined by the areas in Appendix A.
2. The licence holder shall ensure all works, including rehabilitation, are carried out in accordance with the Review of Environmental Factors: Central Darling Shire Council Five Gravel Quarries – For Central Darling Shire Council – September 2020 prepared by Green Edge Environmental.
3. All works to be carried out in accordance with 'A Resource Guide for Local Councils: Erosion and sediment control' (ISBN 1-74137-8117). Work areas to be stabilised progressively and erosion controls to be reviewed regularly.
4. The licence holder shall ensure that dust suppression measures are utilised across the entire licence area, including the access track.
5. In accordance with the Local Land Services Act 2013 under Part 6 (Travelling stock reserves and public roads), Western LLS reserves the right to issue a Reserve Use Permit and Stock Use Permits under which permit holders must be afforded access according to the conditions of the permit to the TSR and any nearby SWP.
6. The activities must not impede or restrict the movement of stock should a stock movement permit be issued by the Western LLS under part 6 Section 78 of the Local Land Services Act 2013.
7. The activities must not impact or impede the operation, management or use of the TSR and SWPs. The connectivity and integrity of the TSR and SWP must not be compromised.
8. The activity is to be carried out in accordance with the conditions of the licence and any other regulatory requirements, consents and approvals relevant to the activity.
9. Area of disturbance must be kept to a minimum and the surface to be rehabilitated at completion so as to restore the natural surface level.
10. The area is to be kept safe and free of debris, materials and rubbish for the duration of the licence.
11. The requirements under the Local Land Services Act 2013 – Part 5A Land Management (Native Vegetation) must be considered in regards to native vegetation clearing, where the proposed activities are not exempt or excluded under the relevant act.
12. The applicant is to determine if there are any Aboriginal Land Claims over the project area and comply with the requirements under the NSW Aboriginal Land Rights Act 1983.

13. Compliance with the Due Diligence Code of Practice for the Protection of Aboriginal Objects in New South Wales that can be viewed at the link <http://www.environment.nsw.gov.au/resources/cultureheritage/ddcop/10798ddcop.pdf>
14. Biosecurity protection measures to be implemented to manage negative impacts of pests, diseases and weeds.
15. The indemnification of the LLS, the Crown and the NSW Government against claims for compensation.
16. Ongoing maintenance, operations and rehabilitation is the sole responsibility of the licensee.
17. Appropriate insurance provisions are included in the licence.

Dated this **26** day of **October, 2020**

Central Darling Shire Council was
affixed in the presence of:

Menindee Common Trust

Signature

First Signatory

Print Name

Print Name

Office Held

Office Held

SIGNED BY THE LICENSEE in the
presence of

Second Signatory

Signature of Witness

Print Name

Print Name

Office Held

NOTE: *(delete notes prior to printing)*

A company's power to sign, discharge and otherwise deal with contracts can be exercised by an individual acting with the company's authority and on its behalf. A company can deal with contracts without using a common seal.

A company may execute a document by having it signed by:

- 2 directors of the company; or
- a director and the company secretary; or
- for a company with a sole director who is also the sole secretary—that director.

PREMISES APPENDIX

THIS IS A PREMISES APPENDIX REFERRED TO AND DEFINED IN THE LICENCE AGREEMENT BETWEEN THE Menindee Common Trust AND Central Darling Shire Council. IN ACCORDANCE WITH THE PROVISIONS OF the Local Government Act 1993 and CMA ACT 1989 FOR THE PERMITTED USE OF Extractive Industries, THIS PREMISES APPENDIX VARIES AND FORMS PART OF THE LICENCE AND ITS TERMS ARE INCORPORATED IN THEIR ENTIRETY INTO THE LICENCE

Description of Licence Premises:

Reserve Number	Part of Reserve No 64899 and part Reserve 71522
Parish	<i>Wambah</i>
County	<i>Livingstone</i>
Locality	<i>Menindee</i>
Lot in Deposited Plan	Part, Lot 7315//DP1181580 and 7316//DP1181580
Area of licence	9.5 ha
Commencement Date	<i>26 October 2020</i>
Expiry Date	<i>26 October 2025</i>
Initial Rent	\$ 0
Plan	Plan attached and marked as "A"
Description of any structures	<i>Nil</i>
Third Party Exclusive Area	<i>N/A</i>
Enclosed Area (where land is, or is intended to be fenced)	<i>N/A</i>