



# AGENDA

## ORDINARY COUNCIL MEETING

### 27 OCTOBER 2022

MEMBERSHIP: Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

The meeting is scheduled to commence at 5.30 pm.

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#### **PRAYER:**

O God, Grant that by the knowledge of thy will, all we may resolve shall work together for good, we pray through Jesus Christ our Lord. Amen!

#### **ACKNOWLEDGEMENT OF COUNTRY:**

"I would like to acknowledge the Wiradjuri People who are the Traditional Custodians of the Land. I would also like to pay respect to the Elders past, present and emerging of the Wiradjuri Nation and extend that respect to other Aboriginal peoples from other nations who are present".

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#### **CCL22/249 LEAVE OF ABSENCE (ID22/2180)**

#### **CCL22/250 CONFLICTS OF INTEREST (ID22/2181)**

In accordance with their Oath/Affirmation under the Act, and Council's Code of Conduct, Councillors must disclose the nature of any pecuniary or non-pecuniary interest which may arise during the meeting, and manage such interests accordingly.

#### **CCL22/251 PUBLIC FORUM (ID22/2182)**

#### **CCL22/252 CONFIRMATION OF MINUTES (ID22/2183)**

Confirmation of the minutes of the proceedings of the Ordinary Council meeting held on 21 September 2022.

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#### **CCL22/253 CENTRAL WEST AND ORANA RENEWABLE ENERGY ZONE PROJECT UPDATE (ID22/2205)**

The Council will be provided with a presentation and update on this project.

**INFORMATION ONLY MATTERS:**

- CCL22/254      MAYORAL APPOINTMENTS AND MEETINGS (ID22/2143)      20**  
The Council had before it the report dated 13 October 2022 from the Chief Executive Officer regarding Mayoral Appointments and Meetings.

**MATTERS CONSIDERED BY COMMITTEES:**

- CCL22/255      REPORT OF THE INFRASTRUCTURE, PLANNING AND ENVIRONMENT COMMITTEE - MEETING 13 OCTOBER 2022 (ID22/2184)      25**  
The Council had before it the report of the Infrastructure, Planning and Environment Committee meeting held 13 October 2022.

- CCL22/256      REPORT OF THE CULTURE AND COMMUNITY COMMITTEE - MEETING 13 OCTOBER 2022 (ID22/2185)      30**  
The Council had before it the report of the Culture and Community Committee meeting held 13 October 2022.

- CCL22/257      REPORT OF THE CORPORATE SERVICES COMMITTEE - MEETING 13 OCTOBER 2022 (ID22/2186)      35**  
The Council had before it the report of the Corporate Services Committee meeting held 13 October 2022.

- CCL22/258      REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE - MEETING 27 SEPTEMBER 2022 (ID22/2187)      41**  
The Council had before it the report of the Audit and Risk Management Committee meeting held 27 September 2022.

**REPORTS FROM STAFF:**

- CCL22/259      SAXA ROAD - TEMPORARY ROAD CLOSURE AND ACCESS RESTRICTIONS (ID22/2191)      47**  
The Council had before it the report dated 20 October 2022 from the Senior Traffic Engineer regarding Saxa Road - Temporary Road Closure and Access Restrictions.



<b>CCL22/260</b>	<b>PREPARATION OF RENEWABLE ENERGY BENEFIT FRAMEWORK (ID22/1986)</b>	53
	The Council had before it the report dated 14 October 2022 from the Manager Growth Planning regarding Preparation of Renewable Energy Benefit Framework.	
<b>CCL22/261</b>	<b>DRAFT PLANNING PROPOSAL POLICY - RESULTS OF PUBLIC EXHIBITION (ID22/1880)</b>	141
	The Council had before it the report dated 13 October 2022 from the Team Leader Growth Planning Projects regarding Draft Planning Proposal Policy - Results of Public Exhibition.	
<b>CCL22/262</b>	<b>EVENT ASSISTANCE PROGRAM - 2022/2023 - ROUND 1 COMMUNITY EVENTS FUND AND DESTINATION EVENTS FUND. (ID22/2070)</b>	153
	The Council had before it the report dated 4 October 2022 from the Manager Regional Events regarding Event Assistance Program - 2022/2023 - Round 1 Community Events Fund and Destination Events Fund..	
<b>CCL22/263</b>	<b>RESULTS OF PUBLIC EXHIBITION - DRAFT SOCIAL MEDIA POLICY (ID22/2073)</b>	158
	The Council had before it the report dated 4 October 2022 from the Director Strategy, Partnerships and Engagement regarding Results of Public Exhibition - Draft Social Media Policy.	
<b>CCL22/264</b>	<b>DISCLOSURE OF INTEREST RETURNS (ID22/1916)</b>	178
	The Council had before it the report dated 11 October 2022 from the Manager Corporate Governance regarding Disclosure of Interest Returns.	
<b>CCL22/265</b>	<b>ANNUAL REPORT ON COMPLAINT STATISTICS UNDER COUNCIL'S CODE OF CONDUCT (ID22/1389)</b>	185
	The Council had before it the report dated 19 October 2022 from the Manager Corporate Governance regarding Annual Report on Complaint Statistics Under Council's Code of Conduct.	
<b>CCL22/266</b>	<b>CHANGE OF JANUARY 2023 COUNCIL MEETING DATE (ID22/2170)</b>	190
	The Council had before it the report dated 19 October 2022 from the Governance Team Leader regarding Change of January 2023 Council Meeting Date.	

- CCL22/267      PRESENTATION OF COUNCIL'S 2021/2022 FINANCIAL STATEMENTS (ID22/2091)** 195  
The Council had before it the report dated 7 October 2022 from the Statutory Accountant regarding Presentation of Council's 2021/2022 Financial Statements.
- CCL22/268      RE-EXECUTION OF LEASE - AIRPORT HANGAR SITE 16 TO DUBBO AEROCLUB - PROCEDURAL MATTER (ID22/2015)** 303  
The Council had before it the report dated 27 September 2022 from the Manager Property and Land Development regarding Re-execution of Lease - Airport Hangar Site 16 to Dubbo Aeroclub - procedural matter.
- CCL22/269      ACCEPTANCE OF EASEMENT AT 252 MYALL STREET, DUBBO AS PART OF DEVELOPMENT BY NSW LAND AND HOUSING CORPORATION (ID22/1897)** 307  
The Council had before it the report dated 6 September 2022 from the Manager Property and Land Development regarding Acceptance of Easement at 252 Myall Street, Dubbo as Part of Development by NSW Land and Housing Corporation.
- CCL22/270      COMMENTS AND MATTERS OF URGENCY (ID22/2188)**

**CONFIDENTIAL COUNCIL:**

- CCL22/271      CORPORATE PARTNERSHIP PROGRAM - EVENT ATTRACTION (ID22/2007)**

The Council had before it the report dated 26 September 2022 from the Manager Regional Events regarding Corporate Partnership Program - Event Attraction.

*In accordance with the provisions of Section 9 (2A) of the Local Government Act 1993 the Chief Executive Officer is of the opinion that consideration of this item is likely to take place when the meeting is closed to the public for the following reason: information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (Section 10A(2)(c)).*

**CCL22/272     AMENDMENT OF COUNCIL RESOLUTION REGARDING EXECUTION OF LEASE TO THE CROWN AS PART OF DUBBO AIRPORT PRECINCT FOR A REGIONAL POLICE TRAINING FACILITY (ID22/2136)**

The Council had before it the report dated 12 October 2022 from the Manager Property and Land Development regarding Amendment of Council Resolution regarding execution of lease to the Crown as part of Dubbo Airport Precinct for a Regional Police Training Facility.

*In accordance with the provisions of Section 9 (2A) of the Local Government Act 1993 the Chief Executive Officer is of the opinion that consideration of this item is likely to take place when the meeting is closed to the public for the following reason: information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (Section 10A(2)(c)).*

**CCL22/273     EXERCISE OF THE MAYOR'S POWERS UNDER S226 OF THE LOCAL GOVERNMENT ACT RELATING TO THE RESERVE PRICES FOR KESWICK ESTATE STAGE 5, RELEASE 2 (ID22/2190)**

The Council had before it the report dated 20 October 2022 from the Manager Property and Land Development regarding Exercise of the Mayor's powers under s226 of the Local Government Act relating to the reserve prices for Keswick Estate Stage 5, Release 2.

*In accordance with the provisions of Section 9 (2A) of the Local Government Act 1993 the Chief Executive Officer is of the opinion that consideration of this item is likely to take place when the meeting is closed to the public for the following reason: commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council (Section 10A(2)(d)(ii)).*



## Confirmation of Minutes

Confirmation of the minutes of the proceedings of the Ordinary Council meeting held on 21 September 2022.

### RECOMMENDATION

That the minutes of the proceedings of Dubbo Regional Council at the Ordinary meeting held on 21 September 2022 comprising pages 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19 of the series be taken as read, confirmed as correct minutes and signed by the Mayor and the Chief Executive Officer.

### APPENDICES:

- 1 [↓](#) Minutes - Ordinary Council Meeting - 21/09/2022



## REPORT ORDINARY COUNCIL MEETING 21 SEPTEMBER 2022

**PRESENT:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**ALSO IN ATTENDANCE:**

The Chief Executive Officer, the Director Organisational Performance, the Manager Governance and Internal Control, the Governance Team Leader, the Executive Assistant Mayor, the Director Strategy, Partnerships and Engagement, the Communications Partner, the Director Development and Environment, the Manager Growth Planning, the Building Services Team Leader, the Director Infrastructure, the Manager Fleet and Depot Services and the Director Community, Culture and Places (I McAlister).

Councillor M Dickerson assumed the Chair of the meeting.

The proceedings of the meeting commenced at 5.35 pm at the Dubbo Civic Administration Building, Council Chamber, with a prayer for Divine Guidance to the Council in its deliberations and activities read by Councillor M Wright. The welcome to country was given by Councillor L Burns.

**CCL22/226 LEAVE OF ABSENCE (ID22/1961)**

There were no leave of absence received.

Councillor D Mahon attended the meeting via audio-visual link.

**CCL22/227 CONFLICTS OF INTEREST (ID22/1962)**

The following conflicts of interests were declared:

- Councillor M Wright CCL22/232 - Non pecuniary, less than significant interest as he owns property in Regand park which doesn't adjoin or overlook the subject land.
- Councillor M Wright CCL22/236 - Non pecuniary, less than significant interest as he owns property in Regand park which doesn't adjoin or overlook the subject land.
- Councillor M Wright CCL22/238 - Non pecuniary, less than significant interest as he owns property in Regand park which doesn't adjoin or overlook the subject land.

## ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022

## REPORT

**CCL22/228 PUBLIC FORUM (ID22/1963)**

The Council reports having heard from the following persons during Public Forum:

- Ms Jill Antony regarding Regand Park
- Mr David Esley regarding issues with local drains flooding in bad weather due to vegetation growth
- Mr Peter Duggan regarding Regand Park petition
- Ms Di Clifford regarding Regand Park

**CCL22/229 CONFIRMATION OF MINUTES (ID22/1841)**

Confirmation of the minutes of the proceedings of the Ordinary Council meeting held on 25 August 2022 and the Extraordinary meeting held on 15 September 2022.

Moved by Councillor V Etheridge and seconded by Councillor P Wells

**MOTION**

**That the minutes of the proceedings of Dubbo Regional Council at the Ordinary meeting held on 25 August 2022 comprising pages 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 of the series and the Extraordinary meeting of Council held on 15 September 2022 comprising of pages 22 and 23 of the series be taken as read, confirmed as correct minutes and signed by the Mayor and the Chief Executive Officer.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**INFORMATION ONLY MATTERS:****CCL22/230 INVESTMENT UNDER SECTION 625 OF THE LOCAL GOVERNMENT ACT - AUGUST 2022 (ID22/1852)**

The Council had before it the report dated 13 September 2022 from the Chief Financial Officer regarding Investments Under Section 625 of the Local Government Act – August 2022.

Moved by Councillor S Chowdhury and seconded by Councillor R Ivey

**MOTION**

**That the information contained within the Investment under Section 625 of the Local Government Act Report, dated 13 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022  
REPORT**CCL22/231 MAYORAL APPOINTMENTS AND MEETINGS (ID22/1918)**

The Council had before it the report dated 12 September 2022 from the Chief Executive Officer regarding Mayoral Appointments and Meetings.

Moved by Councillor V Etheridge and seconded by Councillor J Gough

**MOTION**

**That the information contained in the report be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/232 REGAND PARK PETITION (ID22/1940)**

The Council had before it the report dated 13 September 2022 from the Governance Team Leader regarding the Regand Park Petition.

Moved by Councillor J Black and seconded by Councillor R Ivey

**MOTION**

**That the petition regarding Regand Park be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

*Councillor M Wright declared a non-pecuniary, less than significant interest in the matter now before the Council and remained in the room during the Council's consideration of this matter. The reason for such interest is that Councillor M Wright as he owns a property in Regand Park but it does not adjoin or overlook subject land.*

**MATTERS CONSIDERED BY COMMITTEES:****CCL22/233 REPORT OF THE INFRASTRUCTURE, PLANNING AND ENVIRONMENT  
COMMITTEE - MEETING 8 SEPTEMBER 2022 (ID22/1935)**

The Council had before it the report of the Infrastructure, Planning and Environment Committee meeting held 8 September 2022.

Moved by Councillor J Black and seconded by Councillor V Etheridge

## ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022

## REPORT

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**MOTION**

**That the report of the Infrastructure, Planning and Environment Committee meeting held on 8 September 2022, be adopted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/234    REPORT OF THE CULTURE AND COMMUNITY COMMITTEE - MEETING 8  
SEPTEMBER 2022 (ID22/1936)**

The Council had before it the report of the Culture and Community Committee meeting held 8 September 2022.

Moved by Councillor J Gough and seconded by Councillor P Wells

**MOTION**

**That the report of the Culture and Community Committee meeting held on 8 September 2022, be adopted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/235    REPORT OF THE CORPORATE SERVICES COMMITTEE - MEETING 8 SEPTEMBER  
2022 (ID22/1937)**

The Council had before it the report of the Corporate Services Committee meeting held 8 September 2022.

Moved by Councillor D Mahon and seconded by Councillor S Chowdhury

**MOTION**

**That the report of the Corporate Services Committee meeting held on 8 September 2022, be adopted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.



ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022  
REPORT

## NOTICES OF MOTION:

**CCL22/236 UPDATE OF DUBBO'S CITY WIDE PASSIVE OPEN SPACE AND SPORTING FIELD  
POSSIBLE LOCATIONS (ID22/1941)**

Council had before it a Notice of Motion dated 14 September 2022 from Councillor J Black regarding the Update of Dubbo's City Wide Passive Open Space and Sporting Field Possible Locations.

Moved by Councillor J Black and seconded by Councillor P Wells

**MOTION**

1. That Council note that Dubbo Regional Council strategic documents predict a shortfall of passive open space and a lesser shortfall in sporting fields in Dubbo.
2. That the Chief Executive Officer produce a report at the same Ordinary Meeting of Council at which the Draft Master Plan, will be considered, detailing all available Council owned or administered land that could be used for passive open space and for sporting fields, and where both could be provided, in order to best inform Councillors and the community in respect of the latest predictions in relation to the current and future need for public open space and sporting fields, given population projections and future subdivision developments.
- 3 That Council notes in respect of the Landscape Master Plan for Macquarie River's North and South Precincts that council is committed to achieving the best outcome based on the most accurate data and is not working to a rigid or predetermined timeframe.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

*Councillor M Wright declared a non-pecuniary, less than significant interest in the matter now before the Council and remained in the room during the Council's consideration of this matter. The reason for such interest is that Councillor M Wright as he owns a property in Regand Park but it does not adjoin or overlook subject land.*

## ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022

## REPORT

**CCL22/237 RIVER REPAIR BUS (ID22/1942)**

Council had before it a Notice of Motion dated 14 September 2022 from Councillor J Black regarding the River Repair Bus.

Moved by Councillor J Black and seconded by Councillor P Wells

**MOTION**

1. That the Chief Executive Officer provide a report detailing how the work previously carried out by the 'River Repair Bus' organisation under council's previous funding arrangements is now being done, and the current costs to council for that work.
2. That options for re-funding the activity be outlined in the report.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/238 ENSURING INTEGRITY OF COUNCIL'S LANDUSE CONSENT IN GRANT APPLICATIONS (ID22/1943)**

Council had before it a Notice of Motion dated 14 September 2022 from Councillor J Black regarding the Ensuring Integrity of Council's Landuse Consent in Grant Applications.

Moved by Councillor J Black

**MOTION**

1. That Council notes that State and Commonwealth Government grant processes are the responsibility of the relevant State and Commonwealth authorities.
2. That Council notes that Council does properly and regularly provide letters in support or the like in respect of third-party grant applications.
3. That the Chief Executive Officer provide a report to the October 2022 Ordinary Meeting of Council advising as to any letter/s of support, authority, consent or similar provided in relation to St John's Junior Rugby League Football Club by Dubbo Regional Council and their proposed use of any Dubbo Regional Council owned or administered land.
4. That the specific location/site of any such proposal/s be noted.
5. That Council notes that the Mayoral Minute carried on 22 February 2021 stated "That Council welcomes the proposal for the St John's Junior Rugby League Football Club proponents to potentially develop up to 10 hectares of Regand Park, comprising playing fields and ancillary infrastructure, contingent upon Council endorsement of site drawings, technical plans, relevant supporting documentation and approvals."
6. That the Chief Executive Officer provide a report to the October Ordinary Meeting of Council advising whether the above resolution constitutes Council's consent to the St John's Junior Rugby League Football Club proposal being developed at Regand Park, or

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any other site/location, and whether Council has subsequently endorsed, "site drawings, technical plans, relevant supporting documentation and approvals".

At this juncture, the Mayor ruled that he was satisfied that this was an unlawful motion, in part, because in principle it is the same motion [has the same intent] as the August motion, which was defeated. This motion only had one signature, however it required three signatures under the Act and Code of meeting practice as follows:

*Local Government Act Section 372 (and 17.6 of the Code of meeting practice):*

*(4) A notice of motion to alter or rescind a resolution, and a notice of motion which has the same effect as a motion which has been negatived by the council, must be signed by 3 councillors if less than 3 months has elapsed since the resolution was passed, or the motion was negatived, as the case may be.*

Accordingly, the Mayor ruled the motion out of order under Section 10.6 of the Code of Meeting Practice, as it was unlawful in its current form.

The Mayor gave Councillor Black the opportunity to withdraw or amend the motion under Section 10.7 of the Code of Meeting Practice, to make it a lawful motion.

Councillor Black proceeded to move an alternate motion, as detailed below.

Moved by Councillor J Black and seconded by P Wells

**ALTERNATE MOTION**

1. That Council notes that State and Commonwealth Government grant processes are the responsibility of the relevant State and Commonwealth authorities.
2. That Council notes that Council does properly and regularly provide letters in support, or the like, in respect of third-party grant applications.
3. That the Chief Executive Officer to develop and provide a frequently asked questions fact sheet to provide the community clarity on Council's processes.
4. That the specific location/site of any such proposal/s be noted.
5. That Council notes that the Mayoral Minute carried on 22 February 2021 stated "That Council welcomes the proposal for the St John's Junior Rugby League Football Club proponents to potentially develop up to 10 hectares of Regand Park, comprising playing fields and ancillary infrastructure, contingent upon Council endorsement of site drawings, technical plans, relevant supporting documentation and approvals."
6. That the Chief Executive Officer provide a report to the October Ordinary Meeting of Council advising whether the above resolution constitutes Council's consent to the St John's Junior Rugby League Football Club proposal being developed at Regand Park, or any other site/location, and whether Council has subsequently endorsed, "site drawings, technical plans, relevant supporting documentation and approvals".

**CARRIED**

## ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022

## REPORT

**For:** Councillors J Black, L Burns, V Etheridge, R Ivey, D Mahon and P Wells.

**Against:** S Chowdhury, M Dickerson J Gough and M Wright.

*Councillor M Wright declared a non-pecuniary, less than significant interest in the matter now before the Council and remained in the room during the Council's consideration of this matter. The reason for such interest is that Councillor M Wright as he owns a property in Regand Park but it does not adjoin or overlook subject land.*

**CCL22/239 LIGHTING AUDIT OF CAMERON PARK, WELLINGTON (ID22/1944)**

Council had before it a Notice of Motion dated 15 September 2022 from Councillor J Gough regarding the Lighting Audit of Cameron Park, Wellington.

Moved by Councillor J Gough and seconded by Councillor S Chowdhury

**MOTION**

1. That Council undertake a lighting audit of Cameron Park, Wellington, considering at a minimum public safety and opportunities to encourage greater pedestrian activity.
2. That the results of the audit be reported to Council and that any infrastructure recommendations be considered in the adoption of the draft 2023/2024 Operational Plan and Budget.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**REPORTS FROM STAFF:****CCL22/240 REGULATORY ISSUES PERTAINING TO 3D PRINTED HOUSING IN NSW AND AUSTRALIA (ID22/1836)**

The Council had before it the report dated 30 August 2022 from the Building Services Team Leader regarding Regulatory Issues Pertaining to 3D Printed Housing in NSW and Australia.

Moved by Councillor M Wright and seconded by Councillor S Chowdhury

**MOTION**

**That the information contained in this report be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

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**CCL22/241 SMART REGION STRATEGY AND SMART COUNCIL STRATEGY - RESULTS OF PUBLIC EXHIBITION (ID22/1877)**

The Council had before it the report dated 6 September 2022 from the Team Leader Growth Planning Projects regarding Smart Region Strategy and Smart Council Strategy - Results of public exhibition.

Moved by Councillor P Wells and seconded by Councillor J Gough

**MOTION**

1. That Council adopt the Smart Region Strategy (attached in Appendix 1) and Smart Council Strategy (attached in Appendix 2).
2. That the Strategies be amended to make minor clarifications and correct typographical errors.
3. That an advertisement be placed in local media advising of Council's adoption of the Strategies.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/242 PLANNING PROPOSAL R22-004 - 13L NARROMINE ROAD, DUBBO - PROPOSED AMENDMENT TO THE DUBBO REGIONAL LOCAL ENVIRONMENTAL PLAN 2022 (ID22/1712)**

The Council had before it the report dated 6 September 2022 from the Team Leader Growth Planning Projects regarding Planning Proposal R22-004 - 13L Narromine Road, Dubbo - Proposed Amendment to the Dubbo Regional Local Environmental Plan 2022.

Moved by Councillor V Etheridge and seconded by Councillor J Gough

**MOTION**

1. That Council note the process and key stages required to amend the Dubbo Regional Local Environmental Plan 2022 (attached in Appendix 1).
2. That Council endorse the Planning Proposal (attached in Appendix 2) to amend the Dubbo Regional Local Environmental Plan 2022 by realigning the zoning and minimum lot size boundaries of 13L Narromine Road, Dubbo (Lot 22 DP1038924).
3. That Council submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.
4. That Council request the Chief Executive Officer (or delegate) be authorised as the Local Plan Making Authority under Section 3.36 of the Environmental Planning and Assessment Act 1979.
5. That, subject to the conditions of a Gateway Determination, Council support a minimum 14 day public exhibition period for the Planning Proposal.
6. That following completion of the public exhibition period, a further report be presented to Council for consideration, including the results of public exhibition.

**CARRIED**

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**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/243 DRAFT NORTH-WEST URBAN RELEASE AREA PRECINCT PLAN (ID22/1848)**

The Council had before it the report dated 8 September 2022 from the Senior Growth Planner regarding Draft North-West Urban Release Area Precinct Plan. The Council were provided with a presentation on this item by the Manager Growth Planning.

Moved by Councillor J Black and seconded by Councillor J Gough

**MOTION**

1. That Council adopt the draft Precinct Plan for the North-West Urban Release Area (attached in Appendix 1) for the purposes of public exhibition.
2. That the draft Precinct Plan be placed on public exhibition for a period of not less than 28 days.
3. That Council undertake targeted consultation with landowners in the precinct and relevant State Government Agencies.
4. That following completion of public exhibition, a further report be presented to Council for consideration, including the results of public exhibition.
5. That Council submit a grant application under the NSW State Government Accelerated Infrastructure Fund (Round 3) for the construction of River Street West from its connection with the Newell Highway extension (to be constructed) to Bunglegumbe Road.
6. That the identified 25% or \$3,075,000 Council contribution for the construction of River Street West be sought from unrestricted reserves generated from savings from the 2021/2022 financial year.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/244 DRAFT COUNCIL POLICY - PAYMENT OF EXPENSES AND PROVISION OF FACILITIES FOR THE MAYOR AND COUNCILLORS - RESULTS OF PUBLIC EXHIBITION (ID22/1603)**

The Council had before it the report dated 3 August 2022 from the Governance Team Leader regarding Draft Council Policy - Payment of Expenses and Provision of Facilities for the Mayor and Councillors - Results of Public Exhibition.

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ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022  
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Moved by Councillor M Wright and seconded by Councillor R Ivey

**MOTION**

**That the draft Council Policy, Payment of Expenses and Provision of Facilities for the Mayor and Councillors, as attached at Appendix 1, be adopted.**

**CARRIED**

**For:** Councillors L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** J Black.

**CCL22/245 REVIEW OF COUNCIL POLICY - FINANCIAL ASSISTANCE (ID22/1917)**

The Council had before it the report dated 12 September 2022 from the Chief Financial Officer regarding Review of Council Policy - Financial Assistance.

Moved by Councillor J Black and seconded by Councillor S Chowdhury

**MOTION**

**That the revision of the Draft Financial Assistance Policy dated 12 September 2022, be adopted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/246 TRANSITION TO ZERO EMISSIONS FLEET (ID22/1905)**

The Council had before it the report dated 7 September 2022 from the Manager Fleet and Depot Services regarding Transition to Zero Emissions Fleet.

The Council were provided with a presentation on this item by the Manager Fleet and Depot Services.

Moved by Councillor R Ivey and seconded by Councillor J Gough

**MOTION**

1. That Council adopts a policy that allows a higher purchase price for electric vehicles (EVs) when the total cost of ownership over a four year period is no more than the approved range of internal combustion engine vehicle options.
2. That approval be given to the Chief Executive Officer to alter the Policy when considered advantageous with new technology and government incentives that do not increase the total cost of ownership to Council.

## ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022

## REPORT

3. That the Draft Zero Emissions Fleet Strategy and Implementation Plan be modified to reflect Council's strategy on the implementation of EVs into the fleet and be placed on public exhibition for a period of 28 days.

CARRIED

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/247 2022 DREAM FESTIVAL LANTERN PARADE (ID22/1879)**

The Council had before it the report dated 5 September 2022 from the Senior Traffic Engineer regarding 2022 Dream Festival Lantern Parade.

Moved by Councillor J Gough and seconded by Councillor J Black

**MOTION**

That Council approval be granted for a temporary road closure of Talbragar Street between Bligh Street and Memorial Drive (Victoria Park) Dubbo on Saturday, 22 October 2022 for the Lantern Parade between 8.00 pm to 8.45 pm, subject to the following:

1. The Parade will commence at approximately 8.00 pm from the Lions Park and the Macquarie Regional Library car park in Talbragar Street then east to Memorial Drive and access to Victoria Park.
2. The event is to be undertaken under Police escort in accordance with the requirements of the NSW Police with approval documentation forwarded to Council for notation.
3. The temporary closure of the road shall occur five minutes prior to the commencement of the Parade from the Macquarie Regional Library car park to Talbragar Street. Talbragar Street shall progressively re-open at the time the rear escort vehicle is one block ahead of the previous intersection:
  - Open Bligh Street when the vehicle has passed Macquarie Street;
  - Open Macquarie Street when the vehicle has passed Brisbane Street;
  - Open Brisbane Street when the vehicle has passed Darling Street; and
  - Open Darling Street when the vehicle has entered Memorial Drive.
4. The submission of an Event and Traffic Management Plan and Traffic Control Plans to Council for approval in accordance with Australian Standard 1742.3:2019, and Transport for NSW (TfNSW) guide to Traffic Control at Worksites prepared by an accredited person.
5. Traffic controllers and/or trained course marshals are to be provided at all road closure points and other locations as identified in the Event and Traffic Management Plan with restricted access only to emergency and authorised vehicles. All traffic controllers are to be specially authorised for the event with current TfNSW certification.
6. The Event is undertaken under Dubbo Regional Council's Public Liability Insurance Policy.



ORDINARY COUNCIL MEETING - 21 SEPTEMBER 2022  
REPORT

7. The applicant is responsible for the provision of all traffic control required for the event in accordance with the Traffic Control Plan.
8. All traffic advisory signs are to be placed in accordance with the approved Traffic Control Plan (TM 7032) and the Event and Traffic Management Plan.
9. The NSW Police's consent and conditions for the running of the event as considered necessary.
10. The applicant is to contact the Manager of Dubbo Bus Lines regarding potential conflict with the night time Bus Service within the CBD.
11. The applicant is to submit to Council all the appropriate documentation required, accepting the above terms and conditions before final approval is granted.
12. All costs associated with implementing these event conditions are to be met by the event organiser.

## CARRIED

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, V Etheridge, J Gough, R Ivey, D Mahon, P Wells and M Wright.

**Against:** Nil.

**CCL22/248 COMMENTS AND MATTERS OF URGENCY (ID22/1964)**

There were no matters recorded under this clause.

The meeting closed at 7.45pm.

.....  
CHAIRPERSON



## REPORT: Mayoral Appointments and Meetings

**DIVISION:** Chief Executive Officer  
**REPORT DATE:** 13 October 2022  
**TRIM REFERENCE:** ID22/2143

### EXECUTIVE SUMMARY

<b>Purpose</b>	Provide review or update	
<b>Issue</b>	<ul style="list-style-type: none"><li>Details of Mayoral appointments and meetings for the period 11 September 2022 through to 15 October 2022.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>To ensure transparency of Mayoral appointments and meetings.</li></ul>	
<b>Financial Implications</b>	Budget Area	There are no financial implications arising from this report.
<b>Policy Implications</b>	Policy Title	There are no policy implications arising from this report.

### STRATEGIC DIRECTION

The 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes five principle themes and a number of strategies and outcomes. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.2 Council's decision-making processes are open, transparent and accountable

### RECOMMENDATION

**That the information contained in the report be noted.**

*Murray Wood*  
Chief Executive Officer

*MW*  
Chief Executive Officer

## REPORT

### Consultation

Details follow in the body of the report regarding all meetings and appointments of the Mayor for the given period. These meetings and appointments are representative of community, business, political and Council consultation.

### Resourcing Implications

Nil

For the information of Councillors, the following details of mayoral appointments and attendances are provided:

#### **Sunday 11 September 2022**

- Attended the Dubbo Turf Club Gold Cup President's Luncheon.
- Attended the Sunday Slow Pitch event.

#### **Monday 12 September 2022**

- Attended radio interview with 2BS.
- Attended radio interview with 2WEB.
- Attended radio interview with Tony Graham.
- Attended along with Council's Chief Executive Officer, Murray Wood a meeting with Peter Thomas from the Murray Darling Basin Authority.
- Attend along with Councillors Shibli Chowdhury and Matt Wright, Council's Director Community, Culture and Place Jane Bassingthwaighte, Manager Economic Development and Marketing Josie Howard and Economic Development Team Leader Tim Nichols the Charles Sturt University Tony McGrane Memorial Scholarship Fund Dinner.
- Submitted Mayoral Memo to the Daily Liberal.
- Submitted Mayoral Memo to the Wellington and District Leader.

#### **Tuesday 13 September 2022**

- Attended a meeting with Councillor Pam Wells.
- Attended a meeting with Dubbo Chamber of Commerce.
- Attended as a guest judge at the Enterprise Day held by St Johns College Commerce Class.
- Attended along with Council's Director Community, Culture and Places, Jane Bassingthwaighte a media event for NSW Junior Touch Football – Northern Conference.

#### **Wednesday 14 September 2022**

- Attended radio interview with Triple M.
- Attended the Regional Australia Institute National Summit in Canberra as a guest panellist to discuss housing.

**Thursday 15 September 2022**

- Attended a meeting with Council's Chief Executive Officer, Murray Wood and Manager Fleet and Depot Services, Steven Colliver.
- Attended along with the Member for Dubbo the Hon. Dugald Saunders MP the 40<sup>th</sup> Anniversary of Skillset celebrations.
- Attended Extraordinary Council meeting briefing.
- Attended Extraordinary Council meeting.
- Attended Councillor Workshop.

**Friday 16 September 2022**

- Attended radio interview with 2DU.
- Attended a meeting with Councillor Matt Wright.
- Attended the Country Women's Association 100-year celebration.
- Attended a meeting with Chris Sheppard from NBN Co.
- Attended interview with Tracey Prisk from the Central Western Daily
- Attended the Rhino Awards Cocktail Night.

**Saturday 17 September 2022**

- Attended the NSW Rural Fire Service Orana Team Medals Presentation.
- Attended radio interview with Tom from ABC AM.

**Sunday 18 September 2022**

- Attended radio interview with Tom from ABC AM.

**Monday 19 September 2022**

- Attended radio interview with Zoo FM.
- Attended Wellington NAIDOC Celebrations.
- Attended interview with Amon from Dubbo News.
- Attended interview with Elizabeth from the Daily Liberal.
- Attended radio interview with Tony Graham from Binjang.
- Attended Dubbo College Celebration of Sport 2022.
- Submitted Mayoral Memo to the Daily Liberal.
- Submitted Mayoral Memo to the Wellington and District Leader.

**Tuesday 20 September 2022**

- Attended the Financial Performance Committee Meeting.
- Attended Lowes Petroleum for their Rural Road Safety event.
- Attended and played Ultimate Frisbee with the seniors schools competition.
- Attended along with Council's Chief Executive Officer, Murray Wood a meeting with Michael Kneipp from the Stable Group to discuss Newcastle.
- Attended along with Council's Chief Executive Officer, Murray Wood a meeting with Rachael Sweeney and Edwina Blackburn from Regional Cities NSW.

**Wednesday 21 September 2022**

- Attended a meeting with Lynn Rayner from the Daily Liberal.

- Attended along with Council's Chief Executive Officer, Murray Wood a meeting with Craig Matheson.
- Attended Council Meeting Briefing.
- Attended Ordinary Council Meeting.

**Thursday 22 September 2022**

- Attended a meeting with Councillor Josh Black.

**Friday 23 September 2022**

- Attended radio interview with 2DU.
- Attended radio interview with Binjang radio.
- Attended radio interview with DC FM.
- Attended Dubbo Veteran Golfers presentation lunch.
- Attended along with Councillors Shibli Chowdhury and Matt Wright and Member for Dubbo the Hon. Dugald Saunders MP the Dubbo Art Fair Opening.

**Saturday 24 September 2022**

- Attended along with Councillor Shibli Chowdhury a meeting with Twinkal Rupareliya from Rams International Groceries.

**Monday 26 September 2022**

- Attended radio interview with 2WEB.
- Submitted Mayoral Memo to the Daily Liberal.
- Submitted Mayoral Memo to the Wellington and District Leader.

**Tuesday 27 September 2022**

- *Deputy Mayor, Councillor Richard Ivey attended the 2022 NSW Volunteer of the Year Regional Ceremony in lieu of the Mayor.*
- Attended radio interview with 2BS.

**Wednesday 28 September 2022**

- Attended radio interview with Triple M.
- Attended a phone meeting with Bill Stanford.
- Attended a phone meeting with Andrew Grant.

**Thursday 29 September 2022**

- *Deputy Mayor, Councillor Richard Ivey attended the National Police Remembrance Day Service in lieu of the Mayor.*
- *Deputy Mayor, Councillor Richard Ivey attended the official opening of the LiveBetter's new accessible accommodation in lieu of the Mayor.*
- *Deputy Mayor, Councillor Richard Ivey attended the Official launch of the Collaborative Teacher's Aide Pathway at Charles Sturt University in lieu of the Mayor.*

**Friday 30 September 2022**

- Attended radio interview with 2DU.

**Monday 3 October 2022**

- Submitted Mayoral Memo to the Daily Liberal.
- Submitted Mayoral Memo to the Wellington and District Leader.

**Tuesday 4 October 2022**

- Attended radio interview with Zoo FM.

**Wednesday 5 October 2022**

- *Deputy Mayor, Councillor Richard Ivey attended an interview with Thomas Oriti from ABC News Radio in lieu of the Mayor.*
- *Deputy Mayor, Councillor Richard Ivey attended NAIDOC day celebrations at the Macquarie Correctional Centre Wellington in lieu of the Mayor.*

**Thursday 6 September 2022**

- Attended interview with Alison Hore from the Daily Liberal.

**Friday 7 September 2022**

- Attended radio interview with 2DU.
- Attended interview with Tom Barber from the Daily Liberal.

**Sunday 9 October 2022**

- Attended an interview with Holly from the Today Show regarding flooding.

**Monday 10 October 2022**

- Attended radio interview with 2GB.
- Attended radio interview with 2BS.
- Attended radio interview with 2WEB.
- Submitted Mayoral Memo to the Daily Liberal.
- Submitted Mayoral Memo to the Wellington and District Leader.

**Tuesday 11 October 2022**

- Attended a phone meeting with His Excellency, General the Honourable David Hurley AC DSC (Retd) and Her Excellency Mrs Linda Hurley.

**Wednesday 12 October 2022**

- Attended radio interview with Triple M.

**Thursday 13 October 2022**

- Attended Standing Committees Briefing.
- Attended Standing Committee Meetings.

**Friday 14 October 2022**

- Attended radio interview with 2DU.



**DUBBO REGIONAL  
COUNCIL**

## **Report of the Infrastructure, Planning and Environment Committee - meeting 13 October 2022**

**AUTHOR: Governance Team Leader**  
**REPORT DATE: 20 October 2022**

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The Council had before it the report of the Infrastructure, Planning and Environment Committee meeting held 13 October 2022.

### **RECOMMENDATION**

**That the report of the Infrastructure, Planning and Environment Committee meeting held on 13 October 2022, be adopted.**



## REPORT INFRASTRUCTURE, PLANNING AND ENVIRONMENT COMMITTEE 13 OCTOBER 2022

**PRESENT:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**ALSO IN ATTENDANCE:**

The Chief Executive Officer, the Manager Corporate Governance, the Governance Team Leader, the Director Strategy, Partnerships and Engagement, the Executive Officer Strategy, Partnerships and Engagement, the Director Development and Environment, the Manager Growth Planning, the Director Infrastructure, and the Director Community, Culture and Places.

Councillor J Black assumed the chair of the meeting.

The proceedings of the meeting commenced at 5.30 pm.

Councillor M Dickerson is attending via Teams

**IPEC22/46 LEAVE OF ABSENCE (ID22/2081)**

Requests for leave of absence were received from Councillors V Etheridge and R Ivey who were absent from the meeting due to personal reasons.

Moved by Councillor P Wells and seconded by Councillor S Chowdhury

**MOTION**

**That such requests for leave of absence be accepted and Councillors V Etheridge and R Ivey be granted leave of absence from this meeting.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**IPEC22/47 CONFLICTS OF INTEREST (ID22/2084)**

There were no conflicts of interest declared.



**IPEC22/48 PROVISION OF CREDIT TO USERS FOR POTABLE WATER IN GEURIE AND DUBBO DURING BOIL WATER ALERT PERIOD (ID22/1339)**

The Committee had before it the report dated 15 September 2022 from the Director Infrastructure regarding Provision of Credit to Users for Potable Water in Geurie and Dubbo During Boil Water Alert Period.

Moved by Councillor J Gough and seconded by Councillor S Chowdhury

**MOTION**

1. That it be noted that no credits or rebates have been provided previously for boil water alerts by Dubbo Regional Council which is generally consistent with Regional NSW.
2. That it be noted that the value determined for water to be boiled during the Geurie and Dubbo boil water alerts has been calculated at \$56,151 ranging from \$2.40 to \$5.43 per household.
3. That it be noted that the cost to implement a credit is in the order of \$203,000 of staff time and is equivalent to 166 weeks for one full time equivalent position.
4. That Council does not provide a credit for boil water alerts.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**IPEC22/49 DISABLED CAR SPACES - WARNE STREET AND ARTHUR STREET WELLINGTON (ID22/2064)**

The Committee had before it the report dated 29 September 2022 from the Senior Traffic Engineer regarding Disabled Car Spaces - Warne Street and Arthur Street Wellington.

Moved by Councillor D Mahon and seconded by Councillor S Chowdhury

**MOTION**

**That Council approve the removal of the disabled parking spaces in Warne Street adjacent the Wellington Aquatic Centre and in Arthur Street adjacent 78 Arthur Street Wellington.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**IPEC22/50 2022 ALPINE CLASSIC EVENT (ID22/2063)**

The Committee had before it the report dated 29 September 2022 from the Senior Traffic Engineer regarding 2022 Alpine Classic Event.

Moved by Councillor S Chowdhury and seconded by Councillor M Wright

**MOTION**

1. That approval be granted to the Classic Rally Club of NSW to conduct the 2022 Alpine Classis Touring Road Event on Saturday 19 and Sunday 20 November 2022 in accordance with the Event and Traffic Management Plans (Appendix 1) and Council's following conditions of consent:
  - 
  - a. The roads to be used in the Dubbo Regional Council Local Government Area (LGA) are as detailed in the Submission Pack - Detailed list of proposed roads on event route.
  - b. The organiser is to ensure that prior to the event start that enquires are made with Council as to the suitability, or otherwise, of the condition of the nominated roads given the current impact on the road network due to the ongoing inclement wet weather conditions.
  - c. Event entrants are required to comply with the NSW Road Rules and the Alpine Classic Road Event regulations, Transport and Traffic Management Plans and the Transport Control Plan.
  - d. Marshals are to be provided at the nominated locations as identified in the Event and Traffic Management Plans.
  - e. The applicant is responsible for the provision of all traffic controls required for the event (ie Marshals, traffic barriers, traffic cones and signs).
  - f. Council's Governance Team Leader must sight a copy of the Public Liability Insurance Policy for a minimum amount of \$20 million on which Dubbo Regional Council and NSW Police are specifically noted to be indemnified against any action resulting from the event.
  - g. The applicant is to forward a letter to Council with all the required documentation accepting the above conditions before final approval will be granted.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**IPEC22/51 BUILDING SUMMARY - SEPTEMBER 2022 (ID22/1981)**

The Committee had before it the report dated 30 September 2022 from the Director Development and Environment regarding Building Summary - September 2022.

Moved by Councillor D Mahon and seconded by Councillor S Chowdhury

**MOTION**

That the report of the Director Development and Environment, dated 30 September 2022, be noted.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**IPEC22/52 PLANNING PROPOSAL R22-002 - CAVELLE DRIVE, DUBBO - PROPOSED AMENDMENT TO THE DUBBO REGIONAL LOCAL ENVIRONMENTAL PLAN 2022 (ID22/1416)**

The Committee had before it the report dated 29 September 2022 from the Graduate Growth Planner regarding Planning Proposal R22-002 - Cavelle Drive, Dubbo - Proposed Amendment to the Dubbo Regional Local Environmental Plan 2022.

Moved by Councillor M Wright and seconded by Councillor J Gough

**MOTION**

1. That Council endorse the Planning Proposal (attached in Appendix 1) to amend the Dubbo Regional Local Environmental Plan 2022 by rezoning part of Lot 700 DP1274329 from SP3 Tourist to R2 Low Density Residential and amending part of the Minimum Lot Size area from No Minimum Lot Size to 800m<sup>2</sup>.
2. That Council note the process and key steps for amending the Dubbo Regional Local Environmental Plan 2022 (attached in Appendix 2).
3. That Council submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.
4. That Council request the Chief Executive Officer (or delegate) be authorised as the Local Plan Making Authority under Section 3.36 of the Environmental Planning and Assessment Act, 1979.
5. Subject to the conditions of a Gateway Determination, Council support a minimum 14 day public exhibition period for the Planning Proposal.
6. Following the completion of the public exhibition period, a further report be provided to Council for consideration, including the results of public exhibition.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

The meeting closed at 5.44pm.

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**CHAIRPERSON**



**DUBBO REGIONAL  
COUNCIL**

## **Report of the Culture and Community Committee - meeting 13 October 2022**

**AUTHOR:** Governance Team Leader  
**REPORT DATE:** 20 October 2022

---

The Council had before it the report of the Culture and Community Committee meeting held 13 October 2022.

### **RECOMMENDATION**

**That the report of the Culture and Community Committee meeting held on 13 October 2022, be approved.**



## REPORT CULTURE AND COMMUNITY COMMITTEE 13 OCTOBER 2022

**PRESENT:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**ALSO IN ATTENDANCE:**

The Chief Executive Officer, the Manager Corporate Governance, the Governance Team Leader, the Director Strategy, Partnerships and Engagement, the Executive Officer Strategy, Partnerships and Engagement, the Director Development and Environment, the Director Infrastructure and the Director Community, Culture and Places.

Councillor J Gough assumed the chair of the meeting.

The proceedings of the meeting commenced at 5.45 pm.

Councillor M Dickerson is attending via Teams.

**CCC22/48 LEAVE OF ABSENCE (ID22/2082)**

Requests for leave of absence were received from Councillors V Etheridge and R Ivey who were absent from the meeting due to personal reasons.

Moved by Councillor S Chowdhury and seconded by Councillor D Mahon

**MOTION**

**That such requests for leave of absence be accepted and Councillors V Etheridge and R Ivey be granted leave of absence from this meeting.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CCC22/49 CONFLICTS OF INTEREST (ID22/2085)**

The following conflict of interest was declared:

Councillor S Chowdhury declared an interest in Item CCC22/54, pecuniary, significant.

**CCC22/50      REPORT OF THE SPARC COMMITTEE - MEETING 15 AUGUST 2022 (ID22/2002)**  
The Committee had before it the report of the SPARC Committee meeting held 15 August 2022.

Moved by Councillor M Wright and seconded by Councillor J Black

**MOTION**

**That the report of the SPARC Committee meeting held on 15 August 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CCC22/51      REPORT OF THE AQUATICS WORKING PARTY - MEETING 19 SEPTEMBER 2022 (ID22/2003)**

The Committee had before it the report of the Aquatics Working Party meeting held 19 September 2022.

Moved by Councillor J Black and seconded by Councillor P Wells

**MOTION**

**That the report of the Aquatics Working Party meeting held on 19 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CCC22/52      REPORT OF THE RECONCILIATION ACTION PLAN WORKING GROUP - MEETING 27 SEPTEMBER 2022 (ID22/2078)**

The Committee had before it the report of the Reconciliation Action Plan Working Group meeting held 27 September 2022.

Moved by Councillor L Burns and seconded by Councillor P Wells

**MOTION**

**That the report of the Reconciliation Action Plan Working Group meeting held on 27 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CCC22/53      REPORT OF THE SOCIAL JUSTICE ADVISORY COMMITTEE - MEETING 27  
SEPTEMBER 2022 (ID22/2079)**

The Committee had before it the report of the Social Justice Advisory Committee meeting held 27 September 2022.

Moved by Councillor P Wells and seconded by Councillor S Chowdhury

**MOTION**

**That the report of the Social Justice Advisory Committee meeting held on 27 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CCC22/54      SOUTHLAKES MAINTENANCE AGREEMENT WITH MAAS GROUP PROPERTIES  
SOUTHLAKES PTY LTD. (ID22/1906)**

The Committee had before it the report dated 8 September 2022 from the Manager Recreation and Open Space regarding Southlakes Maintenance Agreement with Maas Group Properties Southlakes Pty Ltd.

Moved by Councillor J Black and seconded by Councillor M Wright

**MOTION**

**That the Open Space Maintenance Deed, Southlakes Development, Boundary Road Dubbo be executed under the Common Seal of the Council.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

*Councillor S Chowdhury declared a pecuniary, significant interest in the matter now before the Committee and left the room and was out of sight during the Committee's consideration of this matter. The reason for such interest is that Councillor S Chowdhury owns property in Southlakes.*

The meeting closed at 5.53pm.

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CHAIRPERSON





**DUBBO REGIONAL  
COUNCIL**

## **Report of the Corporate Services Committee - meeting 13 October 2022**

**AUTHOR:** Governance Team Leader  
**REPORT DATE:** 20 October 2022

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The Council had before it the report of the Corporate Services Committee meeting held 13 October 2022.

### **RECOMMENDATION**

**That the report of the Corporate Services Committee meeting held on 13 October 2022, be adopted.**



## **REPORT CORPORATE SERVICES COMMITTEE 13 OCTOBER 2022**

**PRESENT:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**ALSO IN ATTENDANCE:**

The Chief Executive Officer, the Manager Corporate Governance, the Governance Team Leader, the Director Strategy, Partnerships and Engagement, the Executive Officer Strategy, Partnerships and Engagement, the Director Development and Environment, the Director Infrastructure and the Director Community, Culture and Places.

Councillor D Mahon assumed the chair of the meeting.

The proceedings of the meeting commenced at 5.54 pm.

Councillor M Dickerson is attending via Teams.

**CSC22/42 LEAVE OF ABSENCE (ID22/2083)**

Requests for leave of absence were received from Councillors V Etheridge and R Ivey who were absent from the meeting due to personal reasons.

Moved by Councillor P Wells and seconded by Councillor S Chowdhury

**MOTION**

**That such requests for leave of absence be accepted and Councillors V Etheridge and R Ivey be granted leave of absence from this meeting.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/43 CONFLICTS OF INTEREST (ID22/2086)**

There were no conflicts of interest declared.

**CSC22/44      REPORT OF THE WELLINGTON TOWN COMMITTEE - MEETING 6 SEPTEMBER 2022 (ID22/2006)**

The Committee had before it the report of the Wellington Town Committee meeting held 6 September 2022.

Moved by Councillor J Gough and seconded by Councillor S Chowdhury

**MOTION**

**That the report of the Wellington Town Committee meeting held on 6 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/45      REPORT OF THE DUBBO REGIONAL LIVESTOCK MARKETS ADVISORY COMMITTEE - MEETING 13 SEPTEMBER 2022 (ID22/2004)**

The Committee had before it the report of the Dubbo Regional Livestock Markets Advisory Committee meeting held 13 September 2022.

Moved by Councillor S Chowdhury and seconded by Councillor J Black

**MOTION**

**That the report of the Dubbo Regional Livestock Markets Advisory Committee meeting held on 13 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/46      REPORT OF THE FINANCIAL PERFORMANCE COMMITTEE - MEETING 20 SEPTEMBER 2022 (ID22/2009)**

The Committee had before it the report of the Financial Performance Committee meeting held 20 September 2022.

Moved by Councillor M Wright and seconded by Councillor P Wells

**MOTION**

**That the report of the Financial Performance Committee meeting held on 20 September 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/47 INVESTMENT UNDER SECTION 625 OF THE LOCAL GOVERNMENT ACT - SEPTEMBER 2022 (ID22/1974)**

The Committee had before it the report dated 4 October 2022 from the Chief Financial Officer regarding Investment Under Section 625 of the Local Government Act - September 2022.

Moved by Councillor J Gough and seconded by Councillor J Black

**MOTION**

**That the information contained within the Investment under Section 625 of the Local Government Act Report, dated 4 October 2022, be noted.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/48 UPDATE ON SERVICE REVIEW PROGRAM AND BUSINESS IMPROVEMENT INITIATIVES (ID22/1987)**

The Committee had before it the report dated 21 September 2022 from the Director Strategy, Partnerships and Engagement regarding Update on Service Review Program and business improvement initiatives.

The Director Strategy, Partnerships and Engagement provided a presentation on this item.

Moved by Councillor S Chowdhury and seconded by Councillor J Gough

**MOTION**

- 1. That Council notes the presentation of the Director Strategy, Partnerships and Engagement.**
- 2. That Council note the service review program update as listed in this report, including proposed scope for Dubbo Regional Livestock Market service review and Wellington Caves and Caravan Park service review.**
- 3. That Council notes the organisational change and investment to build capacity to implement an effective service review program.**
- 4. That Council note the business improvement initiatives undertaken to support improved reporting to the community and community engagement.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/49 DRAFT COUNCIL POLICY - COUNCILLOR AND STAFF INTERACTION (ID22/1626)**

The Committee had before it the report dated 8 August 2022 from the Governance Team Leader regarding Draft Council Policy - Councillor and Staff Interaction.

Moved by Councillor J Gough and seconded by Councillor S Chowdhury

**MOTION**

1. That the revised Draft Council Policy – Councillor and Staff Interaction be placed on public exhibition for 28 days.
2. That changes be made to Part 8 - 8.1 (g) to remove the word “especially” and add the words “in regards to high risk” development matters, and Part 8 – 8.1 (h) to remove the word “controversial” prior to going on Public Exhibition.
3. That a further report be provided to council after the public exhibition period.
4. That any changes issued by Office of Local Government that impact this policy will be amended immediately.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/50 DRAFT COUNCIL POLICY - PETITIONS (ID22/2069)**

The Committee had before it the report dated 4 October 2022 from the Governance Team Leader regarding Draft Council Policy - Petitions.

Moved by Councillor J Gough and seconded by Councillor S Chowdhury

**MOTION**

1. That the Draft Council Policy – Petitions, which have been based on NSW Parliament procedures and attached as appendix 1 to this report be placed on public exhibition for 28 days.
2. That the ability to host online e-petitions in accordance with practices of the NSW parliament be undertaken with a subsequent report brought to Council for its consideration.
3. That a further report be provided to Council after the public exhibition period.

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

**CSC22/51      LOCAL GOVERNMENT NSW - 2022 ANNUAL CONFERENCE (ID22/2072)**

The Committee had before it the report dated 4 October 2022 from the Governance Team Leader regarding Local Government NSW - 2022 Annual Conference.

Moved by Councillor S Chowdhury and seconded by Councillor P Wells

**MOTION**

1.    **That Councillor Jessica Gough be endorsed to act as voting delegate at the Local Government NSW Annual Conference 2022.**
2.    **That there will be no non-voting councillor attendees at the Local Government NSW Annual Conference 2022.**

**CARRIED**

**For:** Councillors J Black, L Burns, S Chowdhury, M Dickerson, J Gough, D Mahon, P Wells and M Wright.

**Against:** Nil

The meeting closed at 6.25pm.

.....  
CHAIRPERSON



**DUBBO REGIONAL  
COUNCIL**

## **Report of the Audit and Risk Management Committee - meeting 27 September 2022**

**AUTHOR: Governance Team Leader**  
**REPORT DATE: 20 October 2022**

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The Council had before it the report of the Audit and Risk Management Committee meeting held 27 September 2022.

### **RECOMMENDATION**

**That the report of the Audit and Risk Management Committee meeting held on 27 September 2022, be adopted.**



**REPORT  
AUDIT AND RISK MANAGEMENT  
COMMITTEE  
27 SEPTEMBER 2022**

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**PRESENT:** Councillors S Chowdhury, R Ivey, Mr J Walkom (Independent Member and Council Appointed) and Mr T Breen (Independent Member).

**ALSO IN ATTENDANCE:**

The Chief Executive Officer, the Director Organisational Performance, the Manager Corporate Governance, the Governance Team Leader, the Chief Financial Officer, the Statutory Accountant, the Director Strategy, Partnerships and Engagement (C Colliver).

Mr J Walkom assumed the Chair of the meeting.

The proceedings of the meeting commenced at 11.00am.

**AUD22/22 LEAVE OF ABSENCE (ID22/1989)**

Apologies were received from Ms M Lee (Audit Office), Ms F Ali (Audit Office), who were absent from this meeting for personal reasons.

Mr J Walkom attended the meeting via audio-visual link.

**AUD22/23 CONFLICTS OF INTEREST (ID22/1990)**

No conflicts of interest were declared.

**AUD22/24 REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE - MEETING 3  
MAY 2022 (ID22/1991)**

The Committee had before it the report of the Audit and Risk Management Committee meeting held 3 May 2022.

Moved by Mr T Breen and seconded by Mr J Walkom

**RECOMMENDATION**



**That the report of the Audit and Risk Management Committee meeting held on 3 May 2022, be adopted.**

**CARRIED**

**AUD22/25 REFERRAL OF THE DRAFT 2021/2022 FINANCIAL STATEMENTS FOR AUDIT  
(ID22/1958)**

The Committee had before it the report dated 15 September 2022 from the Statutory Accountant regarding Referral of the Draft 2021/2022 Financial Statements for Audit.

Moved by Mr J Walkom and seconded by Mr T Breen

**RECOMMENDATION**

- 1. That the Draft 2021/2022 Financial Statements submitted for audit be noted.**
- 2. That management consider reviewing the Capital Works grants in conjunction with the external auditors.**
- 3. That the external auditors are alerted to the way grants funds are reflected in the financial statements and there are no objections to this practice.**

**CARRIED**

Clr Chowdhury arrived the time being 11.24 am

**AUD22/26 AUDIT OF ACCOUNTS RECEIVABLE (ID22/1623)**

The Committee had before it the report dated 5 August 2022 from the Internal Auditor regarding Audit of Accounts Receivable.

Moved by Councillor S Chowdhury and seconded by Mr T Breen

**RECOMMENDATION**

**That the report be noted.**

**CARRIED**

**AUD22/27 AUDIT OF TFNSW DRIVES (ID22/1427)**

The Committee had before it the report dated 25 July 2022 from the Internal Auditor regarding Audit of TfNSW DRIVES.

Moved by Mr T Breen and seconded by Councillor S Chowdhury

**RECOMMENDATION**

**That the information within the report of the Internal Auditor dated 25 July 2022, be noted.**

CARRIED

**AUD22/28 PAYROLL - ADDITIONAL REVIEW (ID22/935)**

The Committee had before it the report dated 10 May 2022 from the Internal Auditor regarding Payroll - Additional review.

Moved by Mr T Breen and seconded by Mr J Walkom

**RECOMMENDATION**

**That the report be noted.**

CARRIED

**AUD22/29 ARMC ACTION ITEMS - AUGUST 2022 (ID22/1988)**

The Committee had before it the report dated 23 September 2022 from the Internal Auditor regarding ARMC Action Items - August 2022.

Moved by Councillor S Chowdhury and seconded by Mr T Breen

**RECOMMENDATION**

**That the report be noted.**

CARRIED

**AUD22/30 UPDATE ON SERVICE REVIEW PROGRAM (ID22/1978)**

The Committee had before it the report dated 19 September 2022 from the Director Strategy, Partnerships and Engagement regarding Update on Service Review Program.

Moved by Mr J Walkom and seconded by Councillor S Chowdhury

**RECOMMENDATION**

1. That Council's Audit and Risk Management Committee endorse the Service Review Program update as listed in this report.
2. That Council's Audit and Risk Management Committee note the investment in organisational capacity to support service reviews and ongoing design of operational processes.
3. That Council's Audit and Risk Management Committee endorse that updates on the Service Review Program be provided through a single central reporting table, with separate reports all completed level 3 reviews, and any other reviews specifically requested.

CARRIED

**AUD22/31    OPTIONS FOR INTERNAL AUDIT SERVICES (ID22/1992)**

The Committee had before it the report dated 23 September 2022 from the Manager Corporate Governance regarding Options for Internal Audit Services.

Moved by Mr J Walkom and seconded by Mr T Breen

**RECOMMENDATION**

**That committee note that management are intending to use the External Audit Panel – Performance and Management Service Scheme.**

CARRIED

**AUD22/32    RISK MANAGEMENT UPDATE (ID22/1415)**

The Committee had before it the report dated 21 July 2022 from the Emergency and Risk Management Officer regarding Risk Management Update.

Moved by Councillor S Chowdhury and seconded by Mr T Breen

**RECOMMENDATION**

**That the information in this report be noted.**

CARRIED

**AUD22/33    NSW AUDIT OFFICE ANNUAL WORK PROGRAM 2022–2025 (ID22/1904)**

The Committee had before it the report dated 7 September 2022 from the Chief Financial Officer regarding NSW Audit Office Annual Work Program 2022–2025.

Moved by Mr J Walkom and seconded by Mr T Breen

**RECOMMENDATION**

**That the Audit Office of New South Wales 2022-2025 Annual Work Program be noted**

CARRIED

**AUD22/34    2022 ANNUAL REPORT ON SUPPLIERS PAID OVER \$100,000 AND PURCHASE ORDER AFTER INVOICE DATE (ID22/1907)**

The Committee had before it the report dated 8 September 2022 from the Chief Financial Officer regarding 2022 Annual Report on Suppliers Paid Over \$100,000 and Purchase Order After Invoice Date.

Moved by Mr T Breen and seconded by Councillor S Chowdhury

**RECOMMENDATION**

**That the information contained within the report be noted.**

**CARRIED**

*Mr J Walkom declared a non-pecuniary, less than significant interest in the matter now before the Committee and remained in the room during the Committee's consideration of this matter. The reason for such interest is that Mr J Walkom's nephew is the owner of Techni-Clean Dubbo Pty Ltd listed in this report.*

The meeting closed at 12.26pm.

.....  
CHAIRPERSON



## REPORT: Saxa Road - Temporary Road Closure and Access Restrictions

**DIVISION:** Infrastructure  
**REPORT DATE:** 20 October 2022  
**TRIM REFERENCE:** ID22/2191

### EXECUTIVE SUMMARY

<b>Purpose</b>	<ul style="list-style-type: none"><li>Seek endorsement</li><li>Urgent matter</li><li>Seek direction or decision</li><li>Fulfil legislated requirement/Compliance</li></ul>	
<b>Issue</b>	<ul style="list-style-type: none"><li>This report provides information on the current status of the Saxa Road (formerly Cobbora Road) Wellington that has ultimately seen the ongoing segmental deterioration and failure of the road pavement to an unsafe condition resulting in the road being closed to through traffic with the exception of the section of Saxa Road between Muronbung Road and the Gollan Road (Mudgee Road) with a restriction for local resident, service delivery and school bus access only.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>With the recent and ongoing wet weather conditions the pavement and infrastructure damage of Saxa Road is now considered to be a road safety risk and will significantly deteriorate with the continued movement of heavy vehicle through traffic placing users at risk.</li><li>Seeking concurrence to the temporary road closure restriction for local traffic only, school bus service and no truck entry with the exception of local deliveries to resident properties on Saxa Road.</li><li>Roads Act 1993 and Roads (General) Regulation 2018.</li></ul>	
<b>Financial Implications</b>	Budget Area	Infrastructure Delivery
	Funding Source	Roads
	Proposed Cost	
	Ongoing Costs	
<b>Policy Implications</b>	Policy Title	
	Impact on Policy	There are no policy implications arising from this report
<b>Consultation</b>		Local Traffic Committee

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 2 Infrastructure

CSP Objective:	2.1 The road transportation network is safe, convenient and efficient
Delivery Program Strategy:	2.1.1 Traffic management facilities enhance the safety and efficiency of the road network
Theme:	2 Infrastructure
CSP Objective:	2.1 The road transportation network is safe, convenient and efficient
Delivery Program Strategy:	2.1.2 The road network meets the needs of the community in terms of traffic capacity, functionality and economic and social connectivity
Theme:	2 Infrastructure
CSP Objective:	2.2 Infrastructure meets the current and future needs of our community
Delivery Program Strategy:	2.2.5 Council maintains infrastructure and delivers services at the adopted service levels as agreed with the community

#### **RECOMMENDATION TO THE LOCAL TRAFFIC COMMITTEE**

That Council approval be granted for the implementation of a temporary road closure with 'Local Traffic Only' and a 'No Truck Entry' with the exception of local deliveries to rural properties on Saxa Road between the Golden Highway and Gollan Road and Muronbung Road to the Mitchell Highway.

#### **LOCAL TRAFFIC COMMITTEE CONSIDERATION**

This matter was considered by an Extraordinary Local Traffic Committee at its meeting held on Thursday 20 October 2022. The Committee had unanimous support in the adoption of the recommendation.

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**RECOMMENDATION**

1. That Council approve the implementation of a temporary road closure with the exception of local access to rural properties accessed from Saxa Road between the Golden Highway and Gollan Road and Muronbung Road to the Mitchell Highway.
2. That Council install adequate signage being; 'Road Closed', 'Local Traffic Only', 'No Truck Entry' and '4.5 tonne GVM' signs.
3. That if approved a widespread communications program be implemented, specifically including but not limited to:
  - a. the National Heavy Vehicle Regulator be advised to update their route planner advising of the closure of Saxa Road
  - b. that VMS Boards be placed in strategic locations to allow adequate warning to all motorists.
  - c. That council notify residents in that area.

*Luke Ryan*  
Director Infrastructure

*DV*  
Senior Traffic Engineer

## BACKGROUND

Saxa Road (formerly Cobbora Road) is 57km long between the Golden Highway and Mitchell Highway at Wellington. The Muronbung Road and Gollan Road intersect as separate T-intersections with Saxa Road on the eastern and western sides of the Saxa Bridge (Spicers Creek) connecting the Golden Highway via Muronbung and Gollan Roads to Goolma, Gulgong and Mudgee.

Up until 2005, Saxa Road was only sealed from the Mitchell Highway at Wellington to Comobella Road, this 17.9km section was constructed on a reactive clay sub-grade around the 1960s, with a typical pavement depth of 200mm on a poor sub-grades and prolonged wet weather results in the current pavement failure. This section is in the worst condition along the route with multiple large defects present.

In 2005, State funds were provided for the sealing of 2km from the Comobella Road to just north of the Forrestvale Road. The pavement was built to a low standard, however was on a sound (sand) sub-grade, and it is still performing well. Between 2005 and 2010 additional road reconstruction was undertaken to numerous sections along a 24km distance. These sections are performing only slightly better than the sections built around the 1960s with multiple defects present.

From 2010 to 2015 funds were received for the sealing of the last 7km of Saxa Road and numerous sections from Comobella Road to the Golden Highway. Pavement design was undertaken to accommodate the expected traffic volumes; however since approval as a B-double route there has been a progressive impact on pavement with notable defects present.

## REPORT

In more recent years, Saxa Road has experienced on going pavement deterioration and is more likely as a consequence of the significant increase of heavy vehicle traffic. Recent haulage of raw and milled timber products has seen a marked increase in B-double movements on Saxa Road.

Details of timber haulage are based on discussions with the Oberon Timber Mill and several timber haulage companies:

- Saxa Road is currently used as a direct route for B-double haulage of 180,000 tonnes of raw timber products (logs) from Stanthorpe (Queensland), Walcha and near Tamworth to Oberon for milling annually.
- The road is also used for B-double haulage of 40,000 tonnes of sawn/dressed timber products from the Oberon saw mill to Brisbane annually.
- It also carries 54,000 tonnes of local and regional rural produce and farm supplies and equipment annually.

Recent wet weather and flooding events have contributed to an escalation of the road conditions that has raised the communities' concern with its current condition.

Council's Infrastructure Delivery has responded with the following action:



- An inspection on 5 October 2022 identified that Saxa Road was in poor condition, with Council receiving numerous customer requests. The inspection was to determine the condition prior to the forecasted rain on 6 October to 9 October 2022 (88 mm over this period). There were defects identified, including full road width, 600 mm deep failures. A Council crew was deployed to close Saxa Road with access available to local traffic only, so that residents would not be stranded on the road during the closure and thereby reduce the likelihood of heavy vehicles using the road as much as possible.
- Council received reports on 6 October 2022 that logging trucks were still using Saxa Road. Repair works were organised for the worst sections of the road and reduced the 'Local Traffic Only' lane widths around the signage to discourage heavy vehicles. Two more road closure signs were installed either side of the Comobella crossing and increased the amount of signage installed to discourage non-local heavy vehicles. Council's Local Emergency Management Officer also contacted Police to potentially undertake additional patrols to assist with enforcement of the closure.
- On 7 October 2022 Council installed man-proof fencing at the Comobella crossing to stop vehicles from crossing the Mitchell Creek causeway overnight.
- A further inspection on 10 October 2022 revealed that the causeway had failed as a consequence of the man-proof fencing being removed with chains and heavy vehicles crossing the causeway. Water filled barriers were installed to provide an enhanced visual awareness of the causeway restriction. Man-proof fencing was reinstalled due to further concerns by the local residents that heavy vehicles were still using the road.
- Council deployed a grader crew to Wongajong Lane on 11 and 12 October 2022 to provide access to Wellington for residents cut-off by the causeway closure. Wongajong Lane is an unsealed road, which had some damaged sections of pavement. The residents were advised that the Lane would be brought up to a standard suitable for use as an alternate access while Saxa Road/Mitchell Creek causeway was closed off.
- On 13 October 2022 a B-double travelled down Wongajong Lane and destroyed all of the corrective works of the previous two days. Council installed concrete barriers as a traffic calming device (forming a chicane) to prevent large vehicles from crossing the causeway, while allowing passenger vehicles access.
- Council met with Ogden Coaches on 14 October 2022 and are working to correct some issues on Saxa Road, so that the buses can pick up children from the Geurie intersection, south of the Comobella causeway.

In addition to the Saxa Road closure and auxiliary traffic facilities, variable messaging signs and signage was installed on the Mitchell Highway at Wellington and at the Muronbung and Gollan roads. The existing restrictions at that time for Saxa Road incorporated a 'Road Closure', 'Local Traffic Only' access and potential load limit. Light passenger vehicles only are permitted across the Mitchell Creek causeway with school buses required to enter and return from the east and west sides of Saxa Road to the causeway and return. Detours are in place around the Saxa Road closure.

Community concerns were also raised regarding the low load limit proposal and the heavy vehicle access required to and from the rural properties within the road closure, east and west of the causeway. As mentioned, there is a high percentage of heavy vehicles traversing Saxa Road being a direct through route between the Golden and Mitchell highways, however

with the closure of Saxa Road there has been incidences of heavy vehicles ignoring and passing the road closures as a through route. Additional closure measures have been introduced to deter this practice.

In accordance with Section 115 of the Roads Act 1993, the 'Road Closure' signage on Saxa Road is a regulated notice erected by Council for the safety of the public and to reduce the impact on the Saxa Road pavement and infrastructure. Penalties can be applied for non-compliance. This is particularly related to the heavy vehicle through traffic.

The local residents have raised concerns that heavy vehicles would not be able to access properties for the delivery and pick up of rural commodity. In order to continue such service delivery access to the residents, consideration has been given to the installation of 'No Trucks' signage. In accordance with Road Rule 104, specifically Clause 4, trucks are permitted to pass the 'No Trucks' sign to a destination within the Saxa Road closure.

Due to the constraint at the Mitchell Creek causeway and the Muronbung and Gollan roads intersections the heavy vehicle movements must enter and return to the point of entry and not cross the Mitchell Creek causeway. The 'Local Traffic Only' signage enables specific traffic movements for access purposes of residents, school bus services and heavy vehicle service delivery movements within Saxa Road.

It is recommended that the approval be granted to the temporary Saxa Road closure traffic management proposal, between the Golden Highway and Mitchell Highway, incorporating a standardised road closure and detour with 'Local Traffic Only' and 'No Truck' restrictions to enable accessibility for local residents impacted by the closure.

#### **Consultation**

- Ongoing consultation and correspondence has been undertaken with local residents and Ogden Coaches on access to Saxa Road.
- The Local Traffic Committee, including representatives from NSW Police, the Local State Member of Parliament, Transport for NSW and Council will review and discuss the proposal put to the Committee.

#### **Resourcing Implications**

- Council has provided the resources in terms of staff and traffic control facilities to implement the temporary road closure of Saxa Road between the Golden Highway and Mitchell Highway.



## REPORT: Preparation of Renewable Energy Benefit Framework

**DIVISION:** Development and Environment  
**REPORT DATE:** 14 October 2022  
**TRIM REFERENCE:** ID22/1986

### EXECUTIVE SUMMARY

<b>Purpose</b>	Seek direction or decision	
<b>Issue</b>	<ul style="list-style-type: none"><li>Council adopted a Planning Agreement Policy for Solar and Wind Energy Farms (DEC21/213) at the Development and Environment Committee Meeting on 12 April 2021. The Policy established a framework to guide the preparation of Planning Agreements for Solar and Wind Energy Farms in the Dubbo Regional Local Government Area.</li><li>The Department of Planning and Environment published a Large-Scale Solar Energy Guideline in August 2022 (attached in <b>Appendix 1</b>) and a Wind Energy Guideline published in 2016 (attached in <b>Appendix 2</b>).</li><li>Repealing the Policy will mean that Council will not have a guiding monetary value. However, in the absence of a guiding monetary value, this will allow Council to negotiate community benefits with development proponents that could be higher than the values currently included in the Policy.</li><li>It is recommended that a Renewable Energy Benefit Framework be developed to guide Council's consideration of Voluntary Planning Agreements associated with development in the Central West and Orana Renewable Energy Zone.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>Environmental Planning and Assessment Act, 1979.</li><li>Department of Planning and Environment Large-Scale Solar Energy Guideline.</li><li>Department of Planning and Environment Wind Energy guidelines.</li></ul>	
<b>Financial Implications</b>	Budget Area	Various and across Council depending on the components of the planning agreement.
<b>Policy Implications</b>	Policy Title	Planning Agreement Policy for Solar and Wind Energy Farms DEC21/13.
	Impact on Policy	The Policy is proposed to be repealed.

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

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Theme:	4 Leadership
CSP Objective:	4.1 Council provides transparent, fair and accountable leadership and governance
Delivery Program Strategy:	4.1.2 Council's decision-making processes are open, transparent and accountable

#### RECOMMENDATION

1. That Council endorse the preparation of a Renewable Energy Benefit Framework to ensure community benefits are realised from renewable energy projects in the Region.
2. That a report in respect of the draft Renewable Energy Framework be provided to Council for consideration at the December 2022 Council meeting.
3. That the Planning Agreement Policy for Solar and Wind Farms be substituted with a renewable energy benefit framework.
4. It should be noted that all Planning Agreements are required to be considered by Council and placed on public display in accordance with the requirements of the Environmental Planning and Assessment Act, 1979.

*Stephen Wallace*  
Director Development and Environment

*SJ*  
Manager Growth Planning

## BACKGROUND

### 1. Previous resolutions of Council

12 April 2021 Development and Environment Committee Meeting	<i>In part</i> 2. That Council adopt the draft Planning Agreements Policy for Solar and Wind Energy Farms... 6. That Council write to the NSW Department of Planning, Industry and Environment to notify the commencement of this Policy.
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Prior to Department of Planning and Environment (DPE) establishing guidelines relating to “benefit sharing” frameworks for solar and wind energy farms, Council adopted the Planning Agreement Policy for Solar and Wind Energy Farms. This policy aimed to ensure there was a clear and robust framework to guide the preparation of planning agreements and community benefit sharing scheme initiatives. The Policy required:

- Solar farm energy proponents to pay \$3,500 per megawatt of energy to be generated (subject to CPI), paid to Council once; and
- Wind energy farm proponents to pay \$3,350 per turbine proposed to be installed (subject to CPI), paid to Council per annum.

Council encourages solar and wind energy farm proponents to enter into a planning agreement and establish ‘benefit sharing’ frameworks that distribute benefits generated by the project to the local community, typically in the form of funding or other programs.

### 2. Renewable Energy Zone

The Central West and Orana Renewable Energy Zone is one of five Renewable Energy Zones in NSW. Renewable Energy Zones (REZs) seek to group new wind and solar power generation into locations where it can be efficiently stored and transmitted across NSW. Five zones have so far been identified and will keep NSW electricity reliable as coal-fired power stations retire, delivering large amounts of new energy to power our regions and cities.

The REZs aim to deliver lower wholesale electricity costs and place downward pressure on customer bills through increased competition, while also supporting new local jobs and business opportunities during construction and operation.

The Central West and Orana Renewable Energy Zone includes the majority of the Dubbo Regional Local Government Area, areas of the Gilgandra, Mid-Western and Warrumbungle Local Government Areas.

The location of the REZ is shown in **Figure 1**.



Figure 1 – Location of the Central West Orana Renewable Energy Zone

The NSW Government anticipates the REZ will:

- unlock three gigawatts of new network capacity by the mid-2020s;
- enable solar and wind energy farms participating in the REZ to export electricity to the rest of the network; and
- bring up to \$5 billion in private investment to the Central-West Orana region by 2030.

## REPORT

### 1. Planning Agreement Policy for Solar and Wind Energy Farms

It is considered that many of the benefits created through solar and wind energy farms are not directly realised by the local community that hosts and is impacted by the development. Large-scale projects can cause changes to the local landscape and community that are difficult to foresee and plan for.

DPE published a Large-Scale Solar Energy Guideline in August 2022 (attached in **Appendix 1**) and a Wind Energy Guideline in 2016 (attached in **Appendix 2**) to provide the community, industry, applicants and regulators with guidance on the planning framework for large-scale energy projects under the Environmental Planning and Assessment Act, 1979. The guidelines advise that the total funding benefit sharing (including planning agreements and any other programs facilitated by the applicant) should be:

- between \$200 and \$300 per megawatt per annum (subject to CPI) for solar farms over the life of the development (until the project is decommissioned); and
- No pre-determined amount for wind energy farms. Council has two Planning Agreements with Wind Energy Farms, including the Bodangora Wind Farm and the Ungula Wind Farm.

The Planning Agreement Policy for Solar and Wind Energy Farms does not currently encourage a number of different mechanisms for creating and utilising benefit sharing opportunities as it defines the structure of any planning agreement.

The Policy required:

- Solar farm energy proponents to pay \$3,500 per megawatt of energy to be generated (subject to CPI), paid to Council once; and
- Wind energy farm proponents to pay \$3,350 per turbine proposed to be installed (subject to CPI), paid to Council per annum.

Compliance with the provisions of Council's Policy was not mandatory for State Significant Development Applications as these applications are assessed and determined by the State Government Department of Planning and Environment. At the time the Policy was adopted by Council, the State Government did not have any mandatory requirements for proponents of solar energy farms to enter into a Voluntary Planning Agreement with respective Councils. As such, Councils were effectively left to rely on development proponents.

With the level of development now being planned in the Central West and Orana Renewable Energy Zone, the industry is moving quickly with Government investment in the area, technological advances and activities in other Renewable Energy Zones. Based on these factors and the fact that Council needs to be agile in our approach to capturing community benefits through Voluntary Planning Agreements and other processes, it is considered that there is no need for the Council Policy for Solar and Wind Energy Farms to remain in place.

## **2. Renewable Energy Benefit Framework**

It is recognised that in the absence of the Planning Proposal Policy for Solar and Wind Energy Farms, that Council needs to prepare an overall guiding document for the collection of benefits for our community through developments being undertaken in the Central West and Orana Renewable Energy Zone. The role of the Framework will be to guide the negotiation of planning agreements and benefit sharing frameworks. The NSW planning system actively encourages a number of different mechanisms for creating and utilising benefit sharing opportunities, and priority is given to initiatives that deliver long term social and economic benefits for the community, which are also consistent with Council's adopted Towards 2040 Community Strategic Plan.

Sharing the financial benefits of these projects can assist in building community support by ensuring that the project delivers positive, tangible and long term social and economic outcomes for the local community. An internal Renewable Energy Benefit Framework will allow flexibility of the benefit sharing to apply to various projects including community

housing, road maintenance, strategic projects and short term accommodation. A report in respect of a draft Renewable Energy Benefit Framework will be provided to Council for consideration at the December 2022 Council meeting.

It should also be noted that this will not impact Council's consideration of any Voluntary Planning Agreements (VPA's) in the interim period as the process for consideration of VPA's is a regulated process in accordance with the provisions of the Environmental Planning and Assessment Act, 1979.

### Resourcing Implications

It is considered that there are no additional resourcing implications as they are regular activities associated with Council's consideration of a planning agreement. It can be difficult to predict operating revenue as this is based on the individual requirements of a proponent. There may be scenarios where Council receives multiple or no planning agreement requests in any one financial year.

Council currently has 2 Voluntary Planning Agreements in place for Wind Energy Farms. This includes an agreement in respect of the Bodangora Wind Farm for \$85,000 per annum for 25 years. This includes \$50,000 per annum for a Community Benefit Fund. Council also has a Voluntary Planning Agreement in place for the Ungula Wind Farm, which following construction and operation will provide \$320,973 per annum for 25 years.

Total Financial Implications	Current year (\$)	Current year + 1 (\$)	Current year + 2 (\$)	Current year + 3 (\$)	Current year + 4 (\$)	Ongoing (\$)
a. Operating revenue	\$85,000	\$85,000	\$405,973	\$405,973	\$405,973	\$405,973
b. Operating expenses	\$85,000	\$85,000	\$405,973	\$405,973	\$405,973	\$405,973
c. Operating budget impact (a – b)	0	0	0	0	0	0
d. Capital Expenditure	0	0	0	0	0	0
e. Total net impact (c – d)	0	0	0	0	0	0
Does the proposal require ongoing funding?			No			
What is the source of this funding?			Voluntary Planning Agreements			

**Table 1.** Ongoing Financial Implications



**APPENDICES:**

- 1 [!\[\]\(38441ceaa711016e0bf2ad46ad394ff4\_img.jpg\)](#) Large-Scale Solar Energy Guideline - NSW Department of Planning and Environment
- 2 [!\[\]\(6e027340d4263908f264926b1ad81c5e\_img.jpg\)](#) Wind Energy Guideline - NSW Department of Planning and Environment

Department of Planning  
and Environment



# Large-Scale Solar Energy Guideline

August 2022

[dpie.nsw.gov.au](http://dpie.nsw.gov.au)



# Acknowledgment of country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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TMP-MC-R-DC-V1.2



NSW Department of Planning and Environment Large-Scale Solar Energy Guideline

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# Abbreviations

<b>BDAR</b>	Biodiversity development assessment report
<b>BSAL</b>	Biophysical strategic agricultural land
<b>CIC</b>	Critical industry cluster
<b>CIV</b>	Capital investment value
<b>DA</b>	Development application
<b>EIS</b>	Environmental impact statement
<b>EP&amp;A Act</b>	<i>Environmental Planning and Assessment Act 1979</i>
<b>EP&amp;A Reg</b>	<i>Environmental Planning and Assessment Regulation 2021</i>
<b>EPA</b>	NSW Environment Protection Authority
<b>EPBC Act</b>	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
<b>EPI</b>	Environmental planning instrument
<b>EPL</b>	Environment protection licence
<b>LEP</b>	Local environmental plan
<b>LSC Class</b>	Land and soil capability class
<b>PV</b>	Photovoltaic
<b>REZ</b>	Renewable energy zone
<b>RSD</b>	Regionally significant development
<b>SEARs</b>	Secretary's environmental assessment requirements
<b>Transport and Infrastructure SEPP</b>	<i>State Environmental Planning Policy (Transport and Infrastructure) 2021</i>
<b>SSD</b>	State significant development
<b>VPA</b>	Voluntary planning agreement

# Glossary of terms

<b>Applicant</b>	The applicant of an SSD project seeking consent for a development application or modification application
<b>Associated residence</b>	A residence on privately-owned land in respect of which the owner has reached an agreement with the applicant in relation to the development and management of impacts
<b>Benefit sharing</b>	Benefit sharing aims to distribute benefits generated by a project between the applicant and the community through mutually agreed opportunities such as funding or sponsoring local community initiatives, programs or projects
<b>Consent authority</b>	The authority responsible for granting or refusing consent for a development application or modification application
<b>Department</b>	The Department of Planning and Environment
<b>Decommissioning</b>	The removal of solar panels and ancillary infrastructure
<b>Development application (DA)</b>	An application made seeking consent for SSD or RSD under Part 4 of the EP&A Act
<b>Environmental impact statement (EIS)</b>	An environmental impact statement prepared by or on behalf of the applicant to accompany a DA. It involves a comprehensive assessment of the environmental, social and economic impacts of a project.
<b>Glare</b>	A continuous source of bright or strong light caused by the reflection of sunlight on a solar energy project
<b>Glint</b>	A momentary flash of bright or strong light caused by the reflection of sunlight on a solar energy project
<b>Important agricultural land</b>	Land mapped as BSAL or a critical industry cluster, land of LSC classes 1–3 and farmland mapped as state or regionally significant on the north coast
<b>Large-scale solar energy project</b>	Works, infrastructure and buildings for the purpose of generating electricity using ground-mounted photovoltaic panels that are state significant development (SSD)
<b>Landscape</b>	A holistic area comprised of its various parts including landform, vegetation, buildings, villages, towns, cities and infrastructure
<b>Landscape character</b>	An area or sense of place definable by the quality of its built, natural and cultural elements
<b>Modification application</b>	An application seeking to modify a development consent, which may include revoking or varying a condition of consent A modification requires consent under the EP&A Act

Glossary of terms

<b>Magnitude</b>	The apparent size of a solar energy project in the landscape or when viewed from a given viewpoint
<b>Non-associated residence</b>	<p>A residence on privately-owned land in respect of which the owner has not reached an agreement with the applicant in relation to the development</p> <p>or</p> <p>A residence on privately-owned land in respect of which the owner has reached an agreement with the applicant in relation to the development, but the agreement does not cover the relevant impact</p> <p>or</p> <p>The performance measure for such impact under that agreement has been exceeded</p>
<b>Planning Secretary</b>	The Secretary of the Department of Planning and Environment
<b>Rehabilitation</b>	The restoration of land disturbed by the development to a good condition, to ensure it is safe, stable and non-polluting
<b>Renewable Energy Zone (REZ)</b>	A designated area to support renewable energy development as declared in the <i>Electricity Infrastructure Investment Act 2020</i>
<b>Regionally significant development</b>	A development deemed to have regional significance due to its size, economic value or potential impacts
<b>SEARs</b>	The Planning Secretary's environmental assessment requirements, which set out the matters that must be addressed in an EIS
<b>Sensitivity</b>	An element of landscape and visual impact assessment that defines the capacity to absorb the impacts from a proposed land use change and/or built form
<b>State significant development</b>	A development declared to have state significance due to its size, economic value or potential impacts
<b>Viewpoint</b>	A location within the private or public domain with a potential view of a large-scale solar energy project
<b>Visual magnitude</b>	The apparent size of a solar energy project in the landscape or when viewed from a given viewpoint



# 1

## Introduction



# 1. Introduction

The transformation of the global energy sector presents a huge opportunity for Australia. Renewables are now the cheapest form of new generation, and technology is available to support large-scale energy storage.

Australia has world-class renewable energy sources and the highest average solar radiation per square metre of any continent in the world. New South Wales (NSW) has an abundance of excellent solar resources and established electricity infrastructure that, along with declining technology costs, makes it an attractive location for solar energy development.

The NSW Government supports the development of a sustainable solar energy industry in the state. Solar energy will help reduce reliance on fossil fuels, air pollution and greenhouse gas emissions and deliver a reliable and affordable energy supply to the people of NSW.

This Large-Scale Solar Energy Guideline provides the community, industry, applicants and regulators with guidance on the planning framework for the assessment of large-scale solar energy projects under the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.

The guideline is supported by a technical supplement for landscape and visual impact assessment which provides additional guidance and tools for assessing, evaluating, and mitigating visual and landscape impacts.

The Department of Planning and Environment will review and update this guideline from time to time to ensure it reflects any changes in knowledge and technology as the solar industry continues to develop and evolve.

## 1.1 Objectives

The objectives of the guideline are to:

- support the development of a sustainable solar industry in NSW by providing a clear, consistent and responsive policy framework
- encourage industry to select suitable sites for projects to avoid or reduce the likelihood and extent of land use conflicts and environmental and social impacts
- provide clear and consistent guidance on how to measure and assess key environmental impacts of large-scale solar energy projects in NSW
- promote meaningful, respectful, effective and best practice community and stakeholder engagement throughout the development assessment process.

## 1.2 Application of the guideline

This guideline applies to the development of large-scale solar energy projects that are declared as a state significant development (SSD) and include works, infrastructure and buildings (including battery energy storage systems) for electricity generation using ground-mounted photovoltaic (PV) panels.

## 1. Introduction

Large-scale solar energy projects that use other technologies (such as concentrated thermal, lens concentrators) are not covered in this guideline as they are likely to have different site selection and impact assessment issues.

Applicants of large-scale solar energy projects must consider the guideline and supporting technical supplement for landscape and visual impact assessment where it is referenced in the Secretary's environmental assessment requirements (SEARs) and prepare its environmental impact statement (EIS) in accordance with the technical guidance.

The guideline and supporting technical supplement for landscape and visual impact assessment should also be considered when preparing and assessing applications to modify an SSD consent for large-scale solar energy development. Applicants are encouraged to consult with the department when determining the level of assessment that should be undertaken.

Although large-scale solar energy projects are the focus of this guideline, applicants, councils and planning panels are encouraged to consider the objectives and principles when preparing, assessing and determining solar energy development applications (DAs) for regionally significant development. The assessment process and level of detail required in a statement of environmental effects should be proportionate to the scale of the development and the likely impacts.

## 1.3 Strategic context

In March 2020, the NSW Government released the first stage of its [Net Zero Plan](#), which outlines a clear objective to achieve net zero emissions by 2050 while also creating new jobs, reducing household costs and attracting investment to NSW. To achieve these targets, 4 of 5 coal-fired power stations will come to their scheduled end of life in the next 15 years. These 4 power stations currently generate approximately 75% of NSW's annual electricity.

An increasing supply of renewable energy generation, including solar power, will be required over the coming decades to meet the NSW Government's net zero target. The NSW

Government's Electricity Infrastructure Roadmap sets out a 20-year plan to deliver this generation infrastructure, as well as the storage, firming and transmission infrastructure required to ensure NSW has continued access to cheap, clean and reliable energy as coal-fired power stations are retired.

Large-scale solar energy projects can support jobs and investment in regional NSW and have the potential to increase the resilience of regional towns during the state's transition to renewable energy generation. The roadmap is estimated to attract up to \$32 billion of private sector investment in electricity infrastructure by 2030, supporting 6,300 construction jobs and 2,800 ongoing jobs, most of which will be in regional NSW.

### 1.3.1 Renewable energy zones

As part of the roadmap, the NSW Government has introduced 'renewable energy zones' (REZs) that will expand transmission and generation capabilities in strategic areas across NSW.

REZs are modern-day power stations. They combine renewable energy generation such as wind and solar, storage such as batteries, and network infrastructure such as high-voltage poles and wires in dedicated areas in NSW.

The NSW Government will deliver at least 5 REZs in the Central-West Orana, New England, South-West, Hunter Central Coast and Illawarra regions of NSW under the roadmap. The Energy Corporation of NSW will lead the coordination and delivery of these REZs.

The NSW Government will encourage development in REZs to support a transition to renewable energy. This will ensure that development occurs in appropriate areas close to existing transmission and distribution infrastructure and has fewer environmental, heritage and land-use constraints than some other parts of NSW.

Notwithstanding, a large portion (approximately 70%) of existing solar development is currently located outside REZs and continued development outside of the REZs will be required to support a transition to renewable energy. This guideline applies to large-scale solar energy projects both inside and outside the REZs.

# 2

## Planning framework



## 2. Planning framework

The EP&A Act sets out the environmental planning and assessment framework for all development in NSW. This framework identifies where large-scale solar energy development may be permitted and the process by which it must be assessed and determined.

### 2.1 When is a solar energy project a 'state significant development'?

A solar energy project is SSD<sup>1</sup> if it requires development consent and has:

- a capital investment value of more than \$30 million, or
- a capital investment value of more than \$10 million and is in an environmentally sensitive area of state significance<sup>2</sup>.

The Minister for Planning may also, by way of an order, declare specified development on specified land to be SSD. The Minister for Planning is generally the consent authority for SSD, and a senior departmental officer may exercise the minister's consent authority functions in accordance with certain delegations.

However, the Independent Planning Commission is the consent authority for SSD applications in the following circumstances (unless the application to carry out the development is made by or on behalf of a public authority or unless the development is declared to be SSI related development):

- 50 submissions of objection (other than from council) are made during the exhibition of the application
- the local council objects to the SSD application
- the applicant has disclosed a reportable political donation.

### 2.2 Where is large-scale solar energy development allowed?

The EP&A Act and relevant environmental planning instruments (EPIs), including local environmental plans (LEPs) and state environmental planning policies (SEPPs), determine where large-scale solar energy development is permitted.

Key provisions include:

- the zoning and land use provisions of the relevant LEP/s
- Part 2.3, Division 4 of the State Environmental Planning Policy (Transport and Infrastructure) 2021 (Transport and Infrastructure SEPP) (electricity generating works).

In general, large-scale solar energy development is permissible with consent on any land zoned for rural (RU1, RU2, RU3, RU4), industrial (IN1, IN2, IN3, IN4), or special purpose (SP1, SP2) uses in the relevant LEP<sup>3</sup>.

Where large-scale solar energy development is permitted with consent, the applicant can lodge a DA for determination by the relevant consent authority if it has the consent of the owner of the land.

1 4.36, EP&A Act; section 2.6 and schedule 1, section 20, *State Environmental Planning Policy (Planning Systems) 2021* (Planning Systems SEPP).

2 'Environmentally sensitive area of State significance' is defined in section 2.2, Planning Systems SEPP.

3 Section 2.36(1)(b), TI SEPP.



2. Planning framework

### 2.2.1 Landowners' consent

If the applicant is not the owner of the land to which the DA relates (or is not the only owner), the DA may only be made with the consent of the owner of the land<sup>4</sup>. If there is more than one landowner, the consent of all landowners must be obtained (subject to the exceptions in s 23(2) EP&A Regulation 2021).

The consent of the owner of the land is not required for a DA made by a public authority provided the applicant gives notice in accordance with sections 23(3) and (4) of the EP&A Regulation.

It should be noted that the landowner is not required to carry out the development if approved.

If there is more than one landowner, the consent of all landowners must be obtained (subject to the exceptions in s 23(2) EP&A Regulation 2021).

If a project is proposing changes to an existing substation, consent must be obtained from Transgrid or the relevant provider.



### 2.2.2 Regional cities

The NSW Government's regional plans identify cities that are strategically important to the ongoing growth and development of regional NSW.

Over the next few decades, significant population growth is predicted in regional cities and investment in these cities is important as they represent major centres for housing, employment, commerce, tourism, education, health and other regional infrastructure and services.

For large-scale solar energy development to be approved near certain regional cities, the consent authority will need to be satisfied that any urban land conflicts, impacts on urban growth potential and important scenic values are not significant.

The Transport and Infrastructure SEPP provides for the specific consideration of renewable energy proposals in regional cities<sup>5</sup>. The provisions apply to SSD development for solar energy generation located on mapped land for the regional cities of Albury, Armidale, Bathurst, Dubbo, Griffith, Orange, Tamworth and Wagga Wagga.

While these provisions do not prohibit solar development in these areas, a consent authority must not grant development consent unless it is satisfied that the development:

- is located to avoid significant conflict with existing or approved residential or commercial uses of land surrounding the development, and
- is unlikely to have an adverse impact on the regional city's capacity for growth, or scenic quality and landscape character.

In considering these matters, the consent authority must factor in any proposed measures to avoid or mitigate those conflicts and adverse impacts.

<sup>4</sup> Section 23(1)(b), *Environmental Planning and Assessment Regulation 2021* (EP&A Reg).

<sup>5</sup> Section 2.42, TI SEPP.

2. Planning framework

## 2.3 Process for assessing large-scale solar energy projects

### 2.3.1 Development applications

All DAs for large-scale solar energy development will be subject to a comprehensive assessment that includes extensive community consultation and a detailed consideration of any environmental, social and economic impacts.

The main steps in the assessment process are shown in **Figure 1** and summarised below. The process is explained in more detail in the department's [State Significant Development Guidelines](#).

All SSD DAs must be accompanied by an EIS. The purpose of the EIS is to help the community, councils, government agencies and the consent authority understand the impacts of a project so they can make informed submissions or a decision about a project's merits.

The EIS must be prepared in accordance with the SEARs. The SEARs identify the information that must be provided in the EIS, and the community engagement that must be carried out.

Large-scale solar energy developments may be eligible for industry-specific SEARs, which are tailored specifically to the relevant industry and are issued by the department within 7 days of an application being made. A project will be eligible if it is wholly permissible with consent, would not meet the criteria for designated development and is not a concept DA. Large-scale solar energy development would meet the criteria for designated development (if it was not SSD) if it:

- includes a battery storage facility that can supply more than 30 megawatts of power<sup>6</sup>
- is located on a floodplain and includes photovoltaics that can supply more than 30 megawatts of power<sup>7</sup>.

In all other circumstances the department will issue project-specific SEARs and the applicant must submit a scoping report with its SEARs application. This scoping report must be prepared to a high standard having regard to the department's [State Significant Development Guidelines](#).

Once the department receives the EIS, it will exhibit the DA for at least 28 days, or longer if the exhibition period extends over the Christmas and New Year period<sup>8</sup>. This gives the community an opportunity to have a say on the merits of a project before any final decision is made.

The consent authority will assess the overall significance of any impacts by reviewing the environmental assessment and any relevant submissions received and considering the broader public interest.

### 2.3.2 Modification applications

An applicant may apply, under the EP&A Act, to amend an SSD development consent. A consent authority may modify consent for an SSD provided that, among other matters, the development as modified will be substantially the same as the development for which the consent was originally granted.

Modifications may be necessary to change or improve the design of the project (for example, by adding battery storage, increasing the size and height of solar panels) or to change the conditions of the development consent.

A modification of a development consent must be assessed and determined under the EP&A Act and in accordance with the process described in the department's [State Significant Development Guidelines](#).

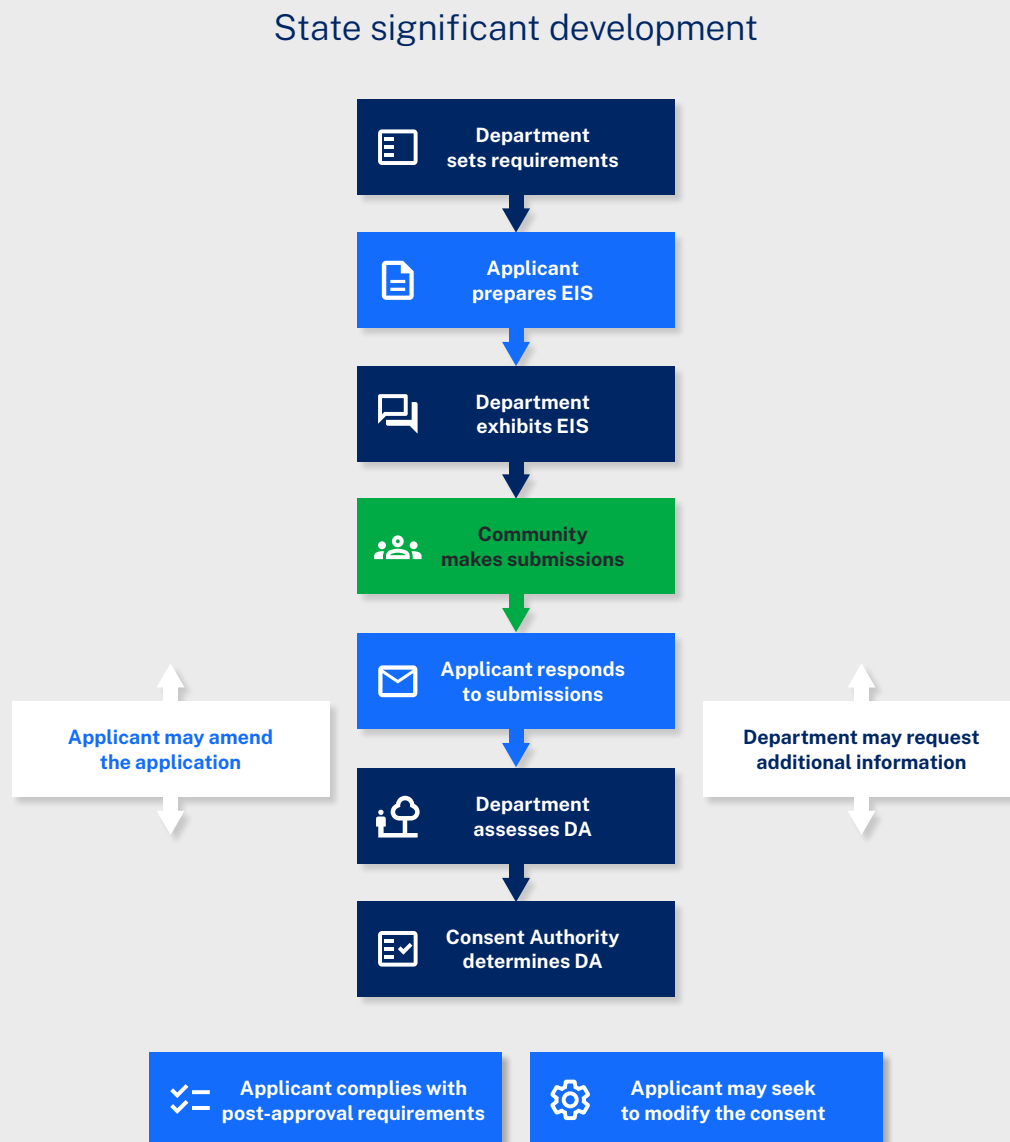
<sup>6</sup> Section 7 and schedule 3, EP&A Reg.

<sup>7</sup> Section 7 and schedule 3, section 24(3), EP&A Reg.

<sup>8</sup> Schedule 1, Clause 16, Environmental Planning and Assessment Act 1979.

## 2. Planning framework

Figure 1: SSD assessment steps



2. Planning framework

## 2.4 Other approvals that may be needed

This section outlines some of the other approvals that may be required in addition to the development consent. If in doubt about what approvals are required, applicants should consult the department or relevant government agency for further information.

### 2.4.1 Commonwealth approval

Under the *Environment Protection and Biodiversity Conservation Act 1999* (Commonwealth) (EPBC Act), an approval from the Commonwealth Government may be required if a development is likely to have a significant impact on matters of national environmental significance or other protected matters. This includes, but is not limited to, listed threatened species and ecological communities.

An applicant must refer their project to the Commonwealth Department of Climate Change, Energy, the Environment and Water if it is likely to have a significant impact on matters of national environmental significance. The Commonwealth Government's [Significant Impact Guidelines](#) provide guidance on whether or not an impact is likely to be significant. Referrals can be made on the Commonwealth Government's [EPBC Act Business Portal](#).

### 2.4.2 Subdivisions

Some sites may require the subdivision of land to support the proposed development. For example, subdivisions may be required for substations within a project site, or for land that will be leased for longer than 5 years<sup>9</sup>.

If an applicant wishes to include a subdivision in the scope of its SSD application, it should first discuss subdivision options with the relevant council. This consultation will allow applicants to make an informed decision regarding whether to include the subdivision in its SSD application.

### 2.4.3 Network connections

Large-scale solar energy developments will generally need connections to the electricity transmission network or distribution grid to enable the distribution of the generated electricity. This may also include associated infrastructure such as substations, access roads and transmission lines.

Applicants are encouraged to consult with the relevant transmission or distribution network service provider early in the project planning process to identify the scope of works required to enable connection, and to determine the planning assessment pathway for those works.

Applicants should include network connection works as part of their DA to help streamline stakeholder engagement and to ensure that all aspects of the development are considered by the department during the assessment process. The potential environmental impacts of network connections, including impacts to agricultural land and biodiversity values, must be assessed in the EIS.



<sup>9</sup> Section 7A, Conveyancing Act 1919 (NSW).



2. Planning framework

## 2.5 Regulation of approved large-scale solar developments

Development consent for a large-scale solar energy development will typically be subject to a range of conditions for managing and mitigating the impacts of the development, including but not limited to:

- visual impact mitigation, such as landscaped screening at affected dwellings
- road upgrades, site access and maintenance requirements
- stormwater management, erosion and sediment control and flood mitigation works
- biodiversity management and mitigation measures
- heritage protection measures
- obligations to manage risks associated with bushfire and dangerous goods
- decommissioning and rehabilitation of the site including performance objectives
- requirements for the minimisation and management of waste.

If development consent is granted for a large-scale solar energy development, the conditions of consent will continue to apply to the project and the land on which it is located throughout its construction and operational life as well as during decommissioning and rehabilitation phases.

### 2.5.1 Compliance

Applicants are responsible for complying with the conditions of consent under the EP&A Act.

The department's compliance teams are responsible for monitoring compliance with the conditions of consent for approved SSD solar energy projects, including following up suspected breaches reported by members of the public.

Compliance-related complaints regarding SSD solar development consents can be made by completing and submitting the [Make a complaint form](#). The department's compliance team will contact the complainant within 14 days to seek further information or provide a progress update.

All large-scale solar energy development must comply with the Protection of the *Environment Operations Act 1997* (POEO Act), which aims to prevent the degradation of the environment by promoting pollution prevention, elimination of harmful wastes and the re-use, recovery or recycling of materials.

Local councils and other local authorities are generally the appropriate regulatory authority for the purposes of the POEO Act in relation to large-scale solar energy development, except in circumstances where activities relate to the exercise of functions under an environment protection licence.

An environment protection licence under the POEO Act is generally not required for a large-scale solar development. However, an environment protection licence is required in circumstances where the solar energy development is a hybrid system or combined energy generating system that incorporates other energy sources such as gas. In these limited circumstances, the NSW Environment Protection Authority is the regulatory authority for the purpose of the POEO Act.

# 3

## Community and stakeholder engagement



## 3. Community and stakeholder engagement

Effective community and stakeholder engagement is essential for the development of the large-scale solar energy industry and the environmental assessment process. It is important for applicants to consider a diverse range of views to achieve positive outcomes.

Applicants must undertake meaningful engagement with stakeholders throughout the environmental impact assessment process and during the construction and operation phases of a project. This consultation must be undertaken in accordance with the [Undertaking Engagement Guidelines for State Significant Projects \(PDF 1,773 KB\)](#) (November 2021).

These guidelines include requirements for applicants to:

- provide clear and concise information to the community and stakeholders about projects and their impacts
- implement activities that encourage and facilitate public participation
- report back on what was heard and what has or hasn't changed in response to this feedback and why.

The SEARs and consent conditions may include additional consultation requirements that must also be complied with.

The community should be engaged as early as possible to identify potential opportunities and constraints associated with the proposed development. The applicant should identify the elements of the project and the environmental assessment that can be influenced or shaped by the community. These could relate to the design of the project, the characterisation of the area and/or the management and mitigation measures that can be implemented. Examples include:

- positioning and siting of the project including any setbacks
- characterisation of the scenic quality and sensitivity of the landscape and viewpoints (see the technical supplement for landscape and visual impact assessment)
- visual impacts including mitigation measures.

Applicants must also ensure that stakeholders are given the opportunity to participate in the engagement process in a meaningful way. Details of consultation activities undertaken with surrounding residents, community members, relevant authorities and councils should be clearly outlined in the EIS. This should include key matters raised and how feedback was considered and incorporated into the project.

Where multiple projects are being proposed in close proximity, applicants may consider conducting combined engagement activities to reduce consultation fatigue and provide greater transparency to the community.

**3. Community and stakeholder engagement**

Applicants should continue to engage with stakeholders after any development consent has been granted and must have an effective complaint handling system which ensures that community concerns are addressed in a timely manner.

The department also has a role to play in consulting with stakeholders and the community. It is required to:

- consult with relevant government agencies and councils
- exhibit the EIS for public comment for a minimum of 28 days
- publish documents and submissions relating to the project on the planning portal
- ask the applicant to respond to issues raised in submissions to help the community and stakeholders understand how issues have been addressed and considered
- outline its decision or recommendation, including how community feedback was considered.





# 4

## Site selection



## 4. Site selection

Good site selection provides an opportunity to avoid or minimise negative impacts at the outset of a development, allowing the design and assessment of a project to focus on mitigating and managing unavoidable impacts.

### 4.1 Importance of site selection

Well-sited solar energy projects can have minimal impacts on the environment, surrounding land uses and the community. A good site may result in greater social licence to operate, shorter assessment timeframes, reduced offset obligations and fewer conditions of consent to manage residual impacts.

Sites with multiple environmental and planning constraints may still be capable of being developed in a suitable manner with good design, innovation and appropriate mitigation measures in place. The consent authority is obliged to consider the merits of each application.

If the applicant is not proposing to avoid constraints, justification for site selection and the layout of the development must be clearly outlined in the EIS.

### 4.2 Process of site selection

There are many technical and commercial factors that need to be considered when selecting a site for large-scale solar energy development. These include:

- proximity to the existing transmission infrastructure
- available connection capacity
- level of solar radiation
- distance to major towns, cities or other major energy users
- proximity to major roads and transport infrastructure
- size and shape of land parcels
- development restrictions including land use zoning and proximity to regional cities.

These considerations limit the areas that are suitable for large-scale solar development.

Applicants must also consider other environmental issues and land use conflicts when selecting a site, such as the agricultural productivity of the land, visibility and topography of the site and biodiversity values.

Variations in topography can reduce the usability of land and minimise the efficiency of energy production (by increasing the potential for panels to overshadow each other). Higher gradients will also increase construction costs, create access challenges and increase the potential for erosion and sedimentation unless substantial controls are implemented.

4. Site selection

As shown in **Figure 2**, site selection factors often compete with each other. With the growing demand for solar energy, it is becoming difficult to select sites that do not present some challenges. Consequently, the site selection process should avoid impacts as far as possible while striking an appropriate balance between competing environmental and social factors.

Applicants should undertake a 'constraints mapping' exercise that is informed by early engagement with local communities and councils. This should provide an overview of the key environmental and land use constraints on and around the project site.

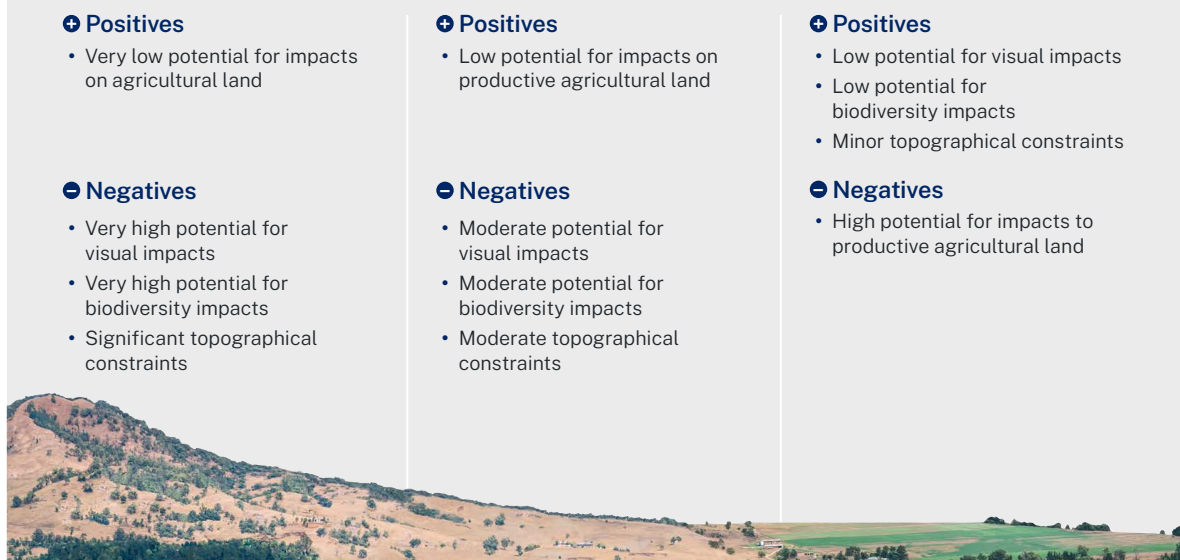
The constraints mapping exercise should include, but not necessarily be limited to:

- nearby residences (including those subject to any impact agreements – see **Appendix B**)
- rural villages and urban land
- important agricultural land and soil capability (LSC) class of subject land and surrounding land

- indigenous and non-indigenous heritage items and places of significance
- threatened species, native vegetation (including grasses) and endangered ecological communities
- watercourses
- flood prone and bushfire prone land
- existing infrastructure, including transmission infrastructure, airports, and roads
- existing and approved solar energy developments in the area
- land use zoning
- view lines of particular significance
- existing potential visual screening.

A final version of the constraints map, like that shown in **Figure 3**, should be included in the EIS.

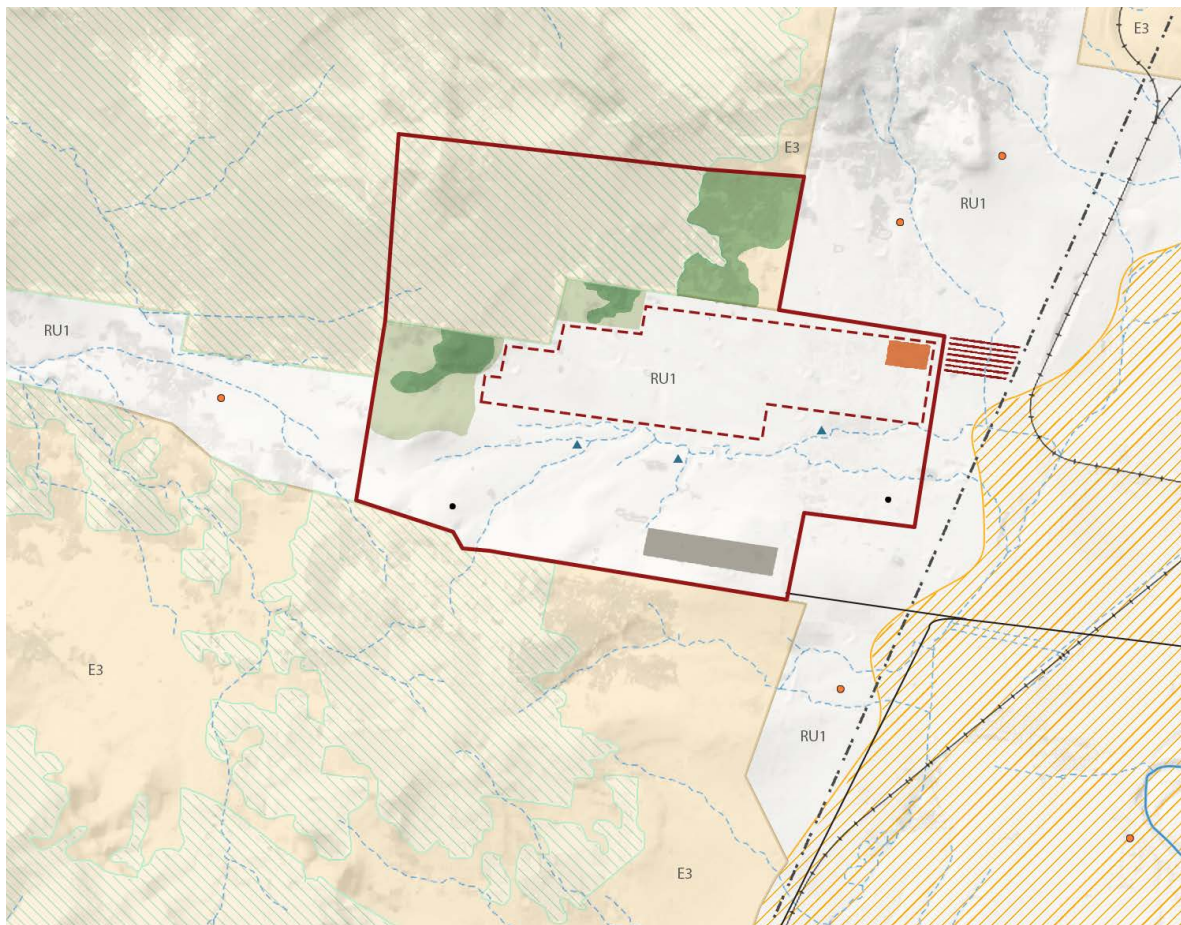
**Figure 2: Site selection considerations**





4. Site selection

Figure 3: Constraints map



**Large-Scale Solar  
Energy Guideline**

Sample Map

**Legend**

**Dwellings**

- Associated Dwelling
- Non Associated Dwelling

**Items**

- ▲ AHIMS
- Water Corridor
- Road
- Railway
- Transmission Line

**Project**

- Project Area
- - - Indicative Development Footprint
- Construction Compound
- Sub Station
- Transmission Line Corridor

**Land**

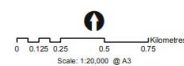
- Class 3 Agricultural Land
- Environmentally Sensitive Land

**Land Zoning**

- E3 - Environmental Management
- RU1 - Primary Production

**Vegetation**

- Native Woodland
- Derived Native Grassland





# 5

## Assessment issues and requirements



## 5. Assessment issues and requirements

This section highlights some of the common assessment issues for large-scale solar energy development and detailed requirements for issues including visual amenity impacts, glint and glare, agricultural land use conflict, rehabilitation and decommissioning and waste management. This section also includes key principles that should be considered in site selection, siting, and detailed assessment of projects.

### 5.1 Landscape and visual impacts

#### 5.1.1 Introduction

Large-scale solar energy development can contrast with existing rural areas and landscapes. Despite this, the potential for landscape and visual impacts in many settings is relatively low, especially when compared to other types of energy development (such as wind energy). This is particularly the case when the site and surrounding areas are relatively flat.

This section should be read in conjunction with the supporting *Technical supplement for landscape and visual impact assessment*.

#### 5.1.2 Key principles

Consent authorities will consider the following principles in determining the significance of impacts and any mitigation measures to reduce visual impacts.

##### Visual amenity principles

1. The baseline character of the landscape must be determined through engagement with the community.
2. Applicants must consider landscape character and visual impacts early in the site selection and design process to minimise impacts and conflicts where possible.
3. Solar energy projects should be sited and designed to avoid areas with topographical constraints that would increase the visibility of a development.
4. Where solar energy projects are likely to result in moderate or high visual impacts, mitigation strategies must be adopted to reduce or manage impacts.

5. Assessment issues and requirements

### 5.1.3 Assessment

The applicant must prepare a landscape and visual impact assessment in accordance with the technical supplement which is described briefly below.

#### Landscape character assessment

The purpose of undertaking a landscape character assessment is to understand the sensitivities of the landscape and to help determine the overall impact of a project on an area's character and sense of place.

This should be informed by a baseline analysis that establishes the existing character of the area and its sensitivity. It is important that the baseline analysis is prepared in consultation with the community, local council and affected landholders to ensure that landscape values and characteristics are accurately identified.

The impact of the proposal on the landscape should be determined by evaluating the sensitivity of the landscape and the magnitude of the project's effects in that area.



#### Visual impact assessment

An assessment must be completed for all viewpoints that would have the potential to experience moderate or high impacts. The technical supplement includes a preliminary assessment tool that identifies these viewpoints based on distance from the project and the relative height difference.

The overall visual impact for each viewpoint must be determined by combining the visual magnitude of the proposed solar energy development and the visual sensitivity of the viewpoint, using the tools available in the technical supplement.

These tools consider factors such as:

- a view from a residence is more sensitive to change than from a local road where views are more intermittent and less frequent
- a view from a rural residence is more sensitive if it is from principal living spaces and the front and rear of the dwelling than from other areas
- a view is more sensitive to change if it has higher scenic qualities and more valued landscape features
- a distant solar energy development would have a lesser magnitude than one closer
- magnitude is likely to be higher from areas overlooking a solar array as more of the project would be visible than if the viewer were at a similar elevation.

Visual impacts must be assigned a rating from very low to high having regard to these considerations. Applicants must seek to avoid high impacts (unless the impacts can be justified) and ensure effective mitigation is provided for moderate impacts such as vegetation screening.

The technical supplement sets out a range of visual impact examples.

5. Assessment issues and requirements

## 5.2 Agricultural land use

### 5.2.1 Introduction

Agricultural land in NSW can be desirable for the development of large-scale solar energy projects. This is because:

- agricultural land is often flat, which reduces the scale and likelihood of visual impacts
- agricultural land is often cleared of vegetation, which limits any biodiversity impacts
- large-scale solar energy projects require large portions of contiguous land (approximately 500 ha on average) comparative to other types of industrial development
- solar energy development is permissible on land zoned for agricultural and rural land uses

Despite these factors, the cumulative risk to agricultural land and productivity because of large-scale solar development is very low. The Australian Energy Market Operator estimates that NSW will need approximately 20,000 MW of large-scale solar generation by 2050. This would require approximately 40,000 ha of land or only 0.06% of rural land in NSW. Even in the highly unlikely scenario that all of NSW's solar generation were located on important agricultural land (this land covers around 13.8% of the state and is 6 to 7 times more agriculturally productive than the remaining 86.2% of the state) only 0.4% of this land would be required.

While the cumulative risk to both rural land and important agricultural land is relatively low, it is important to balance the need for renewable energy with the need to safeguard important agricultural land for food and fibre production and to ensure that any use of this land would not have a significant impact on the local and regional agricultural industry.

### Agricultural land mapping

LSC mapping classifies land into 8 classes based on the agricultural practices that could be sustained on the land including ease of management and risk of degradation. The limitations to agricultural use are determined by factors such as soil properties and climate.

Class 1 represents land capable of sustaining most land uses including those that have a high impact on the soil (such as regular cultivation), while Class 8 represents land that can only sustain very low impact land uses (such as nature conservation). The different LSC classes are described in the Office of Environment and Heritage's [Land and Soil Capability Scheme \(PDF 1,390 KB\)](#) and can be viewed on the NSW Government's [SEED portal](#).

BSAL is land with high quality soil and water resources capable of sustaining high levels of productivity. BSAL data can be downloaded from the [department's website](#).

### Co-location of large-scale solar development and agriculture

Large-scale solar energy development and agricultural practices can work and exist together to benefit both landholders and solar development applicants.

There are many examples of co-location within Australia and internationally.<sup>10</sup> Examples of activities that support co-location include sheep grazing, beekeeping and/or horticultural activities.<sup>11</sup> Solar panels can offer shade for sheep, protection from the elements and green pasture during droughts.<sup>12</sup>

<sup>10</sup> Clean Energy Council, March 2021, Australian Guide to Agrisolar for Large-Scale Solar, p. 2.

<sup>11</sup> Clean Energy Council, March 2021, Australian Guide to Agrisolar for Large-Scale Solar, p. 6-7.

<sup>12</sup> Clean Energy Council, March 2021, Australian Guide to Agrisolar for Large-Scale Solar, p. 8.

5. Assessment issues and requirements

## 5.2.2 Key principles

### Agricultural land use principles

1. Applicants should consider the agricultural capability of the land during the site selection process.
2. Applicants should avoid siting solar energy projects on important agricultural land as far as possible.
3. Agricultural assessment should be proportionate to the quality of the land and the likely impacts of a project.
4. Mitigation strategies should be adopted to ensure that any significant impacts on agricultural land are minimised.

## 5.2.3 Agricultural impact assessment

An agricultural impact assessment may be required for a large-scale solar energy project. **Appendix A** provides detailed guidance to assist applicants to determine the level and content of any agricultural assessment that may be required.

The purpose of an assessment is to ensure that applicants, communities and consent authorities have a detailed understanding of:

- the agricultural capability and productivity of land subject to the project site
- potential impacts of the solar energy project on agricultural land and associated industries
- the ways in which potential impacts may be mitigated.

If a large-scale solar energy project is located on or adjacent to important agricultural land, or located on moderate capability land (LSC class 4), the applicant must verify the agricultural quality and capability of the land. They should then use the results of this verification process (which includes completion of a soil survey) to design the layout of their project and avoid impacts on productive land.

Once the capability of the land is verified, applicants may be required to undertake an assessment of the proposed layout. The triggers for, and level of assessment required, are summarised in **Table 1** and explained in further detail in **Appendix A**.

**Table 1: Levels of agricultural impact assessment**

Project location	Level of assessment	Content of assessment
Located adjacent to rural zoned land	Level 1 – basic	Ensure that applicants, in consultation with landholders, identify and consider potential impacts on immediately adjacent agricultural land.
Located on rural zoned land verified as LSC class 4	Level 2 – reduced	Consider impacts and conflicts with the agricultural land subject to the project site.
Located on rural zoned land verified as LSC class 1-3	Level 3 – detailed	Provide a detailed justification for the project, include an assessment of whether the project would significantly impact the local or regional agricultural industry.
Other scenarios	No assessment required	



5. Assessment issues and requirements

## 5.3 Infrastructure contributions, benefit sharing and private agreements

### 5.3.1 Infrastructure contributions

Local infrastructure contributions are collected by councils to help fund local infrastructure needs resulting from development including stormwater drainage, traffic management and community facilities.

Large-scale solar energy development typically has limited impacts on local infrastructure with the exception of very specific impacts such as the requirement for road upgrades to facilitate site access. Specific impacts of this nature should be addressed through conditions of development consent rather than through local contribution mechanisms or planning agreements.

Notwithstanding, a local contribution mechanism or planning agreement can be used if there is a link between the development and the infrastructure to be funded.

### 5.3.2 Benefit sharing

Large-scale solar energy development has significant benefits for the state of NSW including reduced reliance on fossil fuel, reduced air quality emissions, and ensuring a secure and affordable power supply.

However, many of these benefits are not directly realised by the local and regional communities that host and are impacted by solar energy development. Solar infrastructure, especially when it is large scale, can result in changes to the local landscape and community that are difficult to foresee and plan for.

Sharing the financial and other benefits of a project can assist in building community support by ensuring that the project delivers positive, tangible and long term social and economic outcomes for the local community.

Consequently, the NSW Government strongly supports benefit sharing programs, and will continue to investigate how benefits could be better coordinated for communities.

However, benefit sharing programs are voluntary and there is no scheme requiring these programs to be implemented for major projects under the NSW planning system. It is up to applicants to design their own programs and/or enter into planning agreements with local councils to fund community programs and projects. The details of any benefit sharing program should be included in the EIS or be provided during the department's assessment process.

Irrespective of how the funds are administered, benefits sharing programs should:

- be informed by consultation with the community or community representatives
- produce outcomes that align with the general values and priorities of the public
- have a positive, lasting and meaningful impact for the local community and protect the overall public interest
- be proportionate to the scale of the project and the level of change experienced by the community
- include public benefits that are not wholly unrelated to the development.

Community benefit sharing involves initiatives that benefit the community as a whole, not individual landowners. If the consent authority finds that a development would have significant impacts on a landholder, it will ensure there are appropriate measures in place to deal with these issues in the conditions of consent. These might include the requirement for vegetation screening or amendments to the design of a project.

If benefit sharing will be administered through a planning agreement, that planning agreement must be prepared in accordance with the department's [Practice Note on Planning Agreements](#) (February 2021, or latest version).

As a general guide, the total funding for benefit sharing (including planning agreements and any other programs facilitated by the applicant) should be between \$200 and \$300 per megawatt per annum (indexed to CPI) over the life of the development (i.e. until the project is decommissioned).

5. Assessment issues and requirements

A portion of these payments may be made upfront or brought forward to provide capital funding for larger projects and initiatives. In these circumstances, the funding must be tied to a project and should consider the time value of money (i.e. a sum of money paid now has more value than the same sum paid at a future date).

The total funding for benefit sharing must not include the cost of private agreements with landowners to either host infrastructure or manage impacts from the development.

Appropriate projects and initiatives for inclusion in a benefit sharing program might include:

- recurrent costs of infrastructure, services or facilities
- additional or better-quality open spaces, public facilities or infrastructure including upgrades to local parks, libraries, galleries, community centres, showgrounds, museums, active transport infrastructure
- sponsorship of community events (fundraising events, local produce markets, nature walks, community clean-up events, gardening days) or groups (local sporting clubs, biodiversity volunteering groups, community gardens)
- promotion of available employment opportunities including managing an online register where local contractors and suppliers can be updated on upcoming contract opportunities
- training programs for local community members for employment opportunities in maintenance, operation and community liaison aspects of projects
- initiatives delivered in partnership with local organisations including scholarship programs to enable local students to complete courses in specific fields (i.e. engineering, project management)
- installation or funding of installation for residential solar panels or solar PV facilities for neighbourhood community facilities
- offering neighbours and/or wider community a share in the equity of a project or other co-ownership arrangements.

Further examples of benefit-sharing schemes and ways to design these programs are outlined by the Clean Energy Council in [A Guide to Benefit Sharing Options for Renewable Energy Projects \(PDF 3,641 KB\)](#).

### 5.3.3 Private agreements

The two most common forms of private commercial agreements are described briefly below. Further information, including advice for landholders, and can be found in **Appendix B**.

#### Host Agreements

The planning system allows applicants to enter into agreements with 'host' landholders who are willing to have project infrastructure located on their land. These agreements are essentially commercial leases and should set out the terms to enable the applicant or project owner to install, operate and maintain the project infrastructure as well as arrangements for decommissioning and rehabilitation of the project infrastructure.

#### Impact Agreements

Large-scale renewable energy projects may significantly impact some neighbours, and the planning system allows for agreements to be negotiated to manage and mitigate these impacts. For example, impact agreements are commonly negotiated to provide for the implementation of landscaping or screening to mitigate high visual impacts from a project.

#### Assessment Requirements

Where an agreement is in place between an applicant and a landholder/s, the affected residence will be considered an 'associated' residence in the assessment if it relates to the relevant impact/s.

Where an agreement is not in place between an applicant and a landholder/s, the affected residence should be identified as 'non-associated' in the EIS (see **Figure 3** for an example) as it relates to the relevant impact/s. Applicants should also identify the nature, extent and duration of any impacts covered by way of an agreement and other relevant information including the project elements covered by the agreement and relevant phases to which it relates (construction, operation and decommissioning). Applicants do not need to disclose any commercial terms of these agreements.

5. Assessment issues and requirements

## 5.4 Waste management and circular design

### 5.4.1 Introduction

Solar energy projects can generate different waste streams throughout the various phases of their lifecycle. Waste is typically minimal during the operation of a solar energy project. However, large volumes of waste may be generated during the construction period and again during the decommissioning phase. Waste generated during the construction of a solar energy project will typically comprise of cardboard packaging, wooden pallets and plastic wrapping associated with the PV panels. Most of this waste is likely to be classified as general solid waste (non-putrescible) and has the potential for recovery through reuse and/or recycling.

Waste generated throughout the operation of a solar energy project is typically negligible, except for waste generated from repair and maintenance activities.

When a solar energy project is decommissioned, a large amount of waste can be generated in association with the discarding of infrastructure, including PV panels. A typical PV panel and its associated infrastructure is comprised of glass, copper cabling, aluminium framing, silicon wafers, silver and other materials.

The current volume of PV panel waste from large-scale solar energy projects is not significant but is expected to grow over the next few decades. The entire solar industry (including household solar energy systems) currently generates less than 2,000 tonnes of solar panel waste per year. By 2025, solar energy systems in NSW are anticipated to generate approximately 3,000–10,000 tonnes of waste and this is expected to grow to 34,000–63,000 tonnes per year by 2035.

The NSW Government is committed to reducing waste to landfill and has created a \$10 million [Circular Solar Fund](#) which supports the adoption of technologies to manage end of life solar waste and a transition to a circular economy.

### 5.4.2 Key principles

#### Waste management principles

1. Construction waste from large-scale solar energy projects must be minimised and the use of reusable and recyclable materials should be prioritised where possible.
2. Impacts on local waste management facilities must be minimised as far as practicable during construction, operation and decommissioning.
3. Recycling of photovoltaic panels and associated equipment should be prioritised and maximised as far as possible to avoid landfill.





### 5.4.3 Assessment

Applicants should clearly demonstrate how waste will be minimised at all stages of the development and how reuse and recycling will be optimised.

The EIS must include:

- identification of waste types (including the appropriate waste classification) and estimates of waste expected to be generated at each stage of the project
- identification of end markets for waste materials generated at each stage of the project
- evidence from local councils or facilities that the identified waste classifications and volume can be accepted at the appropriate stage of the project's life cycle
- consideration of circular design principles and strategies to mitigate impacts and reduce waste generation throughout all stages of the project (such as using recycled, reusable and low-impact raw materials where possible)
- end-of-life reuse, refurbishment and recycling strategies for PV panels and associated equipment that maximise high recovery methods.

The applicant should also consider appropriate mitigation measures that include:

- selecting manufacturers, distributors and installers of PV panels that are members of relevant product stewardship schemes
- selecting manufacturers and distributors of PV panels and associated infrastructure that minimise packaging and/or maximise the recyclable components of packaging
- separating waste streams on site prior to transport to waste management facilities
- ensuring all recyclable materials are sent to the appropriate recycling facilities and minimising waste sent to landfill
- consulting with local councils to ensure that impacts on local waste management facilities are minimised as far as practicable
- developing and implementing strategies that prioritise and maximise waste avoidance and re-use, including exploration of 'second-life' options
- selecting waste management providers that specialise in recycling end-of-life PV panels and associated infrastructure.

## 5.5 Decommissioning and rehabilitation

### 5.5.1 Introduction

The operational life of a large-scale energy project is likely to range between 20 to 30 years.

Large-scale solar energy projects have the potential to operate for a long period of time if solar panels are refurbished regularly or upgraded over time.

In most circumstances, the refurbishment of solar panels and infrastructure will not require a new DA or a modification to the existing consent, as refurbishment may be authorised by the terms of the existing consent.

Alternatively, an applicant may choose to cease operation of a large-scale solar energy project and decommission and rehabilitate the project site.

Decommissioning involves dismantling and removing solar panels, structures and ancillary infrastructure (cables, inverters, fencing) from the site and recycling, reusing or disposing materials and waste products, and returning the site to its pre-existing use and LSC Class. It also involves disconnecting the development from the electricity network.

The owner or operator of a solar energy project should be responsible for decommissioning and rehabilitation, and this should be reflected in a host agreement with the landholder. This agreement may also prescribe assurances to fund decommissioning, including ongoing evidence that the applicant has the capacity to fund decommissioning activities. See **Appendix B** for information regarding host agreements.

If an applicant or landholder fails to meet the decommissioning and rehabilitation obligations prescribed by the relevant development consent, the department can use its enforcement powers under the EP&A Act to address any breaches of the consent conditions.

## 5.5.2 Key principles

### Decommissioning and rehabilitation principles

1. The land on which a large-scale solar energy project and supporting infrastructure is developed must be returned to pre-existing use if the project is decommissioned.
2. If operations cease, infrastructure (including underground infrastructure) should be removed unless there is significant justification for retaining it.
3. Land must be rehabilitated and restored to pre-existing use, including the pre-existing LSC class, if previously used for agricultural purposes.
4. The owner or operator of a solar energy project should be responsible for decommissioning and rehabilitation, and this should be reflected in an agreement with the host landholder.

## 5.5.3 Assessment

Applicants must identify the decommissioning and rehabilitation activities that will take place and address all relevant issues for decommissioning and rehabilitation in the project EIS.

This may include dust and noise impacts from earthwork activities and vehicles, traffic generation and/or traffic disruptions and risks to biosecurity, particularly related to pests, diseases and weeds.

The consent authority should impose conditions of consent to ensure that the above principles are met. Because the decommissioning and rehabilitation of large-scale solar energy projects is relatively straightforward, approval conditions should be outcomes-based and not include post approval requirements such as management plans.

It is the NSW Government's policy that financial assurances should not be required by conditions of consent, and any financial assurances should be dealt with in commercial arrangements outside of the planning system.



## 5.6 Glint and glare

### 5.6.1 Introduction

Glint (a momentary flash of light) and glare (a continuous, excessive brightness) can affect people and land uses near large-scale solar energy developments including residents, road users, rail operators and airport operations.

However, significant glint and glare impacts are uncommon with large-scale solar energy developments for several reasons. Firstly, solar panels are designed to absorb light and typically reflect less than 2% of incoming sunlight<sup>13</sup>. Secondly, glint and glare typically occur for short periods of time and require very specific geometric and atmospheric conditions. Lastly, many solar energy projects are now fitted with tracking panels that can be adjusted to avoid or minimise the geometric conditions required.

While glint and glare impacts can be relatively uncommon, it is important to model and assess these impacts to ensure any potential significant impact is avoided or mitigated appropriately.

### 5.6.2 Key principles

#### Glint and glare principles

1. Solar panels should be sited to reduce the likely impacts of glint and glare.
2. Solar panels and other infrastructure should be constructed of materials and/or treated to minimise glint and glare.
3. If a large scale-solar energy development is likely to exceed the relevant criteria for glare and standards for glint, mitigation strategies must be adopted to reduce impacts.

### 5.6.3 Assessment

A glint and glare assessment should be undertaken in accordance with the requirements in **Appendix C**. This assessment must demonstrate that glint and glare would not pose a significant risk to motorists or pilots and that nuisance from glare is minimised for residential locations in accordance with the objectives outlined in **Table 2**.

**Table 2: Impact rating and performance objectives for glare impacts to residential dwellings**

High glare impact	Moderate glare impact	Low glare impact
> 30 minutes per day	< 30 minutes & > 10 minutes per day	< 10 minutes per day
> 30 hours per year	< 30 hours & > 10 hours per year	< 10 hours per year
Significant amount of glare that should be avoided.	Implement mitigation measures to reduce impacts as far as practicable.	No mitigation required.

<sup>13</sup> Spaven Consulting 2011, Solar Photovoltaic Energy Facilities: Assessment of Potential for Impact of Aviation, Report No.10/344/RPS/1.

## 5.7 Other assessment issues

Other matters may be relevant to a project and require careful consideration. These matters are outlined in **Table 3**.

**Table 3: Other assessments issues**

<b>Biodiversity</b>	<p>Where the proposed site contains native vegetation, habitat of threatened species or ecological communities, and requires clearing, an assessment must be undertaken in accordance with the <i>Biodiversity Conservation Act 2016</i>, <a href="#">the Biodiversity Assessment Method</a> and documented in a biodiversity development assessment report (BDAR).</p> <p>The Planning Secretary has the power to waive the requirement for a BDAR if an applicant can demonstrate that the proposed development is not likely to have a significant impact on biodiversity values.</p> <p>Applicants are expected to demonstrate that they have applied principles of avoidance, minimisation and mitigation of impacts in project design.</p>
<b>Traffic and transport</b>	<p>Applicants should consider whether the local and classified road network can accommodate the traffic generated by the construction of the solar energy project, having regard to any advice from relevant road authorities.</p> <p>Applicants should provide a clear list of road upgrades required and an assessment of the relevant impacts of these upgrades, having regard to advice from relevant road authorities. Applicants must identify whether the road upgrades require landowner's consent.</p>
<b>Water management</b>	<p>Surface water-related impacts, such as flooding, discharge/run-off and erosion, must be assessed. Appropriate mitigation measures, such as sediment controls, must be proposed where warranted.</p> <p>Applicants should consult with landholders regarding potential surface-water related impacts of the project on neighbouring properties and any mitigation measures.</p> <p>Any assessment of surface water-related impacts must be informed by a soil survey that considers the potential for erosion.</p> <p>If there is any water take associated with the project, the applicant should identify the source of water (both potable and non-potable) and may need to acquire water access licences if the project is approved.</p>
<b>Noise and vibration</b>	<p>Construction noise impacts should be assessed in accordance with the <a href="#">Interim Construction Noise Guideline</a> and operational noise impacts in accordance with the NSW <a href="#">Noise Policy for Industry</a>.</p>
<b>Air quality</b>	<p>Dust suppression measures that will be used during construction and operation, such as water carts during land preparation, temporary wind fences and re-vegetation of disturbed areas, should be considered.</p>

## Assessment issues and requirements

<b>Social and economic impacts</b>	A social impact assessment is required for all state significant projects and must be undertaken in accordance with the department's <a href="#">Social Impact Assessment Guideline for State Significant Projects (PDF 2,181 KB)</a> . The assessment will include both positive and negative impacts of the proposed development on potentially affected people and groups, including how the impacts are distributed. This includes workforce accommodation, job creation opportunities and flow-on economic impacts to local communities.
<b>Aboriginal cultural heritage</b>	<p>The loss of Aboriginal cultural heritage should be avoided. If losses cannot be avoided, impacts must be minimised.</p> <p>An assessment of the likely impacts on Aboriginal cultural heritage must be undertaken and should include consultation with the Aboriginal community undertaken in accordance with the <a href="#">Aboriginal cultural heritage consultation requirements for proponents</a> and test excavations, if required.</p>
<b>Non-Aboriginal heritage</b>	An assessment is required of the likely impacts on archaeological objects and places.
<b>Cumulative impacts</b>	Any cumulative impacts from other developments (proposed, approved and operative), especially biodiversity, socio-economic and construction traffic, must be assessed in accordance with the department's <a href="#">Cumulative Impact Assessment Guidelines for State Significant Projects (PDF 1,393 KB)</a> (July 2021, or its latest version).
<b>Regional cities</b>	<p>Where an applicant proposes a large-scale solar development within a mapped area in proximity to a regional city, the provisions within the Transport and Infrastructure SEPP should be clearly and comprehensively addressed.</p> <p>Residential and commercial developments that have been approved (but not yet commenced) should be included when identifying the surrounding urban environment.</p> <p>The applicant should consult with the relevant council and identify any land identified for future growth in strategic planning documents including local strategic planning statements and housing strategies.</p>
<b>Hazards</b>	<p>The location of solar energy infrastructure should avoid any land subject to identified natural hazards (such bushfires, flooding or land instability) and should not contribute to an increase in risk of a natural hazard.</p> <p>Any natural hazards or risks associated with the construction, operation and decommissioning of the solar energy project must be assessed. These include those associated with hazardous materials (for instance, from PV panels and battery storage), and the threat of fire spreading to a solar development or being caused by associated infrastructure such as cables, panels or transmission lines.</p> <p>If the project is located in a bushfire prone area, applicants must prepare a strategic bushfire study in accordance with the NSW Rural Fire Service's <a href="#">Planning for Bush Fire Protection</a>.</p>

## Assessment issues and requirements

<b>Heat island</b>	Where a solar energy project is located adjacent to a horticultural or cropping activity, the solar array should be setback from the property boundary by at least 30m to mitigate any heat island effect.
<b>Batteries</b>	If the project includes battery energy storage that has a capacity of more than 30 MW, the applicant must undertake a preliminary hazard analysis in accordance with <a href="#">Hazardous Industry Planning Advisory Paper No 4 – Risk Criteria for Land Use Safety Planning (PDF 367 KB)</a> , <a href="#">Hazardous Industry Planning Advisory Paper No 6 – Hazard Analysis (PDF 525 KB)</a> and <a href="#">Multi-level Risk Assessment (PDF 624 KB)</a> .
<b>Health</b>	Applicants should consider the power frequency and electric and magnetic field exposure guidelines <sup>14</sup> referenced by the Australian Radiation Protection and Nuclear Safety Agency.
<b>Public interest</b>	Applicants should consider an analysis of the public interest, including the public interest in renewable energy, the objects of the EP&A Act and the principles of ecologically sustainable development.
<b>Strategic context</b>	Applicants should consider whether the project is consistent with local or state planning strategies, and government policies such as climate change and energy policies, including the capability of the project to contribute to energy security and reliability <sup>15</sup> .

<sup>14</sup> ICNIRP Guidelines for Limiting Exposure to Time Varying Electric and Magnetic Fields (1 Hz – 100 kHz) 2010.

<sup>15</sup> For further guidance on addressing electricity system security and reliability, proponents should see the department's publication Electricity System Security and Reliability Environmental Assessment Requirement: Guidance for proponents of State significant electricity generation projects.



# Appendix

# A

## Agricultural impact assessment requirements



# Appendix A – Agricultural impact assessment requirements

## 1. Purpose

Applicants of large-scale solar energy projects should use this appendix to determine whether an assessment of impacts on agricultural land is required. If such an assessment is required, the appendix should be used to determine the level of assessment required.

## 2. Level of assessment

Applicants are required to undertake a level of assessment that is proportionate to the agricultural capability of the land which may be affected by the project.

There are three levels of assessment:

1. basic assessment – for projects proposed on land adjacent to rural zoned land
2. reduced assessment – for projects proposed on moderate capability land
3. detailed assessment – for projects proposed on important agricultural land

To determine the level of assessment required, applicants should follow the steps outlined in **Figure 5** and described below.

### 2.1 Step 1: Identify zoning

Rural zoned land is most commonly used for primary production practices and agricultural industries. An assessment of agricultural impacts may be required if the project site or immediately adjacent land is zoned as rural land under the applicable EPI.

An assessment of impacts on agricultural land will not be required if:

- the project site is not zoned as rural land under the applicable EPI
- the project site is not adjacent to land zoned as rural land under the applicable EPI.

### 2.2 Step 2: Identify available mapping

An assessment of agricultural impacts will be required where land subject of the application and/or immediately adjacent to the project site is of moderate capability or important agricultural land.

Applicants must use available mapping datasets to identify:

- the land and soil capability (LSC) class of the project site
- whether any BSAL is present on the project site
- whether immediately adjacent land is mapped as LSC class 1–3 or BSAL.

In some cases, applicants must verify the quality and capability of the site (see Step 3 below).

### 2.3 Step 3: Site verification

Site verification is an important component of the environmental assessment process as it provides an understanding of the quality of the land and its capacity for agricultural use.

In circumstances where the subject site is located on or adjacent to land mapped as moderate capability or important agricultural land, the applicant must verify the capability of the land by analysing the soil, climate and landform features.

Soil verification is critical to ensure that applicants, communities and consent authorities have accurate and objective information about the land and soil characteristics of the project site and understand any associated limitations and hazards of the land.



Site verification will assist applicants to:

- understand the biophysical features of the land including soil type, slope, landform position, acidity, salinity, drainage, rockiness and climate
- understand on-site and off-site limitations and hazards of the land including erosion, soil structure decline, soil acidification, salinity, waterlogging, shallow soils and rockiness
- consider appropriate land management strategies in light of biophysical features and hazards
- refine the siting and layout of the project, avoid impacts on productive agricultural land and manage any land limitations.

Applicants required to verify land should refer to the sections below for guidance. Site verification is not required for large-scale solar development located on poorer agricultural land, i.e. LSC classes 5–8.

### 2.3.1 Soil survey

A soil survey must be completed for all large-scale solar energy projects proposed on land mapped as moderate capability or important agricultural land.

Soil surveys provide objective, scientific and detailed information not otherwise available under mapping systems, which have been completed at a broader regional scale and are a critical component of the soil verification process.

Soil surveys should be completed at an inspection density of 1 site per 5 ha to 25 ha. This inspection density is recommended for moderately intensive uses at 'field' level and detailed project planning under the Guidelines for Surveying Soil and Land Resources (Second Edition).

In some circumstances, an inspection density of 1 site per 5 ha to 25 ha may not be appropriate and applicants can complete the soil survey at a different inspection density if they provide a clear and sufficient justification for doing so in the EIS.

Site verification and soil sampling is only required for the subject site and not for any adjoining land. In all cases, a baseline soils report, which summarises the soil survey methodology and conclusions reached, should be submitted as part of the project EIS.

The references listed in **Table 4** should be used to guide the soil survey.

**Table 4: Soil survey resources**

Activity	Guideline
Soil sampling and survey	McKenzie NJ, Grundy MJ, Webster R and Ringroase-Voase AJ (2008) Guidelines for Surveying Soil and Land Resources. Second Edition. CSIRO Publishing, Melbourne.
Classification of soil types	Isbell RF and National Committee on Soil and Terrain (2021) The Australian Soil Classification. Third Edition. CSIRO Publishing, Clayton South, VIC.
Soil physical measurements and interpretation	McKenzie N, Coughlan K and Cresswell H (eds) (2002) Soil physical measurement and interpretation for land evaluation. CSIRO Publishing, Collingwood.
Soil chemical measurements and interpretation	Rayment GE and Lyons DJ (2011) Soil chemical methods – Australasia. CSIRO Publishing, Collingwood.

### 2.3.2 Verification of LSC class

Following completion of a soil survey, the applicant must verify the agricultural capability and LSC class of the land in accordance with the Office of Environment and Heritage's [Land and soil capability assessment scheme \(PDF 1,390 KB\)](#).

The assessment scheme uses the biophysical features of the land and soil, including landform position, slope gradient, drainage, climate, soil type and soil characteristics, to derive detailed rating tables for a range of land and soil hazards. These hazards include water erosion, wind erosion, soil structure decline, soil acidification, salinity, waterlogging, shallow soils and mass movement. This information can help support the sustainable use and management of the land and soil resources.

Where soil verification has determined that the agricultural capability of the land is inconsistent with the mapped LSC class of the land, the applicant must identify the inconsistencies and the LSC class of the land as verified. The level of assessment to be completed (see Step 4) will be determined by the verified LSC class.

### 2.4. Step 4: Determine level of assessment required

An agricultural impact assessment is required where:

- the applicant has verified the land as LSC class 1–4, or
- the project site is adjacent to rural zoned land.

The level of assessment required depends on the agricultural capability of the land and location of the project as outlined in **Figure 4** and **Table 5**.

There may be times where the applicant of a large-scale solar energy project is prepared to accept that the subject site is important agricultural land without verifying the capability as described in Step 3.

In these circumstances, the applicant must complete a level 3 detailed assessment and should be prepared to accept a condition of consent that requires the land to be returned to the mapped LSC class.

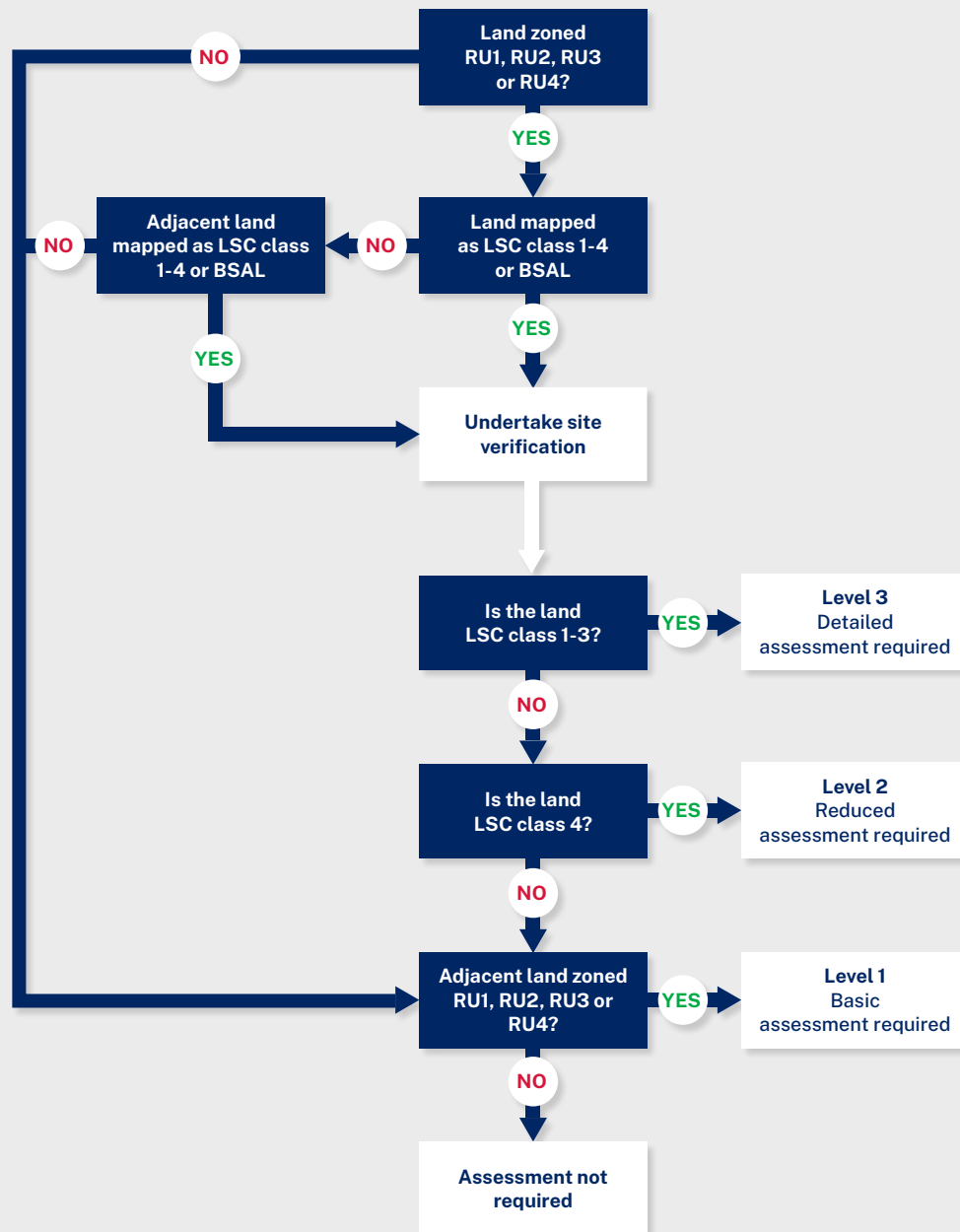
**Table 5: Level of assessment required for SSD solar energy projects**

Project location	Level of assessment
Located adjacent to rural zoned land	Level 1 – basic
Located on rural zoned land verified as LSC Class 4	Level 2 – reduced
Located on rural zoned land verified as LSC Class 1-3	Level 3 – detailed
Other scenarios	No assessment required

**Note:** To avoid doubt, the highest quality land present on the site must determine the level of assessment required.

## Appendix A – Agricultural Impact Assessment Requirements

Figure 4: Determining the level of assessment required for large-scale solar energy projects



### 3. Content of assessment

If applicants are required to complete an assessment, the EIS must be prepared in accordance with the requirements detailed below. Above all, the information must be presented in a manner that is clear and easy to understand.

#### 3.1 Level 1 assessment – basic

Solar energy projects have the potential to impact neighbouring properties and landholders if not managed correctly. Applicants must consult with neighbouring landholders to understand potential impacts on immediately adjacent agricultural land and to inform strategies to mitigate these impacts. Project impacts may include disruption to existing agricultural operations, biosecurity-related risks, changes to water supply and/or fire hazard risks.

The purpose of a level 1 assessment is to ensure that applicants consider project impacts on immediately adjacent agricultural land and to encourage open and honest dialogue between applicants and owners of this land. Applicants are encouraged to consult with the local community and other rural stakeholders about the potential impacts on neighbouring agricultural land.

A level 1 assessment must:

- present LSC mapping and the results of any site verification completed to confirm land capability
- include consultation with neighbouring landholders to identify potential project impacts (if any) on immediately adjacent land
- describe project impacts (if any) on immediately adjacent land
- describe consultation undertaken
- consider measures to reduce impacts on neighbouring agricultural land.

#### 3.2 Level 2 assessment – reduced

A level 2 assessment is required where solar energy projects are proposed on moderate capability land, being land verified as LSC Class 4.

LSC class 4 land is land which has moderate to high limitations for high-impact land uses such as cropping, high-intensity grazing and horticulture. These limitations can only be managed by specialised management practices with a high level of knowledge, expertise and investment.

As class 4 land can be used for productive agricultural uses such as cropping with appropriate management and technology, applicants must undertake an assessment of the key issues and potential impacts of the solar energy project on this land.

**Table 6** outlines the information required in a level 2 assessment. All information required for a level 1 assessment must also be included in a level 2 assessment.

#### 3.3 Level 3 assessment – detailed

A level 3 assessment is required where solar energy projects are proposed on land verified as LSC classes 1–3 or BSAL. This land is the state's most productive land and has the least limitations for sustaining various land uses.

Siting of solar energy infrastructure on important agricultural land, including land mapped as LSC classes 1–3 or BSAL, should generally be avoided if possible. Where it is not possible to avoid this land, the applicant must prepare a comprehensive assessment that addresses the requirements of both level 1 and level 2 assessments and includes:

- a detailed assessment of whether the project would significantly impact the local or regional agricultural industry, including production and supply chains
- justification for the project considering other alternatives which would have lesser impacts on agricultural land. Applicants must demonstrate that other project sites and siting options have been considered and state the reasons why the site and layout was chosen over alternative options
- an analysis of whether site design could be amended to reduce impacts.

## Appendix A – Agricultural Impact Assessment Requirements

Table 6: Requirements for level 2 assessment

Assessment required	Content and form
<b>Project description</b> Describe the nature, location, intensity and duration of the project and include a map of the project area.	<ul style="list-style-type: none"> <li>Project description</li> <li>Location</li> <li>Duration</li> <li>Areas of the site that would be disturbed or temporarily removed from agricultural use</li> </ul>
<b>Regional context</b> Describe the regional context.	<ul style="list-style-type: none"> <li>Zoning of the project site</li> <li>Climate and rainfall</li> <li>Regional landform</li> <li>Regional land use including any significant agricultural industries and/or infrastructure</li> </ul>
<b>Site characteristics and land use description</b> Describe the nature and location of agricultural land with the potential to be impacted by the development. Describe the current agricultural status and productivity of the proposed development area and surrounding locality including the land capability as per Office of Environment and Heritage's (OEH) <a href="#">Land and soil capability assessment scheme</a> (PDF 1,390 KB).	<ul style="list-style-type: none"> <li>Describe the land subject to the project site</li> <li>Describe existing agricultural land uses (i.e. orchards, vineyards, breeding paddocks, intensive livestock areas)</li> <li>Describe the history of agricultural practices on the project site</li> <li>Identify soil type, fertility, land and soil capability</li> <li>Provide a map showing the verified LSC class of the project site</li> <li>Provide a map showing topography of the site</li> <li>Describe the agricultural productivity of the site</li> </ul>
<b>LUCRA assessment</b> Conduct an assessment of potential land use conflicts, including completion of an assessment in accordance with the Department of Industries' <a href="#">Land Use Conflict Risk Assessment Guide</a> (PDF 351 KB).	<ul style="list-style-type: none"> <li>Land use compatibility and conflicts</li> <li>Discuss compatibility of the development with the existing land uses on the site and adjacent land (e.g. aerial spraying, dust generation and biosecurity risk) during operation and after decommissioning, with reference to the zoning provisions applying to the land</li> </ul>
<b>Impacts on agricultural land</b> Identify and describe the nature, duration and consequence of any potential impacts on agricultural land subject to the project site and in the wider region.	<ul style="list-style-type: none"> <li>Describe project impacts on identified agricultural lands including, but not limited to, potential weeds, pests, dust, bushfire, livestock, crop production</li> <li>Consider impacts to the agricultural productivity of the site</li> <li>Consider project potential to permanently remove agricultural land and/or fragment or displace existing agricultural industries</li> <li>Consider cumulative impacts of multiple solar energy projects on agriculture in the region</li> </ul>
<b>Mitigation strategies</b> Outline strategies that may be adopted to mitigate potential impacts on agricultural land and minimise land use conflict.	<ul style="list-style-type: none"> <li>Outline and consider strategies to mitigate project impacts on agricultural land</li> <li>Consider co-location with existing agricultural practices and investigate feasibility of agrisolar where it would result in a meaningful benefit (see Clean Energy Council's <a href="#">Australian Guide to Agrisolar for Large-Scale Solar</a>).</li> </ul>

## 4. Mitigation measures

Mitigation strategies should be developed to minimise project impacts on agricultural land. The EIS should clearly identify potential project impacts on agricultural land and strategies to mitigate these impacts. Mitigation measures may include:

### Design

- locating solar panels in consultation with landholders
- designing temporary fencing and temporary access routes to minimise impacts on existing farm operations and livestock
- ensuring that access to the site does not fragment surrounding land and is of an appropriate design standard to support agricultural use
- amending project design to avoid important agricultural land
- implementing appropriate buffer zones between the project disturbance area and adjacent agricultural land.

### Construction

- establishing the ground cover of the site within 3 months of completing construction
- implementing erosion and sediment controls.

### Operation

- maintaining the ground cover with appropriate perennial species and weed management
- appropriately managing waste and pollution risks
- allowing for grazing, horticulture and biodiversity regeneration activities to continue.

Applicants are encouraged to consider guidance published by the NSW Department of Primary Industries when determining suitable mitigation measures to reduce project impacts on agricultural land. For specific guidance please refer to the following documents:

- NSW Department of Primary Industries – [Right to Farm Policy \(PDF 8,168 KB\)](#)
- NSW Department of Primary Industries – [primefact: Infrastructure proposals on rural land \(PDF 147 KB\)](#)
- NSW Department of Primary Industries – [Managing biosecurity risks in land use planning and development guide \(PDF 762 KB\)](#)
- NSW Department of Primary Industries – [Buffer Zones to Reduce Land Use Conflict with Agriculture.](#)





# Appendix

# B

## Private agreements between landholders and applicants



# Appendix B – Private agreements between landholders and applicants

## Types of agreements

At various stages of a project's life cycle, a range of private agreements may be made between landholders and applicants for various purposes related to the development. These include:

- licence agreements
- option agreements
- land purchase agreements
- lease ('host') agreements
- impact agreements (or negotiated agreements) – relating to impacts of the proposed development.



Although the planning system allows for such agreements, the consent authority does not participate in any negotiations and is not privy to the specifics of any agreed compensation. Notwithstanding, the department has identified a range of matters that applicants and landholders should consider when entering into any such agreements. Parties should obtain independent legal advice about their rights and obligations before entering into any such agreement.

### Licence agreement

A 'licence' agreement (also known as an 'access' agreement) allows the applicant, and associated parties, rights to access a landholder's property for the purposes of surveys and assessments, typically for a specified duration of time. This is usually negotiated at the initial prospecting stage to enable the applicant to determine the suitability of the site and feasibility of a project.

### Option agreement

An option agreement provides the applicant with rights to lease some or all of a landholder's property for the purposes of construction and operation of a large-scale energy project. This form of agreement allows the applicant to access the property to assess feasibility of the project site with an option to enter into a more formal lease agreement. Applicants may choose to not enter into a licence agreement and move directly to an option agreement.

Similar to an option to lease agreement, an applicant and landholder may enter into an option to buy agreement. An option to buy agreement allows the applicant to purchase the land if or when the project proceeds to a certain point, usually construction.



## Land purchase agreement

In some circumstances, an applicant may choose to offer to purchase the land subject to the proposed development. This may include instances where existing agricultural operations are likely to be severely impacted by the project.

## Lease agreements – ‘host’

A lease or host agreement is a complex long-term agreement negotiated between a project developer and landholder that places significant obligations and responsibilities on the landholder.

A large-scale solar energy project usually consists of one or more ‘host’ landholders willing to have project infrastructure located on their land. This agreement is essentially a commercial lease and should set out the terms to enable the applicant or project owner to install, operate, maintain and decommission the project infrastructure.

Landholders may also enter into agreements for land access, private transmission line easements, substations, office buildings and other items associated with a project.

## Impact agreements

Large-scale renewable energy projects may significantly impact some neighbours. The applicant and landowners can enter into agreements to manage these impacts and any exceedances of relevant assessment criteria (such as noise criteria). These types of agreements may be negotiated to provide for the implementation of a broader suite of measures, such as financial or other mitigation and management measures, usually to mitigate a high level of impact. For example, agreements are commonly negotiated to provide for the implementation of landscaping or screening to mitigate high visual impacts from a project.

## Guidance

### General advice

The department has prepared some general guidance for applicants and landholders to consider when negotiating agreements for large-scale energy projects. This guidance does not constitute legal advice and parties should obtain independent legal advice about their rights and obligations before entering into any agreement.

As a general guide, agreements should:

- be legally enforceable
- remain in force for the duration of the impacts being managed by the agreement
- provide for the transfer of obligations to any new owner of the solar energy development infrastructure if it is subsequently sold
- provide for the transfer of obligations to any new landholder if the subject property is subsequently sold
- clearly identify the scope of any impacts that are the subject of the agreement, whether identified impacts are subject to the implementation of agreed mitigation measures and who is responsible for carrying these out
- include considerations if the project is cancelled, materially delayed or the scope and scale of the project materially changes, particularly if the changes result in negative impacts on the landholder
- identify any limitations on how the landowner may use their land, including adjoining land, for the duration of the project (e.g. dust generation avoidance, grazing of stock)
- identify any compensation, costs or fees that are payable by either party in certain circumstances (e.g. rent, abatement of rent, contributions to works)
- provide for a means of resolving disputes.

Agreements should be specifically tailored to the landholder's individual circumstances and the project. Any agreement should be fair, reasonable and written in plain English. The landholder should have access to and obtain appropriately skilled legal and financial advice before entering into any agreement. The applicant should bear all reasonable costs associated with either entering into the agreement or understanding the implications of the agreement, including the landholder's costs for independent advice.

Landholders should consider whether any proposed agreement includes a confidentiality clause. Agreements should not include perceived unfair clauses or prevent a landholder from raising concerns about breaches of a consent other than those they have agreed to accept as part of the agreement. Landholders should avoid signing confidentiality agreements unless the agreement also includes clauses to manage impacts from the development.

Other landholder agreements (such as agreements for transmission line easements, easement access or road access) should also be negotiated and finalised with the landholders in a fair and reasonable manner, with appropriate consultations engaging affected landholders and neighbours in determining the final approach and routes to be taken.

Regarding the negotiation process, applicants should ensure that landholder expectations are properly managed from the outset. Applicants should be mindful of the consequences which may arise from their conduct in negotiations with landholders. They should also be mindful of the magnitude of impact on landholders associated with any changes to proposed infrastructure areas and associated neighbour compensation or host landholder offers.

Further information and guidance for landholders regarding agreements for renewable energy projects can be found at the NSW Farmer's [Renewable Energy Landholder Guide](#) and the Australian Energy Infrastructure Commissioner's [Considerations for Landholders before entering into Commercial Agreements](#).

## Advice for hosts

It is especially important for applicants to ensure that host landholders are properly informed of the implications of entering into host agreements and have a good understanding of the nature and scale of the predicted impacts of the project. This may include opportunities for the landholder to visit other operating large-scale solar energy projects and/or to meet other host landholders.

Other considerations for discussion between the applicant and the host landholder may include:

- how the project will affect any land use activities (such as agricultural practices, fire management)
- the components of the project which are the subject of the agreement such as agreed energy generation infrastructure, internal roads and other infrastructure locations (cabling, construction offices, substations, transmission lines etc)
- relevant impact predictions that may be of concern to the local community (such as visual, noise, ecological, transport, social/community, economic impacts) and identifying proposed assessment and management options
- the impacts of the project on development rights, vegetation protection and subdivision options
- the process for making changes to location and routing of project infrastructure to the landholder's property (such as access roads, cabling) and responsibilities for maintenance of such infrastructure
- the creation of any easements that may be required
- agreements for accessing any easements via a landholder's property
- provisions for ongoing monitoring (if required).

Appendix B – Private Agreements between Landholders and Applicants

In addition to the standard legal and financial considerations, certain phases of the project may have specific impacts that should be clearly identified or negotiated with the host landholder.

For the construction phase, such considerations may include:

- the proposed internal road layout for the project, having regard to the potential impacts on farming operations
- the location of other infrastructure (cabling, construction offices, substations, transmission lines etc.), including any temporary infrastructure or buildings required during construction
- on-site procedures, such as biosecurity compliance requirements for contractors.

For the rehabilitation and decommissioning phase, there is a clear expectation that the project will be decommissioned at the end of its operating life (see Section 5.5).

However, it is important for the landholder to have a clear understanding of how the applicant or project owner will manage the decommissioning phase.

In relation to decommissioning, key matters for the landholder to discuss or negotiate as part of an agreement may include the following:

- scope of the decommissioning activities required (including what infrastructure will and will not be removed from the land)
- preparation of a decommissioning and rehabilitation plan and provision of the plan to the landholder
- decommissioning responsibilities of the parties
- detailed and verified estimates of the likely decommissioning costs and responsibility for paying those costs
- arrangements to ensure decommissioning funding is set aside and secured, such as a bank guarantee, bond or trust fund
- ability to audit funding security arrangements to ensure funding is in place and contributions meet the agreed requirement
- provisions for dealing with default by the project owner.





# Appendix

# C

## Glint and glare assessment



## Appendix C – Glint and glare assessment

The glint and glare assessment should represent a 'worst case' scenario that assumes no cloud cover throughout the year. The assessment should address the general requirements outlined below and in **Table 7**. The glint and glare assessment include:

- a description of the proposed PV panels, indicating:
  - the axis of rotation and maximum tilt angle
  - the light absorption efficiency and/or refractive index values at different angles
  - whether any backtracking is proposed and the time and duration of these operations
- results of the glint and glare analysis for each assessable receiver
- identification of existing vegetation or built structures and a qualitative assessment of whether these features would eliminate or reduce the modelled impacts
- a justification for excluding any modelled glare results because they would be insignificant due to the size, position and luminance of the glare source, or high ambient luminance.
- details of strategies to either avoid or mitigate impacts including re-siting or sizing the project, altering the tracking patterns, implementing vegetation screening, or entering into agreements with landholders if all other measures have been exhausted.



## Appendix C – Glint and Glare Assessment

Table 7: Glint and glare requirements

	Scope	Methodology	Performance objective
<b>Residential receivers</b>	All residential viewpoints within 3 km of the proposed solar array that have a line of sight. Representative viewpoints may be used for residential receivers that are clustered together (see additional guidance in the technical supplement).	Analysis of the daily and yearly glare impacts in minutes. All residential receivers must be assessed at a height of 1.5 m above ground level.	See impact ratings and performance objectives for residential receivers outlined in <b>Table 2</b> .
<b>Road and rail</b>	All roads and rail lines within 1km of the proposed solar array.	Solar glare analysis to identify whether glint and glare are geometrically possible within the forward looking eyeline of motorists and rail operators.	If glare is geometrically possible then measures should be taken to eliminate the occurrence of glare. Alternatively, the applicant must demonstrate that glare would not significantly impede the safe operation of vehicles or the interpretation of signals and signage.
<b>Aviation</b>	All air traffic control towers and take off/landing approaches to any runway or landing strip within 5km of the proposed solar array.	Solar glare analysis that is worst case in all scenarios accounting for all aircraft using the airport (e.g. gliders, helicopters etc).	Any glint and glare should be avoided unless the aerodrome operator agrees that the impact would not be material (e.g. occurs at times when there are no flights or would not pose a safety risk to airport operations).





Department of Planning  
and Environment

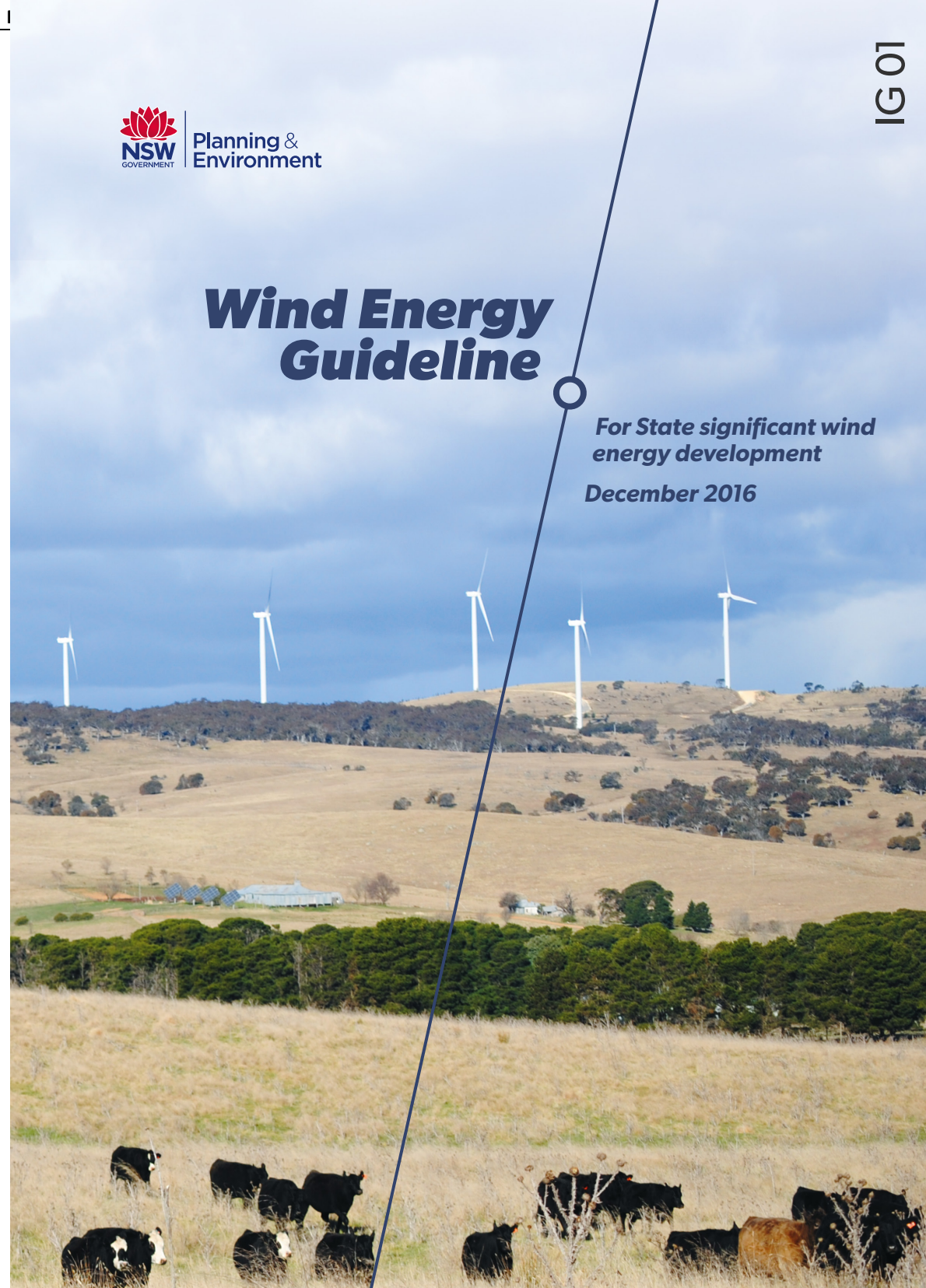


## Large-Scale Solar Energy Guideline

August 2022

[dpie.nsw.gov.au](http://dpie.nsw.gov.au)





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## 1. Introduction

### 1.1 Purpose of the Wind Energy Guideline

The *Wind Energy Guideline* (the Guideline) provides the community, industry and regulators with guidance on the planning framework for the assessment of large-scale wind energy development proposals that are State significant development (SSD).

This Guideline identifies the key planning considerations relevant to wind energy development in NSW. It will assist stakeholders in the design and siting of SSD wind energy projects. It will also guide the assessment and evaluation, determination of wind energy development proposals, and, where approved, their construction and operation. The Guideline is not intended to be a comprehensive 'how to' manual for wind energy development, nor will all issues be relevant for every proposal. However, the NSW Government's intention is that this Guideline becomes the key reference document for decision-making on SSD wind energy development in NSW.

This Guideline delivers on the Government's commitment in the *NSW Renewable Energy Action Plan* (2013) to implement wind energy planning guidelines in NSW.

While the assessment process for SSD wind energy projects is generally the same as it is for other types of SSD projects, there are certain aspects that are unique for wind energy development and warrant special consideration. The Guideline provides the overarching planning framework for assessing SSD wind energy projects and is supported by additional Assessment Bulletins which the Department of Planning and Environment (the Department) issues periodically to provide technical guidance on key issues, such as noise and visual assessment.

Consultation with communities, proponents and other stakeholders is an integral part of the assessment process for SSD wind energy projects. This Guideline also provides guidance to the community, proponents and consent authorities in understanding the level of engagement expected from proponents of SSD wind energy projects.

### 1.2 Objectives

The objectives of this Guideline are to:

- provide clear and consistent guidance to the community, industry and regulators about how to measure and assess key environmental impacts of SSD wind energy development in NSW;
- facilitate better outcomes by requiring early identification of impacts to drive better siting and design;
- facilitate meaningful, respectful and effective community and stakeholder engagement across the development assessment process, from pre-lodgement to post-approval;
- encourage benefit-sharing between wind energy operators and the communities in which they operate, where appropriate; and
- provide greater accountability for the management of impacts over the life of a project by linking commitments to conditions and / or appropriate monitoring and adaptive management strategies.



### **1.3 Strategic context**

The NSW Government supports the development of a sustainable wind energy industry in NSW. This State has valuable wind resources by international standards with many of the best areas located near existing electricity transmission infrastructure. Wind energy projects harness the state's abundant natural resources to generate clean energy, while at the same time supporting jobs and investment, particularly in regional areas.

In addition, the NSW Government is committed to supporting the Commonwealth Government achieve the national Renewable Energy Target which has been a key driver of wind energy development in NSW. The NSW Government through its climate change policy has an aspirational long term objective of achieving net zero emissions by 2050. It recognises the importance of reducing greenhouse gas emissions in energy generation, and the opportunities which the renewable energy industry offers for the State.

There is a significant opportunity for NSW to invest in wind energy, as one of the most commercially ready and cost-effective renewable energy technologies currently available for use on a large scale. This opportunity needs to be managed to ensure that the potential impacts of wind energy projects are accurately identified and any adverse outcomes are minimised.

This Guideline is part of a framework that will ensure that impacts are transparently identified and assessed so that informed decisions are made with the benefit of community input.

This wind energy framework will address delays in the assessment process and help NSW capture benefits from the wind industry. Importantly, the framework will ensure the balance between attracting investment and the interests of the community.

It will also assist stakeholders through the consistent implementation of best practice assessment techniques to ensure wind energy projects are appropriately designed and sited. This is in recognition that the introduction of a wind energy project into the landscape requires careful consideration and this includes the potential impacts of the wind energy project on surrounding communities. A single landscape may have multiple and overlapping environmental values such as heritage, biodiversity and visual amenity.

This Guideline supports the Department in undertaking a risk based approach to the assessment of impacts from wind energy projects, noting that there is a rigorous framework, including stringent noise criteria and a landscape visual assessment methodology, to ensure there is sufficient protection for the community. The Guideline also supports the consent authority in making a decision that balances the broad range of social, environmental and economic considerations applying to each project. The decision-maker is also required to consider the public interest and, in the *Taralga*<sup>1</sup> case for example, the Land and Environment Court was satisfied that the overall public benefits outweighed any private dis-benefits to the community or specific landowners in that case, referring to the significant public interest in general terms in the adoption of alternative, more environmentally friendly, energy generation sources.

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<sup>1</sup> *Taralga Landscape Guardians Inc v Minister for Planning and RES Southern Cross Pty Ltd (2007) 161 LGERA 1.*

#### **1.4 Application of the Guideline**

A wind energy project or wind farm means any turbine, building, or other structure used in or in connection with the generation of electricity by wind force.

This Guideline applies to all applications for development consent for on-shore SSD wind energy development where the Secretary's Environmental Assessment Requirements (SEARs) were issued after the date of publication of this Guideline. The Guideline also applies to applications for modification to an existing wind farm approval submitted after the date of publication of this Guideline.

This Guideline replaces any previous draft planning guidelines for wind farms and will be reviewed from time to time as required.

## **2. Planning framework**

The *Environmental Planning and Assessment Act 1979* (the EP&A Act) establishes several planning assessment and approval pathways for different kinds of development, including SSD wind energy development, which are outlined in more detail in Attachment A.

### **2.1 Permissibility**

Permissibility of wind energy development is determined by the relevant environmental planning instruments, including State Environmental Planning Policies (SEPPs) and local environmental plans (LEPs). The EP&A Act and the *Environmental Planning and Assessment Regulation 2000* (EP&A Reg), along with these planning instruments, also establish the assessment and approval pathways and other development controls. Key reference points include:

- the zoning and land use provisions of the relevant LEP;
- Part 3 Division 4 of *State Environmental Planning Policy (Infrastructure) 2007* (Infrastructure SEPP); and
- Part 4, and Schedule 1 clause 20, of *State Environmental Planning Policy (State and Regional Development) 2011* (SRD SEPP).

Where wind energy development is permitted with consent, the proponent can lawfully lodge a development application (DA) for determination by the relevant consent authority (for more details, see Attachment A). If the proponent is not the owner of the land to which the DA relates (or is not the only owner), the proponent must provide evidence that all the relevant landowners consent to the application. It should be noted that the consent of a landowner to lodge an application is for assessment purposes only and does not bind the landowner to the eventual outcome. In the case that the land is owned by the Crown, landowners consent and lease arrangements must be obtained from the Department of Primary Industries (Crown Lands).



Not all aspects of a wind energy proposal will need development consent. For example, in circumstances where a wind monitoring tower is used to investigate the feasibility of wind energy, the tower may be installed as 'exempt development' under clause 39(2) of the Infrastructure SEPP without planning approval, if it complies with specified requirements. Electricity transmission and distribution lines might also be assessed separately (see section 2.3.1).

## **2.2 Planning pathways**

Once permissibility has been established, a proponent needs to determine the appropriate assessment pathway for its wind energy project. The development assessment process varies according to factors such as the 'capital investment value' (which is defined in the EP&A Reg) and electrical power output of the project (see Attachment A).

The majority of wind energy development in NSW will be SSD, which requires approval from the Minister for Planning under the EP&A Act. In practice, the independent Planning Assessment Commission determines applications under its delegation where:

- there have been 25 or more objections to the application; or
- the local council has objected; or
- there has been a disclosure of a reportable political donation or gift, made in connection with the application or a previous related application.

This is consistent with the process for other SSD projects. Under limited circumstances, senior officers of the Department may have the delegated authority to determine an application.

## **2.3 Other approvals**

### **2.3.1 Transmission lines**

A large-scale electricity generating project needs to connect to the electricity transmission or distribution grid to enable the distribution of the generated electricity. The transmission and distribution lines connecting a wind energy generating facility to the grid can be considered as a separate development from the generating facility given both the linear nature of transmission lines and the fact that they are usually owned and operated by an electricity transmission operator or distributor under the *Electricity Supply Act 1995*, or an 'authorised network operator' under the *Electricity Network Assets (Authorised Transactions) Act 2015*, rather than the wind energy generation operator.

The approval pathway for transmission and distribution lines under the EP&A Act is often different from the pathway for the wind energy project. The Infrastructure SEPP provides for a different environmental assessment and planning pathway for this kind of development under Part 5 of the EP&A Act. Nonetheless, the assessment of a proposed wind energy project itself may need to consider, to some extent, the environmental impacts of transmission lines or distribution lines assessed under Part 5 of the EP&A Act.

In these instances, a proponent should provide the Department with information in its Environmental Impact Statement (EIS) about the delivery of transmission lines, such as timing of decision-making and stakeholder roles, in order to give more certainty to the consideration of all aspects of the project and to assist in matching the timeline for assessment, approval and construction of the wind energy project with the timeline for assessment and construction of the transmission lines.

However, if the transmission and distribution lines are not being developed by or on behalf of an electricity supply authority, public authority or authorised network operator, and are sufficiently related to the wind energy generating facility, they should form part of the associated SSD wind energy project and are governed by Part 4 of the EP&A Act, and subsequently, this Guideline.

Proponents should consult with the relevant Network Operator and the Department early in the project planning process to clarify responsibilities and the applicable planning pathways for transmission and distribution infrastructure, and to discuss connection to the relevant electricity grid, if required.

### 2.3.2 Other legislation

An environment protection licence (EPL) under the *Protection of the Environment Operations Act 1997* (POEO Act) is required for wind energy projects which are SSD or designated development.

An EPL is issued by the Environment Protection Authority (EPA). The EPA provides advice to the Department when wind energy projects are being assessed. The requirements of an EPL regulate the construction and operation of a wind energy projects for issues which the POEO Act covers, including noise pollution. The requirements of an EPL must be consistent with the development consent for the project.

Some wind energy projects also have the potential to impact on 'matters of national environmental significance' under the Commonwealth's *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and may require a separate approval under that legislation.

The Commonwealth and NSW Governments have signed a Bilateral Agreement under the EPBC Act relating to environmental assessment. The Bilateral Agreement accredits NSW to conduct a single environmental assessment process for SSD proposals that impact on certain matters of national environmental significance under the EPBC Act, by removing the need for separate assessment by the Commonwealth. However, the final decision on whether to approve the impacts on matters of national environmental significance is still made by the Commonwealth.

Proponents are encouraged to make a referral to the Commonwealth Department of the Environment and Energy early in the assessment process to understand if Commonwealth approval is required and to be assessed under the Bilateral Agreement.



### 3. Assessment issues for wind energy development

SSD wind energy projects will generally be assessed like any other SSD project.

There are, however, certain assessment issues that are unique or particularly relevant to wind energy development. The issues which are specifically relevant for wind energy development and will be considered in the environmental assessment of an application, include:

- **strategic context:** the consent authority will give consideration as to whether the project is consistent with the objectives of the NSW Government's climate change policy and how the project contributes to the Renewable Energy Target;
- **biodiversity:** including the extent to which impacts of the wind energy project on biodiversity values have been avoided, minimised or offset to an acceptable level, in accordance with the *NSW Biodiversity Offsets Policy for Major Projects* having regard to the advice of the NSW Office of Environment & Heritage for terrestrial biodiversity or the Department of Primary Industries (Fisheries) for aquatic biodiversity. A key biodiversity issue for wind energy development is bird and bat strike and whether suitable measures are proposed to manage potential bird and bat strike fatalities resulting from either direct collision or through barotrauma (rapid changes in air pressures associated with the movement of the blades);
- **visual impacts:** the height, scale and mechanical character of wind turbines creates an unavoidable level of visibility and contrast with the natural environments in which they are situated. This can alter the character of the landscape and people's enjoyment of the landscape. Multiple wind energy projects in close proximity may create cumulative impacts on a particular landscape. Assessment of these impacts is a complex endeavour. In recognition of these challenges the Department has prepared an Assessment Bulletin which is designed to bring greater transparency, consistency and objectivity in visual impact assessments for wind energy development.

The consent authority will give consideration to the acceptability of impacts on landscape values and the amenity of landholders and communities, and the adequacy of the measures which are proposed to avoid, reduce or otherwise manage these impacts, having regard to the Visual Assessment Bulletin;

- **noise impacts:** the rotation of wind turbines generates both aerodynamic and mechanical noise. When assessing the potential annoyance from a noise source, both the level and character of the noise need to be taken into consideration. To ensure an adequate assessment of potential noise impacts, the Department has developed a Noise Assessment Bulletin. This Bulletin identifies the noise assessment requirements for SSD wind farm projects and includes a noise limit of 35 dB(A) or the prevailing background noise plus 5 dB(A), whichever is the greater for each operational wind speed.

The consent authority will give consideration to whether the predicted noise levels comply with the noise criteria, having regard to the advice of the EPA and the adequacy of measures which are proposed to avoid, reduce or otherwise manage these impacts.

With regards to concerns over the potential health impacts of wind energy, the NSW Government's position is informed by the scientific findings of the National Health and Medical Research Council (NHMRC) and the advice of NSW Health. The NSW Government will continue to monitor contemporary scientific research outcomes to ensure its position reflects robust evidence on any health effects, including any advice released from the National Wind Farm Commissioner and the Independent Scientific Committee on Wind Turbines;

- **traffic and transport:** the consent authority will give consideration to the extent to which the local and classified road network can accommodate the type and volume of traffic generated by the wind energy project, including the adequacy of any proposed road upgrades and maintenance commitments, having regard to the advice of relevant road authorities;
- **hazards and risks:** whether hazards or risks associated with the wind energy project can be suitably managed, having regard to the advice of relevant government authorities, with particular hazards and risk including:
  - **aviation safety:** wind energy projects need to consider potential safety hazards for aircraft through intrusion of the wind turbines into the airspace; and potential effects on navigation instruments;
  - **bushfire hazard:** consider potential hazards and risks associated with bushfires and the adequacy of measures to manage this risk;
  - **health:** consider any health issues having regard to the latest advice of the NHMRC and consider potential hazards and risks associated with electric and magnetic fields and demonstrate the application of the principles of prudent avoidance;
  - **telecommunications:** the consent authority will give consideration to the risk of electromagnetic interference with telecommunication services in the area, and the adequacy of the measures proposed to ensure the level of service is maintained;
  - **blade throw:** consider blade throw risks;
- **decommissioning:** consideration will be given as to whether suitable arrangements for decommissioning and rehabilitation of the site are in place; and
- **cumulative impacts:** the consent authority will give consideration as to whether any other proposed, approved or operating wind energy projects in the vicinity are likely to increase the impacts of the wind energy project the subject of the DA, especially in regard to landscape, noise, biodiversity and traffic impacts.

Other issues, such as economic and social impacts, historic and Aboriginal cultural heritage, and water will continue to be dealt with through existing policies and practices which apply to all SSD proposals.

The Department has developed standard requirements (known as SEARs) which contain guidance on assessing the relevant potential impacts of wind energy projects. The standard SEARs may be supplemented by project-specific SEARs to incorporate additional assessment requirements, if required.

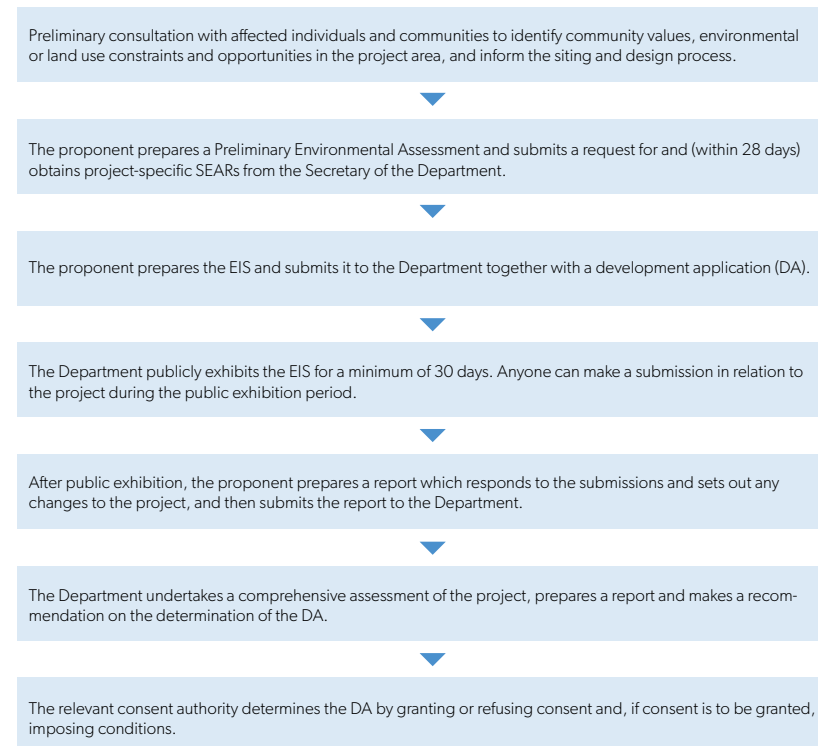
#### 4. The assessment process

The flow chart in Figure 1 outlines the statutory assessment and approval process for SSD proposals. During the scoping, environmental assessment and determination process, key issues will need to be addressed in consultation with the community and other stakeholders. The SEARs for a wind energy project will provide detail on the assessment requirements for the proposal consistent with this Guideline.

The typical SSD assessment process is set out in Figure 1.

It is important to note that this is an iterative process, and the proponent may need to revisit aspects of a proposal, including the siting of turbines, as the understanding of relevant environmental issues (such as interaction with the landscape values and community concerns) are better understood. This may include amending projects in response to issues identified through community consultation.

**Figure 1. Summary of the typical assessment and approval process for SSD**



The Department's Planning Circular *PS 11-014 Assessment of State significant development and infrastructure (2011)* contains additional information on SSD processes.

#### **4.1 Scoping and pre-lodgement**

The people and groups affected by a proposed wind energy project will depend on the project context, including the different linkages and networks that connect people and groups. Respectful, inclusive and meaningful engagement with potentially affected people, groups, and other interested parties forms a critical part of all phases of the impact assessment process. It should be undertaken to make the public aware of the proposal, provide opportunities for early input and establish relationships.

It should be noted that early consultation with the community should not be limited to one aspect of a project. Consultation with a range of potentially affected stakeholders could be undertaken to identify the constraints and opportunities of the project area. Consultation could involve engagement on the values the wider community place on those attributes, in order to inform project siting and design. For example, consultation could be undertaken with local councils, heritage groups, farming groups, environmental groups and business chambers. This may include inviting stakeholders to rank or value attributes such as access to the site, surrounding land uses, landscape values, geology, hydrology, soils, biodiversity, and wind resource location. There are a range of methodologies for how this could be undertaken<sup>2</sup>. Such consultation should occur before the project siting and design is finalised so that it informs the siting and design process.

Setting a broad design framework and seeking the views of affected landowners at the scoping stage will result in a more responsive wind energy development, and can minimise or avoid issues arising during the assessment process.

Proponents must go through this iterative design process in order to identify the most appropriate locations for the final siting of specific turbines in a project, based on the quality of the wind resource and the results of their consultation. Proponents are required to articulate and describe this process and relevant learnings in the EIS.

Scoping these details upfront also enables the Department to prepare SEARs that are appropriately targeted but also provide sufficient flexibility to vary and refine the proposal through the assessment process.

#### **4.2 SEARs and Preliminary Environmental Assessment**

SEARs will specify the matters to be addressed by proponents in the EIS for the project.

A request for SEARs should be accompanied by a Preliminary Environmental Assessment (PEA) that:

- describes the proposed wind energy project and its location in context (for example, it should identify the preliminary turbine layout, nearby dwellings, key public viewpoints and other key landscape features) - proponents should demonstrate the suitability of their chosen location and the viability of wind resources in that area;
- describes:
  - steps taken to assist potentially affected people and groups in understanding the proposed development and what it could mean for them; and
  - the proposed overall approach to stakeholder consultation for the EIS development process;

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2 McHarg, I, L., 1969, *Design with Nature*, The American Museum of Natural History Doubleday / Natural History Press, New York, USA.



- identifies the key issues for the particular project;
- includes the results of the early consultation, including in relation to landscape values, and assesses the preliminary turbine layout against the preliminary assessment tools contained in the Visual Assessment Bulletin, including negotiations with landholders;
- provides a high level assessment of the environmental impacts of the project (focusing on those key issues); and
- reports on the progress of community consultation (see section 5.2).

The Secretary of the Department is required to issue SEARs for all SSD applications including wind energy projects. The assessment and consultation requirements are mandated in the SEARs for each DA. The Secretary is also required to consult with relevant government agencies in preparing the SEARs.

SEARs for an SSD wind energy project will be based on standardised requirements which the Department has developed, but will be adapted to suit the particular project for which they are issued.

The proponent must address all SEARs issued for a project in the project's EIS.

#### **4.3 Preparation of an Environmental Impact Statement**

##### **4.3.1 Describing the design of your project**

As part of preparing an EIS, proponents must include a full description of their project, including:

- all development activities that may be undertaken as part of the project, including ancillary infrastructure which could include concrete batching plants, substations and access to construction materials, as well as access tracks and roads, and any transmission lines associated with the project (see section 2.3.1 above); and
- the timing of each key phase of the project.

Information regarding any ancillary developments that are not being proposed as part of the DA, but are necessary to support the project (such as transmission lines not covered by the DA), should also be provided.

By this stage in the design process, the project should be defined to an extent whereby a proponent is able to justify the location and placement of turbines including how they have balanced the relevant social, economic and environmental impacts.

The project description should include a narrative describing the design process for the project. This should focus on the iterative process for identifying the final siting of specific turbines, including the justification for decisions to move, remove, or locate turbines in a specific location. This will require the proponent to articulate learnings about matters such as landscape values and other environmental considerations identified through community consultation and studies undertaken in the scoping and pre-lodgement stage. The description should also reference the outcomes from the application of the preliminary assessment tools required by the Visual Assessment Bulletin undertaken through the development of the project.

#### 4.3.2 Describing the likely impacts and mitigation and management options

The EIS for an SSD wind energy project should also include:

- an analysis of the likely impacts of the project;
- completed technical studies, including an accurate noise impact assessment for relevant dwellings undertaken consistent with the requirements of the Noise Assessment Bulletin;
- a visual assessment of the project in accordance with the Visual Assessment Bulletin, and, in particular, an analysis of the project against the performance objectives as well as photomontages showing the impacts at highly affected dwellings (subject to access considerations);
- details of community consultation undertaken, including any steps taken to check that the views and input of potentially affected people and groups have been faithfully and accurately captured and considered, and / or explain how their views and inputs have been taken into account;
- consultation with landowners with regards to impacts and mitigation, including negotiated agreements (subject to confidentiality considerations); and
- description of the measures that will be used to avoid, minimise, mitigate or otherwise manage impacts associated with the project – this should include an assessment of the effectiveness and reliability of the measures and any residual impacts and their acceptability after these measures are implemented.

#### 4.3.3 Micro-siting and environmental envelopes

For technical reasons (for example, geotechnical or access issues arising from detailed terrain surveying, or the discovery of matters of biodiversity or historic and / or Aboriginal cultural heritage importance), there may be the need to relocate wind turbines on site during construction. This is known as 'micro-siting'.

Proponents must consider whether micro-siting is required for the proposed wind energy project and address any proposal for variability in the siting of turbines in the EIS preparation.

Micro-siting may be permitted provided it does not materially increase environmental impacts. Micro-siting that results in revised wind turbine and ancillary infrastructure locations must be consistent with the conditions of the development consent.

The Department will consider granting consent which allows siting of turbines within a development 'envelope'. If a proponent wishes to obtain consent in this format, it must assess the effect of this (including the proposed parameters of the envelope) based on the highest impact scenario in the EIS.

#### 4.3.4 Refurbishment and decommissioning

Once installed, wind turbines typically have an expected operating life of around 20 to 25 years, at which point they are usually refurbished or decommissioned. Some turbines may be decommissioned or refurbished earlier.



Depending on their nature, the refurbishment of turbines may form part of a proposal for wind energy development and may be considered in the assessment and determination of that project. In some instances, the refurbishment or decommissioning of a wind turbine will not require a new DA or a modification of the existing consent, as the terms of the existing consent may authorise the refurbishment or decommissioning. The need for a modification or a new DA should be considered by the proponent in each instance by reference to what is proposed for the refurbishment or decommissioning.

The NSW Government's policy is that a wind energy project owner or operator, and not the 'host' landholder, should be responsible for decommissioning and rehabilitation at the end of life of a wind energy project or a particular turbine. Proponents must identify and address all relevant issues for decommissioning and rehabilitation in their project EIS, and include a commitment that the operator will be responsible for decommissioning and rehabilitation.

Both proponents and host landowners should consider refurbishment, decommissioning and rehabilitation when negotiating landowner agreements. Further information about negotiated agreements can be found in the Negotiated Agreement Advice Sheet at Attachment B.

#### **4.3.5 Noise and health**

While the health impacts of any project are a relevant consideration in the assessment process, the level of assessment will be proportionate to the level of risk. The NSW Government's position on potential health impacts of wind energy projects continues to be informed by the scientific findings of the NHMRC.

In the most recent Statement "*Evidence on Wind Farms and Human Health*" (February 2015), the NHMRC concludes that there is currently no consistent evidence supporting a link between wind energy projects and adverse health outcomes in humans relating to infrasound. However, the NSW Government will continue to monitor contemporary scientific research outcomes to ensure its position reflects robust evidence on any health effects, including any advice released from the National Wind Farm Commissioner and the Independent Scientific Committee.

#### **4.4 Assessment**

As with all SSD proposals, the consent authority will undertake a comprehensive assessment of the specific impact of each proposed wind energy project on its merits, as required by Section 79C of the EP&A Act.

Matters that a consent authority will consider when determining a wind energy project DA include, for example:

- suitability of the site for the wind energy project;
- submissions made by the local community, stakeholders and government authorities;
- the likely environmental, social and economic impacts of the construction, operation and decommissioning of the wind energy project in the locality;

- the relevant provisions of any environmental planning instrument (for example, LEP, SEPP) which regulates the permissibility of types of development in certain areas or provides other legally binding development requirements;
- the public interest which includes consideration of the objects of the EP&A Act and, in particular, the principles of ecologically sustainable development;
- the strategic context and alignment with relevant Government policies; and
- the assessment issues outlined in section 3.

Consideration will be given to the public interest in increasing the supply of renewable energy. For example, in the Taralga court case<sup>3</sup>, the Land and Environment Court considered the broad public interest in the establishment of viable renewable energy sources.

As often occurs for other SSD projects, the Department and the consent authority will consider the following in the assessment and determination of wind energy projects:

- existing development in the vicinity of the wind energy project, including dwellings;
- approved development within the vicinity of the wind energy project, including dwellings, that are approved but yet to be constructed or are under construction;
- development within the vicinity of a wind energy project for which a development application has been lodged, including with councils, but a determination is yet to be made; and
- existing dwelling entitlements on land within the vicinity of the wind energy project.

#### **4.5 Determination and conditions of consent**

Following assessment of a wind energy development application, the consent authority will determine whether the project should be approved on its merits. This will include consideration of whether the project could be approved subject to conditions that will mitigate impacts to an acceptable level.

If consent is granted, it will be subject to a range of conditions for managing the impacts of the project. The conditions may require, for example:

- obligations to meet a performance outcome or objective;
- obligations to implement specific mitigation measures;
- obligations to monitor actual versus predicted impacts;
- obligations to monitor the effectiveness and outcomes of any mitigation strategies in accordance with agreed performance indicators and implement adaptive management strategies where required; and
- reporting and auditing requirements, including by requiring reporting of data.

Adaptive management frameworks can be implemented through conditions so as to require proponents to report to the Department, and publicly, against outcomes. If strategies are not meeting the required outcomes, adaptive management conditions can require proponents to propose new strategies to meet the outcomes.

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<sup>3</sup> *Taralga Landscape Guardians Inc v Minister for Planning and RES Southern Cross Pty Ltd (2007) 161 LGERA 1.*



The conditions may also require additional mitigation measures to be implemented, amendments to the project (such as deletion or re-siting of turbines), and / or as a last resort 'voluntary acquisition' for significantly affected landholders. Any voluntary acquisition process can only be initiated by the land owner and not the proponent.

Development consent conditions relating to acquisition requirements will only be imposed where all other reasonable and feasible mitigation measures have been considered, and the consent authority is satisfied that the economic, social and environmental benefits of the project outweigh its adverse impacts.

Alternatively, the consent authority may conclude that the benefits of the project do not outweigh its impacts, and the project will be refused.

## **5. Community and stakeholder consultation**

### **5.1 Importance of consultation**

Early, meaningful and innovative community consultation, demonstrating an ongoing commitment to providing clear information and ensuring opportunities for genuine input, is important to delivering good planning outcomes.

The Department routinely requires early consultation for a range of SSD projects. Earlier and better consultation has a range of benefits for communities and proponents, including:

- informing the community about the project and the strategic context;
- gathering valuable knowledge from the community; and
- establishing relationships between the proponent and the community.

It also enables communities to be engaged when there are real opportunities to influence projects and decisions, such as at the siting and design stage.

Proponents should undertake a comprehensive, detailed and genuine community consultation process throughout the assessment process, including at the siting and pre-lodgement stage. The process should ensure there is active engagement with communities potentially affected by a wind energy project as early as possible, so that they are sufficiently informed regarding possible impacts and given reasonable opportunities to provide their views on the proposal.

Consultation should be aimed at identifying and considering options for eliminating, reducing or otherwise managing impacts, not merely informing communities on the proposed layout. Proponents should seek, as far as practicable, to address landowner issues before lodging a DA for an SSD wind energy project. This should include agreements in relation to land access and appropriate responses to the concerns and impacts on other potentially affected landowners.

This Guideline outlines key stages for consultation and issues to be addressed including:

- assisting **landholders and communities** to understand wind energy development, the development assessment process, how a proposal may affect them, and appropriate stages at which community consultation should be undertaken; and
- assisting **proponents** to address community concerns regarding the design, development, construction, operation and decommissioning of wind energy facilities, in a transparent way.

This Guideline and relevant Assessment Bulletins, including the Community Consultative Committee Guidelines for state significant projects (the CCC Guidelines), provide direction on effective and mutually-beneficial ways to deliver meaningful community consultation and impact management options for wind energy proposals. The CCC Guidelines are referenced in the standard SEARs for wind energy development.

## **5.2 When and whom to consult**

Proponents should engage in consultation at all stages of wind energy project development, including siting and design, planning and EIS, construction, operation, decommissioning, and rehabilitation phases. The nature and extent of consultation that is appropriate will depend on the circumstances of the project and the stage of development which the wind energy project has reached. It is important that when identifying affected people and groups, that an inclusive approach is taken that recognises that different perspectives may exist within a community (for example differences in ages, gender, income, etc). The principles of ecologically sustainable development also require that the impacts of a project on future generations to be considered.

Overall, the level and types of engagement required will depend on the project context, including:

- the size of the locality likely to be affected;
- how diverse the potentially affected people and groups are;
- the range and types of issues involved; and
- the needs of particular audiences (for example, cultural appropriateness, capacity to participate).

Community and other stakeholders who should be consulted may include:

- the community, in relation to landscape values, as required by the Visual Assessment Bulletin;
- owners and occupiers of land proposed to host wind turbines or related infrastructure, owners and occupiers of land required for access during construction and/or maintenance, or landowners who have reached a financial or in-kind agreement in relation to the proposal (associated properties);
- landowners who have not reached a financial or in-kind agreement in relation to the proposal (non-associated properties);
- organisations representing local, regional, State, national and international interests regarding business, community, indigenous and environmental issues;
- relevant local council(s), including neighbouring councils where proposals are located in or affect more than one local government area; and
- stakeholders of other significant infrastructure near the proposed wind energy site.



The Department will consider the impacts of a proposal on all properties. In some instances, a private agreement may be negotiated and voluntarily entered in to between a proponent and a landowner to manage some or all impacts on that property.

The standard SEARs for SSD wind energy projects outline the **minimum** consultation requirements for SSD wind energy projects during the assessment process. However, there is significant value in proponents engaging in innovative ways with affected communities and other stakeholders in the initial stages of the project, including before SEARs are requested.

#### **5.2.1 Shared benefits and negotiated agreements**

The Department recognises that proponents and landholders should be free to discuss matters which are relevant to their circumstances. The Department considers that agreements with landholders and local communities provide opportunities for them to share in some benefits from the location of the wind energy project and for the proponent to enhance the community support for its project.

‘Benefit sharing’ aims to distribute benefits generated by a project between the proponent and the community through mutually agreed opportunities. Whilst this is not required under the NSW planning system there are a number of different mechanisms for creating and utilising benefit sharing opportunities, and priority should be given to initiatives that deliver public benefit, particularly in areas in the vicinity of the project. For example, it is not uncommon for proponents of SSD developments in a particular community to establish a community enhancement fund to sponsor particular community projects or community groups, such as the provision of grants or contributions to infrastructure.

Community enhancement funds are often set up and administered by developers for various types of industrial developments in rural locations. The preferred means of administering community enhancement funds is under a voluntary planning agreement with the relevant local council/s, and proponents for wind energy projects could consider similar initiatives in the context of their projects. Governance arrangements for the voluntary planning agreement could be administered under section 355 of the *Local Government Act 1993*.

Where impacts are more specific to identifiable landholders, it may be appropriate for proponents and landholders to negotiate agreements regarding the management of those impacts. Some specific wind energy impacts are described in section 3. It is up to proponents and landholders to agree what is appropriate to manage impacts (including at different stages of the project’s life) in their particular circumstances. Further information about negotiated agreements can be found in the Negotiated Agreement Advice Sheet at Attachment B.

The consent authority will carry out an assessment of all relevant issues for a wind energy project. A landholder arrangement may provide a useful way of managing one or more of these issues for the landholder’s property.

### 5.3 Example of a consultation model

The consultation process should address the key matters that will be considered in the assessment and determination of wind energy projects outlined in section 3 above. Table 1 provides some guidance for proponents to structure community and landholder consultation.

**Table 1. Community and landholder consultation stages**

Project Stage	Consultation
Scoping and pre-lodgement of request for SEARs	<p>Consult with potentially affected stakeholders to identify the constraints and opportunities of the project area. Consultation could involve engagement on the values the wider community place on those attributes, and should inform the siting and design process.</p> <p>Engage with the community in the identification of landscape values, as required by the <i>Wind Energy: Visual Assessment Bulletin</i>.</p> <p>Engage with landholders about the proposed project area, likely corridors for development, or preliminary turbine layouts, access routes and potential location of ancillary infrastructure (consider “associated properties” and “non-associated properties”). Listen to the community’s concerns and suggestions. Discuss noise, visual impact, proposed siting and alternatives.</p> <p>Discuss issues for landholder agreement if project is approved including siting and micro-siting, access, compensation, responsibility for decommissioning and rehabilitation.</p>
EIS preparation and assessment and evaluation of impacts	<p>Establish and operate a Community Consultative Committee (CCC).</p> <p>Identify and appropriately respond to community concerns in the EIS.</p> <p>Public exhibition will provide a formal opportunity for stakeholders to express their views on the proposed project.</p> <p>Further collaborate with the community regarding solutions and management options for any key issues raised.</p> <p>Seek to reach an agreed position with relevant landholders.</p> <p>Consider opportunities for benefit sharing.</p>

<b>Project Stage</b>	<b>Consultation</b>
Post-determination (if approved)	<p>Finalise remaining landholder agreements post-approval but prior to commencing work.</p> <p>Ongoing consultation with landholders and the community to manage issues regarding construction noise and disturbance.</p> <p>Implement appropriate opportunities for benefit sharing.</p> <p>Community complaints line to be maintained.</p> <p>Maintain operation of the CCC.</p> <p>Comply with any requirements to publish performance results via the project website.</p> <p>Responsibility for decommissioning and rehabilitation will have been determined through the landholder agreements and the conditions of consent.</p>

## **6. Post approval regulation**

The regulation of SSD wind energy project construction, operation, decommissioning and rehabilitation is primarily coordinated by:

- the Department, to ensure compliance with development consent conditions; and
- the EPA, to ensure compliance with EPL conditions.

If development consent is granted for a SSD wind energy project, the conditions of consent will continue to apply to the project and the land on which it is located throughout its life. The responsibility for compliance with the conditions of consent under the EP&A Act falls to the person carrying out the development.

Development consent conditions will likely include matters such as:

- operational noise limits;
- a Noise Compliance Report to demonstrate compliance with the noise limits following commissioning;
- visual impact mitigation, such as screening at affected dwellings;
- road upgrades and maintenance requirements;
- a traffic management plan including designated transport routes for over-sized vehicles;
- implementation of a biodiversity offsets strategy;
- measures to prevent water pollution;
- an Aboriginal Heritage Management Plan to be prepared and implemented in consultation with the local Aboriginal community;
- obligations to manage risks associated with aviation, bushfire, and telecommunications, in consultation with the relevant authorities;
- adaptive management strategies;
- decommissioning and rehabilitation of the site;
- establish and operate a CCC for the project; and
- requirements for regular monitoring and reporting of the environmental performance of the project over time.

## **7. Compliance**

The Department's regional compliance teams are responsible for monitoring compliance with the conditions of consent for approved wind energy projects, including following up suspected breaches reported by members of the public. The general email for reporting suspected breaches is [compliance@planning.nsw.gov.au](mailto:compliance@planning.nsw.gov.au). Further details can be found on the Department's website at [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au).

The compliance team also undertakes periodic audits of approved or operating wind farms.

Proponents are also required to establish and operate a complaints handling system which is required through a condition of consent as part of the approval of a project.

The EPA is responsible for regulating the environmental impacts from the operation of wind turbines. The EPA's pollution hotline is 131 555.

Additionally, the National Wind Farm Commissioner holds an independent role and has been appointed by the Australian Government, reporting to the Minister for the Environment. The Commissioner's role is to receive and refer complaints from concerned community residents about wind farms, as well as promote best practices for industry and government to adopt in regard to the planning and operation of wind farms. Details for the National Wind Farm Commissioner can be found at [www.nwfc.gov.au](http://www.nwfc.gov.au)



## Attachment A – Assessment pathways for wind energy projects

The table below provides a general overview of wind energy project categories and planning assessment pathways. Large-scale SSD wind energy developments to which this Guideline applies are shaded in blue.

**Table 2. Overview of wind energy categories and planning assessment pathways**

CIV and output criteria	Environmental Planning Instrument	Development category	Consent authority
CIV less than \$5M and output less than 30 MW	Infrastructure SEPP	Local Development	Local Council
CIV \$5-30M and output less than 30 MW	Infrastructure SEPP Schedule 4A, EP&A Act	Regional Development	Joint Regional Planning Panel
CIV less than \$5M and output 30 MW +	Infrastructure SEPP Schedule 3, EP&A Reg	Local Development and Designated Development	Local Council
CIV \$5-30M and output 30 MW +	Infrastructure SEPP Schedule 4A, EP&A Act Schedule 3, EP&A Reg	Regional Development and Designated Development	Joint Regional Planning Panel
CIV \$30M or more*	SRD SEPP	SSD	Planning Minister or delegate (Planning Assessment Commission or senior departmental officer)
CIV \$30M or more* and output 30 MW +	SRD SEPP Schedule 3, EP&A Reg	SSD (with some "designated development" legal consequences)	Planning Minister or delegate (Planning Assessment Commission or senior departmental officer)

\* If proposed in an environmentally sensitive area of State significance, the CIV threshold is \$10M or more.

## **Attachment B – Negotiated Agreements Advice Sheet for wind energy projects**

The planning system allows proponents and landowners to enter into negotiated agreements to manage exceedances of the relevant assessment criteria as well as decommissioning and removal of turbines at the cessation of operation. Agreements can:

- be specifically tailored to the individual circumstances of the landowner; and
- provide for the implementation of a broader suite of measures, such as financial compensation, acoustic treatments to buildings, landscaping and screening, and arrangements for decommissioning and rehabilitation of the site.

Proponents must ensure that landowners are properly informed of the implications of entering into such agreements, and have a good understanding of the nature and scale of the predicted impacts, through the provision of relevant noise and visual impact predictions.

To ensure these agreements are effective, it is also important to ensure that they comply with certain minimum standards. Negotiated agreements must:

- be enforceable in a court of law;
- remain in force for at least the duration of any predicted exceedance of the relevant assessment criteria;
- provide for the transfer of obligations to any new owner of the wind energy development if the wind energy development is subsequently sold;
- provide for the transfer of obligations to any new landowner if the subject property is subsequently sold;
- clearly identify the scope of any impacts which are the subject of the agreement;
- should not prevent a landholder from raising concerns about breaches of an approval other than those they have agreed to accept;
- provide for ongoing monitoring (if required); and
- provide for a means of resolving disputes.

Finally, the proponent should bear all reasonable costs, including the landowner's costs for independent advice, associated with either entering into the agreement or understanding the implications of the agreement.



For more information about Wind Energy Guideline  
visit [planning.nsw.gov.au/Policy-and-Legislation/Renewable-Energy](https://planning.nsw.gov.au/Policy-and-Legislation/Renewable-Energy)



## REPORT: Draft Planning Proposal Policy - Results of Public Exhibition

**DIVISION:** Development and Environment  
**REPORT DATE:** 13 October 2022  
**TRIM REFERENCE:** ID22/1880

### EXECUTIVE SUMMARY

<b>Purpose</b>	Adopt a policy	
<b>Issue</b>	<ul style="list-style-type: none"><li>The Infrastructure, Planning and Environment Committee at its meeting on 11 August 2022, considered a draft Planning Proposal Policy for the purposes of public exhibition.</li><li>The Policy provides advice to the community on Planning Proposal categories, the application of Council's tiered fee structure, and the requirement for pre-lodgement/scoping meetings to be undertaken. The Policy was also updated in response to the Department of Planning and Environment's Local Environmental Plan Making Guideline, which established new procedures for assessing a Planning Proposal.</li><li>The draft Policy was placed on public exhibition from Wednesday 31 August 2022 to Friday 30 September 2022. Council received one submission during the public exhibition period.</li><li>The policy has been updated in response to the submission (attached in <b>Appendix 1</b>).</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>Environmental Planning and Assessment Act, 1979.</li><li>NSW Government Department of Planning and Environment – Local Environmental Plan Making Guideline.</li></ul>	
<b>Financial Implications</b>	Budget Area	There are no financial implications arising from this report.
<b>Policy Implications</b>	Policy Title	Planning Proposal Policy, adopted in February 2021.
	Impact on Policy	The Policy will be updated to reflect: <ul style="list-style-type: none"><li>the fee structure and timing of payments in response to the fees and charges adopted for the 2022/2023 financial year.</li><li>pre-lodgement/scoping meetings being mandatory.</li></ul>

**STRATEGIC DIRECTION**

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme:	4 Leadership
CSP Objective:	4.1 Council provides transparent, fair and accountable leadership and governance
Delivery Program Strategy:	4.1.1 Council encourages and facilitates two-way communication with and between stakeholders and the community

**RECOMMENDATION**

1. That Council note the submission received during the public exhibition period (attached in Appendix 2).
2. That the draft Planning Proposal Policy (attached in Appendix 1) be adopted and replace the existing Planning Proposal Policy.

*Stephen Wallace*  
Director Development and Environment

*TH*  
Team Leader Growth  
Planning Projects

## BACKGROUND

### 1. Previous Resolutions of Council

8 February 2021 Development and Environment Committee	<i>In part</i> 1. That the draft Planning Proposal Policy... be adopted.
11 August 2022 Infrastructure, Planning and Environment Committee	1. That the draft Planning Proposal Policy...be adopted for the purposes of public exhibition. 2. That the draft Planning Proposal Policy be placed on public exhibition for a minimum of 28 days. 3. That following completion of public exhibition, a further report be presented to Council for consideration, addressing the outcomes of public exhibition.
25 August 2022 Ordinary Council Meeting	<i>In part</i> That the report of the Infrastructure, Planning and Environment Committee meeting held on 11 August 2022, be adopted.

### 2. What is a Planning Proposal?

A Planning Proposal is a document that explains the intended effect of, and justification for, a proposed amendment to a Local Environmental Plan (LEP). A Planning Proposal can be prepared by a proponent, however, it must be endorsed by Council and the NSW Government Department of Planning and Environment (DPE) in order to take effect. This process must be undertaken in accordance with Division 3.4 of the Environmental Planning and Assessment Act 1979.

The six key stages related to the making of, or amendment to, a LEP are:

- Stage 1 – Pre-lodgement;
- Stage 2 – Lodgement and assessment;
- Stage 3 – Gateway determination;
- Stage 4 – Post Gateway;
- Stage 5 – Public exhibition and assessment; and
- Stage 6 – Finalisation.

## REPORT

### 1. Reason for updating the Planning Proposal Policy

Given the additional work required in the pre-lodgement phase, Council modified the Planning Proposal fee structure for the 2022/2023 financial year to incorporate payments for pre-lodgement, lodgement and assessment, and final assessment and gazettal. Pre-lodgement was not previously undertaken, and payments were only required for lodgement and assessment, and final assessment and gazettal.

Early engagement in the Planning Proposal process provides the proponent with an opportunity to present and discuss their proposal and obtain Council's advice prior to lodgement. This can identify whether the proposal has strategic merit and resolve planning issues upfront to enable a streamlined LEP making process.

## 2. Format of the draft Policy

The draft Planning Proposal Policy (attached in **Appendix 1**) has been updated to reflect the new fee structure and requirement to undertake pre-lodgement meetings.

The draft Policy includes the following sections:

### (a) Purpose, background and related legislation

The draft Policy identifies the six key stages related to the making of, or amendment to, a LEP, and references the requirements of the NSW Department of Planning and Environment's "Local Environmental Plan Making Guideline – December 2021." This document provides valuable guidance and information on the Planning Proposal process and should be read in conjunction with the draft Planning Proposal Policy.

### (b) Fee structure and timing of payment

The fee structure varies depending on the complexity of a Planning Proposal, and comprises of three separate payments. Payment 1 is to be made at pre-lodgement and prior to the release of the scoping report (Stage 1), Payment 2 is to be made upon lodgement of the Planning Proposal (Stage 2), and Payment 3 is to be made following the issue of a positive Gateway Determination from DPE (prior to commencing Stage 4).

### (c) Planning Proposal categories (minor, standard and complex)

The following Planning Proposal categories are used to determine the appropriate fee:

Category	Description
Minor	An amendment that: <ul style="list-style-type: none"><li>• Corrects an administrative error;</li><li>• Addresses a few minor "housekeeping" amendments; or</li><li>• Is an expedited amendment in accordance with Division 3.4 of the Environmental Planning and Assessment Act, 1979.</li></ul>
Major	An amendment that would require additional resources to assess the greater number of planning considerations presented to Council. A standard Planning Proposal request consists of an amendment that: <ul style="list-style-type: none"><li>• Changes the land use zone and/or minimum lot size of an area;</li><li>• Relates to the addition of a permissible land use and/or any condition arrangements under Schedule 1 of the LEP; or</li><li>• Alters the principal development standards of the LEP.</li></ul>

Category	Description
Complex	<p>An amendment that may not directly align with the strategic direction of the Local Strategic Planning Statement or other local land use strategy, however, this request may offer alternative opportunities for the Local Government Area. A complex Planning Proposal request consists of an amendment that:</p> <ul style="list-style-type: none"><li>• Changes the land use zone and/or minimum lot size of an area, addition of a permissible land use, or principal development standards of the LEP, which would result in a significant increase in demand for supporting infrastructure and infrastructure funding; or</li><li>• Any other amendment/s not categorised as a minor or standard Planning Proposal.</li></ul>

The Planning Proposal category will be confirmed at the pre-lodgement meeting.

(d) Additional considerations

The draft Policy includes information that an applicant may be liable for additional costs involved in the preparation of supporting technical studies. In addition, the Policy also contains information advising that lodgement of a Planning Proposal request does not guarantee an amendment will be made to a Local Environmental Plan.

### 3. Consultation

The draft Policy was placed on public exhibition from Wednesday 31 August 2022 until Friday 30 September 2022. The draft Policy was advertised in the following ways:

Email to development industry stakeholders and members of Council's Housing Reference Group	29 August 2022
Council Customer Experience Centres	31 August 2022 – 30 September 2022
Council website	31 August 2022 – 30 September 2022
Daily Liberal Council Column	31 August 2022, 7, 14, 21 and 28 September 2022

Council received one submission during the public exhibition period (attached in **Appendix 2**).

Submission - Nicole Pridgeon

*Appendix 1 should be updated to include the steps for when the LEP amendment is not delegated to Council.*

The Policy has been updated to include the requested information. Detailed information is also included in the NSW Government Department of Planning and Environment – Local Environmental Plan Making Guideline.





**4. Resourcing Implications**

It is considered that there are no additional resourcing implications associated with the draft Policy. The requirements included in the draft Policy are regular activities associated with Council's consideration of a Planning Proposal.

**5. Next Steps**

Following Council's consideration of the report, those who made a submission be acknowledged and advised of Council's determination. In addition, Council will also publicly advertise adoption of the Policy.

**APPENDICES:**

- 1**  Draft Planning Proposal Policy
- 2**  Submission



DUBBO  
REGIONAL  
COUNCIL

# COUNCIL POLICY

## Planning Proposal Policy

**Date** July 2022

**Council Resolution Date**

**Clause Number**

**Responsible Position** Manager Growth Planning  
**Branch** Growth Planning  
**Division** Development and Environment  
**Version** 4  
**TRIM Reference Number**  
**Review Period** 2 years  
**Review Date** End of Financial Year  
**Consultation**

Document Revision History	
Description	Date
Version 3 – Incorporating a tiered fee structure with 2 payment milestones	8 February 2021
Version 4 – Incorporating a tiered fee structure with 3 payment milestones, and changes to definitions (minor, major, complex)	

## POLICY

### PURPOSE

The purpose of this Policy is to provide guidance to landowners, developers and the community on the application of Council's three-tiered fee structure for the assessment of a planning proposal request. The Policy aims to ensure that the application of the fee structure is delivered in a clear and transparent manner which can be easily interpreted and understood.

### BACKGROUND AND RELATED LEGISLATION

A Planning Proposal is the document that explains the intended effect of, and justification for, a proposed amendment to a Local Environmental Plan (LEP). A Planning Proposal can be prepared by an applicant, however they must be endorsed by Council and the NSW Government Department of Planning and Environment (DPE) in order to take effect. This process must be undertaken in accordance with Division 3.4 of the Environmental Planning and Assessment Act 1979.

This Policy should be read in conjunction with:

- Environmental Planning and Assessment Act 1979
- DPE's *"Local Environmental Plan Making Guideline"*

Council, on 27 June 2022, adopted the fees and charges for the 2022/2023 financial year. The document included a revised fee structure for the preparation of an amendment to a local environmental plan as requested by a developer.

### SCOPE

This Policy applies to any owner-led planning proposal request lodged with Council which seeks to amend the Dubbo Regional Local Environmental Plan 2022.

### POLICY

#### 1. Stages in the planning proposal

The six key stages related to the making of an LEP are:

- Stage 1 – Pre-lodgement
- Stage 2 – Lodgement and assessment
- Stage 3 – Gateway determination
- Stage 4 – Post Gateway
- Stage 5 – Public exhibition and assessment
- Stage 6 – Finalisation

Pre-lodgement is not a legislative requirement, however Council requires it to be undertaken.

## 2. Fee structure and timing of payment

Council plays a key role in the assessment and processing of Planning Proposal requests. To cover the costs associated with the assessment and processing of a planning proposal request, Council has adopted a new tiered fee structure.

Each fee comprises of three separate payments. Payment 1 is to be made at pre-lodgement and prior to the release of the scoping report (stage 1), Payment 2 is to be made upon lodgement of the planning proposal (stage 2), and payment 3 is to be made following the issue of a positive Gateway Determination from DPE (prior to commencing Stage 4).

A copy of the LEP making process is provided in **Attachment 1**.

## 3. Planning Proposal categories

A pre-lodgement meeting will confirm the Planning Proposal category.

The fee structure varies depending on the complexity of a Planning Proposal. The following Planning Proposal categories are used to determine the appropriate fee:

### i) Minor Planning Proposal

A minor Planning Proposal request consists of an amendment that:

- Corrects an administrative error
- Is a “housekeeping” amendment. A housekeeping amendment is an amendment with the intent of correcting minor errors or inconsistencies, including spelling, mapping, labelling or administrative errors which do not alter planning controls or principal development standards
- Is an expedited amendment in accordance with Division 3.4 of the Environmental Planning and Assessment Act 1979
- Relates to the classification or reclassification of land where the Governor’s approval is not required

### ii) Standard Planning Proposal

A standard Planning Proposal request consists of an amendment that:

- Changes the land use zone and/or minimum lot size of an area
- Relates to the addition of a permissible land use and/or any conditional arrangements under Schedule 1 of the LEP
- Alters the principal development standards of the LEP
- Relates to the classification or reclassification of public land through the LEP

A standard Planning Proposal request may require additional resources to assess the greater number of planning considerations presented to Council. A standard Planning Proposal request must clearly demonstrate strategic merit by giving effect to the Dubbo Regional Local Strategic Planning Statement or other local land use strategy.

iii) Complex Planning Proposal

A complex Planning Proposal request consists of an amendment that:

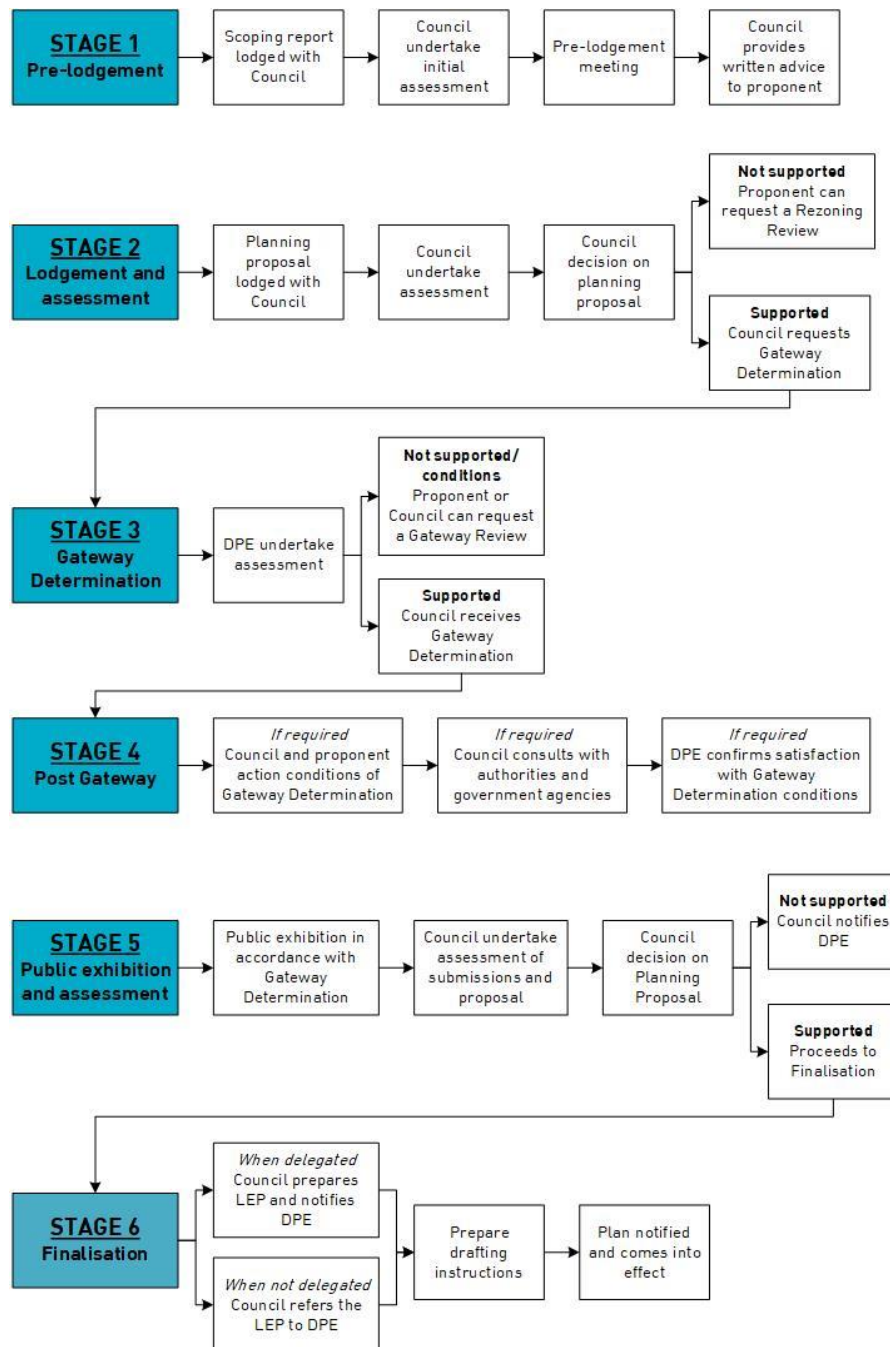
- Changes the land use zone and/or minimum lot size of an area, addition of a permissible land use, or principal development standards of the LEP, which would result in a significant increase in demand for supporting infrastructure and/or infrastructure funding
- Any other amendment/s not categorised as a minor or standard planning proposal

A complex Planning Proposal request may not directly align with the strategic direction of the Dubbo Local Strategic Planning Statement or other local land use strategy, however, this request may offer alternative opportunities for the Local Government Area. This type of request would require Council to prioritise a concurrent review of relevant strategic land use plans.

**4. Additional considerations**

The Applicant is liable for all costs associated with preparing a Planning Proposal request, including any technical study that may be required to support this request. It should be noted that lodgement of a Planning Proposal request with Council does not guarantee that the request will result in an amendment to an LEP.

## Attachment 1 – Local Environmental Plan Making Process



**From:** [REDACTED]  
**Sent:** Friday, 16 September 2022 8:39 PM  
**To:** Dubbo Regional Council  
**Subject:** SUBMISSION - DRAFT PLANNING PROPOSAL POLICY FILE20/194

**⚠ CAUTION:** This email came from outside the organisation. Be cautious clicking links and do not open attachments unless they are expected.

The following information has been submitted from the Dubbo Regional Council:

<b>First name:</b>	Nicole
<b>Surname:</b>	Pridgeon
<b>Residential address:</b>	[REDACTED]
<b>Contact number:</b>	[REDACTED]
<b>Email:</b>	[REDACTED]
<b>Written submission:</b>	In Appendix 1, Step 6 (finalisation). Recommend including the alternate steps for when the LEP amendment is not delegated to Council.
<b>File Upload:</b>	



## REPORT: Event Assistance Program - 2022/2023 - Round 1 Community Events Fund and Destination Events Fund.

**DIVISION:** Community, Culture and Places  
**REPORT DATE:** 4 October 2022  
**TRIM REFERENCE:** ID22/2070

### EXECUTIVE SUMMARY

Purpose	Seek endorsement	Adopt funding
Issue	<ul style="list-style-type: none"><li>Provide Council with the determination of funding based on applications received under the 2022/2023 Event Assistance Program – Round 1 of the Community Events Fund and the Destination Events Fund.</li></ul>	
Reasoning	<ul style="list-style-type: none"><li>All applications were assessed individually by members of the assessment panel and in line with the Event Assistance Program’s guidelines.</li></ul>	
Financial Implications	Budget Area	Regional Events
	Funding Source	Operational budget
	Proposed Cost	\$48,358
	Ongoing Costs	As per the Financial Assistance Policy and annual Regional Events funding budget.
Policy Implications	Policy Title	Financial Assistance Policy
	Impact on Policy	Alignment
Consultation	Regional Events	Broad and targeted communications of opportunity to apply for funding under Round 1 of the Community Events Fund and the Destination Events Fund.

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 3 Economy  
CSP Objective: 3.1 Visitor economy growth is supported  
Delivery Program Strategy: 3.1.2 Events that foster cultural, recreational and community interaction are supported



**RECOMMENDATION**

**That each applicant be advised of the outcome of their application in accordance with the Financial Assistance Policy.**

*Jane Bassingthwaighe*  
Director Community, Culture and Places

*KH*  
Manager Regional Events

## BACKGROUND

Council's 2022/2023 Event Assistance Program comprises of the following:

### Community Events Fund

To assist not-for-profit events that deliver social and cultural benefits to the Dubbo Region LGA. Organisers must demonstrate that the events are to be attended or appeal to a broad section of the community and provide an entertainment or engagement value. Events that provide a specific cultural or social outcome aligned with the 2040 Community Strategic Plan are also considered highly.

Applications for funding up to \$3,000 are invited under two annual rounds.

### Destination Events Fund

To assist events that deliver significant economic or reputational benefits to the Dubbo Region LGA.

Applications for funding up to \$10,000 are open annually.

## REPORT

This report relates to:

Round 1 of the Community Events Fund which opened on 27 July and closed 2 September for applications up to \$3,000. Events applying under Round 1 must be not-for-profit and held prior to 30 June 2023.

Destination Events Fund which opened on 27 July and closed 2 September for applications up to \$10,000. Events applying under this Fund must be held between 1 January and 31 December 2023.

### **Consultation**

- The opportunity to apply for funding was communicated directly to a database local event organisers (Dubbo Region Events Network) via email and social media.
- Invitations were invited over 5 weeks and broadly communicated via eDMs, social media, print advertising and radio editorial.

### **Resourcing Implications**

- Funding in the amount of \$52,000.00 is available under Council's Regional Events Branch's operational budget:

Community Events	\$10,000
Destination Events	\$42,000

Total Financial Implications	Current year (\$)	Current year + 1 (\$)	Current year + 2 (\$)	Current year + 3 (\$)	Current year + 4 (\$)	Ongoing (\$)
a. Operating revenue	0	0	0	0	0	0
b. Operating expenses	\$48,358	0	0	0	0	0
c. Operating budget impact (a – b)	-\$48,358	0	0	0	0	0
d. Capital Expenditure	0	0	0	0	0	0
e. Total net impact (c – d)	0	0	0	0	0	0
Does the proposal require ongoing funding?			Yes, in line with the Financial Assistance Policy			
What is the source of this funding?			Regional Events Operating Budget			

**Table 1.** Ongoing Financial Implications

### Assessment

An assessment panel comprising of the Executive Officer Strategic Partnerships and Engagement; Executive Officer Community Culture and Places and Executive Officer Organisational Performance assessed each application in line with the Program's terms, conditions and guidelines via Council's Smarty Grants Program. To be eligible for funding the average score of the applicant must be 50% or more.

### Community Events Fund

Community events fund applications totalled \$20,626 with \$10,000 available for distribution.

<b>Community Events Fund (Available \$10,000)</b>	<b>Application</b>	<b>Determination</b>
Wellington Show	\$3,000.00	\$3,000.00
Global Fusion	\$2,500.00	\$2,500.00
Stuart Town Carols by Candlelight	\$2,500.00	\$1,000.00
Man from Ironbark Festival	\$3,000.00	\$2,500.00
NSW Production Sedan Titles	\$3,000.00	\$1,000.00
Lebanese Film Festival *	\$1,196.00	Nil
One Eye Film Festival *	\$3,000.00	Nil
Central West Interclub Triathlon Series	\$1,100.00	Nil
Michael Egan Book Fair	\$1,330.00	Not eligible
	<b>\$20,626.00</b>	<b>\$10,000.00</b>

\*Events will be referred to the Cultural team for potential funding via SPARC depending on funding and criteria is met.

Council received an application to fund Wellington's Clean Up Australia Day activity. As per the previous funding round, the application was not considered as it does not align with the

aims of the Community Events Fund: events that have broad community appeal and provide entertainment/engagement value. The applicant was referred to Council's Financial Assistance Program as this Program assists projects/services that deliver social, cultural or environmental benefits.

Available funds for Community Events fund has been expended in Round 1, therefore Round 2 will not be open to the public in early 2023.

#### Destination Events Fund

Destination events fund applications totalled \$61,938.00 with \$42,000 available for distribution.

<b><i>Destination Events Fund (Available \$42,000)</i></b>	<b>Application</b>	<b>Determination</b>
Dubbo MotorFest	\$2,000.00	\$2,000.00
Burrendong Easter Fishing Classic	\$10,000.00	\$5,000.00
Western District Ladies Golf Tournament	\$2,030.00	\$2,030.00
Dubbo Winter Whisky Festival	\$10,000.00	\$4,000.00
Wellington Rotary Vintage Fair	\$9,908.00	\$5,000.00
Easter Showdown	\$8,000.00	\$1,000.00
City of Dubbo Eisteddfod	\$10,000.00	\$10,000.00
PSSA Boys Cricket *	\$4,327.57	\$4,327.57
RSNCA National Finals	\$10,000.00	\$5,000.00
	<b>\$66,265.57</b>	<b>\$38,357.57</b>

\*PSSA application has been moved from community events to destination Events Fund (which was applied for in error).

Determination of allocated amount have been based on independent panel scores, fees returned to council and significant outcomes to the community.

The balance of unspent funding \$3,642.43 be transferred to Destination Events Fund – Stream 2 to meet any funding applications for events delivering significant economic/reputational benefits held prior to 30 June 2022.

#### **Planned Communications**

- Each applicant will be contacted via email and advised of the outcome of their application.
- All funding will be covered via an agreement whereby the applicant agrees to terms and conditions as set under the Event Assistance Program.

#### **Timeframe**

Key Date	Explanation
28 October 2022	Applicants advised of the outcome of their applications
31 December 2022	All funding provided to applicants and funding agreements duly executed

#### **Next Steps**

- Advisement to successful applicants of funding outcomes



## REPORT: Results of Public Exhibition - Draft Social Media Policy

**DIVISION:** Strategy, Partnerships and Engagement  
**REPORT DATE:** 4 October 2022  
**TRIM REFERENCE:** ID22/2073

### EXECUTIVE SUMMARY

<b>Purpose</b>	Seek endorsement                      Adopt a policy	
<b>Issue</b>	<ul style="list-style-type: none"><li>The Public Exhibition period has closed, a further report to Council was required.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>Submissions were considered.</li><li>If adopted, the Draft Social Media Policy will replace the former Social Media – Public Official (Councillor) Policy.</li></ul>	
<b>Financial Implications</b>	Budget Area	There are no financial implications arising from this report.
	Funding Source	N/A
	Proposed Cost	N/A
	Ongoing Costs	N/A
<b>Policy Implications</b>	Policy Title	Social Media – Public Official (Councillor)
	Impact on Policy	If adopted, the Policy will be replaced by the Social Media Policy.

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme:	4 Leadership
CSP Objective:	4.1 Council provides transparent, fair and accountable leadership and governance
Delivery Program Strategy:	4.1.1 Council encourages and facilitates two-way communication with and between stakeholders and the community
Theme:	4 Leadership
CSP Objective:	4.2 The resources of Council are sustainably managed
Delivery Program Strategy:	4.2.2 Technological capabilities meet the requirements of Council and the community

**RECOMMENDATION**

- 1. That the amendments to the Draft Social Media Policy be noted, including the clarification and definitions of; 'Council official', 'Council-corporate social media account'.**
- 2. That the submitters be thanked for their submissions and advised of the outcome of the Pubic Exhibition.**

*NC*  
Director Strategy,  
Partnerships and  
Engagement

## BACKGROUND

### Previous Resolutions of Council

28 July 2022	<ol style="list-style-type: none"><li>1. That the Draft Social Media Policy, as attached at Appendix 1 of the report, be placed on Public Exhibition for a period of 28 days, inviting the public to make submissions.</li><li>2. That on completion of the Public Exhibition period a further report be provided to Council.</li></ol>
25 October 2021	That the Social Media Policy – Public Official (Councillor), as attached at Appendix 1 to the report of the Manager Corporate Image and Communications dated 15 October, be adopted.

Dubbo Regional Council adopted the current Social Media Policy – Public Official (Councillor) in October 2021. The Office of Local Government released a Model Social Policy Circular 22-08 to Councils on 7 April 2022 advising that they have developed a Model Social Media Policy. The model policy was developed following two rounds of consultation with the local government sector and represents a ‘best practice’ approach. Whilst not mandatory for councils, the option is available for councils to adapt this model policy to suit their own purposes.

Council staff revised the current Social Media Policy for Councillors, and made amendments in line with the recently released Office of Local Government (OLG) Model Social Media Policy. Following Council endorsement this revised draft policy was placed on Public Exhibition.

## REPORT

A revised Draft Social Media Policy is attached as **Appendix 1**. Amendments to the policy have been identified in green font.

The policy has been developed to;

- provide Council will a robust framework for the administration and management of their social media platforms.
- set standards of conduct for all council officials who use social media in their official capacity.

### Consultation

- The Draft Social Media Policy was placed on Public Exhibition until close of business 5pm, Friday 26 August 2022. Written and electronic submissions were invited during the public exhibition period.
- Three submissions were received, a copy of the submissions are provided as **Appendix 2**.
- A summary of the submissions has been provided below, alongside Council’s response.

Comments – Submitter	Council Response	Resulting Update in Policy
In principle support of the draft Policy (1)	Noted.	No.
Will Councillors have to declare who is currently blocked on their accounts and the reasons for doing so? (1)	The policy does not require Councillors to declare such information. Refer to Clause 3.2 “Councillors are responsible for the administration and moderation of their own social media platforms (in accordance with Parts 3 and 5 of this policy)...”	No
(If yes) will they have to unblock those people and provide the relevant warning when breaches occur again? (1)	As above.	No
Will there be an updated record of Councillors block lists for the CEO to ensure that no one is banned for more than 12 month (with exceptions) (1)	As above, record keeping and adherence to the Policy is the responsibility of the social media account owner. Refer to Clause 3.2 “Councillors are responsible for the administration and moderation of their own social media platforms (in accordance with Parts 3 and 5 of this policy)...”	No
There should be an appropriate acknowledgment in the policy that the policy, to the extent it purports to limit councillor’s ability to engage in political discussion (for example by prohibiting conduct that might be “offensive” and restricting the discussion of code of conduct matters) that it is subject to the implied freedom of political communication recognised in the Australian constitution. (2)	Not considered as part of the Model Social Media Policy	No



The part concerned with blocking and banning is somewhat confusingly worded and incomplete. (suggested additions) (2)	Considered, definitions have been added and specified throughout to provide further clarity.	Yes
All Councillors should be accountable for actions, comments and communication on their social media pages; Councillors should be transparent and truthful on their social media pages (3)	Noted.	No.
Councillors should not block people on their social media pages for disagreement/s in the Councillors opinion/s only (communication should occur with the person before blocking) (3)	Noted, refer to Clauses 5.11 to 5.20 under Block or Banning.	Yes
Councillors should not and or encourage friends, family or other/s to make fake profile accounts (3)	Noted.	No.
Councillors should communicate any disagreement and blocking to the person indicated and to give the person a fair chance to respond in a respectful way (on both accounts) (3)	Clause 5.17 addresses this comment.	No
Councillors who have previously blocked people should unblock and give people a fair chance under the new social media code. (3)	The policy does not require Councillors to so. Refer to Clause 3.2 "Councillors are responsible for the administration and moderation of their own social media platforms (in accordance with Parts 3 and 5 of this policy)..." and Clauses 5.11 to 5.20 under Block or Banning.	No  The policy does not require Councillors to declare such information.

### Resourcing Implications

- Monitoring of Policy adherence and any resulting action required will likely have some impact to Governance staff resources however it is expected this will be managed within existing resources levels.
- The CEO will be required to undertake investigations as per policy following any formal complaint.
- Ongoing reviews of the policy must be conducted at a minimum of three year intervals or as legislation changes and this will occur within existing resources and engaging with Local Government NSW for specific advice.

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**Options Considered**

Submissions has common themes of seeking clarity

**Preferred Option**

- That the Draft Social Media Policy attached as **Appendix 2**, be adopted.

**Planned Communications**

- Pending the adoption of the Policy; all staff, including Councillors made aware of the outcome and provided with access to a copy of the Policy.
- Pending the adoption of the Policy; the community be made aware of the outcome with the Policy uploaded to the website (www.dubbo.nsw.gov.au under the A-Z Council Policy page)
- Submitters acknowledged and advised of outcome.

**Timeframe**

Key Date	Explanation
WC 31 October 2022	Pending adoption new revised Policy uploaded to website. Submitters acknowledged and advised of outcome.

**APPENDICES:**

- 1 [🔗](#) Final Draft - Council Policy - Social Media



# COUNCIL POLICY

## SOCIAL MEDIA

**Date** 18 October 2022

**Council Resolution Date**

**Clause Number**

**Responsible Position** Director Strategy, Partnerships and Engagement  
**Branch** Strategic Partnerships and Investment - Communications Services  
**Division** Strategy, Partnerships and Engagement  
**Version** 1  
**TRIM Reference Number**  
**Review Period**

- 3 Years from date of issue; *or*
- as legislation changes

**Review Date** 27 October 2025  
**Consultation** This policy is based on the Office of Local Government's Model Social Media Policy.

Document Revision History	
Description	Date
<b>Notes</b>	

## POLICY

### PURPOSE

This Model Social Media policy is based on the Model Social Media policy published by the Office of Local Government (OLG). The model policy has been developed following two rounds of consultation with the local government sector and represents a 'best practice' approach. The Model Social Media policy provides councils with a robust framework for the administration and management of their social media platforms. It also sets standards of conduct for all council official's and councillors who use social media in their official capacity. It has been developed to be fit-for-purpose in a digital age where innovation and emerging trends are the norm.

The Model Social Media policy recognises that councils use social media differently depending on factors such as a council's size and resources, the demographics of a local government area and council's willingness to engage with their community in this way.

This policy aims to provide a framework by which Council and Councillor's can realise the benefits of social media whilst mitigating the associated risks.

### BACKGROUND AND RELATED LEGISLATION

Dubbo Regional Council is committed to the four Principles of social media engagement which should underpin every aspect of a council's social media activity and all councils, council officials and councillors should commit to upholding them:

- Openness
- Relevance
- Accuracy
- Respect

List of relevant legislation and policy that is related to this policy:

- *Copyright Act 1968*
- *Trade Marks Act 1995*
- *Intellectual Property Laws Amendment Act 2015*
- *Privacy and Personal Information Protection Act 1998*
- *State Records Act 1998*
- *Government Information (Public Access) Act 2009*
- *Local Government Act 1993*
- *Work Health and Safety Act 2011*
- *Dubbo Regional Council Code of Conduct Policy*
- *Dubbo Regional Council Media Policy, and*
- *Dubbo Regional Council Corporate Image and Communications Policy*

## SCOPE

Ap~~art from Part 8, this policy applies to Council corporate social media pages and Councillor social media pages. Part 8 applies to the personal use of social media by council officials and Councillors.~~

The Model Social Policy is structured as follows:

<b>Part 1</b>	Set out the principles of social media engagement for councils	<b>Part 6</b>	Prescribes how councils social media platforms should be used during emergencies
<b>Part 2</b>	Contains two administrative models that councils can adopt in relation to the management of their social media platforms	<b>Part 7</b>	Contains information about records management and privacy requirements relating to social media
<b>Part 3</b>	Details the administrative framework for councillors' social media platforms	<b>Part 8</b>	Relates to <b>personal use</b> of social media by council officials <b>and councillors</b>
<b>Part 4</b>	Prescribes the standards of conduct expected of council officials when engaging on social media in an official capacity or in connection with their role as a council official	<b>Part 9</b>	Provides information about where concerns or complaints about a councils', council officials' or <b>councillors</b> social media platform(s), or the conduct of council officials <b>or councillors</b> on social media, can be directed
<b>Part 5</b>	Provides a framework by which councils can remove or 'hide' content from their social media platforms, and block or ban third parties	<b>Part 10</b>	Definitions

## POLICY

### Part 1 – Principles

- 1.1 Dubbo Regional Council is committed to upholding and promoting the following principles of social media engagement:

<b>Openness</b>	Our social media platforms are places where anyone can share and discuss issues that are relevant to our Council and the community we represent and serve.
<b>Relevance</b>	We will ensure our social media platforms are kept up to date with informative content about our Council and community.
<b>Accuracy</b>	The content we upload onto our social media platforms and any other social media platform will be a source of truth for our Council and community and we will prioritise the need to correct inaccuracies when they occur.
<b>Respect</b>	Our social media platforms are safe spaces. We will uphold and promote the behavioural standards contained in this policy and our Council's code of conduct when using our social media platforms and any other social media platform.

## Part 2 – Administrative Framework for Council’s Social Media Platforms

### Platforms

- 2.1 Council will maintain a presence on the following social media platforms, and may for time to time add or remove/deactivate accounts as determined by the Chief Executive Officer:

Platform	Account	Account
Facebook	Dubbo Regional Council Aquatic Leisure Centres DREAM Festival Dubbo City Dubbo City Animal Shelter/Wellington Pound Dubbo Regional Events Dubbo Region Ignite Dubbo Regional Airport Dubbo Regional Theatre & Convention Centre	Dubbo Visitor Information Centre Keswick Estate Macquarie Regional Library Old Dubbo Gaol The Yard Visit Dubbo + Great Western Plains Wellington Caves Wellington NSW Western Plains Cultural Centre
Instagram	Dubbo Regional Council DREAM Festival Dubbo City Regional Events Dubbo Regional Airport Dubbo Regional Theatre & Convention Centre	Macquarie Regional Library Old Dubbo Gaol The Yard Visit Dubbo + Great Western Plains Wellington Caves Wellington NSW Western Plains Cultural Centre
Twitter	Dubbo Regional Council Dubbo City Dubbo Regional Airport Dubbo Regional Theatre and Convention Centre	Macquarie Regional Library Old Dubbo Gaol Visit Dubbo + Great Western Plains
YouTube	Dubbo Regional Council Dubbo Region Dubbo Region Skills Macquarie Regional Library	Old Dubbo Gaol Visit Dubbo + Great Western Plains Western Plains Cultural Centre
LinkedIn	Dubbo Regional Council	
TikTok	Dubbo Regional Council Old Dubbo Gaol	Western Plains Cultural Centre

- 2.2 Council’s social media platforms must specify or provide a clearly accessible link to the ‘House Rules’ for engaging on the platform.

### Establishment and Deletion of Council Social Media Platforms

- 2.3 A new council social media platform, or a social media platform proposed by a council related entity (for example, a council committee), can only be established or deleted with the written approval of the Chief Executive Officer or their delegate.
- 2.4 Where a council social media platform is established or deleted in accordance with clause 2.3, the Chief Executive Officer or their delegate may amend clause 2.1 of this policy without the need for endorsement by the Council’s governing body.

**The Role of the Chief Executive Officer**

- 2.5 The role of the Chief Executive Officer is to:
- a) approve and revoke a staff member's status as an authorised user
  - b) develop and/or approve the training and/or induction to be provided to authorised users
  - c) maintain a register of authorised users
  - d) maintain effective oversight of authorised users
  - e) ensure the Council adheres to the rules of the social media platform(s)
  - f) coordinate with the Council's Corporate Image and Communication branch to ensure the Council's social media platforms are set up and maintained in a way that maximises user friendliness and any technical problems are resolved promptly.
- 2.6 The Chief Executive Officer is an authorised user for the purposes of this policy.

**Authorised Users**

- 2.12 Authorised users are members of council staff who are authorised by the Chief Executive Officer to upload content and engage on social media on the Council's behalf.
- 2.13 Authorised users should be members of council staff that are responsible for managing, or have expertise in, the events, initiatives, programs or policies that are the subject of the social media content.
- 2.14 The Chief Executive Officer will appoint authorised users when required.
- 2.15 An authorised user must receive a copy of this policy and induction training on social media use and Council's obligations before uploading content on Council's behalf.
- 2.16 The role of an authorised user is to:
- a) ensure, to the best of their ability, that the content they upload onto social media platforms is accurate
  - b) correct inaccuracies in Council generated content
  - c) engage in discussions and answer questions on Council's behalf on social media platforms
  - d) keep the Council's social media platforms up to date
  - e) moderate the Council's social media platforms in accordance with Part 5 of this policy
  - f) ensure the Council complies with its record keeping obligations under the State Records Act 1998 in relation to social media (see clauses 7.1 to 7.4 of this policy)
- 2.17 When engaging on social media on Council's behalf (such as, but not limited to, on a community social media page), an authorised user must identify themselves as a member of Council staff but they are not obliged to disclose their name or position within the Council.
- 2.18 Authorised users must not use Council's social media platforms for personal reasons.

**Administrative Tone**

- 2.19 Authorised users upload content and engage on social media on the Council's behalf. Authorised users must use language consistent with that function and avoid expressing or appearing to express their personal views when undertaking their role.
- 2.20 Authorised users may use more personal, informal language when engaging on Council's social media platforms, for example when replying to comments.

**Register of Authorised Users**

- 2.21 The Chief Executive Officer will maintain a register of authorised users. This register is to be reviewed annually to ensure it is fit-for-purpose.

**Ceasing to be an Authorised Person**

- 2.22 The Chief Executive Officer may revoke a staff member's status as an authorised user, if:
- a) the staff member makes such a request
  - b) the staff member has not uploaded content onto any of the Council's social media platforms in the last three months
  - c) the staff member has failed to comply with this policy
  - d) the Chief Executive Officer is of the reasonable opinion that the staff member is no longer suitable to be an authorised user.

**Part 3 – Administrative Framework for Councillors' Social Media Platforms**

- 3.1 For the purposes of this policy, councillor social media platforms are not council-corporate social media platforms. Part 2 of this policy does not apply to councillors' social media platforms.
- 3.2 Councillors are responsible for the administration and moderation of their own social media platforms (in accordance with Parts 3 and 5 of this policy), and ensuring they comply with the record keeping obligations under the State Records Act 1998 (see clauses 7 of this policy) and council's records management policy in relation to social media.
- 3.3 Clause 3.2 also applies to councillors in circumstances where another person administers, moderates, or uploads content onto their social media platform.
- 3.4 Councillors must comply with the rules of the platform when engaging on social media.

**Induction and Training**

- 3.5 Councillors who engage, or intend to engage, on social media must receive induction training on social media use. Induction training can be undertaken either as part of the councillor's induction program or as part of their ongoing professional development program.



**Identifying as a Councillor**

- 3.6 Councillors must identify themselves on their social media platforms in the following format:  
*Councillor "First Name and Last Name"*.
- 3.7 A councillor's social media platform must include a profile photo which is a clearly identifiable image of the councillor.
- 3.8 If a councillor becomes or ceases to be the mayor, deputy mayor, or the holder of another position (for example, chairperson of a committee), this must be clearly stated on the councillor's social media platforms and updated within one month of a change in circumstances.

**Other General Requirements for Councillors' Social Media Platforms**

- 3.9 Councillor social media platforms must specify or provide a clearly accessible link to the 'House Rules' for engaging on the platform.
- 3.10 A councillor's social media platform must include a disclaimer to the following effect:  
*"The views expressed and comments made on this social media platform are my own and not that of the Council"*.
- 3.11 Despite clause 3.10, mayoral or councillor media releases and other content that has been authorised according to the Council's media and communications protocols may be uploaded onto a councillor's social media platform.
- 3.12 Councillors may upload publicly available Council information onto their social media platforms.
- 3.13 Councillors may use more personal, informal language when engaging on their social media platforms.

**Councillor Queries Relating to Social Media Platforms**

- 3.14 Questions from councillors relating to their obligations under this policy, technical queries relating to the operation of their social media platforms, or managing records on social media may be directed to the Chief Executive Officer in the first instance, in accordance with Council's councillor requests protocols.

**Other Social Media Platforms Administered by Councillors**

- 3.15 A councillor must advise the Chief Executive Officer of any social media platforms they administer on which content relating to the Council or council officials is, or is expected to be, uploaded. The councillor must do so within:
- a) Immediately of becoming a councillor, or
  - b) Immediately of becoming the administrator.

**Part 4 – Standards of Conduct on Social Media**

- 4.1 This policy only applies to council officials' and councillors use of social media in an official capacity or in connection with their role as a council official or councillor. The policy does not apply to personal use of social media that is not connected with a person's role as a council official or councillor.
- 4.2 Council officials and councillors must comply with the Council's code of conduct when using social media in an official capacity or in connection with their role as a council official or councillor.
- 4.3 Council officials or councillors must not use social media to post or share comments, photos, videos, electronic recordings or other information that:
- a) is defamatory, offensive, humiliating, threatening or intimidating to other council officials, councillors or members of the public
  - b) contains profane language or is sexual in nature
  - c) constitutes harassment and/or bullying within the meaning of the Model Code of Conduct for Local Councils in NSW, or is unlawfully discriminatory
  - d) is contrary to their duties under the Work Health and Safety Act 2011 and their responsibilities under any policies or procedures adopted by the Council to ensure workplace health and safety
  - e) contains content about the Council, council officials, councillors or members of the public that is misleading or deceptive
  - f) divulges confidential Council information
  - g) breaches the privacy of other council officials, councillors or members of the public
  - h) contains allegations of suspected breaches of the Council's code of conduct or information about the consideration of a matter under the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW
  - i) could be perceived to be an official, councillors comment on behalf of the Council where they have not been authorised to make such comment
  - j) commits the Council to any action
  - k) violates an order made by a court
  - l) breaches copyright
  - m) advertises, endorses or solicits commercial products or business
  - n) constitutes spam
  - o) is in breach of the rules of the social media platform.
- 4.4 Council officials and councillors must:
- a) attribute work to the original author, creator or source when uploading or linking to content produced by a third party
  - b) obtain written permission from a minor's parent or legal guardian before uploading content in which the minor can be identified.
- 4.5 Council officials and councillors must exercise caution when sharing, liking, retweeting content as this can be regarded as an endorsement and/or publication of the content.
- 4.6 Council officials and councillors must not incite or encourage other persons to act in a way that is contrary to the requirements of this Part.

- 4.7 Councillors must uphold and accurately represent the policies and decisions of the Council's governing body but may explain why they voted on a matter in the way that they did. (see section 232(1)(f) of the Local Government Act 1993).

#### Part 5 – Moderation of Social Media Platforms

**Note:** Councils, council officials and councillors should be aware that they may be considered a 'publisher' of any content uploaded onto a social media platform they administer, including content that:

- is uploaded by a third party; and/or
- appears on their social media platform because they have 'liked', 'shared', or 'retweeted' the content, or similar.

- 5.1 Council officials who are responsible for the moderation of Council-corporate social media platforms or councillors' social media platforms may remove content and 'block' or ban a person from those platforms. Such actions must be undertaken in accordance with this Part.

- 5.2 For the purposes of this Part, 'social media platform' and 'platform' means both the Council's and councillors' social media platforms.

#### House Rules

- 5.3 Social media platforms must state or provide an accessible link to the 'House Rules' for engaging on the platform.

- 5.4 At a minimum, the House Rules should specify:
- a) the principles of social media engagement referred to in clause 1.1 of this policy
  - b) the type of behaviour or content that will result in that content being removed or 'hidden', or a person being blocked or banned from the platform
  - c) the process by which a person can be blocked or banned from the platform and rights of review
  - d) a statement relating to privacy and personal information (see clause 7.4 of this policy)
  - e) when the platform will be monitored (for example weekdays 9am – 5pm, during the Council's business hours)
  - f) that the social media platform is not to be used for making complaints about the Council or council officials or councillors.

*Note: If the Council adopts clause 5.4(f), the House Rules should include information about, or a link to, Council's complaints handling policy.*

- 5.5 For the purposes of clause 5.4(b), third parties engaging on social media platforms must not post or share comments, photos, videos, electronic recordings or other information that:
- a) is defamatory, offensive, humiliating, threatening or intimidating to council officials or members of the public,
  - b) contains profane language or is sexual in nature
  - c) constitutes harassment and/or bullying within the meaning of the Model Code of Conduct for Local Councils in NSW, or is unlawfully discriminatory

- d) contains content about the Council, council officials, **councillors** or members of the public that is misleading or deceptive
- e) breaches the privacy of council officials, **councillors** or members of the public
- f) contains allegations of suspected breaches of the Council's code of conduct or information about the consideration of a matter under the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW
- g) violates an order made by a court
- h) breaches copyright
- i) advertises, endorses or solicits commercial products or business,
- j) constitutes spam
- k) would be in breach of the rules of the social media platform.

#### **Removal of 'Hiding' of Content**

- 5.6 Where a person uploads content onto a social media platform that, in the reasonable opinion of the moderator, is of a kind specified under clause 5.5, the moderator may remove or 'hide' that content.
- 5.7 Prior to removing or 'hiding' the content, the moderator must make a record of it (for example, a screenshot).
- 5.8 If the moderator removes or 'hides' the content under clause 5.6, they must, where practicable, notify the person who uploaded the content that it has been removed and the reason(s) for its removal and their rights of review.
- 5.9 A person may request a review of a decision by a moderator to remove or 'hide' content under clause 5.6. The request must be made in writing to the Chief Executive Officer and state the grounds on which the request is being made.
- 5.10 Where a review request is made under clause 5.9, the review is to be undertaken by the Chief Executive Officer or **delegate** who is suitably qualified and who was not involved in the decision to remove or 'hide' the content.

#### **Blocking or Banning**

- 5.11 If a person uploads content that is removed or 'hidden' under clause 5.6 of this policy on, that person may be blocked or banned from the social media platform.
- 5.12 A person may only be blocked or banned from a Council-**corporate** social media platform with the approval of the Chief Executive Officer. This clause does not apply to blocking or banning a person from a councillor's social media platform.
- 5.13 Prior to blocking or banning a person from a social media platform, the person must, where practicable, be advised of the intention to block or ban them from the platform and be given a chance to respond. Any submission made by the person must be considered prior to a determination being made to block or ban them.

- 5.14 The duration of the block or ban is to be determined by the Chief Executive Officer, or in the case of a councillor's social media platform, the councillor.
- 5.15 Where a determination is made to block or ban a person from a social media platform platforms, the person must, where practicable, be notified in writing of the decision and the reasons for it. The written notice must also advise the person which social media platforms they are blocked or banned from and the duration of the block or ban and inform them of their rights of review.
- 5.16 Despite clauses 5.11 to 5.15, where a person uploads content of a kind referred to under clause 5.5, and the moderator is reasonably satisfied that the person's further engagement on the social media platform poses a risk to health and safety or another substantive risk (such as the uploading of defamatory content), an interim block or ban from the platform may be imposed on the person immediately for a period no longer than 12 months, subject to review.
- 5.17 A person who is blocked or banned from the platform under clause 5.16 must, where practicable, be given a chance to respond to the interim block or ban being imposed. Any submission made by the person must be considered when determining whether the interim block or ban is to be removed or retained under clauses 5.11 to 5.15.
- 5.18 A person may request a review of a decision to block or ban then from a social media platform. The request must be made in writing to the Chief Executive Officer and state the grounds on which the request is being made.
- 5.19 Where a review request is made under clause 5.18, the review is to be undertaken by the Chief Executive Officer or *delegate* who is suitably qualified and who was not involved in the decision to block or ban the person. Where the decision to block or ban the person was made by the Chief Executive Officer, the review must be undertaken by another senior and suitably qualified member of staff who was not involved in the decision. *Council may at any time engage an external consultant to undertake the review.*
- 5.20 Where a person that is the subject of a block or ban continues to engage on a social media platform(s) using an alternative social media account, profile, avatar, etc., a moderator may block or ban the person from the platform(s) immediately. In these circumstances, clauses 5.11 to 5.19 do not apply.

#### **Part 6 – Use of Social Media During Emergencies**

- 6.1 During emergencies, such as natural disasters or public health incidents, the *Strategic Partnerships and Investment Branch* will be responsible for the management of content on the Council's social media platforms.
- 6.2 To ensure consistent messaging both during and after an emergency, authorised users and council officials must not upload content onto the Council's or their own social media platforms which contradicts advice issued by the agency coordinating the emergency response, or agencies supporting recovery efforts.
- 6.3 Training on social media use during emergencies should be included in training and/or induction provided to authorised users and councillors.

## Part 7 – Records Management and Privacy Requirements

### Records Management

- 7.1 Social media content created, sent and received by council officials (including councillors) acting in their official capacity is a council record and may constitute open access information or be subject to an information access application made under the Government Information (Public Access) Act 2009. These records must be managed in accordance with the requirements of the State Records Act 1998 and the Council's approved records management policies and practices.
- 7.2 You must not destroy, alter, or remove social media content unless authorised to do so. If you need to alter or remove social media content, you must do so in accordance with this policy, and consult with the Council's records manager and comply with the requirements of the State Records Act 1998.
- 7.3 When/if a councillor's term of office concludes, the councillor must contact the Council's records manager and Chief Executive Officer to manage/transfer records of social media content created during their term of office and comply with the requirements of the State Records Act 1998.
- 7.4 In fulfilling their obligations under clauses 7.1 to 7.3, council officials and councillors should refer to any guidance issued by the State Archives and Records Authority of NSW relating to retention requirements for councils' and councillors' social media content<sup>1</sup>.

### Privacy Considerations and Requirements

- 7.5 Social media communications are in the public domain. Council officials and councillors should exercise caution about what personal information, if any, they upload onto social media.
- 7.6 The Privacy and Personal Information Protection Act 1998 applies to the use of social media platforms by the Council and councillors. To mitigate potential privacy risks, council officials and councillors will:
  - a) advise people not to provide personal information on social media platforms
  - b) inform people if any personal information they may provide on social media platforms is to be used for official purposes
  - c) moderate comments to ensure they do not contain any personal information
  - d) advise people to contact the Council or councillors through alternative channels if they have personal information they do not want to disclose in a public forum.
- 7.7 Council officials and councillors must ensure they comply with the Health Records and Information Privacy Act 2002 when engaging on and/or moderating social media platforms. In fulfilling their obligations, council officials and councillors should refer to any guidance issued by the Information and Privacy Commission of NSW, such as, but not limited to, the Health Privacy Principles.

## Part 8 – Private Use of Social Media

**Note:** Activities on social media websites are public activities. Even though privacy settings are available, content can still be shared and accessed beyond the intended recipients.

<sup>1</sup> See State Archives and Records Authority of NSW 'Government Record Keeping/Advice and Resources/Local Government' and 'Social media recordkeeping for councillors'.

*The terms and conditions of most social media sites state that all content becomes the property of the site on which it is posted<sup>2</sup>.*

#### What Constitutes 'Private' Use?

- 8.1 For the purposes of this policy, a council official's *or councillor's* social media engagement will be considered 'private use' when the content they upload:
- is not associated with, or does not refer to, the Council, any other council officials *or councillors*, contractors, related entities or any other person or organisation providing services to or on behalf of the Council in their official or professional capacities, and
  - is not related to or does not contain information acquired by virtue of their employment or role as a council official *or councillor*.
- 8.2 If a council official *or councillor* chooses to identify themselves as a council official *or councillor*, either directly or indirectly (such as in their user profile), *then they acknowledge the risk that they may not be deemed to be acting in their private capacity for the purposes of this policy.*

#### Use of Social Media During Work Hours

- 8.3 Council staff may only access and engage on social media in their private capacity while at work during breaks.

#### Part 9 – Concerns or Complaints

- 9.1 Concerns or complaints about the administration of a council's social media platforms should be made to the council's Chief Executive Officer in the first instance.
- 9.2 Complaints about the conduct of council officials (including councillors) on social media platforms may be directed to the Chief Executive Officer.
- 9.3 Complaints about the Chief Executive Officer's conduct on social media platforms may be directed to the Mayor.

#### Part 10 – Definitions

To assist in interpretation, the following definitions apply:

Term	Definition
Authorised user	Members of council staff who are authorised by the Chief Executive Officer to upload content and engage on the Council's social media platforms on the Council's behalf.
Councillor	<i>An elected member of the governing body of Council.</i>
Council official	<i>Councillors</i> , members of staff and delegates of the council (including members of committees that are delegates of the council).
Council-corporate social media account	<i>Social media accounts as listed in Part 2.1, a Councillors social media account is not a Council-corporate social media account.</i>
Minor	For the purposes of clause 4.4(b) of this policy, is a person under the age of 18 years

<sup>2</sup> Social Media: Guidance for Agencies and Staff (Government of South Australia) – page 9

Personal information	Information or an opinion (including information or an opinion forming part of a database and whether or not recorded in a material form) about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion.
Social media	Online platforms and applications - such as but not limited to social networking sites, wikis, blogs, microblogs, video and audio sharing sites, and message boards - that allow people to easily publish, share and discuss content. Examples of social media platforms include, but are not limited to Facebook, Twitter, Snapchat, LinkedIn, Yammer, YouTube, Instagram, Flickr and Wikipedia.

**RESPONSIBILITIES**

The Chief Executive Officer and relevant delegate are responsible for enforcing and enacting this policy.





## REPORT: Disclosure of Interest Returns

**DIVISION:** Organisational Performance  
**REPORT DATE:** 11 October 2022  
**TRIM REFERENCE:** ID22/1916

### EXECUTIVE SUMMARY

<b>Purpose</b>	Fulfil legislated requirement/Compliance	
<b>Issue</b>	<ul style="list-style-type: none"><li>• Notation of tabling of Disclosure of Interest Returns.</li><li>• Placing of Disclosure of Interest Returns on Council's website.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>• Council's Code of Conduct requires Councillors and designated persons to lodge Disclosure of Interest returns annually in accordance with clause 4.21(b).</li><li>• The Office of Local Government requests Council to advise of any failures to lodge by 30 September 2022.</li></ul>	
<b>Financial Implications</b>	Budget Area	Corporate Governance
	Funding Source	N/A
	Proposed Cost	There are no financial implications arising from this report.
	Ongoing Costs	N/A
<b>Policy Implications</b>	Policy Title	Code of Conduct
	Impact on Policy	There are no policy implications arising from this report, however this report has been provided in accordance with Clause 4.21(b) of Council's Code of Conduct.

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.2 Council's decision-making processes are open, transparent and accountable

Theme:	4 Leadership
CSP Objective:	4.1 Council provides transparent, fair and accountable leadership and governance
Delivery Program Strategy:	4.1.4 Statutory requirements are met and services are provided in a cost-effective and timely manner

#### RECOMMENDATION

1. That the information in the report of the Manager Corporate Governance dated 11 October 2022, be noted.
2. That the tabling of the Disclosure of Interest Returns, as detailed in the report, be noted.
3. That it be noted that as there were no failures to lodge Disclosure of Interest Returns for the return period, no advice is required to be provided to the Office of Local Government in this matter.
4. That the lodged Disclosure of Interest Returns for Councillors and Designated Persons be placed on Council's website no later than 30 November 2022, noting that some private information will be redacted prior to publishing online.
5. That it be noted that Disclosure of Interest Returns may be subject to review as part of the proposed Office of Local Government Audit.

*Dean Frost*  
Director Organisational Performance

*AR*  
Manager Corporate  
Governance

## REPORT

Council's Code of Conduct requires Councillors and designated persons to lodge Disclosure of Interest returns annually in accordance with clause 4.21(b). Clause 4.24 and 4.25 requires that the Chief Executive Officer not only keep a register of the returns, but is to table the returns at the first meeting after the last date for their lodgement.

Additionally, the Office of Local Government requests Council to advise of any failures to lodge Disclosure of Interest Returns by 30 September 2022. It is noted that there were no failures to lodge Disclosures for this period and therefore, advice is not required to be provided to the Office of Local Government in this regard.

On 23 May 2022, the Office of Local Government released a Circular (22-15, attached as **Appendix 1**) providing guidance for councils on the publication of disclosure of interest returns. Section 6 of the Government Information (Public Access) Act 2009 (the GIPA Act) provides for the mandatory proactive release by Council of open access information and that the information must be publicly available, free of charge, on Council's website. Disclosure of Interest Returns are prescribed as open access information for local government under Schedule 1 to the Government Information (Public Access) Regulation 2018. Accordingly, this report recommends that the lodged Returns be placed on Council's website, noting that some private information will be redacted from the Returns prior to publishing online.

Attached as **Appendix 2** is a further Circular from the Office of Local Government (22-23) advising councils that the OLG will be undertaking an audit of written returns lodged by councillors and designated persons. Councillors and designated persons should be aware that written returns of interest may be subject to review as part of the OLG audit and in this regard, the Manager Corporate Governance has reviewed the returns to facilitate compliance in respect of the return period and the date of the return, as well as ensuring all sections have been completed. However, the information contained within the returns is the responsibility of each individual Councillor and designated person, noting that the Disclosure of Interest Guidelines (Schedule 1 of the Code of Conduct) were provided with the forms to assist with completion.

## Consultation

- Councillors received training regarding disclosure of interest returns during the induction program held in January 2022.
- On 23 February 2022, the list of Councillors and Designated Persons was considered by the Executive Leadership Team and the determination was as follows:

*"It was agreed that the Pecuniary Interest Return Designated Persons be reduced to only include:*

- *Executive Leadership Team.*
- *Councillors.*
- *Audit and Risk Management Committee Voting Members."*

- All designated officers, as listed below, were requested to complete Disclosure of Interest Returns as per Council's adopted Code of Conduct.

Name	Position
Clr Mathew Dickerson	Mayor
Clr Richard Ivey	Deputy Mayor
Clr Josh Black	Councillor
Clr Lewis Burns	Councillor
Clr Shibli Chowdhury	Councillor
Clr Vicki Etheridge	Councillor
Clr Jess Gough	Councillor
Clr Damien Mahon	Councillor
Clr Pam Wells	Councillor
Clr Matt Wright	Councillor
Mr John Walkom	ARMC Voting Member
Mr Thomas Breen	ARMC Voting Member
Mr Murray Wood	Chief Executive Officer
Ms Natasha Comber	Director Strategy, Partnerships and Engagement
Mr Stephen Wallace	Director Development and Environment
Mr Luke Ryan	Director Infrastructure
Ms Jane Bassingthwaite	Director Community, Culture and Places
Mr Dean Frost	Director Organisational Performance

### Resourcing Implications

- The coordination of the Disclosure of Interest Returns is incorporated into staff roles within the Corporate Governance Branch, with no further resourcing implications.

### Next Steps

- Should this report be adopted by Council, the Disclosure of Interest Returns will then be placed on the website.

### APPENDICES:

- 1 [Office of Local Government Circular 22-15](#)
- 2 [Office of Local Government Circular 22-23](#)



Office of  
Local Government

## Circular to Councils

<b>Circular Details</b>	Circular No 22-15 / 23 May 2022 / A815881
<b>Previous Circular</b>	19 – 21 <i>Release of IPC Guideline 1 Returns of Interest</i>
<b>Who should read this</b>	Councillors / General Managers / Council Governance Staff
<b>Contact</b>	Council Governance / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a> / (02) 4428 4100
<b>Action required</b>	Information

### Guidance for councils on the publication of disclosure of interest returns

#### What's new or changing

- The Information and Privacy Commission (IPC) has developed a video animation which provides guidance to councils on the requirement to publish disclosure of interest returns on their websites. The video is available [here](#).
- Councils should review how they currently publish disclosure of interest returns on their websites by applying the principles set out in the video animation.

#### What this will mean for your council

- The IPC's video has been developed to complement the compliance report it published last year following an audit of councils' compliance with the requirement to publish councillors' and designated persons' disclosure of interest returns on their websites in accordance with the *Government Information (Public Access) Act 2009* (the GIPA Act).
- The report makes several recommendations for councils to implement to promote openness and transparency in relation to disclosure of interest returns and a policy framework for managing their publication.
- The IPC's compliance report is available [here](#).

#### Key points

- Section 6 of the GIPA Act provides for the mandatory proactive release by NSW public sector agencies (including councils) of open access information. The GIPA Act provides that open access information must be made publicly available free of charge on a website maintained by the agency.
- Councillors' and designated persons' disclosure of interest returns are prescribed as open access information for local government under Schedule 1 to the *Government Information (Public Access) Regulation 2018*.
- The IPC has issued *Information Access Guideline 1 - For Local Councils on the disclosure of information (returns disclosing the interest of councillors and designated persons)* under sections 12(3) and 14(3) of the GIPA Act to assist councils to determine the public interest considerations for and against disclosure of information contained in disclosure of interest returns when publishing them on their websites. Guideline 1 is available [here](#).

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**Where to go for further information**

- The IPC's video is available [here](#).
- The IPC's report on councils' compliance with the requirement to publish councillors' and designated persons' disclosure of interest returns on their websites is available [here](#).
- The IPC's Guideline 1 is available [here](#). Further information on open access information requirements for local government is available [here](#).
- For more information on these requirements contact the IPC at 1800 472 679 or by email to [ipcinfo@ipc.nsw.gov.au](mailto:ipcinfo@ipc.nsw.gov.au).
- The Office of Local Government (OLG) has issued guidance on the completion of disclosure of interest returns which is available [here](#).
- For more information on these requirements, contact OLG's Council Governance Team by telephone on 4428 4100 or by email to [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**  
**Deputy Secretary, Crown Lands and Local Government**

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Office of  
Local Government

## Circular to Councils

<b>Circular Details</b>	Circular No 22-23 / 25 August 2022 / A826280
<b>Previous Circular</b>	N/A
<b>Who should read this</b>	Councillors / General Managers / 'designated persons' / council governance staff
<b>Contact</b>	Investigations Team / 02 4428 4100 / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a>
<b>Action required</b>	Information

### Audit of written returns of interests

#### What's new or changing

- The Office of Local Government (OLG) will be undertaking an audit of written returns of interests lodged by councillors and designated persons.

#### What this will mean for your council

- Councillors, administrators, and other council officials (general managers, senior staff and other 'designated persons') should note that their written returns of interests may be subject to review as part of the OLG audit.
- Advance notice of the audit is being given to allow councillors, administrators, and designated persons the opportunity to ensure their returns are accurate and complete.
- Councils may wish to undertake their own review of returns to facilitate compliance, particularly to ensure all sections of the return have been completed, and that the return period and date are correct.

#### Key points

- Councillors and designated persons are required to lodge written returns of interest in accordance with the requirements set out in their council's code of conduct.
- Councillors and designated persons are required to lodge a new return with their council's general manager no later than 30 September 2022, unless exempt from doing so.
- A failure to correctly lodge and/or disclose interests is misconduct and can result in disciplinary action being taken.

#### Where to go for further information

- The OLG has issued guidance on the completion of disclosure of interest returns, which is available [here](#).
- For more information about the completion of returns of interests, please contact OLG's Council Governance Team by telephone on 4428 4100 or by email to [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**

**Deputy Secretary, Crown Lands and Local Government**

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## REPORT: Annual Report on Complaint Statistics Under Council's Code of Conduct

**DIVISION:** Organisational Performance  
**REPORT DATE:** 19 October 2022  
**TRIM REFERENCE:** ID22/1389

### EXECUTIVE SUMMARY

<b>Purpose</b>	Fulfil legislated requirement/Compliance Increase transparency	
<b>Issue</b>	<ul style="list-style-type: none"><li>Annual report regarding the code of conduct complaints received.</li><li>Quarterly report regarding the code of conduct reports received against Councillors.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>In accordance with Part 11.1 of the Procedures for the Administration of the Model Code of Conduct as issued by the NSW Department of Premier and Cabinet, Council's Complaints Coordinator is required to report to council within 3 months of the end of September each year on complaint statistics under Council's Code of Conduct.</li><li>The current elected body has requested quarterly reporting in addition to the statutory annual report.</li></ul>	
<b>Financial Implications</b>	Budget Area	Corporate Governance
	Funding Source	Corporate Governance - Members' Expenses
	Actual Cost	\$61,392.60
	Ongoing Costs	Budgeted \$50,000 per annum
<b>Policy Implications</b>	Policy Title	Council's Code of Conduct
	Impact on Policy	No policy implications from this report

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.4 Statutory requirements are met and services are provided in a cost-effective and timely manner



**RECOMMENDATION**

**That the report of the Manager Corporate Governance, dated 19 October 2022, be noted.**

*Murray Wood*  
Chief Executive Officer

*AR*  
Manager Corporate  
Governance

## BACKGROUND

### Annual

Part 11.1 of the Procedures for the Administration of the Model Code of Conduct, as issued by the NSW Office of Local Government, requires the Complaints Coordinator (Manager Corporate Governance) to report to Council within three months of the end of September each year on complaint statistics under Council's Code of Conduct as follows:

#### *PART 11 REPORTING STATISTICS ON CODE OF CONDUCT COMPLAINTS ABOUT COUNCILLORS AND THE CEO*

*11.1 The complaints coordinator must arrange for the following statistics to be reported to the council within 3 months of the end of September of each year:*

- a) the total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September (the reporting period)*
- b) the number of code of conduct complaints referred to a conduct reviewer during the reporting period*
- c) the number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage during the reporting period and the outcome of those complaints*
- d) the number of code of conduct complaints investigated by a conduct reviewer during the reporting period*
- e) without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period*
- f) the number of matters reviewed by the Office during the reporting period and, without identifying particular matters, the outcome of the reviews, and*
- g) the total cost of dealing with code of conduct complaints made about councillors and the CEO during the reporting period, including staff costs.*

### Quarterly

The current elected body have also requested quarterly reports regarding code of conduct complaints against Councillors or the CEO.

Reports in April and July this year confirm zero code for conduct reports were received between 1 January and 30 June 2022 (this covered Q3 and Q4).

The first quarterly report for the 2022/2023 financial year covers the months July, August and September 2022 as reported below.

## REPORT

This report covers complaints received during the period 1 October 2021 to 30 June 2022. Accordingly, the following information is provided:

- a) Nine code of conduct complaints were made against Councillors under the code of conduct throughout the reporting period.

- four of those complaints were made in the last 3 months of 2021
- five of those nine complaints were made in the July-September quarter 2022 (three of these five complaints were grouped together as they were made on the same issue).
- b) Seven code of conduct complaints were referred to external conduct reviewers during this period. The conduct reviewers are selected from the State Government's pre-approved list of suppliers for Probity Services Personnel.
- c) Six code of conduct complaints were finalised by external conduct reviewers at the preliminary assessment stage. Recommendations for these complaints were 'no further action'.
- d) One code of conduct complaint went to full investigation with an external conduct reviewer.
- e) The matter that went to full investigation is from 2021, the recommendation of the external conduct reviewer stated 'I would normally recommend that Councillor [deleted] be censured' under the legislation, however the Councillor 'did not seek re-election'.
- f) Two complaints were referred directly to the Office of Local Government during the reporting period. An additional two complaints were referred to the Office of Local Government for consideration following (one) preliminary assessment and (one) investigation by external conduct reviewers. These referrals were made for complaints received in 2021.
- g) The total cost of dealing with code of conduct complaints between 1 October 2021 and 30 September 2022 is \$61,392.60.
  - \$5,597.50 of the above total was paid in the quarter from July to September 2022
  - An additional \$46,249.35 was paid during this period towards the total cost of Pinnacle Report received in July 2021. The Pinnacle report looked at the management of historical complaints and council processes.

#### Annual comparisons

- During the reporting period, 1 October 2019 to 30 September 2020, seven code of conduct complaints were made against Councillors, with expenditure during that period of \$40,413.
- During the reporting period, 1 October 2020 to 30 September 2021, 55 code of conduct complaints were made against Councillors, with expenditure during that period of \$236,000.
- During the reporting period, 1 October 2021 to 30 September 2022, nine code of conduct complaints were made against Councillors, with expenditure during that period of \$61,392.60.

#### Quarterly comparisons

Notwithstanding, the Office of Local Government reporting period (Sept to Oct) does not align with the financial year quarters, the following breakdown is provided:

A summary of quarterly expenses for the 2021/2022 financial year is below:

- Q1 - \$52,021
- Q2 - \$82,412

- Q3 - \$7,260 (zero complaints received in this quarter)
- Q4 - \$12,373 (zero complaints received in this quarter)

A summary of the first quarter expenses for the 2022/2023 financial year is below:

- Q1 – \$5,597.50 (5 complaints received in this quarter)

**Consultation**

- Reporting complaint statistics regularly allows for transparency both within Council and in the broader community.
- Council is also required to report its annual Code of Conduct statistics to the Office of Local Government each December.
- The incoming Councillor group participated in Code of Conduct training sessions in January 2022 as part of the induction process.

**Resourcing Implications**

- Staff resources are used to manage the administration of complaints and liaise with external conduct reviewers.



## REPORT: Change of January 2023 Council Meeting Date

**DIVISION:** Organisational Performance  
**REPORT DATE:** 19 October 2022  
**TRIM REFERENCE:** ID22/2170

### EXECUTIVE SUMMARY

<b>Purpose</b>	Seek endorsement	
<b>Issue</b>	<ul style="list-style-type: none"><li>The Council Meeting scheduled for January 2023 falls on the Australia Day Public Holiday, being the fourth Thursday of the month.</li><li>Council needs to resolve an alternate date.</li><li>The alternate date proposed is Thursday 9 February 2023.</li><li>The location is not proposed to change, the Meeting will still be held in the Wellington Council Chamber.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>That the Australia Day public holiday falls on Thursday 26 January 2023 so an alternate date is required.</li><li>There is no legislative requirement to hold a council meeting in January; section 365 of the Local Government Act it states Council is required to hold a minimum of 10 Council meetings a year.</li><li>It is suggested to hold two Ordinary Council Meetings for the month of February 2023, to ensure that any matters awaiting action can be resolved early in the 2023.</li></ul>	
<b>Financial Implications</b>	Budget Area	Corporate Governance
	Funding Source	Administrative Service to the Organisation
	Proposed Cost	Nil additional cost
	Ongoing Costs	Nil

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.2 Council's decision-making processes are open, transparent and accountable

Theme: 4 Leadership

CSP Objective:	4.1 Council provides transparent, fair and accountable leadership and governance
Delivery Program Strategy:	4.1.4 Statutory requirements are met and services are provided in a cost-effective and timely manner

#### **RECOMMENDATION**

**That Council resolves to move the Ordinary Council meeting scheduled for January 2023 to be held on Thursday 9 February 2023 in the Wellington Chamber as previously resolved.**

*Dean Frost*  
Director Organisational Performance

*SW*  
Governance Team Leader

BACKGROUND

Previous Resolutions of Council

23 December 2021	<p><i>In part:</i></p> <ol style="list-style-type: none"><li><i>1. That Council adopts a meeting structure including three standing committees, with meetings to be held once per month; and an Ordinary Council meeting to be held once per month.</i></li><li><i>3. Standing Committee meetings be held on the second Thursday of each month commencing at 5.30 pm with the Infrastructure, Planning and Environment Committee, immediately followed by the Culture and Community Committee and the Corporate Services Committee; with the exception of January and December, where no Standing Committee meetings will be held.</i></li><li><i>4. That Ordinary Council meetings be held on the fourth Thursday of each month commencing at 5.30 pm, with the exception of December, where the Council meeting will occur on the second Thursday of the month to allow for the end of year holidays.</i></li></ol>
28 April 2022	<ol style="list-style-type: none"><li><i>1. That Council resolve to hold Ordinary Council meetings in Wellington on the following dates, commencing at 5.30 pm:</i><ul style="list-style-type: none"><li><i>• 26 May 2022</i></li><li><i>• 22 September 2022</i></li><li><i>• 25 January 2023 (date to be confirmed)</i></li><li><i>• 25 May 2023</i></li><li><i>• 24 August 2023</i></li></ul></li><li><i>2. That the dates for subsequent meetings to be held in Wellington be determined in October 2023.</i></li></ol>

Council is required to hold at least 10 council meetings a year. It has been decided that a council meeting early in the New Year, is a good housekeeping practice to ensure that matters can be determined in a timely manner.

As per the above Council resolution of 23 December 2022 and Council's Code of Meeting practice council holds Council meetings on the fourth Thursday of each month except December, due to the holiday shutdown period and Standing Committee meetings on the second Thursday of the month.

The dates for the meetings were resolved until the end of the Mayoral term, which will be September 2023, and are as follows:

JANUARY 2023	
Ordinary Council meeting	Thursday 26 January 2023*
FEBRUARY 2023	
Standing Committees	Thursday 9 February 2023
Ordinary Council Meeting	Thursday 23 February 2023
MARCH 2023	
Standing Committees	Thursday 9 March 2023
Ordinary Council Meeting	Thursday 23 March 2023
APRIL 2023	
Standing Committees	Thursday 13 April 2023
Ordinary Council Meeting	Thursday 27 April 2023
MAY 2023	
Standing Committees	Thursday 11 May 2023
Ordinary Council Meeting	Thursday 25 May 2023
JUNE 2023	
Standing Committees	Thursday 8 June 2023
Ordinary Council Meeting	Thursday 22 June 2023
JULY 2023	
Standing Committees	Thursday 13 July 2023
Ordinary Council Meeting	Thursday 27 July 2023
AUGUST 2023	
Standing Committees	Thursday 10 August 2023
Ordinary Council Meeting	Thursday 24 August 2023
SEPTEMBER 2023	
Extraordinary Council Meeting Mayoral Election	Thursday 7 September 2023

In April 2022 a further resolution of council resolved that 5 council meetings will be held in the Wellington Council Chamber. It is noted that the January meeting was scheduled to be held in Wellington. This reports only suggests to change the date not the location.

## REPORT

### Consultation

- Discussions held with Executive Staff during the process of setting the calendar for 2023.
- Timing of the January Council meeting was raised as a concern, due to the public holiday and also that it is still school holidays and traditionally staff and elected members are still away on leave with their families. Also that governance staff who prepare the business papers and attend council meetings are also tasked with organising and setting up for two Australia Day events.



- Discussion held to still aim to hold an Ordinary Council meeting early in the New Year to allow matters that require determination to not be delayed by waiting until end of February, and that this could be overcome by holding two Ordinary Council meetings in the month of February and go back to the normal cycle of Standing Committees and Ordinary Council meetings from March 2023.

**Resourcing Implications**

- No additional resourcing required, this is part of the governance team function each month.

**Options Considered**

- Discussed various options and it was agreed that the February option would work better for the time of year.
- The date of 25 January 2023 was considered, however as mentioned above the staff who prepare and attend council meetings will be busy preparing and setting up for the two Australia Day events.
- Moving it earlier in January was also considered, however it was agreed that most staff are encouraged to take their annual leave in January and having a council meeting on 19 January 2023 would be too soon to have an adequate number of reports prepare for the meeting, and reports for this meeting would be due on 10 January.
- Leaving the original February schedule of Committees on 9 February and Council on 23 February 2023 would still leave 11 weeks for matters to be determined.

**Planned Communications**

- Once the date is determined, the meeting schedule for 2023 will be updated, placed into councillor and staff calendars, placed on council's website.



## REPORT: Presentation of Council's 2021/2022 Financial Statements

**DIVISION:** Organisational Performance  
**REPORT DATE:** 7 October 2022  
**TRIM REFERENCE:** ID22/2091

### EXECUTIVE SUMMARY

<b>Purpose</b>	Seek endorsement	Fulfil legislated requirement/Compliance
<b>Issue</b>	<ul style="list-style-type: none"><li>Presentation of the Audited Financial Statements for submission to the Office of Local Government</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>The Local Government Act 1993 requires that Council prepare financial statements annually and must meet specific requirements in preparing and presenting the annual financial statements.</li></ul>	
<b>Financial Implications</b>	Budget Area	No Implications
	Funding Source	No Implications
	Proposed Cost	No Implications
	Ongoing Costs	No Implications
<b>Policy Implications</b>	Policy Title	No Implications
	Impact on Policy	No Implications

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.4 Statutory requirements are met and services are provided in a cost-effective and timely manner

### RECOMMENDATION

**That the General Purpose Financial Statements and the Special Purpose Financial Statements for the year ended 30 June 2022 be accepted by Council.**

*Dean Frost*  
Director Organisational Performance

*EM*  
Statutory Accountant

## BACKGROUND

Section 413 of the Local Government Act 1993, provides as follows:

- 413 (1) *A Council must prepare financial reports for each year, and must refer them for audit as soon as practicable (having regard to the requirements of section 416(1)) after the end of that year.*
- (2) *A council's financial reports must include:*
- (a) a general purpose financial report: and*
  - (b) any other matter prescribed by the regulations, and*
  - (c) a statement in the approved form by the Council as to its opinion on the general purpose financial report.*
- (3) *The general purpose financial report must be prepared in accordance with this Act and the regulations, and requirements of:*
- (a) the publications issued by the Australian Accounting Standards Board, as in force for the time being, subject to the regulations, and*
  - (b) such other standards as may be prescribed by the regulations.*

Clause 214 of the Local Government (General) Regulation 2021 imposes additional requirements for preparation of a Council's financial reports.

- (1) For the purpose of Section 413(2)(b) of the Act, any matters required by the Code [Local Government Code of Accounting Practice and Financial Reporting] or the Manual [Local Government Asset Accounting Manual] to be included in Council's financial reports are prescribed matters.*
- (2) For the purpose of section 413(3)(b) of the Act, the Code and the Manual are prescribed standards.*

Section 416(1) of the Local Government Act 1993 requires that: "A Council's financial reports for a year must be prepared and audited within the period of 4 months after the end of that year".

Section 419 of the Local Government Act 1993 requires that Council must present its audited financial reports, together with the Auditor's reports at a meeting of the Council held on the date fixed for the meeting and Council's Auditor may, and if so required in writing by the Council, must attend the meeting at which the Financial Reports are presented. The Audit Office will be attending the meeting remotely to present the 2021/2022 audited financial statements.

## REPORT

### Consultation

- The Executive Leadership Team have been presented the draft results for the 2021/2022 financial year.
- An external valuer, Asset Val Pty Ltd, was engaged for the annual asset revaluation of the water supply network and sewerage network infrastructure assets
- The Audit and Risk Committee for Dubbo Regional Council were presented with the audited financial statements on 20 October 2022
- Audit Office of NSW conducted the final audit and have presented their findings with a clearance meeting with Council Management held on 18 October 2022, presented findings to the Audit and Risk Committee and have provided an unqualified opinion

### Financial Implications

Total Financial Implications	2022 Actual (\$'000)	2022 Budget (\$'000)	2021 Actual (\$'000)	2020 Actual (\$'000)	2019 Actual (\$'000)
a. Operating revenue	192,666	159,476	186,754	169,828	184,140
b. Operating expenses	152,221	148,684	149,630	145,084	137,804
c. Operating budget impact (a – b)	40,445	10,792	37,124	24,744	46,336
d. Capital Grants	49,260	18,387	48,265	33,077	47,179
e. Total net impact (c – d)	(8,815)	(7,595)	(11,141)	(8,333)	(843)

**Table 1.** Ongoing Financial Implications

The General Purpose Financial Statements consists of:

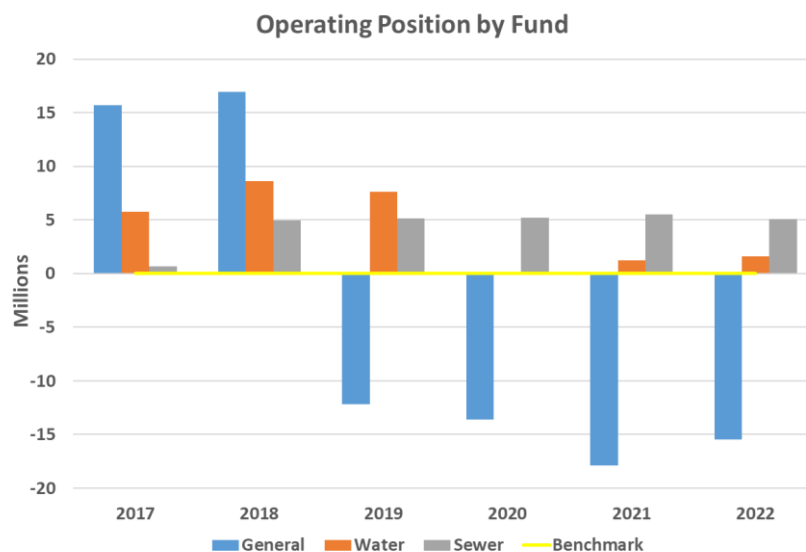
- an Income Statement which provides information on the changes in net assets resulting from operations;
- a Statement of Comprehensive Income which includes transfers to and from Revaluation Reserves'
- Statement of Financial Position, which shows the assets and liabilities of the Council at the end of the year;
- Statement of Changes in Equity which shows the movement in equity for the year;
- Statement of Cash Flows which provides information on inflows and outflows of cash for the year; and
- Notes to the General Purpose Financial Statements which provide more detail on items appearing in the statements.

The statements also consist of Special Purpose Financial Statements designed to meet National Competition Policy reporting requirements for Category 1 and 2 businesses.

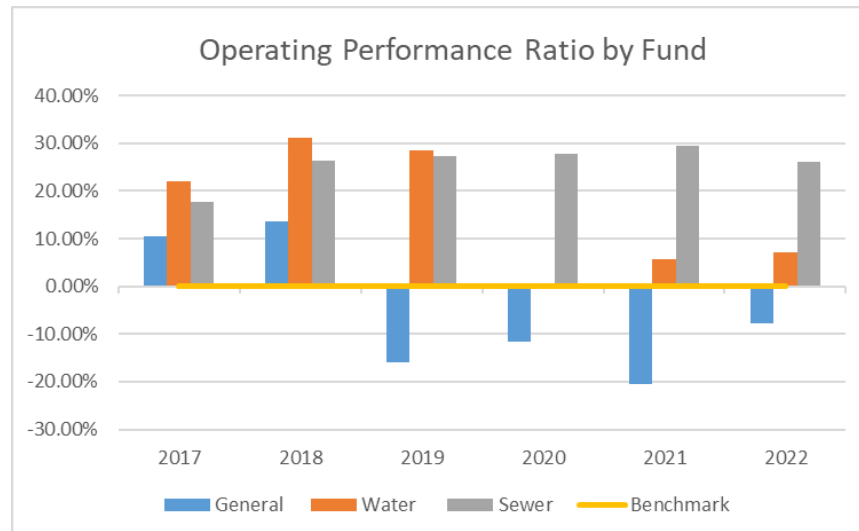
### Income Statement

In regard to the financial results for the year, the Income Statement shows the change in net assets resulting from operations for the year to be a \$40.4 million surplus with a net operating result for the year before grants and contributions provided for capital purposes of \$8.8 million deficit. Significant items relating to the Income statement are as follows.

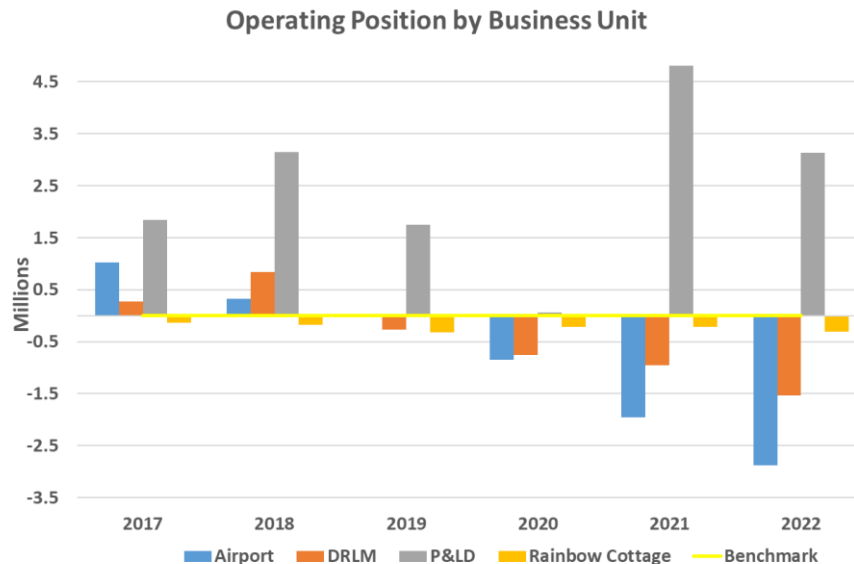
1. The net operating result before capital grants and contributions has been declining since 2018 for General Fund, where Sewer has been stable and Water fund has been recovering from COVID-19 and water restrictions from 2020, as noted in the chart below.



2. Revenue areas that have increased are recoupment of insurance claims being 836,000.00; and other income increasing by \$1.1 Million which incorporates revenues such as events and entertainment which were allowed to operate without strict COVID-19 capacity restrictions.
3. Standard Office of Local Government Performance indicators show how Council funds its operations and displays statistics on the financial health of council. Note G5 of the financial statements shows all ratios that are measured, with an overall five out of the six surpassing the Office of Local Government benchmarks. The one that had not passed is the operating performance ratio which shows the amount of revenue required to cover our expenses without reliance on capital grants. The graph below displays the ratio by fund where general fund did not met the benchmark.



4. The Special Purpose Financial statements details the Performance of individual business units as well as Water and Sewer funds. The graph below displays the profit or loss of those business units, other than Water and Sewer fund, over the last 5 years. The Airport is still recovering from the Covid travel restrictions yet revenue increased \$1.2 million due in part to operating grants. However the loss can be attributed to a \$2 million increase in depreciation expenses compared to prior year. The livestock Markets also can attribute \$600,000 increase in depreciation to the deficit for 2022 as well as not receiving any grants compared to \$386,000 in 2021.



### Statement of Financial Position

The Statement of Financial Position indicates that Council is in a sound financial position with Net Assets of \$2,684 million.

Expenditure on the acquisition of infrastructure assets such as roads, footpaths, cycleways, stormwater drainage, water and sewer infrastructure, parks, gardens, plant and equipment amounted to \$72.475 million, including the value of assets contributed by developers.

During the financial year ended 30 June 2022, Dubbo Regional Council undertook a comprehensive revaluation of its water supply network and sewerage network infrastructure assets using an external consultant. The opening written down value of the sewerage network infrastructure assets (approximately \$264M) incurred a decrement of \$32.1M which reduced the accumulated revaluation reserve. The decrement is attributable to an aggregate of the collection of assets and not identified to a small group of significantly impacted assets.

The opening written down value of the water supply infrastructure assets (approximately \$244M) had an increment of \$52.6M which is recognised in other comprehensive income. The increment is due to a few items:

- A recent survey was completed that allowed physical attributes (such as pipe material, depth and diameter) to be determined and provided to the valuer for the former Wellington City Council network.
- Asset componentisation of treatment plans for the former Wellington City Council.

Fair value assessments are conducted by Asset Managers yearly for assets classes not being comprehensively revalued as per the revaluation schedule. Auditors reviewed the fair value work papers submitted to finance by the assets managers and did not find comfort that they were reviewed in enough detail nor supported by any comprehensive conclusions on why the fair value did not change.

Audit conducted a calculation of one asset class (roads and bridges) in an attempt to form an opinion on the final assets balance. Using ABS data for indexation from 2019 when roads was last comprehensively valued and applying the indexation increase to 2022 rates, Being 10.43%, it was found that the high level assumption showed an understatement of \$92.5 million. This amount was concern enough that the Audit would partial qualify the Statements recognising a misstatement in the fair value.

As a result of a meeting with Council executives and Audit office, Asset classes were identified that would have a material misstatement if this high level indexation was applied. It was agreed that using the relevant data from the Australia Bureau of Statistics (Producer Price index) and Land values from the NSW Valuer General would be applied to the following assets classes and the resulting increase overall of \$182.6 million.

Asset Class	Last revalued Year	Net Carrying Value	Percentage applied	Adjustment recognised	Net Carrying value reported
Operational Land	2018	\$36,961,306	20.35%	\$7,521,324	\$44,482,630
Airport Runways and Taxiways	2020	\$52,065,164	11.66%	\$6,070,577	\$58,135,742
Buildings Non Specialised	2018	\$26,365,179	16.38%	\$4,318,824	\$30,684,004
Buildings Specialised	2018	\$115,168,743	17.26%	\$19,882,552	\$135,051,296
Other Structures	2021	\$104,758,389	9.70%	\$10,162,495	\$114,920,884
Roads, Bridges & Footpaths	2019	\$886,852,708	10.43%	\$92,521,529	\$979,374,238

Bulk Earthworks	2019	\$403,803,389	10.43%	\$42,127,071	\$445,930,460
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Council Executives and members of the Audit and Risk committee commented on the \$92.5 million addition to roads stating it is not a true representation of the conditions of the roads however with a planned revaluation being brought forward to 2023 financial year, these high level indexation amounts would be used to give the Audit Office NSW comfort over the potential misstatement in the financial statements

Cash and Investments total \$236.410 million, which is significant, however, it should be noted that there are restrictions on the future use of these funds as follows. As per the details on Note C1-3, the following restrictions have been imposed by legislation or other externally imposed requirements:

	\$'000
Developer Contributions (Section 94 (EP&A Act) and Section 64 (Local Government Act))	\$11,698
Unexpended Grants	\$25,476
Water and Sewer Services (The assets of these Funds can only be used for the purposes of the fund)	\$122,263
Domestic Waste Management Services (The assets can only be used for Domestic Waste purposes)	\$4,149
Stormwater Drainage (The assets can only be used for Stormwater purposes)	\$4,047
<b>Total External Restrictions</b>	<b>\$167,446</b>

As also detailed on Note C1, Council has previously resolved to set aside funds in the form of specific cash or investments for future long term purposes. Differences from prior year reported amounts include \$3.2 million increase to Other waste services and \$6.5 million for future asset renewals. Property Development had a large decrease of \$4.9 million due to the development of Keswick Estate Stage 5 Release 2 which will be recouped in the 2023 after the auctions. Outline of the 2022 funds with internally restricted assets totalling \$68.964 million are as follows:

	\$'000
Employee leave entitlements	\$3,446
Property development	\$1,557
Dubbo City Regional Airport	\$2,827
Dubbo Regional Livestock Markets	\$2,771
Other waste management services	\$17,904
Roads network – state roads	\$1,431
Fleet management services	\$9,991
Future asset renewal	\$29,017
<b>Total Internal Restrictions</b>	<b>\$68,964</b>

Section 415(1) provides that the Council's auditor must audit the Council's Financial Reports as soon as practicable (having regard to the requirements of Section 416(1)) after they are referred for audit. Section 417 details the requirements of the Auditor's Reports. Council's auditor must prepare two reports:



- a report on the General Purpose Financial Statements
- a report on the conduct of the audit.

These reports must include statements by the Auditor as to his opinion on various matters including the keeping of accounting records, preparation of the Financial Statements and any information relevant to the conduct of the audit. The audit certificates and report on conduct of audit will be tabled by Council's auditor on the day of the October 2022 meeting of the Council.

Section 418 provides that as soon as practicable after the Council receives a copy of the Auditor's report:

- a. it must fix a date for the meeting at which it proposes to present its audited Financial Statements, together with the Auditors reports to the public; and
- b. it must give public notice of the date so fixed.

The date fixed for the meeting must be at least seven days after the date on which the notice is given but not more than five weeks after the Auditor's reports are given to the Council.

The required Public Notice was given by advertisement on Council's website. The Public Notice advises that the Council will present its audited financial statements, together with the Auditor's reports, to the public at its meeting to be held on Thursday 28 October 2022

#### APPENDICES:

- 1 [↓](#) General Purpose Financial Statements 2021/2022
- 2 [↓](#) Special Purpose Financial Statements 2021/2022

# Dubbo Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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*"Great community, great council"*



**Dubbo Regional Council****General Purpose Financial Statements**

for the year ended 30 June 2022

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## Dubbo Regional Council

### General Purpose Financial Statements

for the year ended 30 June 2022

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 27 October 2022.

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Mathew Dickerson  
Mayor  
27 October 2022

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Richard Ivey  
Deputy Mayor  
27 October 2022

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Murray Wood  
Chief Executive Officer  
27 October 2022

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Michael Howlett  
Responsible Accounting Officer  
27 October 2022

## Dubbo Regional Council

## Income Statement

for the year ended 30 June 2022

<i>Original unaudited budget</i>				
<b>2022</b>	<b>\$ '000</b>	<b>Notes</b>	<b>Actual 2022</b>	<b>Actual 2021</b>
	<b>Income from continuing operations</b>			
68,303	Rates and annual charges	B2-1	<b>69,356</b>	66,845
43,878	User charges and fees	B2-2	<b>39,771</b>	39,776
2,544	Other revenues	B2-3	<b>5,062</b>	2,628
21,279	Grants and contributions provided for operating purposes	B2-4	<b>26,053</b>	22,054
18,387	Grants and contributions provided for capital purposes	B2-4	<b>49,260</b>	48,265
2,485	Interest and investment income	B2-5	<b>3,006</b>	3,703
–	Other income	B2-6	<b>158</b>	37
2,600	Net gain from the disposal of assets	B4-1	<b>–</b>	3,446
<b>159,476</b>	<b>Total income from continuing operations</b>		<b>192,666</b>	186,754
	<b>Expenses from continuing operations</b>			
45,506	Employee benefits and on-costs	B3-1	<b>44,485</b>	44,932
53,267	Materials and services	B3-2	<b>46,710</b>	53,696
3,130	Borrowing costs	B3-3	<b>2,981</b>	3,095
44,135	Depreciation, amortisation and impairment of non-financial assets	B3-4	<b>48,457</b>	45,551
2,646	Other expenses	B3-5	<b>2,438</b>	2,356
–	Net loss from the disposal of assets	B4-1	<b>7,149</b>	–
<b>148,684</b>	<b>Total expenses from continuing operations</b>		<b>152,220</b>	149,630
<b>10,792</b>	<b>Operating result from continuing operations</b>		<b>40,446</b>	37,124
<b>10,792</b>	<b>Net operating result for the year attributable to Council</b>		<b>40,446</b>	37,124
<b>(7,595)</b>	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>(8,814)</b>	(11,141)

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

Dubbo Regional Council | Statement of Comprehensive Income | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
<b>Net operating result for the year – from Income Statement</b>		<b>40,446</b>	<b>37,124</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-8	<b>207,335</b>	45,322
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>207,335</b>	45,322
<b>Total other comprehensive income for the period</b>		<b>207,335</b>	45,322
<b>Total comprehensive income for the year attributable to Council</b>		<b>247,781</b>	82,446

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

Dubbo Regional Council | Statement of Financial Position | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	55,545	66,487
Investments	C1-2	88,000	54,073
Receivables	C1-4	23,489	20,627
Inventories	C1-5	4,789	2,738
Other	C1-11	713	638
<b>Total current assets</b>		<b>172,536</b>	<b>144,563</b>
<b>Non-current assets</b>			
Investments	C1-2	92,865	102,063
Receivables	C1-4	62	130
Inventories	C1-5	4,896	5,909
Infrastructure, property, plant and equipment (IPPE)	C1-8	2,684,577	2,460,616
Investments accounted for using the equity method	D2-1, D2-3	1,877	1,719
Other	C1-11	495	495
<b>Total non-current assets</b>		<b>2,784,772</b>	<b>2,570,932</b>
<b>Total assets</b>		<b>2,957,308</b>	<b>2,715,495</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	12,715	15,978
Contract liabilities	C3-2	353	3,375
Borrowings	C3-3	5,984	5,829
Employee benefit provisions	C3-4	12,200	12,511
<b>Total current liabilities</b>		<b>31,252</b>	<b>37,693</b>
<b>Non-current liabilities</b>			
Payables	C3-1	3	3
Borrowings	C3-3	39,866	45,850
Employee benefit provisions	C3-4	868	873
Provisions	C3-5	10,738	4,276
<b>Total non-current liabilities</b>		<b>51,475</b>	<b>51,002</b>
<b>Total liabilities</b>		<b>82,727</b>	<b>88,695</b>
<b>Net assets</b>		<b>2,874,581</b>	<b>2,626,800</b>
<b>EQUITY</b>			
Accumulated surplus	C4-1	2,339,013	2,298,567
IPPE revaluation reserve	C4-1	535,568	328,233
<b>Council Interest</b>		<b>2,874,581</b>	<b>2,626,800</b>
<b>Total equity</b>		<b>2,874,581</b>	<b>2,626,800</b>

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

Dubbo Regional Council | Statement of Changes in Equity | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Changes in Equity

for the year ended 30 June 2022

\$ '000	Notes	2022			2021		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		2,298,567	328,233	2,626,800	2,261,443	282,911	2,544,354
<b>Opening balance</b>		<b>2,298,567</b>	<b>328,233</b>	<b>2,626,800</b>	<b>2,261,443</b>	<b>282,911</b>	<b>2,544,354</b>
Net operating result for the year		40,446	–	40,446	37,124	–	37,124
<b>Net operating result for the period</b>		<b>40,446</b>	<b>–</b>	<b>40,446</b>	<b>37,124</b>	<b>–</b>	<b>37,124</b>
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-8	–	207,335	207,335	–	45,322	45,322
<b>Other comprehensive income</b>		<b>–</b>	<b>207,335</b>	<b>207,335</b>	<b>–</b>	<b>45,322</b>	<b>45,322</b>
<b>Total comprehensive income</b>		<b>40,446</b>	<b>207,335</b>	<b>247,781</b>	<b>37,124</b>	<b>45,322</b>	<b>82,446</b>
<b>Closing balance at 30 June</b>		<b>2,339,013</b>	<b>535,568</b>	<b>2,874,581</b>	<b>2,298,567</b>	<b>328,233</b>	<b>2,626,800</b>

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



Dubbo Regional Council | Statement of Cash Flows | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Cash Flows

for the year ended 30 June 2022

<i>Original unaudited budget 2022</i>	<i>\$ '000</i>	<i>Notes</i>	<i>Actual 2022</i>	<i>Actual 2021</i>
<b>Cash flows from operating activities</b>				
<b>Receipts:</b>				
68,305	Rates and annual charges		69,774	67,503
42,320	User charges and fees		39,741	39,335
2,811	Interest received		3,281	4,754
45,980	Grants and contributions		60,100	56,859
–	Bonds, deposits and retentions received		–	602
3,250	Other		1,064	5,086
<b>Payments:</b>				
(44,157)	Payments to employees		(44,317)	(45,021)
(49,516)	Payments for materials and services		(50,299)	(49,666)
(3,338)	Borrowing costs		(2,949)	(3,144)
–	Bonds, deposits and retentions refunded		(323)	–
(2,646)	Other		3,900	(2,481)
63,009	<b>Net cash flows from operating activities</b>	G1-1	<b>79,972</b>	<b>73,827</b>
<b>Cash flows from investing activities</b>				
<b>Receipts:</b>				
27,266	Sale of investments		92,022	162,914
–	Sale of real estate assets		6,695	8,777
1,250	Proceeds from sale of IPPE		1,779	10,803
–	Deferred debtors receipts		79	34
<b>Payments:</b>				
–	Purchase of investments		(106,122)	(196,518)
–	Acquisition of term deposits		(10,927)	61,500
(85,696)	Payments for IPPE		(64,569)	(80,229)
–	Purchase of real estate assets		(4,062)	(3,109)
–	Deferred debtors and advances made		20	18
(57,180)	<b>Net cash flows from investing activities</b>		<b>(85,085)</b>	<b>(35,810)</b>
<b>Cash flows from financing activities</b>				
<b>Payments:</b>				
(5,829)	Repayment of borrowings		(5,829)	(5,502)
(5,829)	<b>Net cash flows from financing activities</b>		<b>(5,829)</b>	<b>(5,502)</b>
–	<b>Net change in cash and cash equivalents</b>		<b>(10,942)</b>	<b>32,515</b>
3,000	Cash and cash equivalents at beginning of year	C1-1b,C1-1	66,487	33,972
3,000	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>55,545</b>	<b>66,487</b>
204,150	plus: Investments on hand at end of year	C1-2	180,865	156,136
207,150	<b>Total cash, cash equivalents and investments</b>		<b>236,410</b>	<b>222,623</b>

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

## Dubbo Regional Council

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## Dubbo Regional Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 27 October 2022. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

Council is a not-for-profit entity.

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

#### **New accounting standards adopted during the year**

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2022.

Those newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures are further discussed in the Notes

#### **Historical cost convention**

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

#### **Significant accounting estimates and judgements**

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

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

#### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future.

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

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. fair values of infrastructure, property, plant and equipment – refer Note C1-8
- ii. tip remediation provisions – refer Note C3-5
- iii. employee benefit provisions – refer Note C3-4.

#### **Significant judgements in applying the Council's accounting policies**

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.

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## A1-1 Basis of preparation (continued)

### Monies and other assets received by Council

#### The Consolidated Fund

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

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

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

- general purpose operations
- water service
- sewerage service

#### The Trust Fund

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

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

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

### Goods and Services Tax (GST)

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

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

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

### Volunteer services

Council makes use of volunteers for museums also library services. Volunteer services are not recognised in the financial statements as it is not material, may not be purchased if not donated and cannot be reliably measured

### New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2022 reporting period.

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

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

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

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

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

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

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

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## A1-1 Basis of preparation (continued)

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

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

This Standard amends a number of standards as follows:

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

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

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

## B Financial Performance

### B1 Functions or activities

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

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

\$ '000	<i>Income</i>		<i>Expenses</i>		<i>Operating result</i>		<i>Grants and contributions</i>		<i>Carrying amount of assets</i>	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Functions or activities</b>										
Governance	31	25	1,216	604	(1,185)	(579)	–	–	–	–
Administration	2,879	2,045	9,590	1,702	(6,711)	343	–	–	180,782	179,311
Public order and safety	4,192	4,046	5,134	4,520	(942)	(474)	3,535	3,286	26,754	48,203
Health	–	–	18	89	(18)	(89)	–	–	–	–
Environment	19,272	16,641	12,657	15,403	6,615	1,238	3,842	2,651	163,404	160,809
Community services and education	3,172	3,002	4,470	5,469	(1,298)	(2,467)	2,206	2,651	1,200	1,278
Housing and community amenities	3,138	3,589	3,002	3,130	136	459	203	203	16,624	15,568
Water supplies	32,237	35,074	20,609	21,496	11,628	13,578	10,037	12,944	403,896	335,116
Sewerage services	22,496	20,816	14,366	14,134	8,130	6,682	3,071	2,078	333,709	353,096
Recreation and culture	8,070	5,473	34,017	31,118	(25,947)	(25,645)	8,616	4,531	203,872	177,548
Mining, manufacturing and construction	80	50	1,235	1,555	(1,155)	(1,505)	–	–	6,483	36
Transport and communication	32,395	31,318	38,686	39,312	(6,291)	(7,994)	27,287	27,152	1,544,644	1,368,516
Economic affairs	9,894	15,551	7,220	11,098	2,674	4,453	648	2,752	74,062	74,295
Share of gains/(losses) in associates and joint ventures (using the equity method)	158	37	–	–	158	37	–	–	1,878	1,719
General purpose income	54,652	49,275	–	–	54,652	49,275	15,868	12,071	–	–
<b>Total functions and activities</b>	<b>192,666</b>	<b>186,942</b>	<b>152,220</b>	<b>149,630</b>	<b>40,446</b>	<b>37,312</b>	<b>75,313</b>	<b>70,319</b>	<b>2,957,308</b>	<b>2,715,495</b>

## B1-2 Components of functions or activities

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

### Governance

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

### Administration

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

### Public order and safety

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

### Health

Includes immunisation, food control, health centres etc.

### Environment

Includes noxious plants 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 (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

### Housing and community amenities

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

### Water supplies

Provide safe reliable and cost effective water supply that caters for the sustainable growth.

### Sewerage services

Provision of an environmentally responsible sewerage service that maintains the health of the community cost effectively, and caters for the sustainable growth.

### Recreation and culture

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

### Mining, manufacturing and construction

Includes building control, quarries and pits, mineral resources, and abattoirs.

### Transport and communication

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

### Economic affairs

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.



**B2 Sources of income****B2-1 Rates and annual charges**

<b>\$ '000</b>	<b>2022</b>	<b>2021</b>
<b>Ordinary rates</b>		
Residential	22,266	21,402
Farmland	6,347	6,195
Mining	1	2
Business	8,904	8,774
Less: pensioner rebates (mandatory)	(505)	(514)
<b>Rates levied to ratepayers</b>	<b>37,013</b>	<b>35,859</b>
Pensioner rate subsidies received	276	283
<b>Total ordinary rates</b>	<b>37,289</b>	<b>36,142</b>
<b>Annual charges</b>		
(pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	8,280	7,906
Water supply services	7,785	7,409
Sewerage services	14,205	13,626
Drainage	1,592	1,583
Waste management services (non-domestic)	671	649
Less: pensioner rebates (mandatory)	(637)	(638)
Less: pensioner rebates (Council policy)	(181)	(184)
<b>Annual charges levied</b>	<b>31,715</b>	<b>30,351</b>
Pensioner subsidies received:		
– Water	121	122
– Sewerage	116	116
– Domestic waste management	115	114
<b>Total annual charges</b>	<b>32,067</b>	<b>30,703</b>
<b>Total rates and annual charges</b>	<b>69,356</b>	<b>66,845</b>

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

**Accounting policy**

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

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

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

## B2-2 User charges and fees

\$ '000	Timing	2022	2021
<b>Specific user charges</b>			
(per s.502 - specific 'actual use' charges)			
Water supply services		12,434	12,802
Sewerage services		4,449	4,186
Waste management services (non-domestic)		4,978	4,441
<b>Total specific user charges</b>		<b>21,861</b>	<b>21,429</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>			
Regulatory/ statutory fees		3,129	3,226
<b>Total fees and charges – statutory/regulatory</b>		<b>3,129</b>	<b>3,226</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>			
Aerodrome		2,103	1,819
Caravan park		–	1,639
Cemeteries		488	436
Leaseback fees – Council vehicles		316	291
Transport for NSW works (state roads not controlled by Council)		2,322	932
Tourism		126	175
Water service connections		84	92
Caves entry fees		617	864
Western Plains Cultural Centre		370	364
Aquatic leisure centre	1	739	832
Family day care		342	362
Fodder sales 'greengrove' effluent reuse property		63	100
Old dubbo gaol		560	1,036
Private works		425	556
Public halls		1,380	1,110
Rainbow cottage long day care centre		502	540
Regional livestock markets		2,604	2,280
Showground		462	125
Sewer plan drafting fees		147	169
Other		941	1,188
Sporting facilities		190	211
<b>Total fees and charges – other</b>		<b>14,781</b>	<b>15,121</b>
<b>Total other user charges and fees</b>		<b>17,910</b>	<b>18,347</b>
<b>Total user charges and fees</b>		<b>39,771</b>	<b>39,776</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time		–	–
User charges and fees recognised at a point in time		39,771	39,776
<b>Total user charges and fees</b>		<b>39,771</b>	<b>39,776</b>

**Accounting policy**

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

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

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

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

**B2-3 Other revenues**

<b>\$ '000</b>	<b>2022</b>	<b>2021</b>
Rental income – other council properties	1,409	962
Fines	300	279
Commissions and agency fees	11	12
Insurance claims recoveries	1,101	265
Other	1,975	832
Caves / caravan park kiosk – sales	136	148
StateCover WHS Incentive	130	130
<b>Total other revenue</b>	<b>5,062</b>	<b>2,628</b>
<b>Timing of revenue recognition for other revenue</b>		
Other revenue recognised over time	–	–
Other revenue recognised at a point in time	5,062	2,628
<b>Total other revenue</b>	<b>5,062</b>	<b>2,628</b>

**Accounting policy for other revenue**

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

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

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

## B2-4 Grants and contributions

\$ '000	Operating 2022	Operating 2021	Capital 2022	Capital 2021
<b>General purpose grants and non-developer contributions (untied)</b>				
<b>Financial Assistance Grant</b>				
Relating to Current Year	6,144	5,633	–	–
Prepayment received in advance for subsequent year <sup>1</sup>	9,447	6,032	–	–
<b>Amount recognised as income during current year</b>	<b>15,591</b>	<b>11,665</b>	<b>–</b>	<b>–</b>
<b>Special purpose grants and non-developer contributions (tied)</b>				
<b>Cash contributions</b>				
Water supplies	–	–	6,500	11,133
Bushfire and emergency services	482	413	148	99
Employment and training programs	38	13	–	–
Heritage and cultural	315	186	–	–
Library	202	196	–	–
Noxious weeds	109	389	–	–
Local infrast. renewal scheme interest subsidy	–	–	170	227
Tourism	15	9	3,527	1,268
Community services	181	175	–	–
Street lighting	203	203	–	–
Family day care	1,173	1,256	–	–
Rainbow cottage long day care centre	793	725	–	–
Paid parental leave	–	111	–	–
Sporting facilities	8	–	1,001	565
Stormwater	79	–	–	–
Other specific grants	1,552	417	2,658	4,443
Transport (roads to recovery)	2,146	3,220	–	–
Transport (other roads and bridges funding)	43	33	13,696	9,785
<b>Previously contributions:</b>				
Transport for NSW contributions (regional roads, block grant)	2,437	2,432	–	69
Other contributions	686	611	1,375	858
Sporting facilities	–	–	247	–
<b>Total special purpose grants and non-developer contributions – cash</b>	<b>10,462</b>	<b>10,389</b>	<b>29,322</b>	<b>28,447</b>
<b>Non-cash contributions</b>				
Bushfire services	–	–	1,958	2,268
Drainage	–	–	3,240	1,670
Paving	–	–	320	738
Roads and bridges	–	–	4,455	8,334
Sewerage (excl. section 64 contributions)	–	–	1,555	862
Water supplies (excl. section 64 contributions)	–	–	1,645	351
Land under roads	–	–	111	187
<b>Total other contributions – non-cash</b>	<b>–</b>	<b>–</b>	<b>13,284</b>	<b>14,410</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>	<b>10,462</b>	<b>10,389</b>	<b>42,606</b>	<b>42,857</b>
<b>Total grants and non-developer contributions</b>	<b>26,053</b>	<b>22,054</b>	<b>42,606</b>	<b>42,857</b>
<b>Comprising:</b>				
– Commonwealth funding	18,883	15,353	5,416	5,796
– State funding	6,098	6,357	22,336	21,721
– Other funding	1,072	344	14,854	15,340
	<b>26,053</b>	<b>22,054</b>	<b>42,606</b>	<b>42,857</b>

(1) Amount was received by Council in June 2022 and hence is reported as 2021 – 2022 income although relates to 2022-2023 Financial Year

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## B2-4 Grants and contributions (continued)

## Developer contributions

\$ '000	Notes	Operating 2022	Operating 2021	Capital 2022	Capital 2021
<b>Developer contributions:</b>					
<b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>					
<b>Cash contributions</b>					
S 64 – water supply contributions		–	–	1,846	1,402
S 64 – sewerage service contributions		–	–	1,399	1,061
S 7.11 – open space		–	–	738	699
S 7.11 – drainage		–	–	297	389
S 7.11 – roadworks		–	–	2,274	1,759
Voluntary planning agreements		–	–	100	98
<b>Total developer contributions – cash</b>		<b>–</b>	<b>–</b>	<b>6,654</b>	<b>5,408</b>
<b>Total developer contributions</b>		<b>–</b>	<b>–</b>	<b>6,654</b>	<b>5,408</b>
<b>Total contributions</b>		<b>–</b>	<b>–</b>	<b>6,654</b>	<b>5,408</b>
<b>Total grants and contributions</b>		<b>26,053</b>	<b>22,054</b>	<b>49,260</b>	<b>48,265</b>
<b>Timing of revenue recognition for grants and contributions</b>					
Grants and contributions recognised over time		–	–	–	–
Grants and contributions recognised at a point in time		26,053	22,054	49,260	48,265
<b>Total grants and contributions</b>		<b>26,053</b>	<b>22,054</b>	<b>49,260</b>	<b>48,265</b>

## Unspent grants and contributions

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

\$ '000	Capital 2022	Capital 2021
<b>Unspent grants and contributions</b>		
Unspent funds at 1 July	23,496	24,336
<b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	9,133	9,501
<b>Add:</b> Funds received and not recognised as revenue in the current year	–	–
<b>Less:</b> grants recognised as income in a previous reporting period now spent	(5,214)	(10,341)
<b>Less:</b> Funds received in prior year but revenue recognised and funds spent in current year	(1,939)	–
<b>Unspent funds at 30 June</b>	<b>25,476</b>	<b>23,496</b>

## Accounting policy

## Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

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

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g.

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## B2-4 Grants and contributions (continued)

completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

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

### Capital grants

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

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

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

### Developer contributions

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

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

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

### Other grants and contributions

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

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

**B2-5 Interest and investment income**

<b>\$ '000</b>	<b>2022</b>	<b>2021</b>
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	<b>236</b>	146
– Cash and investments	<b>3,037</b>	3,574
– Other	<b>11</b>	6
<b>Amortisation of premiums and discounts</b>		
– Interest free (and interest reduced) loans provided	<b>20</b>	18
– Financial assets at amortised cost	<b>(298)</b>	(41)
<b>Total interest and investment income (losses)</b>	<b>3,006</b>	<b>3,703</b>

**Accounting policy**

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

**B2-6 Other income**

<b>\$ '000</b>	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>Net share of interests in joint ventures and associates using the equity method</b>			
Joint ventures		<b>158</b>	37
<b>Total net share of interests in joint ventures and associates using the equity method</b>		<b>158</b>	<b>37</b>
	D2-1		
<b>Total other income</b>		<b>158</b>	<b>37</b>

**B3 Costs of providing services****B3-1 Employee benefits and on-costs**

<b>\$ '000</b>	<b>2022</b>	<b>2021</b>
Salaries and wages	<b>40,520</b>	39,595
Travel expenses	<b>104</b>	77
Employee leave entitlements (ELE)	<b>4,027</b>	4,636
Superannuation	<b>4,506</b>	4,528
Workers' compensation insurance	<b>2,664</b>	2,423
Fringe benefit tax (FBT)	<b>111</b>	89
Payroll tax	<b>190</b>	140
Training costs (other than salaries and wages)	<b>309</b>	570
Other	<b>231</b>	163
<b>Total employee costs</b>	<b>52,662</b>	<b>52,221</b>
Less: capitalised costs	<b>(8,177)</b>	(7,289)
<b>Total employee costs expensed</b>	<b>44,485</b>	<b>44,932</b>
Number of 'full-time equivalent' employees (FTE) at year end	<b>469</b>	492

**Accounting policy**

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

*Retirement benefit obligations*

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

*Superannuation plans*

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

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



## B3-2 Materials and services

\$ '000	Notes	2022	2021
Raw materials and consumables		32,134	42,139
Contractor and consultancy costs		14,455	11,291
Audit Fees	F2-1	143	128
Councillor and Mayoral fees and associated expenses	F1-2	391	377
Advertising		442	543
Election expenses		494	–
Electricity and heating		3,617	3,768
Insurance		2,047	1,657
Postage		130	171
Printing and stationery		268	267
Street lighting		760	737
Telephone and communications		250	279
Valuation fees		187	183
Other expenses		1,216	954
Vehicle registration		198	202
Water resource charge		460	431
Contributions to emergency services		1,262	1,605
Credit card merchant fees		19	17
Family day care – fee relief		1,153	1,142
Property rental		49	74
Subscription shires association		56	50
<b>Legal expenses:</b>			
Expenses from leases of low value assets		41	82
– Legal expenses: planning and development		6	6
– Legal expenses: debt recovery		–	1
– Legal expenses: other		327	234
<b>Total materials and services</b>		<b>60,105</b>	<b>66,338</b>
Less: capitalised costs		(13,395)	(12,642)
<b>Total materials and services</b>		<b>46,710</b>	<b>53,696</b>

**Accounting policy**

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

**B3-3 Borrowing costs**

\$ '000	Notes	2022	2021
<b>(i) Interest bearing liability costs</b>			
Interest on loans		3,080	3,407
<b>Total interest bearing liability costs</b>		<b>3,080</b>	<b>3,407</b>
<b>Total interest bearing liability costs expensed</b>		<b>3,080</b>	<b>3,407</b>
<b>(ii) Other borrowing costs</b>			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	C3-5	(99)	(312)
<b>Total other borrowing costs</b>		<b>(99)</b>	<b>(312)</b>
<b>Total borrowing costs expensed</b>		<b>2,981</b>	<b>3,095</b>

**Accounting policy**

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.

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

\$ '000	Notes	2022	2021
<b>Depreciation and amortisation</b>			
Plant and equipment		4,338	4,051
Office equipment		1,023	715
Furniture and fittings		226	348
Land improvements (depreciable)		323	367
<b>Infrastructure:</b>	C1-8		
– Buildings – non-specialised		1,495	1,248
– Buildings – specialised		5,980	4,377
– Other structures		6,665	5,009
– Roads		16,450	15,954
– Airport runways		914	945
– Stormwater drainage		2,178	2,102
– Water supply network		4,960	5,063
– Sewerage network		4,233	4,414
– Swimming pools		233	74
<b>Other assets:</b>			
– Other		57	46
<b>Reinstatement, rehabilitation and restoration assets:</b>			
– Quarry assets	C1-8, C3-5	23	90
<b>Total gross depreciation and amortisation costs</b>		<b>49,098</b>	<b>44,803</b>
Less: capitalised costs		(1,193)	(1,249)
<b>Total depreciation and amortisation costs</b>		<b>47,905</b>	<b>43,554</b>
<b>Impairment / revaluation decrement of IPPE</b>			
<b>Infrastructure:</b>	C1-8		
– Swimming pools		552	–
– Quarry assets		–	1,997
<b>Total gross IPPE impairment / revaluation decrement costs</b>		<b>552</b>	<b>1,997</b>
<b>Total IPPE impairment / revaluation decrement costs charged to Income Statement</b>		<b>552</b>	<b>1,997</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>48,457</b>	<b>45,551</b>

**Accounting policy****Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

**Impairment of non-financial assets**

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

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

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

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

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

## B3-5 Other expenses

\$ '000	Notes	2022	2021
<b>Impairment of receivables</b>			
Other		32	(6)
<b>Total impairment of receivables</b>	C1-4	<b>32</b>	<b>(6)</b>
<b>Other</b>			
Donations, contributions and assistance to other organisations (Section 356)		2,406	2,362
<b>Total other</b>		<b>2,406</b>	<b>2,362</b>
<b>Total other expenses</b>		<b>2,438</b>	<b>2,356</b>

**Accounting policy**

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

Impairment expenses are recognised when identified.

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

\$ '000	Notes	2022	2021
<b>Gain (or loss) on disposal of plant and equipment</b>	C1-8		
Proceeds from disposal – plant and equipment		1,779	10,803
Less: carrying amount of plant and equipment assets sold/written off		(1,644)	(10,165)
<b>Gain (or loss) on disposal</b>		<b>135</b>	<b>638</b>
<b>Gain (or loss) on disposal of infrastructure</b>	C1-8		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure assets sold/written off		(11,126)	(2,571)
<b>Gain (or loss) on disposal</b>		<b>(11,126)</b>	<b>(2,571)</b>
<b>Gain (or loss) on disposal of real estate assets held for sale</b>	C1-5		
Proceeds from disposal – real estate assets		6,695	8,777
Less: carrying amount of real estate assets sold/written off		(2,853)	(3,398)
<b>Gain (or loss) on disposal</b>		<b>3,842</b>	<b>5,379</b>
<b>Gain (or loss) on disposal of investments</b>	C1-2		
Proceeds from disposal/redemptions/maturities – investments		92,022	162,914
Less: carrying amount of investments sold/redeemed/matured		(92,022)	(162,914)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>–</b>
<b>Net gain (or loss) from disposal of assets</b>		<b>(7,149)</b>	<b>3,446</b>

**Accounting policy**

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

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 28/06/2021 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----	
<b>Revenues</b>				
Rates and annual charges	68,303	69,356	1,053	2% <b>F</b>
User charges and fees	43,878	39,771	(4,107)	(9)% <b>U</b>
Other revenues	2,544	5,062	2,518	99% <b>F</b>
Council received a reimbursement for COVID-19 costs incurred as a result of our involvement in the emergency response from Western NSW Local Health District and higher than anticipated income from insurance recoveries.				
Operating grants and contributions	21,279	26,053	4,774	22% <b>F</b>
Council received an additional 25% portion of the 2022/2023 Financial Assistance Grant during the 2022 financial year as a prepayment and COVID-19 support grants relating to the Dubbo Regional Airport operating costs.				
Capital grants and contributions	18,387	49,260	30,873	168% <b>F</b>
Grant funding tied to projects that were not finalised in the 2021 financial year were rolled into the 2022 financial year, mainly related to the Drought Funding Commitment and Destination Dubbo.				
Council also received higher than anticipated developer contributions.				
Interest and investment revenue	2,485	3,006	521	21% <b>F</b>
Interest rates received on investments was higher than originally estimated during the later stages in the 2022 financial year when the Reserve Bank of Australia increased the cash rate.				
Net gains from disposal of assets	2,600	–	(2,600)	(100)% <b>U</b>
Other income	–	158	158	∞ <b>F</b>
<b>Expenses</b>				
Employee benefits and on-costs	45,506	44,485	1,021	2% <b>F</b>
Materials and services	53,267	46,710	6,557	12% <b>F</b>
Borrowing costs	3,130	2,981	149	5% <b>F</b>
Depreciation, amortisation and impairment of non-financial assets	44,135	48,457	(4,322)	(10)% <b>U</b>
Other expenses	2,646	2,438	208	8% <b>F</b>
<b>Statement of cash flows</b>				
Cash flows from operating activities	63,009	79,972	16,963	27% <b>F</b>
Cash flows from investing activities	(57,180)	(85,085)	(27,905)	49% <b>U</b>

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## B5-1 Material budget variations (continued)

<i>\$ '000</i>	<i>2022 Budget</i>	<i>2022 Actual</i>	<i>2022 ----- Variance -----</i>	
Council's increased cash balance allowed for higher than anticipated investments to be placed.				
Cash flows from financing activities	(5,829)	(5,829)	—	0% <b>F</b>

**C Financial position****C1 Assets we manage****C1-1 Cash and cash equivalents**

\$ '000	2022	2021
<b>Cash assets</b>		
Cash on hand and at bank	3	3
Cash equivalent assets		
– Deposits at call	55,542	66,484
<b>Total cash and cash equivalents</b>	<b>55,545</b>	<b>66,487</b>

**Reconciliation of cash and cash equivalents**

Total cash and cash equivalents per Statement of Financial Position	55,545	66,487
<b>Balance as per the Statement of Cash Flows</b>	<b>55,545</b>	<b>66,487</b>

**Accounting policy**

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

**C1-2 Financial investments**

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
<b>Debt securities at amortised cost</b>				
Term deposits	88,000	35,000	53,073	59,000
NCD's, FRN's (with maturities > 3 months)	–	57,865	1,000	43,063
<b>Total</b>	<b>88,000</b>	<b>92,865</b>	<b>54,073</b>	<b>102,063</b>
<b>Total financial investments</b>	<b>88,000</b>	<b>92,865</b>	<b>54,073</b>	<b>102,063</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>143,545</b>	<b>92,865</b>	<b>120,560</b>	<b>102,063</b>

**Accounting policy**

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

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

**Financial assets**

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

**Classification**

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

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

Financial assets are not reclassified subsequent to their initial recognition.

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## C1-2 Financial investments (continued)

**Amortised cost**

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

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

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

**Fair value through other comprehensive income – equity instruments**

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in the Other Comprehensive Income Statement.

**Financial assets through profit or loss**

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

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

## C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2022	2021
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## (a) Externally restricted cash, cash equivalents and investments

<b>Total cash, cash equivalents and investments</b>	<b>236,410</b>	<b>222,623</b>
Less: Externally restricted cash, cash equivalents and investments	<b>(167,446)</b>	<b>(160,241)</b>
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>68,964</b>	<b>62,382</b>

**External restrictions**

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

Specific purpose unexpended grants – general fund	<b>(187)</b>	<b>–</b>
Developer contributions – general	<b>11,698</b>	<b>13,356</b>
Unexpended grants	<b>25,476</b>	<b>23,471</b>
Water fund	<b>59,502</b>	<b>53,881</b>
Sewer fund	<b>62,761</b>	<b>60,861</b>
Stormwater management	<b>4,047</b>	<b>5,002</b>
Domestic waste management	<b>4,149</b>	<b>3,670</b>
<b>Total external restrictions</b>	<b>167,446</b>	<b>160,241</b>

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

\$ '000	2022	2021
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## (b) Internal allocations

**Internal allocations**

At 30 June, Council has internally allocated funds to the following:

Employees leave entitlement	<b>3,446</b>	<b>4,028</b>
Property development	<b>1,577</b>	<b>6,551</b>

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

\$ '000	2022	2021
Dubbo city regional airport	2,827	2,129
Livestock markets	2,771	3,127
Other waste management services	17,904	14,711
Road network – state roads	1,431	378
Fleet management services	9,991	8,960
Future Asset Renewal	29,017	22,498
<b>Total internal allocations</b>	<b>68,964</b>	<b>62,382</b>

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

## C1-4 Receivables

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Rates and annual charges	3,393	–	3,426	–
Interest and extra charges	375	–	363	–
User charges and fees	7,084	–	7,446	–
Accrued revenues				
– Interest on investments	754	–	763	–
Deferred debtors	81	62	92	130
Government grants and subsidies	5,304	–	6,375	–
Net GST receivable	1,457	–	1,556	–
Due from other levels of government	10	–	23	–
Other debtors	5,402	–	1,324	–
<b>Total</b>	<b>23,860</b>	<b>62</b>	<b>21,368</b>	<b>130</b>
<b>Less: provision for impairment</b>				
User charges and fees	(371)	–	(741)	–
<b>Total provision for impairment – receivables</b>	<b>(371)</b>	<b>–</b>	<b>(741)</b>	<b>–</b>
<b>Total net receivables</b>	<b>23,489</b>	<b>62</b>	<b>20,627</b>	<b>130</b>

\$ '000	2022	2021
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year (calculated in accordance with AASB 9)	741	767
+ new provisions recognised during the year	(369)	20
– amounts already provided for and written off this year	–	(46)
<b>Balance at the end of the year</b>	<b>372</b>	<b>741</b>

## Accounting policy

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

## Impairment

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

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

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

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

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

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

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

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

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

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#### C1-4 Receivables (continued)

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

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

Rates and annual charges outstanding are secured against the property.

## C1-5 Inventories

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
<b>(i) Inventories at cost</b>				
Stores and materials	1,013	–	1,128	–
Trading stock	114	–	170	–
Real estate for resale	3,662	4,896	1,440	5,909
<b>Total inventories at cost</b>	<b>4,789</b>	<b>4,896</b>	<b>2,738</b>	<b>5,909</b>
<b>Total inventories</b>	<b>4,789</b>	<b>4,896</b>	<b>2,738</b>	<b>5,909</b>

## (i) Other disclosures

\$ '000	Notes	2022 Current	2022 Non-current	2021 Current	2021 Non-current
<b>(a) Details for real estate development</b>					
Residential		3,662	4,896	–	2,119
Industrial/commercial		–	–	1,440	3,790
<b>Total real estate for resale</b>		<b>3,662</b>	<b>4,896</b>	<b>1,440</b>	<b>5,909</b>

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

**Represented by:**

Acquisition costs	3,662	4,896	1,440	3,200
Development costs	–	–	–	2,709
<b>Total costs</b>	<b>3,662</b>	<b>4,896</b>	<b>1,440</b>	<b>5,909</b>
<b>Total real estate for resale</b>	<b>3,662</b>	<b>4,896</b>	<b>1,440</b>	<b>5,909</b>

**Movements:**

Real estate assets at beginning of the year	1,440	5,909	2,758	4,880
– Purchases and other costs	5,075	(1,013)	2,080	1,029
– WDV of sales (expense)	(2,853)	–	(3,398)	–
<b>Total real estate for resale</b>	<b>3,662</b>	<b>4,896</b>	<b>1,440</b>	<b>5,909</b>

B4-1

**Accounting policy****Raw materials and stores, work in progress and finished goods**

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

**Land held for resale**

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

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

## C1-6 Contract assets and Contract cost assets

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Council does not have Contract assets to report

### C1-7 Non-current assets classified as held for sale

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Council did not classify any non-current assets or disposal groups as 'held for sale'.

## C1-8 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period								At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions	Carrying value of disposals	Depreciation expense	Impairment loss (recognised in P/L)	WIP transfers	Remeasurement adjustment (via P/L)	Revaluation decrements to equity (ARR)	Revaluation increments/(decrements to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	88,717	–	88,717	41,448	(2,258)	–	–	(20,261)	–	–	–	81,724	–	81,724
Plant and equipment	65,170	(30,167)	35,003	6,364	(1,644)	(4,338)	–	–	–	–	–	66,437	(30,958)	35,479
Office equipment	4,703	(2,546)	2,157	349	(2)	(1,023)	–	–	–	–	–	6,427	(3,538)	2,889
Furniture and fittings	4,777	(3,337)	1,440	219	(17)	(226)	–	–	–	–	–	4,967	(3,550)	1,417
Land:														
– Operational land	36,844	–	36,844	85	–	–	–	–	–	–	7,521	44,451	–	44,451
– Community land	43,946	–	43,946	–	–	–	–	–	–	–	4,264	48,211	–	48,211
– Land under roads (post 30/6/08)	1,449	–	1,449	111	–	–	–	–	–	–	–	1,560	–	1,560
Land improvements – non-depreciable	1,393	–	1,393	–	–	–	–	–	–	–	–	1,393	–	1,393
Land improvements – depreciable	7,572	(4,971)	2,601	26	(34)	(323)	–	–	–	–	–	7,651	(5,282)	2,369
Infrastructure:														
– Airport runways	44,558	(8,765)	35,793	414	–	(914)	–	–	–	–	6,071	67,815	(9,678)	58,137
– Buildings – non-specialised	51,323	(24,186)	27,137	1,822	–	(1,495)	–	–	–	–	4,318	56,365	(25,681)	30,684
– Buildings – specialised	188,058	(70,037)	118,021	6,461	(1,375)	(5,980)	–	–	–	–	19,883	209,940	(74,889)	135,051
– Other structures	173,919	(61,701)	112,218	3,106	(5,681)	(6,665)	–	–	–	–	10,162	180,552	(65,631)	114,921
– Roads	1,223,914	(343,551)	880,363	3,584	–	(16,450)	–	17,941	–	–	92,522	1,339,129	(359,754)	979,375
– Bulk earthworks (non-depreciable)	418,030	–	418,030	2,046	–	–	–	–	–	–	42,127	445,930	–	445,930
– Stormwater drainage	178,154	(45,355)	132,799	3,241	–	(2,178)	–	–	–	–	–	181,394	(47,533)	133,861
– Water supply network	373,618	(128,730)	244,888	1,644	(295)	(4,960)	–	727	–	–	52,613	448,894	(133,477)	315,417
– Sewerage network	336,618	(72,563)	264,055	1,555	(59)	(4,233)	–	1,593	–	(32,146)	–	314,161	(76,774)	237,387
– Swimming pools	14,387	(2,509)	11,878	–	(1,405)	(233)	(552)	–	–	–	–	9,003	(3,240)	5,763
Other assets:														
– Heritage collections	33	(5)	28	–	–	–	–	–	–	–	–	33	(5)	28
– Other	2,096	(859)	1,237	–	–	(57)	–	–	–	–	–	2,282	(916)	1,366
Reinstatement, rehabilitation and restoration assets (refer Note 11):														
– Tip assets	880	(880)	–	–	–	–	–	–	6,139	–	–	7,325	(880)	6,445
– Quarry assets	1,082	(463)	619	–	–	(23)	–	–	101	–	–	1,182	(463)	719
Total infrastructure, property, plant and equipment	3,261,241	(800,625)	2,460,616	72,475	(12,770)	(49,098)	(552)	–	6,240	(32,146)	239,481	3,526,826	(842,249)	2,684,577

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## C1-8 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period								At 30 June 2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Remeasurement adjustment (via P/L)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	48,885	—	48,885	10,256	40,162	—	—	(10,586)	—	—	—	88,717	—	88,717
Plant and equipment	54,895	(25,643)	29,252	—	6,757	(2,491)	(4,051)	—	(26)	—	3,294	65,170	(30,167)	35,003
Office equipment	3,837	(1,867)	1,970	345	544	(5)	(715)	—	18	—	—	4,703	(2,546)	2,157
Furniture and fittings	4,701	(3,075)	1,626	—	162	(6)	(348)	—	6	—	—	4,777	(3,337)	1,440
<b>Land:</b>														
— Operational land	36,822	—	36,822	—	22	—	—	—	—	—	—	36,844	—	36,844
— Community land	35,684	—	35,684	—	—	—	—	—	—	—	8,262	43,946	—	43,946
— Land under roads (post 30/6/08)	1,262	—	1,262	—	187	—	—	—	—	—	—	1,449	—	1,449
Land improvements – non-depreciable	1,801	—	1,801	—	—	(98)	—	—	(310)	—	—	1,393	—	1,393
Land improvements – depreciable	8,224	(4,669)	3,555	157	545	(1,282)	(367)	—	(7)	—	—	7,572	(4,971)	2,601
<b>Infrastructure:</b>														
— Buildings – non-specialised	50,396	(22,938)	27,458	732	195	—	(1,248)	—	—	—	—	51,323	(24,186)	27,137
— Buildings – specialised	183,028	(66,760)	116,268	5,371	5,205	(4,446)	(4,377)	—	—	—	—	188,058	(70,037)	118,021
— Other structures	149,108	(65,651)	83,457	1,093	6,881	(3,689)	(5,009)	—	327	—	29,158	173,919	(61,701)	112,218
— Roads	1,211,233	(327,597)	883,636	1,009	6,317	—	(15,954)	5,363	(8)	—	—	1,223,914	(343,551)	880,363
— Airport runways	44,445	(7,819)	36,626	112	—	—	(945)	—	—	—	—	44,558	(8,765)	35,793
— Bulk earthworks (non-depreciable)	418,030	—	418,030	—	—	—	—	—	—	—	—	418,030	—	418,030
— Stormwater drainage	170,966	(43,332)	127,634	—	3,255	(61)	(2,102)	4,073	—	—	—	178,154	(45,355)	132,799
— Water supply network	369,701	(122,500)	247,201	—	520	—	(5,063)	11	—	—	2,219	373,618	(128,730)	244,888
— Sewerage network	331,511	(67,502)	264,009	70	1,476	(614)	(4,414)	1,139	—	—	2,389	336,618	(72,563)	264,055
— Swimming pools	14,396	(2,449)	11,947	16	—	(11)	(74)	—	—	—	—	14,387	(2,509)	11,878
— Quarry assets	1,997	—	1,997	—	—	—	—	—	—	(1,997)	—	—	—	—
<b>Other assets:</b>														
— Heritage collections	33	(5)	28	—	—	—	—	—	—	—	—	33	(5)	28
— Other	2,353	(1,070)	1,283	—	—	—	(46)	—	—	—	—	2,096	(859)	1,237
<b>Reinstatement, rehabilitation and restoration assets (refer Note 11):</b>														
— Tip assets	1,034	(1,034)	—	—	—	—	—	—	—	—	—	880	(880)	—
— Quarry assets	1,152	(373)	779	—	—	—	(90)	—	—	(70)	—	1,082	(463)	619
<b>Total infrastructure, property, plant and equipment</b>	<b>3,145,494</b>	<b>(764,284)</b>	<b>2,381,210</b>	<b>19,161</b>	<b>72,228</b>	<b>(12,703)</b>	<b>(44,803)</b>	<b>—</b>	<b>—</b>	<b>(2,067)</b>	<b>45,322</b>	<b>3,261,241</b>	<b>(800,625)</b>	<b>2,460,616</b>

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

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## C1-8 Infrastructure, property, plant and equipment (continued)

### Accounting policy

#### Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

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

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.

#### Useful lives of IPPE

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

Plant and equipment	Years	Other equipment	Years
Office equipment	1 to 8	Playground equipment	5 to 15
Office furniture	1 to 10	Benches, seats etc.	10 to 20
Computer equipment	1 to 8		
Vehicles	5 to 8	<b>Buildings</b>	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 100
<b>Water and sewer assets</b>		<b>Stormwater assets</b>	
Dams and reservoirs	100	Drains	80 to 120*
Bores	30	Culverts	80*
Reticulation pipes: PVC	70	Flood control structures	60 to 150*
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 50		
<b>Transportation assets</b>		<b>Other infrastructure assets</b>	
Sealed roads: surface	21 to 24	Bulk earthworks	Infinite
Sealed roads: structure	15 to 90	Swimming pools	5 to 50
Unsealed roads	10 to 34	Other open space/recreational assets	15 to 80
Bridge: concrete	110		
Bridge: other	80		
Road pavements	60 to 90		
Kerb, gutter and footpaths	40 to 200		

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

#### Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 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 Planning, Industry and Environment – Water.

Increases in the carrying amounts arising on revaluation are credited to the IPPE 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

#### Land under roads

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

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### C1-8 Infrastructure, property, plant and equipment (continued)

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

**Crown reserves**

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

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 recognised as assets of the Council in these financial statements.

Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire service assets including land, buildings, plant and vehicles.

## C1-9 Investment properties

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Council has not classified any land or buildings as 'investment properties'

## C1-10 Intangible assets

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

## C1-11 Other

### Other assets

\$ '000	2022		2021	
	Current	Non-current	Current	Non-current
Prepayments	713	–	638	–
Shares in unlisted companies – StateCover	–	495	–	495
<b>Total other assets</b>	<b>713</b>	<b>495</b>	<b>638</b>	<b>495</b>

## C2 Leasing activities

### C2-1 Council as a lessee

Council does not have any Leases.

### C2-2 Council as a lessor

Council does not have any Leases.

### C3 Liabilities of Council

#### C3-1 Payables

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Prepaid rates	3,781	–	3,396	–
Goods and services – operating expenditure	4,670	–	8,430	–
Accrued expenses:				
– Borrowings	405	–	454	–
– Salaries and wages	1,931	–	1,447	–
Security bonds, deposits and retentions	1,928	–	2,251	–
Other	–	3	–	3
<b>Total payables</b>	<b>12,715</b>	<b>3</b>	<b>15,978</b>	<b>3</b>

#### Accounting policy

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

#### Payables

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

#### C3-2 Contract Liabilities

\$ '000	Notes	2022 Current	2022 Non-current	2021 Current	2021 Non-current
<b>Grants and contributions received in advance:</b>					
Unexpended grants (received prior to performance obligation being satisfied)	(i)	–	–	3,000	–
<b>Total grants received in advance</b>		<b>–</b>	<b>–</b>	<b>3,000</b>	<b>–</b>
<b>User fees and charges received in advance:</b>					
Payments Received in Advance		353	–	375	–
<b>Total user fees and charges received in advance</b>		<b>353</b>	<b>–</b>	<b>375</b>	<b>–</b>
<b>Total contract liabilities</b>		<b>353</b>	<b>–</b>	<b>3,375</b>	<b>–</b>

#### Notes

(i) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied.

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

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

#### C3-3 Borrowings

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Loans – secured	5,984	39,866	5,829	45,850
<b>Total borrowings</b>	<b>5,984</b>	<b>39,866</b>	<b>5,829</b>	<b>45,850</b>

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## C3-3 Borrowings (continued)

## (a) Changes in liabilities arising from financing activities

	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	51,679	(5,829)	–	–	–	–	45,850
<b>Total liabilities from financing activities</b>	<b>51,679</b>	<b>(5,829)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>45,850</b>

	2020		Non-cash movements				2021
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	57,181	(5,502)	–	–	–	–	51,679
<b>Total liabilities from financing activities</b>	<b>57,181</b>	<b>(5,502)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>51,679</b>

## (b) Financing arrangements

\$ '000	2022	2021
<b>Total facilities</b>		
Credit cards/purchase cards	600	600
Bank Guarantee	200	200
<b>Total financing arrangements</b>	<b>800</b>	<b>800</b>
<b>Drawn facilities</b>		
– Credit cards/purchase cards	154	130
– Bank Guarantee	40	60
<b>Total drawn financing arrangements</b>	<b>194</b>	<b>190</b>
<b>Undrawn facilities</b>		
– Credit cards/purchase cards	446	470
– Bank Guarantee	160	140
<b>Total undrawn financing arrangements</b>	<b>606</b>	<b>610</b>

**Accounting policy**

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

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

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

## C3-4 Employee benefit provisions

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Annual leave	4,776	–	4,785	–
Sick leave	548	–	603	–
Long service leave	6,742	868	6,991	873
Other leave	134	–	132	–
<b>Total employee benefit provisions</b>	<b>12,200</b>	<b>868</b>	<b>12,511</b>	<b>873</b>

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

\$ '000	2022	2021
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employee benefits	4,814	5,124
	<b>4,814</b>	<b>5,124</b>

## Accounting policy

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

## Short-term obligations

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

## Other long-term employee benefit obligations

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

## On-costs

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

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

## C3-5 Provisions

\$ '000	2022 Current	2022 Non-Current	2021 Current	2021 Non-Current
<b>Asset remediation/restoration:</b>				
Asset remediation/restoration (future works)	–	10,738	–	4,276
<b>Sub-total – asset remediation/restoration</b>	<b>–</b>	<b>10,738</b>	<b>–</b>	<b>4,276</b>
<b>Total provisions</b>	<b>–</b>	<b>10,738</b>	<b>–</b>	<b>4,276</b>

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## C3-5 Provisions (continued)

## Description of and movements in provisions

\$ '000	Other provisions			Total
	Self insurance	Asset remediation	Other	
<b>2022</b>				
At beginning of year	–	4,276	–	4,276
Changes to provision:				
– Revised costs	–	6,340	–	6,340
Additional provisions	–	41	–	41
Unwinding of discount	–	81	–	81
Total other provisions at end of year	–	10,738	–	10,738
<b>2021</b>				
At beginning of year	–	4,639	–	4,639
Additional provisions	–	27	–	27
Unwinding of discount	–	390	–	390
Other	–	(780)	–	(780)
Total other provisions at end of year	–	4,276	–	4,276

## Nature and purpose of provisions

## Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the tip and quarry as a result of past operations.

## Accounting policy

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

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

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

## Asset remediation – tips and quarries

Council recognises an obligation for the remediation of the Whylandra Landfill but cannot determine a reasonable estimate to the costs due to the useful life ranging from 50-100 years. Council declares a contingent liability for the Whylandra Landfill which currently undergoes remediation on an on-going basis when required.

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

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

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

## C4 Reserves

### C4-1 Nature and purpose of reserves

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#### **IPPE Revaluation reserve**

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

## D Council structure

### D1 Results by fund

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

#### D1-1 Income Statement by fund

\$ '000	General 2022	Water 2022	Sewer 2022
<b>Income from continuing operations</b>			
Rates and annual charges	46,903	8,438	14,015
User charges and fees	22,048	12,990	4,733
Interest and investment income	1,716	687	603
Other revenues	4,902	86	74
Grants and contributions provided for operating purposes	26,053	—	—
Grants and contributions provided for capital purposes	36,154	10,036	3,070
Other income	158	—	—
<b>Total income from continuing operations</b>	<b>137,934</b>	<b>32,237</b>	<b>22,495</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	35,285	5,285	3,915
Materials and services	35,129	7,753	3,828
Borrowing costs	964	1,379	638
Depreciation, amortisation and impairment of non-financial assets	38,868	5,248	4,341
Other expenses	2,438	—	—
Net losses from the disposal of assets	4,560	944	1,645
<b>Total expenses from continuing operations</b>	<b>117,244</b>	<b>20,609</b>	<b>14,367</b>
<b>Operating result from continuing operations</b>	<b>20,690</b>	<b>11,628</b>	<b>8,128</b>
<b>Net operating result for the year</b>	<b>20,690</b>	<b>11,628</b>	<b>8,128</b>
<b>Net operating result attributable to each council fund</b>	<b>20,690</b>	<b>11,628</b>	<b>8,128</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>(15,464)</b>	<b>1,592</b>	<b>5,058</b>

## D1-2 Statement of Financial Position by fund

\$ '000	General 2022	Water 2022	Sewer 2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	42,672	6,502	6,371
Investments	51,000	34,000	3,000
Receivables	16,554	4,624	2,311
Inventories	4,599	190	–
Other	640	40	33
<b>Total current assets</b>	<b>115,465</b>	<b>45,356</b>	<b>11,715</b>
<b>Non-current assets</b>			
Investments	20,475	19,000	53,390
Receivables	62	–	–
Inventories	4,896	–	–
Infrastructure, property, plant and equipment	2,076,478	339,496	268,603
Investments accounted for using the equity method	1,877	–	–
Other	451	44	–
<b>Total non-current assets</b>	<b>2,104,239</b>	<b>358,540</b>	<b>321,993</b>
<b>Total assets</b>	<b>2,219,704</b>	<b>403,896</b>	<b>333,708</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	12,074	414	227
Contract liabilities	351	1	1
Borrowings	2,325	1,335	2,324
Employee benefit provision	10,969	1,231	–
<b>Total current liabilities</b>	<b>25,719</b>	<b>2,981</b>	<b>2,552</b>
<b>Non-current liabilities</b>			
Payables	3	–	–
Borrowings	11,172	19,902	8,792
Employee benefit provision	799	69	–
Provisions	10,738	–	–
<b>Total non-current liabilities</b>	<b>22,712</b>	<b>19,971</b>	<b>8,792</b>
<b>Total liabilities</b>	<b>48,431</b>	<b>22,952</b>	<b>11,344</b>
<b>Net assets</b>	<b>2,171,273</b>	<b>380,944</b>	<b>322,364</b>
<b>EQUITY</b>			
Accumulated surplus	1,808,928	259,880	270,205
Revaluation reserves	362,345	121,064	52,159
<b>Council equity interest</b>	<b>2,171,273</b>	<b>380,944</b>	<b>322,364</b>
<b>Total equity</b>	<b>2,171,273</b>	<b>380,944</b>	<b>322,364</b>

(in accordance with s410(3) of the *Local Government Act 1993*)

## D2 Interests in other entities

\$ '000	Council's share of net assets	
	2022	2021
<b>Council's share of net assets</b>		
<b>Net share of interests in joint ventures and associates using the equity method – assets</b>		
Joint ventures	1,877	1,719
<b>Total net share of interests in joint ventures and associates using the equity method – assets</b>	<b>1,877</b>	<b>1,719</b>
<b>Total Council's share of net assets</b>	<b>1,877</b>	<b>1,719</b>

## D2-1 Interests in joint arrangements

## Net carrying amounts – Council's share

\$ '000	Place of business	Nature of relationship	Interest in ownership			
			2022	2021	2022	2021
Macquarie Regional Library	Branches in Dubbo, Narromine and Warrumbungle Council area	Joint Venture	71.3%	71.7%	1,877	1,719
<b>Total carrying amounts – material joint ventures</b>					<b>1,877</b>	<b>1,719</b>

## Material 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.

## Details

Principal activity		Measurement method
Macquarie Regional Library	Public library services	Equity

## Relevant interests and fair values

	Interest in outputs		Proportion of voting power	
	2022	2021	2022	2021
Macquarie Regional Library	67.2%	68.6%	33.0%	33.0%

## Summarised financial information for joint ventures

\$ '000	Macquarie Regional Library	
	2022	2021
<b>Statement of financial position</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,166	1,987
Other current assets	82	86
<b>Non-current assets</b>	<b>1,258</b>	<b>1,186</b>

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## D2-1 Interests in joint arrangements (continued)

\$ '000	Macquarie Regional Library	
	2022	2021
<b>Current liabilities</b>		
Current financial liabilities (excluding trade and other payables and provisions)	841	829
<b>Non-current liabilities</b>		
Non-current financial liabilities (excluding trade and other payables and provisions)	33	31
<b>Net assets</b>	<b>2,632</b>	<b>2,399</b>
<b>Statement of comprehensive income</b>		
Income	3,253	3,129
Interest income	7	14
Depreciation and amortisation	(170)	(400)
Other expenses	(2,855)	(2,688)
<b>Profit/(loss) from continuing operations</b>	<b>235</b>	<b>55</b>
<b>Profit/(loss) for the period</b>	<b>235</b>	<b>55</b>
<b>Total comprehensive income</b>	<b>235</b>	<b>55</b>
<b>Share of income – Council (%)</b>	<b>67.2%</b>	<b>68.6%</b>
<b>Profit/(loss) – Council (\$)</b>	<b>158</b>	<b>37</b>
<b>Total comprehensive income – Council (\$)</b>	<b>158</b>	<b>37</b>
<b>Reconciliation of the carrying amount</b>		
Opening net assets (1 July)	2,399	2,344
Profit/(loss) for the period	235	55
<b>Closing net assets</b>	<b>2,634</b>	<b>2,399</b>
<b>Council's share of net assets (%)</b>	<b>71.3%</b>	<b>71.7%</b>
<b>Council's share of net assets (\$)</b>	<b>1,877</b>	<b>1,719</b>

**Accounting policy**

Council has determined that it has only joint ventures

**Joint ventures**

Interests in joint ventures are accounted for using the equity method where the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

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

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.

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

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

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

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

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

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

The risks associated with the financial instruments held are:

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

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

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

\$ '000	2022	2021
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	2,364	2,226

#### (b) Credit risk

Council's major receivables comprise rates, annual charges, 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 other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

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

#### Credit risk profile

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

**Receivables – rates and annual charges**

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

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
<b>2022</b>				
Gross carrying amount	2,391	1,002	–	3,393
<b>2021</b>				
Gross carrying amount	3,204	222	–	3,426

**Receivables - non-rates and annual charges and contract assets**

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

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

\$ '000	Not yet overdue	0 - 30 days	Overdue debts 31 - 60 days	61 - 90 days	> 91 days	Total
<b>2022</b>						
Gross carrying amount	16,586	2,604	222	133	984	20,529
Expected loss rate (%)	5.00%	5.00%	5.00%	5.00%	100.00%	9.55%
<b>2021</b>						
Gross carrying amount	15,455	620	453	256	1,288	18,072
Expected loss rate (%)	5.00%	5.00%	5.00%	5.00%	100.00%	11.77%

**(c) Liquidity risk**

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

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total contractu al cash flows	Actual carrying values
<b>2022</b>							
Payables	0.00%	1,928	10,791	–	–	12,719	12,718
Borrowings	5.98%	–	8,959	34,664	28,608	72,231	45,850
<b>Total financial liabilities</b>		<b>1,928</b>	<b>19,750</b>	<b>34,664</b>	<b>28,608</b>	<b>84,950</b>	<b>58,568</b>

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

<i>\$ '000</i>	<i>Weighted average interest rate</i>	<i>Subject to no maturity</i>	<i>payable in: ≤ 1 Year</i>	<i>1 - 5 Years</i>	<i>&gt; 5 Years</i>	<i>Total contractu al cash flows</i>	<i>Actual carrying values</i>
2021							
Payables	0.00%	2,251	13,730	—	—	15,981	15,981
Borrowings	6.26%	—	8,959	38,849	33,381	81,189	51,679
<b>Total financial liabilities</b>		<b>2,251</b>	<b>22,689</b>	<b>38,849</b>	<b>33,381</b>	<b>97,170</b>	<b>67,660</b>

## E2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

### Fair Value Hierarchy

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 for the asset or liability).

		Fair value measurement hierarchy					
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2022	2021	2022	2021	2022	2021
Recurring fair value measurements							
Infrastructure, property, plant and equipment		C1-8					
Capital Works in Progress		–	–	81,724	88,717	81,724	88,717
Plant and equipment		35,479	35,003	–	–	35,479	35,003
Office equipment		2,889	2,157	–	–	2,889	2,157
Furniture and fittings		1,417	1,440	–	–	1,417	1,440
Operational land		44,451	36,844	–	–	44,451	36,844
Community land		–	–	48,211	43,946	48,211	43,946
Land under roads (post 30/06/2008)		–	–	1,560	1,449	1,560	1,449
Land improvements – non-depreciable		–	–	1,393	1,393	1,393	1,393
Land improvement – depreciable		–	–	2,369	2,601	2,369	2,601
Airport runways/taxiways		–	–	58,137	35,793	58,137	35,793
Buildings – non-specialised		–	–	30,684	27,137	30,684	27,137
Buildings – specialised		–	–	135,051	118,021	135,051	118,021
Other structures		–	–	114,921	112,218	114,921	112,218
Roads		–	–	979,375	880,363	979,375	880,363
Bulk earthworks		–	–	445,930	418,030	445,930	418,030
Stormwater drainage		–	–	133,861	132,799	133,861	132,799
Water supply network		–	–	315,417	244,888	315,417	244,888
Sewerage network		–	–	237,387	264,055	237,387	264,055
Swimming pools		–	–	5,763	11,878	5,763	11,878
Quarry assets		–	–	–	–	–	–
Heritage collections		–	–	28	28	28	28
Other assets		–	–	1,366	1,237	1,366	1,237
Tip restoration assets		–	–	6,445	–	6,445	–
Quarry restoration assets		–	–	719	619	719	619
Total infrastructure, property, plant and equipment		84,236	75,444	2,600,341	2,385,172	2,684,577	2,460,616

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

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## E2-1 Fair value measurement (continued)

### Valuation techniques

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

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

#### Infrastructure, property, plant and equipment (IPPE)

##### Level 2 inputs

##### Plant & equipment

It is considered that there is a liquid second hand market for Council's plant and equipment, however, there is subjectivity of prices in this market dependent on the age and condition of the equipment being sold. Council has determined that the plant and equipment is to be classified as level 2 inputs.

##### Office equipment and furniture & fittings

There is a liquid second hand market for these types of assets, but the market is not liquid enough to qualify the assets as valued at level 1. The reason for retaining book value in note 11 is that these assets typically have very short useful lives, are held to the end of their economic life and have no residual value, and the written down value reflects their value in use rather than their market value.

##### Operational land

There is an active liquid market for most of Council's Operational Land, however, the subjectivity of pricing has resulted in this land to be classified as Level 2.

##### Level 3 inputs

##### Buildings - specialised and non-specialised and other structures

Valuations of buildings was carried out by an external valuer, but the valuation was on the written down current replacement cost of the buildings rather than the market value. Consequently, all buildings are categorised as level 3 unobservable inputs, as the valuations do not reflect market valuations.

##### Quarry assets

The quarry assets are valued on the basis of the price of acquiring the same quality material from commercial quarries that operate within the Dubbo local government area. The reason for level 3 classification is that there is a degree of estimation required to determine the amount of material remaining in the quarry, and also the potential variation in quality of the material that has yet to be won from the quarry.

##### Community land

Community land was valued using urban and rural average municipal site values. These were determined by analysing the total rateable value of urban and rural lands, and then dividing the total valuations by the total area to determine an average rate per hectare or square metre. This was then applied to the areas of community land. This work was carried out by Council's rating staff. This method has no market observable inputs as the rating value is the valuation provided by the Valuer General for rating purposes, and may or may not align with the market value of the land. However, it is not a market valuation of the land. The level 3 unobservable inputs are the valuations provided by the Valuer General on which the value of the land is determined.

##### Land under roads

Council has elected to only recognise land under roads that have been acquired after 30 June 2008. There are two methods by which this land is valued, neither of which represent the market value of the land as there is no market for land that is currently used for road or road reserve purposes. Land which is transferred to Council from private subdividers is valued using the municipal site value as outlined in valuation of community land above then discounted accordingly. Land under roads relating to Council's own subdivisions is valued at the cost of that land at acquisition, on an area basis. The level 3 unobservable inputs are the average municipal site value of subdividers land vested in Council, and the cost of the land acquired by Council for subdivision on an area basis.

##### Land improvements depreciable and non-depreciable

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## E2-1 Fair value measurement (continued)

Land improvements - non-depreciable are valued at current replacement cost. This is a level 3 unobservable input as the valuation method does not reflect a market rate as there is no active market for sale of land improvements - non-depreciable.

### Airport runways/taxiways

Airport runways/taxiways are valued at current replacement cost. This is a level 3 unobservable input as the valuation method does not reflect a market rate as there is no active market for sale of airport runways/taxiways.

### Infrastructure roads, bridges and footpaths

Valuation of roads was undertaken by Council staff, based on the current written down value of the road assets within Council's network. As this is based on the current costs of construction at time of valuation, and not market value, this valuation is a level 3 unobservable input valuation.

### Bulk earthworks (non-depreciable)

Valuation of non-depreciable bulk earthworks has two different valuations depending on whether the earthworks relate to roads or stormwater retarding basins. All earthworks relating to roads were valued in conjunction with the valuation of the roads by Council staff, on a current replacement cost basis. All stormwater retarding basin earthworks were valued on a current replacement cost basis by Council staff as an internal valuation. The basis of determining the value for internal valuations was a combination of the cost of similar works carried out by Council, recent similar contract works, and reference rates for construction of similar earthworks. Both the internal and external valuations are level 3 unobservable inputs valuations due to the fact that market valuation was not a factor in determining the value of the assets.

### Stormwater, water and sewer infrastructure assets

All three asset networks were valued by Council staff using recent Council cost of constructing similar assets, recent contractor costs to construct Council assets, and then cross validating the costs to construction cost indexes provided by the NSW Office of Water. The written down value was then assessed by estimating the total and remaining useful lives of the asset to determine the written down current replacement cost of each asset.

### Heritage collection assets

These items comprise historical artefacts that have been obtained generally by purchase through antique dealers or through private sale. As there is not an active liquid market in the types of items acquired, they are valued at historical cost, and therefore have been assessed as being Level 3 unobservable input valuations.

### Library books

The library books are reported at fair value in the notes, however, due to the nature of these items they are valued at historical cost. There are no major variances between the fair value and carrying amount of these assets. The cost of these assets were based on invoices at the time of capitalisation.

### Tip and quarry restoration assets

It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill and quarry assets. Closure of the landfill and quarry sites will involve a wide range of activities, including final capping of the landfill waste and site revegetation, monitoring of landfill gas, revision of the surface water management system and leachate management infrastructure to suit post closure operation.

Valuations are based on actual timing of costs and future environmental management requirements.

There were no changes in valuation techniques from prior years.

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## E2-1 Fair value measurement (continued)

## Fair value measurements using significant unobservable inputs (level 3)

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
<b>Infrastructure, property, plant and equipment</b>		
Capital works in progress	Cost approach	Gross replacement cost
Community Land	NSW Valuer General land valuation	Land value, land area
Land under Roads	NSW Valuer General land valuation	Land value, land area
Land improvements non-depreciable	Cost approach	Asset condition, remaining lives, residual value
Land improvements depreciable	Cost approach	Asset condition, remaining lives, residual value
Buildings non specialised	Cost approach	Gross replacement cost
Building specialised	Cost approach	Gross replacement cost
Other structures	Cost approach	Asset condition, remaining lives, residual value
Roads	Cost approach	Asset condition, remaining lives, residual value
Airports, runways, taxiways	Cost approach	Asset condition, remaining lives, residual value
Bulk earthworks	Cost approach	Asset condition, remaining lives, residual value
Stormwater drainage	Cost approach	Asset condition, remaining lives, residual value
Water supply network	Cost approach	Asset condition, remaining lives, residual value
Sewerage network	Cost approach	Asset condition, remaining lives, residual value
Swimming pools	Cost approach	Asset condition, remaining lives, residual value
Other open space recreational	Cost approach	Asset condition, remaining lives, residual value
Heritage collections	Cost approach	Gross replacement cost
Library books	Cost approach	Gross replacement cost
Other assets	Cost approach	Gross replacement cost
Tip restoration assets	Cost estimate of future liability	
Quarry restoration assets	Cost estimate of future liability	

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

	Capital works in progress		Community Land		Land under Roads		Land improvement non-dep	
\$ '000	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	88,715	48,885	43,945	35,684	1,449	1,262	1,393	1,801
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	–	–	4,266	8,262	–	–	–	–
Other movements								
Transfers from/(to) another asset class	(20,355)	(10,586)	–	–	–	–	–	(310)
Purchases (GBV)	42,911	50,418	–	–	111	187	–	–
Disposals (WDV)	–	–	–	–	–	–	–	(98)
Depreciation and impairment	(29,547)	–	–	–	–	–	–	–
Closing balance	81,724	88,717	48,211	43,946	1,560	1,449	1,393	1,393

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## E2-1 Fair value measurement (continued)

\$ '000	Land improvement dep		Buildings non specialised		Building specialised		Other structures	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	2,601	3,555	27,136	27,458	118,020	116,269	112,477	83,456
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	–	–	4,319	–	19,883	–	10,164	29,380
Other movements								
Transfers from/(to) another asset class	–	(7)	–	–	–	–	–	365
Purchases (GBV)	125	702	5,022	927	28,743	10,576	5,609	7,975
Disposals (WDV)	(34)	(1,282)	(4,297)	–	(25,614)	(4,446)	(6,664)	(3,689)
Depreciation and impairment	(323)	(367)	(1,496)	(1,248)	(5,981)	(4,378)	(6,665)	(5,009)
Closing balance	2,369	2,601	30,684	27,137	135,051	118,021	114,921	112,478

\$ '000	Roads		Airports, runways, taxiways		Bulk earthworks		Stormwater drainage	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	880,362	883,636	35,790	36,625	418,028	418,030	132,799	127,634
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	92,523	–	6,075	–	42,128	–	–	–
Other movements								
Transfers from/(to) another asset class	18,035	5,355	16,771	–	(16,771)	–	–	4,073
Purchases (GBV)	5,320	7,326	415	112	2,791	–	3,240	3,255
Disposals (WDV)	(415)	–	–	–	(246)	–	–	(61)
Depreciation and impairment	(16,450)	(15,954)	(914)	(945)	–	–	(2,178)	(2,102)
Closing balance	979,375	880,363	58,137	35,792	445,930	418,030	133,861	132,799

\$ '000	Water supply network		Sewerage network		Swimming pools		Heritage collections	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	244,886	247,201	264,055	264,009	11,878	11,946	28	28
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	73,948	2,219	–	2,389	–	–	–	–
Other movements								
Transfers from/(to) another asset class	747	11	1,593	1,139	–	–	–	–
Purchases (GBV)	1,100	520	(40)	1,546	3,896	17	–	–
Disposals (WDV)	(295)	–	(59)	(614)	(9,779)	(11)	–	–
Depreciation and impairment	(4,969)	(5,063)	(28,162)	(4,414)	(232)	(74)	–	–
Closing balance	315,417	244,888	237,387	264,055	5,763	11,878	28	28

\$ '000	Other assets		Tip restoration assets		Quarry restoration assets		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	1,237	1,283	–	–	619	780	2,385,418	2,311,539
Recognised in other comprehensive income – revaluation surplus	–	–	6,445	–	100	–	259,851	42,250
Transfers from/(to) another asset class	–	–	–	–	–	–	20	40
Purchases (GBV)	187	–	–	–	–	–	99,430	83,561
Disposals (WDV)	(58)	–	–	–	–	–	(47,461)	(10,201)

continued on next page ...

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## E2-1 Fair value measurement (continued)

\$ '000	Other assets		Tip restoration assets		Quarry restoration assets		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Depreciation and impairment	—	(46)	—	—	—	(161)	(96,917)	(41,758)
<b>Closing balance</b>	<b>1,366</b>	<b>1,237</b>	<b>6,445</b>	<b>—</b>	<b>719</b>	<b>619</b>	<b>2,600,341</b>	<b>2,385,431</b>

## Highest and best use

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

## E3-1 Contingencies

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

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit plans

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

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

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

##### *Description of the funding arrangements.*

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

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

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

\* For 180 Point Members, Employers are required to contribute 7.5% of salaries for the year ending 30 June 2022 (increasing to 8.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million per annum for 1 July 2019 to 31 December 2021 and \$20.0 million per annum for 1 January to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2021. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

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

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

continued on next page ...

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### E3-1 Contingencies (continued)

The amount of employer contributions to the defined benefit section of the Fund and recognised as an expense for the year ending 30 June 2022 was \$468,846.84. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2021.

Council's expected contribution to the plan for the next annual reporting period is \$359,133.84.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2022 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,376.6	
Past Service Liabilities	2,380.7	99.8%
Vested Benefits	2,391.7	99.4%

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

The share of any funding surplus or deficit that can be attributed to Council is 1.32%

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	5.5% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

\* Plus promotional increases

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2022.

#### (ii) CivicRisk Mutual Limited

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

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

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

#### (iii) StateCover Limited

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

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

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

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

#### 2. Other liabilities

continued on next page ...

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### E3-1 Contingencies (continued)

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**(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****(ii) Infringement notices/fines**

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

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

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

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

## F People and relationships

### F1 Related party disclosures

#### F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2022	2021
<b>Compensation:</b>		
Short-term benefits	2,330	1,875
Other long-term benefits	209	287
<b>Total</b>	<b>2,539</b>	<b>2,162</b>

#### Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

## F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2022	2021
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Councillor expenses – councillors' fees/committee fees	285	297
Councillors' and committee expenses (incl. mayor) – other (excluding fees above)	106	80
<b>Total</b>	<b>391</b>	<b>377</b>

## F2 Other relationships

## F2-1 Audit fees

\$ '000	2022	2021
---------	------	------

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:**

Audit and Review of Financial Statements	—	—
(i) <b>Audit and other assurance services</b>		
Audit and review of financial statements	136	128
<b>Remuneration for audit and other assurance services</b>	<b>136</b>	<b>128</b>
<b>Total Auditor-General remuneration</b>	<b>136</b>	<b>128</b>

**Non NSW Auditor-General audit firms**

(i) <b>Audit and other assurance services</b>		
Other assurance services	7	—
<b>Remuneration for audit and other assurance services</b>	<b>7</b>	<b>—</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>7</b>	<b>—</b>
<b>Total audit fees</b>	<b>143</b>	<b>128</b>

## G Other matters

### G1-1 Statement of Cash Flows information

#### (a) Reconciliation of net operating result to cash provided from operating activities

\$ '000	2022	2021
<b>Net operating result from Income Statement</b>	<b>40,446</b>	37,124
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	47,905	43,554
(Gain) / loss on disposal of assets	7,149	(3,446)
Non-cash capital grants and contributions	(13,284)	(12,142)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Revaluation decrements / impairments of IPP&E direct to P&L	552	1,997
Amortisation of premiums, discounts and prior period fair valuations		
– Financial assets at amortised cost / held to maturity (2021)	298	41
– Interest on all fair value adjusted interest free advances made by Council	(20)	(18)
Unwinding of discount rates on reinstatement provisions	81	–
Share of net (profits)/losses of associates/joint ventures using the equity method	(158)	(37)
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	(2,503)	366
Increase / (decrease) in provision for impairment of receivables	(370)	(26)
(Increase) / decrease of inventories	171	2
(Increase) / decrease of other current assets	(75)	243
Increase / (decrease) in payables	(3,760)	4,028
Increase / (decrease) in accrued interest payable	(49)	(49)
Increase / (decrease) in other accrued expenses payable	484	64
Increase / (decrease) in other liabilities	62	1,205
Increase / (decrease) in contract liabilities	(3,022)	1,437
Increase / (decrease) in employee benefit provision	(316)	(153)
Increase / (decrease) in other provisions	6,381	(363)
<b>Net cash flows from operating activities</b>	<b>79,972</b>	<b>73,827</b>

#### (b) Non-cash investing and financing activities

Infrastructure contributions	13,284	12,142
<b>Total non-cash investing and financing activities</b>	<b>13,284</b>	<b>12,142</b>

## G2-1 Commitments

## Capital commitments (exclusive of GST)

\$ '000	2022	2021
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Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

**Property, plant and equipment**

Road Infrastructure	3,559	3,294
Other structures	11,014	4,451
Water infrastructure	5,242	3,467
Sewer infrastructure	334	2,711
<b>Total commitments</b>	<b>20,149</b>	<b>13,923</b>

**Details of capital commitments**

Dubbo Regional Council has committed to the following:

- Development of Keswick Stage 5, Release 2
- Design and construction of the non potable pipeline and Drought Relief ancillary works
- Construction of Boothenba Road Intersection Upgrade
- Construction of Rural Fire Service Centre of Excellence

### G3-1 Events occurring after the reporting date

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The Council has been significantly impacted by the recent flood events after the reporting period. The flood damages are currently being assessed and management plan to bring forward the comprehensive revaluation for those assets impacted.



## G4 Statement of developer contributions as at 30 June 2022

## G4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2021	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2022	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
Drainage	1,086	297	–	6	(12)	–	1,377	–
Roads	9,271	2,274	–	45	(4,097)	–	7,493	–
Parking	99	–	–	1	(2)	–	98	–
Open space	2,600	737	–	17	(925)	–	2,429	–
Voluntary planning agreements	229	–	–	–	(18)	–	211	–
<b>S7.11 contributions – under a plan</b>	<b>13,285</b>	<b>3,308</b>	<b>–</b>	<b>69</b>	<b>(5,054)</b>	<b>–</b>	<b>11,608</b>	<b>–</b>
<b>S7.12 levies – under a plan</b>	<b>71</b>	<b>–</b>	<b>–</b>	<b>19</b>	<b>–</b>	<b>–</b>	<b>90</b>	<b>–</b>
<b>Total S7.11 and S7.12 revenue under plans</b>	<b>13,356</b>	<b>3,308</b>	<b>–</b>	<b>88</b>	<b>(5,054)</b>	<b>–</b>	<b>11,698</b>	<b>–</b>
S64 contributions	–	–	–	–	–	–	–	–
<b>Total contributions</b>	<b>13,356</b>	<b>3,308</b>	<b>–</b>	<b>88</b>	<b>(5,054)</b>	<b>–</b>	<b>11,698</b>	<b>–</b>

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

## G4-2 Developer contributions by plan

	Opening balance at 1 July 2021	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2022	Cumulative balance of internal borrowings (to)/from
\$ '000		Cash	Non-cash					
CONTRIBUTION PLAN (former Dubbo)								
Drainage	1,086	297	—	6	(12)	—	1,377	—
Roads	9,271	2,274	—	45	(4,097)	—	7,493	—
Parking	99	—	—	1	(2)	—	98	—
Open space	2,600	737	—	17	(925)	—	2,429	—
Voluntary planning agreements	229	—	—	—	(18)	—	211	—
Total	13,285	3,308	—	69	(5,054)	—	11,608	—

## S7.12 Levies – under a plan

<b>CONTRIBUTION PLAN NUMBER 2012 (former Wellington)</b>								
Public order and safety	10	–	–	2	–	–	12	–
Community services and education	10	–	–	2	–	–	12	–
Household and community amenities	10	–	–	2	–	–	12	–
Recreation and culture	13	–	–	4	–	–	17	–
Transport and communication	12	–	–	3	–	–	15	–
Economic affairs	16	–	–	6	–	–	22	–
<b>Total</b>	<b>71</b>	<b>–</b>	<b>–</b>	<b>19</b>	<b>–</b>	<b>–</b>	<b>90</b>	<b>–</b>

## G5 Statement of performance measures

## G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2022	Indicator 2022	Indicators 2021	Indicators 2020	Benchmark
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	(1,239)	(0.86)%	(9.36)%	(4.32)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	143,248				
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	117,195	60.88%	61.63%	67.62%	> 60.00%
Total continuing operating revenue <sup>1</sup>	192,508				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	90,757	4.30x	2.93x	4.11x	> 1.50x
Current liabilities less specific purpose liabilities	21,094				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	49,647	5.64x	3.96x	4.50x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	8,810				
<b>5. Rates and annual charges outstanding percentage</b>					
Rates and annual charges outstanding	3,768	5.13%	5.35%	5.63%	< 10.00%
Rates and annual charges collectable	73,381				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	178,545	21.46 months	20.25 months	22.86 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	8,318				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

## G5-2 Statement of performance measures by fund

\$ '000	General Indicators <sup>3</sup>		Water Indicators		Sewer Indicators		Benchmark
	2022	2021	2022	2021	2022	2021	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	(7.76)%	(20.58)%	7.17%	5.57%	26.04%	29.37%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	54.85%	56.59%	68.87%	63.08%	86.35%	90.02%	> 60.00%
Total continuing operating revenue <sup>1</sup>							
3. Unrestricted current ratio							
Current assets less all external restrictions	4.30x	2.93x	15.22x	13.60x	4.59x	8.94x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	4.67x	2.40x	5.85x	5.54x	15.40x	14.35x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	7.40%	7.66%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	19.92 months	17.51 months	∞	∞	∞	∞	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note G5-1 above.

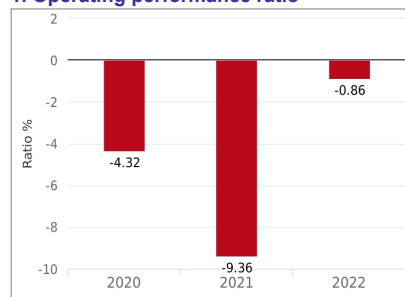
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

**End of the audited financial statements**

## H Additional Council disclosures (unaudited)

### H1-1 Statement of performance measures – consolidated results (graphs)

#### 1. Operating performance ratio



##### Purpose of operating performance ratio

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

##### Commentary on 2021/22 result

2021/22 ratio (0.86)%

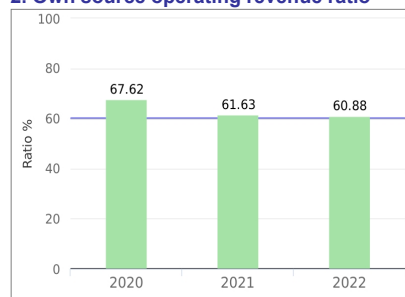
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

#### 2. Own source operating revenue ratio



##### Purpose of own source operating revenue ratio

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

##### Commentary on 2021/22 result

2021/22 ratio 60.88%

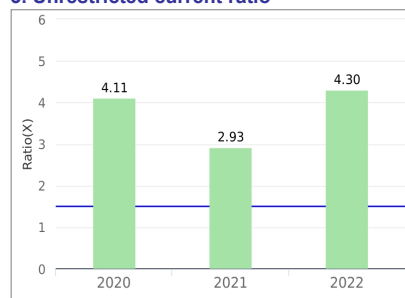
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

#### 3. Unrestricted current ratio



##### Purpose of unrestricted current ratio

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

##### Commentary on 2021/22 result

2021/22 ratio 4.30x

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

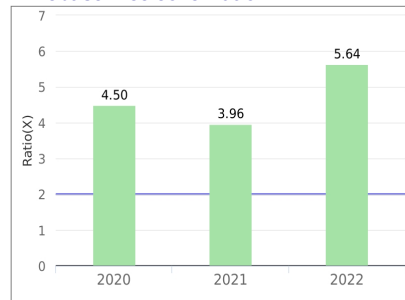
Ratio is outside benchmark

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## H1-1 Statement of performance measures – consolidated results (graphs) (continued)

## 4. Debt service cover ratio



## Purpose of debt service cover ratio

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

## Commentary on 2021/22 result

2021/22 ratio 5.64x

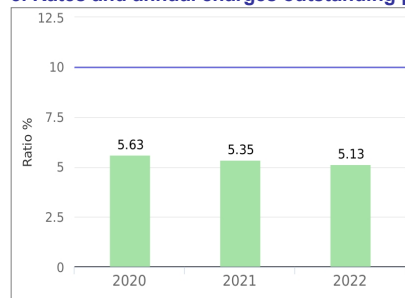
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## 5. Rates and annual charges outstanding percentage



## Purpose of rates and annual charges outstanding percentage

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

## Commentary on 2021/22 result

2021/22 ratio 5.13%

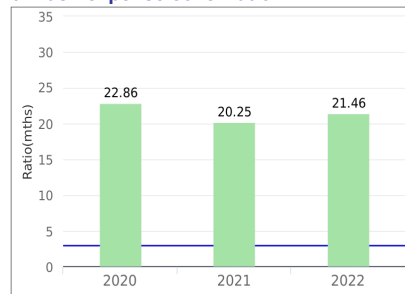
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## 6. Cash expense cover ratio



## Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

## Commentary on 2021/22 result

2021/22 ratio 21.46 months

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## H1-2 Council information and contact details

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**Principal place of business:**

Church Street  
Dubbo NSW 2830

**Contact details****Mailing Address:**

PO Box 81  
Dubbo NSW 2830

**Telephone:** 02 6801 4000

**Facsimile:** 02 6801 4259

**Opening hours:**

9:00am - 5:00pm  
Monday to Friday

**Internet:** [www.dubbo.nsw.gov.au](http://www.dubbo.nsw.gov.au)

**Email:** [council@dubbo.nsw.gov.au](mailto:council@dubbo.nsw.gov.au)

**Officers****Chief Executive Officer**

Murray Wood

**Responsible Accounting Officer**

Michael Howlett

**Public Officer**

Dean Frost

**Auditors**

Audit Office of New South Wales  
GPO Box 12  
Sydney NSW 2001

**Elected members****Mayor**

Mathew Dickerson

**Councillors**

Richard Ivey  
Joshua Black  
Lewis Burns  
Shibli Chowdhury  
Vicki Etheridge  
Jessica Gough  
Damien Mahon  
Pamella Wells  
Matthew Wright

**Other information**

**ABN:** 53 539 070 928



**Dubbo Regional Council**

**General Purpose Financial Statements**  
for the year ended 30 June 2022

**Independent Auditor's Reports:**

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On the Financial Statements (Sect 417 [2])

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**Dubbo Regional Council**

**General Purpose Financial Statements**  
for the year ended 30 June 2022

**Independent Auditor's Reports: (continued)**

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**On the Financial Statements (Sect 417 [3])**

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## Dubbo Regional Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

*"Great community, great council"*



## Dubbo Regional Council

Special Purpose Financial Statements  
for the year ended 30 June 2022

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## Dubbo Regional Council

### Special Purpose Financial Statements

for the year ended 30 June 2022

#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 27 October 2022.

\_\_\_\_\_  
Mathew Dickerson  
Mayor  
27 October 2022

\_\_\_\_\_  
Richard Ivey  
Deputy Mayor  
27 October 2022

\_\_\_\_\_  
Murray Wood  
Chief Executive Officer  
27 October 2022

\_\_\_\_\_  
Michael Howlett  
Responsible Accounting Officer  
27 October 2022

Dubbo Regional Council | Income Statement of water supply business activity | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of water supply business activity  
for the year ended 30 June 2022

\$ '000	2022	2021
<b>Income from continuing operations</b>		
Access charges	8,438	8,022
User charges	12,990	13,340
Interest and investment income	687	678
Grants and contributions provided for operating purposes	–	6
Other income	86	57
Gain on Sale of Asset	–	27
<b>Total income from continuing operations</b>	<b>22,201</b>	<b>22,130</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	5,285	5,974
Borrowing costs	1,379	1,449
Materials and services	7,753	7,975
Depreciation, amortisation and impairment	5,248	5,499
Net loss from the disposal of assets	944	–
Calculated taxation equivalents	153	153
<b>Total expenses from continuing operations</b>	<b>20,762</b>	<b>21,050</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>1,439</b>	<b>1,080</b>
Grants and contributions provided for capital purposes	10,036	12,944
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>11,475</b>	<b>14,024</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>11,475</b>	<b>14,024</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(360)	(281)
<b>Surplus (deficit) after tax</b>	<b>11,115</b>	<b>13,743</b>
<b>Plus accumulated surplus</b>	<b>248,109</b>	<b>233,932</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	153	153
– Corporate taxation equivalent	360	281
<b>Closing accumulated surplus</b>	<b>259,737</b>	<b>248,109</b>
<b>Return on capital %</b>	<b>0.8%</b>	<b>0.9%</b>
<b>Subsidy from Council</b>	<b>9,608</b>	<b>1,666</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	11,115	13,743
Less: capital grants and contributions (excluding developer contributions)	(10,036)	(12,944)
<b>Surplus for dividend calculation purposes</b>	<b>1,079</b>	<b>799</b>
<b>Dividend calculated from surplus</b>	<b>540</b>	<b>400</b>

Dubbo Regional Council | Income Statement of sewerage business activity | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of sewerage business activity  
for the year ended 30 June 2022

\$ '000	2022	2021
<b>Income from continuing operations</b>		
Access charges	14,015	13,365
User charges	4,472	4,204
Liquid trade waste charges	28	22
Fees	233	296
Interest and investment income	603	785
Other income	74	53
Gain on Sale of Assets	—	13
<b>Total income from continuing operations</b>	<b>19,425</b>	<b>18,738</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	3,915	4,443
Borrowing costs	638	739
Materials and services	3,828	3,443
Depreciation, amortisation and impairment	4,341	4,609
Net loss from the disposal of assets	1,645	—
Calculated taxation equivalents	213	251
<b>Total expenses from continuing operations</b>	<b>14,580</b>	<b>13,485</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>4,845</b>	<b>5,253</b>
Grants and contributions provided for capital purposes	3,070	2,078
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>7,915</b>	<b>7,331</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>7,915</b>	<b>7,331</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(1,211)	(1,366)
<b>Surplus (deficit) after tax</b>	<b>6,704</b>	<b>5,965</b>
<b>Plus accumulated surplus</b>	<b>262,077</b>	<b>254,495</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	213	251
– Corporate taxation equivalent	1,211	1,366
<b>Closing accumulated surplus</b>	<b>270,205</b>	<b>262,077</b>
<b>Return on capital %</b>	<b>2.0%</b>	<b>2.0%</b>
<b>Subsidy from Council</b>	<b>4,348</b>	<b>—</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	6,704	5,965
Less: capital grants and contributions (excluding developer contributions)	(3,070)	(2,078)
<b>Surplus for dividend calculation purposes</b>	<b>3,634</b>	<b>3,887</b>
<b>Dividend calculated from surplus</b>	<b>1,817</b>	<b>1,944</b>

Dubbo Regional Council | Income Statement of Dubbo Regional Airport | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of Dubbo Regional Airport  
for the year ended 30 June 2022

\$ '000	2022 Category 1	2021 Category 1
<b>Income from continuing operations</b>		
User charges	2,105	1,822
Grants and contributions provided for operating purposes	1,006	15
Other income	354	431
<b>Total income from continuing operations</b>	<b>3,465</b>	<b>2,268</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	689	682
Borrowing costs	70	109
Materials and services	2,148	1,930
Depreciation, amortisation and impairment	3,432	1,497
Net loss from the disposal of assets	5	–
Calculated taxation equivalents	143	132
<b>Total expenses from continuing operations</b>	<b>6,487</b>	<b>4,350</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(3,022)</b>	<b>(2,082)</b>
Grants and contributions provided for capital purposes	962	705
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(2,060)</b>	<b>(1,377)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(2,060)</b>	<b>(1,377)</b>
<b>Surplus (deficit) after tax</b>	<b>(2,060)</b>	<b>(1,377)</b>
<b>Plus accumulated surplus</b>	<b>82,524</b>	<b>83,769</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	143	132
<b>Closing accumulated surplus</b>	<b>80,607</b>	<b>82,524</b>
<b>Return on capital %</b>	<b>(3.0)%</b>	<b>(2.7)%</b>
<b>Subsidy from Council</b>	<b>6,585</b>	<b>3,059</b>



Dubbo Regional Council | Income Statement of Livestock Markets | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of Livestock Markets  
for the year ended 30 June 2022

\$ '000	2022 Category 1	2021 Category 1
<b>Income from continuing operations</b>		
User charges	2,611	2,282
Other income	38	42
<b>Total income from continuing operations</b>	<b>2,649</b>	<b>2,324</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	651	675
Materials and services	1,672	1,323
Depreciation, amortisation and impairment	1,801	1,285
Net loss from the disposal of assets	67	–
Calculated taxation equivalents	30	30
<b>Total expenses from continuing operations</b>	<b>4,221</b>	<b>3,313</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(1,572)</b>	<b>(989)</b>
Grants and contributions provided for capital purposes	–	386
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(1,572)</b>	<b>(603)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(1,572)</b>	<b>(603)</b>
<b>Surplus (deficit) after tax</b>	<b>(1,572)</b>	<b>(603)</b>
<b>Plus accumulated surplus</b>	<b>25,357</b>	<b>25,930</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	30	30
<b>Closing accumulated surplus</b>	<b>23,815</b>	<b>25,357</b>
<b>Return on capital %</b>	<b>(5.6)%</b>	<b>(3.3)%</b>
<b>Subsidy from Council</b>	<b>2,603</b>	<b>1,434</b>

Dubbo Regional Council | Income Statement of Property Development | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of Property Development  
for the year ended 30 June 2022

\$ '000	2022 Category 1	2021 Category 1
<b>Income from continuing operations</b>		
Interest and investment income	31	69
Net gain from the disposal of assets	3,790	5,379
Other income	134	11
<b>Total income from continuing operations</b>	<b>3,955</b>	<b>5,459</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	486	192
Materials and services	311	410
Depreciation, amortisation and impairment	27	48
Calculated taxation equivalents	162	129
<b>Total expenses from continuing operations</b>	<b>986</b>	<b>779</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>2,969</b>	<b>4,680</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>2,969</b>	<b>4,680</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>2,969</b>	<b>4,680</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(742)	(1,217)
<b>Surplus (deficit) after tax</b>	<b>2,227</b>	<b>3,463</b>
<b>Plus accumulated surplus</b>	<b>18,960</b>	<b>14,151</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	162	129
– Corporate taxation equivalent	742	1,217
<b>Closing accumulated surplus</b>	<b>22,091</b>	<b>18,960</b>
<b>Return on capital %</b>	<b>489.1%</b>	<b>1,161.3%</b>

Dubbo Regional Council | Income Statement of Rainbow Cottage | for the year ended 30 June 2022

## Dubbo Regional Council

Income Statement of Rainbow Cottage  
for the year ended 30 June 2022

	2022	2021
\$ '000	Category 2	Category 2
<b>Income from continuing operations</b>		
User charges	502	540
Grants and contributions provided for operating purposes	793	725
<b>Total income from continuing operations</b>	<b>1,295</b>	<b>1,265</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1,239	1,153
Materials and services	289	223
Depreciation, amortisation and impairment	77	100
Calculated taxation equivalents	10	10
<b>Total expenses from continuing operations</b>	<b>1,615</b>	<b>1,486</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(320)</b>	<b>(221)</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(320)</b>	<b>(221)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(320)</b>	<b>(221)</b>
<b>Surplus (deficit) after tax</b>	<b>(320)</b>	<b>(221)</b>
<b>Plus accumulated surplus</b>	<b>(291)</b>	<b>(80)</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	10	10
<b>Closing accumulated surplus</b>	<b>(601)</b>	<b>(291)</b>
<b>Return on capital %</b>	<b>(27.3)%</b>	<b>(17.7)%</b>
<b>Subsidy from Council</b>	<b>363</b>	<b>240</b>

Dubbo Regional Council | Statement of Financial Position of water supply business activity | for the year ended 30 June 2022

## Dubbo Regional Council

Statement of Financial Position of water supply business activity  
as at 30 June 2022

\$ '000	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	6,502	13,308
Investments	34,000	22,573
Receivables	4,624	4,675
Inventories	190	153
Other	40	36
<b>Total current assets</b>	<b>45,356</b>	<b>40,745</b>
<b>Non-current assets</b>		
Investments	19,000	18,000
Infrastructure, property, plant and equipment	339,496	281,552
Other	44	44
<b>Total non-current assets</b>	<b>358,540</b>	<b>299,596</b>
<b>Total assets</b>	<b>403,896</b>	<b>340,341</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Contract liabilities	1	2
Payables	414	419
Borrowings	1,335	1,264
Employee benefit provisions	1,231	1,311
<b>Total current liabilities</b>	<b>2,981</b>	<b>2,996</b>
<b>Non-current liabilities</b>		
Borrowings	19,902	21,238
Employee benefit provisions	69	67
<b>Total non-current liabilities</b>	<b>19,971</b>	<b>21,305</b>
<b>Total liabilities</b>	<b>22,952</b>	<b>24,301</b>
<b>Net assets</b>	<b>380,944</b>	<b>316,040</b>
<b>EQUITY</b>		
Accumulated surplus	259,880	248,109
Revaluation reserves	121,064	67,931
<b>Total equity</b>	<b>380,944</b>	<b>316,040</b>

Dubbo Regional Council | Statement of Financial Position of sewerage business activity | for the year ended 30 June 2022

## Dubbo Regional Council

Statement of Financial Position of sewerage business activity  
as at 30 June 2022

\$ '000	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	6,371	10,848
Investments	3,000	9,500
Receivables	2,311	2,260
Other	33	—
<b>Total current assets</b>	<b>11,715</b>	<b>22,608</b>
<b>Non-current assets</b>		
Investments	53,390	40,513
Infrastructure, property, plant and equipment	268,603	296,718
<b>Total non-current assets</b>	<b>321,993</b>	<b>337,231</b>
<b>Total assets</b>	<b>333,708</b>	<b>359,839</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Contract liabilities	1	2
Payables	227	306
Borrowings	2,324	2,221
<b>Total current liabilities</b>	<b>2,552</b>	<b>2,529</b>
<b>Non-current liabilities</b>		
Borrowings	8,792	11,116
<b>Total non-current liabilities</b>	<b>8,792</b>	<b>11,116</b>
<b>Total liabilities</b>	<b>11,344</b>	<b>13,645</b>
<b>Net assets</b>	<b>322,364</b>	<b>346,194</b>
<b>EQUITY</b>		
Accumulated surplus	270,205	262,077
Revaluation reserves	52,159	84,117
<b>Total equity</b>	<b>322,364</b>	<b>346,194</b>

Dubbo Regional Council | Statement of Financial Position of Dubbo Regional Airport | for the year ended 30 June 2022

## Dubbo Regional Council

Statement of Financial Position of Dubbo Regional Airport  
as at 30 June 2022

\$ '000	2022 Category 1	2021 Category 1
<b>ASSETS</b>		
<b>Current assets</b>		
Investments	1,237	25,622
Receivables	290	32
<b>Total current assets</b>	<b>1,527</b>	<b>25,654</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	99,254	72,895
<b>Total non-current assets</b>	<b>99,254</b>	<b>72,895</b>
<b>Total assets</b>	<b>100,781</b>	<b>98,549</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	131	161
Borrowings	1,217	1,795
Employee benefit provisions	259	231
<b>Total current liabilities</b>	<b>1,607</b>	<b>2,187</b>
<b>Non-current liabilities</b>		
Borrowings	1,405	2,623
Employee benefit provisions	15	9
<b>Total non-current liabilities</b>	<b>1,420</b>	<b>2,632</b>
<b>Total liabilities</b>	<b>3,027</b>	<b>4,819</b>
<b>Net assets</b>	<b>97,754</b>	<b>93,730</b>
<b>EQUITY</b>		
Accumulated surplus	80,607	82,524
Revaluation reserves	17,147	11,206
<b>Total equity</b>	<b>97,754</b>	<b>93,730</b>

Dubbo Regional Council | Statement of Financial Position of Livestock Markets | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Financial Position of Livestock Markets

as at 30 June 2022

<b>\$ '000</b>	<b>2022 Category 1</b>	<b>2021 Category 1</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Investments	6,062	5,976
Receivables	149	122
<b>Total current assets</b>	<b>6,211</b>	<b>6,098</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	28,167	29,885
<b>Total non-current assets</b>	<b>28,167</b>	<b>29,885</b>
<b>Total assets</b>	<b>34,378</b>	<b>35,983</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	93	79
Employee benefit provisions	197	203
<b>Total current liabilities</b>	<b>290</b>	<b>282</b>
<b>Non-current liabilities</b>		
Employee benefit provisions	7	19
<b>Total non-current liabilities</b>	<b>7</b>	<b>19</b>
<b>Total liabilities</b>	<b>297</b>	<b>301</b>
<b>Net assets</b>	<b>34,081</b>	<b>35,682</b>
<b>EQUITY</b>		
Accumulated surplus	23,815	25,357
Revaluation reserves	10,266	10,325
<b>Total equity</b>	<b>34,081</b>	<b>35,682</b>

Dubbo Regional Council | Statement of Financial Position of Property Development | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Financial Position of Property Development

as at 30 June 2022

<b>\$ '000</b>	<b>2022 Category 1</b>	<b>2021 Category 1</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Investments	12,945	11,206
Receivables	–	14
Inventories	3,662	1,440
<b>Total current assets</b>	<b>16,607</b>	<b>12,660</b>
<b>Non-current assets</b>		
Inventories	4,896	5,909
Infrastructure, property, plant and equipment	607	403
<b>Total non-current assets</b>	<b>5,503</b>	<b>6,312</b>
<b>Total assets</b>	<b>22,110</b>	<b>18,972</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	19	12
<b>Total current liabilities</b>	<b>19</b>	<b>12</b>
<b>Total liabilities</b>	<b>19</b>	<b>12</b>
<b>Net assets</b>	<b>22,091</b>	<b>18,960</b>
<b>EQUITY</b>		
Accumulated surplus	22,091	18,960
<b>Total equity</b>	<b>22,091</b>	<b>18,960</b>



Dubbo Regional Council | Statement of Financial Position of Rainbow Cottage | for the year ended 30 June 2022

## Dubbo Regional Council

## Statement of Financial Position of Rainbow Cottage

as at 30 June 2022

	2022 Category 2	2021 Category 2
<b>\$ '000</b>		
<b>ASSETS</b>		
<b>Current assets</b>		
Receivables	16	16
<b>Total current assets</b>	<b>16</b>	<b>16</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	1,173	1,249
<b>Total non-current assets</b>	<b>1,173</b>	<b>1,249</b>
<b>Total assets</b>	<b>1,189</b>	<b>1,265</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	57	52
Employee benefit provisions	285	244
<b>Total current liabilities</b>	<b>342</b>	<b>296</b>
<b>Non-current liabilities</b>		
Employee benefit provisions	15	14
Borrowings	677	490
<b>Total non-current liabilities</b>	<b>692</b>	<b>504</b>
<b>Total liabilities</b>	<b>1,034</b>	<b>800</b>
<b>Net assets</b>	<b>155</b>	<b>465</b>
<b>EQUITY</b>		
Accumulated surplus	(601)	(291)
Revaluation reserves	756	756
<b>Total equity</b>	<b>155</b>	<b>465</b>

## Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2005* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

### Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

#### Category 1

(where gross operating revenue is over \$2 million)

##### a. Water Supply Service

Comprising the whole of the water supply operations and net assets servicing the city of Dubbo, the town of Wellington and the villages of Wongarbron, Ballimore, Brocklehurst, Geurie, Mumbil and North Yeoval.

##### b. Sewerage Service

Comprising the whole of the sewerage reticulation and treatment operations and net assets system servicing the city of Dubbo, the town of Wellington and the villages of Wongarbron, Brocklehurst, Geurie and Mumbil.

##### c. Dubbo Regional Airport

Comprising the whole of the airport operations and net assets located on Coreena Road.

##### d. Dubbo Regional Livestock Markets

Comprising the whole of the livestock markets operations and net assets located on Bootherba Road.

##### e. Property Development

Council's property development function competes with other private land developers in Dubbo in the development of both industrial and residential land for purchase.

NB. The surplus on disposal of land is disclosed in the Income Statement of the Business Activities as operating revenue. In the General Purpose Financial Statements this is disclosed as gain/(loss) on disposal of assets.

#### Category 2

(where gross operating revenue is less than \$2 million)

##### a. Rainbow Cottage Long Day Care Centre

continued on next page ...

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## Note – Significant Accounting Policies (continued)

Rainbow Cottage, located in Mitchell Street, provides day care for children aged between 0 and 5 years.

Several other long day care facilities operate within Dubbo, and Rainbow Cottage is in direct competition with these centres.

### 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 – 25% (20/21 26%)

Land tax – the first \$822,000 of combined land values attracts 0%. For the combined land values in excess of \$822,000 up to \$5,026,000 the rate is \$100 + 1.6%. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of 2.0% applies.

Payroll tax – 4.85% on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Planning, Industry & Environment – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DPIE – Water guidelines is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

### Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (20/21 26%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

### Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

### Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

#### (i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

continued on next page ...

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### Note – Significant Accounting Policies (continued)

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#### (ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

#### (iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with the DPIE – Water guidelines and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2022 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Best Practice Management of Water Supply and Sewer Guidelines, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are submitted to DPIE – Water.

DRAFT

Dubbo Regional Council

Special Purpose Financial Statements  
for the year ended 30 June 2022

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DRAFT



## REPORT: Re-execution of Lease - Airport Hangar Site 16 to Dubbo Aeroclub - procedural matter

**DIVISION:** Organisational Performance  
**REPORT DATE:** 27 September 2022  
**TRIM REFERENCE:** ID22/2015

### EXECUTIVE SUMMARY

<b>Purpose</b>	Fulfil a legal requirement	
<b>Issue</b>	<ul style="list-style-type: none"><li>The original lease for Hangar 16 at the Dubbo Regional Airport between Dubbo Regional Council and Dubbo Aero Club Inc., and which was executed in 2019 (Lease), is unable to be located.</li><li>Due to the term of the Lease, it must be registered with NSW Land Registry Services (NSWLRS).</li><li>The original Lease was executed by the (then) CEO under power of attorney. The Council Resolution of 26 August 2019 under CCL19/142 allowed for the Lease to be executed under power of attorney. As the CEO is unable to re-execute the Lease due to Council Resolution CCL22/124, the Lease must be re-executed by Council seal.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>It is a legal requirement that leases with a term exceeding 3 years must be registered with NSWLRS in order for it to be enforceable against the lessee.</li><li>Only the original signed version of the Lease can be registered with NSWLRS.</li></ul>	
<b>Financial Implications</b>	Budget Area	Not applicable – registration costs will be borne by Dubbo Aero Club Inc.
	Funding Source	Not applicable – registration costs will be borne by Dubbo Aero Club Inc.
	Proposed Cost	Nil
	Ongoing Costs	Nil

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme: 4 Leadership

CSP Objective: 4.1 Council provides transparent, fair and accountable leadership and governance

Delivery Program Strategy: 4.1.2 Council's decision-making processes are open, transparent and accountable

**RECOMMENDATION**

1. That a new lease over Hangar Site 16 at Dubbo Regional Airport:
  - (a) based on the same terms and conditions as the lease executed by Dubbo Regional Council and Dubbo Aero Club in 2019; and
  - (b) commencing on 1 July 2019,is entered into.
2. That the three (3) other leases for Hangar Site 16 at Dubbo Regional Airport:
  - (a) one lease commencing on 1 July 2024;
  - (b) one lease commencing on 1 July 2029; and
  - (c) one lease commencing on 1 July 2034,and based on the same terms and conditions as the initial lease is entered into.
3. That all the leases be executed under the Common Seal of the Council.

*Dean Frost*  
Director Organisational Performance

*CP*  
Manager Property and  
Land Development

## BACKGROUND

### Previous Resolutions of Council

26 August 2019	<p><u>CCL19/142:</u></p> <ol style="list-style-type: none"><li>1. That Council enter into 4 consecutive 5 year leases for Hangar Site 16 at Dubbo City Regional Airport commencing on 1 July 2019 with Dubbo Aeroclub, with the second, third and fourth lease commencing upon the expiry of the previous lease, until its expiry on 30 June 2039, with all four (4) leases signed at the commencement of the first lease.</li><li>2. That all documentation in relation to this matter be executed under Power of Attorney.</li><li>3. That the legal fees associated with the preparation of the lease be borne by the lessee.</li></ol>
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Construction of the general aviation (GA) component at Dubbo Regional Airport was completed in March 2019, which provided an additional ten (10) new hangars lots for lease to private and business entities (GA Hangars).

Dubbo Aero Club (Club) requested a long-term lease over Hangar Site 16 (H16), being one of the GA Hangars, to ensure longevity and provide security for its members.

On 26 August 2019, Council resolved to enter into 4 consecutive 5-year leases with the Club over H16, with the first lease to commence on 1 July 2019 for a lease fee of \$6.00/m<sup>2</sup> (Initial Lease).

The Initial Lease was executed by the parties in late 2019, however the original document cannot be located. Upon execution by the parties, the original document was forwarded to Council's solicitors for registration with NSW Land Registry Services (NSWLRS). The solicitors required both parties to initial various pages of the Initial Lease in order for registration to be successful, and thus returned the Initial Lease to the Club for completion. The Club advised Council that they had initialled the Initial Lease as requested by Council's solicitors, and had delivered the original document to Council's offices. However, despite conducting an extensive investigation to locate the original Initial Lease within Council, the document has not been found. In any case, the version of the Initial Lease that was initialled by the Club was not completed correctly, so the document would have required further correction.

## REPORT

Under s53(1) of the *Real Property Act 1900*, a lease of land exceeding 3 years must be in the approved form and, in order to be enforceable against the lessee, be registered with NSWLRS (eg. *Davis v McConochie* (1915) 15 SR (NSW) 510).

Council's solicitors require an original lease document for registration purposes.



As resolved by Council the leases were executed under the CEO's power of attorney. Recently the CEO's Power of Attorney has been revoke which now requires re-execution under the common seal of council.



## REPORT: Acceptance of Easement at 252 Myall Street, Dubbo as Part of Development by NSW Land and Housing Corporation

**DIVISION:** Organisational Performance  
**REPORT DATE:** 6 September 2022  
**TRIM REFERENCE:** ID22/1897

### EXECUTIVE SUMMARY

<b>Purpose</b>	Seek endorsement	
<b>Issue</b>	<ul style="list-style-type: none"><li>Formalising a stormwater easement over 252 Myall Street, Dubbo.</li></ul>	
<b>Reasoning</b>	<ul style="list-style-type: none"><li>The stormwater infrastructure will be created when the property situated at 254-260 Myall Street, Dubbo is developed.</li><li>Council will be the owner of the stormwater infrastructure, and the proposed easement will ensure Council's interest is noted over the title to 252 Myall Street, Dubbo.</li></ul>	
<b>Financial Implications</b>	Budget Area	There are no financial implications arising from this report.
<b>Policy Implications</b>	Policy Title	There are no policy implications arising from this report.

### STRATEGIC DIRECTION

The Towards 2040 Community Strategic Plan is a vision for the development of the region out to the year 2040. The Plan includes six principle themes and a number of objectives and strategies. This report is aligned to:

Theme:	1 Housing
CSP Objective:	1.1 Housing meets the current and future needs of our community
Delivery Program Strategy:	1.1.1 A variety of housing types and densities are located close to appropriate services and facilities
Theme:	1 Housing
CSP Objective:	1.1 Housing meets the current and future needs of our community
Delivery Program Strategy:	1.1.4 Public and social housing are integrated into residential

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areas

**RECOMMENDATION**

1. That Council accept the storm water easement over 252 Myall Street, Dubbo, properly described as Lot 191 on DP 251858.
2. That all documents relating to resolution 1 (above) be executed under the Common Seal of Council.

*Rachel Kerney*  
Executive Officer

*CP*  
Manager Property and  
Land Development

## BACKGROUND

NSW Land and Housing Corporation (**LAHC**) are planning to develop 254-260 Myall Street, Dubbo (**LAHC Land**).

As part of the development of the LAHC Land, stormwater infrastructure (**Infrastructure**) will be constructed along the rear of neighbouring 252 Myall Street, Dubbo (properly described as Lot 191 on DP251858) (**Property**). The Infrastructure will become a Council asset, therefore an easement is necessary to protect it.

LAHC's surveyors, Premise, provided the following documents for Council's consideration and, if acceptable, execution:

1. Form 01TG Transfer Granting Easement (**Form 01TG**) attached as **Appendix 1**; and
2. Plan showing easement to drain water – 2 wide – affecting the Property, attached as **Appendix 2**.

If acceptable and once fully executed, the Form 01TG will be lodged by LAHC with the New South Wales Land Registry Services (**NSWLRS**) for registration and thus burden the title to the Property.

### Form 01TG

Discussions with Premise confirmed that even though an easement had yet to be created on title, a Form 01TG was technically an appropriate document to create an easement as the area of the easement itself ran parallel to the rear boundary of the Property. Use of the Form 01TG also bypassed the usual requirement for a deposited plan to be created due to the simplicity of the proposed easement area.

## REPORT

### Consultation

Council's Statutory Planning team and Infrastructure Strategy and Design team are aware of the Infrastructure to be constructed on the Property.

Although the development was permitted without consent, Council's Planning team made comment on the proposed development with regard to legislative planning requirements.

### Resourcing Implications

There is no cost to Council in formalising the easement over the Property.

### Next Steps

Upon execution of the Form 01TG, LAHC will register the document with NSWLRS at their cost.

**APPENDICES:**

- 1 [↓](#) Form 01TG - Transfer Granting Easement - over 252 Myall Street, Dubbo
- 2 [↓](#) Plan showing easement - 2 wide - over 252 Myall Street, Dubbo

MYALL STREET, DUBBO

Form: 01TG  
Release: 3-2**TRANSFER  
GRANTING EASEMENT**New South Wales  
Real Property Act 1900Leave this space clear. Affix additional  
pages to the top left-hand corner.

**PRIVACY NOTE:** Section 31B of the Real Property Act 1900 (RP Act) authorises the Registrar General to collect the information required by this form for the establishment and maintenance of the Real Property Act Register. Section 96B RP Act requires that the Register is made available to any person for search upon payment of a fee, if any.

(A) <b>TORRENS TITLE</b>	Servient Tenement Lot 191 in DP 251858		Dominant Tenement DUBBO REGIONAL COUNCIL
(B) <b>LODGED BY</b>	Document Collection Box  Email: Nikola.Ristevski@fac.s.nsw.gov.au Reference: Survey - BGEX7	Name, Address or DX, Telephone, and Customer Account Number if any Planning Industry & Environment - Land & Housing Corp. 12 Darcy Street, Parramatta NSW 2150	CODE  <b>TG</b>
(C) <b>TRANSFEROR</b>	TERRENCE MICHAEL CARMAN & GAI ANNE MAREE CARMAN		
(D)	The transferor acknowledges receipt of the consideration of \$ _____ and transfers and grants—		
(E) <b>DESCRIPTION OF EASEMENT</b>	EASEMENT TO DRAIN WATER 2 WIDE AS SHOWN ON ANNEXURE "A"  out of the servient tenement and appurtenant to the dominant tenement.		
(F)	Encumbrances (if applicable): AK189051 - MORTGAGE TO MACQUARIE CREDIT UNION LIMITED		
(G) <b>TRANSFeree</b>	DUBBO REGIONAL COUNCIL		

DATE 08 2022

(H) I certify I am an eligible witness and that the transferor signed this dealing in my presence.  
[See note\* below]

Certified correct for the purposes of the Real Property Act 1900 by the transferor.

Signature of witness:

Signature of transferor:

Name of witness:

Address of witness:

I certify that I am an eligible witness and that an authorised officer of the transferee signed this dealing in my presence.  
[See note\* below].

Certified correct for the purposes of the Real Property Act 1900 by the authorised officer named below.

Signature of witness:

Signature of authorised officer:

Name of witness:

Address of witness:

Authorised officer's name:

Authority of officer:

Signing on behalf of:

\* s117 RP Act requires that you must have known the signatory for more than 12 months or have sighted identifying documentation.

ALL HANDWRITING MUST BE IN BLOCK CAPITALS

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