



Upper Lachlan Shire Council

ANNUAL REPORT
2017-2018



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General Manager, Mr John Bell

General Manager's Review of Operations

It is with great satisfaction that Upper Lachlan Shire Council presents the Annual Report. I am privileged to have led a dedicated team of professional Council staff over the past year through some busy and demanding times to continue to efficiently and effectively deliver quality services to our community.

The Upper Lachlan Shire Council Annual Report is presented under the Local Government Act 1993, in accordance with the provisions of Section 428, which sets out the Council's statutory reporting requirements. Such reporting mechanisms are an important avenue by which Council is able to display to the local community the results of Council's positive, practical governance and prudent financial management.

The majority of Council's programs have completed their appropriate key performance indicators and Council has met all State and Federal Government statutory requirements within the required deadlines.

Financial Position Report

The Annual Report confirms that the Upper Lachlan Shire Council is in a positive financial position and has the scale and capacity to meet all provisions and liabilities.

The independent external audit of the Council's Financial Statements, by Audit Office NSW, confirms an operating result for 2017/2018 from all Council activities, totalling a net operating surplus of \$1.430 million for the year (before capital grants and contributions). This equates to an Operating Performance Ratio of 5.29%.

Within the Financial Statements, Council's Statement of Performance Measures highlights Council's Unrestricted Current Ratio of Assets to Liabilities as 2.97:1, which shows the adequacy of Council's working funds to meet all liabilities and other restrictions.

Further, Rates and Annual Charges Outstanding percentage is only 2.94%. Council's Infrastructure Renewals Ratio is 204.09% which indicates that Council is spending sufficiently on asset renewals relative to the rate at which assets are depreciating on an annual basis.

The Office of Local Government has mandated financial performance benchmarks for all

Councils. These benchmarks were recommended by the 2013 Treasury Corporation Sustainability Review of Local Government. Upper Lachlan Shire Council will continue to monitor all financial, infrastructure and efficiency performance measures as the long-term financial sustainability of the Upper Lachlan Shire Council remains a high priority.

Organisation Structure

Council has reviewed and adopted its organisation structure in accordance with Section 333, of the Local Government Act 1993, maintaining Council's commitment to the operational performance and services in each of Council's three offices and two works depots.

Council employs 136 full time equivalent employees and these staff members persist in reinforcing an ongoing commitment to customer service and continuous improvement and will carry on meeting the needs and expectations of our ever growing Shire within the available resources.

Community Strategic Plan

The NSW State Government Integrated Planning and Reporting requirements have been prepared in accordance with the requirements of the Local Government Act 1993:-

- Tablelands Regional Community Strategic Plan 2016-2036;
- Resource Strategy - containing the Long Term Financial Plan, the Workforce Plan and the Infrastructure Plan;
- Delivery Program;
- Operational Plan; and
- Social and Community Plan.

Council held 4 community outreach meetings in May 2018, including Collector, Crookwell, Gunning and Taralga, to allow community feedback and input into Council strategic plans.

Asset Renewal and New Infrastructure Highlights – Total Expenditure on Assets \$13.074 million

Major construction and new infrastructure highlights for 2017/2018 included the following projects:-

- Completed the construction of the new Crookwell Water Treatment Plant \$1.5 million expense this financial year;
- Crookwell sewerage service main renewals at a cost of \$100,734;
- Bitumen resealing of urban and rural sealed local roads throughout the Shire at a cost of \$715,567;
- Bitumen resealing of sealed regional roads throughout the Shire at a cost of \$156,101;
- Pavement Rehabilitation and road realignment of regional road MR52 Devil's Elbow section at a cost of \$1.587 million;
- Pavement rehabilitation of MR52 Gunning to Gundaroo Road at a cost of \$918,464;
- Pavement Rehabilitation of MR248W Boorowa Road at a cost of \$478,563;
- Gravel resheeting of unsealed rural roads throughout the Shire at a cost of \$667,045;
- Bevendale Road sealed pavement rehabilitation works totalling \$327,696;
- Golspie Road sealed pavement rehabilitation works totalling \$337,209;
- Towrang Road sealed pavement rehabilitation works totalling \$303,885;
- Redground Road sealed pavement rehabilitation works totalling \$310,652;
- Grabine Road reconstruction and new bitumen sealing at a cost of \$487,288;
- Replacement of Currans Road causeway at a cost of \$231,912;
- Road Black Spot Program works of \$690,846;
- Laggan Road kerb and gutter cost \$202,697;
- Purchase of former Westpac Bank building in Crookwell for \$800,000;
- Microwave communication network installation at a cost of \$265,850.

State Road MR54

The completion of the sealing of MR54 in December 2017 has improved the transport links between Crookwell and Bathurst and beyond. The improvements to the MR54 infrastructure and connectivity has provided the most direct route between the Central West of NSW and the Canberra region.

Congratulations to Council's hard-working staff who undertook the \$10 million dollar project over a three year period to reconstruct and seal the previously unsealed sections of MR54.

The project came in on time and on budget and has been highlighted by the Roads and Maritime Services as an example to all rural Councils as the model for future infrastructure road works within NSW.

The sealing of State Road MR54 is providing tourism and economic opportunities for the Shire and region as an easily accessible destination.

Crookwell Water Treatment Filtration Plant Upgrade

The Crookwell Water Treatment Filtration Plant Upgrade was completed in December 2017 and has now ensured the highest quality water supply option for the Crookwell Township.

Council completed construction of the \$7 million dollar Crookwell Water Treatment Plant Project on time and on budget.

Grabine Road

Council has continued the reconstruction works via a special grant program funding on Grabine Road. The Grabine Road is a transport link priority project to the Grabine State Recreational Area Reserve and will continue to facilitate economic benefits to the region.

The sealing of Grabine Road is providing tourism opportunities and the promotion of the region as a tourism destination.

Council continues to pursue Grant Funding opportunities for further reconstruction and sealing of Grabine Road in the pursuit of regional economic growth benefits and the improvement of road infrastructure assets that have the potential to stimulate the local economy.

Floodplain Risk Management Plans

Council completed the Floodplain Risk Management Plans and studies for the villages of Crookwell, Gunning and Collector in December 2017.

Council has continued to implement the recommendations of the Floodplain Risk Management Plan in accordance with the recommendations.

Conclusion

Council's overall financial position remains sound and our long term financial strategy allows for the ongoing development of a sustainable infrastructure renewal program whilst identifying opportunities for service delivery review.

Council will remain focused on delivering good quality governance and services to the Upper Lachlan Shire with continued attention to organisational, social and environmental sustainability.

The Annual Report demonstrates that Council continues to deliver a wide range of quality services to the community and Council continues to communicate in a number of proactive and receptive ways.

The avenues are utilised to communicate include:-

- The award winning quarterly “Voice Newsletter”,
- Community surveys,
- Media releases,
- Informal meetings,
- Councils website and FaceBook page,
- Community outreach meetings and engagement forums.

In the meantime I would like to thank the Councillors and staff for their hard work and commitment to the Upper Lachlan Shire community during the 2017/2018 financial year.

As General Manager of the Upper Lachlan Shire Council, I commend this Annual Report as definitive confirmation that the Upper Lachlan Shire Council is proceeding into the future with a stable foundation.



John Bell
General Manager

UPPER LACHLAN SHIRE COUNCIL – SENIOR STAFF

General Manager:

Mr John Bell

Work Phone: 4830 1000

Director of Environment and Planning:

Mrs Tina Dodson

Work Phone: 4830 1027

Director of Finance and Administration:

Mr Andrew Croke

Work Phone: 4830 1008

Director of Works and Operations:

Mr Mursaleen Shah

Work Phone: 4830 1063



Council’s Senior Management Team – Mursaleen Shah, Andrew Croke, John Bell and Tina Dodson.

UPPER LACHLAN SHIRE COUNCIL ELECTED MEMBERS



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DEPUTY MAYOR
Cl John Stafford

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STATEMENT OF ETHICAL PRINCIPLES

The Upper Lachlan Shire Council activities of Councillors and Staff are guided by the following principles:-

Selflessness

- Serving public over private interests
- Avoiding private gain at public expense
- Not accepting gifts and benefits of more than nominal value
- Reporting all offers of inducement or suspected bribes

Openness

- Giving and revealing reasons for decisions
- Revealing other avenues available to the client or business
- Offering all information not subject to legal or privacy restrictions
- Communicating clearly

Honesty

- Obeying the law
- Following the letter and spirit of policies and procedures
- Observing codes of conduct
- Fully disclosing actual or potential conflicts of interest

Accountability

- Recording reasons for decisions
- Submitting to scrutiny
- Keeping proper records and establishing audit trails
- Maintaining confidentiality

Objectivity

- Fairness to all
- Impartial assessment
- Merit selection in recruitment and in purchase and sale of Council resources
- Considering only relevant matters

Courage

- Having the courage to uphold these principles
- Reporting suspected wrongdoing
- Embracing necessary change
- Giving advice fearlessly and frankly

UPPER LACHLAN SHIRE COUNCIL FINANCIAL STATEMENTS



Veolia Mulwaree Trust Trustee John Reynolds presents a cheque to Council Deputy Mayor John Stafford to assist in the construction of the Crookwell Skate Park

Section 428 (2) (a) and (b)

Annexure Document "A" includes a copy of Upper Lachlan Shire Council's audited Financial Statements for 2017/2018. This is included as an attachment at the end of the Annual Report.

1. GENERAL INFORMATION

COUNCIL MEETINGS:

Council conducts business in an open forum, with the only exceptions being those matters pertaining to personnel (staff), litigation, commercial in-confidence matters and the private business of individuals where confidentiality has been requested. However, all such decisions are ratified in open Council Meetings. All ratepayers, press and the general public are welcome to attend meetings of Council.

During 2017/2018 Ordinary Council Meetings were held on the third Thursday evening of each month. Council Meeting agendas are available on Council's website or at the three Council Administration offices and two branch libraries during business hours and in addition are provided at the meeting. The Business Papers for each Ordinary Council Meeting are generally prepared on the first Friday of each month, and any person wishing to bring a matter before Council must lodge it with the General Manager by that day.



Ordinary Council Meetings are held at the Council Chambers Gunning in November each year

COMMUNITY OUTREACH MEETINGS:

In addition to Council Meetings, there were 4 community outreach meetings held in May 2018, directed at the facilitation of community involvement and dialogue with Council. The meetings were held in Collector, Crookwell, Gunning and Taralga.

UPPER LACHLAN SHIRE COUNCIL ADMINISTRATION OFFICES:**Crookwell Office**

Address: 44 Spring Street, Crookwell NSW 2583
Telephone: (02) 4830 1000
Fax: (02) 4832 2066
Email: council@upperlachlan.nsw.gov.au
Website: www.upperlachlan.nsw.gov.au

Gunning Office

Address: 123 Yass Street, Gunning NSW 2581
Telephone: (02) 4845 4100
Fax: (02) 4845 1426

Taralga Community Service Centre

Address: 29 Orchard Street, Taralga NSW 2580
Telephone: (02) 4840 2099
Fax: (02) 4840 2296
Email: taralgacsc@upperlachlan.nsw.gov.au

ALL CORRESPONDENCE SHOULD BE DIRECTED TO:-

The General Manager
PO Box 42
GUNNING NSW 2581

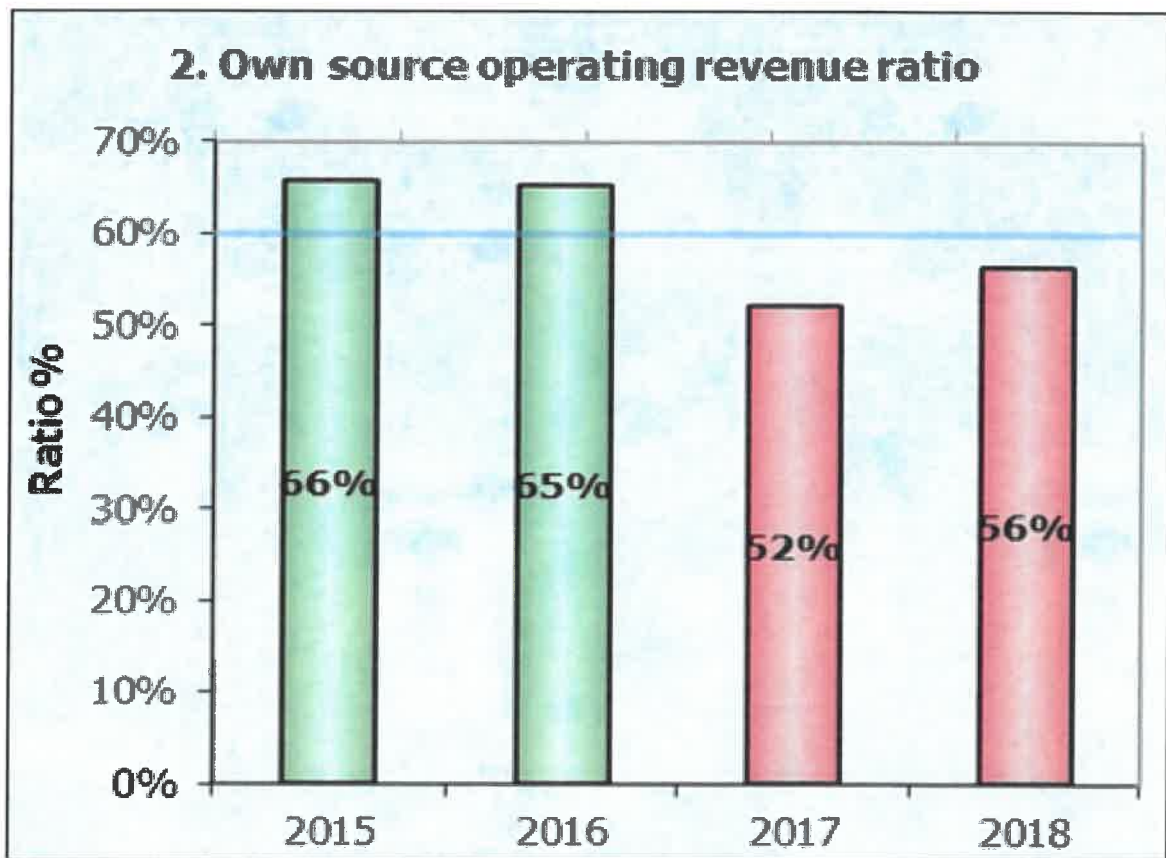
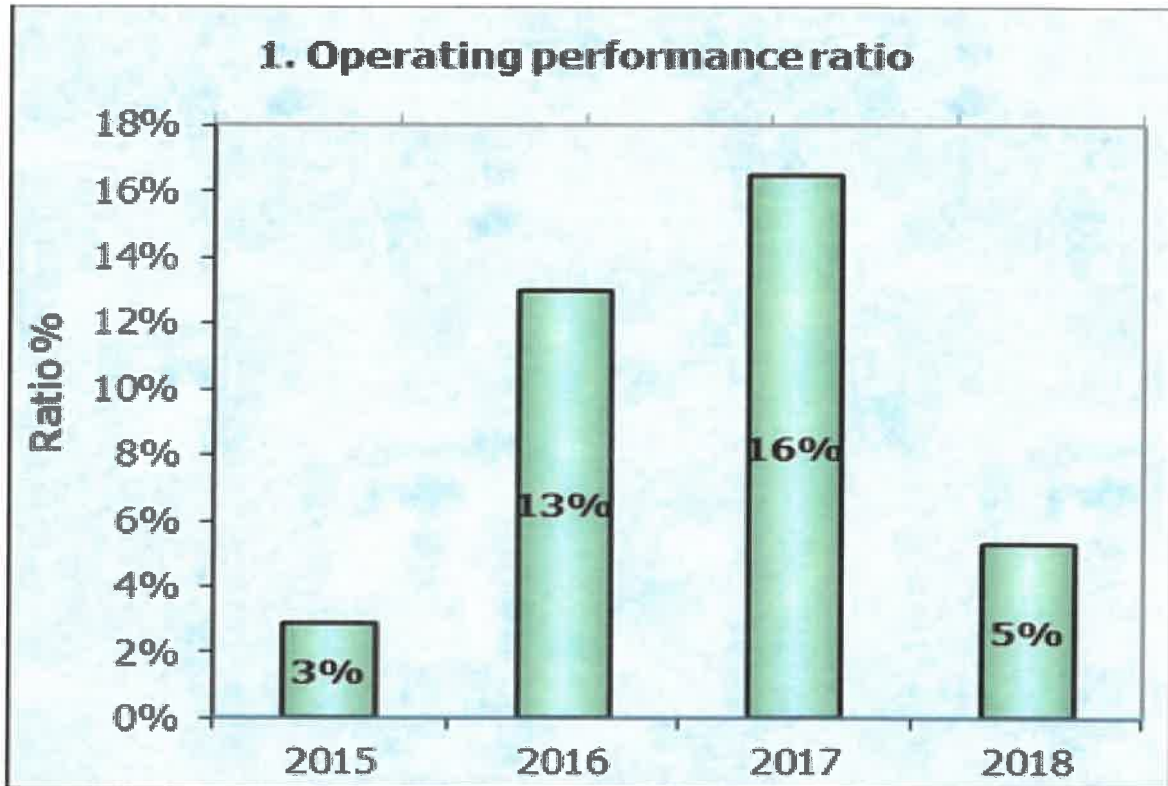


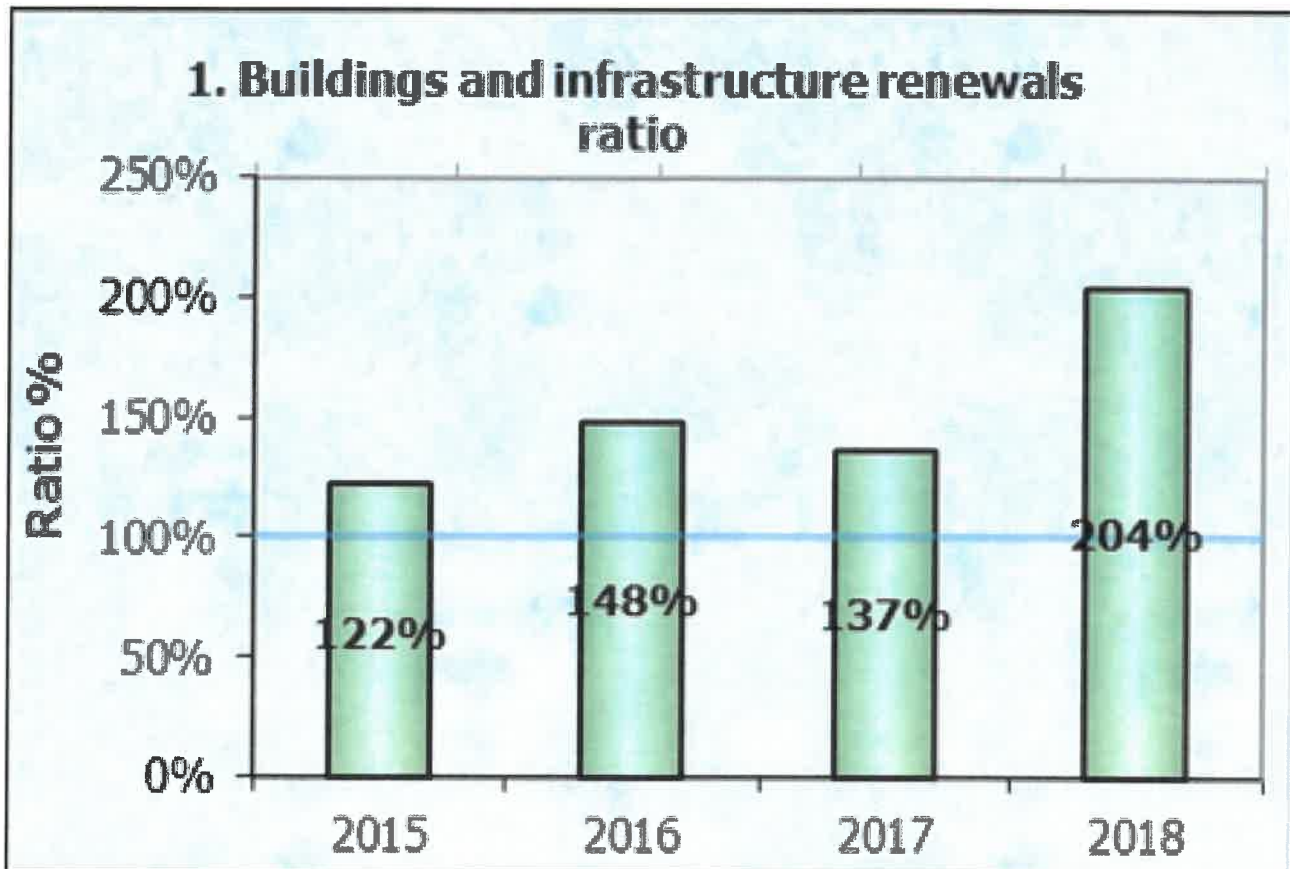
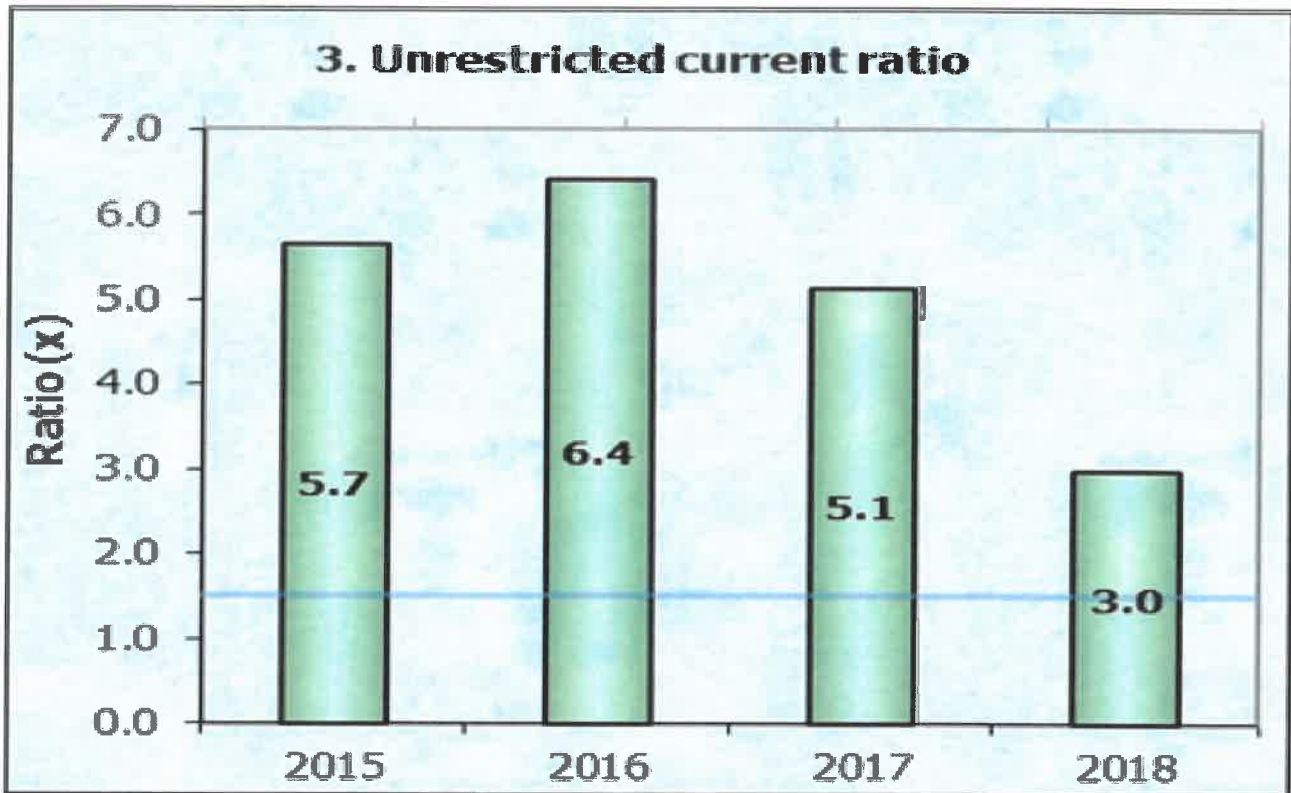
Crookwell Administration Office

Strategic Task Performance Activities

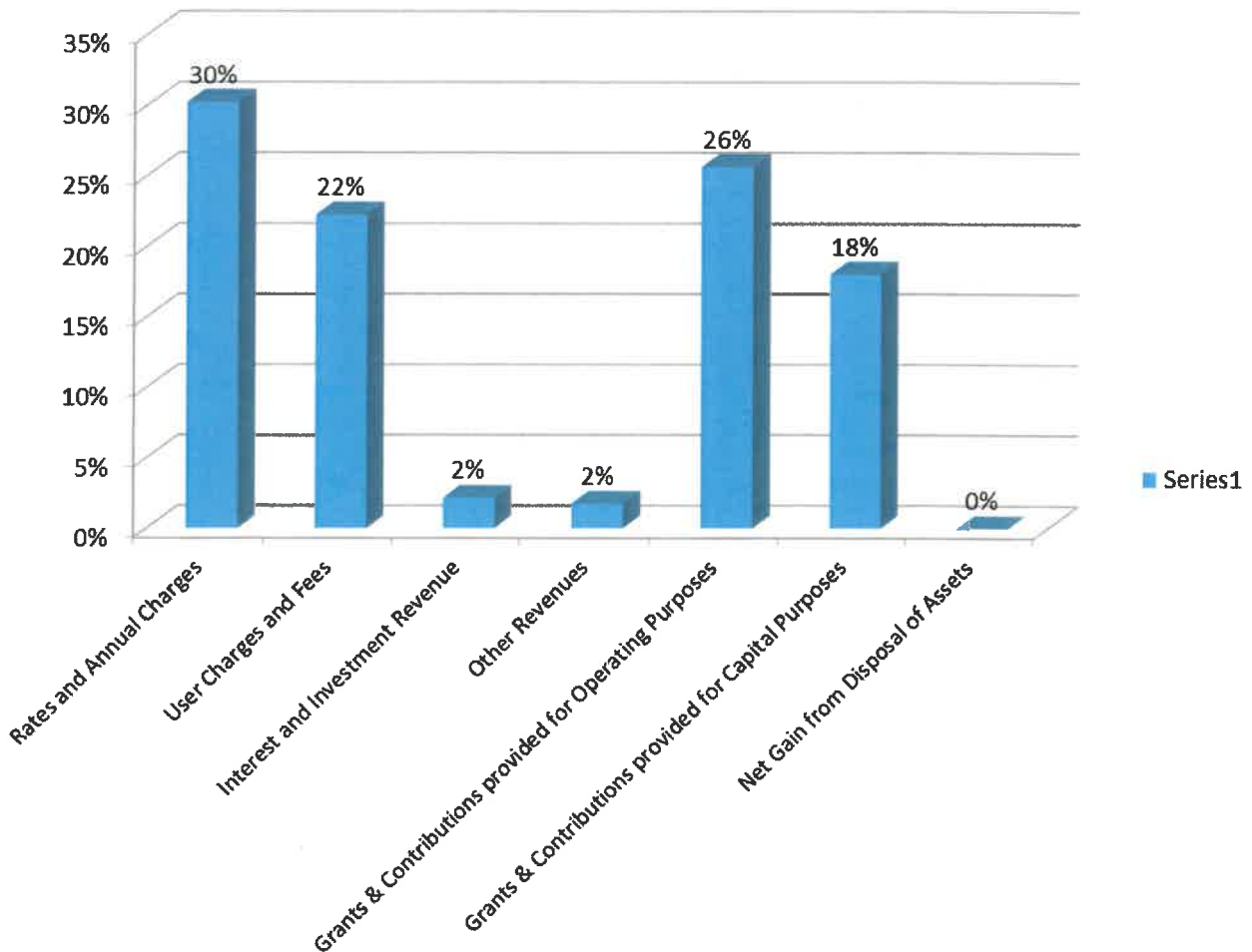
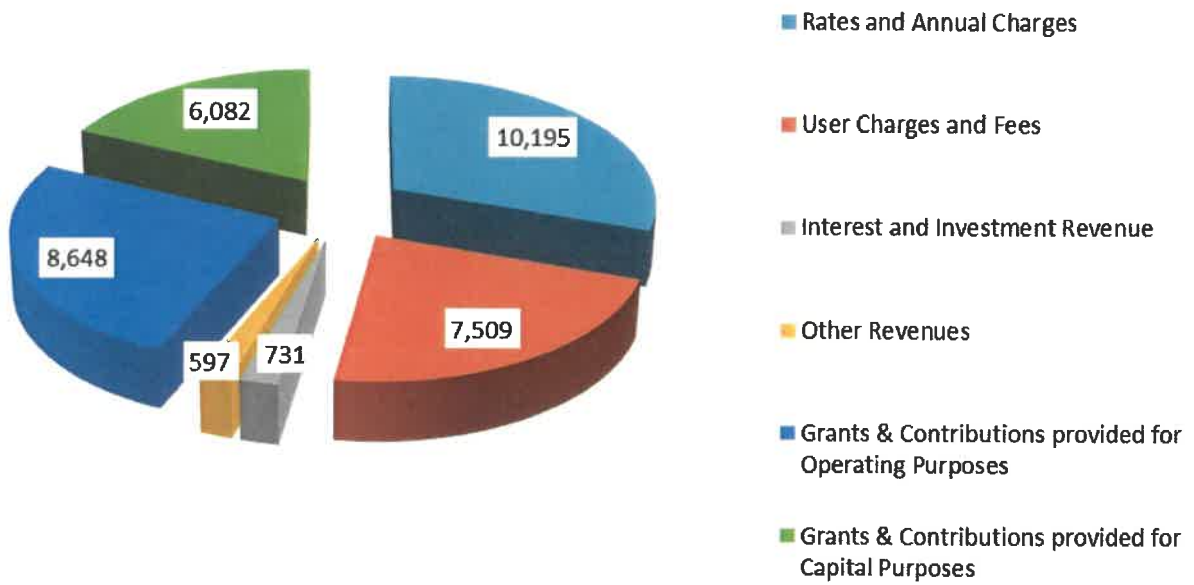
Key Performance Activities	Performance
Annual Report and State of Environment Report	Completed by statutory timeframe
Financial Statements and Financial Data Return	Completed by statutory timeframe
Social and Community Plan	Completed by statutory timeframe
Loan Borrowings Return	Completed by statutory timeframe
Pecuniary Interest Returns	Completed by statutory timeframe
Noxious Weeds NSW Department of Primary Industries Grant Return	Completed by statutory timeframe
Pensioner Concession Subsidy Claim	Completed by statutory timeframe
Grants Commission ALGA National Local Roads Data Return	Completed by statutory timeframe
Grants Commission Local Roads and Bridges Data Return	Completed by statutory timeframe
Quarterly Budget Review Statements and Quarterly Reviews of the Operational Plan to Council	Completed by statutory timeframe
Delivery Program review reports biannually to Council	Completed by statutory timeframe
Monthly report on Council Investment Register / Portfolio	Completed by statutory timeframe
Adoption of the Payment of Expenses and Provision of Facilities Policy	Completed by statutory timeframe
Government Information (Public Access) (GIPA) Annual Report and Agency Information Guide	Completed by statutory timeframe
Quarterly Rates and Charges Notices posting to ratepayers	Completed by statutory timeframe
Rates Statement of Compliance Notional Income Return	Completed by statutory timeframe
Adoption of Integrated Plans and Resourcing Strategy by Council	Completed by statutory timeframe
Lodgement of Goods and Services Tax (GST) Certificate to OLG	Completed by statutory timeframe
Report to Council on senior staff contractual conditions	Completed by statutory timeframe
Adoption of Organisation Structure by Council	Completed by statutory timeframe
Adoption of Delegations of Authority by Council	Completed by statutory timeframe
Adoption of Code of Conduct by Council	Completed by statutory timeframe
Grants Commission Return of General Information	Completed by statutory timeframe
Public Interest Disclosures Annual Report – every six months	Completed by statutory timeframe
NSW State Library Public Library Annual Return	Completed by statutory timeframe
Roads and Maritime Services (RMS) Regional Roads Block Grant Return	Completed by statutory timeframe
Department of Infrastructure and Regional Development - Roads to Recovery Annual Report	Completed by statutory timeframe
Code of Conduct Complaint Statistics report to Council – annual	Completed by statutory timeframe

FINANCIAL SUMMARY:

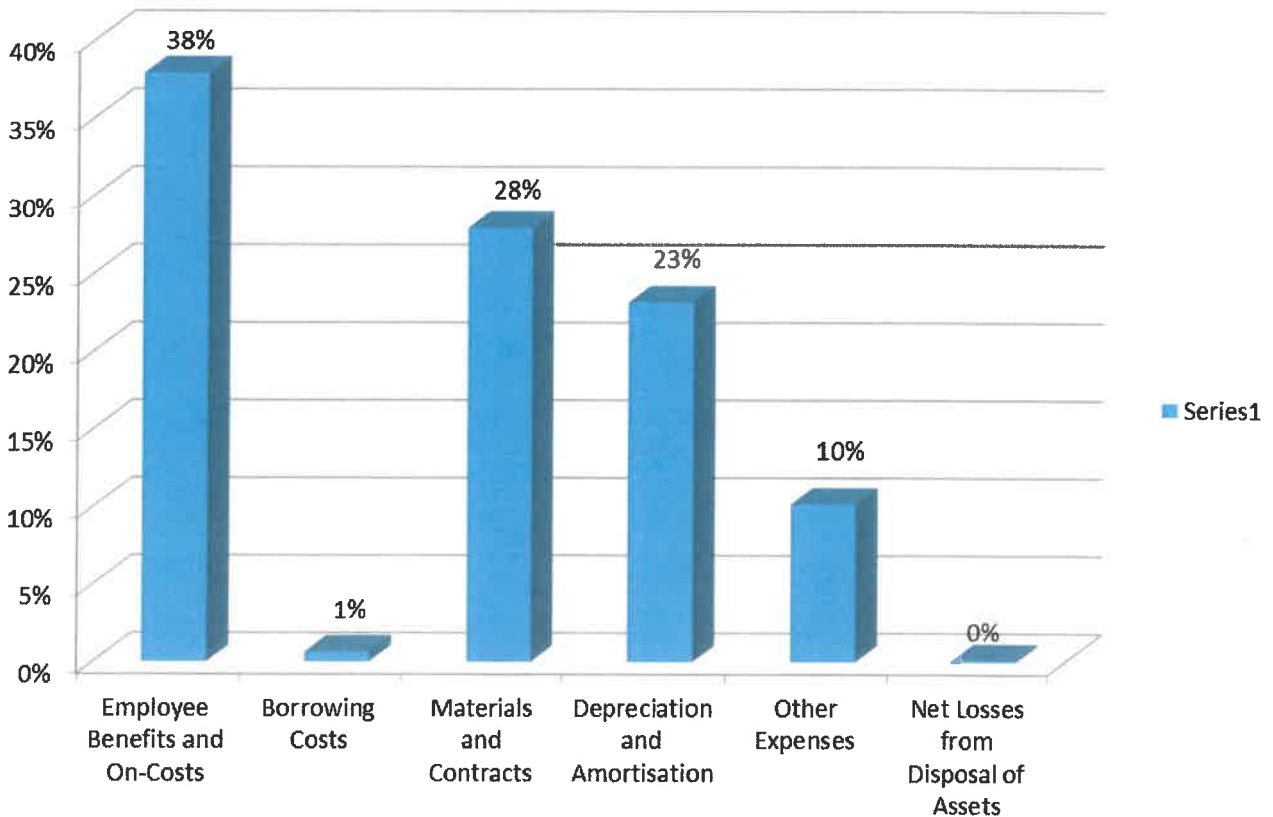
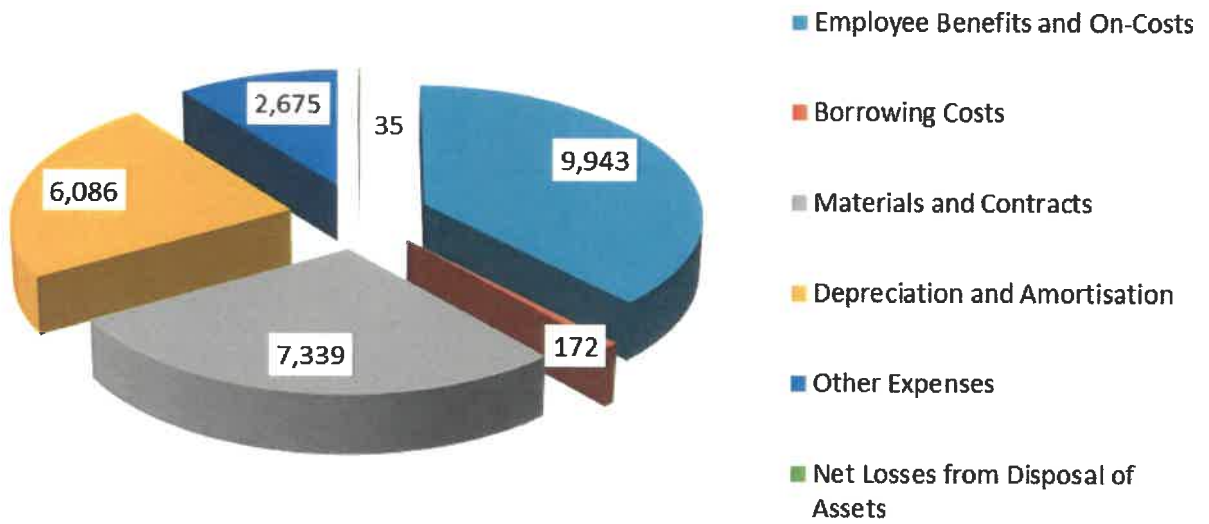




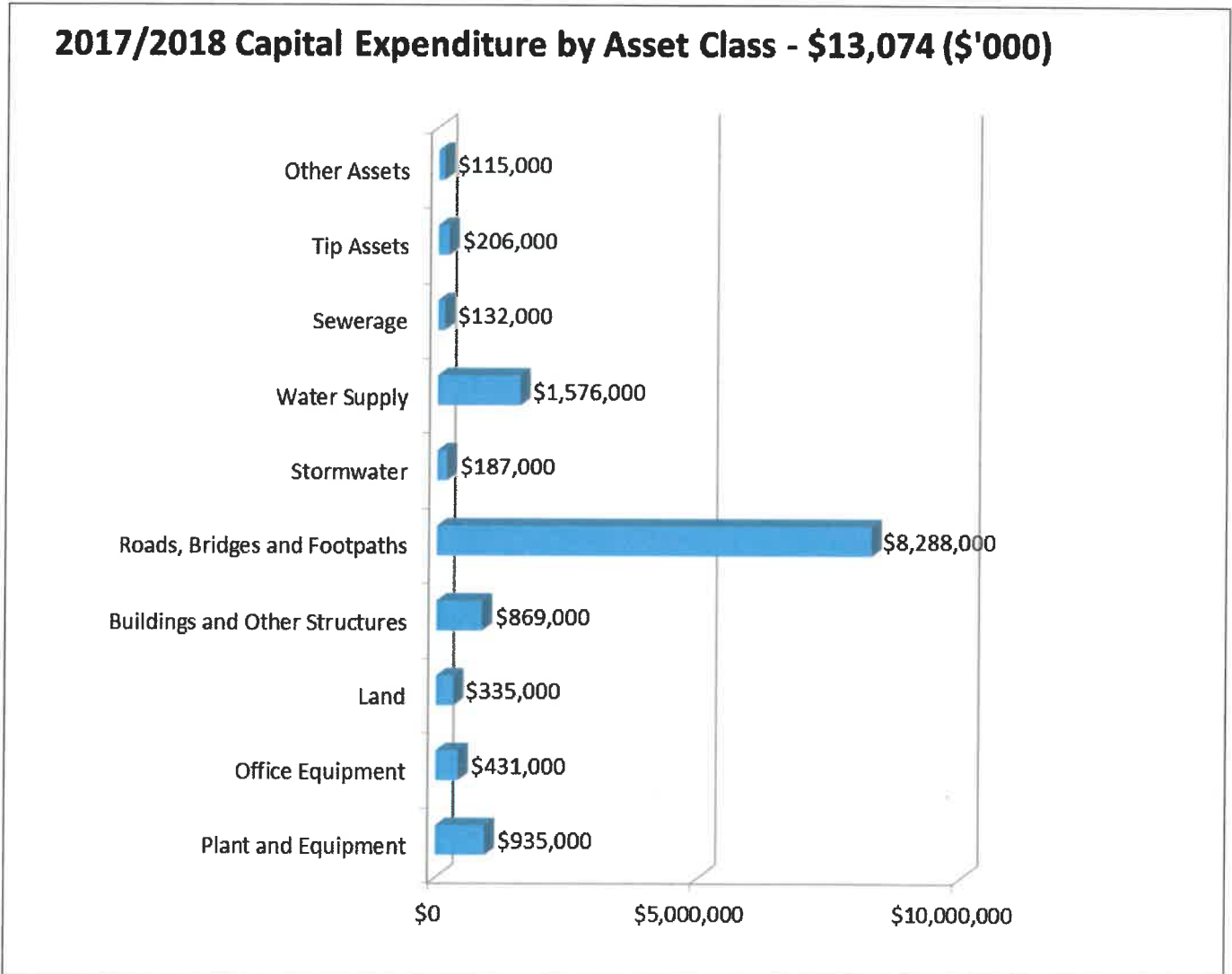
2017/2018 Total Income - \$33,762 (\$'000)



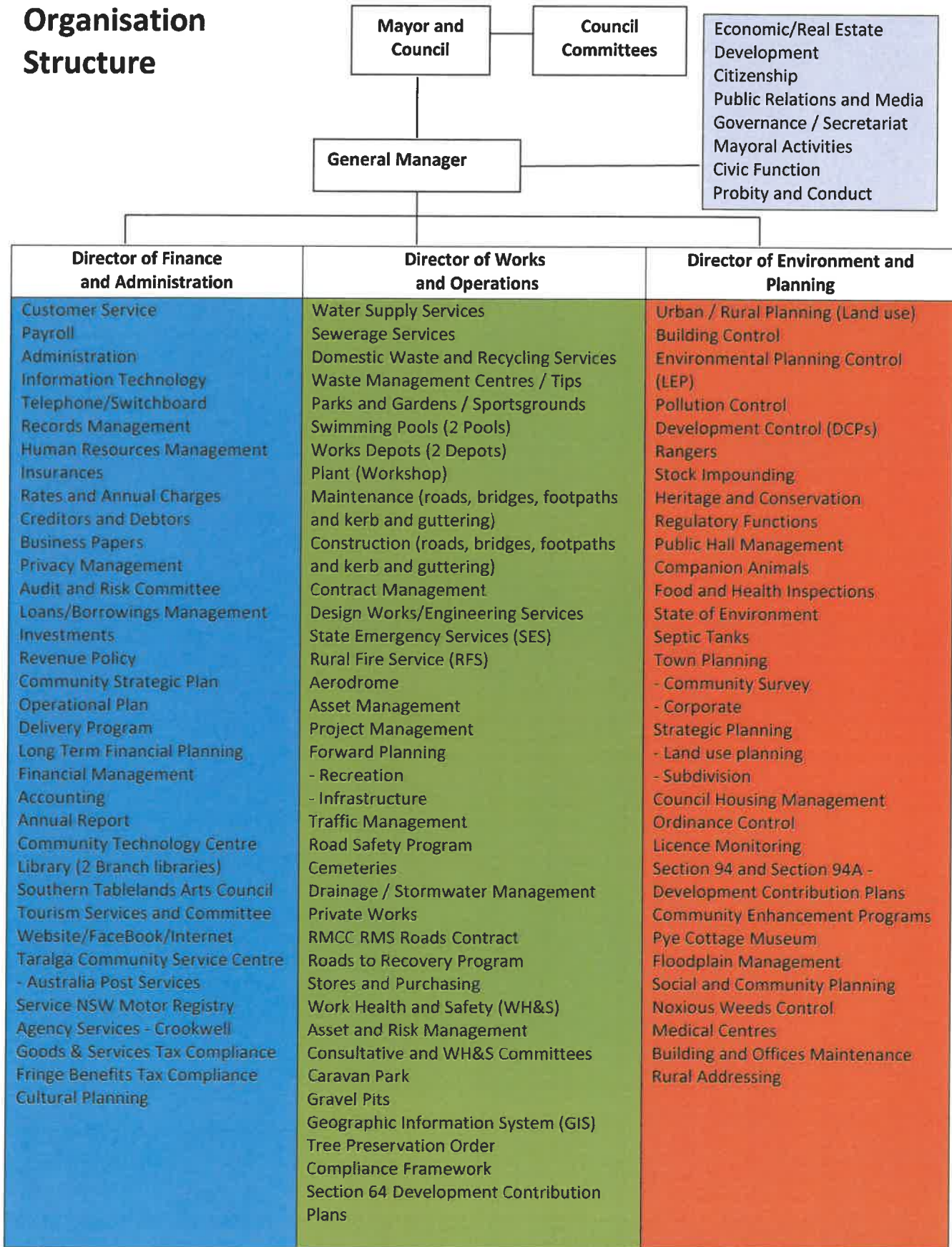
2017/2018 Total Operating Expenditure - \$26,250 (\$'000)



FINANCIAL DATA



Organisation Structure



2. OPERATIONAL PLAN

Upper Lachlan Shire Council has adopted the Operational Plan in respect of its principal activities (functions) and corresponding performance targets within those principal activities.

Listed below is the comparison with Council's objectives and the achievements during 2017/2018.



Drainage upgrades to Laggan Road, Crookwell

Section 428 (2) (b)

COUNCIL'S PRINCIPAL ACTIVITIES – Key Performance Indicators

FUNCTION

COMMUNITY

Health Services, Medical Centres, Community Services, Aged and Disabled Services
Public Halls, Cultural Services, Community Centres and Museums
Animal Control
Swimming Pools
Sporting Grounds and Parks and Gardens
Public Libraries
Emergency Services and Fire Protection

ENVIRONMENT

Town Planning and Development Control
Building Control
Environmental Systems and Protection
Housing
Noxious Weeds Control
Food Control and Inspections

ECONOMY

Financial Services
Administration and Corporate Support
General Purpose Revenue and Rates
Information Technology
Workforce (Human Resources and Work, Health and Safety)
Caravan Parks
Tourism Promotion and Business (Private Works, RMS State Road and Service NSW)

INFRASTRUCTURE

Roads, Bridges, Footpaths, Cycleways, and Kerb and Guttering
Stormwater and Drainage
Quarries and Gravel Pits
Waste Centres, Rubbish Tips and Street Cleaning
Public Conveniences and Amenities
Public Cemeteries
Engineering, Purchasing and Works Supervision
Plant and Equipment Operations
Domestic Waste Management (DWM)
Water Supply Services
Sewerage Services

CIVIC LEADERSHIP

Governance

COMMENTARY REGARDING STRATEGIC PERFORMANCE MEASURES UNDERTAKEN

Section 428 (2) (b)

TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:

PRINCIPAL ACTIVITY - HEALTH SERVICES, MEDICAL CENTRES, AGED, DISABLED AND COMMUNITY SERVICES

KPI	Performance Measure	Delivery Program Actions	Performance Status
Liaise with health care service providers within the Shire.	Maintain lease for buildings.	1.1 - Support the retention of medical and health care facilities in the towns.	Achieved - Council owned building utilised for health care services in Crookwell and Gunning.
Support the Youth Council to promote youth engagement.	Report each year in the Annual Report.	1.4 - Retain the youth population demographic and provide appropriate facilities.	Achieved - YA'MAD Committee support provided, youth week activities undertaken.
Support the NSW Government rollout of the National Disability Insurance Scheme (NDIS).	Council adopts a Disability Inclusion Action Plan by July 2017.	1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Achieved - the Disability Inclusion Action Plan, adopted after public exhibition by Council on 15 June 2017.
Maintain a web based community directory.	Review annually.	1.7 - Social inclusion for all disparate communities.	Achieved - Annual review completed in April 2018.

TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:

PRINCIPAL ACTIVITY - PUBLIC HALLS, CULTURAL SERVICES, COMMUNITY CENTRES AND MUSEUMS

KPI	Performance Measure	Delivery Program Actions	Performance Status
Implement Social and Community Plan for Council.	Report every year in the Annual Report.	1.2 - Support provision of ageing population services and aged accommodation.	Achieved - reported in Annual Report. Social and Community Plan will be reviewed in 2018/2019.
Implement Cultural Plan for Council.	Review every two years. Complete review by December 2017.	1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Achieved - Cultural Plan 2017-2020 adopted by Council on 15 June 2017.

KPI	Performance Measure	Delivery Program Actions	Performance Status
		1.6 - Protect all significant heritage sites to preserve the diverse history of the Shire.	Achieved - Heritage grants endorsed by Council in October 2017 and a further report was tabled at the March 2018 Council Meeting.
Maintenance and management of Council public facilities.	Annual AGM and audits for Committees. Review Plan of Management for public buildings every five years.	1.8 - Manage and upgrade Council's public buildings and community centres. 1.8 - Manage and upgrade Council's public buildings and community centres.	Being achieved – audits completed for 2017/2018 and maintenance is completed as per budget commitment. Achieved - Plan of Managements are reviewed and completed, subsequent reviews are ongoing and reported to Council for endorsement.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:
PRINCIPAL ACTIVITY - ANIMAL CONTROL**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Registration of companion animals.	Monthly report to Office of Local Government.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved - monthly reports submitted to the Office of Local Government.
Maintain a Complaint Handling Register.	Complaints closed out within two weeks.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Being achieved – noting that not all complaints can be finalised within 2 weeks.
Maintain an Impounding Register.	Statistics reported in Annual Report.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:
PRINCIPAL ACTIVITY - SWIMMING POOLS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Swimming pool guidelines.	Annual review of guidelines.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – Council’s Swimming Pool Operational Plan is updated prior to commencement of the season. This document is provided as part of the booking process. Bookings are accepted from local schools, Department of Education, Swim Club, NSW Sport & Recreation and special interest groups to utilise Council’s pools at Gunning and Crookwell. Safety systems reviewed in accordance with Practice Note 15 prior to pools opening.
Water quality testing.	Daily testing and water sample compliance.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – water quality testing is undertaken prior to opening and during pool opening hours. 4 tests are completed at two hour intervals. Results are recorded, and corrective action taken, in compliance with Department of Health guidelines. All results are filed in Council Records Management System.
Swimming pool patronage numbers.	Report annually to Council.	1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Achieved – daily attendance records are maintained for both Swimming Pools. Income and expenditure reports, as well as patronage reports, were reported to 19 July 2018 Council Meeting at the conclusion of season.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:
PRINCIPAL ACTIVITY - SPORTING GROUNDS AND PARKS AND GARDENS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Sports field maintenance and Playing Fields Committee meetings.	Report to Council annually.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Not achieved.
Prepare Plans of Management for land where Council is the trustee.	Review Plans every five years.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Not achieved – Council is finalising the register. Based on this list, plans will be developed. It is a 3 years project and will not be achieved in one year.
Towns and villages streetscape improvement program.	Implement main street streetscape plans.	1.8 - Manage and upgrade Council's public buildings and community centres.	Not achieved – It is a multiyear project and will not be achieved in one year.
Towns and villages mowing and maintenance program and fire risk minimisation. Improve maintenance of public parks facilities on weekends of special or community events.	Implement town beautification initiatives.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – townspersons working in towns and village including, Bigga, Gunning and Taralga and the parks and gardens team in Crookwell. Level of Service defined in the Upper Lachlan Villages Parks and Garden Maintenance Schedule presented to Council in 2017.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:
PRINCIPAL ACTIVITY - PUBLIC LIBRARIES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Quarterly Reports for library services to Council.	Report to Council by deadline.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – Quarterly Reports for both branch libraries are prepared within a month of the end of the quarter.
Complete NSW State Library Return of Local Priority Grant Report and Statement of Library Operations.	Completed by State Library deadline.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – Library Return forwarded to NSW State Library in November 2017.
Increase membership and number of library loans.	Increase by 1% per annum.	1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Achieved – statistics prepared by Library Manager for the 2017/2018 Annual Report.

KPI	Performance Measure	Delivery Program Actions	Performance Status
Design and development of the new Upper Lachlan library services website.	Operational in 2017/2018.	1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Achieved – new Council library website launched in August 2017. New library membership cards completed.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - COMMUNITY:
PRINCIPAL ACTIVITY - EMERGENCY SERVICES AND FIRE PROTECTION**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Maintain Section 94 Register for each individual Bushfire Brigade.	Annual Audit of Section 94 Register.	1.8 - Manage and upgrade Council's public buildings and community centres.	Achieved – Section 94 Register audit completed for 2017/2018 and provided a copy of the register to RFS in August 2018.
Complete review of DISPLAN and creation of Consequence Management Guides.	Report to Council every two years.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved – Consequences Management Guide are prepared and signed copies received from REMO.
Complete review of RFS Service Level Agreement.	Report to Council by June 2018.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Not achieved – there are several concerns regarding the documents from other Councils including Yass Valley Council and Goulburn Mulwaree Council. It is unlikely to be finalised in one financial year.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY – TOWN PLANNING AND DEVELOPMENT CONTROL**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Prepare LEP amendments and submit to Department of Planning.	LEP Amendments submitted to Department of Planning and Infrastructure for gazettal in a timely manner.	2.2 - Promote environmentally sustainable developments (ESD).	Being achieved - submission forwarded to Department of Planning and Environment on 20 March 2018 seeking a Gateway Determination to amend the Upper Lachlan Local Environmental Plan 2010 by removing the land use term 'storage premises' from 4 Prohibited in the Land Use Table to Zone IN2 Light Industrial.
Review and implementation of Section 94 and Section 94A Development Contributions Plans.	Implement amended Section 94 Plans by December 2017; and Annual audit of Section 94 Register.	2.4 - Pursue Section 94A Development Contributions payments for all State Significant - Designated Developments.	Being achieved - Consultant engaged and review expected to be finalised in December 2018. Achieved - Section 94 Contributions Plan Register was audited in 2017/2018.
Section 355 Committees of Council commence operations to facilitate the Community Enhancement Fund (CEF).	CEF agreements signed. Funds distributed annually. Committees resourced to benefit target communities.	2.4 - Pursue Section 94A Development Contributions payments for all State Significant - Designated Developments.	Achieved - Gullen Range Wind Farm, Cullerin Range Wind Farm and Taralga Windfarm CEF project funding has been allocated for 2017/2018.
Completion and issue of Section 149 Certificates.	Complete within 7 days.	2.2 - Promote environmentally sustainable developments (ESD)	Achieved - 452 Section 149 Certificates issued in 2017/2018.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY - BUILDING CONTROL**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Ensure ongoing accreditation of Building Surveyors is maintained.	Minimum CPD points are obtained annually.	2.2 - Promote environmentally sustainable developments (ESD).	Achieved.
Construction Certificate (CC) assessment and determination	Determine 80% of CC's within 30 days.	2.2 - Promote environmentally sustainable developments (ESD).	Achieved - 86% of CC's were determined within 30 days for the period of 1 July 2017 to 30 June 2018.
Development Application (DA) assessment and determination.	Determine 80% of DA's within 40 days.	2.2 - Promote environmentally sustainable developments (ESD).	Not achieved - 66% of DA's were determined within 40 days for the period of 1 July 2017 to 30 June 2018.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY - ENVIRONMENTAL SYSTEMS AND PROTECTION**

KPI	Performance Measure	Delivery Program Actions	Performance Status
State of Environment Reporting.	Complete and include in Council Annual Report.	2.3 - Promote use of green and renewable energy.	Achieved - reported in 2017/2018 Annual Report
Investigate and report environmental complaints in accordance with legislation.	Deal with complaints in accordance with Service Delivery Policy.	2.1 - Address environmental degradation issues; i.e. noxious weeds control.	Being achieved - not all compliance action can be finalised within the 30 day timeframe.
Assist community groups to seek grant funding for environmental initiatives for Council land and waterways.	Number of grants per annum.	2.5 - Support land care initiatives to restore and beautify natural resources.	Being achieved - liaison undertaken with relevant government agencies in seeking funding for environmental initiatives.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY - HOUSING**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Regular inspection of housing by independent management agent.	House inspections twice a year.	2.2 - Promote environmentally sustainable developments (ESD).	Achieved.
Annual house maintenance and repair program derived from inspections.	Repairs completed within 30 days of notification.	2.2 - Promote environmentally sustainable developments (ESD).	Being achieved - review and update of program has commenced.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY - NOXIOUS WEEDS CONTROL**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Property inspections - the type and density of noxious weed infestations to be recorded and reported to Council.	Inspection statistics reported to Council monthly.	2.1 - Address environmental degradation issues, i.e. noxious weeds control.	Achieved - 563 property inspections have been undertaken during the period of 1 July 2017 to 30 June 2018.

KPI	Performance Measure	Delivery Program Actions	Performance Status
Suppression of noxious plants on road reserves.	Roads to be surveyed annually and control work conducted.	2.1 - Address environmental degradation issues, i.e. noxious weeds control.	Achieved - monthly updates are included in the Council Business Paper.
Regular education programs (field days and press releases) for landowners on the most effective control methods.	3 programs per year.	2.5 - Support land care initiatives to restore and beautify natural resources.	Being achieved - regular government and non-government meetings attended. Weed control information included in Councils information page and newsletters.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ENVIRONMENT:
PRINCIPAL ACTIVITY - FOOD CONTROL AND INSPECTIONS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Conduct food premise inspections of retailers and service providers.	Annual inspection of all food premises.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved - inspections were undertaken in May 2018.
Re-inspection of food retailers issued with infringement notices.	Follow up within 90 days of notice.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved.
Swimming Pool register and inspection program.	Ensure Swimming Pool register is maintained.	1.9 - Encourage recreational and leisure activities while maintaining public safety standards.	Achieved - compliant.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - FINANCIAL SERVICES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Council's Investment Policy and Investment Strategy.	Review biennially.	3.2 - Prudent financial management.	Achieved - Investment Policy was reviewed and adopted by Audit, Risk and Improvement Committee on 21 June 2017.
Maintain Employee Leave Entitlements (ELE) internal restricted cash reserves to fund leave as it becomes payable.	Minimum 35% cash reserve of total ELE expense.	3.1 - Ensure financial viability of Council.	Achieved - Council ELE cash reserve is 46% of total ELE expense as at 30 June 2018 based on age profile and accumulated leave entitlements accrued.
Implementation of Council's Strategic Internal Audit Plan and report actions to Audit, Risk and Improvement Committee.	Complete 2 internal audits annually.	3.2 - Prudent financial management.	Achieved - Grant Thornton Australia completed two internal audits for; procurement and contract management, and Stores and Accounts Payable. Internal audit reports tabled to the Audit, Risk and Improvement Committee on 21 March 2018.
Progressively complete Asset Fair Valuation for all asset classes.	Audited annually.	3.1 - Ensure financial viability of Council.	Achieved - the buildings, other structures, plant and equipment and operational land asset classes were revalued by Scott Fullarton Valuations at 30 June 2018.
Improve Long Term Financial Plan (LTFP) modelling.	10 year plan reviewed annually.	3.1 - Ensure financial viability of Council.	Achieved - Long Term Financial Plan was reviewed and adopted by Council on 21 June 2018.
Accurate and timely Council budget reporting and review.	Quarterly Reports.	3.2 - Prudent financial management.	Achieved - provision of Quarterly Budget Review Statements and KPIs report to Council each quarter within 2 months of end of the quarter.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - ADMINISTRATION AND CORPORATE SUPPORT**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Manage Councils Accounts Payable and Purchasing systems.	90% of tax invoices are paid within credit terms.	3.1 - Ensure financial viability of Council.	Achieved - 96% of tax invoices were paid by Council in accordance with credit terms. There were 5,604 tax invoices processed by accounts payable in 2017/2018.
Manage Councils Accounts Receivable system.	90% of payments recovered within sixty days.	3.1 - Ensure financial viability of Council.	Achieved - 93% of sundry debtor invoices were recovered within 60 days of tax invoice date. There were 846 accounts receivable tax invoices processed in 2017/2018.
Council electronic document records management system complies with State Records requirements.	Monthly records task assignee action report to management.	3.1 - Ensure financial viability of Council.	Achieved - Software Version update of EDM to HP Content Management installed in March 2017. Monthly reports to management for outstanding task actions.

KPI	Performance Measure	Delivery Program Actions	Performance Status
Participate in CBRJO advocacy and resource sharing projects.	Report annually to Council.	3.2 - Prudent financial management.	Achieved - Council are participating in on-line training services program, internal audit, electricity program and water supply best practice program with Central NSW Joint Organisation. Council are participating in procurement and tendering programs, human resources, tourism and Economic Development, Infrastructure and IT working groups in Canberra Region Joint Organisation.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - GENERAL PURPOSE REVENUE AND RATES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Proportion of rates accounts outstanding at year end.	Less than 5% outstanding.	3.2 - Prudent financial management.	Achieved - 2.94% rates and charges outstanding percentage as at 30 June 2018.
Completion of statutory certificates i.e. Section 603 Certificates.	95% completion rate within 5 days.	3.2 - Prudent financial management.	Achieved - 94.45% of Section 603 Certificates were processed within the deadline. There were 371 Section 603 Certificates issued in 2017/2018.
Completion and audit of Special Schedule 8 - Permissible Rates Income Calculation.	Annual Completion by due date free of error.	3.2 - Prudent financial management.	Achieved - audit completed by the statutory deadline of 31 October 2018.
Process land revaluations and supplementary land valuations from the Valuer Generals Office.	Monthly reconciliation and signoff by management.	3.2 - Prudent financial management.	Achieved - all reconciliations signed and authorised in 2017/2018.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - INFORMATION TECHNOLOGY**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Council's Information Technology Strategic Plan and Business Continuity Plan to be reviewed and updated.	Implement actions within specified timeframes.	3.1 - Ensure financial viability of Council.	Not achieved - IT Strategic Plan review is pending.
Implement Council PC (computers) replacement program on a four year rotational basis.	Annually install 100% of PC's scheduled.	3.1 - Ensure financial viability of Council.	Achieved - computer replacement program is completed.
Review, upgrade and update Council's Website and FaceBook page information.	Updated on a weekly basis.	3.1 - Ensure financial viability of Council.	Achieved - Council website and FaceBook page updated each week, timely media releases and e-newsletter being publicised.

Implementation of new servers, software and databases, including telecommunication systems and Customer Request Management System upgrade.	Complete each year within budget estimate.	3.1 - Ensure financial viability of Council.	Being achieved - unified telecommunication system project commenced July 2018. CRM training completed in March 2018 and project goes live in November 2018. Microwave communication project completed and was operational in May 2018.
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**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - WORKFORCE (HUMAN RESOURCES AND WORK HEALTH AND SAFETY)**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Review and implement Council Succession Plan.	Review biennially.	3.4 - Assist facilitation of employment opportunities.	Not achieved - Succession Plan to be reviewed and adopted by Council in December 2018.
Proportion of Council employee turnover per year.	Less than 10%.	5.4 - Ensure the retention and attraction of quality staff.	Achieved - 7% employee turnover rate in 2017/2018.
Conduct annual performance reviews, reissue and sign-off for all employee's position descriptions and training plans.	Complete by 31 May each year.	3.4 - Assist facilitation of employment opportunities.	Not achieved – 30% completed for the 2017/2018 performance reviews as at 30 June 2018.
Review and implement the human resources four year strategy in Council's Workforce Plan.	Review Annually.	3.4 - Assist facilitation of employment opportunities.	Achieved - the Workforce Plan was adopted at 21 June 2018 Council Meeting.
Conduct on-site work safety inspections of works sites and offices. Information provided to Council WH&S Committee and management.	80% of worksites are audited each year by WH&S Committee.	3.4 - Assist facilitation of employment opportunities.	Being achieved – increased emphasis from last year, currently worksite inspection rate at 75%.
All new employees to attend Corporate and WH&S Induction.	Within 2 months of commencing employment.	3.4 - Assist facilitation of employment opportunities.	Achieved.
Maintain a database of hazards and risk management of all Council activities.	Quarterly updated by Section Managers and reported annually by WH&S Coordinator.	5.4 - Ensure the retention and attraction of quality staff.	Being achieved - Construction, Maintenance, P&G risk register developed and review is scheduled in 2018/2019. Further development is required to cover all Council activities
Identification of need for and implementation of safe work method statements (SWMS) for specific worksites.	80% of WH&S corrective actions will be completed within agreed timeframes.	3.4 - Assist facilitation of employment opportunities.	Achieved - if corrective actions are recommended the relevant SWMS is reviewed and changes implemented.

KPI	Performance Measure	Delivery Program Actions	Performance Status
Increase awareness training of back and manual handling injuries such as sprains and strains for all staff.	Training provided every two years.	3.4 - Assist facilitation of employment opportunities.	Being achieved - educating staff on reporting requirements via new staff induction, site inductions and staff meetings.
Establish corporate safety management objectives, strategies and targets in the WH&S section. Minimisation of lost time incidents, injuries and workers compensation claims.	Incident reporting by employee within 2 days to senior management.	3.4 - Assist facilitation of employment opportunities.	Achieved - safety inspection results, incidents and injuries reported to Manex and the WH&S Committee bi-monthly.
Identify and address WH&S issues identified as critical to ensure a safe worksite. Identify "Hotspots" within work groups and concentrate training programs on identified problem areas.	Quarterly reporting to WH&S Committee and management.	3.4 - Assist facilitation of employment opportunities.	Achieved.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - CARAVAN PARKS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Implement Crookwell caravan park user charges.	Cost neutral facility.	3.5 - Encourage and support viable local businesses.	Achieved - in 2017/2018 Council operated the facility with a cost neutral result.
Implement Plans of Management for all Council controlled caravan parks and camping areas.	Review and update every 2 years.	3.3 - Encourage sustainable population growth and provision of associated infrastructure.	Not achieved - site investigations continuing for Crookwell and Taralga with view to establishing a RV Friendly Town location. Achieved - RV Friendly Town accreditation status MOU signed with the Campervan and Motorhome Club of Australia for Gunning and Bigga.
Provide improvements to Crookwell caravan park facilities.	Continue to promote facility and seek external grant funding.	3.3 - Encourage sustainable population growth and provision of associated infrastructure.	Achieved - Crookwell caravan park promotion.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - ECONOMY:
PRINCIPAL ACTIVITY - TOURISM PROMOTION AND BUSINESS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Upper Lachlan Tourist Association review Tourism Strategic Plan and implement actions.	Review annually.	3.5 - Encourage and support viable local businesses.	Achieved - Action Plan and projects identified, review of the 2020 Strategic Plan completed by the Tourist Association in August 2017.
Coordinate the Crookwell Potato Festival event.	Provide annual event summary.	3.6 - Promote tourism opportunities and community events.	Achieved - successful event coordinated on 12 May 2018.
Presentation of tourism function statistics each quarter.	Present to Tourist Association.	3.6 - Promote tourism opportunities and community events.	Achieved - audited Financial Statements were presented to the Tourist Association AGM in December 2017.
In conjunction with CBRJO prepare the Destination Management Plan for Southern NSW RTO to Destination NSW.	Development commences in 2017/2018.	3.5 - Encourage and support viable local businesses.	Achieved - Destination Southern NSW Destination Management Plan 2018-2020 adopted in February 2018 by Canberra Region Joint Organisation.
Annually coordinate the tourism grants, events and cultural funding programs.	Increase visitation and \$ spend in the Shire each year.	3.6 - Promote tourism opportunities and community events.	Achieved - the 2017/2018 Cultural Funding Program and Events Funding program have been completed. Visitation statistics show an increase to prior years.
Prepare and distribute tourism publications; i.e. Destination Guide.	Distribution within program deadlines.	3.6 - Promote tourism opportunities and community events.	Being achieved - media publications completed. A new Upper Lachlan Destination Guide to be printed by December 2018.
Business activity of the State Road MR54 RMCC contract and work orders to retain RMS accreditation.	Generate profit in accordance with contract limits.	3.2 - Prudent financial management.	Achieved - RMS maintenance activities as well as Works Orders. High performance results indicated in contractor performance report issued by RMS.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - ROADS, BRIDGES, FOOTPATHS, CYCLEWAYS, AND KERB AND GUTTERING**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Implement Roads Hierarchy Classification in strategic planning of forward road programs.	Review Road Hierarchy annually.	4.3 – Bitumen sealing all urban streets in towns.	Not Achieved – Roads Hierarchy complete, however, yet to be rolled out, pending the outcome of the condition assessment. Asset Management capability is expected to be finalised in 3 years.
Completion of annual capital works expenditure program in accordance with budget allocation.	Complete 80% of works program annually.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved – Infrastructure General Fund capital works program was 60% completed. Delays in 2 timber bridge replacement projects, Black Spot road projects and Crookwell landfill remediation project.
Reconstruction and upgrade of Grabine Road as part of the Special Grant program with RMS and Transport for NSW (8 year program commenced 2013).	Complete Stages 4 and 5 within budget allocation in 2017/2018.	4.13 - Transport link priority projects to State Parks including the Wombeyan Caves Road and Grabine Road reconstruction and upgrade to facilitate economic benefits to the region.	Being achieved – Stage 4 of the Grabine Road reconstruction program was completed and Stage 5 is in progress.
Call and evaluate tenders for civil works contract plant and labour hire, and capital works projects.	To review tenders every two years.	4.1 - Improve local road and regional road transport networks.	Being achieved – tenders to be called for Bitumen Sealing Contract and Gravel Crushing in readiness for 2018/2019 programs
Gravel resheeting programme submitted to and adopted by Council in June each year.	Resheet every road in a 30 year cycle.	4.1 - Improve local road and regional road transport networks.	Achieved – the gravel re-sheeting program completed by Council in 2017/2018.
Number of kilometres per year cost per kilometre for road maintenance, dissecting bitumen and gravel roads.	Provide cost report to Council annually	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Being achieved – Council started to use age and condition together to develop the 10 years program. Council is developing capability to undertake condition rating of assets and using this data to prepare Asset Management Plan in 2018/2019.
Continuation of footpath replacement program in accordance with Footpath Policy.	Complete within budget allocation.	4.9 - Develop new and upgrade existing footpaths and cycleway networks.	Achieved – Council successful with grant funding for PAMP priority projects for footpaths and cycleway to commence in 2018/2019.
Bridge Replacement and maintenance program update and review.	To review program every two years.	4.11 - Progressively replace timber bridges on local and regional roads.	Achieved – priority program has been prepared and included in 4 year Delivery Program.
Complete the replacement of the	Complete by June 2018.	4.11 - Progressively replace	Not Achieved – funding contract signed, Review of

Abercrombie River timber bridge on MR256 Taralga to Oberon Road.		timber bridges on local and regional roads.	Environment Factors approved. National Parks licence approval granted and project design finalisation is underway.
Regional road repair and pavement reconstruction program on MR52 Gundaroo to Gunning Road.	Complete within budget by June 2018 and finalisation report completed to RMS.	4.14 – Progressively bitumen seal all classified roads.	Achieved - Stage 3 of MR52 Gundaroo Road is completed.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - STORMWATER AND DRAINAGE**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Stormwater Levy for all towns to assist in funding capital improvements.	Maintain an external restricted cash reserve.	4.10 - Upgrade stormwater and kerb and guttering in towns.	Achieved – stormwater levy for 4 towns is included in Operational Plan.
Creation of Floodplain Risk Management Study and Plans.	Completion of Study and Plan by January 2018.	4.12 - Flood Risk Management Plans created for Crookwell, Gunning, Taralga and Collector.	Achieved.
Implement Stormwater Management Plan.	Implement Stormwater works outlined in Plan.	4.10 - Upgrade stormwater and kerb and guttering in towns.	Being achieved – recent completion of Laggan Road, Crookwell, kerb and guttering and stormwater near Oram Street.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - QUARRIES AND GRAVEL PITS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Prepare annual stocktake of gravel pits stock held and movements. Review quantity of gravel stock held for each gravel pit/quarry.	Complete by June each year.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved - gravel management system is in place and working well. Gravel stocks have been reduced to target value and approval of Council's auditors.
Maintain a gravel pit rehabilitation cash reserve in accordance with gravel restoration liability requirements.	Review cash reserve annually.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – rehabilitation reserve created and funds being credited to reserve.
Review gravel royalty payment pricing model and internal charge rate and procedures.	Review and update gravel royalty payment annually.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – internal gravel charge reviewed and updated.

KPI	Performance Measure	Delivery Program Actions	Performance Status
Erect signage as warning of potential hazard at quarries where Council have Quarry Management agreements.	Installation of signage as remote supervision.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – signs erected.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - WASTE CENTRES, RUBBISH TIPS AND STREET CLEANING**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Crookwell Waste Centre landfill upgrade project including detailed design and construction activities over 2 year period.	Remediation works project in accordance with EPA requirement and consultants design.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved – consultant is currently completing design plans for Crookwell Landfill remediation upgrade. The 10 year project plan is yet to be developed.
Waste transfer station design development and construction over 4 years. Upgraded waste transfer stations for Taralga and Collector, new waste transfer stations for Tuena and Bigga, including closure plans for existing landfills.	Remediation works project in accordance with EPA requirement. Transfer stations constructed to service standard.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Being achieved – Waste facilities in Gunning, Collector, Tuena, Bigga, and Taralga are now transfer stations. The capping is yet to be done. Security at the facilities has been improved and clean-up has been completed. Crookwell landfill is being cleaned up to prepare for the proposed upgrade project and comply with ongoing license requirements.
Review and re-measurement of remediation and restoration provisions and determine of the useful lives of Councils waste centres.	To be completed by 30 June 2018.	4.7 - Provide waste pickup service for towns and villages, and reduce the amount of waste going to landfills.	Achieved – Strategy presented and adopted by Council that includes useful lives. After the end of the space at Crookwell landfill, it is anticipated, to open Gunning as landfill.
Ensure compliance with DECCW licence for rubbish tips (landfill).	No non-compliance incidents.	4.7 - Provide waste pickup service for towns and villages, and reduce the amount of waste going to landfills.	Being achieved – DECCW annual return for Crookwell landfill completed on time and submitted. Asbestos Register and Asbestos Management Plan to be adopted by Council by January 2019.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - PUBLIC CONVENIENCES AND AMENITIES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Maintain public toilet facilities according to health requirements.	Weekly maintenance schedule undertaken.	4.4 - Develop town main street and CBD beautification programs.	Achieved –maintenance and cleaning as per Council Villages Maintenance Schedule

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - PUBLIC CEMETERIES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Prepare Plans of Management for all Council controlled cemeteries.	Review every five years.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved – Council is finalising the register and prepare a management plan.
Gunning cemetery expansion of existing site to cater for future requirements.	Negotiate land acquisition with surrounding land owner.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved - negotiations with land owners are continuing to purchase additional land for the expansion of Gunning Cemetery
Stonequarry Cemetery in Taralga has new public toilet amenities constructed.	Complete project by September 2017.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved.
Undertake maintenance activities according to the adopted works schedule.	Within 5% of budget allocation.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – maintenance activities according to annual program and budget allocation. Ongoing monitoring of expenditure is occurring.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - ENGINEERING, PURCHASING AND WORKS SUPERVISION**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Implementation and review of Asset Management Plan. Special Schedule 7 audit compliance. Annual asset inspection and condition reporting program.	Assets reporting in accordance with OLG requirements.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved – MANEX endorsed the establishment of staff Asset Management Committee in April 2018. Regional Road new database for asset condition setup. Asset condition survey and data capture equipment to be purchased in 2018/2019 Operational Plan.
Six monthly Stores Stocktakes with a proportion and value of Stores stock control bin errors being minimised.	Less than \$500 stock write down from a stocktake.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Being achieved – stores stocktakes completed, stores re-organisation is part of realignment of Works and Operation Department. Internal audit action plan to be implemented in 2018/2019.
Implementation of Risk Management Action Plan (RAMP) to meet Statewide Mutual Public Liability audit verification requirements.	Complete annually within allocated deadline.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved – RAMP program has been revised and actions have been reviewed in consultation with the insurer representative.
Implement Risk Management Assessment Plan and Risk Management Policy.	Review and update.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – Assets and Risk Coordinator is drafting a framework for liability risks for assets including procedures, reporting form and register. Risk management is part of the asset management and infrastructure services under review as a part of the Asset Management planning.
Review Council Underground Petroleum Storage (UPS) systems; including diesel and petrol bowsers.	No environmental impact.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Not achieved - testing indicates that losses from the system are detected. UPS tank outside Crookwell office to be removed or treated on site to comply with environmental requirements.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - PLANT AND EQUIPMENT OPERATIONS**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Prepare a plant and equipment 10 year forward plan.	Review and update annually.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved - plant policy has been prepared and approved with replacements being undertaken in accordance with the policy and in accordance with the budget.
Annual Plant Replacement schedule.	Replacement cost is within 5% of budget allocation.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Being achieved - 65% of plant replacements for 2017/2018 were completed.
Maintain a plant replacement cash reserve and achieve plant hire surplus each year.	Review annually adopted plant hire rates.	4.1 - Improve local road and regional road transport networks.	Achieved - plant hire rates were reviewed.
Management of Council employee motor vehicle leaseback program.	Review annually.	4.1 - Improve local road and regional road transport networks.	Achieved - leaseback program and lease fees are reviewed annually.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - DOMESTIC WASTE MANAGEMENT (DWM)**

<u>KPI</u>	<u>Performance Measure</u>	<u>Delivery Program Actions</u>	<u>Performance Status</u>
DWM service charge includes a disposal cost as a costed entity.	Establish Fund and review annually.	4.7 - Provide waste pickup service for towns and villages, and reduce the amount of waste going to landfills.	Achieved – DWM makes a disposal cost contribution to landfill in accordance with volume of waste disposed. DWM to make \$1.5 million contribution to the Crookwell landfill site remediation in 2018/2019.
Average number of garbage bin service collections missed per month and number of complaints received.	Less than 2% of weekly pickups.	4.7 - Provide waste pickup service for towns and villages, and reduce the amount of waste going to landfills.	Achieved – despite several breakdowns, staff achieved the collection service target.
Complete the DWM reasonable cost calculation.	Externally audited annually	4.7 - Provide waste pickup service for towns and villages, and reduce the amount of waste going to landfills.	Achieved – calculation and methodology was included in the 2017/2018 Operational Plan. Council voted expenditure of \$115,000 from DWM reserve funds to purchase bins for establishment of a green waste kerb side collection service in September 2018.
Prepare and review DWM long-term plant replacement schedule.	Reviewed annually.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – Council’s Waste and Recycle collection fleet consisting of two side loading compactor trucks being replaced on a staggered rotation. Council purchased a new truck in June 2017. The second truck is due to be replaced 2018/2019.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - WATER SUPPLY SERVICES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Carry out weekly water quality standard testing.	Complying water quality test samples.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – daily water quality testing undertaken for the Crookwell, Taralga, Gunning and Dalton water supplies.
Implement user pay best practice pricing water charges in accordance with State Government Guidelines.	50% water supply income from user pay charges.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – user pay water charges implemented. Greater than 50% of total water revenue is from water usage consumption charges.
Integrated Water Cycle Management (IWCM) Strategy for the town water supplies.	Complete IWCM strategy by 30 June 2018.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved - Integrated Water Cycle Management (IWCM) Plan is completed. The Integrated Water Cycle Management (IWCM) Strategy not completed. It will be further considered as a part of the Council System Management Plan (CSMP).
Maintain Section 64 Development Contributions Plan Register.	Audited annually.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – Section 64 Development Plan Register audit completed in 2017/2018.
Construction of the Crookwell water supply treatment plant upgrade project per Restart NSW - Water Security for Regions Program.	Project initiation in 2016/2017. Completion of project in 2017/2018.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved - \$6M secured from Restart NSW towards the \$7M Water Treatment Plant project (\$1M balance from Council). Construction completed and new system commissioned in November 2017.
Surplus Water Fund operating result.	Within 10% of budget.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – water supply fund in 2017/2018 had an operating result surplus to fund infrastructure replacement requirements.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR - INFRASTRUCTURE:
PRINCIPAL ACTIVITY - SEWERAGE SERVICES**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Number of sewer chokes per month per five kilometres of mains.	Less than 5 per month.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – problem sewer main areas in Crookwell and Gunning have been relined as part of the CEEP grant program.
Implement Trade Waste Charges.	Consider charges for 2018/2019.	4.2 – Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.	Achieved – Integrated Water Cycle Management (IWCM) Plan is completed. Strategic Business Plan also completed. Trade Waste charges are not implemented.
Surplus Sewerage Fund operating result.	Within 10% of budget.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – sewerage fund operating result surplus in 2017/2018 provides for future infrastructure replacement needs.
Maintain Section 64 Development Contributions Plan Register.	Audited annually.	4.6 - Improve water supply and sewerage facilities to towns.	Achieved – Section 64 Development Plan Register was audited in 2017/2018.
Sewerage Treatment Plants comply with EPA conditions.	Satisfactory report from NSW EPA.	4.6 - Improve water supply and sewerage facilities to towns.	Being achieved – EPA Annual Return completed on time. NSW Office of Water regional inspector provided satisfactory report for Crookwell, Gunning and Taralga Sewerage Treatment Plants. There was an incident of non-compliance in 2017/2018 that required rectification and notification to EPA.

**TABLELANDS REGIONAL CSP STRATEGIC PILLAR – CIVIC LEADERSHIP:
PRINCIPAL ACTIVITY – GOVERNANCE**

KPI	Performance Measure	Delivery Program Actions	Performance Status
Implement organisation structure in accordance with Local Government Act requirements.	Reviewed regularly, after local government elections.	5.4 - Ensure the retention and attraction of quality staff.	Being achieved - a number of vacant positions in the Environment and Planning Department have not been filled due to a skills shortage in the Planning and Building Surveying areas.
Council Policy Development and review.	Continual policy review and upgrade each year.	5.3 - Promote community engagement and involvement in decision making processes.	Achieved – continual policy development and policy reviews undertaken.
Council Meeting Business Paper creation and distribution.	Released one week prior to meeting date.	5.3 - Promote community engagement and involvement in decision making processes.	Achieved – provision of iPads to Councillors, agenda distribution within required timeframes.
Complaint handling and service delivery.	Complete service requests within 15 business days.	5.2 - Lobby other levels of Government for increased share of funding distribution.	Being achieved – all endeavours to accomplish the target of 15 days. Some CRM requests require longer timeframes to implement a solution.
Complete Council Annual Report.	Completed and sent to OLG by 30 November every year.	5.3 - Promote community engagement and involvement in decision making processes.	Achieved – completed and forwarded to Office of Local Government in November 2017.
Implement the Office of Local Government (OLG) “Fit for the Future” Council Improvement Proposal and Action Plan.	4 year Action Plan incorporated in Delivery Program.	5.1 - Participate in resource sharing initiatives.	Achieved – actions reported to Council as part of Delivery Program six monthly review reports in December 2017 and June 2018.
Compliance with Office of Local Government Circulars and compliance with legislative and statutory amendments.	Circulars to be reviewed monthly.	5.2 - Lobby other levels of Government for increased share of funding distribution.	Achieved – circulars complied with and placed before Council and relevant staff as requested by the Office of Local Government.
Upper Lachlan Shire Council to remain sustainable in the long term.	Meet all seven Fit for the Future benchmarks.	3.1 Ensure financial viability of Council.	Being achieved - in 2017/2018 six benchmarks were attained.

3. STATE OF THE ENVIRONMENT REPORT 2016/2017

1. Introduction

Under section 428A (1) of the Local Government Act 1993 (the LG Act), in the year of an ordinary election of councillors, Council’s annual report must include a report as to the state of the environment in the Shire in relation to such environmental issues as may be relevant to the environmental objectives established by Council’s community strategic plan. As required by section 428A (2) of the LG Act, this state of the environment report has been prepared in accordance with the integrated planning and reporting guidelines established by the Director-General of the Office of Local Government under section 406.

2. Shire profile

2.1 Location

Upper Lachlan Shire is located in the Southern Tablelands of New South Wales. The centre of population is Crookwell, located one hour and fifteen minutes from Canberra, two and a half hours from Sydney, one and a half hours from Bathurst and thirty minutes from Goulburn. The area is known for its fine wool and potato

production, history and picturesque countryside.

Upper Lachlan Shire Council’s tourism slogan is “The Shire of Villages”. There are three towns and ten villages within the shire boundaries. These include Crookwell, Gunning, Taralga, Laggan, Dalton, Bigga, Binda, Tuena, Collector, Grabben Gullen, Big Hill, Jerrawa and Breadalbane.

Despite its proximity to major centres, Upper Lachlan Shire has a strong rural character. Agricultural endeavour is historically and currently a feature of the Shire’s economic and social fabric.

2.2 Area and Population

Upper Lachlan Shire has an area of 7,242 square kilometres. According to the Australian Bureau of Statistics (ABS) Census data of 2016, the Shire’s population is at that time was 7,702 (3,917 male and 3,785 female), with a median age of 48 years. Figure 1 illustrates the proportions of age groups in the Shire.

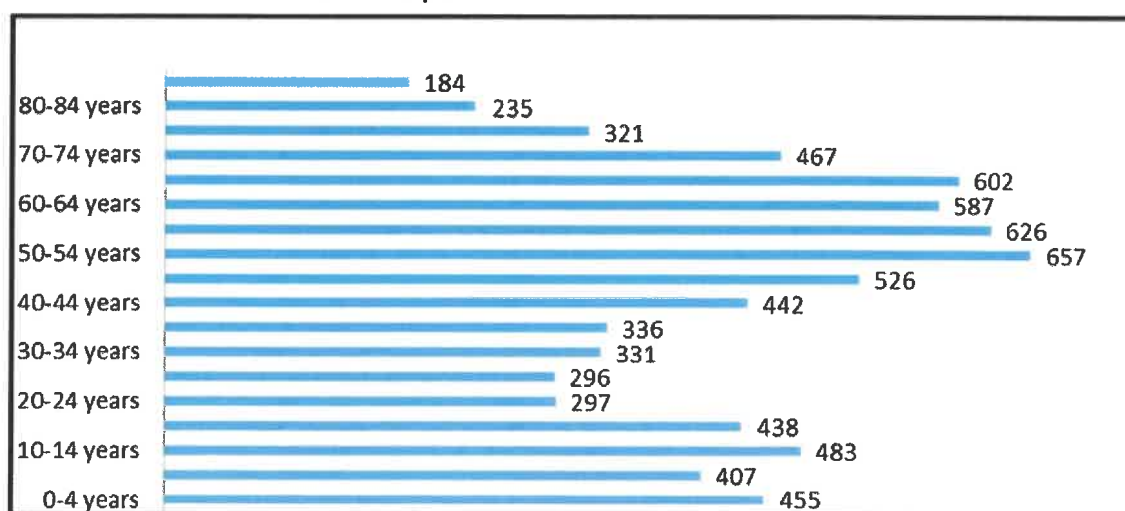


Figure 1: Upper Lachlan Shire population’s age distribution, ABS Census 2016.

3. Community Strategic Plan Environmental Objectives:

Council’s Community Strategic Plan specifies two environmental objectives:

- To protect and enhance the environment, and
- Implement environmental and planning regulations and controls to maximise health and safety.

4. Environmental indicators

As required by section 428 (3) of the LG Act, this state of the environment report establishes relevant environmental indicators for the environmental objectives specified by Council’s Community Strategic Plan, reports on and updates trends in each such environmental indicator, and identifies any events and activities that have had a major impact on environmental objectives. The state of the environment report establishes seven environmental indicators:

- Land use
- Air
- Water
- Biodiversity

- Waste
- Noise
- Heritage.

4.1 Land use

The Shire predominantly consists of rural land, punctuated by scattered small towns and villages. Whilst agriculture is historically and currently the main land use in the Shire, Council has no detailed data on the proportion of rural land actively used for commercial agricultural production.

Council’s development application records indicate that the Shire has attracted considerable residential development in recent years. As illustrated by Figure 2, from 1 July 2012 to 30 June 2017, most applications for consent to use land proposed residential and ancillary development (e.g. dwelling houses, carports, pergolas and the like) in both rural and urban/village localities.

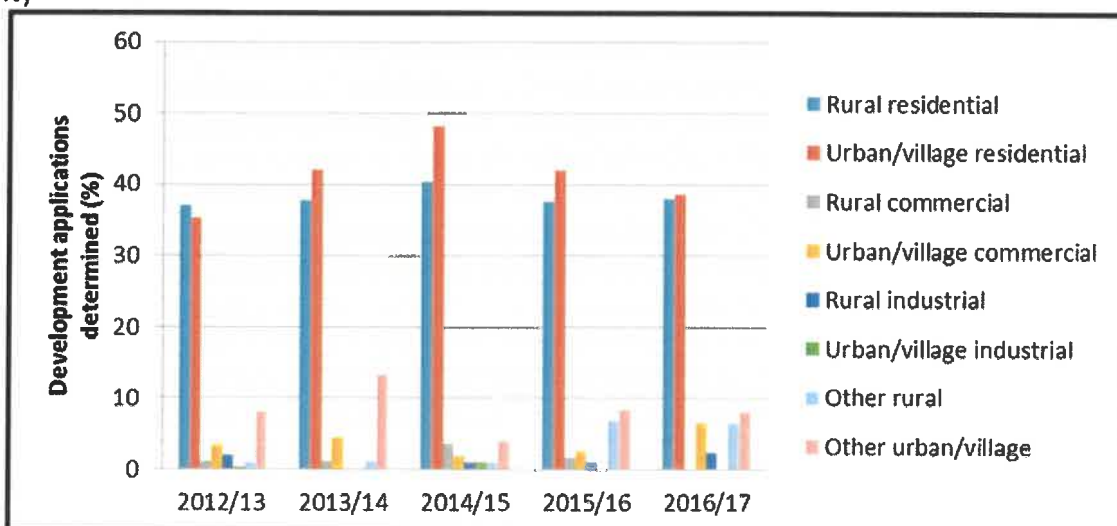


Figure 2: Percentages of land uses proposed by development applications determined from 1 July 2009 to 30 June 2017 (Note: Development applications proposing subdivision of land are not shown).

The proportion of determined commercial and industrial development applications has been consistently small, although 2016/17 saw the highest proportion of urban/village commercial development applications made since 1 July 2012.

Council's main statutory means of regulating development is Upper Lachlan Local Environmental Plan 2010 (the LEP), underpinned by Upper Lachlan Development Control Plan 2010 (the DCP). The LEP's particular aims are:

- (a) To provide planning controls for Upper Lachlan and to update and consolidate into one instrument the various planning controls that [previously applied] to Upper Lachlan,
- (b) To encourage the sustainable management, development and conservation of natural resources,
- (c) to promote the use of rural resources for agriculture and primary production including fishing, forestry, mining and related processing, service and value adding industries,
- (d) To protect and conserve the environmental and cultural heritage of Upper Lachlan,
- (e) To encourage new residents to Upper Lachlan by providing a range of housing opportunities in the main towns and villages,
- (f) to allow development only if it occurs in a manner that minimises risks due to environmental hazards, and minimises risks to important elements of the physical environment, including water quality,
- (g) To promote and coordinate the orderly and economic use and development of land in Upper Lachlan,
- (h) To protect and enhance watercourses, riparian habitats, wetlands and water quality within Upper Lachlan's drinking water catchments so as to enable the

achievement of the water quality objectives.

The LEP is available online at www.legislation.nsw.gov.au → Browse → Browse In Force → EPs → U → Upper Lachlan Local Environmental Plan 2010.

The DCP can be downloaded at www.upperlachlan.nsw.gov.au → Planning → Strategies, Plans & Policies → Upper Lachlan Development Control Plan 2010.

4.2 Air

Air emissions within the Shire include particulates (e.g. dust) and airborne chemicals arising from agricultural activities, domestic and commercial solvents and aerosols, and smoke from domestic solid fuel heaters. There are no facilities in the Shire that reported air emissions data to the National Pollutant Inventory (NPI) during the reporting period.

Overall air quality in the Shire is not considered to have changed significantly in the reporting period from 1 July 2012. Urban/village localities may see seasonal air quality impacts due largely to concentration of vehicle emissions and particularly solid fuel heater usage. The Shire's cold winter climate necessitates effective domestic heating, and wood combustion heating is popular in the Shire, perhaps due to increasing costs and limited choice of alternative domestic heating methods.

4.3 Water

Microbial and chemical quality of water supplies in the Shire continue to consistently meet the requirements of the Australian Drinking Water Guidelines.

4.3.1 Crookwell

Crookwell's drinking water is sourced from the Crookwell Dam. In 2018, Council commissioned a new Dissolved Air Flotation

and Filtration (DAFF) water treatment plant. The treatment process is best practice and includes both UV light and chlorine disinfection systems. The old Water Treatment Plant has been decommissioned.

Samples have been continuously taken and assessed for E. coli since 1 July 2012. None returned a positive sample for organisms. Chemical samples were also taken during the reporting period and assessed for 31 different inorganic compounds. All samples returned results within Drinking Water Guidelines.

Dalton

Dalton's drinking water is sourced from the new Gunning water filtration plant and pumped to Dalton via an 11km pipeline. Samples have been taken from both systems with all test results complying with the Drinking Water Guidelines.

4.3.2 Taralga

Taralga's drinking water is sourced from Woolshed Creek. The supply is currently processed using a new water filtration plant that was constructed in 2013. The treatment process includes membrane filtration and chlorine disinfection.

Samples were regularly taken and assessed for E. coli over the reporting period from 1 July 2012. None returned a positive reading for organisms. Chemical samples were also taken during the reporting period and assessed for 31 different inorganic compounds. All samples returned results within Drinking Water Guidelines.

4.3.3 Gunning

Gunning's drinking water is sourced from the Lachlan River. The supply is processed using the new DAFF plant that uses both UV light and chlorine to disinfect the water. The plant became operational in 2014.

Samples were regularly taken and assessed for E. coli over the reporting period from 1 July 2009. None returned a positive sample for organisms. Chemical samples were also taken during the reporting period and assessed for 31 different inorganic compounds. All parameters are now within the Australian Drinking Water Guidelines.

4.4 Biodiversity

The Shire has a moderately rich biodiversity. It includes 53 different vegetation types, 36 of which are of conservation significance, with at least 788 native and introduced plant species. Fauna species in the Shire include 163 bird species, 21 fish species, 61 mammal, 53 reptile and 16 amphibian species.

The Shire contains occurrences of four endangered ecological communities, and populations of six plant and thirty three animal species that are vulnerable or endangered nationally or in NSW.

It is impracticable to accurately assess changes to the extent and condition of native vegetation across the Shire. However, Council's Biodiversity Planning Framework (BPF), developed in the formulation of Upper Lachlan Local Environmental Plan 2010 (the LEP), facilitates improved management and protection of biodiversity and therefore ecological communities. The BPF was prepared to provide guidance for protecting and enhancing the Shire's biodiversity values while accommodating sustainable development, and thus facilitates management by Council officers of biodiversity values, including in the development assessment process.

The BPF ranks biodiversity values using standardised criteria and based on best available environmental data and advice. It identifies the best natural resource information available, including the distribution of remnant native vegetation,

important wetlands and rivers, wildlife corridors, habitat for threatened plants and animals and endangered vegetation communities. It also outlines further data and research needed to improve the information base and enhance management.

Biodiversity values are considered within the context of the Shire’s traditional and emerging rural land-use setting. Processes that threaten values are identified and addressed through recommendation of strategic measures for protection, recovery and enhancement of biodiversity values. A set of Council management actions has been prioritised, including staff training, education and community partnership actions.

To meet its aims, the BPF seeks to achieve gains in the extent/quality of native vegetation, increased security for regionally significant vegetation communities and fauna habitats (through a reserve system, planning, and community supported programs), recognition, support and enhancement of a comprehensive network of biodiversity corridors, and protection of riparian vegetation and waterways.

The LEP includes provisions that apply to proposals for development on land identified as “sensitive land” on the “Natural Resources Sensitivity—Biodiversity Map”. The overarching aim of those provisions is to maintain terrestrial and aquatic biodiversity including:

- (a) Protecting native fauna and flora, and
- (b) Protecting the ecological processes necessary for their continued existence, and
- (c) Encouraging the recovery of native fauna and flora, and their habitats.

4.5 Waste

From 1 July 2015 to 30 June 2017, Council dealt with 4,497 tonnes of waste, 1,237 tonnes of which was recyclable, including kerbside comingled recyclables, scrap metal, mattresses, engine and hydraulic oils, batteries and chemical containers (Drummuster initiative). No detailed data of the total amounts of various waste types disposed to landfill are available.

Noise

The relatively few noise complaints received by Council in the reporting period since 1 July 2012 related to matters including:

- Barking dogs
- Roosters
- Pet birds
- Motor vehicles (e.g. recreational motorcycles)
- Construction noise
- Agricultural plant such as bird scare guns
- Wind farms.

Council holds no records of noise complaints made to NSW Police. Council officers generally respond to and address noise complaints on a case by case basis having regard to relevant legislation, which may include the Companion Animals Act 1998 and the Protection of the Environment Operations Act 1997.

4.6 Heritage

Council adopted the *Community Heritage Study 2007 – 2008*, coordinated by heritage consultant Dr Jennifer Lambert Tracey, on 18 February 2010. In the carrying out of the Study, Council and members of the Upper Lachlan community recognised the heritage significance of many items and places throughout the Shire. The Study aimed to comprehensively identify those items and places of heritage significance, with the purpose of enhancing their historical perspective and thereby enabling a more

vibrant integration of local history and heritage within a cultural landscape context.

The Study's focus was community based, requiring extensive community consultation, discussion and contribution. This included former residents who retained an ongoing attachment to the Shire's history and heritage.

The Study facilitated inclusion of heritage provisions and the listing of identified local and State significant heritage items in Upper Lachlan Local Environmental Plan 2010 (the LEP), providing a statutory tool to:

- (a) Conserve the environmental heritage of the Shire,
- (b) Conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,
- (c) Conserve archaeological sites, and
- (d) Conserve Aboriginal objects and Aboriginal places of heritage significance.

In addition, Council's Local Heritage Fund Grant Program provides support to property owners to undertake work to conserve local heritage items. It is part funded by the Heritage Branch of the NSW Office of Environment and Heritage. Beneficiaries of grant funding are required to complete their funded projects within a given timeframe. The Program generally attracts positive interest from property owners seeking to maintain and improve items and places of heritage significance.

5. Evaluation and Planning for the Future

Upper Lachlan Local Environmental Plan 2010 (the LEP) and Upper Lachlan Development Control Plan 2010 (the DCP) provide Council with a robust platform to facilitate Council's

Vision for the Shire's future: "To be a diverse local government area that provides various lifestyle, business enterprise, leisure and recreation alternatives, whilst ensuring environmental sustainability, preservation of our history and a sense of belonging in our community".

To achieve its Vision, Council aspirations are:

- A built environment enhancing the lifestyle of a diverse community;
- Community liaison to preserve and enhance community facilities;
- A healthy natural environment;
- A prosperous economy with the balanced use of our land;
- People attaining health and wellbeing;
- Resilient and adaptable communities;
- Responsible and efficient use of resources; and
- Transparent and accountable governance.

6. Limitations

Opinions and recommendations contained in this report are based upon data provided by employees and/or representatives of Upper Lachlan Shire Council, and information gained from contacts with relevant government authorities and other organisations.

This report addresses the current State of the Environment in Upper Lachlan Shire Council as at 30 June 2017, based on relevant in-house information available at that time.

This State of the Environment Report has been prepared for the purpose described solely in the Local Government Act 1993 and no responsibility is accepted for use of any part of this report in any other context or for any other purpose.



The new Crookwell Water Treatment Plant commissioned in 2017/2018



Caption: (L-R) Cr John Searl, Council's former Director of Works and Operations Phil Newham, Cr Pam Kensit, Member for Goulburn Pru Goward, Council's Manager of Works Garry Anable, Mayor Brian McCormack OAM and Council's General Manager John Bell at the official opening of the final 10 kilometres of State Road MR54 sealed, connecting Goulburn and Bathurst via Crookwell.

4. CONDITION OF PUBLIC WORKS**Section 428 (2) (d)****Asset Condition Ranking System**

- 1 – Excellent Condition – No work required (normal maintenance)
- 2 – Good Condition – Only Minor maintenance work required
- 3 – Average Condition – Maintenance work required
- 4 – Poor Condition – Renewal required
- 5 – Very Poor Condition – Urgent Renewal / upgrading required

Condition of Buildings / Other Structures

Asset Category	Asset Condition as at 30 June 2018	Estimated Cost to bring to Satisfactory Standard (current \$ value)	Required Annual Maintenance Expense (current \$ value)	Actual Maintenance Expense for 2017/2018
Specialised Buildings	Rank 2	\$765,000	\$358,000	\$339,000
Non-Specialised Buildings	Rank 3	\$0	\$52,000	\$16,000
Other Structures	Rank 3	\$63,000	\$20,000	\$45,000

Condition of Water Supply Network

Asset Category	Asset Condition as at 30 June 2018	Estimated Cost to bring to Satisfactory Standard (current \$ value)	Required Annual Maintenance Expense (current \$ value)	Actual Maintenance Expense for 2017/2018
Water Supply network	Rank 1	\$0	\$473,000	\$408,000

Condition of Sewerage Network

Asset Category	Asset Condition as at 30 June 2018	Estimated Cost to bring to Satisfactory Standard (current \$ value)	Required Annual Maintenance Expense (current \$ value)	Actual Maintenance Expense for 2017/2018
Sewerage network	Rank 2	\$0	\$279,000	\$218,000

Condition of Stormwater Network

Asset Category	Asset Condition as at 30 June 2018	Estimated Cost to bring to Satisfactory Standard (current \$ value)	Required Annual Maintenance Expense (current \$ value)	Actual Maintenance Expense for 2017/2018
Stormwater Drainage Network	Rank 2	\$0	\$17,000	\$2,000

Condition of Public Roads

Asset Category	Asset Condition as at 30 June 2018	Estimated Cost to bring to Satisfactory Standard (current \$ value)	Required Annual Maintenance Expense (current \$ value)	Actual Maintenance Expense for 2017/2018
Sealed Roads	Rank 2	\$1,032,000	\$2,084,000	\$2,129,000
Unsealed Roads	Rank 3	\$0	\$1,410,000	\$2,146,000
Bridges	Rank 3	\$46,000	\$150,000	\$47,000
Footpaths	Rank 2	\$0	\$17,000	\$23,000
Kerb and Gutter	Rank 2	\$0	\$31,000	\$29,000

CONDITION OF PUBLIC ROADS**Section 428 (2) (d) continued....****a) Urban Roads and Streets**

Council endeavours to provide a regular maintenance program throughout the year for all of the urban roads and streets in the towns and villages within the Shire. The **98** kilometres of urban roads are mostly in "Good Condition" with some of the bitumen pavement wearing surfaces nearing the end of their useful lives and these streets are prioritised for resealing or rehabilitation in programs within the next five years. The total Council funded expenditure on urban local roads and streets totalled **\$938,672**.

b) Local Roads - Sealed

A program of regular ongoing maintenance is carried out throughout the year, which incorporates a program of resealing, sealed rural local roads. The **490** kilometres of sealed local roads are in "Good to Average Condition" but around twenty percent of these roads are deteriorating in condition and will need rehabilitation over the next five years.

The 2017/2018 Council funded maintenance operating expenditure on sealed local roads amounted to **\$740,712**. The capital expenditure for bitumen resealing for sealed local roads totalled **\$562,171**.

c) Local Roads - Unsealed

A program of continuous gravel resheeting upgrades is incorporated in Council's annual capital works program and regular gravel maintenance works are carried out throughout the year. The **1,146** kilometres of unsealed local roads varies in condition from road to road. There are an estimated twenty percent of unsealed local roads which require further improvement to bring to a satisfactory condition.

The 2017/2018 Council own source funded roads maintenance, asset renewals, bitumen reseals and grading expenditure on local roads totalled **\$2,824,803**. In addition to this **\$1,841,991** was expended on local roads from the Financial Assistance Grants roads component allocation.

The Federal Government, Roads to Recovery funding was utilised to gravel resheet 27 unsealed local roads at a total expenditure of **\$494,265** and also pavement rehabilitation projects on 4 local roads total expenditure of **\$1.2 million**.

d) Bridges on Local Roads

Council is responsible for the maintenance of concrete and timber bridge assets on local roads. There are a total of 66 concrete bridges / culverts and 14 timber bridges that are greater than six metres on road length on Local Roads. The timber bridges will be inspected and condition rated through a CENTROC awarded contract.

Council funded routine maintenance operating expenditure for bridges and culverts on local roads, within the Shire, at a cost of **\$257,258**.

e) Regional Roads – Sealed and Unsealed

Council has **213** kilometres of sealed Regional Roads and **38** kilometres of unsealed Regional Roads that are subject to a regular maintenance and resealing program. Regional Roads include MR241 (Rye Park Rd), MR248E (Laggan and Taralga Rd), MR248W (Boorowa Rd), MR52 (Grabben Gullen and Gundaroo Rd), MR256 (Goulburn - Oberon Rd), MR258 (Wombeyan Caves Rd). Council utilises Roads and Maritime Services (RMS) Block Grant and regional road REPAIR program funding as well as Council’s own source funds to maintain and upgrade regional roads.

In 2017/2018 total asset renewal and maintenance expenditure on all Regional Roads in the Shire, for both sealed and unsealed sections, totalled **\$5,024,426**.

The above total expenditure highlights were major Regional Road projects which included the following:-

- Reconstruction road works on Regional Road MR52 (Grabben Gullen to Gundaroo Road). Expenditure from the RMS Repair Program and Council funds, totalled **\$918,464**.
- Reconstruction and road realignment of Regional Road MR52 Devil’s Elbow Section of Grabben Gullen to Gundaroo Road. Expenditure from the RMS and Council funds, totalled **\$1,586 million**.
- Road improvements for the Black Spot program on Taralga Road MR256. Expenditure from the RMS totalled **\$366,250**.

f) Bridges on Regional Roads

Council is responsible for the maintenance and improvements on concrete and timber bridge assets on Regional Roads. The majority of bridges were considered to be of a satisfactory condition.

There are a total of **32** concrete bridges / culverts that are greater than six metres on road length on Regional Roads. There also remains **2** timber bridges, these are the Kiamma Creek Bridge on MR248E and Abercrombie River Bridge on MR256 and Council has grant funding from the NSW Government and Federal Government to complete these projects.

The Abercrombie Bridge has had \$1.525 million funds allocated from the NSW Government Fixing Country Roads Program and the Federal Government Bridges to Renewal Program and Council funding to replace the timber bridge. Total expenditure on this project over the past three years has totalled **\$518,087**.

The Kiamma Creek Bridge has \$1.062 million funds allocated from the NSW Government Fixing Country Roads Program, Federal Government Bridges Renewal Program and Council funding to complete the timber bridge replacement by end of 2019.



Kiamma Creek Bridge

DRAINAGE

Urban and rural drainage works are considered to be in a reasonable condition with a condition rating majority in 1-3. Drainage maintenance is carried out on an ongoing basis as the need arises.

INFRASTRUCTURE ASSETS

The written down value, at fair valuation, for Council's physical infrastructure assets as at 30 June 2018, are as follows:-

	\$ '000
◆ Roads – Sealed:	\$ 54,665
◆ Roads – Unsealed:	\$ 21,210
◆ Roads – Non Depreciable	
Bulk Earthworks:	\$214,476
◆ Bridges:	\$ 25,121
◆ Footpaths:	\$ 1,570
◆ Kerb and Gutter:	\$ 2,730
◆ Buildings:	\$ 26,879
◆ Other Structures:	\$ 3,657
◆ Stormwater Drainage:	\$ 1,606
◆ Water Supply Network:	\$ 24,392
◆ Sewerage Network:	<u>\$ 14,265</u>
TOTAL:	<u>\$390,571</u>

The water supply and sewerage network assets were re-valued at "fair value" as at 30 June 2017. The buildings and other structures asset classes were valued at "fair value" as at 30 June 2018. The infrastructure asset classes of roads, bridges, footpaths and stormwater listed above were valued at "fair value" as at 30 June 2015.

Council works supervisors inspect all local and regional roads on a regular basis in accordance with road classification in the Council adopted road hierarchy. Councillors and senior staff conduct an annual inspection of roads and facilities to ensure that the correct priorities are established for the maintenance of Council's asset base.

CONDITION OF WATER SUPPLIES**Crookwell Water Supply**

The Crookwell water supply system was first commissioned in 1937. The water treatment plant has progressively been augmented, the last major upgrade being in 1990.

Council has been successful in securing \$6M in funding to assist with the construction of a new Water Treatment Plant in Crookwell. The new plant will utilise the Dissolved Air Filtration and Flotation process, providing Crookwell with superior water quality, both efficiently and reliably. The new water treatment plant will provide capacity for significant growth in Crookwell. The new plant is expected to be operational by late 2017.

The majority of water mains in Crookwell are asbestos cement and are currently being replaced with PVC pipe as part of a 10-year replacement program. This program has been running for a number of years now. Studies have been completed to determine Crookwell Dam's flood and earthquake handling capacity. The Dam remains a robust and quality asset.



Crookwell Dam

Dalton Water Supply

The Dalton Water Supply underwent a major upgrade during 2013-2014. Council undertook the construction of a 10.8km pipeline linking Dalton to the new Gunning water supply system. As a result Dalton now enjoys superior water quality and reliability in supply.

Gunning Water Supply

The Gunning Water Supply underwent a \$10.8M major upgrade during 2013-2014. The project is now complete and has been operating well. The upgraded system is considered comprehensive and first class, providing secure and quality drinking water for the Gunning community well into the future. The project included the construction of a water supply reservoir and water supply treatment plant in Gunning.



Gunning Water Filtration Plant was completed in 2014

Taralga Water Supply

The water supply of Taralga underwent a major upgrade during 2013-2014. The new equipment is working well. The new water supply treatment plant provides Taralga with a high quality drinking water supply, consistently meeting the requirements of the Australian Drinking Water Guidelines 2011.

Village Bores

Groundwater production bores and public access standpipes continue to be maintained in Crookwell, Bigga, Binda, Tuena, Jerrawa, Gunning, Breadalbane and Narrawa. These bores support the local communities with water during dry periods.

CONDITION OF SEWERAGE NETWORK

Gunning Sewerage

The Gunning sewerage treatment plant consists of an intermittently decanted extended aeration (IDEA) pasveer channel. The system is operating well and currently complies with EPA licence requirements. The sewerage system of Gunning is considered satisfactory to meet the immediate needs of the Gunning community, with a current capacity to service 1000 people. Construction of an extension of sewer in Grosvenor Street was completed in June 2017.

Crookwell Sewerage

Crookwell's sewerage transportation system was originally commissioned in 1961. Upgrading and augmentation of the sewerage treatment plant occurred in 1993 with the addition of an intermittently decanted extended aeration (IDEA) tank. This augmentation work increased the capacity of the STP to an equivalent population of 4,200. The augmentation provided ability for increased nutrient removal and compliance with EPA licence conditions. At the same time the trunk sewer main and major pump well were also upgraded to provide for peak flow conditions. Infiltration of stormwater is a shortcoming of the system; however, the sewerage treatment plant is functioning satisfactorily and generally complies with EPA licence conditions. Several kilometres of the worst of the leaking mains were lined with a special PVC material during the reporting period.

Council continues to invest in a sewer main relining program.

Taralga Sewerage

A sewerage reticulation service, together with a new Intermittently Decanted Extended Aeration (IDEA) sewerage treatment plant was commissioned in Taralga in 2010. All septic tanks have now been decommissioned with the entire village now connected to a first class sewerage system.



Aerial view of Taralga Sewerage Treatment Plant

5. LEGAL PROCEEDINGS DETAILS

Section 428 (2) (e)

In 2017/2018 Council incurred legal expenses in the sum of \$56,904. These expenses were incurred in the following areas:-

❖ Rates Recovery:	\$ 14,425
❖ Planning and Development:	\$ 3,675
❖ Administration, Engineering and Rural Fire Services:	\$ 38,804

Court proceedings were required for certain accounts, which remained outstanding after statutory payment deadlines were exceeded. Rates recovery legal costs were incurred in the recovery of unpaid debts to Council and are charged to the outstanding account holder and Council does not incur any further costs.

Council has utilised the services of two legal firms:
 - Pikes and Verekers Lawyers and Robert J McCarthy and Co Solicitors.

Pikes and Verekers Lawyers is engaged by Council to provide legal opinion relating to various aspects of Council’s operations, including rates issues, wind farm issues, advice on contracts, interpretations of legislation and planning and development matters.

Robert J McCarthy and Co Solicitors is engaged to act for Council in preparation of contracts, leases, for conveyance purposes and land acquisitions.

Upper Lachlan Shire Council was part of the Canberra Region Joint Organisation (CRJO) regional panel tender for legal services. Council resolved to adopt 10 legal firms as the Upper Lachlan Shire Council legal services panel. This panel is to be utilised by Council at its discretion for the provision of legal services. The legal services panel commenced in 2017.

6. ELECTED MEMBERS – MAYORAL AND COUNCILLOR'S EXPENSES AND FACILITIES

Section 428 (2) (f) (r) of the Local Government Act 1993 and Clause 217 (1) (a1) of Local Government (General) Regulation 2005

Upper Lachlan Shire Council provided an annual Mayoral Fee of \$25,250 and provision of a motor vehicle for undertaking official engagements and mayoral duties. There are nine elected members of Council (Councillors); each is paid an annual fee of \$11,570. Councillors were reimbursed for expenses incurred in carrying out their responsibilities during the financial year including training, travelling and sustenance expenses.

The total amount expended on Upper Lachlan Shire Council's elected Councillors in 2017/2018 was **\$184,506** and the expenditure included the following:-

❖ Mayoral Fees:	\$25,250
❖ Councillors Fees and Allowances:	\$104,130
❖ Councillors/Delegates Expenses:	\$55,126

(Please note the delegates' expenses incorporates the below mentioned Councillor training, travelling, telephone and conference expenses).

- ❖ Provision of office equipment allocated to Councillors; the Mayor is allocated an iPhone and all associated costs with this device are paid by Council. There is an annual data plan total expense of \$480 for the Mayor. All Councillors are supplied with an iPad the annual data plan expense is \$4,499 for all 9 Councillors.
- ❖ Telephone calls made by Councillors; all nine Councillors have an annual telecommunications allowance of \$984 in accordance with Council's Payment of Expenses and Provision of Facilities Policy.

Therefore, telecommunications expense totals \$8,856.

- ❖ Attendance at conferences and seminars by Councillors; the Mayor, Deputy Mayor and General Manager attended the Local Government NSW (LGNSW) Conference. The conference registration and accommodation expense totalled \$3,842.

The Mayor/Deputy Mayor attended Country Mayors Association Meetings, Canberra Region Joint Organisation (CRJO) and CENTROC Meetings at Parliament House in Sydney with costs totalling \$800.

- ❖ Training and skill development of Councillors included the following:-
 - LGNSW Mayors Weekend Seminar attended by Clr McCormack and Clr Kensit, cost of \$2,400.
 - LGNSW General Manager Performance Review Training attended by Clr McCormack, Clr Stafford and Clr O'Brien (included as part of LGNSW consultancy fee).
 - LGNSW Working Together to Deliver Program, attended by Clr McCormack, Clr O'Brien, Clr Opie, Clr Culhane, Clr Searl, Clr Cummins and Clr Wheelwright and senior staff, cost of \$4,932.
- ❖ No Councillors have undertaken interstate and / or overseas visits as representatives of Council.
- ❖ No expenses were paid by Upper Lachlan Shire Council in the provision of child care and / or care of an immediate family member of a Councillor.

COUNCIL'S POLICY ON THE PROVISION OF FACILITIES FOR USE BY COUNCILLORS AND PAYMENT OF COUNCILLORS' EXPENSES

The Payment of Expenses and Provision of Facilities Policy must ensure that Councillors are reimbursed for expenses reasonably incurred in their performance of their role as a Councillor.

This Policy does not seek to remunerate Councillors for *all* expenses which may be incurred by individuals in performing the role of Councillor. Nor does it seek to remunerate Councillors for all of the time, expense and effort associated with the role of Councillor.

This policy complies with Section 252 of the Local Government Act, 1993 and relevant departmental guidelines, by stipulating the limit, level and nature of any reimbursements for expenditures incurred in the reasonable performance of the role of Councillor.

The policy also describes the facilities provided to Councillors while excluding annual fees paid to Councillors under Sections 248-251 of the Local Government Act, 1993, which are a matter for the Local Government Remuneration Tribunal.

OBJECTIVES:

The objectives of this policy are:

- To comply (as closely as possible) with the mandatory provisions of Sections 252, 253 and 254 of the Local Government Act, 1993 and with the guidelines implicit in DLG Circular, 09-36.
- To ensure Councillors are reimbursed for all expenses legitimately and reasonably incurred in performing the role of Councillor.
- To establish clear guidelines regarding the provision of facilities and equipment to

Councillors and the permitted use of such facilities and equipment.

- To provide for facilities and equipment to be made available to the Mayor and Councillors.
- To provide accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors.
- To ensure that no Councillor suffers financial hardship by meeting their civic responsibilities and obligations to a reasonable standard.

LEGISLATIVE PROVISIONS:

A number of legislative requirements and other policy provisions are applicable to a policy on the payment of expenses and provision of facilities to the Mayor and Councillors.

Provisions under the Local Government Act 1993

The provisions set out in Sections 252, 253 and 254 of the *Local Government Act 1993* apply to Council's policy for the payment of expenses and provision of facilities to the Mayor and Councillors.

Pursuant to Section 252 of the *Local Government Act 1993* a policy of this nature must be adopted by Council within five (5) months after the end of each year. Upper Lachlan Shire Council will review this policy annually, within 3 months after the completion of the financial year.

Section 253 of the *Local Government Act 1993* sets out the requirements of a Council before a policy concerning the payment of expenses or provision of facilities can be adopted or amended. In complying with the requirements of Section 253, Upper Lachlan Shire Council will give public notice of its intention to adopt or review a policy of this nature and allow at least 28 days for public submissions. Before adopting or amending the

policy, the Council will consider any submissions and may make any appropriate changes.

Section 253(3) of the *Local Government Act 1993* provides Council with an exemption from the public notice requirements in circumstances where the policy has not changed substantially.

Within 28 days after adopting a policy or making an amendment to a policy, a Council is to forward to the Director-General:

- a) a copy of the policy or amendment together with details of all submissions received;
- b) a statement setting out, for each submission, the Council's response to the submission, and the reasons for the Council's response; and
- c) a copy of the notice given.

Council must comply with the requirements of Section 253 of the *Local Government Act 1993* even if the Council proposes to adopt the same policy as is in existence.

Upper Lachlan Shire Council will not close to the public any part of its meeting at which a policy for the payment of expenses or provision of facilities is adopted or amended or at which any proposal concerning those matters is discussed or considered. This commitment is made pursuant to Section 254 of the *Local Government Act 1993*.

Provisions under the *Local Government (General Regulation) 2005*

The requirements detailed in Clauses 217 and 403 of the *Local Government (General Regulation) 2005* apply to Council's policy for the payment of expenses and provision of facilities to the Mayor and Councillors.

Clause 217 requires Council to include specific information in Annual Reports pertaining to the details of:

- any overseas and interstate visits undertaken during the year by Councillors;
- any dedicated office equipment allocated to Councillors on a personal basis including but not limited to laptop computers, tablets, mobile telephones, landline telephones and facsimile machines installed in Councillors homes (including call costs of these facilities);
- the attendance of Councillors at conferences and seminars;
- the training of Councillors and the provision of skill development for Councillors;
- the expenses of any spouse, partner or other person who accompanied a Councillor in the performance of their civic function; and
- the expenses involved in the provision of care for a child of, or an immediate family member of, a Councillor, to allow the Councillor to undertake their civic functions.

Clause 403 of *Local Government (General Regulation) 2005* prohibits a Council from including in a policy of this nature a provision to:

- pay any Councillor an allowance in the nature of a general expense allowance; or
- make a motor vehicle owned or leased by the Council available for the exclusive or primary use or disposition of a particular Councillor other than a Mayor.

Other Policy Provisions

A policy pertaining to the payment of expenses and provision of facilities must be consistent with the Model Code of Conduct for Local Councils in NSW and must comply with the Office of Local Government's "*Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW*". These

documents have been taken into account in preparing this policy.

Relevant Circulars issued by the Office of Local Government, as well as the NSW Ombudsman publication *Good Conduct and Administrative Practice (Guidelines for State and Local Government)* June 2006 and the ICAC publication “No Excuse for Misuse - Preventing the Misuse of Council Resources” has also been considered in preparing the policy.

POLICY STATEMENT:

Introduction

- To accord with the provisions of Section 252 of the *Local Government Act, 1993* (LGA) Council is required to adopt a policy concerning the payment of expenses incurred by and the provision of facilities to the Mayor and Councillors to enable them to carry out their civic functions.
- The policy ensures accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors. The policy also ensures the facilities provided to assist Councillors carry out their civic duties are reasonable.
- The provisions within this policy for the payment of expenses and provision of facilities to the Mayor and Councillors are not provided for private benefit and must not be used to produce election material or for any other political purpose.
- No private benefit is to be obtained from any loyalty programs such as ‘frequent flyer’ or any other like schemes.
- It is acknowledged that incidental use of Council equipment and facilities may occur from time to time. If more substantial

private use has occurred, a payment must be made to cover the level of the private use. Councillors should not generally obtain a private benefit from the provision of equipment and facilities.

- This policy excludes annual fees paid to the Mayor, Deputy Mayor and Councillors in accordance with Sections 248-251 of the LGA, those fees are determined annually by the Local Government Remuneration Tribunal.

Reporting Requirements

- Council will report annually, in their Annual Report, on the total amount of money expended during the financial year on Mayoral and Councillor Fees.
- Council will report annually, in their Annual Report, on the payment of the Councillors expenses during the financial year.
- Council will provide a statement annually, in their Annual Report, on the total amount of money expended during the financial year on the provision of facilities to the Mayor and Councillors.
- The detail provided in Council’s Annual Report pertaining to the payment of expenses and provision of facilities to the Mayor and Councillors will be such to comply with the provisions of Section 428 of the LGA and Clause 217 of the *Local Government (General Regulation) 2005* (LGR).

Approval Arrangements for Claiming Expenses and Use or Provision of Facilities

- Requests for meeting Councillor expenses incurred or to be incurred, or requests to

use or be provided with facilities, where possible, should be approved by Council.

- Where approval by Council is not possible, approval from both the Mayor and General Manager will be required.
- In circumstances where approval is being sought by the Mayor outside of Council meetings, approval from both the Deputy Mayor and General Manager will be required.

General Provisions

- With the exception of a private vehicle per kilometre allowance, reimbursement to Councillors will only be made on the basis of actual expenses incurred in performing the duties of Councillor, a delegate or representing Council. Such expenses do not include those incurred as a result of anything other than civic duties.
- There is no provision for payment of a general allowance to Councillors or Mayor.
- All claims for reimbursement must be made on the prescribed form and must be accompanied by appropriate documentary evidence. Councillors are required to submit their application for reimbursement of expenses within 30 days of the date of the expense. Applications not submitted within 30 days of the expense being incurred will not be subsequently paid without the General Managers authority.
- Councillors may request payment in advance in anticipation of expenses to be incurred in attending conferences, seminars and training away from home. These must be fully reconciled, within one month of having incurred the expense, against actual expenses incurred. The level of supporting

documentation should be commensurate with the nature of the expenditure.

- Reasonable incidental expenses associated with a Councillor attending a conference, seminar or training course will be reimbursed upon presentation of documentary evidence and completion of a claim form. Incidental expenses are capped up to a combined maximum of \$100.00 per day per Councillor. Incidental expenses may include telephone or facsimile calls, refreshments, taxi fares and parking fees.
- Councillors may elect to contribute all or part of their Councillor Allowance into an approved Superannuation Scheme by completing the election form attached to the Council’s Salary Sacrificing Policy.

1. Fixing and payment of annual fees for the Mayor and Councillors

Fixing and payment of annual fees for the Mayor

s.249

1. A Council must pay the Mayor an annual fee.
2. The annual fee must be paid in addition to the fee paid to the Mayor as a Councillor.
3. A Council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal.
4. A Council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal.
5. A Council may pay the Deputy Mayor (if there is one) a fee determined by the Council for such time as the Deputy Mayor acts in the office of the

Mayor. The amount of the fee so paid must be deducted from the Mayor's annual fee.

Fixing and payment of annual fees for Councillors

s.248

1. A Council must pay each Councillor an annual fee.
2. A Council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal.
3. The annual fee so fixed must be the same for each Councillor.
4. A Council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal.

2. Travelling

Upper Lachlan Shire Council will pay to or on behalf of Councillors using their own vehicle and undertaking Council business, a per kilometre rate up to the maximum allowance contained in the Local Government (State) Award.

2.1 Conditions of Travel

A Councillor travelling on Council business shall:-

- a) Travel with all due expedition and any travel occupied in other than Council business shall not be included in calculating expenses to be paid by the Council; and
- b) Travel by the shortest practicable route.

2.2 Claim for Expenses

All claims for reimbursement must be made on the prescribed form and must be accompanied by appropriate documentary evidence. Councillors are required to submit their application for reimbursement of expenses within 30 days of the date of the expense.

2.3 Eligible Council Business

- a) To and from meetings of the Council and Council Committees (including attendance by Councillors who are not on Committees).
- b) Inspections within Upper Lachlan Shire, subject to compliance with a Council resolution or with the authority of the Mayor or in his absence the Deputy Mayor.

Upon Business of Council outside the Upper Lachlan Shire, subject to compliance with a Council resolution or with the authority of the Mayor or in his absence the Deputy Mayor.

- c) To and from conferences of the Local Government NSW or the Australian Council of Local Government Associations or any district/regional associations/organisations and/or joint organisations of Councils or of any regional development committee.
- d) To and from periodical conferences or meetings of such other associations or organisations as may be resolved from time to time.
- e) To, on and from business of other associations and organisations to which a Councillor has been appointed by Council resolution.

- f) In the event of travelling allowances being met by other organisations and being below those determined by Upper Lachlan Shire Council, Councillors are entitled to claim any shortfall whilst on Council approved business.
- g) Travel other than by Council or private vehicle (i.e. by taxi, train or other public transport) shall be reimbursed on an actual cost basis.

3. Accommodation and Out of Pocket Expenses Whilst Away from Upper Lachlan Shire

This part of the policy applies to Councillors and Council staff.

- 3.1 Councillors and all staff should wherever possible attempt to attend Conferences, and training seminars, at the closest non-metropolitan centre, weighing up however any additional cost of fuel involved in travelling to that centre compared with the additional accommodation cost to Council involved in attending the Conference, or Seminar, in the metropolitan area.
- 3.2 It is recognised that it is in the interest of the Councillor and the employee to be as close as possible to the venue for the Conference or Seminar.
- 3.3 Wherever possible, Council vehicles should be used for travel.
- 3.4 Where a conference or training seminar is to be held in the Sydney Metropolitan area and will commence after 10.00 am. Council will not recognise the previous night's accommodation for reimbursement. In cases where the conference or seminar is held at a country centre, accommodation expenses for the night before will not be met where it can reasonably be assumed that the Councillor or employees would not have to leave Crookwell, Taralga or Gunning prior to 6.30 am.
- 3.5 Councillors and staff should when arranging accommodation, always seek the "Government rate".
- 3.6 Wherever possible a Council order/corporate card should be used for accommodation purposes. Other acquittances should be forwarded to Council's Expenditure Officer for any expenditure incurred by the Councillor or Staff member and requiring reimbursement.
- 3.7 Council may, with the approval of the Mayor in the case of a Councillor, or the General Manager in the case of a Staff member, advance a sum of money towards expenses, utilising a corporate credit card. The advance amount is limited to \$200.00 per Councillor per event. In each such case it will be necessary for receipts to be produced for expenditure incurred and any balance returned for receipt by Council.
- 3.8 In all instances, registration fees will be paid directly by Council.
- 3.9 In considering accommodation/expenses claims approval will only be given to "reasonable" claims. Should expenses incurred be considered unreasonable then Councillor or staff members will be required to meet the difference between what is considered reasonable and that which has been incurred.
- 3.10 In the case of any dispute the final definition of the word "reasonable" will be made by Council in the case of Councillors

and the General Manager in the case of staff.

3.11 Accommodation

The cost of breakfast will be recognised by Council as an addition to accommodation.

Council will pay the actual reasonable cost associated with accommodation and meals for a Councillor who, in attending to the business of Council, is required to stay overnight away from home, providing the necessary approval has been obtained. The basis for reasonable rates will be Government contract rates and the circumstance of the business involved.

Where practicable, Council staff will make all arrangements and bookings for accommodation.

Reimbursement of accommodation and meal expenses will occur following the submission of the prescribed claim form and provision of copies of tax invoices, appropriate accounts and/or receipts.

The standard of accommodation booked for Councillors and the limit of meal expenses to be reimbursed will be at the discretion of the General Manager in consultation with the Mayor. Councillors may arrange, at their own expense, upgrades of the standard of accommodation provided.

3.12 Sustenance

The limit of sustenance related expenses to be reimbursed will be \$110.00 per day. Any sustenance expenses which exceed the limit will need to be at the Councillors own expense.

3.13 Seminars and Conferences

Council will pay all registration fees arising from the approved attendance of a Councillor at a

conference or seminar, including any costs of attending official functions and tours.

Requests for attending conferences should be made in writing outlining the expected benefits for Council.

Following attendance by a Councillor at a conference or seminar, a Conference Attendance Report is to be completed within 21 days of the event. The Conference Attendance Report is to be submitted to the General Manager for reporting to Council and shall:

- Identify the benefits to Council and the Community from attending;
- An assessment of the event;
- Indicate what was gained;
- Suggest how the knowledge gained could be applied; and
- State whether others should attend the conference/seminar in the future.

Each Councillor is eligible to attend up to two conferences or seminars per year. All inclusive costs (i.e. registration, travel, accommodation, sustenance, official functions) associated with attendance at conferences or seminars is not to exceed \$2,040.00 per Councillor in each financial year.

The provisions of clause 3.13 of this policy do not apply to the Annual Conferences of the Local Government and Shires Associations.

Council will pay the cost of transportation, accommodation and sustenance associated with attendance at a conference or seminar when those costs are not included in the conference fees. The payment of costs associated with transportation, accommodation and sustenance will be in accordance with the provisions of this policy.

A Councillor who does not attend the majority of the sessions of the conference or seminar shall be eligible for only 40% reimbursement of any sustenance, accommodation and travel expenses, unless extenuating circumstances apply.

Where a Councillor is unable to attend a conference or seminar and a full refund of fees paid cannot be obtained, or an alternative delegate cannot be substituted, the Councillor shall be responsible for the payment of any shortfall, unless extenuating circumstances apply.

4. Sustenance Expenses (Within Upper Lachlan Shire)

Where meetings are scheduled in the early evening, arrangements will be made to provide Councillors and Staff attending such meetings with an evening meal.

If Council business extends over meal breaks, the Mayor or General Manager, in the case of Council meetings, or the Chairman, in the case of Committee or other meetings, may authorise the provision of a meal at Council expense. Light meals/refreshments in conjunction with other activities of Council will be provided where appropriate.

Where a Councillor or staff member incurs sustenance expenses that arise from attending to business which has been approved in accordance with this policy, but does not involve an overnight stay and/or absence from the municipality, reimbursement of actual costs incurred will be paid, provided there is adequate substantiation of the expenditure by means of a copy of appropriate tax invoices. The limit of sustenance related expenses to be reimbursed will be \$100.00 per day.

This policy will apply to Councillor's and staff members only and the Council will not meet any costs associated with a Councillor's or Staff

Member's spouse, friend or relative attending a function in the company of a Councillor or Staff Member unless specifically authorised by a Council resolution carried in open Council.

5. Facilities

Council facilities and equipment must only be used by Councillors in accordance with this policy.

Councillors must pay Council for any private use of Council facilities or equipment.

Councillors shall not generally obtain private benefit from the provision of equipment and facilities. However, incidental personal use of Council equipment and facilities may occur from time to time. No entitlement under this policy shall be treated as being a private benefit that requires a reduction in the Mayoral fee or the Councillors fee.

If a Councillor does obtain a private benefit for the use of a facility provided by Council being more than incidental use, the Councillor shall be invoiced for the amount of the private benefit with repayment to be in accordance with Council's normal terms.

The amount to be paid for any private use of Council facilities or equipment shall be as determined by the General Manager and will be consistent with the cost to Council for the particular facility used with due consideration to the frequency/quantity of use.

Equipment, facilities and services provided under this Policy shall not be used to produce election material or for any other political purposes.

5.1 Mayor

Council will provide the Mayor with the following facilities:

- An office in the Council's Administration Building. Council's Meeting Rooms are also to be available for use by the Mayor.
- Postage of official correspondence – all mail is to be directed through the Council's own mailing system.
- Access to telephone, facsimile, e-mail, internet and photocopy facilities for Council business purposes (during normal office hours).
- Secretarial services for Council business as required.
- Use of a Council Lap Top Computer or Tablet, if required.
- Meals/refreshments on days/evenings of Council, Committee, Sub-Committee and Working Party Meetings, or at any other time deemed appropriate by the General Manager whilst on Council business.
- Use of a Council Vehicle for official and private use, including a fuel card and a designated car parking space at the Council Administration Centre for the use of the Mayor:
 - The fuel and running costs associated with the Mayoral Vehicle will be met by Council.
 - The Mayoral Vehicle will be registered, insured and fully maintained by the Council.
- Use of a Council Mobile Telephone - Council will provide the Mayor with a mobile phone or smart phone type/style device, with a maximum monthly account limit of \$100.00 per month.
- Payment of conference/workshop/seminar registration fees for attendance approved by Council.
- Identification badge and business cards.
- The Mayor shall be entitled to wear any Mayoral robes/chain acquired by the Council.
- The wearing or otherwise of such trappings of office shall be at the sole discretion of the Mayor.

5.2 Councillors

Council will provide the Councillors with the following facilities:

- Council's Meeting Rooms and areas of Council's Administrative Building as required.
- Postage of official correspondence – all mail is to be directed through the Council's own mailing system.
- Access to telephone, facsimile, e-mail, internet and photocopy facilities for Council business purposes (during normal office hours).

- Secretarial services for Council business as required.
- Use of a Council Lap Top Computer or Tablet, if required.
- Meals/refreshments on days/evenings of Council, Committee, Sub-Committee and Working Party Meetings, or at any other time deemed appropriate by the Mayor or General Manager whilst on Council business.
- Arrangement and payment of travel in respect of Council commitments. Alternatively, a Council vehicle may be provided for such purposes.
- Payment of conference/workshop/seminar registration fees for attendance approved by Council.
- Identification badge and business cards.

5.3 Telecommunication Devices Owned by Councillors

- Council shall reimburse Councillors for their telecommunication device costs (including mobile phone, landline rental, landline telephone, internet access and facsimile) incurred in attending to Council business up to a maximum cost of \$82.00 per Councillor per month of term. All communication device costs incurred above this maximum are at the Councillors own expense.

5.4 Acquisition and Return of Equipment and Facilities by Councillors

At the completion of the Councillor’s term of office, Councillors are required to return all Council issued equipment to the Council after the

completion of their term of office or at the cessation of their civic duties.

During periods of extended leave - in excess of 3 months – Councillors are required to return all Council issued equipment to the Council.

Councillors may choose to purchase Council equipment previously allocated to them at the cessation of their duties. Items that may be purchased are: laptop computers, tablets, printers, facsimile machines and mobile phones. The items are offered to the Councillor at the written down value at the time of purchase.

6. Training and Educational Expenses

Council will make provision for the payment of relevant training and educational expenses incurred by a Councillor where the training is directly related to the Councillor’s civic responsibilities and functions.

Councillors seeking to avail themselves of this provision will be required to accord with the approval requirements of this policy.

The Councillor must be able to demonstrate that the training or educational opportunity is directly related to their role as a Councillor.

7. Council Vehicles

- Subject to availability, Councillors may use Council vehicles for approved travel.
- Councillors must hold a current NSW driver’s licence to use a Council vehicle.
- A Councillor will be personally responsible for all traffic or parking fines incurred while travelling in private or Council vehicles on Council business.

- A Councillor using a Council motor vehicle must comply with the provisions of the adopted Council policy for use as applies to Council staff and any relevant Administrative Guideline in force.
- Council staff will only be available to transport Councillors when they are representing the Mayor on official business or when staff would be travelling to the destination in question in the normal course of their duties.

8. Council Information

Council Staff will provide appropriate information and documentation to assist Councillors in the performance of their civic duties. Requests for copies of documents or information should be made to the General Manager or appropriate Director.

Requests from Councillors for in-depth information, research or reports to Council shall be initiated by way of either Council resolution or by authorisation from the General Manager and Mayor.

9. Insurance Provisions

Council shall take out public liability and professional indemnity insurance cover which shall extend to actions taken against Councillors in relation to performing their civic duties and/or exercise of their functions as Councillors.

Council shall take out Councillors and Officers Liability insurance for matters arising out of Councillors' performance of civic duties or exercise of their functions as Councillors provided the performance or exercise of the relevant civic duty or function is *authorised under the Act, was carried out in good faith and is* in the opinion of Council bona fide and/or proper; subject to any limitations or conditions set out in the policy of

insurance which is, at the direction of Council, taken out.

Council shall take out personal accident insurance cover applying to Councillors while ever they are engaged in or on any activity connected with or on behalf of a Councillor performing their civic duties and/or exercise of their functions as a Councillor.

This insurance includes cover for any travel directly to and from any such activity.

10. Legal Assistance Provisions

10.1 The Council may reimburse the reasonable legal expenses of a Councillor (provided there is adequate substantiation of the expenditure):

- a) Defending an action arising from the performance in good faith of a function under the *Local Government Act 1993* (Section 731 refers); or
- b) Defending an action in defamation provided the statements complained of were made in good faith in the course of exercising a function under the Act; or
- c) For proceedings before the Local Government Pecuniary Interest and Disciplinary Tribunal or an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the Tribunal or investigative body makes a finding substantially favourable to the Councillor.
- d) For the purposes of Section 31(1)(c) of this Policy, the following are considered to be appropriate investigative bodies:

- Independent Commission Against Corruption;
- Office of the NSW Ombudsman;
- Office of Local Government, Department of Premier and Cabinet;
- NSW Police Force;
- Director of Public Prosecutions; or
- Council's Conduct Review Committee/Reviewer.

10.2 Council may reimburse such Councillor, after the conclusion of the enquiry, investigation, hearing or proceeding, for all legal expenses properly and reasonably incurred, given the nature of the enquiry, investigation, hearing or procedure, on a solicitor/client basis, provided that:

- a) The amount of such reimbursement shall be reduced by the amount of any monies that may be or are recouped by the Councillor on any basis.
- b) The Councillor's performance or exercise of the civic duty or function was in the opinion of Council bona fide and/or proper under the Act, and the Councillor acted in good faith as required under Section 731 of the Local Government Act.
- c) The amount of such reimbursement shall be limited to the extent that only fees charged at a rate equivalent to the hourly rate then being charged by Council's solicitors will be paid, i.e. any portion of the expenses representing any hourly charge rate higher than the hourly rate of Council's solicitors will be not be reimbursed.

- d) The Council is not the plaintiff in the action; and
- e) Approval has been granted in the form of a Council Resolution supporting the reimbursement.

10.3 Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act will be distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term in office.

10.4 There are no circumstances in which legal expenses will be met by Council:

- a) For proceedings initiated by a Councillor.
- b) For a Councillor defending any action in a matter not arising directly as a result of his or her civic duty.
- c) Where the outcome of an action against the Council is unfavourable to the Councillor.

11. Responsibility/Accountability

Councillors are responsible for providing receipts to support claims for reimbursement of expenses.

The Director of Finance & Administration is responsible for including details of Mayoral and Councillor fees and benefits in the Council's Annual Report.

12. Dispute Resolution Process

12.1 In the event there is a dispute in relation to the provision of expenses and facilities to Councillors, the following shall be the process to resolve the dispute:

- a) A Councillor wishing to dispute the provision of expenses and facilities must document the nature of their dispute including the supporting reasons/arguments for them lodging the dispute. Once complete the dispute should be lodged with the General Manager.
- b) The General Manager will assign a Council Staff member independent of the process to prepare a report on the dispute to Council. The Council Report will include:
- the nature and circumstances of the dispute;
 - relevant sections of this Policy; and
 - a recommendation.
- c) The Council Report will be put before Council for a determination on the dispute; this is to be done in Open Council.

12.2 Councillors should give consideration to the provisions in the Code of Conduct relating to Conflicts of Interest when a dispute they have lodged is presented to Council for a determination.

13. Use of Council equipment and facilities during a Re-election Campaign

The interest of a Councillor in their re-election is considered to be a personal interest. Councillors may not claim reimbursement of travel expenses incurred on election matters.

Council letterhead, Council crests and other information that could give the impression it is official Council material must not be used for these purposes.

14. Risk Assessment

This policy is a legislative requirement and a failure to have such a policy would be high risk to Council both in a statutory sense as well as reputable sense. A lack of a policy of this nature also takes away accountability and transparency provisions associated with meeting Councillor expenses and providing appropriate facilities. This too is considered a high risk.

By adopting a policy which meets legislative provisions as well as identified best practice Council is able to reduce the risk factor to a low-medium rating.

15. Related Policies and Relevant Legislation/Guidelines

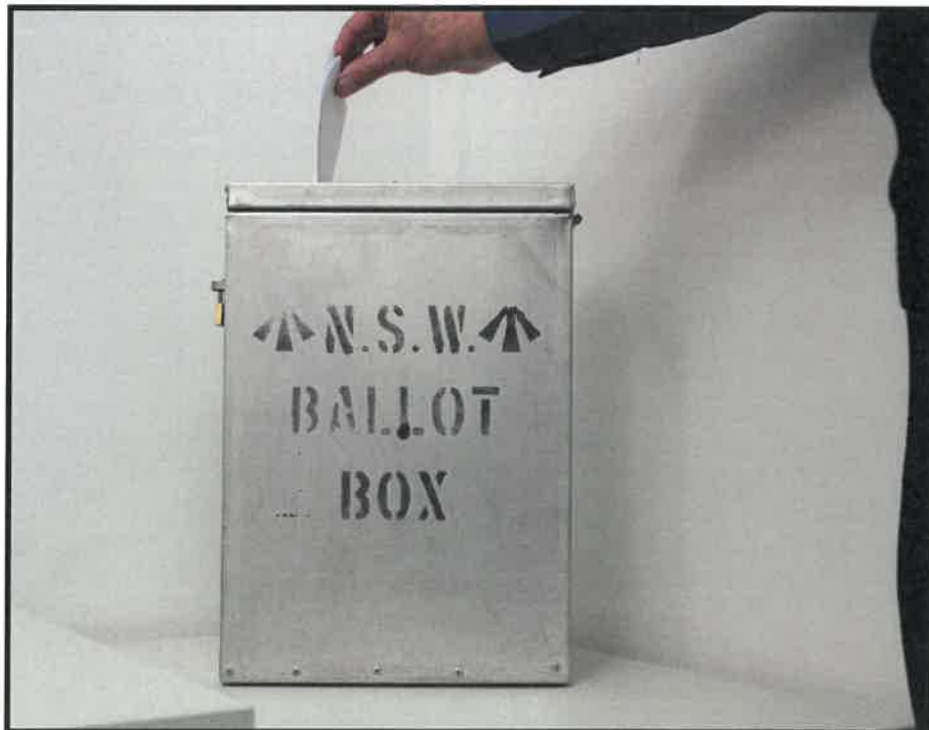
A New Tax System (Goods and Services Tax) Act 1999;
 Access to Information Policy;
 Bribes, Gifts and Benefits Policy;
 Cash Handling Policy;
 Code of Business Practice;
 Code of Conduct for Councillors, staff and delegates of Council;
 Code of Meeting Practice;
 Complaints Management Policy;
 Corporate Credit Card Policy;
 Crimes Act 1900;
 Delegations of Authority Procedure;
 Office of Local Government - Guidelines for the Payment of Expenses and the Provision of Facilities for Mayors and Councillors for Local Councils in NSW.
 Division of Local Government Circular No. 05-08: Legal Assistance for Councillors and Council Employees.
 Environmental Planning and Assessment (EPA) Act 1979;
 Fraud and Corruption Prevention Policy;
 Government Information (Public Access) Act 2009;
 Government Information (Public Access)

Policy;
Harassment Policy;
ICAC publication "No Excuse for Misuse, preventing the misuse of council resources";
ICAC Act (ICAC) 1988;
Interaction between Councillors and Staff Policy;
Internal Reporting – Protected Disclosures Policy;
Internet and Email Policy;
Local Government Act 1993;
Local Government (General Regulation) 2005;
Local Government (State) Award;
Mobile Phone Policy;
NSW Ombudsman - Good Conduct and Administrative Practice (Guidelines for State and Local Government) June 2006;
NSW State Records Act 1998;

Privacy and Personal Information Protection Act 1998;
Public Interest Disclosures Act 1994;
Public Interest Disclosures Policy;
Purchasing and Acquisition of Goods Policy and Procedures;
Salary Sacrificing Policy;
Section 355 Committee Code of Meeting Practice;
Section 355 Committee Policy;
Staff Training Policy;
Statement of Ethical Principles;

16. Variation

Council reserves the right to vary or revoke this policy.



7. SENIOR STAFF

Part 9, Division 7, subdivision 1 and Clause 217 (1) (b) and (c) of the Local Government (General) Regulation 2005

In accordance with Section 332(2), of the Local Government Act 1993, there are four Senior Staff positions within Council. During the 2017/2018 financial year, the remuneration package applicable for Upper Lachlan Shire Council's General Manager was:-

General Manager: Mr John Bell

General Manager's Total Remuneration:

Gross Salary component of package:	\$266,227
Employer Superannuation Contribution:	\$25,292
Fringe Benefits Tax for non-cash benefit:	\$6,279
Salary Package Allowances (iPad and iPhone data plans, internet)	\$4,362
Professional Development	<u>\$1,675</u>
Total Remuneration	<u>\$ 303,835</u>

Acting General Manager (Fixed term part year):
Mr Gary Woodman

Acting General Manager's Total Remuneration:

Gross Salary component of package:	\$35,550
Employer Superannuation Contribution:	\$ 3,377
Fringe Benefits Tax for non-cash benefit:	\$0
Salary Package Allowances (iPad and iPhone data plans, housing and motor vehicle)	\$3,159
Professional Development	<u>\$0</u>
Total Remuneration	<u>\$ 42,086</u>

Designated Senior Staff:

The remuneration package applicable for the Upper Lachlan Shire Council's Designated Senior Staff was:-

Director of Environment and Planning - Tina Dodson

Director of Finance and Administration - Andrew Croke

Director of Works and Operations - Phil Newham (Retired - part year and ELE termination)

Director of Works and Operations – Mursaleen Shah (Commenced - part year)

Senior Staff Total Remuneration:

Gross Salary component of package:	\$582,883
Employer Superannuation Contribution:	\$49,362
Fringe Benefits Tax for non-cash benefit:	\$14,793
Salary Package Allowances (iPad data plan & telephone rental)	<u>\$4,213</u>
Total Remuneration	<u>\$651,251</u>

8. CONTRACTS

Section 428 (2) (h)

Payments for goods and services, under contractual arrangements during 2017/2018 of greater than \$150,000, are shown below and are in accordance with the Local Government Act 1993, Local Government Regulations, and Tendering Guidelines.

Employment contracts (that is contracts of service), employee superannuation payments, contracts for purchase of land and/or buildings are not included in the contracts detailed.

Contracts for greater than \$150,000, including the name of the contractor, the nature of the goods or services supplied by the contractor and the total amount paid to the contractor are provided below. Please note that the contract payments listed below may exceed the nominated contract value, due to variation of contract terms and conditions.

Name of Contractor	Description of Goods and Services	Total Paid (GST Inclusive) (Tender unit rates to the value of)
Roadworx Surfacing Pty Ltd	Sprayed bitumen surfacing; heavy patching roadworks; supply cold mix and emulsion.	\$2,425,620
Laurie Curran Water Pty Ltd	Construction of Crookwell Water Treatment Plant and water supply augmentation.	\$2,117,193
Denrith Pty Ltd (trading as Divalls Bulk Haulage and Earthmoving)	Win, crush and stockpile gravel; Road rehabilitation civil works; truck and excavator plant hire; sand and soil supplies.	\$1,984,478
Coopers Earthmoving and Haulage Pty Ltd	Road rehabilitation civil works and plant hire.	\$1,106,660
Euro Civil Pty Ltd	Supply and installation of road safety barriers, guardrails and supply of fencing materials.	\$937,382
Yass Earthmovers	Water truck and excavator hire, contract labour; road gravel resheeting civil works.	\$762,761
Park Fuels Pty Ltd	Supply of Fuel.	\$681,667
WesTrac Equipment Pty Ltd	Purchase of caterpillar grader and plant parts.	\$414,218
Origin Energy	Supply of electricity various sites/locations.	\$412,971
Rocla Pipeline Products	Supply and storage of concrete pipes, headwalls for culverts.	\$393,405
Ashton LT & MA Pty Ltd (trading as Lloyds Tree Services)	Plant Hire for tree removal, tree trimming and mulching trees.	\$340,465
Top Water Carters Pty Ltd	Truck hire, plant hire and water carting hire.	\$332,964
Revegetation and Erosion Control Services	Supply and install Shotcrete, Gabion works.	\$283,418
ATI Australia Pty Ltd	Microwave Communication Network Design, Installation and Construction.	\$277,651
NSW Department of Public Works and Services	Project management of Crookwell Water Treatment Plant.	\$271,233
Rollers Australia Pty Ltd	Plant Hire, and Plant Repairs and Parts.	\$257,362
Building and Environmental Services Today	Town Planning, Building Surveyors and food inspections contract services.	\$242,131

Crookwell Hay Contractors	Plant Hire.	\$241,491
Hunter Valley Training Company Pty Ltd (Southern Tablelands)	Employment management services of apprentices, 5 apprentice wages and employee benefits.	\$233,152
Cleanaway	Skip bins rubbish removal at transfer stations and waste transfer from Gunning landfill.	\$225,852
Wolfcon Pty Ltd	Vehicle and traffic control at roadworks sites.	\$163,635
Telstra Corporation Limited	WAN link, telephony and data services.	\$160,692
Capital Lines and Signs	Supply and plant hire line marking equipment and line marker products.	\$157,645
AJ Parsons Earthmoving Pty Ltd	Excavator and plant hire, contract labour.	\$149,622



Work on the MR52 Gunning Road Devil's Elbow section road reconstruction

9. RURAL FIRE SERVICE ACTIVITIES

Section 428 (2) (i)

GENERAL

Upper Lachlan Shire Council, Yass Valley Council and Goulburn Mulwaree Council have agreed to enter into a rural fire district zone and service level agreement with the NSW Rural Fire Service (RFS) pursuant to Section 12A, of the Rural Fire Services Act 1997. Council supports the RFS by making an annual financial contribution to them for undertaking the day to day management of the rural fire services on behalf of the three Councils. The Councils also provide administration and finance resources support for the RFS operations.

Upper Lachlan Shire Council collects and expends Section 94 developer contributions related to emergency service contributions on behalf of individual brigades as necessary.

HAZARD REDUCTION

These duties are now undertaken by the NSW Rural Fire Service and include such activities as fire trail maintenance and assisting land owners and other agencies with hazard reduction operations if requested.

Council carried out hazard reduction work such as slashing of road verges and controlled mowing of open spaces and ensuring these areas are free of undergrowth that may be likely to constitute a bushfire hazard.

STATUTORY BUSHFIRE DANGER PERIOD

1 October 2017 to the 31 March 2018 (this may be varied subject to local conditions).

BRIGADE CALLOUTS – 2017/2018

Fire and Other Incidents

There were no fires reported in Environmentally Sensitive Areas within the Shire during the reporting period.

For the financial year 2017/2018, the RFS in the Upper Lachlan Shire local government area responded to:-

- Grass/forest/scrub fires/explosions 67
- Motor vehicle accident/car fire 24
- Hazardous Chemical 2
- Service Calls 11
- Good intent Calls 1
- Other 1

The above statistics represents a total of 106 incidents attended for the twelve month period to 30 June 2018

10. CULTURAL SERVICES

PROGRAMS TO PROMOTE SERVICES AND ACCESS TO SERVICES FOR PEOPLE OF DIVERSE CULTURAL AND LINGUISTIC BACKGROUNDS

Section 428 (2) (j)

Programmes undertaken by Council to promote services and access to services for residents included those activities listed below. Council believes these programs provide access to all residents of the Shire given the nature of the close knit rural communities that exist within the Shire.

Council undertook the following initiatives: -

- Developed and adopted the 2017-2020 Cultural Plan that underpins support for local activities
- Cultural events funding program of \$3,000 annually.
- Participation in the preparation of a Community Services Directory.
- Continuation of activities outlined within the Social and Community Plan for the Shire.
- Continued support to the Access Committee of Council.
- Youth Week Events.
- Community Technology Centre access to services in the villages of Bigga and Tuena.
- Continuation of the library services for the towns of Gunning and Crookwell.
- Continued partnership with Southern Tablelands Arts on program delivery.

10a) LIBRARY SERVICES

MISSION STATEMENT: To assist residents to fulfil their informational, cultural and recreational needs by providing appropriate library resources and services.

Key Performance Indicator	Performance Measure	Delivery Action	Delivered
Quarterly reports for library services to council	Report to Council by deadline	1.9 Encourage recreational and leisure activities while maintaining public safety standards	Completed quarterly reports for library services to council by the council deadlines.
Complete NSW State Library Return of Local Priority Grant Report and Statement of Library	Completed by State Library Deadline	1.9 Encourage recreational and leisure activities while maintaining public safety standards	Completed the NSW State Library Return of Local Priority Grant Report and Statement of Library Operations by the NSW State Library deadlines.

Operations			
Increase membership and number of library loans	Increase by 1% per annum	1.4.1 Community Services for young, aged, disabled, and people from diverse cultural backgrounds	236 new members joined the library
			41,195 physical items borrowed and renewed
STLC Library Cooperative Committee meetings and REX meetings attendance. Review of joint policies and annual fees	Implement Committee decisions	1.5 Lobby for retention of education facilities	With the dissolution of the STLC a Service Level Agreement (SLA) exists between Goulburn Mulwaree and Upper Lachlan Shire Councils. Completed a review of the SLA and costings. Reviewed and provided input into the joint library membership and collection development policies.

OVERVIEW:

The Upper Lachlan Shire Library Service had a very busy twelve months, with new branding, website, opening hours at the Gunning Library, a refurbishment at the Crookwell Library and a range of new titles added to our physical and digital collections.

Usage of the services and resources at both our libraries remained at high levels throughout the year. Upper Lachlan Shire Library Service had:

- 306 new members joined the library;
- 41,195 physical items borrowed and renewed;
- 1573 ebooks, eaudiobooks and emagazines borrowed (from RB Digital and BorrowBox);
- 6,657 Internet sessions;
- 1,259 children attended storytime;
- 209 children attended activities;
- 196 adults participated in knitting/scrabble sessions;
- 193 adults and children attended other events held by other groups in and outside the library;
- 166 adults participated in workshops;
- 66 adults attended author talks;
- 33 Inter Library Loans and 4 bulk loans from the NSW State Library;
- 36,746 visitors;
- 2,573 physical items added to the collection; and
- 28,781 items in the physical collection.

The Southern Tablelands Library Co-operative (STLC) dissolved at the end of June 2017. The Upper Lachlan Shire Library Service now operates under a Service Level Agreement with Goulburn Mulwaree Council. Under the agreement Goulburn Mulwaree still provide some services and library members continue to have access to the shared collections. In 2017/2018 brochures, forms, library cards and our library's Facebook page were re-branded with the name Upper Lachlan Shire Library Service.

The new Upper Lachlan Shire Library Service website was launched in August. The website provides members the ability to access the online catalogue; download e-books, e-audio, and e-magazines; find out what's on; a page for children and teens; database links; and members can manage their details and loans.

From 1 July 2017 Gunning Library increased its opening hours by opening on Saturday mornings from 10am – 12pm. Library members who work or study outside the Shire during the week now have the opportunity to use the library service. The uptake of library members and visitors using the library on a Saturday has been pleasing. A number of talks/workshops have also occurred on Saturdays with great attendance numbers.

This year saw the trial of the Big Read Bus Mobile Library Service from Goulburn Mulwaree Library visit Taralga once every three weeks. In a first for the town, library members were able to borrow a wide variety of items straight from the Bus,

without the need to travel to Crookwell or Goulburn. A review of the service showed that usage statistics had not increased over the 12 month trial period, with library members from Taralga still visiting Crookwell and Goulburn Libraries. The mobile service at Taralga concluded at the end of June 2018.

EVENTS AND PROMOTION:

Our Library Service hosted a number of events and activities for adults, including:

- Workshops/talks - Researching the history of your house; leap online at your library; practising stoic philosophy; history of the safety razor; food cents; falls prevention program; visual literacy; prostate cancer – what you need to know.
- Activities – Gunning knitting Circle; Crookwell Scrabble.
- Author visits – Jane Carter; Scott Whitaker; Matthew Geddes



Jane Carter Author Talk

Upper Lachlan Shire Library Service partnered with Telstra and the State Library of NSW to facilitate “Tech Savvy Seniors” classes designed for the over 65 age group. The classes covered basic Internet, computers and email skills. The classes were attended by 59 community members. Participants found that the courses were very useful and felt that they were empowered with their new skills and knowledge.

This year the Upper Lachlan Shire Library service utilised a range of promotional activities through print media (e.g. Voice, Crookwell Gazette, and Lions Club of Gunning Noticeboard), digital media (library’s website), radio and social media (Library Facebook, Upper Lachlan Shire Facebook) including:

- Print media – multiple references
- Library Facebook posts - 125

CHILDREN AND YOUNG PEOPLE EVENTS:

Our library facilities are regularly used by Play Groups, Pre-schools, local primary and high schools, After School Care and Vacation Care groups, and Crookwell Essential Services.

The Library’s early childhood literacy programs continue to attract large numbers and are aimed at the 0-5 age group and their parents/carers. Activities included:

- Regular storytime sessions.
- National Simultaneous Storytime.
- Special Storytimes, such as the Threatened Species Storytime.



Australian animals visit Storytime at Crookwell Library for Threatened Species Awareness Day

Children and young people activities were also well attended and included:

- Summer Reading Club. This year 31 children participated in the

program. For the first time Gunning Library participated in the program. The participants read four hundred and eleven books over the summer.

- School holiday and after school workshops, including, Cars 3; mosaic craft; dotty fireworks; Summer Reading Club launch party; Mother's Day craft; Father's Day craft; make a balloon car and race track; bird watching; Indigenous culture; make your own board game; 'all about frogs'; face painting; and early letter Santa service.



Mosaic craft at the Crookwell Library



Frog school holiday workshop at Gunning Library

COLLECTIONS, RESOURCES AND FACILITIES:

Library buildings, facilities and resources continue to be upgraded and well maintained.

Collections

The Upper Lachlan Shire Library Service collections continued to be enhanced with

the addition of new items and a weeding and discard program.

Items were weeded from the adult fiction, youth fiction, adult DVDs, worn books, junior fiction, junior easy, magazine, legal, drug information, and non-fiction, collections.

The new BorrowBox platform for e-books and e-audiobooks went live for our library service in early May.

Our collections were boosted by a number of extra purchases/donations, including:

- Children's books donated by Rosemary Thomas to the Gunning Library.
- Landcare books donated to the Gunning Library from the Gunning and District Landcare Group, over a \$1000 worth.
- New DVDs and books replacing the damaged items from the February 2017 storm.
- Five books donated by the CWA Evening Branch to replace some damaged items from the May storm last year.
- Book kits which were acquired from another library.
- Bought additional content for e-books, e-audiobooks and e-magazines on the RB Digital product.

Resources

Our Library service received extra funding from a number of grants this year, including:

- Tech Savvy Seniors Grant to facilitate computer classes across our libraries.

- NSW State Library additional funding for collaboration projects between libraries allowed our library service to buy additional e-audiobook content for Borrowbox.
- An Adult Learners Week Grant was used to purchase some audiobooks from another public library, as well as some new computer books for the Gunning Library.



New computer books at the Gunning Library

Volunteers continue to assist at our libraries, completing three hundred and twenty-six hours in 2017/18.

Facilities

Remediation and repair work was undertaken at both library buildings.

The Crookwell Library installed new furniture and carpet to replace the damaged items from the February 2017 storm.

As part of Council's commitment to providing excellent public access computer facilities, four new PCs were installed during the year. Our up-to-date computer technology, fast Internet and free Wi-Fi facilities provide an excellent service to library members and the many

visitors to our Shire. Crookwell and Gunning Libraries changed from a residential plan to a business plan with Telstra, improving the Internet connectivity. The library also now offers print-on-demand services for customers with Bring Your Own Devices (BYOD).

This year saw a continuation of the library becoming a people place, bringing people together with diverse backgrounds through a range of informal social activities and structured group activities, including:

- The streetscape competition announcement;
- Crookwell Memorial Hall Committee for their quarterly meetings and AGM;
- The Crookwell Archives and District Historical Society for their AGM afternoon tea and Christmas afternoon tea;
- The CWA Crookwell Day Branch computer booking for an online course;
- Gunning Youth Group meeting.

LIBRARY FRIENDS:

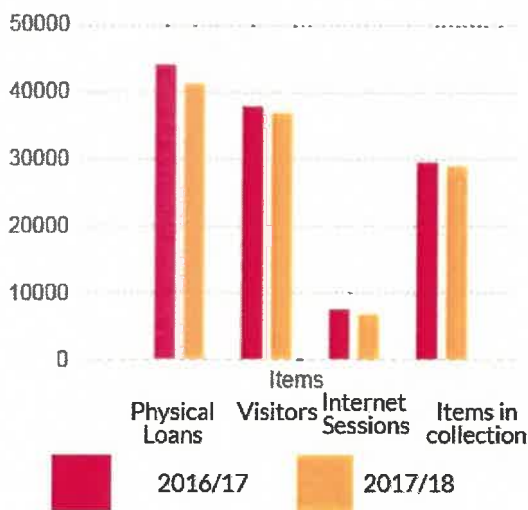
The Library Friend's groups continue to provide strong support for our libraries, including catering events, scrabble, gifts for authors and volunteers, sponsoring the Summer Reading Club, and purchasing craft supplies. The two book sales raised \$3,442.45.

The Crookwell Friends of the Library purchased for the Crookwell Library two pod chairs; books; and magazines (Choice; Graziher; Inside History).

Library Usage of Services and Resources

Usage of the services and resources at our libraries remained at high levels throughout the year. Below shows a comparison of usage for 2016/17 and 2017/18. Our members are doing more online at home and this is shown by the increase of the number of web renewals (loans) and more members borrowing e-resources.

Usage Statistics



Our library service had 306 new members join the library in 2017/18. Below is a breakdown of the new members by member type.

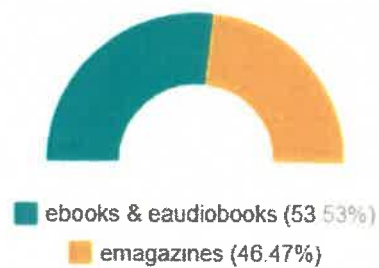
New Members by Member Type 2017/18

Member Type	Percentage
Adult	70%
Junior	23%
Young Adult	4%
Community Group	2%
Home Library	1%

Attendance at Activities 2017/18



Digital Items Borrowed 2017/18



10c) REGIONAL TOURISM

General Overview

The Upper Lachlan Tourist Association (ULTA) has continued to work with tourism operators and local groups to develop and promote the Upper Lachlan Shire throughout 2017/2018. The main local and regional tourism projects and activities implemented during this year include -

- Destination Southern NSW Regional Destination Management Plan 2018-2020;
- Exhibiting at the Canberra Home and Leisure Show and the Collector Pumpkin Festival;
- New Post Weekly newspaper column;
- Crookwell Potato Festival event coordination;
- Significant update to the Australian Tourism Data Warehouse;
- New and existing event funding programs;
- RV Friendly Town status for Bigga;
- Upper Lachlan Tourist Association Membership Scheme;
- Expanded presence in "The Voice";
- Meet the Locals campaign;
- Fridge calendar of events distribution;
- Product trade fact sheets;
- Instagram channel development;
- State Road MR54 Crookwell to Bathurst Road promotion;
- Canberra Region Co-op Marketing campaign for Regional Champions.

Tourism Strategic Plan Implementation

During 2017/2018 the Upper Lachlan Tourist Association again reviewed the 2020 Tourism Strategic Plan that lays down the development and promotional priorities for tourism in the Shire with the four key objectives being:-

1. Upper Lachlan delivers a unique, consumer valued tourism experience;

2. The Upper Lachlan's tourism industry is prosperous and attracts ongoing investment;
3. The tourism sector takes a leading role in protecting and enhancing our history, culture and built and natural environments; and
4. The Upper Lachlan Tourist Association is able to effectively and comprehensively promote the region, provide guidance and relevant information and services to the sector and visitors.

The 2017/18 plan review also took into consideration the objectives and plans of the Tablelands Tourism sub-group within the Canberra Region Joint Organisation.

The ULTA aims to support and encourage the development of authentic products, informed by consumer research as to people's desires when it comes to visiting regions. To this end the ULTA works at both a regional and local level with government agencies, regional development bodies, niche interest groups, industry operators and potential industry operators. Existing products can be developed or new products including events can be developed as motivators to visit, stay and spend in the region.

Festivals and Events

Events play an important role across the region as a major driver of overnight stays and expenditure in the towns and villages. The types of events range from cultural to sporting to special occasions particularly weddings.

It is an ongoing role of the Upper Lachlan Tourist Association through the tourism staff to assist minor and major events with planning, promotion and evaluation. Tourism staff are directly involved in the Crookwell Potato Festival and organise the Crookwell Australia Day celebrations.

The 2018 Crookwell Potato Festival was very pleased to welcome Costa Georgiadis as its first celebrity guest. Costa's presence no doubt added to the very appreciative crowd especially the children with whom he was fantastic. The festival also welcomed the Irish Ambassador His Excellency Breandán Ó Caollaí. The 2019 festival is planned to have an Irish sub-theme and to invite the Ambassador once again.

Tourism staff continue to support new community initiatives such as the Irish Heritage Weekend and the Korean Cultural Festival with the objective of building major self-sustaining events.

In 2017/2018 the ULTA through its Events Funding program was pleased to be able to assist the organisers of the Crookwell Garden Festival, Crookwell Squash Open and the Mary Gilmore Weekend.



Jeremy Goodman at the Crookwell Garden Festival Markets

Attractions and Activities

At an individual operator level, the ULTA supports its member businesses and groups through a range of services including promotional opportunities, business enhancements such as online accommodation booking, access to industry databases, access to statistics for business proposals and the like.

Throughout the year staff have provided advice and information to a range of new and

proposed tourism product operators and we look forward to the region benefitting from the work of these many small businesses as they strengthen the offering to visitors.



Fully renovated Argyle Inn in Taralga

Tourist Information

In addition to private attractions, tourism staff work on a range of experience development projects. In 2017/2018 staff commenced a complete revamp of the historic walks, cycling trails and scenic driving routes across the Shire. This was particularly important with the final sealing of State Road MR54 to Bathurst and Orange which not only provides a vital link into the NSW central west but is also a scenic drive.

Tourism Promotion

Promotion of the Shire to visitors and potential visitors is an everyday occurrence through the Visitor Information Centres, telephone, email, website, social media, print advertising, editorial and poster distribution.

The region was again well received by visitors to the Canberra Home, Leisure and Travel Show with many Canberran's keen to explore their own backyard and fascinated by the Tablelands region and the many attractions and activities on offer.

During the year staff were able to secure a weekly column in the Post Weekly which provides an additional channel for our messaging that we have not previously enjoyed.

The presence of tourism related stories in the quarterly Council publication “The Voice” was expanded to a half page hence providing the opportunity to promote not only events but other attractions and good news stories. With 41% of visitation to the region coming from people who are visiting their friends and relatives, it is imperative that the residents of the Shire are informed and “The Voice” provides one avenue to deliver that information.

Social media is a key promotional tool in the digital age and hence staff spent a considerable proportion of their time working on digital marketing. This year there was particular focus on building our Instagram community which was greatly assisted by two photographic competitions which additionally added to our image library.

Regional Representation

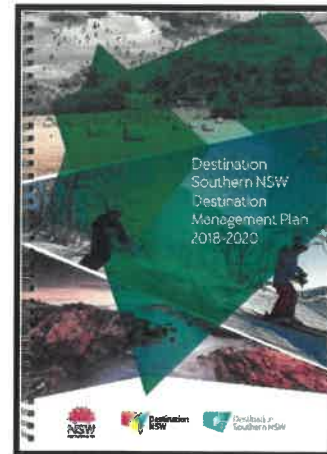
The Upper Lachlan has been an active member with the Canberra Region Joint Organisation including in the Regional Tourism Network and in the Tablelands Sub-Committee. As a group we are working actively with Visit Canberra, the new Regional Unit of Destination NSW and Destination Southern NSW to further increase visitation to the Canberra Region. The number of visitors to the Tablelands had increase by 19.5% over the 12 months to March 2018.

The Destination Southern NSW – Destination Management Plan 2018-2020 was finalised in June 2018. The plan highlights four key visitor experience themes for the region –

- Savour the Southern
- Remarkable Journeys
- Immerse Yourself in Nature
- Our Heritage Past

The plan outlines a number of “Game Changer” and “Enabler” projects that will help deliver the experiences that the travelling consumer desires. Actions for these plans will be

integrated into our strategic planning documents during 2018/19.



New Destination Management Plan

Tourism Statistics

The statistics for 2017/2018 show some very positive signs:

- Social media engagement up by 169%;
- Website sessions up by 35%;
- Sales at the VIC were up by 21%;
- Crookwell Caravan Park nights up 7%.

The completion of the sealing of State Road MR54 to Bathurst and Orange was the most significant event of 2018 making the most direct route between the central west of NSW and the Canberra region accessible by all types of vehicles. With Canberra Airport now an international passenger link to Asia and the Middle East the potential for a substantial flow in visitor traffic through the centre of the Shire will be a reality.

10d) MULTI CULTURAL ACCESS

The demand for services for persons from non-English speaking backgrounds and / or from the Aboriginal community has not been evident in the Upper Lachlan Shire local government area.

11. PRIVATE WORKS

Section 428 (2) (k)

In accordance with Section 67, of the Local Government Act 1993, a Council may, by agreement with the owner or occupier of any private land, carry out on the land any kind of work that may lawfully be carried out on the land. Examples of the kind of work that a Council might carry out under this section include: paving, road access construction, water and sewer connections and kerb and gutter works.

Upper Lachlan Shire Council has adopted a Private Works (Projects and Plant Hire) Policy to regulate and stipulate the requirements for the undertaking of private works within the Upper

Lachlan Shire Council area. The policy is designed to protect public funds and the integrity, security and reputation of the Council and its Staff and maintain a high level of services to the community.

Upper Lachlan Shire Council carries out work on private land in accordance with plant hire and labour rates established by Council when setting the Schedule of Fees and Charges. In 2017/2018 there were water supply, sewerage, noxious weeds and roads related private works, the total of such work was \$115,226.



12. AMOUNTS ATTRIBUTED OR GRANTED UNDER SECTION 356**Section 428 (2) (I)**

Section 356, of the Local Government Act 1993, permits Councils to resolve to contribute money or grant financial assistance to persons as a means of exercising Council functions. Council has established a Section 356 - Financial Assistance Policy and allocates funding annually in Council's Operational Plan for financial assistance / contributions to community, sporting and charity organisations.

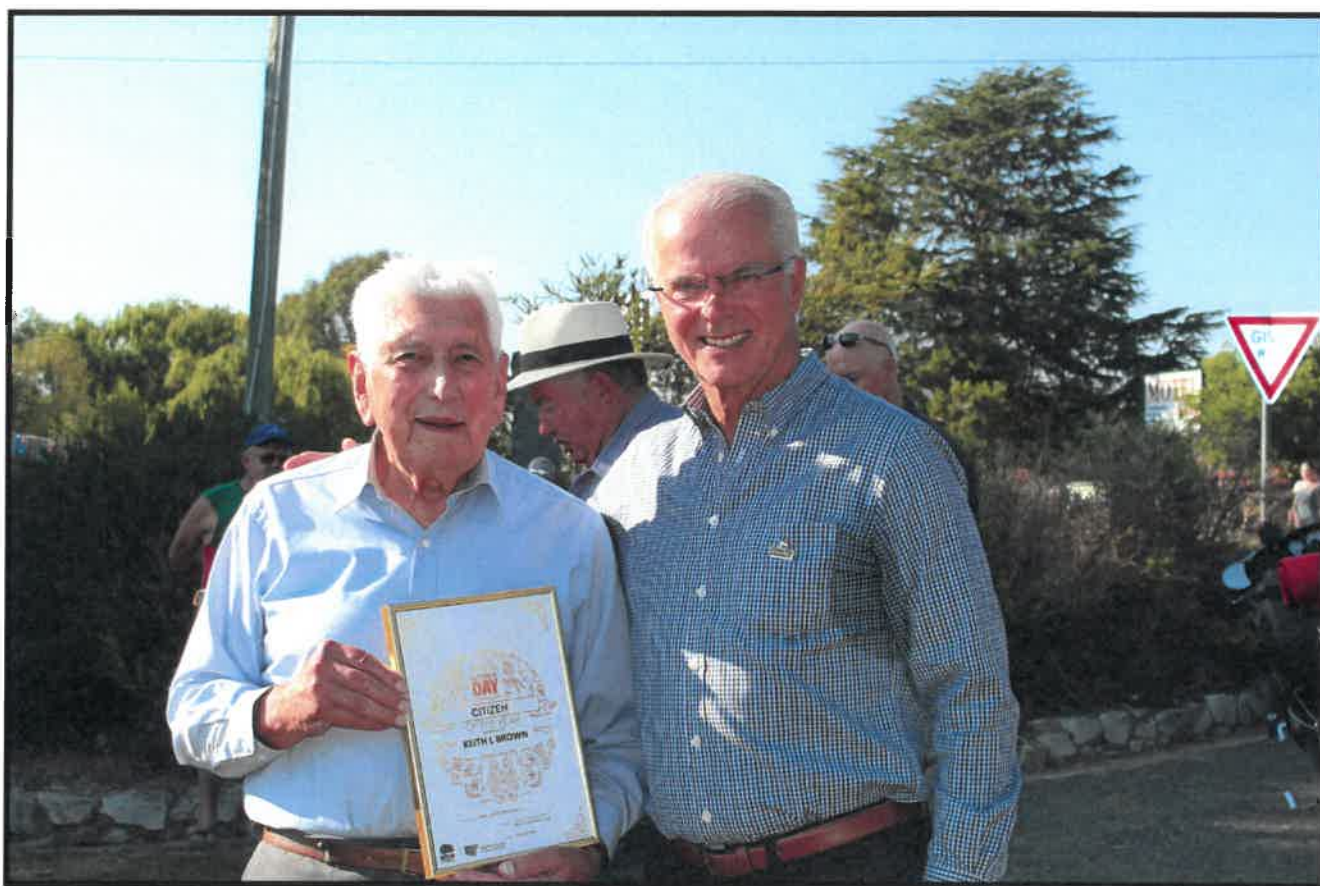
The following is the list of Council Section 356 Contributions for 2017/2018 in \$: -

Bigga Golf Club (Ordinary Rates and Waste)	\$2,429
Bigga Primary School P and C	\$1,000
Crookwell and District Arts Spring Fling	\$500
Crookwell and District Historical Society	\$900
Crookwell AP and H Society (Ordinary Rates)	\$3,188
Crookwell A P and H Society (water use reduction)	\$500
Crookwell CWA (Ordinary Rates)	\$857
Fullerton Anglican Church Property Trust (Ordinary Rates and Waste)	\$552
Goulburn and District Education Foundation	\$2,000
Goulburn Crookwell Heritage Railway Inc. (Waste, Water & Sewer Rates)	\$1,639
Crookwell Community Men's Shed (Rates)	\$414
Gunning Medical Centre	\$10,000
Middle Arm Hall Progress Association (Ordinary Rates and Waste)	\$642
Narrawa and District War Memorial Hall (Ordinary Rates and Waste)	\$510
Katelyn Croker – Sporting Representation Donation	\$250
Bridget Anable – Sporting Representation Donation	\$250
Jesse Croker – Sporting Representation Donation	\$250
K A Staples – Sporting Representation Donation	\$500
Chris McCarthy – Sporting Representation Donations	\$750
Australian Agriculture Centre donation	\$20,000
Christmas in the Park ULSC	\$500
Willowtree Sculpture Garden Sponsorship	\$1,000
Dalton Hall Reserve Trust	\$500
Bannister District Hall Association (Rates)	\$595
Southern Tablelands Regional Arts Council (STARTS) Membership	\$2,185
St Vincent De Paul (Ordinary Rates and Waste Charges)	\$2,248
Taralga Australia Day Committee – Rodeo Contribution	\$1,000
Taralga Historical Society (Ordinary Rates and Water)	\$1,201
Taralga Medical Clinic (Ordinary Rates and Waste)	\$1,106
Taralga Playgroup	\$500
Taralga Public School	\$1,000
Taralga Small Schools Sports Sponsorship	\$582
Lions Club of Gunning Sponsorship of noticeboard	\$375

In-kind Contributions

Crookwell Picnic Race Club (in kind watering - Binda Picnic Races)	\$500
Gunning Focus Group - Court House Rent	\$750
St Vincent De Paul (Mattress disposal)	\$180
Taralga Australia Day Committee – Rodeo DA fee	\$220
Gunning Roos Rugby League Club (Showground fee and water use)	Unquantified
TOTAL CONTRIBUTIONS	<u>\$45,068</u>

In addition to the financial contributions listed above Council also provide in kind support to Committees of Council and waive public hall hire fees and Development Application fees for various community groups.



L-R: 2018 Upper Lachlan Citizen of the Year, Keith L Brown, with Australia Day Ambassador Gordon Bray



L-R: 2018 Upper Lachlan Young Citizen of the Year, Bailey Anderson, with Australia Day Ambassador Gordon Bray



13. HUMAN RESOURCES ACTIVITIES

Section 428 (2) (m)

Council's Human Resources section encompasses a broad range of responsibilities which impact on Council's ability to operate efficiently and effectively, having regard to employment law, best practice, workplace relations, remuneration management, and work health and safety. Human resources initiatives also include recruitment and selection, annual performance reviews, workplace relations, training and development for employees and volunteers to meet the business needs of Council. In accordance with the State and Federal Industrial Relations legislation, Council supports a consultative process between management, employees and union representatives.

The Human Resources section is responsible for providing advice and professional assistance designed to assist in the attainment of business goals and objectives. Human resources aims to maximise the potential of Council's employees through shared goals, consultation and participation in the decision making processes, and working in an environment free from all forms of discrimination.

The Upper Lachlan Shire Council endeavours to see that organisational human resources activities are carried out within a clear and concise framework of policies, procedures and service standards helping to achieve the goal of best practice. The human resources policies and procedures are continually subject to review in consultation with relevant stakeholders and through consultative mechanisms.

The Workforce Plan

The Workforce Plan seeks to identify the strengths and weakness of Council in the area of human resource management and to outline the broad strategies to be put in place to move forward in the next four years.

The Workforce Plan identifies and focuses on six (6) key strategic areas:-

1. Employee Attraction and Retention;
2. Employee Training, Learning and Development;
3. Organisational Development;
4. Performance Management;
5. Work Health and Safety (WH&S); and
6. Employee Relations.

The Workforce Plan is designed to support Council objectives including; being a responsible employer, working together as a team, fairness to all and an impartial assessment.

Recruitment and Selection

In conjunction with the Consultative Committee and in accordance with relevant legislation, the Council has continuously developed and implemented protocols and procedures for the recruitment and selection of employees that will complement organisational performance and ensure compliance with EEO principles. Protocols are subject to review within agreed timeframes to ensure currency.

The Human Resources section has developed and implemented new recruitment strategies for the organisation. One of the main strategies was to review the current procedures to

attempt to attract quality staff to the organisation.

Council employee positions advertised externally and recruited:-

- Management Accountant
- Casual Labourers On Call
- Administration Officer Gunning maternity relief
- Building Surveyor
- Building Maintenance Officer
- Revenue Officer
- Director of Works and Operations
- Casual Pool Attendants
- Project Delivery Engineer
- Destination Marketing Officer
- Cadet Engineer
- General Manager (Term Contract)

Council also advertised internally a number of positions to allow developing employees to progress to higher position within the organisation:-

- Relief Senior Storeman
- Skilled Labourer Gunning
- Skilled Labourer Crookwell
- Plant Operator Truck
- Plant Operator Truck – Water Cart
- Plant Operator Roller

Performance Reviews

All Council employees are assessed annually against the documented accountabilities, responsibilities and performance measures applicable to their individual positions. The assessment process allowed staff the opportunity to document the skills and knowledge they had acquired since the previous performance review. Acquisition of skills and knowledge allows for progression through Council's salary system. The process encourages two way feedback and prompts discussion on career

objectives, advancement opportunities and desired training.

All the position descriptions were reviewed and evaluated in line with changes in terms of position parameters responsibilities, accountabilities and new duties.

The annual performance appraisals for Council employees continue to play an important part in the Council's organisational structure and succession process, with employees gaining the skills required to progress through to higher positions and allow the organisation to identify future leaders. This process also identifies training needs for the organisation.

Policy and Procedure Review and Development

Upper Lachlan Shire Council reviews policies and procedures to keep up-to-date with legislative changes and best practice initiatives. The following policies were revised and implemented:-

- Drug and Alcohol Policy
- Training Policy
- Time in Lieu of Overtime Policy

Industrial Relations

Council has participated in the Local Government (State) Award 2017 negotiations with the Office of Local Government, Local Government NSW, and relevant Unions such as USU, DEPA, LGEA and Regional Organisation of Councils.

A lot of these changes have affected Council's policy and procedures in its management of working conditions, with many identified changes to the Award. Council have made relevant changes to

the policies and procedures to accommodate these changes.

Human Resources Training Plan

Upper Lachlan Shire Council's Staff Training Plan is primarily designed to satisfy and maintain its needs for a workplace which has up to date knowledge, skills and potential necessary for the effective and efficient functioning of the organisation. This policy is designed to assist Council to develop the competency of its people and to develop a more highly skilled and flexible workforce.

OBJECTIVES:

- * To encourage employees in their personal and professional development and to assist them where necessary to maintain high levels of competence in their respective positions and vocations.
- * To provide development opportunities via a range of sources including training conducted by recognised private providers, training/coaching in specific skills areas provided by designated staff, on the job training by managers and team leaders, and approved tertiary studies.
- * To provide assistance to employees where a course of study can be demonstrated to enhance their competence, and is of benefit to the Council's service provision, and the employee's ability to fulfil their position requirements.
- * To facilitate the development of a Training Plan that will match training and development processes to the current and future skill requirements of Council and the career development needs of employees.
- * To ensure that expenditure in training matters is used in a cost effective manner.
- * To comply with Local Government (State) Award and other legislative and regulative provisions related to Council.

Training and Development

Council has implemented a new on-line training system that provides compliance packages that all staff can access. The training programs that were available included:-

- Bullying and Harassment
- EEO
- Privacy
- Alcohol and Other Drugs
- Code of Conduct
- Work, Health and Safety

Council has entered into a contract with a training provider ELMO and will be rolling out the new learning platform in 2018/2019.

Training plans are developed and reviewed every twelve months following the annual performance reviews. Council has established a comprehensive training plan for all Council employees, the following courses were undertaken throughout the financial year:-

- Conduct Manual Tasks Safely
- Consultative Committee Training
- HPECM Power User
- Council Induction Training 2018
- Council Induction Training 2017
- Alcohol and other Drugs Information/Training Sessions

- Prepare to work safely in the Construction Industry
- Senior First Aid
- Chemical Handling / User Training
- Traffic Control Apply Plans & Introduction (Yellow)
- Prepare Work Zone Traffic Management Plant
- Traffic Controller (Blue)
- Work Zone Traffic Control Guidance Plan - Developer Skill Set
- TLILIC2001 Licence to operate a forklift truck
- Asset Inspector Training - Statement of Attainment
- RIIMP0319D Conduct backhoe/loader operations
- Remove non-friable asbestos
- Induction in Tar Pot 764
- Chainsaw FWPCOT2239 Trim and cut felled trees
- HR - Heavy Rigid Vehicle License
- AHCPGD206 Conduct visual inspection of park facilities
- Outdoor Playground Inspector "Routine" Inspection.

In 2017/2018 total staff training costs were \$177,415 this includes the employees' time, salaries and training course fees. The training costs excluding salaries and wages totalled \$111,815.

There were also staff recruitment expenses incurred that totalled \$27,998 including medical examinations, advertising and interview expenses; however, this amount excludes staff salaries and wages expenses.

14. IMPLEMENTATION OF EQUAL EMPLOYMENT OPPORTUNITY MANAGEMENT PLAN

Section 428 (2) (n)

Equal Employment Opportunity is ensuring that there is no direct discrimination, indirect discrimination or harassment against anyone in the workplace. All persons do have an equal right and fair opportunities when applying for a position in the workplace or whilst employed by Council. By the implementation of an EEO Policy and Programme, a more productive workplace will develop and this will result in a better service to the community.

The purposes of Council's EEO Policy are to ensure that:-

- The best available person is selected for each position;
- The right people are trained in the correct and most appropriate functions;
- The most suitable/best person is promoted;
- Every employee is developed to reach their full potential no matter what sex, age, race and so on;
- Every employee is able to work productively in a non-threatening and non-harassing environment.

The goal of an EEO Programme is to ensure that for any position the best available person is selected. In other words, a person's race, sex, marital status, membership of an ethnic or migrant group or physical, intellectual or psychiatric impairment or homosexuality, etc., should not reduce his / her chance of employment or promotion or access to employment benefits.

In practical terms, a commitment to EEO means that staff selection must be accurate, fair, accountable and systematic and promotions should be based solely on merit. Decisions about Staff selection must be made on job-related criteria and should not render Council, as the responsible employer, to charges of unlawful discrimination.

EEO Plans have been developed to ensure adequate training and exposure is given to all staff to ensure they are aware of EEO principles and the Council's adopted policy. Council continues to place great emphasis on its Equal Employment Opportunity Management Plan to ascertain its relevance in relation to Council's operations.

Throughout the year, Council continued to implement EEO Policies. All newly appointed Council employees are provided with a copy of Council's EEO Management Plan to enable them to be fully aware of the principles and guidelines that Council has adopted as part of their induction procedure.

Also, all staff members have been provided with a copy of Upper Lachlan Shire's adopted Code of Conduct. Upper Lachlan Shire Council's has also adopted an Equal Employment Opportunity Management Plan and an Equal Employment and Anti-Discrimination Policy which states the following EEO program activities and sets EEO performance targets.

EEO PROGRAM ACTIVITIES

EEO Policy Statement

1. Objective

To demonstrate management and organisational commitment to EEO, ensure there is an understanding of EEO principles, and keep staff informed about the EEO Management Plan.

2. Strategies

To ensure there is organisational commitment to EEO and an understanding of EEO principles by all employees.

3. Target Group

All existing and prospective employees of Council, elected Councillors, Committees of Council and Council volunteers.

4. Actions

4.1 Review the policy statement to ensure it contains the following:-

- a) A positive commitment by Council to implementing the EEO program and incorporating EEO principles into all Council operations;
- b) Brief explanation about EEO and the positive benefits EEO will bring to Council as an organisation and to all Council Staff;
- c) A brief statement about the Anti-Discrimination Act and the responsibility of Council to ensure a discrimination-free workplace;
- d) A brief outline of the EEO Management Plan and proposed activities including;
- e) Articulates the aims and summary of objectives;
- f) Priority strategies in various areas i.e. recruitment, training;
- g) A clear statement of responsibility of all Managers / supervisors in preventing discrimination and promoting EEO;
- h) The Council Resolution adopting the EEO Policy and Management Plan;

- i) Endorsement of the General Manager and Mayor.
- 4.2 Gain management and staff commitment.
- 4.3 Seek union/s agreement.
- 4.4 Submit EEO Policy to Council for adoption.
- 4.5 Keep employees involved and updated on EEO issues by distribution through the following channels:-
 - a) Memo/circular or with pay advice/packets;
 - b) Notice boards;
 - c) Shire Newsletter;
 - d) Include in personnel manual/induction booklets;
 - e) Include in staff induction and training courses.
- 4.6 Inform local residents in pamphlets; distribute with rate notices/in library, local press, etc.

EEO Performance Targets

5.1 EEO Policy Statements

- 5.1.1 EEO policy publicised and distributed to staff.
- 5.1.2 Copy of the EEO Policy is issued to all staff, and human resources discuss the contents and requirements of the EEO policy in their initial Employee Induction Process.

5.2 Communication and Awareness Raising

- 5.2.1 All new employees attend EEO sessions as part of Induction training programs.

5.2.2 Put into practice as part of all new staff Induction Process.

5.2.3 Random sampling of employees' awareness / understanding of EEO is undertaken on a regular basis through mediums such as selection interviews and exit interviews.

5.2.4 EEO questions are implemented into the selection criteria as well as the EEO questions in the interview process for all positions.

5.2.5 Quarterly progress reports on EEO achievements are prepared and distributed to all staff.

5.2.6 Department monthly and quarterly meetings are held and all Departments are aware of their responsibilities under the provisions of the EEO policy.

5.2.7 Report on EEO Management Plan is prepared annually for inclusion in Council's Annual Report.

5.2.8 The Human Resources Coordinator in concurrence with the Department Directors and General Manager, review, amend and forward document to Council meeting for adoption.

5.3 Appointment, Promotion and Transfer

- 5.3.1 Immediate and ongoing.
- 5.3.2 The Human Resources Coordinator in concurrence with the Department Directors and General Manager, review, amend and forward the Recruitment and Selection Policy to Council annually, with the provisions outlined.
 - o All employee recruitment and selection will be in accordance with equal employment opportunity

principles and EEO Management Plan, Anti-Discrimination Act 1977, the Local Government Act 1993 and the Local Government (State) Award 2017.

5.4 Training and Development

5.4.1 Immediate and ongoing.

5.4.2 The Human Resources Coordinator in concurrence with the Managers and supervisors from their relevant Departments, review, amend and forward training needs analysis annually. This data is collated from the annual performance reviews, and is prioritized to meet organisational objectives in a timely and cost effective manner. The process is designed to avoid and / or eliminate any opportunity of discrimination outlined in Council's EEO Management Plan.

5.5 Conditions of Employment

5.5.1 Immediate and ongoing.

5.5.2 All conditions of employment will be in accordance with Council's Recruitment and Selection Policy and procedures in complying with equal employment opportunity principles and EEO Management Plan, Anti-Discrimination Act 1977, the Local Government Act 1993 and the Local Government (State) Award 2017.

5.6 Harassment and Grievance Procedures

5.6.1 EEO Annual Report is produced on an annual basis for the year ending 30th June.

5.6.2 EEO Management Plan is reviewed on an annual basis and amended as necessary.

5.6.3 Bullying and Harassment Prevention training was completed On Line by all staff members throughout the year with all the supervisory positions being given priority to assist their skills in identifying and addressing issues relating to bullying and harassment. There will be ongoing training for new staff each year.

15. DELEGATIONS TO EXTERNAL BODIES

Section 428 (2) (o)

The following external bodies were delegated functions by Council during 2017/2018:-

Bigga Memorial Hall Committee

Functions of the Committee: The care, control and management of the Bigga Memorial Hall in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Binda Cemetery Committee

Functions of the Committee: The care control and management of the Binda Cemetery in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Binda Hall Committee

Functions of the Committee: The care control and management of the Binda Hall in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Breadalbane Community Hall Committee

Functions of the Committee: The care, control, management and organisation of the Breadalbane Community Hall in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Building Review Committee

Functions of the Committee: To provide recommendations to Council on options for possible locations for a new Community and Civic

Centre and the possible relocation of the Works Depot in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council from time to time.

Collector Oval Committee

Functions of the Committee: The care, control, management and organisation of the Collector Oval in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Collector Pumpkin Festival

Functions of the Committee: The care, control, management and organisation of the Collector Pumpkin Festival in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Collector Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide recommendations to Council prioritising available project funding involving the Community Enhancement Program for the benefit of the eligible target community.

Community Technology Centre Committee

Functions of the Committee: The care, control, management and organisation of the Community Technology Centres in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Crookwell Christmas in the Park Committee

Functions of the Committee: The care, control, management and organisation of the Crookwell

Christmas in the Park function in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Crookwell and District Arts Council

Functions of the Committee: The care, control, management and organisation of the Crookwell Arts Council in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Crookwell and District Historical Society

Functions of the Committee: The care control and management of the history of the Crookwell portion of the area in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Crookwell II and III Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide community representation with regards to the Community Enhancement Program for the benefit of the eligible target community.

Crookwell Memorial Hall Committee

Functions of the Committee: The care, control and management of the Crookwell Memorial Hall in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council. A Plan of Management for the facility for a period of

five years is agreed in accordance with the management arrangement with Council.

Crookwell Potato Festival Committee

Functions of the Committee: The care, control, management and organisation of the annual Crookwell Potato Festival in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any budget that is voted by Council.

Cullerin Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide recommendations to Council prioritising available project funding involving the Community Enhancement Program for the benefit of the eligible target community.

Dalton Power Station Community Enhancement Program Committee

Functions of the Committee: To provide recommendations to Council prioritising available project funding involving the Community Enhancement Program for the benefit of the eligible target community.

Economic Development Task Force Committee

Functions of the Committee: To consider and improve economic development strategies for the Upper Lachlan Shire with the Taskforce's aims being:

- To work closely with Shire staff and Council, via the Economic Development Officer.
- To develop and pursue strategies to improve the services, infrastructure and lifestyle of the shire.

- To increase the job opportunities in the Shire allowing existing businesses to be successful and expand.
- To increase the population of the shire in a controlled manner by promoting the residential qualities, relaxed lifestyle and attractiveness of the area.
- To identify, plan and attract professionals, businesses and light industry to the Shire.
- To build on the Shire's rural strengths.

Gullen Range Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide recommendations to Council prioritising available project funding involving the Community Enhancement Program for the benefit of the eligible target community.

Gunning Courthouse Management Committee

Functions of the Committee: The care, control, management and organisation of the Gunning Courthouse Centre in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Gunning Golf Club Management Committee

Functions of the Committee: The care, control, management and organisation of the Gunning Golf Club in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Gunning Shire Hall and Showground Precinct Advisory Committee

Functions of the Committee: To provide advice with respect to the care, control, management and organisation of the Gunning Shire Hall and Showground Precinct in accordance with the

requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Pye Cottage Precinct Committee

Functions of the Committee: To provide advice with respect to the care, control, management and organisation of the Pye Cottage and Precinct in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Rye Park Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide community representation with regards to the Community Enhancement Program for the benefit of the eligible target community.

Sporting Fields Committee

Functions of the Committee: To advise Council on matters involving the use, maintenance and improvement of Sporting Fields throughout the Upper Lachlan Shire.

Stonequarry Cemetery Committee

Functions of the Committee: The care control and management of the Stonequarry Cemetery in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Taralga War Memorial Hall Committee

Functions of the Committee: The care, control, management and organisation of the Taralga Memorial Hall in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any funds that may be voted by Council.

Taralga Wind Farm Community Enhancement Program Committee

Functions of the Committee: To provide community representation with regards to the Community Enhancement Program for the benefit of the eligible target community.

Tony Foley Memorial Gunning District Community Centre Committee

Functions of the Committee: The care control and management of the Tony Foley Memorial Gunning District Community Centre in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Tuena Hall and Recreation Area Committee

Functions of the Committee: The care control and management of the Tuena Hall and Recreation Area in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Upper Lachlan Access Committee

Functions of the Committee: Provide input to Council on access issues and to assist with the ongoing development of the Disability Action Plan.

Upper Lachlan Tourist Association

Functions of the Committee: The care control and management of the tourist function of the Upper Lachlan area in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within the funds voted by Council.

Upper Lachlan Australia Day Committee

Functions of the Committee: The Australia Day Committee will be responsible for the co-ordination of the official Australia Day celebrations across the Upper Lachlan Shire subject to the Australia Day Council Guidelines the Committee's responsibilities in respect of this event are as follows:

- a) The Committee will: organise the Ambassador, provide recommendations to Council on the annual Australia Day Awards and be responsible for expenditure as per Operational Plan allocation.
- b) The Council will: be responsible for any administrative assistance to the Committee and be responsible for funding as per the Operational Plan each year.

Youth Council (YA'MAD)

Functions of the Committee: The care, control, management and organisation of the Upper Lachlan Shire Youth Council in accordance with the requirements of the Local Government Act and Regulations, 1993, Council policies and within any budget that is voted by Council annually.

Audit, Risk and Improvement Committee

Functions of the Committee: The Audit, Risk and Improvement Committee will act as an advisory Committee to Council. The primary role of the Committee is to assist Council in the effective operation of its responsibilities for financial reporting, risk management, governance, investments, to maintain and review the internal control systems and to facilitate the organisation's ethical development. The committee will liaise with Council's external auditor and internal auditor to facilitate achieving the organisational goals and maintaining efficient work practices.

16. NOXIOUS WEEDS REPORT

Under the Biosecurity Act 2015 (former Noxious Weeds Act 1993), Council has the responsibility, as the Local Control Authority, to control noxious weeds on lands under its jurisdiction and to also ensure that landowners within our area carry out their responsibility to control noxious weeds on land they own or occupy.

Control of Noxious Weeds on Council Land

In 2017/2018, Council's Noxious Weeds Section implemented a weed control program to control noxious weeds on roadsides, reserves and parks that are under Council's control. Council's Staff conducted this weed control program, which aimed to control noxious weeds to the standards specified in the control measures of the weed control orders made by the NSW Government. The outcomes of this weed control program were regularly reported to Council during the year.

Council's noxious weed control program focused on priority noxious weeds and new weed incursions with this program aimed at preventing the spread of noxious weeds from land under the responsibility of Council to land free of noxious weeds or where weeds had been controlled.

The intent of this control program is to set a positive example for weed control within our community. All complaints received during the year were investigated by Weed Officers and appropriate action taken to control infestations as specified in the control class.

Control of Noxious Weeds on Privately Owned Land

Noxious Weeds Inspection

During the year, Weed Officers conducted a private property inspection program which relied heavily on the local experience of the inspectors and also surveys conducted to target specific noxious weed problem areas.

During 2017/2018, 607 private property inspections, 96 high risk pathway sites and 1,262 kilometres of transport pathway surveys were conducted with a range of actions taken to ensure that a maximum level of noxious weed control compliance was achieved. The aim of this inspection/survey program was to identify new weed incursions and gain the co-operation of landholders to participate in control programs.

Where it was found that landholders were not carrying out their responsibilities to control noxious weeds an enforcement procedure was utilised to initiate weed control work.

During the year information on a range of weed related issues were addressed in Council's newsletter, however the most effective method of communication and education with our community continued to be conducted on a one on one basis between Weed Officers and Landholders during the private inspection programs. Weed staff also attended and spoke at a number of meetings and Field Days during the year and weed control information was available from Inspectors at each of Council's offices.

17. CONTROLLING INTEREST IN COMPANIES

Section 428 (2) (p)

Upper Lachlan Shire Council does not hold a controlling interest in any company.

18. PARTNERSHIPS, CO-OPERATIVES OR JOINT VENTURES

Section 428 (2) (q)

Partnerships, co-operatives or other joint ventures to which Council was a party in 2017/2018 are as follows:-

- 1) Upper Lachlan Shire Council is a member of the constituted Canberra Region Joint Organisation of Councils (CRJO) which facilitates regional cooperation and resource sharing.
- 2) Upper Lachlan Shire Council, Yass Valley Council and Goulburn Mulwaree Council are parties to a Memorandum of Understanding (MOU) for collaboration between the Councils.
- 3) Southern Tablelands Regional Arts Council (STARTS) – is a partnership between Arts NSW and Upper Lachlan Shire Council, Hilltops Council, Goulburn Mulwaree, Queanbeyan Palerang Regional Council, Wingecarribee Shire, Wollondilly Shire and Yass Valley Councils.
- 4) Southern NSW Regional Tourism Organisation – Upper Lachlan Shire Council is a member.
- 5) Southern Tablelands and South Coast Regional Noxious Plant Committee.
- 6) South East Resource Recovery Regional Organisation of Councils (SERRROC).
- 7) StateWide Mutual Limited for Local Government (Jardine Lloyd Thompson's Mutual Liability Scheme and Risk Management).

19. RATES AND CHARGES ABANDONED

Section 428 (2) (r) and Clause 132 of Local Government (General) Regulation 2005

During the 2017/2018 financial year an amount of \$7,650 was written-off related to water supply annual charges and user charges. The income abandonment related to water usage accounts for undetected water leaks in accordance with Council policy and the Gunning Roos Rugby League Club water use account on Council Gunning Showground facility.

Upper Lachlan Shire Council provided rate relief to pensioners during the financial year totalling \$207,809, including the following distributions:-

General Purpose Pension Abandonment	\$ 97,293
Water Supply Pension Abandonment	\$ 32,858
Sewerage Services Pension Abandonment	\$ 29,701
Domestic Waste Pension Abandonment	\$ 47,956

20. COMPANION ANIMALS

Companion Animals Act and Clause 217 (1) (f) of Local Government (General) Regulation 2005

Activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulations included collection and lodgement of data relating to pound activities and dog attacks and also various community education activities. Council has developed and adopted a local Companion Animals Management Plan to improve outcomes in the area of companion animal's management in the Upper Lachlan local government area.

The 2017/2018 Upper Lachlan Shire Council pound data collection return showed that 21 dogs and 1 cats had been seized and transferred to Council's pound facility. From the 22 animals seized; 1 were euthanized, 11 were released to owners and 10 were re-homed.

Upper Lachlan Shire Council expended \$103,672 on animal control activities, including impounding and controlling stock. Council has an employee who undertakes the animal control functions and enforcement.



LOCAL GOVERNMENT (GENERAL) REGULATION 2005 – CLAUSE 217 (1)

a) OVERSEAS VISITS FUNDED BY COUNCIL

During the 2017/2018 financial year there were no overseas visits undertaken by Councillors, Council employees or other persons on behalf of Upper Lachlan Shire Council.

b) STATEMENT OF REMUNERATION FOR SENIOR STAFF (as per No. 7 above).

c) ACTIVITIES FOR CHILDREN

Council has continued its programme to expand the provision of modern playground equipment in Council's parks and gardens operations. Council is replacing older equipment with modern safer items that meet all relevant safety standards.

Council has playground equipment in all the 13 towns and villages within the Shire, with multiple playground facilities provided in the towns.

In conjunction with various community organisations, Council is continuing to provide barbeque areas in its parks and gardens together with additional shaded areas that enable families and children to access these areas on a frequent basis.

The Council provides two Branch Library services for the community at Crookwell and Gunning. The libraries continue to provide free public access to computers and Wi-Fi, as well as a range of children library services and activities at the libraries.

Council provides the community with two outdoor swimming pools which are owned and operated by Council. The swimming pools are located in Crookwell and Gunning and operate for 4-5 months of the summer period and are well

patronised by children and by the local Swimming Club and the Primary Schools in the district.

Council has provided a skate ramp for the community at Goodhew Park in Taralga for over a decade. Two years ago Council, in conjunction with the community and Veolia Mulwaree Trust, has installed a new skate park in Gunning. Further, Council in conjunction with the NSW Government, Veolia Mulwaree Trust, community, youth of Crookwell and Lions Club has installed the Crookwell skate park at Clifton Park.

Council maintains numerous sportsgrounds within the Shire, which are in an excellent condition. These sporting grounds are utilised for a variety of sports competitions such as tennis, cricket, rugby league, rugby union, touch football, soccer, hockey, athletics and golf.

Council indirectly supports children by way of donations to primary and secondary Schools within the Shire, and leases Crown land to the SDN Children's Services who provide a pre-school in Crookwell. Council continues to be a financial partner of the South East Regional Academy of Sport (SERAS) who provide scholarships for young talented sports persons.



d) ACCESS AND EQUITY ACTIVITY SUMMARY

i. SOCIAL AND COMMUNITY PLAN

Social and Community Plans are a key mechanism by which to build a healthy and vibrant community to enhance the everyday lives for residents and cater to community needs. Council is committed to developing at least one social and community plan every five years to assist Council to take into account the needs of its community and provide or advocate for appropriate and accessible services and facilities for the benefit of the community.

Council adopted its first Social and Community Plan 2007 – 2012 in 2006. This Plan was then reviewed and revised in 2013 and again in 2014 with the Social and Community Plan 2013 – 2018 adopted on the 19 June 2014. The Social and Community Plan includes demographic information about the population of the LGA in addition to looking at the needs of people with disabilities, people from culturally and linguistically diverse backgrounds, Aboriginal people, children, young people, women, and older people as required. Council also included men, mental health and wellbeing, the farming community and transport as issues and groups examined.

Council adopted a Disability Inclusion Action Plan 2017–2020 in June 2017. Council is working towards creating a Shire that provides equal opportunity for people with disability, their carers and families to use and enjoy the public spaces and opportunities our Shire has to offer. The Plan demonstrates Council’s commitment to improving the quality of services, facilities, systems and programs over a four year period.

A Crime Prevention Plan has not been completed.

Please see the complete copy of the reviewed and updated Social and Community Plan provided as Annexure Document “B” and the Disability Inclusion Action Plan 2017 – 2020 at the end of the Annual Report. This details the Action Plan performance against identified targets.

e) COMPETITIVE NEUTRALITY

i The pricing principles and requirements of competitive neutrality have been applied by Upper Lachlan Shire Council for the three Category 2 businesses:-

- Water Supply service;
- Sewerage service; and
- Domestic Waste Management service.

ii. CATEGORY 1 BUSINESS ACTIVITIES

Under the principle of competitive neutrality, Council does not have any Category 1 businesses that meet the specific requirements of competitive neutrality and consequently have no performance comparison requirements.

iii. CATEGORY 2 BUSINESS ACTIVITIES

As at 30 June 2018, Council has three Category 2 businesses, namely the Water Supply, Sewerage service and Domestic Waste Management service for the Upper Lachlan Shire Council area.

The Water Supply business unit operates for the following towns; Crookwell, Gunning, Dalton and Taralga. The Sewerage service operates in the following towns; Crookwell, Gunning and Taralga. The Domestic Waste Management service operates in all towns

and villages on the designated collection route within the Upper Lachlan Shire Council area.

Details of the three Category 2 businesses performances can be found in Council's Special Purpose Financial Statements, which are presented as an attachment at the end of the Annual Report.

iv. CATEGORY 2 COMPETITIVE NEUTRALITY PRICING

Council has established a Complaints Management Policy to deal with Competitive Neutrality complaints in conjunction with Council's Code of Business Practice. The Complaints Management Policy and Code of Business Practice are available to the public in the main customer service area of Council's Administration Offices in Gunning and Crookwell, is included in Council's Policy Register and is available on Council's website. The documents state the objectives and intent of handling customer complaints in an efficient and effective manner and include an application form for registering and dealing with all customer complaints within set response timeframes.

v. CATEGORY 2 PERFORMANCE COMPARISON

Throughout 2017/2018, Upper Lachlan Shire Council did not receive any competitive neutrality complaints in relation to its Category 2 businesses operations.

f) STORMWATER MANAGEMENT SERVICES

Stormwater drainage maintenance and construction is carried out according to the needs and resources available and allocated by Council's Works and Operations Department. Council's Operational Plan outlines that all town's stormwater drainage works including the cleaning, clearing and maintenance are to be completed in accordance with the Operational Plan budget allocation.

Council levied a Stormwater Management Charge for the specific purpose of improving the existing stormwater and drainage infrastructure. The annual charge is levied in accordance with the Local Government (General) Amendment (Stormwater) Regulation 2006, under Section 496A, of the Local Government Act 1993. The charge is applicable to all urban land within a city, town or village that is categorised as Residential and Business, excluding vacant land.

The Stormwater Management annual charge is levied in four towns; those towns are Collector, Crookwell, Gunning and Taralga. The income raised by the annual charge in 2017/2018 totalled \$46,277. The income generated from the stormwater levy is in Council's externally restricted reserve fund that currently totals \$282,663.

In 2017/2018 zero dollars were expended from the stormwater management charge.

Upper Lachlan Shire Council also maintains stormwater operational expenditure each year exclusive from the Stormwater Management levy of \$15,000. Council expended \$186,000 on stormwater asset renewals in 2017/2018.

GOVERNMENT INFORMATION (PUBLIC ACCESS) APPLICATION – ANNUAL REPORT 2017/2018

Under Section 125 (1) of the Government Information (Public Access) Act 2009, each agency must, within 4 months after the end of each reporting year, prepare an Annual Report on the agency's obligations under this Act.

Under Clause 7, of the Government Information (Public Access) Regulation 2009 the Annual Report must include the following:-

7 (a) Details of the review carried out by the agency under Section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review.

Section 7 of the Act - Authorised proactive release of government information – at subsection (3), provides that... An agency must, at intervals of not more than 12 months, review its program for the release of government information under this section to identify the kinds of government information held by the agency that should in the public interest be made publicly available and that can be made publicly available without imposing unreasonable additional costs on the agency.

Yes – a review was carried out by Upper Lachlan Shire Council in June 2017. A review of Council's Agency Information Guide was amended and readopted by Council on 17 August 2017. The focus by Council is on ease of access to information and to provide as much information wherever practicable via the Council website and at the three Council administration offices and two libraries.

As a result of the review Council decided to proactively release the following information:-

- Australia Day Event of the Year Nomination 2019
- Australia Day Citizen and Young Citizen of the Year Nominations 2019
- Australia Day Nomination Guidelines - Event, Citizen and Young Citizen Awards
- Memorandum of Understanding (MoU) between Goulburn Mulwaree Council, Upper Lachlan Shire Council and Yass Valley Council
- Draft Biala Wind Farm Voluntary Planning Agreement
- Draft Crookwell 2 and 3 Windfarms Voluntary Planning Agreement
- Pedestrian Access Mobility Plan (PAMP) 2017
- Draft Community and Civic Centre Plans
- Application for Burial Reservation Permit
- Upper Lachlan Strategic Business Plan water and sewerage 2014
- High Speed Rail Forum
- Social and Community Plan
- Community Engagement Programs
- Voluntary Planning Agreements
- Lease-Licence Request Form
- Financial Statements
- The Voice
- Annual Reports
- Rural Living Handbook
- Driveway Specifications
- Crookwell Landfill Upgrade

7 (b) The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications).

There was one (1) valid Access Application received and determined by Council during 2017/2018.

7 (c) The total number of access applications received by the agency during the reporting year that the agency refused, either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (Information for which there is

conclusive presumption of overriding public interest against disclosure).

There was one (1) Access Application wholly refused by Council in regards to Schedule 1 of the Act.

7 (d) Information, as set out in the form required by the tables in Clause 7 (d) and Schedule 2, relating to the access applications (if any) made to the agency during the reporting year.

Please see the required information set out in the below tables.

SCHEDULE 2 - STATISTICAL INFORMATION ABOUT ACCESS APPLICATIONS TO BE INCLUDED IN ANNUAL REPORT

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private Sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	1	0	1	0	0	0	0	0
Total	1	0	1	0	0	0	0	0

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	1	0	1	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0
Total	1	0	1	0	0	0	0	0

*A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Reason for invalidity	No of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	6	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	6	100%
Invalid applications that subsequently became valid applications	0	0%

Table D: Conclusive presumptions of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	1	100%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Total	1	

*More than one public interest consideration may apply to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act

	Number of occasions when application not successful	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	1	100%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	1	

Table F: Timeliness

	Number of applications	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	1	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	1	

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	1	1	33%
Reviewed by Information Commissioner*	1	0	1	33%
Internal review following recommendation under section 93 of the Act	0	0	0	0%
Review by NCAT	1	0	1	33%
Total	2	1	3	100%

*The information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

	Number of applications for review	% of Total
Applications by access applicants	1	100%
Applications by persons to whom information the subject of access application relates (see Section 54 of the Act)	0	0%
Total	1	

	Number of applications transferred	% of Total
Agency - Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	



Taralga Wind Farm

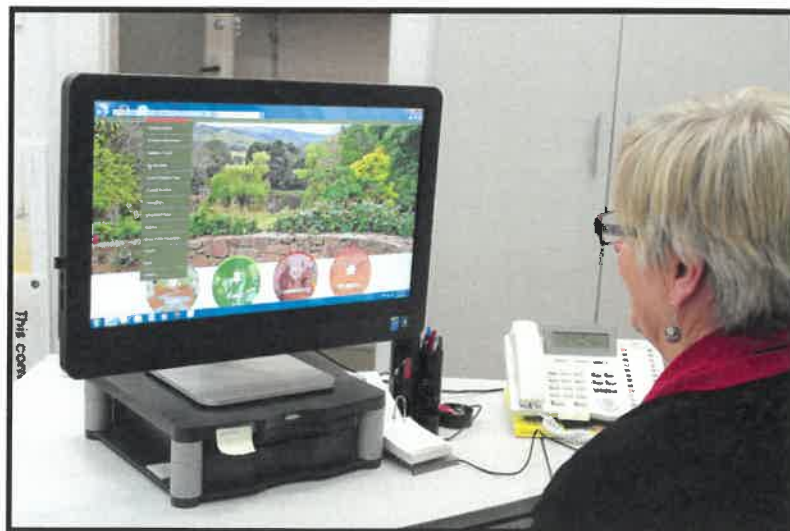
PUBLIC INTEREST DISCLOSURES ACT – ANNUAL REPORT

Report to the NSW Ombudsman

Reporting Period: July 2017 to June 2018

Submitted On: 20 July 2018

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PID's
No of public officials who made public interest disclosures to your public authority	0	0	0
No of public interest disclosures received by your public authority	0	0	0
Of public interest disclosures received, how many were primarily about:			
- Corrupt conduct	0	0	0
- Maladministration	0	0	0
- Serious and substantial waste	0	0	0
- Government information contravention	0	0	0
- Local government pecuniary interest contravention	0	0	0
No of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period		0	
Have you established an internal reporting policy?			Yes
Has the head of your public authority taken action to meet their staff awareness obligations?			Yes
If so, please select how staff have been made aware:			
Staff undertaking that they have read and understood your organisation's internal reporting policy, Training provided to new staff during induction			



PRIVACY AND PERSONAL INFORMATION ACT 1998**Section 33 (3)**

The Privacy Code of Practice for Local Government was approved by the Attorney General and was made by Order published in the Government Gazette on 30 June 2000. By virtue of Section 32, of the Privacy and Personal Information Protection Act 1998, Upper Lachlan Shire Council is bound by the Privacy Code of Practice for Local Government.

The Privacy Code of Practice for Local Government provides for the protection of personal information and for the protection of privacy of individuals generally. A Privacy Management Plan sets out the various information protection principles, training, induction and internal review procedures by which Council manages any private and personal information it holds. Upper Lachlan Shire Council resolved to adopt the updated model Privacy Management Plan for Local Government (without amendment) as supplied by the Office of Local Government in 2013. Council has reviewed and adopted the Privacy Management Plan and Privacy Policy on 15 June 2017.

Upper Lachlan Shire Council has appointed, the Director of Finance and Administration, Andrew Croke, as the Privacy Contact Officer. The Privacy Contact Officer will review all complaints received by Council with respect the Privacy and Personal Information Protection Act 1998.

Section 33 (5)

Upper Lachlan Shire Council had no complaints pursuant to the Privacy and Personal Information Protection Act 1998.

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979**Section 93 (G) (5)**

Upper Lachlan Shire Council has entered into a Voluntary Planning Agreement with AGL Energy Ltd on 11 September 2012 in relation to critical infrastructure project known as the Dalton Gas Fired Power Station.

Upper Lachlan Shire Council has a Community Enhancement Program agreement with Goldwind Australia Pty Ltd on 24 October 2013 in relation to the State Significant Development of Gullen Range Wind Farm project.

Upper Lachlan Shire Council has a Community Enhancement Program agreement with Taralga Windfarm Nominees Pty Ltd on 7 September 2014 in relation to the State Significant Development of Taralga Wind Farm project.

Upper Lachlan Shire Council has a Community Enhancement Program agreement with Energy Development on 20 October 2016 in relation to the Development of the Cullerin Range Wind Farm project.

Upper Lachlan Shire Council has a Community Enhancement Program agreement with Crookwell Development Pty Ltd on 27 July 2017 in relation to the State Significant Development of Crookwell II and III Wind Farm project.

Upper Lachlan Shire Council has a Community Enhancement Program agreement with Rye Park Renewable Energy Pty Ltd on 21 August 2017 in relation to the State Significant Development of Rye Park Wind Farm project.

APPENDIX B – DELIVERY PROGRAM ACTIONS REPORT

The Delivery Program Actions are integrated with the Community Strategic Plan CSP Strategic Objectives with references also provided to the Community Aspirations. Each six month period the General Manager is to provide a progress report with respect to the Delivery Program principal activities and program actions.

REGIONAL CSP STRATEGIC PILLAR NO.1 - COMMUNITY

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
1.1 - Support the retention of medical and health care facilities in the towns.	Support medical practitioners by providing available community buildings to facilitate health care service provision.	Director of Environment and Planning	Strategy CO1 - Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport. 5. People attaining health and wellbeing.	Completed – community buildings are leased to facilitate health care services.
1.2 - Support provision of ageing population services and aged accommodation.	Liaise with government agencies and associated community groups in advocating for adequate aged care services and accommodation.	Director of Environment and Planning	Strategy CO1 - Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport. 2. Community liaison to preserve and enhance community facilities.	Completed – ongoing liaison continued. Pending - Disability Inclusion Action Plan priorities are ongoing.
1.3 - Community services for young, aged, disabled, and people from diverse cultural backgrounds.	Number of actions of the Social and Community Plan, Cultural Plan and Ageing Strategy are implemented.	Directors of Environment and Planning & Finance and Administration	Strategy CO3 - Foster and encourage positive social behaviours to maintain our safe, healthy, and connected community. 6. Resilient and adaptable communities.	Completed - review of Social and Community Plan undertaken. Cultural Plan reviewed in June 2017 and cultural funding program implemented.

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
1.4 - Retain the youth population demographic and provide appropriate facilities.	Number of consultations held with youth groups. Continue support of the Youth Committees.	Director of Environment and Planning	Strategy CO2 - Encourage and facilitate active and creative participation in community life. 2. Community liaison to preserve and enhance community facilities.	Completed – YA'MAD meetings being held. Youth week activities undertaken in April 2018.
1.5 - Lobby for retention of education facilities.	Advocate for education facilities from pre-school to high school to be retained in the Shire's towns.	General Manager	Strategy CO1 - Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport. 2. Community liaison to preserve and enhance community facilities.	Completed - continue advocacy to retain current education facilities and Council support to local schools and school activities by donations.
1.6 - Protect significant heritage sites to preserve the diverse history of the Shire.	Number of heritage sites receiving funding over three year program.	Director of Environment and Planning	Strategy CO4 - Recognise and celebrate our diverse cultural identities, and protect and maintain our community's natural and built cultural heritage. 1. A built environment enhancing the lifestyle of a diverse community.	Completed - 2 heritage projects received grant funding in 2017/2018 and they have been acquitted.

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
1.7 - Social inclusion for all disparate communities.	Provision of recreational opportunities and upgrade to existing public recreational facilities within the Shire towns.	Director of Works and Operations	Strategy CO5 - Maintain our rural lifestyle. 6. Resilient and adaptable communities.	Completed - maintenance work on sportsgrounds is ongoing. New Crookwell Skate Park and outdoor gymnasium projects are now open for public use.
1.8 - Manage and upgrade Council's public buildings and community centres.	Regular communication and support of Section 355 Committees arrangements. Preparation and review Council buildings and prepare strategy on future arrangements.	Director of Environment and Planning	Strategy CO4 - Recognise and celebrate our diverse cultural identities, and protect and maintain our community's natural and built cultural heritage. 2. Community liaison to preserve and enhance community facilities.	Completed - communication and support to S355 Committees is being provided. Pending - Building Plans of Management are being established and reviewed.
1.9 - Encourage recreational, cultural and leisure activities while maintaining public safety standards.	Provide funding for existing library and swimming pool facilities. Also, manage animal control and sporting grounds activities.	All three Council Department Directors	Strategy CO2 - Encourage and facilitate active and creative participation in community life. 2. Community liaison to preserve and enhance community facilities.	Completed - Clifton Park and cricket pitch upgrade complete. Ongoing funding is provided for sportsgrounds maintenance activities.

REGIONAL CSP STRATEGIC PILLAR NO.2 - ENVIRONMENT

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
2.1 - Address environmental degradation issues, i.e. noxious weeds control.		Review of long-term Noxious Weeds Management Strategy.	Director of Environment and Planning	Strategy EN2 - Adopt environmental sustainability practices. 3. A healthy natural environment.	Pending - review of policy and further consultation required implementation of the Biosecurity Act, Regional Plan and establish Local Plan.
2.2 - Promote environmentally sustainable developments (ESD).		Review, update and implementation of Upper Lachlan Local Environmental Plan (LEP) and Development Control Plans (DCP).	Director of Environment and Planning	Strategy EN4 - Maintain a balance between growth, development and environmental protection through sensible planning. 4. A prosperous economy with the balanced use of our land.	Pending – Upper Lachlan LEP Planning Proposal has been submitted to Department of Planning and Environment. Review process report to be provided to Council in August 2018.
2.3 - Promote use of green and renewable energy.		Council promote alternate energy source initiatives. Implement Climate Change Adaption Strategy.	Director of Environment and Planning	Strategy EN5 - To investigate and implement approaches to reduce our carbon footprint. 3. A healthy natural environment.	Completed - alternative energy sources are encouraged.
2.4 - Pursue Section 94A Development Contribution payments for all State Significant - Designated Developments.		Council is to manage and distribute the funds through a Section 355 Committee of Council.	Director of Environment and Planning	Strategy EN1 - Protect and enhance the existing natural environment, including flora and fauna native to the region. 1. A built environment enhancing the lifestyle of a diverse community.	In Progress - 3 Community Enhancement Funds are operating through Section 355 Committees of Council.
2.5 - Support land care initiatives to restore and beautify natural resources.		The waterways sustain natural ecosystems through the expansion of willow removal and catchment programs.	Director of Environment and Planning	Strategy EN3 - Protect and rehabilitate waterways and catchments. 2. Community liaison to preserve and enhance community facilities.	Completed – support is provided for land care groups within the Shire.

REGIONAL CSP STRATEGIC PILLAR NO. 3 - ECONOMY

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
3.1 - Ensure financial viability of Council.		Long-term Financial Planning (LTFP) model implemented. Fit for the Future Action Plan implemented in relation to sustainability.	Director of Finance and Administration	Strategy EC4 - Foster and develop a diverse, adaptive, and innovative agricultural industry. 7. Responsible and efficient use of resources.	Completed – new LTFP adopted by Council in June 2018. Achieved 6 of 7 Fit for Future program benchmarks in 2017. Operating surplus result achieved in past 9 financial years.
3.2 – Prudent financial management.		Complete implementation of the Internal Audit Strategy and Plan. Achieve key financial benchmarks.	Director of Finance and Administration	Strategy CO5 - Maintain our rural lifestyle. 8. Transparent and accountable governance.	Completed - Strategic Internal Audit Strategy had two internal audit projects completed in February 2018.
3.3 - Encourage sustainable population growth and provision of associated infrastructure.		Implementation of the Economic Development Strategy 2015-2020 recommendations.	Director of Environment and Planning	Strategy EC1 - Capitalise on the region's close proximity to Canberra and its position as a convenient location to attract industry and investment. 4. A prosperous economy with the balanced use of our land.	In Progress – draft Regional Economic Development Strategy 2018-2022 consultation has progressed. Scope prepared for Upper Lachlan Economic Development Strategy.
3.4 - Assist facilitation of employment opportunities.		Number of contacts with existing businesses and grant application preparation resources provided to assist businesses.	Director of Finance and Administration	Strategy EC5 - Encourage collaboration between businesses, government, and training providers to develop employment and training opportunities for young people in the region. 7. Responsible and efficient use of resources.	Completed – grant project report provided to Council meetings. Grants Officer assistance provided to community groups seeking grants stated within that report.

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
3.5 - Encourage and support viable local businesses.	Deliver on tourism member and non-member benefits program. Tourism section is to prepare two business promotions annually.	Director of Finance and Administration	Strategy EC3 - Support and foster conditions that enable local and small/home-based businesses to grow. 4. A prosperous economy with the balanced use of our land.	Completed - Tourism membership scheme benefits and promotions are being delivered on an ongoing basis with specific focus on consumer shows, social and print media, email and online marketing.
3.6 - Promote tourism opportunities and community events.	Marketing and promotion is timely, professional, informative and responsive to user needs. Capitalise on Canberra Region (CBR) brand opportunities.	Director of Finance and Administration	Strategy EC2 - Jointly develop appropriate tourism opportunities and promote the region as a destination. 2. Community liaison to preserve and enhance community facilities.	In Progress – Destination Southern NSW Destination Management Plan 2018-2020 is complete and will be used as the basis for a Southern Tablelands and Upper Lachlan Action Plan and a strategic partnership with Visit Canberra.

REGIONAL CSP STRATEGIC PILLAR NO. 4 – INFRASTRUCTURE

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
4.1 - Improve local road and regional road transport networks.		Manage road assets to ensure public safety. Road Hierarchy reviewed and reported to Council. Pavement rehabilitation of regional roads.	Director of Works and Operations	Strategy IN3 - Maintain and improve road infrastructure and connectivity. 7. Responsible and efficient use of resources.	In Progress – capital and maintenance works underway on Regional and Local Roads. MR52 Devil’s Elbow and Gundaroo Road rehabilitation and upgrade works are completed.
4.2 - Infrastructure Plan is implemented for new capital works, asset renewal and upgrades covering a 10 year period.		Asset Management Plans and Asset Strategies by each Asset Class are developed and recommendations implemented.	Director of Works and Operations	Strategy IN4 - Maintain and update existing community facilities, and support the development of new community infrastructure as needed. 2. Community liaison to preserve and enhance community facilities.	In Progress - works program has been approved by Council. Further refinement of Asset Management Plan and improvement in assets registers to be completed starting with field data collection and update to the condition rating records. Asset Steering Committee has started to coordinate the Asset Management function of the Council.
4.3 - Bitumen seal all urban streets in towns.		Prepare 4 year road capital works program budget and review works priorities annually.	Director of Works and Operations	Strategy IN3 - Maintain and improve road infrastructure and connectivity. 1. A built environment enhancing the lifestyle of a diverse community.	In Progress - 4 year capital road works budget programmed and works have commenced and reviewed. Additional years will be available after the Asset Management Planning is progressed.

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
4.4 - Develop town main street and CBD beautification programs.		Town main street beautification improvement programs and street cleaning. Streetscape Plan development and implementation in coordinated manner.	Director of Works and Operations	Strategy IN2 - Improve public transport links to connect towns within the region and increase access to major centres. 2. Community liaison to preserve and enhance community facilities.	In Progress - development of town and village streetscape program is budgeted with construction to be considered after the design phase is completed. Council has appointed Fresh Landscape Design to progress the designs for the streetscape and entry signs of our villages.
4.5 - Lobby for improved mobile telephone and broadband services.		To ensure regional and rural areas are included in the roll out of Federal Government technological initiatives.	Director of Works and Operations	Strategy IN7 - Secure improvements for, and future proof, telecommunications infrastructure. 1. A built environment enhancing the lifestyle of a diverse community.	Completed – new towers built for Dalton, Peelwood and Golspie. Myrtleville tower approved. Council is lobbying the Minister for Communications requesting improved telecommunication. Consultation has been undertaken with Telstra by the Mayor and AGM. NBN services now provided to Crookwell.
4.6 - Improve water supply and sewerage facilities to towns.		Implement town water supply and sewerage improvement programs. Complete construction of the Crookwell water treatment plant \$7 million project.	Director of Works and Operations	Strategy IN5 - Ensure high quality water supply options for the towns in the region. 2. A healthy natural environment.	Completed - construction work completed for Crookwell Water Filtration Plant. Additional water supply upgrades in Crookwell and Taralga to be complete by June 2018.

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
4.7 - Provide increased waste pickup service for towns and villages and reduce the amount of waste going to landfills.		Council provide a strategy for future waste service provision. Implement improvement works to waste centres and waste transfer stations that comply with EPA guidelines.	Director of Works and Operations	Strategy IN6 - Implement safe, accessible, and efficient management and recycling options for general waste, green waste, and sewage. 7. Responsible and efficient use of resources.	In Progress - village tips are being managed by Council and contractors to arrange and compact waste at each tip. Collector tip has been converted to a transfer station with further tips under consideration for conversion to transfer station.
4.8 – Actively seek funding for the Goulburn to Crookwell Rail Trail concept.		Joint Goulburn Mulwaree and Upper Lachlan Shire Councils Committee formed. Feasibility Study to be completed. Project estimates to be completed. Council to pursue grant and other funding options to facilitate the development of a rail trail.	Director of Works and Operations	Strategy EC2 - Jointly develop appropriate tourism opportunities and promote the region as a destination. Strategy IN4 - Maintain and update existing community facilities, and support the development of new community infrastructure as needed. 4. A prosperous economy with the balanced use of our land.	In Progress - Committee formed. Regional Economic Impact Assessment completed. External funding application prepared by Goulburn Mulwaree Council was unsuccessful.
4.9 - Develop new and upgrade existing footpaths and cycleway networks.		Review and implement the Pedestrian Access and Mobility Plan (PAMP) to create links to community services.	Director of Works and Operations	Strategy IN4 - Maintain and update existing community facilities, and support the development of new community infrastructure as needed. 1. A built environment enhancing the lifestyle of a diverse community.	In Progress - footpath works proceeding in accordance with current PAMP. Stronger County Communities Round 1 grant funding secured for footpath construction projects. Round 2 applications lodged for further footpath projects.

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
4.10 - Upgrade stormwater and kerb and guttering in towns.	Stormwater Management Plans created and recommendations progressively implemented in a 4 year capital works budget.	Director of Works and Operations	Strategy IN3 - Maintain and improve road infrastructure and connectivity. 2. A healthy natural environment.	In Progress - locations requiring improvements are identified in the Flood Risk Study includes projects and future budgets. Oram Street stormwater upgrade completed. Further works planned in Crookwell and Collector in 2018/2019.
4.11 - Progressively replace timber bridges on local and regional roads.	Prepare and implement a 10 year bridge replacement program with funding model in Long Term Financial Plan (LTFP).	Director of Works and Operations	Strategy IN2 - Improve public transport links to connect towns within the region and increase access to major centres. 7. Responsible and efficient use of resources.	In Progress - Abercrombie River MR256 bridge replacement. National Parks license is being secured to start construction works. Environmental clearances are complete. Project funding has been secured for Kiamma Creek bridge replacement. Bridges assessment to be completed for load and capacity to help develop a further works program.
4.12 - Flood Risk Management Plans created for Crookwell, Gunning, Taralga and Collector.	Preparation and implementation of Flood Risk Management Plan recommendations.	Director of Environment and Planning & Director of Works and Operations	Strategy EN4 - Maintain a balance between growth, development and environmental protection. 4. A prosperous economy with the balanced use of our land.	In Progress - Flood Risk Management Plan and Study adopted by Council. Planning Proposal has been submitted to NSW Department of Planning and Environment.

Delivery Program Actions	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
4.13 - Transport link priority projects to State Parks including the Wombeyan Caves Road and Grabine Road reconstruction and upgrade to facilitate economic benefits to the region.	Pursue grant funding opportunities that deliver on the pursuit of regional economic growth benefits. Improve road infrastructure assets with potential to stimulate the local economy.	Director of Works and Operations	Strategy IN3 - Maintain and improve road infrastructure and connectivity. Strategy EC2 - Jointly develop appropriate tourism opportunities and promote the region as a destination. 4. A prosperous economy with the balanced use of our land.	In Progress - request sent to Roads and Maritime Services to reclassify Taralga to Oberon Road MR256 as a State Road. Grant applications lodged for Wombeyan Caves Road MR256 and Grabine Road reconstruction and sealing.
4.14 - Progressively bitumen seal all classified roads.	Reductions in classified roads gravel sections. Improvement in road network condition rating to ensure public safety.	Director of Works and Operations	Strategy IN3 - Maintain and improve road infrastructure and connectivity. 7. Responsible and efficient use of resources.	In Progress – works in MR52 Section Gundaroo Road is complete. Sealing of State Road MR54 is complete.

REGIONAL CSP STRATEGIC PILLAR NO.5 – CIVIC LEADERSHIP

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
5.1 - Participate in resource sharing initiatives.		Report projects to Council every year. Achieve annualised \$ savings through participation in Canberra Region Joint Organisation projects.	General Manager	Strategy CL3 - Collaborate and cooperate to achieve efficiencies and a greater voice in regional decision-making, and encourage similar cooperation across other sectors and community groups. 7. Responsible and efficient use of resources.	In Progress - participation in CBRJO and CENTROC. In 2017/2018 continued savings being achieved. Canberra Region Joint Organisation Proclaimed 9 May 2018. MOU for Collaboration with Yass Valley and Goulburn Mulwaree reported to June 2018 Council Meeting
5.2 - Lobby other levels of Government for increased share of funding distribution.		Review the intergovernmental Agreement. Grants Commission review and amendment to Financial Assistance Grants (FAG) distribution to rural councils.	General Manager	Strategy CL2 - Encourage and facilitate open and respectful communication between the community, the private sector, Council, and other government agencies. 8. Transparent and accountable governance.	In Progress - lobbying continuing through CBRJO and CENTROC. Financial Assistance Grants indexation has been reinstated.
5.3 - Promote community engagement and involvement in decision making processes.		Number of Community Outreach Meetings and program outcomes achieved. Community Survey undertaken every four years. The "Voice" Council newsletter publication distributed.	General Manager	Strategy CL1 - Effect resourceful and respectful leadership and attentive representation of the community. 6. Resilient and adaptable communities.	Completed - 4 Community Outreach meetings in May 2018. The "Voice" is produced quarterly.

Delivery Actions	Program	Performance Measures	Responsibility	CSP Strategy and Aspiration	Progress Report
5.4 - Ensure the retention and attraction of quality staff.		Performance management efficiency and staff turnover of less than 10% every year.	General Manager	Strategy CL1 - Effect resourceful and respectful leadership and attentive representation of the community. 8. Transparent and accountable governance.	In Progress - recruitment and selection staff turnover is currently under 11%. A number of Environment and Planning directorate positions have been difficult to fill due to the local government planning staff skill shortage.

FIT FOR THE FUTURE – COUNCIL ACTION PLAN

SUSTAINABILITY ACTION PLAN				
Objective	Strategies	Actions	Key milestones	Progress Report
1. Secure additional revenue to keep Council’s operating performance ratio well above the benchmark and ensure funding for renewal of road network assets	Implement Special Rate Variation in 2020/2021	<ol style="list-style-type: none"> 1. Notify community of intention to apply for SRV 2. Community consultation and engagement 3. Notify IPART of intention to apply 4. Submit application to IPART 5. Fund infrastructure renewal of its road network assets 	<p>Commencement in July 2019</p> <p>Community engagement and support for the proposal is achieved</p>	<p><i>No action – a Council Resolution is necessary for a Special Rate Variation application.</i></p> <p><i>Additional Roads to Recovery funding in 2017/2018 of \$840,000 utilised on Council local road network.</i></p>
2. Drive cost savings through procurement	Implementation of a Best Practice in Procurement Program	<ol style="list-style-type: none"> 1. Procurement Roadmap - Arc Blue 2. Review Procurement Action Plan and policies 	<p>Procurement Committee recommendations to MANEX</p> <p>Utilisation of LGP Vendor Panel and TenderLink</p> <p>CBRJO procurement working group committee reports to management</p>	<p><i>Standing item on MANEX agenda. Contracts Register has been implemented after review.</i></p> <p><i>LGP vendor panel and TenderLink are utilised by Council.</i></p> <p><i>CBRJO meetings held and CBRJO utilised for preparation of Legal Services Tender.</i></p>

Objective	Strategies	Actions	Key milestones	Progress Report
<p>3. Maintain diverse income streams through state roads contract</p>	<p>Retention and provision of Roads and Maritime Services (RMS) Routine Maintenance Council Contract (RMCC)</p>	<ol style="list-style-type: none"> 1. Maintain existing high standard rating for road works in Contractor Performance Report 2. RMCC Benchmarking 	<p>RMS rating maintained satisfactory or better</p> <p>RMCC Commenced in 2008</p> <p>Contracted project completion date of 2018 for \$10 million scope of road works</p>	<p><i>RMS MR54 reconstruction and sealing project of \$10 million for unsealed sections was completed in January 2018. Additional upgrade and resurfacing of MR54 Goulburn Street Crookwell.</i></p> <p><i>RMCC Contractor Performance Reports are satisfactory.</i></p>
<p>4. Maximise diverse income streams through private works</p>	<p>Provision of road reconstruction contracted private works for renewable energy developments</p>	<ol style="list-style-type: none"> 1. Review pricing structures for private works which are in demand at profitable rates 2. Cost of service is transparent and in accordance with the National Competition Policy Guidelines 	<p>Remain competitive with the private sector and to secure contract works for road reconstruction</p>	<p><i>No major private works contracts undertaken in 2016/2017 and 2017/2018 due to RMS road contract works commitments on State Road MR54 and backlog of road work grant funded projects.</i></p> <p><i>Council is meeting all NCP Guidelines and private works rates incorporated into Council Revenue Policy.</i></p>

INFRASTRUCTURE AND SERVICE MANAGEMENT ACTION PLAN

Objective	Strategies	Actions	Key milestones	Progress Report
1. Implement best practice asset management reporting	Asset Management Improvement Program	<ol style="list-style-type: none"> 1. Review Asset Management and Risk Plan, strategies and policies 2. Review of Council Infrastructure Plan – define community service level set by Council for asset maintenance 	<p>Asset Management Plans identify asset service standards</p> <p>Infrastructure asset classes valuation at fair value</p> <p>Ensure asset condition standards are maintained above Condition 5</p>	<p><i>Infrastructure Plan reviewed and adopted by Council in June 2018 and service levels defined.</i></p> <p><i>Scott Fullarton Valuations has completed the Operational Land, Buildings and Other Structures fair valuation at 30 June 2018.</i></p> <p><i>Asset Condition Rating System is to be further developed by Works and Operations Department in 2018/2019 to enable evidence based Asset Management Plans using ISO55000.</i></p>
2. Secure funding for asset renewals	Utilise borrowing capacity to invest in infrastructure renewal projects – Timber Bridge Replacement Program	<ol style="list-style-type: none"> 1. Review Council Borrowings/Loans Policy 2. Council Long Term Financial Plan priority bridge replacement schedule 	<p>Commencing loan financing arrangements with Financial Institutions</p> <p>Application for State Government Local Infrastructure Renewal Scheme (LIRS) funding</p>	<p><i>Borrowings of \$500,000 for Kiamma Creek Timber Bridge Replacement Program budgeted in 2017/2018 is not required as external grant funding is secured.</i></p> <p><i>Borrowings program for timber bridge replacements are incorporated into the Council Delivery Program. LIRS funding scheme replaced by Treasury Corporation borrowing facility and Council now eligible for accessing this borrowing facility.</i></p>

Objective	Strategies	Actions	Key milestones	Progress Report
3. Minimise potential public liability incidents	Utilise Statewide Mutual Best Practice Guidelines and achieve industry benchmarks for risk management practices	<ol style="list-style-type: none"> 1. Review Risk Management Plan and Policy 2. Review Safe Work Method Statements for high risk priorities 	<p>Risk Management Action Plan (RAMP) approved and adopted by Council annually by June</p> <p>Safe Work Method Statements (SWMS) reported to WH&S Committee every 6 months</p>	<p><i>RAMP approved by Council management and reviewed by Statewide Mutual for 2017/2018. Actions identified for 2018/2019 with key focus areas of Footpaths and Tree and Tree Roots.</i></p> <p><i>SWMS progressively reviewed and reported to the Council WH&S Committee. Phase 1 of SWMS updates were completed at 30 June 2018.</i></p>
4. Maintain assets in satisfactory condition to meet community expectations	Evaluation of asset utilisation and rationalisation	<ol style="list-style-type: none"> 1. Review of Council Infrastructure Plan 2. Recommendations from Grant Thornton Building and Asset internal audit. 	<p>Condition Report prepared for Council owned building assets and maintenance action plan approved by June 2018</p>	<p><i>Fair valuation of buildings was completed by external valuer.</i></p> <p><i>Building Maintenance Officer new position has been recruited.</i></p> <p><i>Building and Asset Management internal audit Action Plan to be implemented and will be reported to Audit, Risk and Improvement Committee in September 2018.</i></p>

EFFICIENCY ACTION PLAN				
Objective	Strategies	Actions	Key milestones	Progress Report
1. Understand how the organisation is performing	Benchmark Upper Lachlan with other Councils Local Government Professionals Australia (LGPA) - Operational and Management Effectiveness Report	<ol style="list-style-type: none"> 1. Identify trend analysis of operational cost centres and functional service areas of Council 2. Performance tool for benchmarking by senior management of operational efficiencies of individual cost centres 	Management Tool -annual benchmarking	<p><i>Benchmarking completed annually.</i></p> <p><i>The LGPA Operational and Management Effectiveness Report for 2016/2017 completed by Council and final report issued by LGPA to MANEX.</i></p>
2. Continue to collaborate regionally	Be an active partner in the Canberra Region Joint Organisation of Councils (CBRJO)	<ol style="list-style-type: none"> 1. Development and implementation of a JO Strategic Plan 2. JO Strategic Plan aligned with Quadruple Bottom Line principles 3. Intergovernmental collaboration; i.e. ACT Government and State Government 	<p>Implementation after JO Pilots</p> <p>Formulation of an effective and efficient governance structure to oversee implementation, review and evaluation in CBR Region</p> <p>CBR branding to support tourism and economic development throughout the region</p>	<p><i>Council is participating in CBRJO and CENTROC.</i></p> <p><i>Office of Local Government Joint Organisation (JO) pilot program completed and JOs gazetted. Upper Lachlan Shire Council is within the Canberra Region Joint Organisation.</i></p> <p><i>Intergovernmental collaboration is continuing with ACT Government.</i></p>
3. Continuously improving the quality and efficiency of all of Council's services	Undertake four year rolling program of service reviews as part of Council's Delivery Program	<ol style="list-style-type: none"> 1. Develop four year program of service reviews, with a focus on those services of greatest cost to the organisation 	<p>Program established and Delivery Program updated</p> <p>6 Monthly Delivery Program Report to include service review progress and outcomes</p>	<p><i>Delivery Program was approved by Council in June 2018.</i></p> <p><i>Delivery Program action report completed every six months.</i></p>

		<ol style="list-style-type: none"> 2. Update Delivery Program to incorporate the service review program 3. Implement program annually 4. Report outcomes through the 6 month Delivery Program report and update Long Term Financial Plan annually to reflect any changes 	<p>Annual update of Council's Long Term Financial Plan</p> <p>Implementation of Internal Audit Plan by Grant Thornton Australia over 4 year period to 2019/2020</p>	<p><i>Long Term Financial Plan was approved by Council in June 2018.</i></p> <p><i>Two internal audit projects by Grant Thornton Australia were completed in February 2018 for contracts and procurement management and stores and accounts payable.</i></p>
<p>4. Improve efficiency through technological advancement</p>	<p>Provide innovative and leading technology interface</p>	<ol style="list-style-type: none"> 1. Enhanced use of technology particularly in the area of staff remote and on-line customer access 2. Implement a Unified Telecommunications solution 	<p>Establishment of Development Assessment (DA) Tool</p> <p>Implementation of Integrated Unified Telecommunications System</p>	<p><i>Pending.</i></p> <p><i>Microwave Communication project – ATI Australia P/L tender accepted by Council in August 2017. Project completed in June 2018.</i></p> <p><i>New telephone system implementation by October 2018.</i></p>



Social and Community Plan 2013-2018





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Disclaimer

This Social and Community Plan has been prepared by Upper Lachlan Shire Council and consultants from AQ Planning P/L and Planning, Environmental & Economic Consulting (PEEC).

The information, views and opinions have been provided in good faith, and have been based on available information including the data and supporting studies detailed within this Plan.

While every reasonable effort has been made to ensure that this document is correct at the time of printing, Upper Lachlan Shire Council, AQ Planning P/L, and Planning, Environmental & Economic Consulting (PEEC), disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document. The document is not intended to give rise to any rights, claims, benefits, privileges, liabilities or obligations with respect to matters the subject of this Plan.

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Mayoral Message



I am pleased to present the Upper Lachlan Shire Council's Social and Community Plan 2013-2018.

In our aim for a healthy and vibrant community, this document encourages Council and key stakeholders to work together to enhance the lifestyle of children and families, young people, women, men, older people, people with a disability, people from diverse backgrounds, Aboriginal and Torres Strait Islanders and our rural and farming community.

An important component of Council's strategic framework is to guide Council and other key agencies in the provision of appropriate and accessible services and facilities that meet the health, economic, environmental and social needs of people within the Shire in an equitable manner.

The 2013-2018 Plan builds on the work undertaken in the 2007-2012 Plan and will continue to strive to achieve the following:

- improve the health of the local community;
- identify key areas for further research and analysis;
- be used a tool for the development of options to resource social and community programs, resources and other activities;
- support applications for grants or other funding; and
- integration with Council's operational planning and delivery, and organisational strategic planning.

This Plan could not have been developed without significant contribution from a range of people. We wish to thank all of those who were involved members of the public who participated in consultations, government and non government representatives who gave feedback on issues and Council staff.

The Council's social planning framework consists of the Social and Community Plan and Cultural Plan.

We look forward to working together to help build healthy and vibrant communities across the Upper Lachlan Shire.

A handwritten signature in black ink, reading "Brian McCormack".

Councillor Brian McCormack OAM
Mayor
Upper Lachlan Shire Council

Executive Summary

Why develop a Social and Community Plan?

Social and Community Plans are key mechanisms by which to build a healthy and vibrant community to enhance the everyday lives for residents and to cater to the community's needs. Social and Community Plans encourage the recognition of a community's assets and strengths, as well as highlighting areas of priority for action.

Upper Lachlan's Social and Community Plan

Upper Lachlan Shire Council (ULSC) has had a 5-year Social and Community Plan in place from 2007 to 2012. Under the *Local Government Act 1993*, Council is required to review the Plan. This current plan, 2013 to 2018, has been prepared to build on the work and consultation of the previous plan, and to update the Plan based on information such as new demographic data, consultation, research and emerging needs.

The Plan has been prepared in accordance with requirements of the *Local Government Act 1993*, and Guidelines developed by the NSW Department of Local Government.

In addition to the mandatory groups that are identified by State Government, Council has also identified Men and the Rural Community as groups covered in this Plan. Given the valuable collaboration with the former Greater Southern Area Health Service in the development of the previous Plan, health and other issues such as mental health and wellbeing, transport, community integration, health status, are also maintained as key considerations under this revised Plan.

The research, stakeholder consultations and data have been compiled to give Council and other interested groups direction for future priorities and outcomes over the next five years. Council, government agencies, community groups and community members can use the Plan for a number of purposes such as:

- to assist in improving the local health and community;
- to identify key areas for further research and analysis;
- a tool for the development of options to resource social and community programs, resources and other activities;
- a means of supporting applications for grants or other funding; and
- a means of driving key components of operational planning and delivery, and organisational strategic planning.

Acknowledgements

Many thanks go to those who have contributed to the preparation of Council's initial Community and Social Plan 2007-2012, which provided a strong basis for this revised Plan. In addition, the valuable input that has been provided by the community, government and non-government agencies, stakeholders and residents that make up the Upper Lachlan community cannot go without mention and thanks.



Introduction

What is a Social and Community Plan?

Since 1998, Councils in New South Wales (NSW) have been required to produce and update a 5-year Social Plan under legislation contained in the *Local Government Act 1993*. A Social and Community Plan articulates the Council and communities response to the needs and aspirations of the people living or working in the local government area, and incorporates issues that have an impact on community well being, provides an overview of the community, identifies the key issues and recommends strategies agencies can implement to address these issues

The NSW Government produced the *Social and Community Planning and Reporting Guidelines 2002*, to assist local government in this plan making process. This document has been drafted to both meet legislative requirements and NSW Government Guidelines, in addition to providing a plan that reflects emerging best practice and the needs of the local Upper Lachlan Community.

Generally, a Social and Community Plan will provide a tool for the Council, community and other stakeholders, including Government and the private sector that includes:

- Demographic data and trends that assist in identifying issues and likely demands for social infrastructure and services;
- Identification of "at risk", vulnerable and other higher-needs groups within the community;
- Discussion of current and likely future issues affecting the social, cultural and community well-being of the community;
- Identification of service and community infrastructure issues, including standards, locational gaps, staffing, outreach or other servicing issues;
- Details of key providers/ actions required to maintain or improve community/social well-being;
- Identification of opportunities for projects, actions, investment, support for sourcing grants, potential partnerships and responsibilities for implementing key strategies;
- Development of strategies and actions to achieve social and community well-being; and
- A means of integrating the plan with The Tablelands Regional Community Strategic Plan and Council's operational plans, Section 94 Plan(s), and other statutory and strategic planning documents.

The development of a Social and Community Plan is based on the principles of social justice. Plans are required to address the interests of the following target groups and Council has incorporated additional groups which are considered relevant to this area:

- Children
- Young people
- Women
- Older people
- People with disabilities
- Aboriginal and Torres Strait Islander people
- People from Culturally and Linguistically Diverse backgrounds
- Men, and

- Rural and Farming Community

Background to Social and Community Plan

Upper Lachlan Shire, in a partnership with the former Greater Southern Area Health Service, produced the first plan for the Upper Lachlan Shire in 2008. The 5-year cycle for review of the Social and Community Plan now requires a revised Plan be prepared. The 2007-2012 Plan, together with the key actions, have been considered and included in this Plan wherever relevant.

How was this Plan prepared?

The 2013-2018 Social and Community Plan has been prepared to build on the valuable work undertaken in the development of the 2007-2012 Social and Community Plan.

Where possible, directions, research and data from other government agencies and providers have been incorporated to improve the validity of the Plan to ensure consistency across the various players in the Social and Community sector.

Statistics incorporated within the plan have been drawn from a number of sources, including:

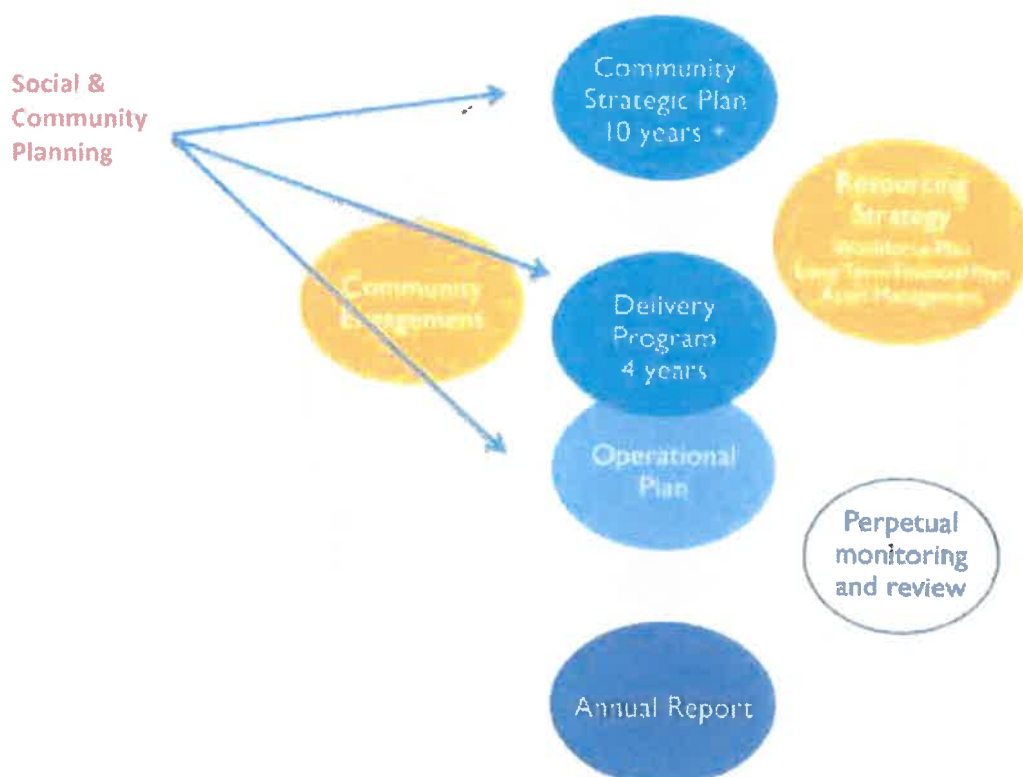
- Australian Bureau of Statistics (ABS)
- Upper Lachlan Council (ULSC)
- NSW Department of Planning and Environment (NSW DPE)
- Southern NSW Local Health District (SLHD)
- Australian Institute of Health and Welfare (AIHW)

Previous work undertaken by Council, the former GSAHS (including the Crookwell Health Services Plan 2005-2010) and the human services reports from the former Gunning Shire (Twyford, 2003) and former Crookwell Shire (Twyford, 2003a) have also been used in preparing this Plan.



How does this Plan link with other Council planning and reporting?

The Social and Community Plan is considered an integral component to Council's ongoing Integrated Planning and Reporting Framework, and will assist in the development of operational and strategic plans under the framework. The Actions under this Plan should also be carried over to Council's Integrated Planning and Reporting Framework, so that linkages and progress can be reported to the community and other stakeholders.



The Social and Community Plan is closely linked to the Upper Lachlan Strategy Plan – 2020 Vision and State of the Environment Report.

Whilst the Social and Community Plan is a 5-year Plan it may be amended through its life to recognise progress made, emerging issues and changes to delivery targets, partnerships, and responsibilities.

The Social and Community Plan should help drive development of strategy, program development and actual day-to-day delivery of services and infrastructure for Council. It should also be considered in terms of implications for land use planning and development, and other Council functions.

Council has also prepared an Ageing Strategy for the Shire to respond to the significant ageing of our local and broader community. Ageing is about developing age-friendly communities, which create opportunities for older people to live active and fulfilling lives now and into the future.

Community consultation

The development of the Social and Community Plan 2013-18 has primarily been undertaken as a review and update of the 2007-2012 Plan. The Plan has also been re-worked to include updated demographics and other current research and findings that are relevant to the social and community planning for the area.

A range of additional consultation has been incorporated into the process including targeted stakeholder and agency meetings and circulation of a "consultation draft" to enable more concise comment and input into the identification of issues and development of priority actions.

The draft Plan was exhibited from 19 April 2013 to 24 May 2013 and comments received during the exhibition period, where relevant, have been incorporated within this Plan.

Transition from 2007-12 to 2013-18 Plan

The Social and Community Plan 2007-2012 provided the opportunity to form a collaborative approach between Council and the former Greater Southern Area Health Service.

The previous plan had a distinct healthy communities focus based on the World Health Organisation's broader definition:

"A healthy community is one where all the factors that enable its residents to maintain a high quality of life exist – such as roads, schools, playgrounds and other services to meet the needs of the people in that community, has a range of housing, employment and education opportunities, has a healthy and safe environment, is one in which the members are informed, feel safe, are able to make choices, and have strong families and social connections".

For this Plan, a broader approach has been adopted that will ensure this Plan will not only serve a leadership role in determining Council actions that can be implemented and reviewed over time by those that involved in the social and community sector, but will provide Council, Government Agencies, providers and other interested groups direction for future priorities and outcomes over the next five years. Council, government agencies, community groups and community members may use the Plan for a number of purposes such as:

- to assist in improving the local health and community;
- to identify key areas for further research and analysis;
- a tool for the development of options to resource social and community programs, resources and other activities;
- a means of supporting applications for grants or other funding; and
- a means of driving key components of operational planning and delivery, and organisational strategic planning.

Demographic Overview of Upper Lachlan

General

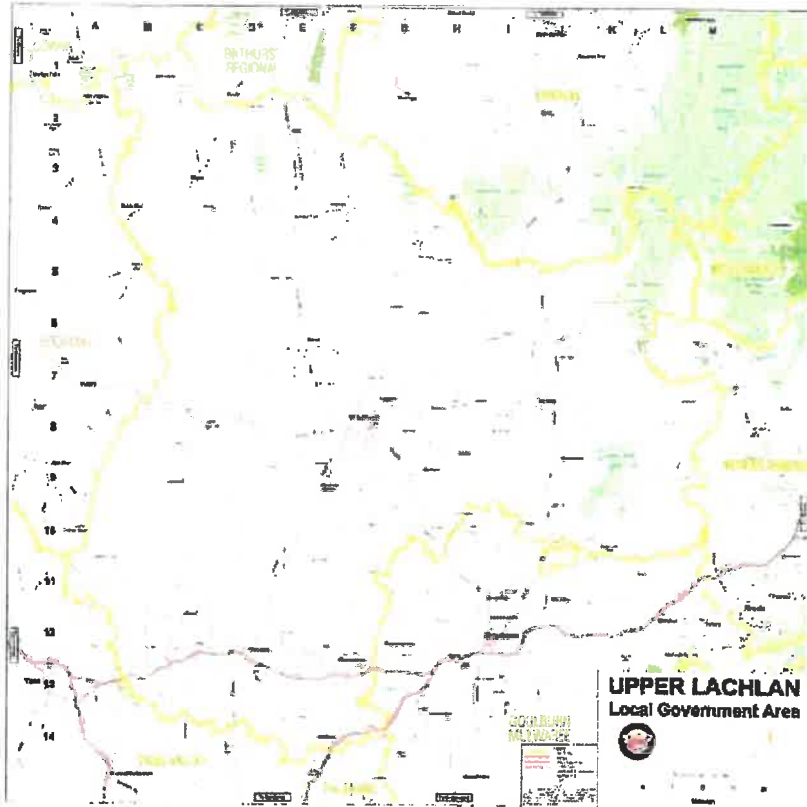
Upper Lachlan Shire covers an area of some 7,200 square kilometres, and is characterised by its rural and regional character, affected by its close proximity to the regional centre of Goulburn (45 km), and relative proximity to both other major centres such as Canberra (60km), Bathurst (130km) and Sydney (240km).

The Shire has three main centres: Crookwell, Gunning and Taralga and nine smaller centres, Bigga, Binda, Breadalbane, Collector, Dalton, Grabben Gullen, Jerrawa, Laggan, and Tuena. The Shire was proclaimed on the 11th February 2004 following local government boundary changes and includes part of the former Gunning Shire, part of the former Mulwaree Shire and all of the former Crookwell Shire. A map of the Shire is provided below.

The population ('preliminary estimate') of the Upper Lachlan Local Government Area (LGA) in June 2015 was 7,876 (ABS 206). The population of the LGA at the 2011 Census was 7,193 persons (ABS 2012a). The median age was 46 and there were 3,589 females and 3,604 males. As a general observation the ratio of females tends to rise in the over 80 age groups, reflecting the tendency for women to live longer.

One key observation is the lower numbers in the 'birthing age of 25-39' with 927 persons or 12.8% of total population, which is significantly lower (7.8%) than the NSW State average (20.7%). This has a number of implications, including capacity for population renewal and ongoing decline in younger age groups.





**Map of
Upper Lachlan Shire**

Population Growth Trends

Given the changes to local government boundaries in 2004, the use of pre-2006 ABS data to establish projections is likely to create issues with the compatibility and comparability of data.

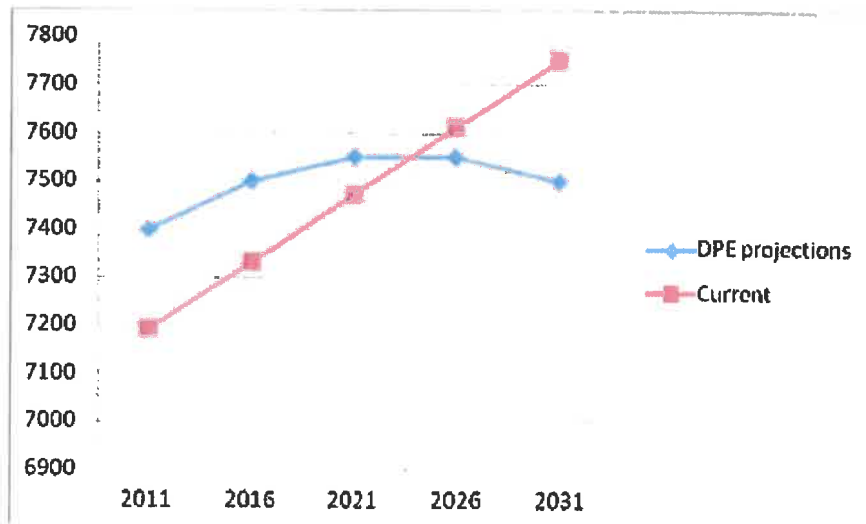
The following tables provide an overview of both actual ABS census data, in addition to projections prepared for Upper Lachlan by the NSW Department of Planning (DoPI).

Year	DoPI Projections*	Plan Projections**
2006	7,300	7,053
2011	7,400	7,193
2016	7,500	7,333
2021	7,550	7,473
2026	7,550	7,613
2031	7,500	7,753

* NSW Department of Planning and Environment (DPE) projections (2014).

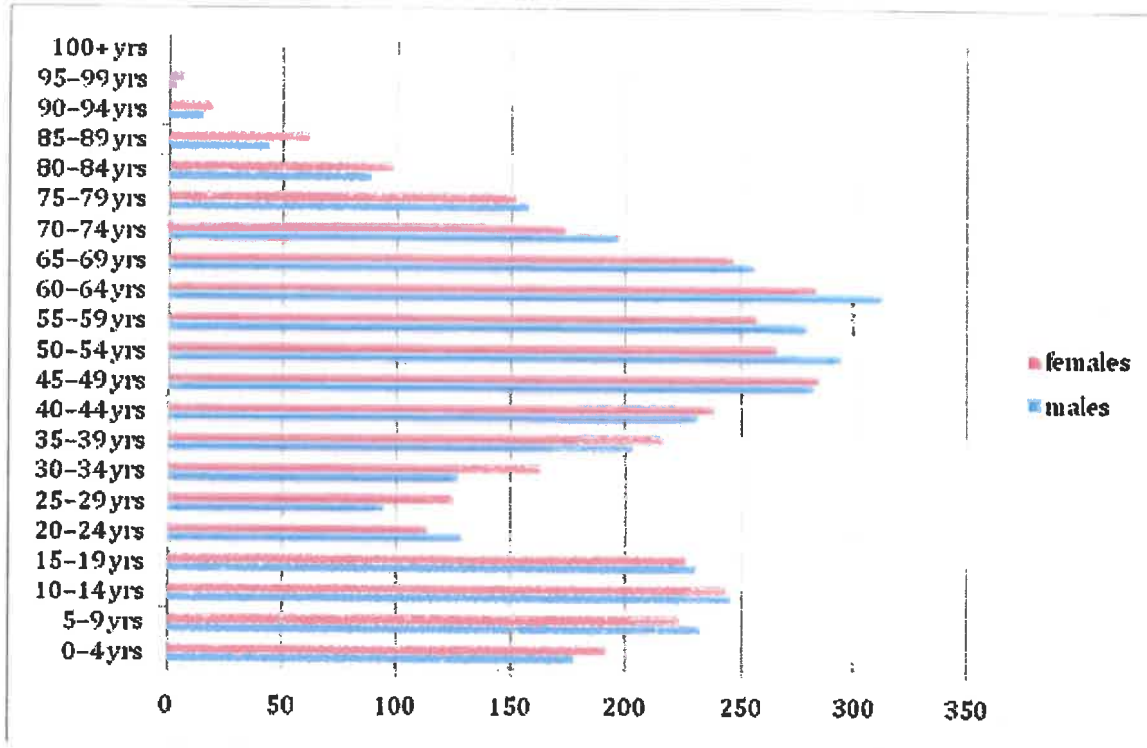
** Projections based on maintenance of at least the current growth path based on actual population from 2006 and 2011 ABS Census.

Comparison of Current Growth Path and DPE Projections



Age Structure

The following graph shows the age structure for Upper Lachlan as at the 2011 ABS Census.



Source: ABS 2011 Census Data

The graph indicates that Upper Lachlan Shire is currently undergoing noticeable generational change with Generation X (aged 35-49) and the Baby-boomers (aged 50-64) increasing their share of the population, mostly at the cost of Generation Y (aged 20-34) and to a lesser extent, Wartime (aged 65+ in 2011).

Socio-economic characteristics

There is strong and unequivocal evidence from Australia and other developed countries that factors such as income, socio-economic status, employment status and educational attainment are associated with inequalities in health (Eckersley et al 2001, Oliver & Exworthy, 2003 cited in the CHO 2004). Socio-economic disadvantage is associated with a higher prevalence of health risk factors and higher rates of hospitalisations, deaths and other adverse health outcomes. These inequalities are important from both social justice and economic perspectives – not only can they be considered 'unfair' and preventable, but they also have high direct and indirect costs on the health system (Sainsbury & Harris 2001, cited in CHO 2004).

(a) Economic inequalities

The relative socio-economic disadvantage index (SEIFA) is constructed by the Australian Bureau of Statistics based on information obtained on Census night in 2011. SEIFA scores are derived from factors including income, education, unemployment and motor vehicle use. The SEIFA index for the Upper Lachlan area of 996 (2013 data release) is slightly below the NSW average of 1,000, meaning overall there is slightly higher disadvantage in the Upper Lachlan than other areas in NSW.

The education and occupation index includes attributes relating to the proportion of people employed in a skilled occupation or the proportion of people with a higher qualification. The education and employment index for the Upper Lachlan area is 1,005, which is slightly higher than the NSW average of 1,000. Gunning differs from other areas in the Upper Lachlan, as there are more people who have higher levels of education and therefore more people with professional occupations. This is also reflected in other towns within commuting distance to the ACT, where higher rates of professional employment opportunities can be found.

Post-school education has increasing significance for high income and workplace status. A community's resources are indicated by the proportion of adults with post-school qualifications. In 2011, 51% of residents aged 15+ in Upper Lachlan had a post-school qualification. The proportion with qualifications was 6% lower than in NSW. Those aged 25–34 had the highest proportion with post-school qualifications, 67%. The proportion without qualifications rises with age – 63% of 75+ year olds had none.

Most commonly, the highest qualification in Upper Lachlan was a Certificate III or IV, held by 18% of adults (aged 15+). Another 8% held a Bachelors Degree and 7% held a Diploma.

- 26% of males had a Certificate III or IV
- 7% had a Bachelors Degree
- 6% had a Diploma
- 10% of females had a Bachelors Degree
- 10% had a Certificate III or IV
- 9% had a Diploma

The biggest increases in Upper Lachlan over 2006 to 2011 were in:

- Certificate III or IV (held by 2% more adults)
- Diploma (also by 2% more adults)

The biggest increases in NSW over 2006 to 2011 were in:

- Bachelor Degree (up 2%)

- **Post-graduate Degree (up 1%)**

In the Upper Lachlan 12% of adults had a Degree or higher, compared with 20% for NSW. Only 2% of residents in Upper Lachlan had a Post-graduate Degree (2% lower than in NSW). Those aged 25-34 had the highest proportion with Bachelors Degree (14%), than those aged 35-44 (12%). The highest proportions with Post-graduate Degrees were aged 55-64 (4%) and 65-74 (2%).

The Upper Lachlan Shire Council is well placed by virtue of its proximity to the national capital to actively advocate for the development and prosperity of the region. It should be noted that Council, through its Upper Lachlan Strategy Plan – 2020 Vision, is attempting to address some of the economic issues such as unemployment and tourism at the local level.

(b) Social inequalities

Social inequalities exist when individuals or groups of people are excluded from participating in community life due to their education and income levels. It has been found that people on lower incomes and people with lower levels of educational attainment do not participate in their communities as much as those people on higher incomes, or those with more education.

In regard to unemployment, Upper Lachlan's unemployment was estimated at 107 at the 2011 Census, a rate of 3% out of a working population of 3,583 (compared to 5.9% for NSW). The estimated number of unemployed residents had risen by 14 over the past year to June 2012 and had fallen by 39 since September 2010.

The level of income support through government pensions and benefits including Newstart, sickness or disability pensions provides an indication of the number of people who are economically and socially disadvantaged and have high need for health services. In 2013, there were 1,680 residents of Upper Lachlan receiving the main forms of income support. The largest groups were those receiving the Age pension (1,018), the Disability Support pension (261) and the Newstart allowance (155).

From 2011 to 2013, the total number of recipients of government payments decreased by 0.5% with the number on a Carers payment increasing by 10%, Age pension increasing by 2%, Disability support pension decreasing by 11% and Single Parent payment fell by 28%. The age pension was received by 67% of the estimated population of residents aged 65+.

The number on Newstart (unemployment benefit) increased by 36% from 2011 to 2013, with 41 more recipients. In 2013, 63% of recipients were long-term unemployed (on Newstart over a year), which was down by 4% since 2010.

The establishment of support groups and neighbourhood meeting places to encourage social connectedness among socially isolated people has been shown to help address social inequality issues. The Upper Lachlan Shire has a high degree of social connectedness. This is seen by the number and range of volunteering, sports and community groups currently available in the Shire. The Council can make significant contributions to enhancing these organisations by supporting their activities in various ways.

Family structures may also contribute to social inequalities within a community. The family and family structure have a strong impact on the health and wellbeing of children and their parents. Inadequate family income is more common in single-parent families, and family breakdown can also have adverse social and health consequences for children and their parents (CHO 2004).

The majority of family types in the Upper Lachlan Shire are couples with no dependent children and this is slightly higher than the NSW average. The next most common family type in the Shire is couples with

dependent children, which is higher than the NSW average. There are more people living alone than there are single-parent families in the Shire.

(c) Health inequalities

Just as economic and social inequalities exist and directly affect the level of disadvantage in a community, so do health inequalities. A health inequalities gap exists where well resourced people are able to utilise the health system and services to their advantage to remain healthy whereas poorly resourced people are less able to access the same resources to maintain health. Patterns of ill health have emerged that strongly suggest that people with the least access to social and economic resources often have worse health outcomes than people who have adequate or optimum access to social supports and economic resources.

It has been shown that people from lower socio-economic groups not only have the worst health outcomes, but they also are less likely to use preventative services, early intervention and screening services, thereby widening the health inequalities gap.

Councils can make inroads to addressing some of the direct health problems of the community through urban planning, land use and social inclusion policies that encourage people to be physically and socially active in their communities. Council provides infrastructure which encourages people to walk and to be physically active through the various recreational facilities available throughout the Shire. The Shire provides and maintains two public swimming pools and sporting fields, parks and playgrounds. The Shire also supports branch libraries at Crookwell and Gunning and provides free internet access to the community.

Note: Other relevant demographic data is included within each of the sections dealing with identified target groups under this Plan.



Social Infrastructure and Services

There are a range of social and community assets in the Upper Lachlan area including both physical and service based assets. The range of services and providers changes over time and Council maintains a service directory for the Upper Lachlan community, which can be found online:

<http://upperlachlan.nsw.gov.au/community>

Upper Lachlan has a range of social infrastructure and services typical of a rural local government area, although the relative close proximity to Canberra and a larger rural city such as Goulburn have impacted upon the range of facilities and services, social infrastructure and services which includes:

Hospital

- Crookwell (one on-call Doctor shared between 3 local Doctors)

Doctors/Medical

- Taralga – part-time GP Doctor service from Goulburn, Community Health
- Gunning – operated through Community Health
- Crookwell – Total 9 Doctors. 2 GP's and 7 at the Health Care Centre
- Community Health at Hospital.
- Specialists available at Crookwell Health Care Centre: Physiotherapist, Audiologist, Podiatrist, Massage therapist, Pathology, Orthopaedic and other visiting specialists.

Schools

- Crookwell (High School, Public School and Catholic Primary School)
- Primary Schools at Bigga, Binda, Breadalbane, Collector, Dalton, Gunning, Laggan, Taralga

Child care centres

- Day care centres are located in Crookwell, Taralga and Gunning
- Crookwell Pre-school Kindergarten
- Crookwell Early Learning Centre
- Crookwell Neighbourhood Centre Inc. provide the following services:
 - Crookwell Mobile Pre-School – weekly at Collector, Rye Park and Bigga
 - Crookwell Mobile Long Day Care – weekly at Bigga, Laggan, Collector and Rye Park

Community Organisations

- Country Women's Association – Southern Tablelands Group
- Men's Shed – Crookwell
- Rotary and Lion's Clubs
- Probus
- View Club
- Volunteer Bush Fire Brigades
- Churches – Catholic, Anglican, Uniting and Presbyterian
- Crookwell Neighbourhood Centre Inc.
- Landcare groups

- Progress Associations

Community facilities

- Showgrounds in all towns/villages
- Community halls
- Sporting fields
- Crookwell & Gunning Pools
- Caravan Parks – Crookwell, Gunning, Taralga, Grabine Lakeside State Park, Wombeyan Caves and there are many free camping areas
- National Parks and Reserves and walking trails

Aged Care

Taralga	Sunset Lodge: 23 beds – Aged Care Facility with high and low care Self care units
Crookwell	View Haven Lodge: 44 beds – Principally high care (Nursing Home) Self care units Clifton Village (Uniting Care) Nura Village (private aged housing)
Gunning	Self care units (Lions Club)

Social Connectivity

The people who make up a community contribute significantly to the social fabric of the area. This contribution is recognised by many residents. Residents are responsible for the initiation and continuation of many informal groups, businesses, organised community groups and clubs operating across the region. Residents have described their neighbours and community more broadly as welcoming, friendly, and spirited. Common values, 'rallying around', 'choosing to live here', 'pulling together' and 'community feel' were commonly cited in previous consultation as important assets to communities in the Upper Lachlan Shire.

The Shire has a strong sporting following with active clubs in hockey, rugby league, rugby, touch football, swimming, cricket, netball, tennis, golf, pony club and gymkhana. There are a range of sporting fields across the Upper Lachlan, with some local clubs conducting significant fundraising to upgrade and redevelop new fields. Another asset to the Shire is the diverse range of community organisations that are strongly supported by volunteers. These include Country Women's Associations, Rotary and Lions Clubs, Progress Associations, youth groups, volunteer Bush Fire Brigades, sporting and leisure clubs, church groups and arts councils.

Local events draw tourists to the area and are important positive features of the community. Although not an exhaustive list, among those mentioned by residents during consultation include the Binda Picnic Races, Taralga Australia Day Rodeo, Taralga Heritage Rally, Crookwell Potato Festival, Collector Pumpkin Festival, Gunning Fireworks as well as Agricultural Pastoral and Horticultural Societies/shows and arts events held in different areas.



Target Groups in Upper Lachlan

The following sections focus on each of the following identified target groups. Other related community and social planning issues that have been identified as relevant to the Upper Lachlan area are dealt with in the section following target groups.

- Children
- Young people
- Women
- Older people
- People with disabilities
- Aboriginal and Torres Strait Islander people
- People from Culturally and Linguistically Diverse backgrounds
- Men, and
- Rural and Farming Community



Art work from a local playgroup

Our Rural and Farming community



Children

Related Demographics – Children

At the time of the 2011 Census there were:

- 367 children aged 0-4 years,
- 456 children aged 5-9 years, and
- 488 children aged 10-14 years.

The 0-4 year age group makes up 5.1% of the population, which is 1.5 % lower, than the State average. The age groups of 5-9 (6.3%) and 10-14 (6.8%) are very close to the NSW averages.

The percentages of children in the 0-14 age bracket is also down slightly (approximately 0.5%) on 2006 Census figures, indicating a continuation of the trend identified in the previous social plan, where Upper Lachlan is likely to experience a decrease in the proportion of children over the coming 5 years.

This is consistent and comparable to many other rural communities, with the exception of those surrounding larger metropolitan or regional centres.

To determine the future trends in the 0-14 ages, the number of children born has trended downwards for decades in the locality. In Upper Lachlan Shire, the average number of births fell by 0.1% between 2006 and 2011, whilst the average births for women aged 35-39 years was 0.2 lower than in 2006 and was also down for women aged 25-29 years.

In contrast the average births rose most for those aged 40-44 years indicating perhaps a tendency to women having children later in life, which may have implications for the type of care and services that are required.

Compared with NSW averages in 2011, Upper Lachlan Shire had an average rate of births that was 0.5% higher overall.

In Upper Lachlan Shire, 31% of adults (aged 15+) provided some voluntary child care, with 18% caring for their own child, 8% caring for another's child, and 26% caring for both their and another's children. This shows the importance of home care in the area as an alternative or supplement for formal childcare services.

In terms of schooling in these years, at the 2011 Census:

- 82% of the number aged 3-4 years attended Pre-School,
- 87% of the number aged 5-11 years attended Primary School,
- the number at Pre-School increased by 26% from 2006, and
- the number in Primary School decreased by 9% from 2006.

Discussion of Key Issues

The early years of a child's life provide the foundation for future health, development and wellbeing. A positive start in life helps children to reach their full potential, while a poor start increases the chances of adverse outcomes (Australian Institute of Health & Welfare – AIHW).

The Key National Indicators of Child Health, Development and Wellbeing developed by AIHW measure the progress of Australia's children aged 0-14 years in the areas of health status, risk and protective factors influencing health and wellbeing, early learning and education, family and community environments, safety and security, and system performance.

Some of the key indicators are:

- Health – mortality, morbidity, chronic conditions, disability and mental health;
- Healthy Development – breastfeeding, dental health, physical activity and nutrition and early learning;
- Learning & Development – attendance at early childhood education, transition to primary school and primary school attendance, literacy and numeracy and social and emotional development;
- Risk Factors – teenage births, smoking in pregnancy, birth weight, overweight and obesity tobacco and alcohol misuse;
- Families & Communities – family functioning, socio-economic situation, parental health status and neighbourhood safety;
- Safety & Security – injuries, school relationships and bullying, child abuse and neglect, children as victims of violence, homelessness and children and crime; and
- System Performance – neonatal hearing screening, childhood immunization. Quality childcare, child protection substantiations, survival rate for childhood leukaemia.

Recent research undertaken by the AIHW “*A picture of Australia's children 2012*” provides the latest information on the health and wellbeing of Australia's children aged 0-14. As an Australian society results show that many are faring well and positives have been achieved. Research has shown however that key risk areas require additional attention, particularly among Aboriginal and Torres Strait Islander children and those living in areas with the lowest socio-economic status.

As part of the ongoing social and community planning process the partnership with Southern NSW Local Health District and other health agencies and providers should be further developed to monitor the key indicators and provide feedback on current and emerging child health issues.

This research can assist Upper Lachlan target and develop assistance to improve the level of service and programs for at risk children. To do this effectively the monitoring and communication of key issues needs to occur.

Child-care services are key social infrastructure for the well-being and identification of issues for at risk or higher needs children in the Upper Lachlan community, and are also critical to attracting and retaining new population settlement. These services can assist children to develop important social skills, and assist in preparing children for formal education beginning at five years of age.

To enable appropriate levels of service for younger age groups and families in the area, child care must also be able to cater for outside of school hours care options to enable working parents to be actively employed care and early learning to be fostered.

Services and Infrastructure

Child Care

Upper Lachlan has a number of child care facilities across the local government area including:

- informal day care,
- Playgroup,
- Pre-School (including a mobile pre-school service) and

Long day care has been the focus of some community effort, particularly in Gunning, where the need for these services has been identified and residents have been actively pursuing this possibility.

Pre-school children in the Taralga and surrounding area have been serviced by a privately operated Long Day Care Centre and previously the Crookwell Mobile Children's Service. The Crookwell Mobile Children Service has not operated in Taralga since approximately 2007.

Crookwell Neighbourhood Centre Inc provides the Crookwell Mobile Pre-School Service weekly at Collector, Bigga and Rye Park, the Crookwell Mobile Long Day Care service weekly at Bigga, Laggan, Collector and Rye Park.

Crookwell Neighbourhood Centre Inc. is funded to provide Pre-School and Long Day Care to rural and remote areas and can include children from other local government areas. The Service is mobile and will move to an area if the service is required or cease a service if it is not longer viable.

Previous issues with services in Gunning have progressed with both pre-school and out of school hours care options now available. Ongoing consultation and monitoring of demand and supply of places across the Shire is required, particularly as they respond to either growth or decline.

Children's Health

State and Federal Government, often with the assistance of local services, have provided a number of programs that have covered issues raised in the previous plan. The continued promotion of risks of sun protection and skin cancers has been prevalent with many schools and child care facilities now actively taking part in sun protection programs and providing suitable sun-safe areas for children. The Federal schools infrastructure-funding program was utilised by many schools to provide such areas.

This issue will continue to be a challenge particularly promoting appropriate sun protection and infrastructure in public spaces, and at sporting and community events.

The Shire continues to work in a partnership with the NSW Cancer Council assisting with staff issues as well as resources for the general public. Smoking and skin (sun) care are two of the programs included in the agreement.

The ongoing promotion of the benefits of breastfeeding and oral health and early intervention by NSW and Federal Government has provided some traction in the community, however the access to, and retention of, dental and GP services in rural and regional NSW has become a growing issue and has been identified by peak bodies such as the Rural Doctors Association of Australia (Health of Australians Living in Rural & Remote Communities 2012).

Childhood obesity continues to emerge as a significant issue for communities across Australia with AIHW research finding around one-fifth (22%) of children were estimated to be either overweight or obese (17% overweight but not obese, 6% obese). The ongoing health and lifestyle problems that may emerge from being overweight are a significant cost to the community, and opportunities to promote healthy eating and exercise could be investigated.

The issue of a lack of coordination and communication between children's services providers has been raised in the previous 2007-12 Plan as well as in a study into human services in the former Crookwell Shire (Twyford Consulting, 2003a). This continues to be a challenge, and may reflect an overall need for great coordination and communication between social service providers, not just those for children. This issue will be further exacerbated if Council achieves greater levels of growth and development in the Shire.

The reliance on traditional recreation opportunities was again raised in consultation as an issue for both children and youth in the area. Whilst the level of sporting facilities and facilities associated with schools and playgroups, and play areas provided by Council appear to be adequate, alternative activities are also desired. These may include creative and artistic activities for children and young people, non-traditional recreation, such as skate and climbing facilities, and outreach access to facilities and entertainment in nearby major centres.

Some of the key issues for children in the Upper Lachlan area are seen as:

- Access to cultural and artistic pursuits and entertainment in the local area;
- Need for child services planning to anticipate changes in the local area and to improve coordination and communication;
- Improving education, awareness and action for childhood health issues such as obesity, dental health and early intervention;
- Increased awareness of existing services and options in childcare and other children's programs. In this regard, Crookwell Neighbourhood Centre Inc, SDN Children's Services and Crookwell Early Learning have had combined training sessions to assist all services with cost and keeping up with legal requirements.



Current Progress and Future Priority Areas – Children

2007-12 Actions

- Work with key stakeholders to increase the range of day care options across the Upper Lachlan Shire.
- Support initiatives/activities that encourage the participation of families and children in community life.
- Increase sun protection measures across the Shire.
- Support Southern NSW Local Health District (SLHD) to develop and deliver programs that address child health issues.

Progress

- ✓ Good progress has occurred in the sun protection and awareness, with Council, schools and childcare centres adopting proactive sun care measures and infrastructure
- ✓ Day care options have been developing with examples such as Gunning pre-school offering out of hours care, and Crookwell Neighbourhood Centre Inc. operating services such Mobile Long-Day Care and Mobile Pre-School.

2013-2018 Actions

Including:

- There is a need to improve the communication, between agencies and providers, of data that will help identify at risk children and issues that are affecting them; health, care, education etc
- Continue to work with key stakeholders to increase the range of day care options across the Upper Lachlan Shire, and ensure that they are responsive to population change.
- Identify and support initiatives/activities that encourage the participation of families and children in community life.
- Support SLHD and other agencies and provider to develop and deliver programs that address children's needs.
- Investigate and implement collaborative opportunities to promote healthy lifestyles and physical activity to reduce the occurrence of weight and obesity issues.
- Funding sought for Skate Parks in Crookwell and Gunning - Completed.
- Youth Week Funding – Youth Mental Health and other youth issues.

Young People

Related Demographics – Young People

At the time of the 2011 Census there were:

- 458 persons aged 15-19 years; and
- 247 persons aged 20-24 years

Those aged 15-19 years represented 6.4% of the population in the Shire (same as the NSW average) whilst those in the 20-24 years bracket represented 3.4%, (3.1% lower than the NSW average).

Whilst there has been relative stability in the percentages within these age groups over the last census period, there has been decline in subsequent age brackets that would indicate population movement out of the area. In terms of education in 2011, 85% of the number aged 12-17 were at High School.

Discussion of Key Issues and Social Infrastructure

The health and wellbeing of young people not only affects their immediate quality of life and productivity but also shapes the future health of the whole population and, in a broader social sense, the health of society (Eckersley 2008).

Tackling health and wellbeing issues when they occur in adolescence is socially and economically more effective than dealing with enduring problems in adulthood. Many of the attitudes and behaviour, and even the illnesses that largely determine adult health and wellbeing have their origins in childhood, adolescence and early adulthood.

The benefits of investing in young people flow through to the entire population, with outcomes as diverse as greater productivity, lower burden of disease, stronger families, and safer and more connected communities (AIHW 2011 *Young Australia; Their Health & Well-being*). National research has shown many positive improvements in the health and well-being of Australian youth overall, however those youth in lower socio-economic conditions, rural and remote areas and of Aboriginal or Torres Strait Islander backgrounds are identified at higher risk.

Generally young people living outside of capital cities and other major urban population centres encounter a number of challenges that are not normally part of the everyday experience of young people living in metropolitan areas. These include access to suitable and appropriate health and welfare services, education/ training, paid employment, economic stability and recreational opportunities [Davies, L., Jukes, J., Hodges, C., & Crosby, J. (2002)]. *Rural life of us: Young people and workers with young people*. Youth in Upper Lachlan can exhibit some of these issues like:

- Limited career and further education opportunities in the local area;
- Lack of transport options and reliance on private vehicles;
- Real and perceived isolation issues;
- Access to entertainment & other recreational opportunities;
- Access to communication technology;
- Mental health;
- Social isolation and bullying;
- Risky behaviour and substance abuse; and

- **Lack of places to meet and have access to entertainment.**

Services and Infrastructure

There is a relatively good supply of more traditional sporting and recreational opportunities within Upper Lachlan however, access to other recreation and entertainment often means travel is required. This is also the case for further education and work opportunities for younger people.

Like many rural areas there is a focus on meeting places and situations where alcohol is available. The need to encourage alternatives for youth interaction outside these environments is something the Upper Lachlan community can further build on through events and fostering improved facilities management and promotion, such as participation at school based alternatives or the like.

The Crookwell Neighbourhood Centre Inc. and others have also undertaken supported and supervised trips to entertainment outside the Shire, which may provide young people with other alternatives. The Menshed works with school children and provides a positive contribution to the community through the construction of street furniture and providing an important social network between the aged and youth.

Whilst there are a number of health and counseling services available through the Goulburn and Crookwell Community Health Services mental health and high risk behaviours in the youth population are compounded by the fact that regional and rural young people experience more restricted access to health services. This can be because of fewer rural and remote general practitioners; less choice of medical services, limited privacy when it comes to accessing health and psychological support services, lower rates of bulk billing and less access to medical specialists and major hospitals.

Improved promotion of services in schools and other youth meeting areas would improve access and perception of services in the area, as well as highlight other options that may be available in the broader area. Through working with local schools and other youth services in the promotion of local and regional services, online information and outreach or phone services, this would also potentially improve the levels of service for youth.

There are no tertiary education institutions (TAFE, private colleges or universities) offering continuing education or training located within the Shire. Students need to study out of the immediate area, however, in 2011 there were 317 tertiary students studying in the Upper Lachlan area (173 at TAFE, 117 at university, 27 at other tertiary institutions).

Education and employment opportunities for local young people are essential to encourage them to stay locally, but also to return following study out of the region.

Access to career and education counseling is at present provided primarily as a responsibility of individual schools. However a partnership approach may provide critical mass to encourage linkages with educational institutions and employers that may improve options for young people. The involvement of local employers in career talks may also promote local opportunities.

Likewise, using access to regional and rural focused TAFE and University courses with a rural or regional focus may encourage more young people to look at future options in the Shire. Building on Council's role in Youth Week and other events would also assist in building networks for further consultation and awareness of needs and issues in the community.

Current Progress and Future Priority Areas

2007-2012 Actions

- Explore initiatives that encourage and enable young people to participate in community life and build their capacity to develop programs that address the needs of their peers.
- Increase opportunities for recreation for young people.
- Explore opportunities to increase education options for young people including TAFE.
- In partnership with SLHD, develop community development and health promotion approaches that target the needs of young people.
- Investigate feasibility of a heated indoor swimming pool, including setup and ongoing costs and possible funding opportunities.

Progress

- ✓ A number of alternative entertainment and recreation activities have been fostered in the community including supported trips to recreation activities outside the Shire.
- ✓ Heated Pool feasibility study completed.

2013-2018 Actions

Including:

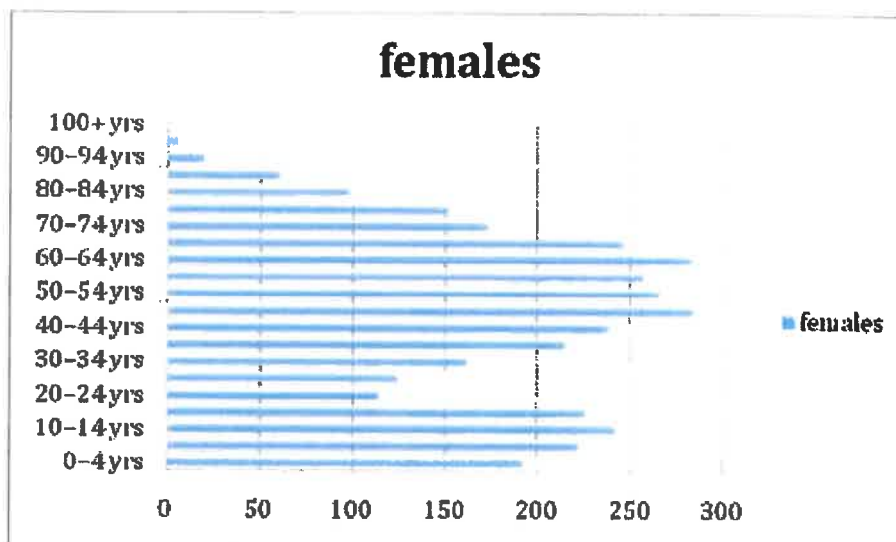
- Continue to explore initiatives that encourage and enable young people to participate in community life and build their capacity to develop programs that address the needs of their peers.
- Examine alternative recreation activities for young people in consultation with schools and youth groups.
- Explore opportunities to provide information and mentoring on career and education paths for young people, including options within the Shire.
- In partnership with Southern NSW Local Health District and other agencies and service providers, schools etc., develop community development and health promotion approaches that target the needs of young people.
- Funding sought for Skate Parks in Crookwell and Gunning - Completed.

Women

Related Demographics – Women

At the time of the 2011 Census there were 3,589 women in Upper Lachlan (as compared to 3604 men) with an average age of 46 years. Whilst there are slightly more males overall, the ratio of women to men increases in the older age groups (80 plus).

The following graph shows the age distribution for women in Upper Lachlan at the 2011 Census.



Source: Based on ABS statistics 2011 Census

Discussion of Key Issues and Social Infrastructure

The research of National Rural Women's Coalition provides support to a number of issues that have been raised by women in the Upper Lachlan area. The identification of common themes both locally and across other rural and regional areas in Australia is assisting in the development of National and NSW programs, however there is still significant scope for localised infrastructure, services and programs to improve the well-being of women in the Shire.

The Coalition has identified a number of issues that are relevant to Upper Lachlan including:

- Improved access and support for further education and returning to the workforce;
- Improved access to health services including maternity support, antenatal and postnatal services;
- Transport alternatives and improved public transport to regional facilities and services;
- Support services and emergency housing or support for domestic violence;
- Family support services

Rural regions, drought and social isolation are associated with increased levels of domestic violence (SAHS, 2003). Issues of confidentiality, finances, social isolation and limited access to transport can impact on the assistance sought and the choices made by women experiencing violence in regional areas.

National and state documents on women's health highlight five key issues impacting on women. These include reducing the prevalence of depression, domestic violence and smoking in women, as well as increasing levels of physical activity and improving maternal and infant health (NSW Health, 2000), Women's Health Outcomes Framework (NSW Health, 2002a), Physical activity and smoking are also identified in GSAHS Health Development priorities (GSAHS, 2006).

To meet the needs of women in the local district Southern NSW Local Health District supports the provision of outreach clinical services and health promotion initiatives by the Women's Health Nurse. Services are provided on an as needed/requested basis. The type and level of service provided is regularly reviewed. These activities are further supported by health promotion activities undertaken by the Southern NSW Local Health District.

Current Progress and Future Priority Areas

2007- 2012 Actions

- Investigate the availability of transport options with specific reference to women.
- In partnership with SLHD and other key stakeholders, develop community development/ health promotion approaches that target the needs of women

2013-2018 Actions

Including:

- Continue to investigate the availability of transport options with specific reference to women.
- In partnership with Southern NSW Local Health District and other key stakeholders, develop community development/ health promotion approaches that target the needs of women.

Progress

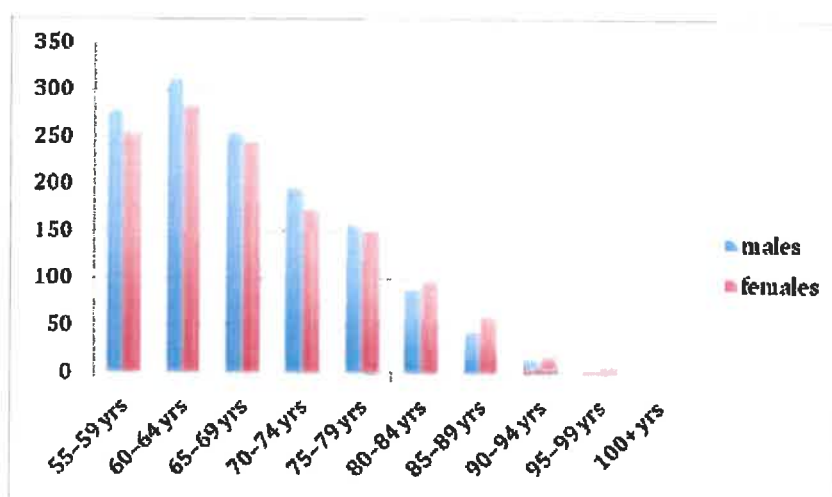
- Continued financial Council support for International Women's Day.

Older people

Related Demographics – Older People (55+)

At the 2011 Census there were 2652 persons over the age of 55 in Upper Lachlan Shire, comprising of 1354 males and 1298 females. This represents approximately 37% of the total population in the Shire.

The age and sex distribution is shown in the following diagram:



The percentage of persons compared to overall population in the Shire was greater than the NSW State average across all groups up to 90 years of age. The 60 through to 79 years brackets all were significantly higher than the State average as is shown below:

Age Bracket	Persons	% ULSC	% NSW	Difference to NSW
55-59 yrs	538	7.50%	6.10%	1.4% more
60-64 yrs	596	8.30%	5.60%	2.7% more
65-69 yrs	503	7.00%	4.40%	2.6% more
70-74 yrs	370	5.10%	3.40%	1.7% more
75-79 yrs	310	4.30%	2.70%	1.6% more
80-84 yrs	186	2.60%	2.20%	0.4% more
85-89 yrs	106	1.50%	1.40%	0.1% more
90-94 yrs	34	0.50%	0.50%	same
95-99 yrs	9	0.10%	0.10%	same
100+ yrs	0	0.00%	0.00%	same

Source: ABS 2011 Census

The population structure and characteristics for Upper Lachlan suggest that the proportion of older people living in the Shire will continue to grow, particularly if development activity or capacity to attract new young or middle aged residents declines or remains relatively low.

Discussion of Key Issues and Social Infrastructure

In recognition of the higher than NSW state average of older people living in the Shire Council has also prepared an Ageing Strategy. Ageing is about developing age-friendly communities, which create opportunities for older people to live active and fulfilling lives now and into the future. The Ageing Strategy has been developed to respond to the significant ageing of our local and broader community.

Older people make significant contributions to the local community. There are a myriad of community groups across the region which continue to operate due to the involvement and support of older residents. In 2002, a survey of older people found that one in five people (20%) responding to the older people's survey reported doing volunteer work for an organisation (NSW Health, 1999). Community meetings have raised a number of issues around volunteering, including finding and involving new people and those with a different range of skills, training opportunities, insurance and valuing volunteers. Many residents in different sites commented that while there is a long list of ways to be involved in the community there was only a limited pool of volunteers' from which to draw from.

Social isolation, depression and need for activities for older people were consistently raised as significant issues through community consultation in 2006. This feedback is consistent with the finding of reports written with community input several years ago (Twyford, 2003, Twyford, 2003a).

Transport was one of the main themes to emerge from community consultation and was often raised in the first instance as an issue for older people. Access to transport is important to access health, medical and other essential services and also to allow people to participate socially in their community. The cost of petrol and no access to a car were often given as a frequent barrier to personal travel. Other issues including no longer holding valid licences and travelling long distances, were given as barriers to the use of personal transport and unsuitable timetabling of community transport. It is important to consider both immediate and longer term solutions to transportation issues as the problem is likely to increase as the population ages. Acknowledgement of the new aged care facility proposal and recently commenced private facilities were made.

Current Progress and Future Priority Areas

2007-2012 Actions

- Develop approaches that support community groups and volunteers and increase recreation options for older people.
- Investigate options for an increase in transport availability.
- Work with key stakeholders to address the needs of the ageing population.
- Assist with the provision of services for older people.
- Develop approaches that support volunteers.
- Investigate feasibility of a heated indoor swimming pool, including setup and ongoing costs and possible funding opportunities.

2013-2018 Actions

Including:

- Develop and implement an Ageing Strategy for Upper Lachlan, and pursue advocacy and/or assistance for the community and Council to secure grant funding for the development and funding of initiatives for the ageing population.

Progress

- ✓ Completion of Ageing Strategy with ongoing funding support from Council.
- ✓ Heated Pool feasibility study completed.

People with Disabilities

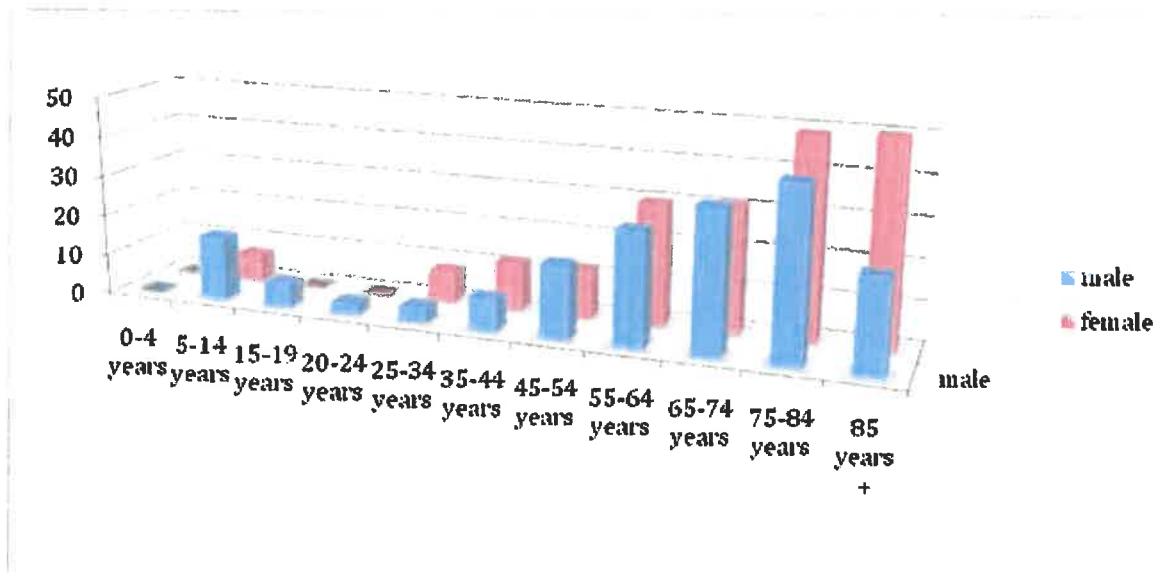
Related Demographics – People with Disabilities

At the time of the 2011 Census there was a total of 5.6% of the total population who identified as requiring assistance because of a disability. It should be noted that anecdotal evidence suggests that this figure may fail to recognise others with a disability in the community. Others may fail to identify as having a disability in the Census counts due to privacy, perception and failure to recognise that certain conditions would be considered as a disability including chronic debilitating health issues, in addition to having a disability but answering that they “do not require care” as per the ABS Census question.

The rate however for Upper Lachlan was 0.4% higher than the NSW State average and equates to approximately one in eighteen persons with a disability.

The age relationship for disability is also quite emphasised with those with severe disability less than 3% for age groups under 40, 20% at ages 75-84 and rising to approximately 50% at 85 plus age groups.

Need for Care (Disability) – Upper Lachlan 2011 by Age and Sex



Discussion of Key Issues and Social Infrastructure

A person with a disability is covered by the *NSW Disability Services Act 1993* if the disability is:

...Attributable to an intellectual, psychiatric, sensory, physical or like impairment/s; and is permanent; and results in significantly reduced capacity in one or more major life activities such as communication, learning, mobility, decision-making or self-care; and has a need for support.

However, the disability sector encompasses a broad range of conditions and needs, including children and adults with intellectual and developmental disabilities, people with acquired disabilities, and irreversible physical injuries. Allied-health professionals (therapists etc.) in the disability sector work within government and funded or charitable non-government agencies, schools, communities, and private practice.

Whilst the Census give us some idea of those seeking assistance, research by NSW Department of Family and Community Services - Ageing, Disability and Home Care, 2011, shows that two of every three people with a disability required some type of assistance. This has implications for both the health system and also home carers.

One key issue for Upper Lachlan is that the life expectancy of people with lifelong disabilities, including intellectual disabilities, which has increased significantly in recent years and it is projected that the numbers living to old age will continue to grow. An ageing population will likely compound this and potentially increase demand for disability services by older age groups.

The move away from residential (institutional) care has also shifted a significant care burden onto families and friends. Further, many support services are limited to children and/or adolescents and adults with lifelong disabilities can face considerable difficulties in accessing support for training and employment and regular health care (Adults with Disabilities and Ageing Carers – School of Health UNE – 2011)

As such both older and younger people with disabilities living in their homes needed the most assistance with property management and health care due to disability or ageing. Other common areas of need were transport, housework, mobility and self-care. Disability support services are available across the Shire from a range of providers. The Aged Care Assessment Team (ACAT) assesses need and services required for older people and provide referrals to other services. Assistance with household duties, personal care and respite is available through Baptist Community Services, Home Care, Anglicare, with in home nursing services accessible through the Department of Veterans Affairs and SLHD. The Crookwell Neighbourhood Centre Inc operates an In-Home Emergency Respite for Carers Program that may include people with a disability.

The Upper Lachlan Access Committee has been working towards improving access to services for all people, in particular, people with disabilities, however their are key issues for the community that will require ongoing attention, including:

- Servicing those with disabilities in more remote areas, and transport to regional centres for specialist care,
- Programs for education and employment for those with disabilities,
- In-home care assistance,
- Respite for carers,

- **Advocacy to regional and NSW Government and other service providers, and**
- **Continued support for the Council's Access Committee.**

Current Progress and Future Priority Areas

2007- 2012 Actions

- **Develop approaches that support people with disabilities.**
- **Improve public facilities for people with disabilities**

Progress

- ✓ **Council has successfully operated an Access Committee over the past planning period that has provided information and input into planning and development and infrastructure matters, as well as advocacy for those with access and disability issues.**
- ✓ **Crookwell Neighbourhood Centre Inc. operates an In-Home Emergency Respite for Carers Program which has been running for a considerable period.**

2013-2018 Actions

Including:

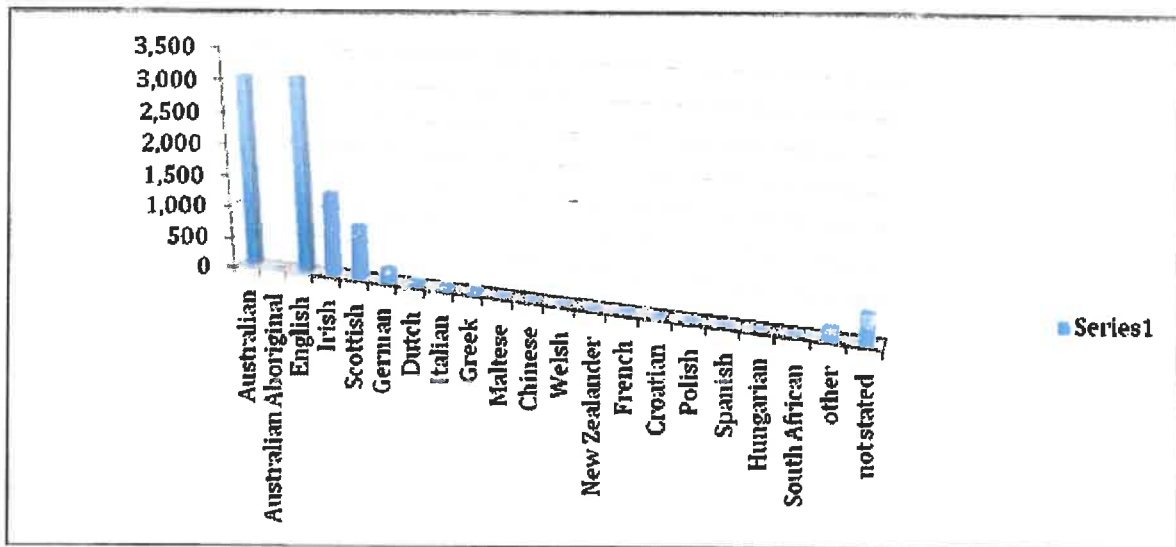
- **Programs for education and employment for those with disabilities,**
- **Respite for Carers (Crookwell Neighbourhood Centre Inc. operates an In-Home Emergency Respite for Carers Program),**
- **Advocacy to regional and NSW Government and other service providers, and**
- **Continued support for the Council's Access Committee**
- **Conceptual development of a Disability Action Plan.**

People from Culturally and Linguistically Diverse Backgrounds

Related Demographics – Culture & Linguistic Diversity

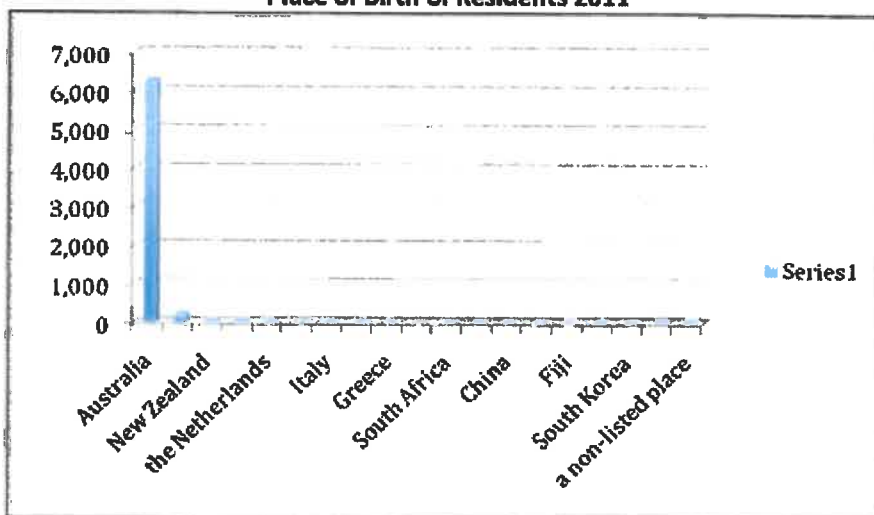
The following graphs show a comparison of peoples identified ancestry and then actual place of birth according to the results of the 2011 ABS Census. As can be seen by numbers, the amount of residents who identify as either non-Australian ancestry or indeed by non-Australian birthplace is relatively low, almost 88% of Upper Lachlan Shire residents were born in Australia.

Identified Ancestry of Residents 2011



Source: 2011 ABS Census

Place of Birth of Residents 2011



Source: 2011 ABS Census

In Upper Lachlan Shire, 94% of residents spoke English at home in Upper Lachlan Shire in 2011, which was not very different from 2006, and 22% more than in NSW.

Likewise the actual numbers of residents that speak another language at home was low, with about 2% of residents saying they spoke another language at home (20% fewer than in NSW), speaking at least 13 different languages. 4% did not say what they spoke.

The main non-English languages spoken here, and the number and proportion of residents speaking them, were:

- Hungarian – 28 speakers, or 0.4% of residents;
- Greek – 19 speakers or 0.3%;
- Dutch – 11 speakers or 0.2%;
- Italian – 11 speakers or 0.2%;
- SE Asian languages – 10 speakers or 0.1

Discussion of Key Issues and Social Infrastructure

Whilst there are relatively few people who speak languages or have their origins from another Country, there are a number of issues that Upper Lachlan Shire may need to consider, such as

- Council continuing to support programs and initiatives that encourage tolerance, acceptance and diversity;
- Council and the community examine options to promote the appreciation of cultural diversity, including arts and music from other Countries;
- Build on the identified ancestry of residents in cultural events in the Shire; and
- Consider the changes and implications and opportunities as the Shire develops and new residents move to the area.

Current Progress and Future Priority Areas

2007- 2012 Actions

- Increase awareness of other cultures.
- Encourage Inclusiveness in community activities.

2013-2018 Actions

Including:

- Increase awareness of other cultures.
- Encourage inclusiveness in community activities.
- Promote the area to potential new residents

- Examine opportunities for hosting cultural events, building on the changing demographics in the broader region and nationally.

Aboriginal and Torres Strait Islander People

Related Demographics – Aboriginal & Torres Strait Islanders

At the time of the 2011 Census, Upper Lachlan Shire had 122 Indigenous residents, with 118 identifying Aboriginal origins; 3 identified Torres Strait Islander (TSI) origins. This constituted an increase of approximately 23% on numbers in 2006, but is consistent with a rise in those identifying as Aboriginal or Torres Strait Islander across Australia (approx. 25%)

Indigenous people constituted 1.7% of the residents, compared with 2.5% of NSW, with the average age of indigenous residents was about 29 years in the Shire compared to 43 years for non-Indigenous residents.

“The age structure of the Indigenous population is very different from the non-Indigenous community; due to higher mortality rates at most ages and higher birth rates. Young people form a larger share of the Indigenous population, and people over 65 are much less common than among non-Indigenous people. The Indigenous population here is small and atypical” (Upper Lachlan Shire Community Portrait 2012).

Discussion of Key Issues and Social Infrastructure

The Wiradjuri tribe is the traditional owners of the land in the Upper Lachlan Shire area. The Wiradjuri nation is one of the largest of all Indigenous nations, extending from Mudgee, Bathurst and Oberon, to Young, Cowra, Cootamundra and Wagga Wagga. The nation extends north to Griffith, Coonabarrabran, Lake Cargelligo, Parkes and Dubbo. Local Aboriginal Land Councils within the ULSC area include:

- Pejar Local Aboriginal Land Council (Goulburn)
- Cowra Local Aboriginal Land Council (Cowra)
- Onerwal Local Aboriginal Land Council (Yass)

State wide, Aboriginal and Torres Strait Islander peoples comprise approximately 2% of the population (CHO, 2004). Data from the Commonwealth Government suggests that there are 128 Indigenous persons living in the Upper Lachlan Shire Council area, which represents a level significantly lower than the state average. Larger populations are recorded in neighbouring Goulburn Mulwaree Council (571), Yass Valley Council (259) and Wingecarribee Council (620) (Commonwealth of Australia, 2001).

Spiritual and cultural issues, together with social issues including low employment, substance abuse, housing, domestic violence and education are major issues impacting on the health and wellbeing of Aboriginal people.

The impact of chronic disease on the lives of Indigenous people is also a significant issue. Chronic diseases are the major causes of death and disability among Aboriginal people with one in every four Aboriginal deaths related to cardiovascular disease. Aboriginal people are also between 8-10 times more likely to die from this disease than other Australians. Indigenous people are 4 to 5 times more likely to be hospitalised for diabetes, twice as likely to be hospitalised for heart disease and stroke and 3 to 5 times more likely to be hospitalised for chronic respiratory diseases than non-Indigenous people in NSW. Indigenous people have

higher smoking rates than non-Indigenous people and are more likely to report drinking alcohol at levels that are risky for health (CHO, 2004).

Current Progress and Future Priority Areas

2007-2012 Actions

- Respecting Aboriginal people and culture in community activities.
- Work in partnership with other services to achieve better outcomes for Aboriginal and Torres Strait Islander people.
- Determine ways that current services may be targeted to address the needs of the Indigenous community.

2013-2018 Actions

Including:

- Respecting Aboriginal people and culture in community activities.
- Work in partnership with other services to achieve better outcomes for Aboriginal and Torres Strait Islander people.
- Determine ways that current services may be targeted to address the needs of the Indigenous community.

Men

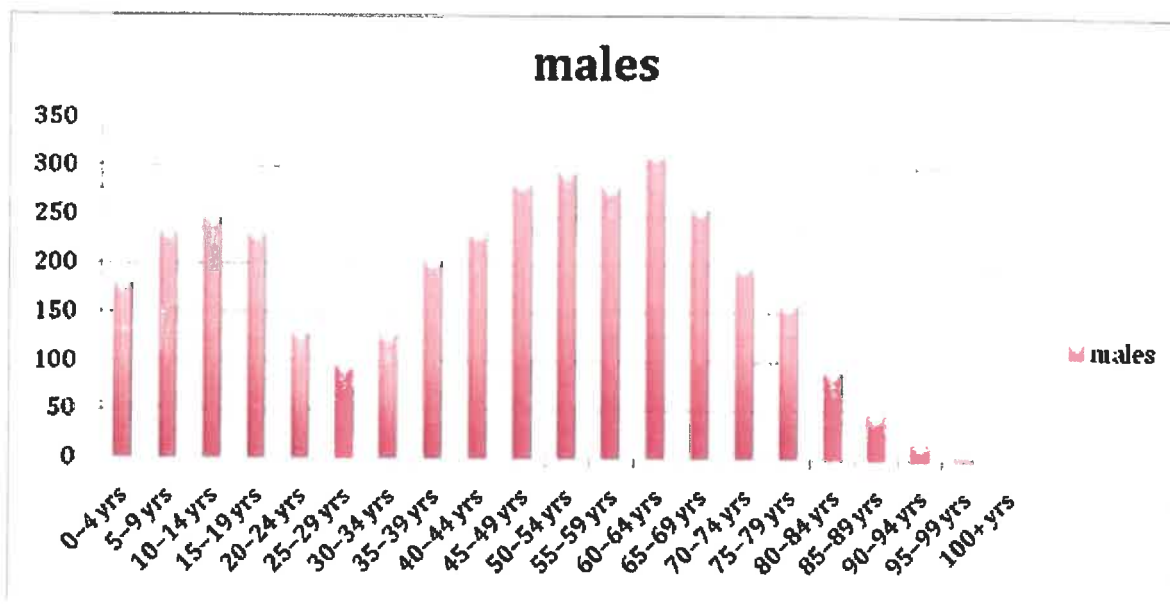
Although not required by social planning legislation, men have been included as a target group in this Social and Community Plan because men in the Upper Lachlan Shire deal with a range of issues specific to their gender and play an important role in our region.

Related Demographics – Men

At the time of the 2011 Census there were 3604 men in Upper Lachlan (as compared to 3589 women) with an average age of 44 years. There are slightly more males overall, but the ratio of men to women decreases in the older age groups (80 plus).

The following graph shows the age distribution for men in Upper Lachlan at the 2011 Census.

Upper Lachlan Males by Age – 2011 Census



Source: ABS Census - 2011

Discussion of Key Issues and Social Infrastructure

Men in rural regions of Australia may face distinct health issues because of their location, work and lifestyle. This report provides a snapshot of some of these issues and compares the illness and mortality of men in rural and urban areas. Overall, men in rural areas are more likely than their urban counterparts to experience chronic health conditions and risk factors. For example, are more likely to report daily smoking and risky drinking behaviour, are less likely to possess an adequate level of health literacy, have higher mortality rates from injury, cardiovascular disease and diabetes (AIHW 2012).

Men's health continues to be a significant issue in Upper Lachlan. Men have lower life expectancies than women, are more likely to smoke, drink at 'at risk' levels and consume inadequate fruit and vegetables. Men are also more likely to be overweight, be diagnosed with diabetes, melanoma, oral cancer, HIV/AIDS and die from cardiovascular disease, lung cancer, injuries and poisoning, motor vehicle accidents and suicide than women (CHO, 2004).

In community consultations held to help inform the Social and Community Plan, issues facing men in the region that were raised consistently across the Shire included men being reluctant to talk about issues or concerns, confusion about support services available for men on the land and the impact the ongoing drought is having on men (see section on Mental Health and Wellbeing and 'Our farming community').

Communication of local events through the Council newsletter 'The Voice', The Gunning Lions Newsletter, and on noticeboards in suitable locations in villages across the Shire provides improved communication of events occurring in local areas

Current Progress and Future Priority Areas

2007-2012 Actions

- Promote community development activities which target men.
- Increase promotion of existing support services for men more widely.
- Investigate opportunities to build on existing services and activities for men.
- Involvement in programs like 'Back a Bushie' and 'Community Cares', 'Beyond Blue' to ensure open communication of issues relevant to the community.
- Support cancer awareness campaigns such as "Movember", prostate cancer awareness campaigns and screening options. SLHD and ULSC to pursue.
- Investigate SLHD/NSW Health capabilities into the above programs to match successful women's breast screening program.

2013-2018 Actions

- Promote community development activities which target men.
- Investigate opportunities to build on existing services and activities for men and increase promotion of these services
- Involvement in community programs to ensure open communication of issues relevant to the community.
- Support cancer awareness campaigns such as "Movember", prostate cancer and other health capability awareness campaigns and screening through SLHD and ULSC.

Progress

- ✓ Council support in the development of the new Crookwell Men's Shed.

Community Issue: Mental Health and Wellbeing

Mental health and wellbeing is inextricably linked with the physical health of all groups within the community. Physical health cannot exist unless one's mental health is also in shape. Our mental wellbeing not only impacts on our emotions, thoughts and behaviour, but it can also affect us physically, through cramps and pains, loss or increase in appetite, indigestion, headaches and increased heart rate.

Stress is a significant factor in the development of mental illness and is associated with unfavourable outcomes for some health conditions. The prevalence of psychological distress between the years 1997-2004 in NSW was reported to be 11.8% for males and 14.6% for females, compared with 8.8% for males and 14.9% for females in the Greater Southern region. However, ten year trend data suggest that the amount of psychological distress among males and females in the Southern NSW Local Health District is increasing. Although present in everyday life, stress becomes a concern when it starts to impact on daily activities or when someone feels unable to deal with it. Left untreated it can lead to a range of significant physical and mental health problems.

Although it varies for different individuals, consultation with service providers and the community indicated that some of the major stressors for residents included the drought, anxiety about decisions of staying on the land or selling, employment and further education prospects for youth.

The Shire has a low-density populace, dispersed over a large geographical area. This presents challenges for service providers in delivering services to those in need, and also to residents who may be isolated both socially and geographically from larger centres. The limited range of public transport options is likely to compound the problem.

In the past, there has been significant stigma attached to mental health problems and services. Although local service providers report that this is reducing, the sensitivities of the community in accessing these services and assistance should be considered when developing programs.

Despite recent changes in modes of practice and accessibility of services (such as the Better Access to Mental Health Care Initiative), the incidence of psychological and mental health problems managed by GPs still decreases significantly outside the major capital cities. Both presentation for treatment and use of services for mental health issues are lower in rural areas, with those suffering from mental difficulties facing more barriers to help-seeking than in the city. These include poor availability and accessibility of services as well as a number of characteristics specific to rural communities such as lack of choice of health providers, high workloads of available GPs, geographic distance, and lack of knowledge about, and negative view of, mental health problems by those living in rural areas and amongst their social networks.

Volunteer work can improve volunteers' mental health and can lead to improved access to psychological and social resources. Programs currently running provide volunteer opportunities for those living with a mental condition. Volunteering also presents a compensation effect for those with depressive symptoms as people with depression sometimes look to volunteering as a way to help their mental health.

Current Progress and Future Priority Areas

- Develop community development/health promotion activities, which target mental health and wellbeing. Participate in 'Beyond Blue' and similar programs.
- Increase promotion of existing mental health services more widely.

- Investigate opportunities to build on existing services.
- Investigate opportunities for increasing volunteer participation in community organisations



Community Issue: Our Rural and Farming Community

Although not required in Social and Community Plan reporting guidelines, Council and the community felt it important have 'Our rural and farming community' included as its own group in this Plan because of the importance in the Shire.

The onset of stressful events in the farming world is often gradual. For example, with prolonged drought the stress does not happen instantly, as with other disasters such as fires, and thus disaster responses are not put in place in the same way.

Most farm families respond to stress by making changes in business and household. They often:

- Reduce spending on food, clothing, health, social life, education
- Start to use up any savings
- Seek off farm income
- Relocate family members
- Increase use of credit/borrowing
- Seek government assistance (RIRD, 2002).

Although most people will go through acute stress and manage with courage and strength, it is often later that the longer-term problems of the stress start to show. Chronic stress really harms your health. These stresses can lead to a loss of self-esteem through losing a sense of control over aspects of life and often result in increases in depression and anxiety. Chronic stress can lead to poor decision-making about financial and family matters, the breakdown of effective communication and sometimes family relationships, poor physical health and unhealthy lifestyle behaviours such as increased alcohol, tobacco and drug consumption (illicit and prescription). Stressful times often lead to withdrawal from social and community activity as people cannot afford the time to be away from the farm nor the money to spend on petrol to go to town or spend on activities.

Many farmers said that the current governmental legislative requirements and commodity prices for their produce being low also contribute to increased financial and emotional stress as they attempted to juggle these competing priorities and challenges. A key factor was the cost and time it takes to do all the required training to keep up with these requirements.

A previous survey of isolated residents in the Shire (source: Crookwell Neighbourhood Centre Inc. 2013) identified a range of issues that need to be addressed, including:

- **Education** in the areas of gun regulations and safety, weed control, chemical handling and storage, and payroll and business management.
- **Physical Health** need for a "Wellness clinic" to all villages and improved access to health related services.

- **Mental Health** addressing isolation of rural properties, mobile phone coverage, technology gap, safety and security and improved access to health related services.
- **Nutrition** Meals on Wheels do not go out to remote areas, distance and cost to have access food requirements.
- **Financial** extra travel costs of tradespersons/professionals to remote areas, Ageing population of permanent residents who cannot afford to continue to live where they are nor want to move into town, Assets reduce their ability to get financial assistance from government departments.

Current Progress and Future Priority Areas

Priority areas for action:

- Address impact of drought on health and wellbeing.
- Enhance links to financial, agricultural and business support/advice agencies.
- Build on the contacts and relationships formed from the 'Community Cares' nights at Crookwell, Laggan, Taralga and Binda in 2006.

Community Issue: Transport and Connectivity

Transport in the Shire is predominately by private motor vehicles, with ownership rates of motor cars in Upper Lachlan in 2011 averaging 2.06 vehicles per household, which equates to 29% higher than the NSW average. In 2011, 3.5% of households said they did not have a vehicle which is almost 7% lower than NSW averages.

These figures are significant because there are no other public transport services in the Shire and no taxi service, so those without private transportation are less able to access important services.

Both the cost and limited availability of transport to health services were consistently raised as issues affecting the local community's access to services. This was particularly noted for aged and chronically ill residents who require care or hospitalisation in other towns and for families with no vehicles wishing to access out of school activities. Access to transport also affects a person's ability to connect with their community socially, which in itself is an important factor in community wellbeing. The community has also identified a need to promote transport options to residents, with the potential to create a transport advocacy group in partnership with local government to improve access to services for Upper Lachlan Shire residents.

Health related transport

Emergency transport for medical emergencies is provided through the Ambulance Service. There are four permanent ambulance officers in Crookwell, they provide 24 hours, 7 day a week service to the Upper Lachlan Shire boundary. In addition, the Southern Local Health District provides the Transport for Health Program, which provides non-emergency health related transport for people who are ill or injured that are not eligible for transport services by ambulance, and for those whom traditional public or private transport is not available. There are also a number of hospital vehicles that are able to assist in transporting people to and from the Activity Centre and other health related activities.

While SLHD budget makes allowances for emergency transport there is an acknowledgement that non-urgent transport is a community concern. This issue requires agency collaboration to develop strategies that broaden the range and choice of affordable transport options for the frail elderly and chronically ill population and those without access to private transport of their own.

Community transport

Community transport is available for people identified through the HACC program or the Community Transport program (CTP). HACC targets all frail aged people, people with a permanent and functional disability and the carers of these groups. CTP targets groups who are rurally and socially isolated and spare seating is available to people outside the target groups at commercial rates

A wheelchair accessible bus is available fortnightly from Taralga and Crookwell to Goulburn and weekly from Gunning. Weekly wheelchair accessible services are available from the Crookwell service for Tuena, Bigga, Binda and Grabben Gullen.

Car transport is available for specialist medical appointments in Goulburn, Canberra, Bowral and Sydney areas for people identified within the HACC or CTP programs target groups.

Intersectoral collaboration is needed in order to develop strategies that broaden the range and choice of affordable transport options for the most vulnerable members of the Upper Lachlan Shire community that do not have access to private transport.

Communication

Another issue raised during consultation was communication, both within the individual communities across the Shire, but also between Council and the community at large.

Residents indicated that although there were generally lots of activities and groups in villages and townships, there was uncertainty about when and where different things were happening. Residents who had recently moved into the Shire raised this as a significant issue.

Current Progress and Future Priority Areas

Priority areas for action:

- Explore options to increase types and availability of transport.
- Encourage use of current community and other transport services.
- Examine community and volunteer transport options.
- Identify any target groups experiencing transport connectivity problems, particularly accessing regional services.

Increase opportunities for effective communication across the Shire.

- Investigate opportunities to promote cohesion across the Shire.
- Investigate options to address insurance issues.
- Continue lobbying relevant Ministers and Authorities regarding telecommunication services.

Potential for Additional Community Issues Assessment

Note: Other potential areas for development of community issues component of the Plan:

- Volunteering
- Communication, Coordination & Promotion
- Support for local General Practitioners
- Community Safety – Towns and Villages

Questions for Community Consultation/Ongoing Monitoring

- What are the key issues for Upper Lachlan’s social and community well being?
- What are the key gaps in services or facilities?
- What do we do well for the community in Upper Lachlan?
- What services or facilities work well?
- Are issues different for different parts of the Shire? Why?
- What can be done to improve things?
- Can you suggest particular services or facilities or programs for:
 - Children
 - Youth
 - Aged
 - Women
 - Men
 - Aboriginal and Torres Strait islanders
 - General health
 - Coordination,
 - Access and transport
- Who should be involved and what partnerships can you suggest to achieve outcomes ?

Action Plan – Social and Community Plan 2013-2018

Priority Area: Children

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
ULSC support the annual small school sports day	ULSC	July 2013-2018	Ongoing
Community parks and play facilities across the Shire be maintained	ULSC	Ongoing	Ongoing
The ULSC build on and maintain the community directory on their website	ULSC	Ongoing	Ongoing
Support SLHD to explore viability of Child and Family centre for visiting services – to include child development unit with the potential to attract a paediatrician to the town.	SLHD, ULSC, local child care centres, care providers	July 2013-2018	Ongoing
Support the child and family support network within the Upper Lachlan LGA.	SLHD, ULSC, local child care centres, care providers	July 2013-2018	Ongoing
Network meetings with SDN, Country Kids and all other Children Services within LGA to pool resources for training, regulations and new government legislation	Crookwell Neighbourhood Centre Inc. and Agencies/ULSC	July 2013-2018	Ongoing

Social and Community Plan 2013 – 2018 Action Plan

Priority Area: Young People

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Explore funding avenues for the implementation of youth capacity building programs	SLHD, ULSC, Y'Mad, CNC Inc	July 2013-2018	Complying - Ongoing
Establish Youth Council with representation from across the Shire	ULSC, Local Schools (primary and high school)	July 2013-2018	Ongoing
Investigate the feasibility of a heated therapeutic indoor swimming pool for Crookwell, including setup and ongoing costs and possible funding opportunities.	ULSC	Completed	Completed Feb 2014

Priority Area: Women

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Support agencies in any investigations into existing service gaps and opportunities for health services, including rural outreach services (health, mental health etc.) and viability of Child and Family centre for visiting services	SLHD, ULSC	July 2013-2018	Ongoing

Social and Community Plan 2013 – 2018 Action Plan

Priority Area: Older People

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Work with key stakeholders to plan appropriately for the needs of the ageing population	SLHD, ULSC	July 2013-2018	Ongoing
Investigate the feasibility of a heated therapeutic indoor swimming pool for Crookwell, including setup and ongoing costs and possible funding opportunities.	ULSC	Completed	Completed Feb 2014
Encourage participation by older people as volunteers in particular programs - as peer educators	ULSC & Community Groups	July 2013-2018	Ongoing
Support agencies in any investigations into existing service gaps and opportunities for health services, including rural outreach services (health, mental health etc.) and viability of Child and Family centre for visiting services	ULSC, SLHD, Community Groups	July 2013-2018	Ongoing

Priority Area: People with Disabilities

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
ULSC continue to support the Crookwell Access Committee	ULSC	Ongoing	Ongoing
Disability services conduct shire wide promotion of services and assistance available	ULSC, SLHD	July 2013-2018	Ongoing

Social and Community Plan 2013 – 2018 Action Plan

Priority Area: Aboriginal and Torres Strait Islander People

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
In local tourist maps, include any indigenous sites of significance with commentary.	ULSC, LALC	July 2013-2018	Ongoing
Support development of partnerships between relevant authorities	SLHD, ULSC, LALC	July 2013-2018	Ongoing
Encourage service providers and key stakeholders to consult with the Aboriginal Community	SLHD, ULSC, LALC	July 2013-2018	Ongoing

Priority Area: People from Culturally and Linguistically Diverse backgrounds

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Support activities raising awareness of other cultures across the Shire	ULSC	July 2013-2018	Ongoing
Encourage inclusiveness in community activities	ULSC	July 2013-2018	Ongoing
Encourage different cultural groups to share their culture at key community events	ULSC	July 2013-2018	Ongoing

Social and Community Plan 2013 – 2018 Action Plan

Support arts and cultural activities across the shire and support localities to seek funding to host events	ULSC	July 2013-2018	Ongoing
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Priority Area: Men

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Support agencies in investigation options for counselling services specifically for men	ULSC	July 2013-2018	Ongoing
Support and promote cancer awareness campaigns and screenings	SLHD, ULSC	July 2013-2018	Ongoing
Building relationships with the relevant Chamber of Commerce, Government agencies, Community groups to support and enhance community based support programs and activities	ULSC, Chamber of Commerce, Community Groups,	July 2013-2018	Ongoing

Priority Area: Rural Community

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Support relevant agencies and programs in the rural sector – Rural Support Program Assistance Guide, drought support and natural disaster.	DPI/SLHD	July 2013-2014	Completed
Directory of support services available in the region be updated and distributed in Council newsletter and on the website	ULSC	July 2013-2018	Ongoing

Social and Community Plan 2013 – 2018 Action Plan

Priority Area: Transport & Connectivity

Key Action or Deliverable	Lead Agency & Partners	Target Delivery Date & Priority	Status & Monitoring Comments
Advertising of services in local papers, 'The Voice', local notice boards, service group newsletters, Council website	ULSC	July 2013-2018	Ongoing
Commitment to building on existing community services and infrastructure such as the Community Centre, and increased awareness and promotion by Council of the work that is being done in the community.	ULSC	July 2013-2018	Ongoing



Disability Inclusion Action Plan

2017 – 2020

Original Plan adopted by Council 15 June 2017 Minute No. 161/17
Effective 15 June 2017

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Message from the Mayor

It is with pleasure that I present Upper Lachlan Shire Council's Disability Inclusion Action Plan 2017-2020.

Council is working towards creating a Shire provides equal opportunity for people with disability, their carers and families to use and enjoy the public spaces and opportunities our Shire has to offer.

The Plan demonstrates Council's commitment to improving the quality of our services, facilities, systems and programs over a four year period. I would like to thank the community members, service providers and Council staff who participated in the consultation process which helped shape and inform the Plan.



A handwritten signature in black ink that reads "B W McCormack".

**Councillor Brian McCormack OAM
Mayor**



A handwritten signature in black ink that reads "J K Bell".

**John K Bell
General Manager**

Acknowledgement of Country

Upper Lachlan Shire Council would like to acknowledge the Traditional Custodians of this Land. Council would also like to pay respect to the Elders past and present, of the Wiradjuri Nation, and extend that respect to other Aboriginals present.

Background

In August 2014 the NSW Disability Inclusion Act 2014 was passed and requires Council to develop a Disability Inclusion Action Plan to help remove barriers and enable people with a disability to participate fully in their communities.

Council's vision is for an inclusive and welcoming community where all residents and visitors enjoy a secure and friendly environment. Council's Disability Inclusion Action Plan will aim to provide better access to Council information, services and facilities ensuring people with disabilities can fully participate in their community.

This Plan was developed through consultation which included community, service provider and Council staff surveys.

The plan was endorsed for public exhibition at the 20 April 2017 Ordinary Council meeting.

The Plan was formally adopted at the 15 June 2017 Ordinary Council meeting and takes effect from this date.

Legislation and Policy

International

The United Nations Convention on the Rights of Persons with Disabilities



Source: Disability Inclusion Action Planning Guidelines Local Government

The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) protects the rights of all people with a disability around the world. Australia was one of the first countries to sign the Convention when it was ratified in 2008. The convention acknowledges that people with disability have the same human rights as those without disability. This commits participating governments to ensure these rights can be exercised and that barriers are removed. The UNCRPD supports the social model of disability. This recognises that attitudes, practices and structures are disabling and can create barriers to people with disability from enjoying economic participation, social inclusion and equality which are not an inevitable outcome of their disability.

The Convention is guided by the following principles:

- respect for inherent dignity, individual autonomy including the freedom to make one's own choices and independence of persons;
- non-discrimination;
- full and effective participation and inclusion in society;
- respect for difference and acceptance of persons with disabilities as part of human diversity and humanity;
- equality of opportunity;
- accessibility;
- equality between men and women;
- respect for the evolving capacities of children with disabilities and respect for the right of children with disabilities to preserve their identities.

National

National Disability Strategy 2010-2020

The National Disability Strategy 2010-2020 (developed in partnership by the Commonwealth, State, Territory and Local Governments) sets out a national plan for improving life for Australians with disability, their families and carers, to support the commitment made to the UNCRPD.

National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) is a major reform that will deliver a national system of disability support focused on the individual needs and choices of people with disability. The NDIS gives participants more choice and control over how, when and where supports are provided.

State

The *Disability Inclusion Act 2014 (NSW)* provides the legislative framework to guide state and local government disability inclusion and access planning. The Act supports people with disabilities to access:

- the same human rights as other members of the community and that governments and communities have a responsibility to facilitate the exercise of those rights;
- independence and social and economic inclusion within the community; and
- choice and control in the pursuit of their goals and the planning and delivery of their supports and services.

In meeting the requirements under the Act for disability inclusion and access planning, Council must:

- (a) Specify how it will incorporate the UN human rights disability principles into its dealings with matters relating to people with disabilities.
- (b) Include strategies to support people with disabilities, for example, strategies to:
 - i. provide access to buildings, events and facilities
 - ii. provide access to information
 - iii. accommodate the specific needs of people with disabilities
 - iv. support employment of people with disabilities
 - v. encourage and create opportunities for people with disabilities to access services and activities
- (c) Include details of its consultation about the plan with people with disabilities and
- (d) Explain how the plan supports the goals of the State Disability Inclusion Plan, (that is, strategies that support the four key DIAP areas).

The Act requires NSW government departments, local councils and some other public authorities to develop and implement a Disability Inclusion Action Plan. The plan must be consistent with the State Disability Inclusion Plan and include strategies to increase access and participation.

Local

The Tablelands Regional Community Strategic Plan 2016-2036 was created by the community and provides a long term vision for the Shire. The Tablelands Regional Community Strategic Plan informs Council's Delivery Program and Operational Plan, which set out Council's role in achieving the community's vision. Other Council plans and documents relevant to the Disability Inclusion Action Plan include:

- Delivery Program
- Operational Plan
- Workforce Plan
- Long-Term Financial Plan
- Infrastructure Plan
- Social and Community Plan
- Ageing Strategy
- Community Engagement Strategy and Communications Plan
- Tourism Strategic Plan
- Cultural Plan
- Upper Lachlan Local Environmental Plan 2010
- Climate Change Adaption Strategy
- Equal Employment Opportunity Plan
- Information Technology Strategic Plan
- Business Continuity Plan

Development of the Disability Inclusion Action Plan is supported by the Delivery Program aspirations as follows:

- A built environment enhancing the lifestyle of a diverse community
- Community liaison to preserve and enhance community facilities
- People attaining health and wellbeing
- Resilient and adaptable communities

Other legislation and standards informing Council's work

- Commonwealth Disability Discrimination Act 1992
- Commonwealth Disability (Access to Premises-Buildings) Standards 2010
- NSW Anti-Discrimination Act 1977
- Carers Recognition Act 2012
- Local Government Act 1993 and Local Government (General) Regulation 2005

Community Profile

The *Disability Inclusion Act 2014* (DIA) defines disability as:

“The long-term physical, mental, intellectual or sensory impairment which in interaction with various barriers may hinder the full and effective participation in society on an equal basis with others.”

The regional city of Goulburn, in neighbouring Goulburn-Mulwaree LGA had a population of 21,484 in 2011 (ABS 2012c). It is located 44 kilometres (33 minutes) from Crookwell. Taralga is approximately the same distance to Goulburn. Canberra city is approximately a 1.5 hour drive, 112 kilometres from Crookwell (Google Maps, 2016).

The population (‘preliminary estimate’) of the Upper Lachlan Local Government Area (LGA) in June 2015 was 7,876 (ABS 2016). The population of the LGA at the 2011 Census was 7,193 (ABS 2012a). Table 1 below shows the population of each of the urban areas, and the remaining rural area, at that time.

Table 1: Population, Upper Lachlan LGA, 2011

Geographic area*	Total population	Proportion of total population of LGA
Crookwell	2,014	28%
Gunning	483	7%
Dalton	107	1%
Taralga	284	4%
Remaining rural areas of the LGA	4,305	60%
Upper Lachlan LGA	7,193	

Note: * the geographic areas used for each of the towns are the ABS 2011 Census geographic areas of ‘Urban Centre/Locality’. This classification is the closest approximation of the generally accepted ‘built up urban area’ of each location. Unfortunately the Shire’s other built up areas of Bigga, Binda, Collector, Grabben Gullen, Laggan, and Tuena do not have their own separate urban classifications in the Census. Data for these areas in the Census includes not just the built up area but also the surrounding rural areas.

Source: Australian Bureau of Statistics 2011 Census of Population and Housing Basic Community Profiles Table B01

In 2011, 40% of the population resided in four ‘urban’ areas of the LGA (Crookwell, Gunning, Dalton and Taralga) with the remaining 60% living in the ‘rural’ areas, although these ‘rural’ areas also included the villages of Bigga, Binda, Collector, Grabben Gullen, Laggan, and Tuena. The reason for the urban classification of only some areas is given in the Note to Table 1.

The first results from the 2016 Census are due to be released in mid 2017.

People living with a disability

In NSW, there are over 1.3 million people living with disability. Disability may be acquired at birth or early in life, or may be the result of accident, illness or injury throughout life. Disability rates increase substantially as people age, with close to 40% of people having some form of disability by the time they are 70 years old. People experience a range of impacts due to disability, with over 6% of the population experiencing profound or severe disability. (NSW Government, 2015)

The 2011 Census identified that there were 382 people in the ULSC LGA who had ‘need for assistance with core activities’ (ABS, 2012a). This Census variable “measures the number of people with a *profound or severe disability*. People with a profound or severe disability are defined as those people needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication, because of a disability, long term health condition (lasting six months or more) or old age”. (ABS, 2011).

Of those 382 people with a profound or severe disability in the LGA in 2011:

- 183 were male
- 199 were female
- 159 (or 42%) resided in the Crookwell urban area
- 23 (or 6%) resided in the Gunning urban area
- 6 (or 2%) resided in the Dalton urban area
- 31 (or 8%) resided in the Taralga urban area
- 163 (or 43%) resided in the remaining rural areas of the LGA (ABS, 2012b)

The percentage of people needing assistance as a proportion of the total population in the ULSC LGA in 2011 was 5.3%. In comparison, the proportion in the region (Goulburn-Yass Statistical Area 3) was 5.5% and NSW 4.9% (ABS, 2012a). Goulburn-Yass Statistical Area 3 includes the LGAs of Upper Lachlan, Goulburn-Mulwaree, Boorowa, Young, Harden and Yass Valley.

In addition, there were 313 people in ULSC LGA in 2011 who did not state whether or not they ‘needed assistance’, so it is possible that the actual number and proportion of people with a profound or severe disability is higher than that stated above (ABS 2012a).

In comparison, in 2006, there were 324 people needing assistance in the ULSC LGA of a total population of 7,054 (4.6%), with an additional 393 people not stating whether or not they needed assistance (ABS, 2007).

Details of the total number of people with a disability – including those with a moderate or mild disability – are not available from the Census. Data modelled by the Public Health Information Development Unit (PHIDU, 2015) estimated that there were 838 people aged 18 years and over in the ULSC LGA in 2010 with profound/severe/moderate/mild core activity restriction. This number would presumably include the people counted above in the 2011 Census.

(PHIDU 2015, using data compiled by PHIDU based on modelled estimates from the 2010 General Social Survey, ABS (unpublished); and the ABS Estimated Resident Population, 30 June 2010).

Note: these modelled estimates do not represent data collected in administrative or other data sets. As such, they should be used with caution, and treated as indicative of the likely social dimensions present in an area.

Age

Table 2 below shows the number of people requiring assistance with core activities by age group in the LGA, and in the urban areas, in 2011.

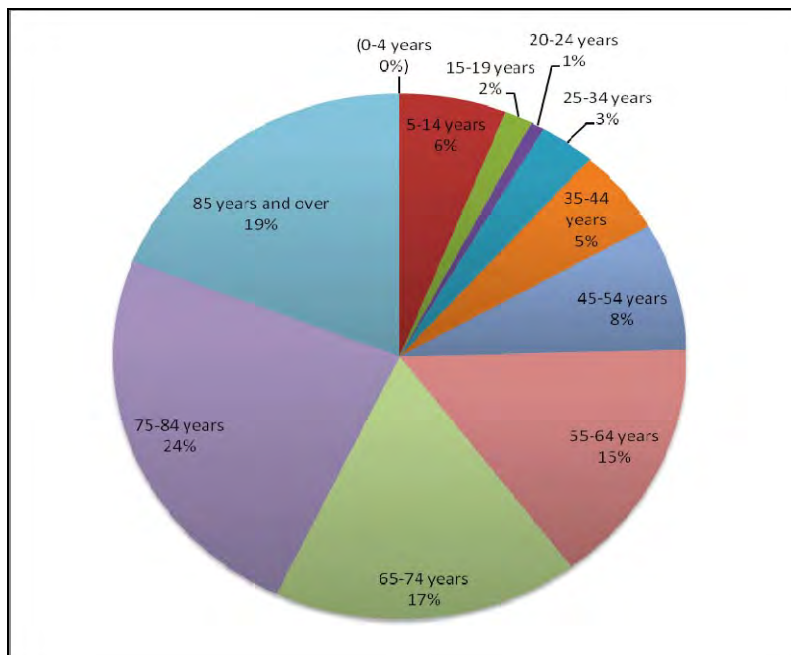
Table 2: Need for assistance with core activities by age, 2011

Age	Number of people needing assistance with core activities				
	Crookwell	Gunning	Dalton	Taralga	ULSC LGA
0-4 years	0	0	0	0	0
5-14 years	9	0	0	0	23
15-19 years	0	3	0	0	6
20-24 years	3	0	0	0	3
25-34 years	3	0	0	0	12
35-44 years	4	0	0	0	20
45-54 years	8	3	3	0	30
55-64 years	24	6	0	0	58
65-74 years	27	8	0	9	66
75-84 years	41	3	0	10	91
85 years and over	40	0	3	12	73
Total people needing assistance	159	23	6	31	382
Total population	2,014	483	107	284	7,194

Source: ABS Census of Population and Housing 2011, Basic Community Profile Table B18

The following graph is extracted from Table 2 and shows the *proportions* of people needing assistance with core activities in the various age groups in the ULSC LGA in 2011.

Figure 1: ULSC LGA: Age groups of people needing assistance with core activities, 2011



Income

Data from the Australian Government shows the following recipients of Department of Social Security payments in the December 2015 quarter in the ULSC LGA (*Australian Government Department of Social Services 2016a*):

- Disability Support Pension – 269
- Carer Allowance – 209
- Carer Allowance (Child Health Care Card only) – less than 20
- Carer Payment – 79
- Commonwealth Seniors Health Card – 201
- Age Pension – 1,062
- Pensioner Concession Card – 1,523

Notes: The following are descriptions of each of the allowances listed above:

- Disability Support Pension - Financial support for people who have a physical, intellectual or psychiatric condition that stops them from working or people who are permanently blind
- Carer Allowance - is a fortnightly income supplement for parents or carers providing additional daily care and attention to an adult or dependent child with disability or a medical condition, or to someone who is frail aged. Carer Allowance is not income and assets tested, is not taxable and can be paid in addition to wages, Carer Payment or any other income support payment.
- Carer Payment - provides financial support to people who are unable to work in substantial paid employment because they provide full time daily care to someone with severe disability or medical condition, or to someone who is frail aged.
- Commonwealth Seniors Health Card - assists eligible people who have reached the qualifying age for Age Pension with certain health and prescription costs
- Age Pension – designed to provide income support to older Australians who need it, while encouraging pensioners to maximise their overall incomes. The Age Pension is paid to people who meet age and residency requirements, subject to a means test.
- Pensioner Concession Card - assists pensioners and selected benefit recipients with certain living costs by allowing access to specific goods and services at a concessional rate. (Australian Government Department of Social Services 2016b).

In the 2011 Census, 295 people with a ‘need for assistance for core activities’ stated their weekly personal income. Of the 5,080 people without a ‘need for assistance with core activities’ stated their income. A comparison of the percentages in each income bracket is given in Table 3 below.

Table 3: Weekly personal income, ULSC LGA, 2011

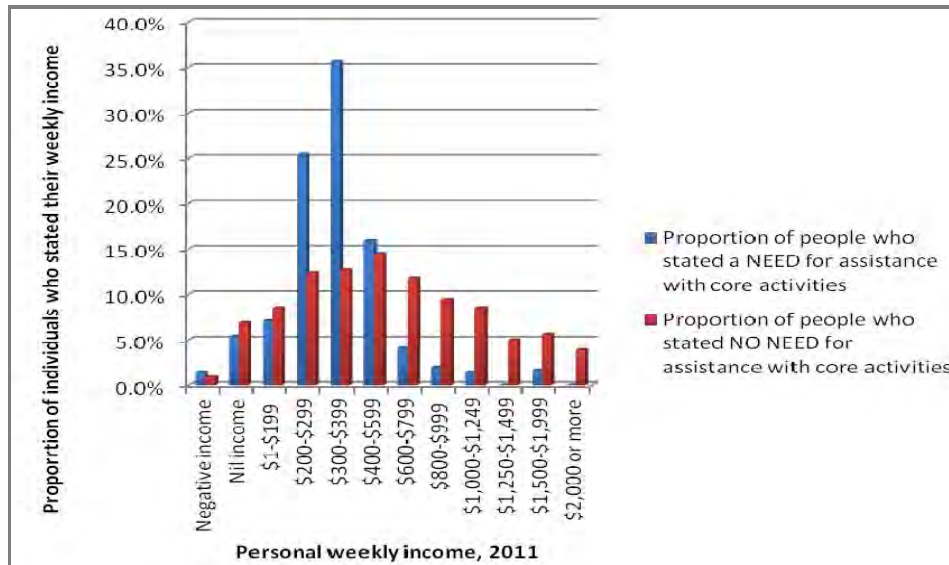
Weekly personal income, 2011	Proportion of people who stated a need for assistance with core activities	Proportion of people who stated no need for assistance with core activities
Negative income	1.4%	0.9%
Nil income	5.4%	6.9%
\$1-\$199 (\$1-\$10,399)	7.1%	8.5%
\$200-\$299 (\$10,400-\$15,599)	25.4%	12.4%
\$300-\$399 (\$15,600-\$20,799)	35.6%	12.7%
\$400-\$599 (\$20,800-\$31,199)	15.9%	14.5%
\$600-\$799 (\$31,200-\$41,599)	4.1%	11.8%
\$800-\$999 (\$41,600-\$51,999)	2.0%	9.4%
\$1,000-\$1,249 (\$52,000-\$64,999)	1.4%	8.5%
\$1,250-\$1,499 (\$65,000-\$77,999)	0.0%	5.0%
\$1,500-\$1,999 (\$78,000-\$103,999)	1.7%	5.6%
\$2,000 or more (\$104,000 or more)	0.0%	3.9%
Total number of individuals with income stated	295	5,080

Source: ABS Census of Population and Housing 2011, Tablebuilder

Table 3 shows the discrepancy between in income levels between people who do and do not require assistance with core activities. While only 9 % of people requiring assistance had a weekly personal income of \$600 or more, 44 % of people *not* requiring assistance had an income of this level or higher.

The following graph (extract of Table 3) highlights the discrepancy in the spread of incomes between people with and people without a need for assistance in ULSC LGA in 2011.

Figure 2: ULSC LGA Personal weekly income by need for assistance with core activities 2011



Living Arrangements

In ULSC LGA in 2011, of the 378 people with a profound or severe disability (needing core assistance), there were 310 people living in the community; and 68 living in living in long-term accommodation (ie long-term residential accommodation in aged care facility, accommodation for the retired or aged (not self-contained), hostels for the disabled and psychiatric hospitals).

Of the 155 people (41%) aged 0 to 64 years with a profound or severe disability, in 2011 there were 148 people living in the community; and 7 people living in long-term accommodation.

Of the 223 people (59%) aged 65 years and over with a profound or severe disability in 2011 there were 162 people living in the community; and 61 living in long-term accommodation (PHIDU, 2015)

People living in long-term accommodation are likely to be living in the following facilities:

- Taralga
 - Sunset Lodge (23 bed aged care facility with high and low care) and Self care units
- Crookwell
 - Viewhaven Lodge (45 beds – principally high care)
 - Self care units
 - Clifton Village (Uniting Care)
 - Nura Village (private aged housing)
- Gunning
 - Self care units (Lions Club)

Carers

A carer is anyone who provides informal care and support to a family member or friend who has a disability, mental illness, drug or alcohol dependency, chronic condition, terminal illness or who is frail. There are approximately 2.7 million carers in Australia, of whom more than 857,000 live in NSW ⁽¹⁾.

While not all people with disability have a carer, informal care is the main source of support for people with disability ⁽²⁾. The majority (81%) of people with disability who require assistance are supported by a carer, as defined above. People with disability who need help with self-care, mobility or communication are particularly likely (91%) to receive support from a carer.⁽³⁾

(Carers NSW, 2014) citing:

1. Australian Bureau of Statistics (2014), Disability, Ageing and Carers, Australia: Summary of Findings, 2012, Catalogue no. 4430.0, Carer tables, Table 36.
2. Productivity Commission (2011), Disability Care and Support, Report no. 54, Productivity Commission, Canberra, page 704.
3. ABS (2014), Disability, Ageing and Carers, Australia: Summary of Findings, 2012, Disability tables, Table 15

In the ULSC LGA in 2011, there were 792 people aged 15 years and over providing assistance to persons with a disability, which was 13.5% of the population over 15 years of age. This compares with the following percentages for the region and NSW:

- Goulburn-Yass Statistical Area 3 – 12.5%
- NSW – 11.4% (ABS, 2012c)

Notes: The 'Assistance to persons with a disability (unpaid)' variable records people who, in the two weeks prior to the 2011 Census Night, spent time providing unpaid care, help or assistance to family members or others because of a disability, a long-term illness (lasting six months or more) and/or problems related to older age. The data excludes the 8.5% of persons aged 15 years and over whose unpaid assistance to persons with a disability was not stated (the proportion excluded was calculated based on the Australian data). (PHIDU, 2015)

In addition, there were 448 people in the LGA in 2011 who did not state whether or not they 'provided assistance', so it is possible that the actual number and proportion of carers in the LGA is higher than that stated. (ABS, 2012b)

Indigenous status

At the 2011 Census, 121 people, or 1.7% of the total population of the ULSC LGA identified as indigenous, compared with 2.6% in Goulburn-Yass Statistical Area 3, and 2.5% across NSW (ABS, 2012c).

In 2011, only 7 people who identified as indigenous in the LGA stated that they had a 'need for assistance with core activities' (ABS, 2012b).

Of the 792 people over 15 years 'providing assistance to people with a disability' in the LGA in 2011, 16 people (2%) identified as indigenous. (ABS, 2012b)

English proficiency

Of the 382 people 'needing assistance with core activities' in the ULSC LGA in 2011, negligible numbers spoke English 'not at all' or 'not very well' (there were not enough people in this category to provide any meaningful statistic). (ABS, 2012b). It is possible that there are people in this category but who did not answer the Census question as to whether they needed assistance.

Education

In 2011, the following number of people 'needing assistance with core activities' residing in the Upper Lachlan LGA attended the following educational institutions (not necessarily located in the LGA):

- Pre-school – 0
- Infants/Primary – Government – 13
- Infants/Primary – Catholic – 4
- Infants/Primary - Other Non Government – 0
- Secondary – Government – 7
- Secondary – Catholic or non-government – 0
- Technical or Further Educational Institution (including TAFE Colleges) – 3
- University or other Tertiary Institution – 0

Employment

Table 4 below shows the employment status of people in the ULSC LGA in 2011 who needed assistance with core activities.

Table 4: Need for assistance with core activities by employment status, Upper Lachlan LGA, 2011

Employment status	No of people who need assistance with core activities
Employed, worked full-time	13
Employed, worked part-time	17
Employed, away from work	7
Unemployed, looking for full-time work	0
Unemployed, looking for part-time work	3
<i>Proportion of labour force unemployed</i>	7.5%
TOTAL LABOUR FORCE	40
Not in the labour force	306
<i>Proportion of people not in the labour force</i>	88.4%
Total	346

Notes: Count of people 15 years and over, some cells in this table were randomly adjusted in the Census data output to avoid the release of confidential data. No reliance should be placed on small cells.

Source: ABS Census of Population and Housing 2011, Tablebuilder

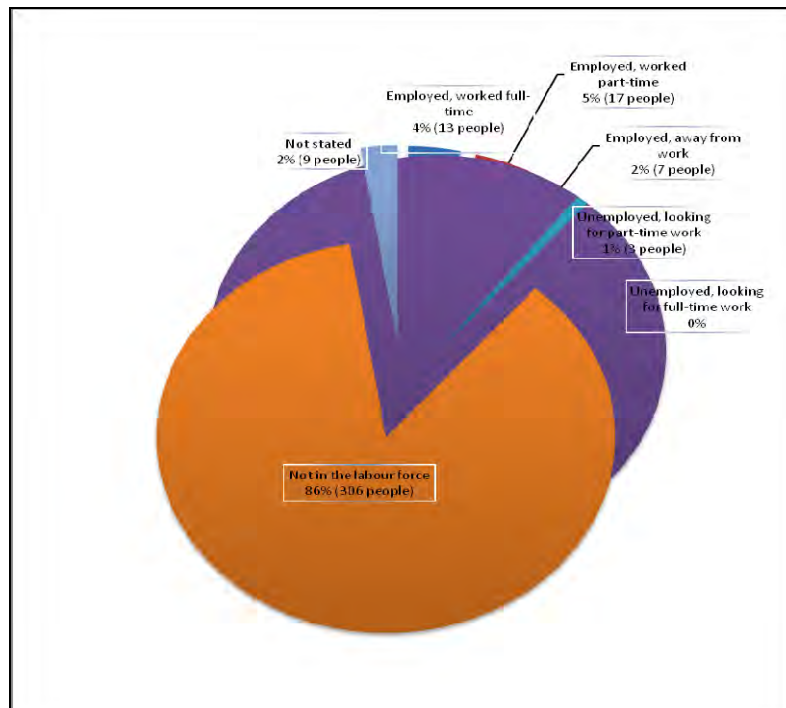
Table 4 shows that of people over 15 years in the LGA who needed assistance with core activities in 2011:

- 37 people were employed, the majority part-time
- Three people were unemployed and looking for part-time work
- Almost 90% were not in the labour force (even though they were over 15 and were eligible to be, if they were not enrolled in education – see further explanation below)

There were an additional 9 people who required assistance with core activities in the LGA who did not state their employment status.

Figure 3 is extracted from Table 4 and shows the employment status of people in the Upper Lachlan LGA in 2011 who needed assistance with core activities.

Figure 3: ULSC LGA – employment status of people over 15 who require assistance with core activities, 2011



Similar 2011 data was extracted for Crookwell, but because of the small number of respondents, the ABS randomly adjusts the Census data output to avoid the release of confidential data, therefore making meaningful analysis of Crookwell data impossible.

To put the employment numbers in the LGA in perspective, the total number of people in the labour force residing in the ULSC LGA at 2011 was 3,582, and the 40 people with a profound or severe disability represent 1.1% of that total number.

The most common reasons for being 'not in the labour force' in Australia are attending an educational institution, being retired or voluntarily inactive, having a long term health condition or disability, or performing home duties (ABS, 2014).

The data above only provides information about people with a profound or severe disability. The following is information about services supporting the LGA:

- Community Gateway was a case management service, which is now Service Co-ordination. Their role is to support people to develop and implement their NDIS plan once it has been approved. This assists with people having a choice of whoever they like for services and activities as we are independent of the other services in the region
- Endeavour industries, Goulburn – currently employ 4 people from ULSC LGA

- Essential Employment and Training now has an office in Crookwell. They offer a day program and will be expanding services as people have their National Disability Insurance Scheme assessments and plans approved. They also do supported employment and transition to work programs with school leavers.
- Upper Lachlan Interagency operates out of Crookwell Hospital and it is a combination of services, both Government and Non-Government Organisation who provide support in the Upper Lachlan for Children, families, youth, aged, mental health, disabilities, transport, Allied Health.
- Upper Lachlan Community Care is the division of Crookwell/Taralga Aged Care that delivers community based services and services for people with a disability. This service compliments our residential aged care services.
- Upper Lachlan Shire Council Access Committee is currently being reviewed to provide improved service for the community.

Mobility Parking Spaces

The Roads and Maritime Services (RMS) has compiled data by Local Government Area on the number of Mobility Parking Spaces Upper Lachlan Shire. For the final quarter in 2016 the following permits were issued:

LGA	Total	MPS permit class		
		Individual	Organisation	Temporary
Upper Lachlan	449	423	16	10

The RMS data compiled by Postcode is not directly comparable to the Upper Lachlan as large locations outside the Shire (including Goulburn and Yass) share the same Postcode as some Upper Lachlan locations. The numbers of permit issued in Postcode 2583 are:

Postcode	Total	MPS permit class		
		Individual	Organisation	Temporary
2583	318	305	8	5

The Mobility Parking permit classes are defined as:

- Individual – Issued for a period of 5 years to eligible people with permanent disabilities affecting their mobility, who drive vehicles or who are passengers in vehicles
- Temporary – Issued for up to six months to eligible people with temporary disabilities affecting their mobility, who drive vehicles or who are passengers in vehicles
- Organisation – Issued to organisations that have been assessed by Roads and Maritime Services as meeting a genuine need to transport eligible people

Community Consultation

As part of this process Council sought feedback through Community, Upper Lachlan Shire Staff and Service Provider surveys. These surveys were available in both hard copy and electronic versions, able to be accessed on Council's website, in all Council Offices and Local Libraries and sent to relevant Service Providers and groups.

The following provides a Summary of the results of the Surveys.

Service Provider Survey responses

After making initial telephone and email contact to determine relevant Service Providers for the Shire the Survey was provided electronically with the Survey period from 14 November to 16 December 2016.

A total of 5 surveys were received.

1. Crookwell Hospital – Acute Care – State and Commonwealth funded
2. Upper Lachlan Community Care – NDIS and Aged Care provider – Commonwealth funded
3. Richmond Fellowship – Community Mental Health – Commonwealth funded
4. Gunning Community Care – Aged and Disability Home Care Services – State and Commonwealth funded and Voluntary Not for Profit
5. Valmar Support Service – Community Transport – State and Commonwealth funded

The following is a summary of survey responses:

Is the community is welcoming of people with disabilities ?

These comments are Service for the community not community (individuals) related.

- Accessibility to transport services a significant issue if disability support pension not available.
- Majority of businesses are accessible however certain businesses create problems for walkers and wheelchairs.
- Access to disabled toilets limited to key use in some areas.

Are Council's facilities accessible ?

- Limited access to disabled toilets – due to need for a key.
- Swimming pools – times to access pools is limited, earlier starts and later closing would benefit all.
- Some amenities are very small to be able to use wheelchairs /scooters.
- Footpaths and parking around the main streets not easy to navigate.

Employment programs

- Essential Employment and Training, with most not aware of any employment programs.

Access Committee

- Generally not aware of the Committee and that it was active.

Council information publications

- All Council information publications are considered accessible and The Voice is a very important publication.

Additional comments

- Extra consideration required for services in Gunning, Tuena, Taralga and Bigga.
- Request hydrotherapy pool in Crookwell.
- Access Committee to be more visible especially with NDIS as many people with a disability will have greater access to the community.
- Significant gap and burden for individuals, families and services supporting young people <16 with mental health. ILC funding set up alongside the NDIS designed to support communities who identify a gap. Set up to fund innovative initiatives.

Upper Lachlan Shire Staff Survey responses

This Survey was distributed to all staff and the Survey period was 14 November 2016 to 1 December 2016 with 33 surveys received and summarised as follows:

1	Age	63% – 36 to 55 years 19% – 56 to 65 years 16% – 26 to 35 years
2	Indoor or Outdoor worker	84% – Indoor 21% – Outdoor (some both)
3	Have a disability	91% – No 6% – Yes: Vision 6% – Yes: Hearing
4	Any problems that prevent members of the public with a disability accessing Council services	36% – Yes 64% – No
5	Awareness of relevant Council policy or procedures	35% – Yes 65% – No
6(1)	Level of awareness of people with vision disabilities	6% – Low 79% – Fair-Good 15% – Excellent
6(2)	Level of awareness of people with hearing disabilities	3% – Low 82% – Fair-Good 15% – Excellent
6(3)	Level of awareness of people with mobility disabilities	6% – Low 79% – Fair-Good 15% – Excellent
6(4)	Level of awareness of people with intellectual disabilities	6% – Low 67% – Fair-Good 9% – Excellent
7(1)	People with disabilities should be employed in special work environments	3% – Agree 85% – Disagree 12% – Unsure
7(2)	People with disabilities have same rights as others including the right to work	91% – Agree 3% – Disagree 6% – Unsure
7(3)	Most people with disabilities are better placed in regular workplaces rather than special training programs	67% – Agree 9% – Disagree 24% – Unsure
7(4)	Everyone benefits being part of a workplace that is inclusive of people with disabilities	85% – Agree 3% – Disagree 12% – Unsure
7(5)	Most people with a disability are unable to work	3% – Agree 91% – Disagree 6% – Unsure
7(6)	Comfortable if workplace/job changed because a co-workers is a person with a disability	70% – Agree 3% – Disagree 27% – Unsure

In regard to the following questions, additional comments were provided:

Q3. Does disability affect work ?

No

Q4. Any problems that prevent members of the public with a disability accessing Council services ?

- Administration office, front glass doors entry, cramped reception area.
- Access through front doors for wheelchair and walker users
- Some access to buildings and facilities
- People with vision impairment may not be able to view media releases/news items published on Council website or published in print media
- Ensuring website is accessible for those with a disability
- Toilet facilities
- Access to public areas, eg Council Chambers

Q5. Awareness of relevant Council policy or procedures ?

Staff cited Equal Employment Opportunity, Code of Conduct, Bullying and Harassment, MLAK facilities, Access in Planning, Disability Inclusion Action Act, Recruitment and Selection Policy, Access policy, Pedestrian Access Mobility Plan, Plan of Management.

Q8. Additional comments

- Have family members with a disability
- All workplaces can benefit from employing people with special needs.
- Depends on the level of disability.
- Unsure how I would feel until I know what changes would be made to my job.
- Working with someone with a disability is not an issue, losing job would be.
- People with a disability have the same rights as all other people, including the right to work.

Community DIAP Survey responses

The Community DIAP Survey was available online through Council's website and in print at all Council Administration Offices and Libraries (Crookwell, Gunning and Taralga). The Survey period was initially 24 November to 16 December 2016 and was then extended to 21 January 2017.

A total of 122 surveys were received (19 submitted online and 103 hard copy) and the following is a summary of those results:

1	Age	63% – aged over 65 years 17% – 55-64 years old
2	Gender	69% female and 31% male
3	Live in	80% reside in Crookwell, 7% in Gunning
4	Language	98% English
5	Carer or Person with a disability	28% – Carer 44% – Person with a disability 27% – Neither
6	Community welcoming of people with disabilities	43% – Yes 54% – No * * the No responses relate to access to buildings not to actual community members.
7	Council facilities accessible	45% – Yes 55% – No
8	Aware of employment initiatives	7% – Yes 88% – No
9	Aware of Council's Access Committee	28% – Yes 66% – No
10	Council information publications accessible	66% – Yes * 29% – No * overwhelming Yes for The Voice as a number of respondents do not use the internet.

In regard to the following questions, additional comments were provided:

Q6. Do you think ULSC community is welcoming of people with disabilities ?

- The responses to community attitude were positive with only one comment regarding attitudes, discrimination and lack of education.
- The majority of the comments relate to access to businesses and shops with some having good access and others having poor access with no ramps, poor wheelchair/pram access and too many steps.
- Disabled parking considered to be inadequately located and not enough spaces.
- Some footpath areas uneven and poor night lighting.
- Speed limit through Gunning Main Street too fast.
- Not aware of a fully fenced inclusive and accessible playground in the Shire.

Q7. Do you think ULSC facilities are accessible ?

- Disabled toilets required an access key which has a fee.
- Poor access to public toilets from the rear car park (Crookwell).
- Indoor heated pool required for retirees.
- Required improved maintenance of roadside gutters and footpaths.
- Access to Council admin office and Gunning Hall difficult.
- Insufficient and poorly located disabled parking spaces.
- Disabled access required for swimming pools.
- Change rooms/areas required for people with a disability at Council facilities.
- The majority of the comments relate to access to businesses and shops with some having good access and others having poor access with no ramps, poor wheelchair/pram access and too many steps.

Q8. Aware of any employment programs/initiatives in ULSC ?

- Of those that responded majority are aware of Essential Employment located in Crookwell.
- There were comments of discrimination in employment by Council of staff from outside the area and not employing someone with a disability.
- Also jobs in shops going to friends and relatives.

Q9. Aware of Council's Access Committee and what it does?

Majority of the respondents were not aware of the existence of an Access Committee or of its role. Most were interested in seeing this Committee become more active in the community.

Q10. Are Council's publication and website accessible ?

Most people find Council's information publications accessible with overwhelming support for The Voice. Those that did not find the website accessible mainly related to the lack or no use of the internet as part of their lifestyle.

Perhaps include more community based news/information in The Voice and ensure the website contact information for community groups etc are kept up to date.

Q11. Additional comments

There were a number of additional comments provided by respondents and the issues relevant to the preparation of the DIAP are:

- Access.
- Access ramps into businesses.
- Disability parking (number, location).
- Parking in the main street.
- Footpaths (condition, vegetation overhanging).
- Walking track.
- Vision impaired assistance.

Summary of issues from community consultation in four disability inclusion focus areas

1. Attitudes and Behaviours

The community responses to attitude were positive with only one comment out of 122 expressing attitudes, discrimination and lack of education. There was general comment that more discussion is required within the community regarding the needs of disabled and the need for more awareness of the needs of people with disabilities. Timely to review and update Council's Access Committee to encourage inclusion of people with a disability.

2. Liveable communities

Access to facilities and services is important for all members of the community and was the main issue highlighted by the community in the survey responses. The issues associated with access were:

- Ramps into businesses.
- Disability parking (number, location).
- Parking in the main street.
- Footpaths (condition, vegetation overhanging).
- Walking track.
- Vision impaired assistance.

3. Employment

Opportunities for employment are important for all members of the community and the provision of local employment helps guarantee the future of rural local communities. There may be opportunities to collaborate with relevant employment agencies to promote employment within the area for people with a disability. Ensure that all Council employment recruitment processes do not discriminate people with a disability.

4. Systems and Processes

Majority of survey respondents find Council's information publications accessible with overwhelming support for The Voice. Those that did not find the website accessible mainly related to the lack or no use of the internet as part of their lifestyle.

Information may be improved by including more community based news/information in The Voice and ensuring the website contact information for community groups etc are kept up to date with links to the National Disability Insurance Scheme and other relevant agencies/resources.

Strategies and Actions

Focus Area 1 – Attitudes and Behaviour					
Strategic Goal	Action	Measurement	Responsibility	Timeframe	CSP Link
Promote positive attitudes and behaviour	Encourage inclusion of people with a disability in Council's Access Committee	Increased number of members representing the interests and needs of people with a disability	Council's Works and Operation Department	December 2017	<p>Strategy CO1 – Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport.</p> <p>Strategy CO2 – Encourage and facilitate active and creative participation in community life.</p> <p>Strategy CO3 – Foster and encourage positive social behaviours to maintain our safe, healthy, and connected community.</p>
	Adapt and distribute a "Missed Business Guide" to local businesses	"Missed Business Guide" adapted to Council and distributed to local businesses	Economic Development Officer	December 2017	<p>Strategy CO3 – Foster and encourage positive social behaviours to maintain our safe, healthy, and connected community.</p>

Strategies and Actions

Focus Area 2 – Liveable Communities					
Strategic Goal	Action	Measurement	Responsibility	Timeframe	CSP Link
Safe and accessible community facilities	Investigate existing locations and requirement for additional disabled parking spaces	Additional disability parking space/s provided	Works and Operations Department and Council's Traffic and Access Committees	July 2018	Strategy CO1 – Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport.
	Investigate options for providing suitable access for people with vision impairment to key facilities	Vision impaired assistance options identified and implementation prioritised	Works and Operations Department and Council's Traffic and Access Committees	July 2018	Strategy CO2 – Encourage and facilitate active and creative participation in community life.

Strategies and Actions

Focus Area 3 – Employment					
Strategic Goal	Action	Measurement	Responsibility	Timeframe	CSP Link
Supporting access to meaningful employment	Collaborate with relevant NDIS and employment organisations and agencies to promote employment within the local government area for people with a disability	Provision of information on Council's website supporting this action	Human Resources, Economic Development Officer	July 2018	Strategy EC5 – Encourage collaboration between businesses, government, and training providers to develop employment and training opportunities for young people in the region.
	Review Council's recruitment process to ensure it does not discriminate people with a disability	Council recruitment process updated and adopted by Council	Human Resources	July 2018	Strategy EC5 – Encourage collaboration between businesses, government, and training providers to develop employment and training opportunities for young people in the region.

Strategies and Actions

Focus Area 4 – Services Systems and Processes					
Strategic Goal	Action	Measurement	Responsibility	Timeframe	CSP Link
Improve access to services through better systems and processes	Review current communication methods to ensure compliance with accessibility standards	Council's communication mechanisms comply with accessibility standards	Finance and Administration Department	December 2017	<p>Strategy CL1 – Effect resourceful and respectful leadership and attentive representation of the community.</p> <p>Strategy CO2 – Encourage and facilitate active and creative participation in community life.</p> <p>Strategy CO3 – Foster and encourage positive social behaviours to maintain our safe, healthy, and connected community.</p>
	Develop plan for website content compliance with disability standards	Website content meets accessibility standards	Finance and Administration Department	December 2017	<p>Strategy CL2 – Encourage and facilitate open and respectful communication between the community, the private sector, Council, and other government agencies.</p>
	Develop and maintain Council website links to NDIS services and resources	Website updated and maintained	Environment and Planning and Finance and Administration Departments	July 2018	<p>Strategy CL2 – Encourage and facilitate open and respectful communication between the community, the private sector, Council, and other government agencies.</p>

Monitoring and Evaluation

Monitoring

The Disability Inclusion Action Plan includes timelines to guide the completion of the actions. The process will be monitored and evaluated through the Integrated Planning and Reporting cycle.

Implementation of the Plan will be undertaken by the responsible officers. Each action will be monitored and reported against for the periods 1 July – 31 December and 1 January – 30 June of each year.

The General Manager will monitor the overall implementation of the Plan and the integration of its actions into Council's new Delivery Program and annual Operational Plan.

Reporting

Outcomes and achievements will be reported in Council's Annual Report and six monthly report to the community. These reports will be available on Council's Website and at its Administration Building and Libraries.

A report will also be provided to the Department of Family and Community Services and the Minister for Disability Services.

Review

The Plan will be reviewed annually in line with the Integrated Planning and Reporting cycle. An audit, evaluation and review of the Plan will be conducted at the end of its term.

Acknowledgement

Upper Lachlan Shire Council would like to thank the many community members, staff and Service Providers who contributed to the preparation of this Plan.



Upper Lachlan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018



Upper Lachlan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2018

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Overview

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

44 Spring Street
Crookwell NSW 2583

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

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

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

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

Upper Lachlan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2018

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2018.

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

About the Councillor/Management Statement

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

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

Council's annual financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

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

Who uses the financial statements?

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

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

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

Upper Lachlan Shire Council

General Purpose Financial Statements for the year ended 30 June 2018

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

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

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

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

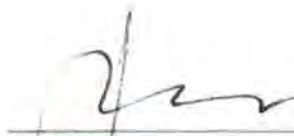
- present fairly the Council's operating result and financial position for the year,
- accord with Council's accounting and other records.

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

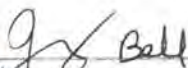
Signed in accordance with a resolution of Council made on 20 September 2018.



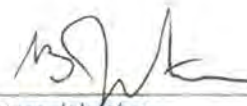
John Stafford
Mayor
20 September 2018



John Searl
Councillor
20 September 2018



John Bell
General Manager
20 September 2018



Bruce Johnston
Responsible Accounting Officer
20 September 2018

Upper Lachlan Shire Council

Income Statement

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Income from continuing operations				
<i>Revenue:</i>				
10,315	Rates and annual charges	3a	10,195	9,933
7,385	User charges and fees	3b	7,509	8,312
613	Interest and investment revenue	3c	731	731
527	Other revenues	3d	597	540
9,193	Grants and contributions provided for operating purposes	3e,f	8,648	11,375
3,179	Grants and contributions provided for capital purposes	3e,f	6,082	6,547
<i>Other income:</i>				
11	Net gains from the disposal of assets	5	–	133
31,223	Total income from continuing operations		33,762	37,571
Expenses from continuing operations				
10,972	Employee benefits and on-costs	4a	9,943	10,032
199	Borrowing costs	4b	172	194
7,495	Materials and contracts	4c	7,339	7,123
6,048	Depreciation and amortisation	4d	6,086	5,793
2,656	Other expenses	4e	2,675	2,661
–	Net losses from the disposal of assets	5	35	–
27,370	Total expenses from continuing operations		26,250	25,803
3,853	Operating result from continuing operations		7,512	11,768
3,853	Net operating result for the year		7,512	11,768
3,853	Net operating result attributable to Council		7,512	11,768
674	Net operating result for the year before grants and contributions provided for capital purposes		1,430	5,221

Upper Lachlan Shire Council

Statement of Comprehensive Income
for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Net operating result for the year (as per Income Statement)		7,512	11,768
Other comprehensive income:			
Amounts that will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	9	6,659	(500)
Total items which will not be reclassified subsequently to the operating result		6,659	(500)
Amounts that will be reclassified subsequently to the operating result when specific conditions are met			
Nil			
Total other comprehensive income for the year		6,659	(500)
Total comprehensive income for the year		14,171	11,268
Total comprehensive income attributable to Council		14,171	11,268

Upper Lachlan Shire Council

Statement of Financial Position

as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	6a	10,705	9,421
Investments	6b	19,300	20,900
Receivables	7	2,971	2,216
Inventories	8	916	1,019
Other	8	106	86
Total current assets		33,998	33,642
Non-current assets			
Receivables	7	122	131
Infrastructure, property, plant and equipment	9	407,521	392,291
Total non-current assets		407,643	392,422
TOTAL ASSETS		441,641	426,064
LIABILITIES			
Current liabilities			
Payables	10	2,157	3,374
Income received in advance	10	846	–
Borrowings	10	235	217
Provisions	11	6,608	4,130
Total current liabilities		9,846	7,721
Non-current liabilities			
Borrowings	10	1,655	1,890
Provisions	11	333	817
Total non-current liabilities		1,988	2,707
TOTAL LIABILITIES		11,834	10,428
Net assets		429,807	415,636
EQUITY			
Accumulated surplus	12	298,085	290,573
Revaluation reserves	12	131,722	125,063
Total equity		429,807	415,636

Upper Lachlan Shire Council

Statement of Changes in Equity

for the year ended 30 June 2018

\$ '000	Notes	2018			2017		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		290,573	125,063	415,636	278,805	125,563	404,368
Net operating result for the year prior to correction of errors and changes in accounting policies		7,512	–	7,512	11,768	–	11,768
Net operating result for the year		7,512	–	7,512	11,768	–	11,768
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	9	–	6,659	6,659	–	(500)	(500)
Other comprehensive income		–	6,659	6,659	–	(500)	(500)
Total comprehensive income (c&d)		7,512	6,659	14,171	11,768	(500)	11,268
Equity – balance at end of the reporting period		298,085	131,722	429,807	290,573	125,063	415,636

Upper Lachlan Shire Council

Statement of Cash Flows

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Cash flows from operating activities				
Receipts:				
10,314	Rates and annual charges		10,228	9,832
7,385	User charges and fees		7,344	7,805
613	Investment and interest revenue received		726	717
12,372	Grants and contributions		14,730	17,922
527	Other		834	237
Payments:				
(10,772)	Employee benefits and on-costs		(9,837)	(9,984)
(7,261)	Materials and contracts		(8,207)	(5,830)
(159)	Borrowing costs		(156)	(174)
–	Bonds, deposits and retention amounts refunded		(30)	(23)
(2,656)	Other		(1,039)	(2,611)
<u>10,363</u>	Net cash provided (or used in) operating activities	13b	<u>14,593</u>	<u>17,891</u>
Cash flows from investing activities				
Receipts:				
–	Sale of investment securities		14,700	20,000
–	Sale of infrastructure, property, plant and equipment		245	428
Payments:				
–	Purchase of investment securities		(13,100)	(20,800)
(12,776)	Purchase of infrastructure, property, plant and equipment		(14,937)	(13,076)
<u>(12,776)</u>	Net cash provided (or used in) investing activities		<u>(13,092)</u>	<u>(13,448)</u>
Cash flows from financing activities				
Receipts:				
531	Proceeds from borrowings and advances		–	–
Payments:				
(217)	Repayment of borrowings and advances		(217)	(240)
<u>314</u>	Net cash flow provided (used in) financing activities		<u>(217)</u>	<u>(240)</u>
(2,099)	Net increase/(decrease) in cash and cash equivalents		1,284	4,203
5,218	Plus: cash and cash equivalents – beginning of year	13a	9,421	5,218
<u>3,119</u>	Cash and cash equivalents – end of the year	13a	<u>10,705</u>	<u>9,421</u>
Additional Information:				
	plus: Investments on hand – end of year	6b	19,300	20,900
	Total cash, cash equivalents and investments		<u>30,005</u>	<u>30,321</u>

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

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Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 20/09/2018.

Council has the power to amend and reissue these 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.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not-for-profit entity for the purpose of preparing these financial statements.

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

Full dollars have been used in Note 19 Related party disclosures in relation to the disclosure of specific related party transactions.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note 17 – Material budget variations

(a) New and amended standards adopted by Council

There have been no new (or amended) accounting standards adopted by Council in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

(b) Historical cost convention

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

(c) 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:

Upper Lachlan Shire Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 9,
- (ii) estimated tip remediation provisions – refer Note 11,

Significant judgements in applying the Council's accounting policies

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

Monies and other assets received by Council

(a) The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service
- Domestic Waste Management

(b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and other assets received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and other assets 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 which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of these financial statements, Council considers that the standards and interpretations listed below may have an impact upon future published financial statements ranging from

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

additional and / or revised disclosures to actual changes as to how certain transactions and balances are accounted for.

Effective for annual reporting periods beginning on or after 1 July 2018

- *AASB 9 Financial Instruments*

This replaces AASB 139 Financial Instruments: Recognition and Measurement, and addresses the classification, measurement and disclosure of financial assets and liabilities.

The standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses.

Based on assessments to date, Council does not anticipate impairment losses.

Effective for annual reporting periods beginning on or after 1 July 2019

- *AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities*
- *AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

AASB 15 will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 Contributions.

Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

While Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards, these standards may affect the timing of the recognition of some grants and donations.

- *AASB 16 Leases*

Council may be a party to leases that are not recognised in the Statement of Financial Position.

It is likely that some of these leases may need to be included in the Statement of Financial Position when this standard comes into effect.

If leases are material a lease liability will initially be measured at the present value of the lease payments to be made over the lease term.

A corresponding right-of-use asset will also be recognised over the lease term.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

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

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).									
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Our leadership	14	69	855	886	(841)	(817)	–	–	1,727	–
Our infrastructure	12,711	13,834	12,688	11,159	23	2,675	12,318	14,717	371,348	358,431
Our society/community	1,923	776	3,408	2,866	(1,485)	(2,090)	723	593	28,933	23,461
Our environment	2,465	2,878	2,306	2,695	159	183	370	856	1,315	8,587
Our economy	4,949	6,289	6,993	8,197	(2,044)	(1,908)	114	82	38,318	35,585
Other - general purpose income	11,700	13,725	–	–	11,700	13,725	–	–	–	–
Total functions and activities	33,762	37,571	26,250	25,803	7,512	11,768	13,525	16,248	441,641	426,064

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

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

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

Our leadership

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 policy-making committees, public disclosure (e.g. GIPA), legislative compliance and real estate development.

Our infrastructure

Includes sealed local roads, sealed regional roads, unsealed local roads, unsealed regional roads, urban roads, bridges, stormwater drainage, quarries, footpaths and cycleways, parking areas, water supply, sewerage schemes, domestic waste management, solid waste management, engineering services and aerodromes.

Our society

Includes health services, aged and disabled services, community services, public halls, cultural services, community centres, animal control, swimming pools, sporting grounds, parks and gardens, libraries, and emergency services.

Our environment

Includes planning and development control, building control, noxious plants control and other environmental protection

Our economy

Includes administration costs for the running of Council, camping areas and caravan parks, tourism and area promotion, industrial development promotion, real estate development, private works, State road maintenance contracts and other business undertakings.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations

\$ '000	2018	2017
(a) Rates and annual charges		
Ordinary rates		
Residential	1,637	1,583
Farmland	4,808	4,719
Mining	2	3
Business	274	285
Less: pensioner rebates (mandatory)	(104)	(102)
Total ordinary rates	6,617	6,488
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	1,058	997
Stormwater management services	46	45
Water supply services	835	818
Sewerage services	1,097	1,072
Waste management services (non-domestic)	542	513
Total annual charges	3,578	3,445
TOTAL RATES AND ANNUAL CHARGES	10,195	9,933

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and annual charges

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

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

(b) User charges and fees		
	2018	2017
Specific user charges (per s.502 – specific 'actual use' charges)		
Domestic waste management services	1	1
Water supply services	973	992
Sewerage services	261	250
Waste management services (non-domestic)	203	131
Total specific user charges	1,438	1,374
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Dwelling entitlement searches	15	15
Premises inspections	2	1
Private works – section 67	115	82
Section 149 certificates (EPA Act)	35	35
Section 603 certificates	30	30
Town planning / building	343	244
Total fees and charges – statutory/regulatory	540	407

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(b) User charges and fees (continued)		
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Caravan park	60	58
Cemeteries	131	100
Fire and emergency services levy (FESL) implementation	11	50
Library and art gallery	7	–
Public halls	11	9
Quarry revenues	888	826
RMS charges (state roads not controlled by Council)	4,307	5,396
Sporting grounds	28	31
Swimming pools	32	33
Truck wash facility	12	8
Water connection fees	13	9
Water meter readings	7	6
Other	24	5
Total fees and charges – other	5,531	6,531
TOTAL USER CHARGES AND FEES	7,509	8,312

Accounting policy for user charges and fees

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

(c) Interest and investment revenue (including losses)

Interest		
– Overdue rates and annual charges (incl. special purpose rates)	35	34
– Cash and investments	696	697
TOTAL INTEREST AND INVESTMENT REVENUE	731	731
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	22	23
General Council cash and investments	409	418
Restricted investments/funds – external:		
Development contributions		
– Section 7.11	80	90
– Section 64	6	15
Water fund operations	60	51
Sewerage fund operations	102	89
Domestic waste management operations	52	45
Total interest and investment revenue recognised	731	731

Accounting policy for interest and investment revenue

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

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Other revenues			
Rental income – other council properties		98	75
Ex gratia rates		29	29
Other charges for overdue rates and charges (legal fees)		14	3
Advertising income – Council newsletter		4	5
Australia post supplies / sales		27	29
Commissions and agency fees		146	142
Fuel tax credits		124	119
Insurance claim recoveries		22	–
Miscellaneous / sundry sales		1	10
Sale of old/surplus material		14	9
Southern phone		12	24
Tourist information centre sales and membership fees		57	61
Windfarm Community Enhancement Program administration fee		10	15
Other		39	19
<u>TOTAL OTHER REVENUE</u>		<u>597</u>	<u>540</u>

Accounting policy for other revenue

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

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

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

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

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(e) Grants				
General purpose (untied)				
Current year allocation				
Financial assistance	4,503	6,463	-	-
Other				
Pensioners' rates subsidies – general component	54	55	-	-
Total general purpose	4,557	6,518	-	-
Specific purpose				
Pensioners' rates subsidies:				
– Water	18	19	-	-
– Sewerage	16	17	-	-
– Domestic waste management	26	27	-	-
Water supplies	-	-	1,428	4,405
Bushfire and emergency services	193	257	-	17
Crookwell skate park	-	-	-	125
Economic development	16	-	-	-
Environment	4	31	-	-
Footpaths	-	-	388	68
Gunning skate park	-	-	-	20
Heritage and cultural	12	15	-	-
Noxious weeds	136	117	-	-
Public halls	-	-	15	-
Public libraries	53	52	-	34
Recreation and culture	-	-	647	7
Street lighting	28	27	-	-
Transport (roads to recovery)	1,680	1,753	-	-
Transport (other roads and bridges funding)	-	-	558	613
Transportation (3x3, block, repair, regional roads)	1,579	1,625	2,154	451
Youth week	3	1	-	-
Tourism	5	-	-	-
Other	9	-	-	49
Total specific purpose	3,778	3,941	5,190	5,789
Total grants	8,335	10,459	5,190	5,789
Grant revenue is attributable to:				
– Commonwealth funding	6,182	8,216	1,428	19
– State funding	1,943	1,985	3,710	5,588
– Other funding	210	258	52	182
	8,335	10,459	5,190	5,789

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(f) Contributions					
Developer contributions:					
(s7.4 & s7.11 – EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.11 – contributions towards amenities/services		–	–	713	402
S 7.12 – fixed development consent levies		–	–	–	250
S 64 – water supply contributions		–	–	64	31
S 64 – sewerage service contributions		–	–	59	34
Total developer contributions – cash		–	–	836	717
Total developer contributions	20	–	–	836	717
Other contributions:					
Cash contributions					
Bushfire services		–	–	13	11
Crookwell skate park		–	–	–	22
Kerb and gutter		–	–	23	–
Natural disaster funding – roads		86	764	–	–
Other councils – joint works/services		–	–	–	6
Recreation and culture		–	1	20	2
Section 44 bushfire reimbursement		21	–	–	–
Transferred employee leave entitlements		12	62	–	–
Vehicle leaseback contributions		87	84	–	–
Waste management centres		7	–	–	–
New Gullen Range Wind Farm Contribution		100	–	–	–
Other		–	5	–	–
Total other contributions – cash		313	916	56	41
Total other contributions		313	916	56	41
Total contributions		313	916	892	758
TOTAL GRANTS AND CONTRIBUTIONS		8,648	11,375	6,082	6,547

Accounting policy for contributions

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

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

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Grants & Contributions		
Operating grants		
Unexpended at the close of the previous reporting period	404	193
Add: grants and contributions recognised in the current period but not yet spent	225	359
Add: grants and contributions received for the provision of goods and services in a future period		–
Less: grants and contributions recognised in a previous reporting period now spent	(355)	(148)
Unexpended and held as restricted assets	<u>274</u>	<u>404</u>
Unexpended and held as restricted assets (operating grants)		
Capital grants		
Unexpended at the close of the previous reporting period	223	87
Add: capital grants recognised in the current period but not yet spent	586	109
Add: capital grants received for the provision of goods and services in a future period	648	74
Less: capital grants recognised in a previous reporting period now spent	(106)	(47)
Unexpended and held as restricted assets (capital grants)	<u>1,351</u>	<u>223</u>
Contributions		
Unexpended at the close of the previous reporting period	3,568	3,177
Add: contributions recognised in the current period but not yet spent	845	3
Add: contributions received for the provision of goods and services in a future period	922	823
Less: contributions recognised in a previous reporting period now spent	(644)	(435)
Unexpended and held as restricted assets (contributions)	<u>4,691</u>	<u>3,568</u>

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations

\$ '000	2018	2017
(a) Employee benefits and on-costs		
Salaries and wages	8,171	7,861
Travel expenses	214	194
Employee leave entitlements (ELE)	1,810	1,667
Superannuation	1,144	1,093
Workers' compensation insurance	165	127
Fringe benefit tax (FBT)	47	45
Training costs (other than salaries and wages)	136	120
Other	55	55
Total employee costs	11,742	11,162
Less: capitalised costs	(1,799)	(1,130)
TOTAL EMPLOYEE COSTS EXPENSED	9,943	10,032
Number of 'full-time equivalent' employees (FTE) at year end	138	136

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, when 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 15 for more information.

(b) Borrowing costs	2018	2017
(i) Interest bearing liability costs		
Interest on loans	156	174
Total interest bearing liability costs expensed	156	174
(ii) Other borrowing costs		
Discount adjustments relating to movements in provisions (other than ELE)		
– Remediation liabilities	16	20
Total other borrowing costs	16	20
TOTAL BORROWING COSTS EXPENSED	172	194

Accounting policy for borrowing costs

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	2017
(c) Materials and contracts		
Raw materials and consumables	1,831	1,590
Contractor and consultancy costs		
– Contractors	5,042	5,179
– Consultancy services	303	230
Auditors remuneration ⁽²⁾	87	71
Legal expenses:		
– Legal expenses: planning and development	4	12
– Legal expenses: other	53	17
Operating leases:		
– Operating lease rentals: minimum lease payments ⁽¹⁾	19	24
TOTAL MATERIALS AND CONTRACTS	7,339	7,123
Operating leases		
Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.		
1. Operating lease payments are attributable to:		
Other	19	24
	19	24
2. Auditor remuneration		
During the year the following fees were paid or payable for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council – NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	46	42
Remuneration for audit and other assurance services	46	42
Total Auditor-General remuneration	46	42
Non NSW Auditor-General audit firms:		
(i) Audit and other assurance services		
Audit of regulatory returns	–	8
Due diligence services – internal and external audit	41	21
Remuneration for audit and other assurance services	41	29
Total remuneration of non NSW Auditor-General audit firms	41	29
Total Auditor remuneration	87	71

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Depreciation, amortisation and impairment			
Depreciation and amortisation			
Plant and equipment		1,108	1,032
Office equipment		124	109
Furniture and fittings		9	10
Land improvements (depreciable)		9	28
Infrastructure:			
– Buildings – non-specialised		48	48
– Buildings – specialised		534	532
– Other structures		26	26
– Roads		2,473	2,278
– Bridges		492	481
– Footpaths		27	23
– Stormwater drainage		26	23
– Water supply network		525	522
– Sewerage network		447	461
– Swimming pools		19	19
– Other open space/recreational assets		106	100
Other assets:			
– Other		55	57
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	10 & 14	48	44
– Quarry assets	10 & 14	10	–
Total depreciation and amortisation costs		6,086	5,793
<u>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT COSTS EXPENSED</u>		<u>6,086</u>	<u>5,793</u>

Accounting policy for depreciation, amortisation and impairment expenses**Depreciation and amortisation**

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

Impairment of non-financial assets

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

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

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

(d) Depreciation, amortisation and impairment (continued)

Impairment of financial assets

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

\$ '000	2018	2017
(e) Other expenses		
Advertising	53	44
Australia post stock / supplies	23	27
Bad and doubtful debts	8	18
Bank charges	41	38
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	13	14
– NSW fire brigade levy	31	29
– NSW rural fire service levy	414	406
Councillor expenses – mayoral fee	25	25
Councillor expenses – councillors' fees	105	102
Councillors' expenses (incl. mayor) – other (excluding fees above)	54	59
Donations, contributions and assistance to other organisations (Section 356)	74	58
Election expenses	–	57
Electricity and heating	386	367
Fire and emergency services levy (FESL) (excluding employee costs)	–	12
Insurance	584	613
Postage	49	45
Printing and stationery	120	118
Street lighting	95	76
Subscriptions and publications	94	103
Tablelands Regional Community Strategic Plan	–	22
Telephone and communications	143	144
Tourism expenses (excluding employee costs)	17	15
Valuation fees	60	59
Water usage	166	165
Crookwell library insurance claim	54	–
Other	66	45
<u>TOTAL OTHER EXPENSES</u>	<u>2,675</u>	<u>2,661</u>

Accounting policy for other expenses

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	2018	2017
Property (excl. investment property)	9		
Proceeds from disposal – property		–	66
Less: carrying amount of property assets sold/written off		–	(46)
Net gain/(loss) on disposal		–	20
Plant and equipment	9		
Proceeds from disposal – plant and equipment		245	362
Less: carrying amount of plant and equipment assets sold/written off		(280)	(249)
Net gain/(loss) on disposal		(35)	113
Financial assets ⁽¹⁾	6		
Proceeds from disposal/redemptions/maturities – financial assets		14,700	20,000
Less: carrying amount of financial assets sold/redeemed/matured		(14,700)	(20,000)
Net gain/(loss) on disposal		–	–
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(35)	133

Accounting policy for disposal of assets

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

Note 6(a). Cash and cash equivalent assets

Cash and cash equivalents		
Cash on hand and at bank	605	921
Cash-equivalent assets		
– Deposits at call	1,200	1,800
– Short-term deposits	8,900	6,700
Total cash and cash equivalents	10,705	9,421

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes 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.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(b). Investments

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Investments				
'Held to maturity'	19,300	–	20,900	–
Total investments	19,300	–	20,900	–
<u>TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS</u>	<u>30,005</u>	<u>–</u>	<u>30,321</u>	<u>–</u>
Held to maturity investments				
Long term deposits	19,300	–	20,900	–
Total	19,300	–	20,900	–

Accounting policy for investments**Classification**

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Impairment of available for sale investments

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	30,005	–	30,321	–
attributable to:				
External restrictions (refer below)	15,032	–	11,617	–
Internal restrictions (refer below)	12,526	–	13,036	–
Unrestricted	2,447	–	5,668	–
	30,005	–	30,321	–

\$ '000	2018	2017
Details of restrictions		
External restrictions – other		
Developer contributions – general	3,616	3,291
Developer contributions – water fund	117	114
Developer contributions – sewer fund	113	163
RMS contributions	845	–
Specific purpose unexpended grants	1,625	627
Water supplies	2,412	2,000
Sewerage services	4,237	3,634
Domestic waste management	1,776	1,335
Stormwater management	283	236
Wind farms community fund	(8)	210
Trust fund	16	7
	15,032	11,617
External restrictions – other	15,032	11,617
Total external restrictions	15,032	11,617
Internal restrictions		
Employees leave entitlement	1,917	1,866
Carry over works	2,496	3,187
Deposits, retentions and bonds	161	188
Buildings and infrastructure improvements	1,360	2,184
Community projects	12	12
Council houses capital works	61	46
Financial Assistance Grant prepayment Q1 and Q2	2,289	2,198
Garbage / waste disposal	37	37
Gravel pit restoration	333	408
Information technology and equipment	269	374
Library cooperative	71	71
Plant and equipment replacement	1,445	1,157
Public halls capital improvements	39	39
Rubbish tips remediation	1,809	408
State Road works contingencies	195	829
Upper Lachlan tourist association	32	32
	12,526	13,036
Total internal restrictions	12,526	13,036
TOTAL RESTRICTIONS	27,558	24,653

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7. Receivables

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	260	39	296	36
Interest and extra charges	12	6	13	3
User charges and fees	2,437	77	1,411	92
Accrued revenues				
– Interest on investments	228	–	225	–
– Other income accruals	–	–	17	–
Net GST receivable	33	–	288	–
Other debtors	37	–	2	–
Total	3,007	122	2,252	131
Less: provision for impairment				
Rates and annual charges	(6)	–	(6)	–
User charges and fees	(30)	–	(30)	–
Total provision for impairment – receivables	(36)	–	(36)	–
TOTAL NET RECEIVABLES	2,971	122	2,216	131
Externally restricted receivables				
Water supply				
– Rates and availability charges	57	1	57	3
– Other	59	17	45	14
Sewerage services				
– Rates and availability charges	63	6	65	6
Domestic waste management	70	4	67	4
Total external restrictions	249	28	234	27
Unrestricted receivables	2,722	94	1,982	104
TOTAL NET RECEIVABLES	2,971	122	2,216	131
Movement in provision for impairment of receivables			2018	2017
Balance at the beginning of the year			36	36
Balance at the end of the year			36	36

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7. Receivables (continued)

Accounting policy for receivables

Recognition and measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables (Note 8) and receivables (Note 7) in the Statement of Financial Position. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

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

Impairment

For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an on-going basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income statement.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 8. Inventories and other assets

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
(a) Inventories				
Inventories at cost				
Stores and materials	284	–	298	–
Stores and materials – gravel	427	–	490	–
Trading stock – Australia post agency	16	–	22	–
Trading stock – tourist information centres	11	–	12	–
Loose tools	178	–	197	–
Total inventories at cost	916	–	1,019	–
TOTAL INVENTORIES	916	–	1,019	–
(b) Other assets				
Prepayments	106	–	86	–
TOTAL OTHER ASSETS	106	–	86	–

Externally restricted assets

There are no restrictions applicable to the above assets.

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 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.

Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

Land held for resale/capitalisation of borrowing costs

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.

structure, property, plant and equipment

	as at 30/6/2017			Asset movements during the reporting period						as at 30/6/2018	
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment
ment	13,808	6,264	7,544	935	(280)	(1,108)	–	–	–	13,856	6,765
nt	1,747	1,217	530	431	–	(124)	–	–	–	2,178	1,341
ttings	205	133	72	–	–	(9)	–	–	–	205	142
land	4,416	–	4,416	277	–	–	–	(98)	–	4,595	–
land	3,231	–	3,231	58	–	–	–	–	–	3,289	–
ents – depreciable	281	162	119	–	–	(9)	–	–	–	281	171
non-specialised	3,976	2,147	1,829	–	–	(48)	–	–	524	4,651	2,345
specialised	39,938	19,919	20,019	869	–	(534)	–	–	4,219	45,820	21,247
ures	1,455	546	909	40	–	(26)	–	–	68	1,632	641
	116,985	44,182	72,803	5,546	–	(2,473)	–	–	–	122,531	46,656
	47,598	22,421	25,177	437	–	(492)	–	–	–	48,034	22,913
	2,017	525	1,492	105	–	(27)	–	–	–	2,122	552
orks (non-depreciable)	212,276	–	212,276	2,200	–	–	–	–	–	214,476	–
drainage	2,557	1,112	1,445	187	–	(26)	–	–	–	2,745	1,139
ly network	35,591	12,615	22,976	1,576	–	(525)	–	–	365	37,808	13,416
etwork	21,711	7,424	14,287	132	–	(447)	–	–	293	22,302	8,037
ools	1,490	1,001	489	16	–	(19)	–	–	292	1,684	906
space/recreational assets	2,720	1,340	1,380	45	–	(106)	–	–	569	3,046	1,158
	921	449	472	14	–	(55)	–	–	–	934	503
ehabilitation and restoration (see 11):	740	213	527	206	–	(48)	1,901	–	346	3,025	94
ets	346	48	298	–	–	(10)	(36)	–	81	333	–
ASTRUCTURE, PLANT AND EQUIP.	514,009	121,718	392,291	13,074	(280)	(6,086)	1,865	(98)	6,757	535,547	128,026

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9. Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed 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 Crown Lands and Water (CLAW).

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

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

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	5 to 10	Playground equipment	15
Office furniture	5 to 20		
Computer equipment	5		
Vehicles	5	Buildings	
Heavy plant/road making equipment	10 to 15	Buildings: masonry	75
Other plant and equipment	5 to 15	Buildings: other	45
Water and sewer assets		Stormwater assets	
Dams and reservoirs	100 to 120	Drains	100
Bores	25 to 50	Flood control structures	100
Reticulation pipes	80		
Pump stations	25 to 70		
Telemetry	15		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	25	Roads pavement: sub base	indefinite
Sealed roads: pavement base	100	Other road structures	100
Unsealed roads: pavement base	30	Swimming pools	50
Bridge: concrete	100	Other open space/recreational assets	15 to 50
Bridge: timber	40 to 100	Other structures	15 to 50
Road pavements	60		
Kerb, gutter and footpaths	80		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in 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.

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

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Upper Lachlan Shire Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 9. Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

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

Until such time as discussions on this matter have concluded and the legislation changed, Council will not recognise rural fire service plant and vehicles assets.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 10. Payables and borrowings

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Payables				
Goods and services	1,774	–	2,745	–
Accrued expenses:				
– Salaries and wages	193	–	199	–
– Other expenditure accruals	23	–	25	–
Security bonds, deposits and retentions	158	–	188	–
Community enhancement programs	–	–	210	–
Other	9	–	7	–
Total payables	2,157	–	3,374	–
Income received in advance				
Payments received in advance	846	–	–	–
Total income received in advance	846	–	–	–
Borrowings				
Loans – secured ¹	235	1,655	217	1,890
Total borrowings	235	1,655	217	1,890
TOTAL PAYABLES AND BORROWINGS	3,238	1,655	3,591	1,890

(a) Payables and borrowings relating to restricted assets

	2018		2017	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Water	84	631	215	700
Sewer	44	225	169	264
Domestic waste management	–	–	67	–
Payables and borrowings relating to externally restricted assets	128	856	451	964
Total payables and borrowings relating to restricted assets	128	856	451	964
Total payables and borrowings relating to unrestricted assets	3,110	799	3,140	926
TOTAL PAYABLES AND BORROWINGS	3,238	1,655	3,591	1,890

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 16.

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 10. Payables and borrowings (continued)

\$ '000

(b) Changes in liabilities arising from financing activities

Class of borrowings	2017		Non-cash changes			2018
	Opening balance as at 1/7/17	Cash flows	Acquisition	Fair value changes	Other non-cash movements	Closing balance as at 30/6/18
Loans – secured	2,107	(217)	–	–	–	1,890
TOTAL	2,107	(217)	–	–	–	1,890

\$ '000

2018

2017

(c) Financing arrangements

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

Bank overdraft facilities ⁽¹⁾	300	300
Credit cards/purchase cards	30	26
Total financing arrangements	330	326
Drawn facilities as at balance date:		
– Credit cards/purchase cards	–	–
Total drawn financing arrangements	–	–
Undrawn facilities as at balance date:		
– Bank overdraft facilities	300	300
– Credit cards/purchase cards	30	26
Total undrawn financing arrangements	330	326

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 10. Payables and borrowings (continued)

Accounting policy for payables and borrowings

Payables

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

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

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

Finance leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 11. Provisions

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits:				
Annual leave	781	–	772	–
Long service leave	3,449	–	3,342	–
Other leave – time in lieu	12	–	16	–
Asset remediation/restoration:				
Asset remediation/restoration (future works)	2,366	333	–	817
Sub-total – asset remediation/restoration	2,366	333	–	817
TOTAL PROVISIONS	6,608	333	4,130	817

(a) Provisions relating to restricted assets

	2018		2017	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Water	144	–	131	–
Sewer	132	–	121	–
Domestic waste management	74	–	67	–
Provisions relating to externally restricted assets	350	–	319	–
Total provisions relating to restricted assets	350	–	319	–
Total provisions relating to unrestricted assets	6,258	333	3,811	817
TOTAL PROVISIONS	6,608	333	4,130	817

\$ '000	2018	2017
---------	------	------

(b) Current provisions not anticipated to be settled within the next twelve months

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

Provisions – employees benefits	3,070	3,032
	<u>3,070</u>	<u>3,032</u>

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Provisions (continued)

\$ '000

(c) Description of and movements in provisions

2018	Annual leave	ELE provisions		Total
		Long service leave	Other employee benefits	
At beginning of year	772	3,342	16	4,130
Additional provisions	9	107	(4)	112
Total ELE provisions at end of year	781	3,449	12	4,242

2017	Annual leave	ELE provisions		Total
		Long service leave	Other employee benefits	
At beginning of year	746	3,302	12	4,060
Additional provisions	26	40	4	70
Total ELE provisions at end of year	772	3,342	16	4,130

2018	Other provisions	
	Asset remediation	Total
At beginning of year	817	817
Changes to provision:		
– Revised costs	1,866	1,866
Unwinding of discount	16	16
Total other provisions at end of year	2,699	2,699

2017	Other provisions	
	Asset remediation	Total
At beginning of year	797	797
Changes to provision:		
Unwinding of discount	20	20
Total other provisions at end of year	817	817

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Provisions (continued)

Nature and purpose of non-employee benefit provisions

Asset remediation

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

Tip provision movements

Council is required to undertake significant works at the Crookwell waste management centre in 2018/2019 to comply with EPA requirements. Other minor remediation works on former tip sites converted to transfer stations will also be carried out.

Gravel pit provision movements

Provisions were reviewed in 2017/2018 with a minor reduction.

Accounting policy for provisions

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

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

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

Employee benefits

Short-term obligations

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

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Provisions (continued)

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

Restoration

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

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

Rehabilitation

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

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

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

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

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

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 12. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

Other reserves

Other reserves are retained to meet the needs of Council.

Note 13. Statement of cash flows – additional information

\$ '000	Notes	2018	2017
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	10,705	9,421
Balance as per the Statement of Cash Flows		10,705	9,421
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		7,512	11,768
Adjust for non-cash items:			
Depreciation and amortisation		6,086	5,793
Net losses/(gains) on disposal of assets		35	(133)
Unwinding of discount rates on reinstatement provisions		16	20
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(746)	(925)
Decrease/(increase) in inventories		103	(248)
Decrease/(increase) in other assets		(20)	9
Increase/(decrease) in payables		(971)	1,541
Increase/(decrease) in other accrued expenses payable		(8)	(40)
Increase/(decrease) in other liabilities		608	36
Increase/(decrease) in employee leave entitlements		112	70
Increase/(decrease) in other provisions		1,866	–
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		14,593	17,891

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 14. Commitments for expenditure

\$ '000	2018	2017
(a) Capital commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Operational Land	–	173
Total commitments	–	173
These expenditures are payable as follows:		
Within the next year	–	173
Total payable	–	173
Sources for funding of capital commitments:		
Unrestricted general funds	–	173
Total sources of funding	–	173
(b) Operating lease commitments (non-cancellable)		
a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:		
Within the next year	21	24
Later than one year and not later than 5 years	61	39
Total non-cancellable operating lease commitments	82	63
b. Non-cancellable operating leases include the following assets:		
Office equipment leases		
Conditions relating to operating leases:		
– All operating lease agreements are secured only against the leased asset.		
– No lease agreements impose any financial restrictions on Council regarding future debt etc.		

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15. Contingencies and other liabilities/assets not recognised

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

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

While the scheme's most recent full actuarial review indicated that the net assets of the scheme were sufficient to meet the accrued benefits of the scheme's defined benefit member category, member councils are required to make contributions in future years where the scheme goes into deficit (as has occurred in previous years).

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of any share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future planned contributions being made to the defined benefit scheme to rectify past (and projected) deficit positions will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

Member councils are treated as Pooled Employers for the purposes of AASB119. Pooled Employers are required to pay standard employer contributions and additional lump sum contributions to the Fund.

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

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

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40.0 million per annum from 1 July 2017 for 4 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2017. These additional lump sum contributions are used to fund the deficit of assets to accrued liabilities as 30 June 2017.

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15. Contingencies and other liabilities/assets not recognised (continued)

LIABILITIES NOT RECOGNISED: (continued)

(i) Defined benefit superannuation contribution plans (continued)

As stated 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.

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 entity.

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

There is no provision for the allocation of any surplus which may be present at the date of withdrawal of an employer.

The plan is a defined benefit plan. However, 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). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

The amount of Council employer contributions to the defined benefit section of the Fund and recognised as an expense and disclosed as part of superannuation expenses at Note 4 (a) for the year ending 30 June 2018 was \$397,292.

The last valuation of the Fund was by the Actuary, Mr Richard Boyfield, FIAA on 12 December 2017, relating to the period ended 30 June 2017.

Council's expected contributions to the Fund for the next annual reporting period is \$357,370.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2018 is:

Employer reserves only *	\$ millions	Asset Coverage
Assets	1,817.8	
Past Service Liabilities	1,787.5	101.7%
Vested Benefits	1,778.0	102.2%

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

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

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15. Contingencies and other liabilities/assets not recognised (continued)

LIABILITIES NOT RECOGNISED: (continued)

(i) Defined benefit superannuation contribution plans (continued)

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 2018 triennial review will be completed around December 2018.

Council's additional lump sum contribution is around 0.52% of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2017 to 30 June 2021) provides an indication of the level of participation of Council compared with other employers in the Pooled Employer sub-group.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15. Contingencies and other liabilities/assets not recognised (continued)

LIABILITIES NOT RECOGNISED: (continued)

2. Other liabilities

(i) Third party claims

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

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

ASSETS NOT RECOGNISED:

(i) Land under roads

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

(ii)

The Minister for Local Government made the following determination on 7 September 2006, relating to the transfer of assets, rights and liabilities of the former Mulwaree Shire Council to Upper Lachlan Shire Council. Schedule 2 of the determination states that "the fixed assets of the Montague Street and Clinton Street, Goulburn properties remain with Goulburn Mulwaree Council. In the event of the sale of this property Upper Lachlan Shire Council will be reimbursed 24.22% of the net profit". The Montague Street property was sold in 2014/2015. Council retains a 24.22% share in the Clinton Street property which remains as a contingent asset.

(iii)

Council has entered into a voluntary Planning Agreement with AGL Energy Ltd on 11 September 2012 in relation to Critical Infrastructure Project reference number MP10_0035 for the project commonly known as the Dalton Gas Fired Power Station. As per section 5 of the voluntary Planning Agreement, AGL Energy Ltd has agreed to pay a monetary contribution of 0.833% of the total capital expenditure of stage one of the development into a Community Enhancement Fund, administered by Council. Payment shall be by instalments over a period of 40 years (indexed) as per clause 5.1 of the planning agreement. Should the development proceed to stage two, a further contribution payment shall be made under clause 5.2 of the voluntary Planning Agreement with the terms and conditions being the same as those applying to stage one.

(iv)

Council has entered into a voluntary Community Enhancement Planning Agreement with Goldwind Australia Pty Ltd on 24 October 2013 in relation to the project commonly known as the Gullen Range Wind Farm. As per section 3 'The Community Enhancement Program' of the voluntary Planning Agreement, Goldwind Australia Pty Ltd has agreed to pay a monetary contribution of \$1,666.00 per annum per completed turbine to be indexed by CPI annually commencing at the September 2010 quarter. A Community Fund Committee has been formed to govern the Community fund. Council will be responsible for the administration and governance of the Committee.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15. Contingencies and other liabilities/assets not recognised (continued)

ASSETS NOT RECOGNISED: (continued)

(v)

Council has entered into a Community Enhancement Planning Agreement with Taralga Wind Farm Nominees (No 2) Pty Ltd on 7 September 2014 in relation to the project commonly known as the Taralga Wind Farm. As per section 3 'The Community Enhancement Program' of the voluntary Planning Agreement, Taralga Wind Farm Nominees (No 2) Pty Ltd has agreed to pay a monetary contribution of \$2,500.00 per annum per completed turbine to be indexed by CPI annually commencing at the September 2015 quarter. A Community Fund Committee will be formed to govern the Community fund. Council will be responsible for the administration and governance of the Committee.

(vi)

Council has entered into a Community Enhancement Planning Agreement with Cullerin Range Wind Farm Pty Ltd on 20 October 2016 in relation to the project commonly known as the Cullerin Range Wind Farm. As per section 4 'The Community Enhancement Program' of the voluntary Planning Agreement, Cullerin Range Wind Farm Pty Ltd has agreed to pay a total monetary contribution of \$1,500.00 per annum to be indexed by CPI annually commencing at the March 2015 quarter. A Community Fund Committee will be formed to govern the Community fund. Council will be responsible for the administration and governance of the Committee.

(vii)

Council resolved on 18 May 2017 'that Council places on public exhibition the draft Crookwell 2 and 3 Wind Farm voluntary planning agreement...' Council entered into a Community Enhancement Planning Agreement with Crookwell Developments Pty Ltd on 27 July 2017 in relation to the project commonly known as the Crookwell 2 and 3 Wind Farm. Section 5 of the agreement, 'Payment of the Monetary Contribution', states 'The company must pay to the Council the Monetary Contribution (\$2,500 per turbine) in arrears on 1 July each year" to be indexed by CPI annually commencing at the June 2011 quarter. A Community Fund Committee will be formed to govern the Community fund. Council will be responsible for the administration and governance of the Committee.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 16. Financial risk management

\$ '000

Risk management

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

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

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

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

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

	Carrying value		Fair value	
	2018	2017	2018	2017
Financial assets				
Cash and cash equivalents	10,705	9,421	10,705	9,421
Investments				
– 'Held to maturity'	19,300	20,900	19,300	20,900
Receivables	3,093	2,347	3,093	2,347
Total financial assets	33,098	32,668	33,098	32,668
Financial liabilities				
Payables	2,157	3,374	2,157	3,374
Loans/advances	1,890	2,107	1,890	2,107
Total financial liabilities	4,047	5,481	4,047	5,481

Fair value is determined as follows:

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

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 16. Financial risk management (continued)

\$ '000

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

Council has an investment policy which complies with the *Local Government Act 1993* and Ministerial Investment Order 625. This policy is regularly reviewed by Council and its staff and a monthly Investment report is provided to Council setting out the make-up and performance of the portfolio as required by Local Government regulations.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

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

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2018				
Possible impact of a 1% movement in interest rates	18	18	(18)	(18)
2017				
Possible impact of a 1% movement in interest rates	27	27	(27)	(27)

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 16. Financial risk management (continued)

\$ '000

(b) Credit risk

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

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

A profile of Council's receivables credit risk at balance date follows:

	2018 Rates and annual charges	2018 Other receivables	2017 Rates and annual charges	2017 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	0%	91%	0%	94%
Overdue	100%	9%	100%	6%
	100%	100%	100%	100%

(ii) Ageing of receivables – value**Rates and annual charges**

< 1 year overdue

1 – 2 years overdue

Other receivables

Current

0 – 30 days overdue

31 – 60 days overdue

61 – 90 days overdue

> 91 days overdue

2018

2017

260

296

39

36

299**332**

2,387

1,971

99

2

129

–

138

–

77

78

2,830**2,051**

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 16. Financial risk management (continued)

\$ '000

(c) Liquidity risk

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

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

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

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk by borrowing long term and fixing the interest rate on a 4-year renewal basis. The Finance Section regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 – 5 Years	> 5 Years		
2018							
Trade/other payables	0.00%	158	1,999	-	-	2,157	2,157
Loans and advances	7.61%	-	376	1,317	977	2,670	1,890
Total financial liabilities		158	2,375	1,317	977	4,827	4,047
2017							
Trade/other payables	0.00%	188	3,186	-	-	3,374	3,374
Loans and advances	7.64%	-	376	1,471	1,200	3,047	2,107
Total financial liabilities		188	3,562	1,471	1,200	6,421	5,481

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Material budget variations

\$ '000

Council's original financial budget for 17/18 was adopted by the Council on 22 June 2017 and is not required to be audited.

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

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

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, U = Unfavourable budget variation

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
REVENUES					
Rates and annual charges	10,315	10,195	(120)	(1%)	U
User charges and fees	7,385	7,509	124	2%	F
Interest and investment revenue	613	731	118	19%	F
Cash holdings were higher than anticipated resulting in increased income.					
Other revenues	527	597	70	13%	F
The increase was mainly due to higher fuel tax credits and insurance reimbursements.					
Operating grants and contributions	9,193	8,648	(545)	(6%)	U
Capital grants and contributions	3,179	6,082	2,903	91%	F
Several additional capital grants were received that were not budgeted for; Crookwell water treatment plant \$1.4 million, Devil's Elbow Fixing Country Roads \$540k, Devil's Elbow Heavy Vehicles Safety and Productivity Program \$267k, Stronger Country Communities Fund \$388k, Memorial Oval Clubs NSW \$540k.					
Net gains from disposal of assets	11	-	(11)	(100%)	U
The loss on disposal of assets resulted from the sale of a garbage truck that was not programmed in the 2017/2018 budget.					

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Material budget variations (continued)

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
EXPENSES					
Employee benefits and on-costs	10,972	9,943	1,029	9%	F
Larger than budgeted salaries were capitalised costs.					
Borrowing costs	199	172	27	14%	F
Loans planned for 2017/2018 did not proceed - Kiamma Creek bridge replacement did not commence.					
Materials and contracts	7,495	7,339	156	2%	F
Depreciation and amortisation	6,048	6,086	(38)	(1%)	U
Other expenses	2,656	2,675	(19)	(1%)	U
Net losses from disposal of assets	-	35	(35)	0%	U
The sale of a garbage truck that was not programmed in the 2017/2018 budget produced a loss on sale greater than the anticipated gain on planned replacements.					

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	10,363	14,593	4,230	40.8%	F
Higher than anticipated operating activity was carried out in 2017/2018 without any additional external funding. This includes: - Natural disaster road works did not proceed as budgeted \$900k.					
Cash flows from investing activities	(12,776)	(13,092)	(316)	2.5%	U
Cash flows from financing activities	314	(217)	(531)	(169.1%)	U
Works proposed to be loan funded were deferred. Kiamma Creek bridge replacement.					

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement

\$ '000

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.

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2018	Date of latest	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in	Level 2 Significant observable	Level 3 Significant unobservable	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/18	–	–	7,091	7,091
Office equipment	30/06/18	–	–	837	837
Furniture and fittings	30/06/18	–	–	63	63
Operational land	30/06/18	–	–	4,595	4,595
Community land	30/06/16	–	–	3,289	3,289
Land Improvements – depreciable	30/06/16	–	–	110	110
Buildings – non-specialised	30/06/18	–	–	2,306	2,306
Buildings – specialised	30/06/18	–	–	24,573	24,573
Other structures	30/06/18	–	–	991	991
Roads	30/06/15	–	–	290,351	290,351
Bridges	30/06/15	–	–	25,121	25,121
Footpaths	30/06/15	–	–	1,570	1,570
Stormwater drainage	30/06/15	–	–	1,606	1,606
Water supply network	30/06/17	–	–	24,392	24,392
Sewerage network	30/06/17	–	–	14,265	14,265
Swimming pools	30/06/18	–	–	778	778
Other open space/recreational assets	30/06/18	–	–	1,888	1,888
Other assets	30/06/16	–	–	431	431
Rehabilitation assets	30/06/18	–	–	3,264	3,264
Total infrastructure, property, plant and equipment		–	–	407,521	407,521

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2017	Date of latest	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in	Level 2 Significant observable	Level 3 Significant unobservable	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/13	—	—	7,544	7,544
Office equipment	30/06/13	—	—	530	530
Furniture and fittings	30/06/13	—	—	72	72
Operational land	30/06/14	—	—	4,416	4,416
Community land	30/06/16	—	—	3,231	3,231
Land Improvements – depreciable	30/06/16	—	—	119	119
Buildings – non-specialised	30/06/14	—	—	1,829	1,829
Buildings – specialised	30/06/14	—	—	20,019	20,019
Other structures	30/06/14	—	—	909	909
Roads	30/06/15	—	—	285,079	285,079
Bridges	30/06/15	—	—	25,177	25,177
Footpaths	30/06/15	—	—	1,492	1,492
Stormwater drainage	30/06/15	—	—	1,445	1,445
Water supply network	30/06/17	—	—	22,976	22,976
Sewerage network	30/06/17	—	—	14,287	14,287
Swimming pools	30/06/14	—	—	489	489
Other open space/recreational assets	30/06/14	—	—	1,380	1,380
Other assets	30/06/16	—	—	472	472
Rehabilitation assets	30/06/17	—	—	825	825
Total infrastructure, property, plant and equipment		—	—	392,291	392,291

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Council's policy for determining transfers between fair value hierarchies is:

– at the end of the reporting period.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

Initial Valuation at Fair Value - Infrastructure, Property, Plant & Equipment

The Office of Local Government, Department of Premier and Cabinet determined that all asset classes will be valued at fair value in accordance with AASB 116 in a staged approach. The following classes of assets were all initially valued at fair value in the following years:

- 2006/2007 - Water Supply and Sewerage Networks.
- 2007/2008 - Buildings, Operational Land, and Property, Plant and Equipment Assets.
- 2009/2010 - Roads, Bridges, Footpaths, Stormwater, and Drainage Assets.
- 2010/2011 - Community Land, Land Improvements, Other Structures and Other Assets.

Revaluation at Fair Value

All assets re-valued will be carried in the accounts at their re-valued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment costs. All new assets and asset acquisitions made after the respective dates of valuation are recorded at their initial cost of acquisition.

The Office of Local Government, Department of Premier and Cabinet, have determined that all asset classes are required to be re-valued at least every five years, at their fair value. The standard valuation schedule set as follows:

- 2017/2018 - Buildings, Operational Land and Property, Plant and Equipment assets.
- 2019/2020 - Roads, Bridges, Footpaths, Stormwater, and Drainage assets.
- 2020/2021 - Community Land, Land Improvements, Other Structures, and other assets.
- 2021/2022 - Water Supply and Sewerage network assets.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

Valuation of certain classes of assets require the engagement of an external valuer. To facilitate the valuation process Council has synchronised the valuation of Buildings, Operational Land and Property with Other Structures to occur at the same time every five years.

2017/2018 - Buildings, Operational Land and Property, Other Structures and Plant and Equipment assets.

2019/2020 - Roads, Bridges, Footpaths, Stormwater, and Drainage assets.

2020/2021 - Community Land, Land Improvements and Other assets.

2021/2022 - Water Supply and Sewerage network assets.

Additional information regarding capitalisation thresholds and depreciation rates utilised has been included as it is relevant in determining what property is deemed to be an 'asset' and is therefore subject to valuation measurement. It also discloses what level of acquisitions will be included after the date of valuation.

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

(i) Infrastructure, Property, Plant & Equipment

Plant and Equipment, Office Equipment and Furniture and Fittings – Fair Value

Plant and Equipment, Office Equipment and Furniture and Fittings are valued at Fair Value under AASB 116 from 30 June 2018, as per the Office of Local Government's directions, using the depreciated historical cost method:-

'In light of the nature and value of Council plant and equipment the Department has stated that NSW Councils may use depreciated historic cost as fair value as long as Council has undertaken a high level review to determine if there has been any impairment to the assets.'

The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. All new assets and asset acquisitions made after the respective dates of valuation are recorded at their initial cost of acquisition.

No market based evidence (Level 2) could be supported therefore these assets were all classified as having been valued using Level 3 valuation inputs.

There has been no change to the valuation process during the reporting period.

Plant and Equipment, Office Equipment and Furniture and Fittings - Depreciation & Capitalisation Thresholds

Major depreciation periods are:-

Plant and Equipment, Road-making Equipment	10 to 15 years
Office Equipment	5 to 10 years
Furniture and Fittings	5 to 20 years
Motor Vehicles	5 years

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

Asset capitalisation thresholds are:-

Office Equipment	\$2,000
Furniture and Fittings	\$2,000
Plant and Equipment	\$5,000

(ii) Operational Land

Operational Land was initially valued at Fair Value as per AASB 116 by external independent valuer Scott Fullarton Valuations Pty Ltd during the reporting period ended 30 June 2007. Desktop updates were provided as at 30 June 2008 and these values were recognised at fair value as at 30 June 2008.

Operational Land was re-valued at Fair Value by external independent valuer Scott Fullarton Valuations Pty Ltd as at 30 June 2018. Valuation was undertaken in accordance with the requirements of AASB 13 Fair Value, which defines Fair Value as "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date". This involved establishing the nature of the asset, characteristics important to market participants, the appropriate market and valuation premise. Having maximised the level of valuation input, the adopted technique deemed appropriate is the Market Approach which requires the comparison or income approach to valuation. All new Operational Land acquired after the current valuation date is recorded at the initial cost of acquisition.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

There has been no change to the valuation process during the reporting period.

(iii) Community Land

Community Land was valued at Fair Value as per AASB 116 by external independent valuer Scott Fullarton Valuations Pty Ltd during the reporting period ended 30 June 2007. Desktop updates were provided as at 30 June 2008 and these values were recognised at fair value as at 30 June 2011. All new Community Land acquired after the current valuation date is recorded at the initial cost of acquisition.

Community land was required to be re-valued as at 30 June 2016. In line with the prescribed manner of attributing a valuation to Community Land, the land values as supplied by the Valuer General's Office have been used.

There has been no change to the valuation process during the reporting period.

(iv) Land Improvements - Depreciable

Land Improvements - Depreciable were initially valued at Fair Value under AASB 116 from 30 June 2011 using the depreciated historical cost method. A review of these assets was undertaken for 30 June 2016 and the same valuation methodology was retained.

The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. All new assets and asset acquisitions made after the current valuation date are recorded at their initial cost of acquisition. Due to the diverse nature of land improvements, major depreciation periods are up to 100 years and the capitalisation threshold is \$5,000.

No market based evidence (Level 2) could be supported therefore these assets were all classified as having been valued using Level 3 valuation inputs.

There has been no change to the valuation process during the reporting period.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

(v) Buildings - Specialised & Non-Specialised

Buildings were initially valued at Fair Value as per AASB 116 by external independent valuer Scott Fullarton Pty Ltd during the reporting period ended 30 June 2007. Desktop updates were provided as at 30 June 2008 and these values were recognised at fair value as at 30 June 2008.

Buildings were re-valued at Fair Value by external independent valuer Scott Fullarton Valuations Pty Ltd as at 30 June 2018. Valuation was undertaken in accordance with the requirements of AASB 13 Fair Value, which defines Fair Value as "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date". This involved establishing the nature of the asset, characteristics important to market participants, the appropriate market and valuation premise. Having maximised the level of valuation input, the adopted techniques deemed appropriate are:

Non-specialised buildings - Market Approach - This requires the comparison or income approach to valuation.

Specialised buildings - Cost Approach - This requires the depreciated replacement cost approach to valuation.

This asset class is categorised as Level 3 as there are inputs used in the valuation of these assets that require significant professional judgement and are therefore unobservable.

All new buildings acquisitions (new acquisitions and capital improvements) made after the current valuation date are recorded at their initial cost of acquisition.

There has been no change to the valuation process during the reporting period.

Buildings - Specialised & Non-Specialised – Depreciation & Capitalisation Thresholds

Major depreciation periods and capitalisation thresholds remain unchanged.

Major depreciation periods are:-

Buildings	45 to 75 years
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Asset capitalisation thresholds include:-

Buildings - construction/extensions/renovations	\$2,000
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(vi) Other Structures

Other Structures were initially valued at Fair Value as per AASB 116 by external independent valuer Scott Fullarton Valuations Pty Ltd during the reporting period ended 30 June 2007. Desktop updates were provided as at 30 June 2008 and these values were recognised at fair value as at 30 June 2011.

The Other Structures asset class was re-valued at Fair Value by external independent valuer Scott Fullarton Valuations Pty Ltd as at 30 June 2018. Valuation was undertaken in accordance with the requirements of AASB 13 Fair Value with the adopted technique deemed appropriate being the Cost Approach which requires the depreciated replacement cost approach to valuation. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

This asset class is categorised as Level 3 as there are inputs used in the valuation of these assets that require significant professional judgement and are therefore unobservable.

There has been no change to the valuation process during the reporting period.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

Other Structures - Depreciation & Capitalisation Thresholds

Major depreciation periods are:

Other Structures	15 to 50 years
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Asset capitalisation thresholds include:-

Other Structures	\$2,000
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(vii) Roads

Roads were initially componentised by formation, pavement, surface and structures including kerb & gutter. This asset class was valued at Fair Value by an internal valuation undertaken by Upper Lachlan Shire Council professional engineering staff and were recognised at fair value from 30 June 2010. The Cost Approach using Level 3 inputs was used to value this asset class.

The Roads asset class was re-valued as at 30 June 2015 componentised by formation (non-depreciable), pavement sub-base (non-depreciable), pavement base, surface and structures including kerb & gutter. This asset class was re-valued at Fair Value by external consultants Jeff Roorda & Associates and Upper Lachlan Shire Council professional engineering staff and were recognised at fair value from 30 June 2015. The Cost Approach using Level 3 inputs was used to value this asset class. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

Roads - Depreciation & Capitalisation Thresholds

Major depreciation periods are:-

Sealed Roads – Surface	25 years
Sealed Roads – Pavement Base	100 years
Unsealed Roads – Pavement Base	30 years
Roads Pavement Sub-base	Infinite
Other Road Structures	100 years
Formation (Bulk Earthworks)	Infinite
Kerb and Gutter	80 years

Asset capitalisation thresholds include:-

Road construction, gravel re-sheeting and reconstruction	\$5,000
Kerb and Gutter	\$5,000

(viii) Bridges

Bridge assets are classified as concrete, timber or drainage structures. This asset class was valued at Fair Value by an internal valuation undertaken by Upper Lachlan Shire Council professional engineering staff and were recognised at fair value from 30 June 2010. The Cost Approach using Level 3 inputs was used to value this asset class.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

The Bridges asset class was re-valued as at 30 June 2015 classified as concrete, timber or drainage structures. This asset class was re-valued at Fair Value by external consultants Jeff Roorda & Associates and Upper Lachlan Shire Council professional engineering staff and were recognised at fair value from 30 June 2015. The Cost Approach using Level 3 inputs was used to value this asset class. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

Bridges - Depreciation & Capitalisation Thresholds

Major depreciation periods are:-

Bridges – Concrete	100 years
Bridges – Timber	40 - 100 years
Drainage Structures on Roads	100 years

Asset capitalisation thresholds include:-

Bridge construction and reconstruction	\$5,000
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(ix) Footpaths

Footpaths were valued in-house by Council's Engineering Department in June 2010 and were based on professional judgement incorporating historical cost per square metre of works carried out previously. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

Footpaths were re-valued as at 30 June 2015 at Fair Value by external consultants Jeff Roorda & Associates and Upper Lachlan Shire Council professional engineering staff and were recognised at fair value from 30 June 2015. The same historical cost per square metre of works carried out was utilised. The Cost Approach using Level 3 inputs was used to value this asset class. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

Footpaths - Depreciation & Capitalisation Thresholds

Major depreciation periods are:-

Footpaths	80 years
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Asset capitalisation thresholds include:-

Footpaths	\$5,000
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Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

(x) Stormwater Drainage Assets

The Stormwater Drainage asset class was valued at Fair Value by an internal valuation undertaken by Upper Lachlan Shire Council professional engineering staff and recognised at fair value from 30 June 2010.

Stormwater Drainage assets were re-valued as at 30 June 2015 at Fair Value by external consultants Jeff Roorda & Associates and Upper Lachlan Shire Council professional engineering staff. The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. The NSW Office of Water 'Reference Rates Manual - valuation of water supply, sewerage and stormwater assets' was utilised to assist to determine fair value. While the unit rates may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement. All asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

Limited market based evidence (Level 2) could be supported therefore these assets were all classified as having been valued using Level 3 valuation inputs.

There has been no change to the valuation process during the reporting period.

Stormwater Drainage Assets – Depreciation & Capitalisation Thresholds

Major depreciation periods are:-

Stormwater and Flood Control Structures	100 years
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Asset capitalisation thresholds include:-

All Stormwater assets	\$5,000
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(xi) Water Supply and Sewerage Infrastructure Assets

Water Supply and Sewerage infrastructure assets were initially valued by Andrew Nock Valuers Pty Ltd, an independent plant, equipment and infrastructure Valuer at Fair Value according to AASB 116 using the gross restatement method during the reporting period ended 30 June 2007.

Water Supply and Sewerage infrastructure assets were re-valued at Fair Value by an internal valuation undertaken by Upper Lachlan Shire Council professional operations staff and were recognised at fair value as at 30 June 2012 and 30 June 2017. Council's extensive water and sewer capital works programme carried out over the last 5 years has provided useful comparative data on the local construction cost of water and sewer assets. This information was used in conjunction with the NSW Office of Water 'Reference Rates Manual - valuation of water supply, sewerage and stormwater assets' to determine fair value. These assets are indexed each year in line with the Reference Rates Manual as published by the NSW Office of Water. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

This asset class is categorised as Level 3 as there are inputs used in the valuation of these assets (such as estimates of pattern of consumption, residual value, asset condition and useful life), that require significant professional judgement and are therefore unobservable.

There has been no change to the valuation process during the reporting period.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

Water Supply and Sewerage Infrastructure Assets - Depreciation

Major depreciation periods for future years determined following the revaluation are:-

Dams	120 years
Reservoirs	100 years
Bores	25 - 50 years
Reticulation Pipes	80 years
Pump Stations	25 - 70 years
Pumps	25 years
Telemetry	15 years

Asset capitalisation thresholds include: -

Reticulation extensions and new assets	\$3,000
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(xii) Swimming Pool Assets

Swimming Pool assets were included in the asset class Other Structures prior to 30 June 2017.

The Swimming Pool asset class was re-valued at Fair Value by external independent valuer Scott Fullarton Valuations Pty Ltd as at 30 June 2018. Valuation was undertaken in accordance with the requirements of AASB 13 Fair Value with the adopted technique deemed appropriate being the Cost Approach which requires the depreciated replacement cost approach to valuation. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

This asset class is categorised as Level 3 as there are inputs used in the valuation of these assets that require significant professional judgement and are therefore unobservable.

There has been no change to the valuation process during the reporting period.

Swimming Pool - Depreciation & Capitalisation Thresholds

Major depreciation periods are:

Swimming Pools	50 years
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Asset capitalisation thresholds include:-

Swimming Pools	\$3,000
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(xiii) Other Open Space/Recreational Assets

Other Open Space/Recreational assets were included in the asset class Other Structures prior to 30 June 2017.

The Other Open Space/Recreational asset class was re-valued at Fair Value by external independent valuer Scott Fullarton Valuations Pty Ltd as at 30 June 2018. Valuation was undertaken in accordance with the requirements of AASB 13 Fair Value with the adopted technique deemed appropriate being the Cost Approach which requires the depreciated replacement cost approach to valuation. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

This asset class is categorised as Level 3 as there are inputs used in the valuation of these assets that require significant professional judgement and are therefore unobservable.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

There has been no change to the valuation process during the reporting period.

Other Open Space/Recreational - Depreciation & Capitalisation Thresholds

Major depreciation periods are:

Playground Equipment and Park Furniture	15 years
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Asset capitalisation thresholds include:-

Playground Equipment and Park Furniture	\$1,000
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(xiv) Other Assets (including Tips & Quarries Rehabilitation)

Assets within this class comprise of all assets not classified elsewhere. Other Assets, other than tips and quarries rehabilitation, are valued at Fair Value under AASB 116 from 30 June 2012 using the depreciated historical cost method. A review of these assets was undertaken for 30 June 2018 and the same valuation methodology was retained. All new assets and asset acquisitions made after the respective dates of valuation will be recorded at their initial cost of acquisition.

No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and equipment	Office equipment	Furniture and fittings	Operational land	Total
Opening balance – 1/7/16	7,394	279	83	4,385	12,141
Purchases (GBV)	1,430	360	–	31	1,821
Disposals (WDV)	(249)	–	–	(46)	(295)
Depreciation and impairment	(1,032)	(109)	(10)	–	(1,151)
Adjustments	1	–	(1)	46	46
Closing balance – 30/6/17	7,544	530	72	4,416	12,562
Purchases (GBV)	935	431	–	277	1,643
Disposals (WDV)	(280)	–	–	–	(280)
Depreciation and impairment	(1,108)	(124)	(9)	–	(1,241)
FV gains – other comprehensive income	–	–	–	(98)	(98)
Closing balance – 30/6/18	7,091	837	63	4,595	12,586

	Community land	Land improvements	Buildings non- specialised	Buildings specialised	Total
Opening balance – 1/7/16	3,277	129	1,859	20,361	25,626
Purchases (GBV)	–	18	18	188	224
Depreciation and impairment	–	(28)	(48)	(532)	(608)
Adjustments	(46)	–	–	2	(44)
Closing balance – 30/6/17	3,231	119	1,829	20,019	25,198
Purchases (GBV)	58	–	–	869	927
Depreciation and impairment	–	(9)	(48)	(534)	(591)
FV gains – other comprehensive income	–	–	525	4,219	4,744
Closing balance – 30/6/18	3,289	110	2,306	24,573	30,278

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Other structures	Roads	Bridges	Footpaths	Total
Opening balance – 1/7/16	2,618	282,755	25,096	1,310	311,779
Purchases (GBV)	6	4,331	562	205	5,104
Depreciation and impairment	(26)	(2,278)	(481)	(23)	(2,808)
Adjustments	(1,689)	271	–	–	(1,418)
Closing balance – 30/6/17	909	285,079	25,177	1,492	312,657
Purchases (GBV)	40	7,746	436	105	8,327
Depreciation and impairment	(26)	(2,473)	(492)	(27)	(3,018)
FV gains – other comprehensive income	68	–	–	–	68
Closing balance – 30/6/18	991	290,352	25,121	1,570	318,034

	Stormwater drainage	Water supply network	Sewerage network	Swimming pools	Total
Opening balance – 1/7/16	1,405	20,906	12,738	–	35,049
Purchases (GBV)	63	5,177	200	52	5,492
Depreciation and impairment	(23)	(522)	(461)	(19)	(1,025)
Revaluation increments/decrements	–	(2,585)	1,810	–	(775)
Adjustments	–	–	–	456	456
Closing balance – 30/6/17	1,445	22,976	14,287	489	39,197
Purchases (GBV)	187	1,576	132	16	1,911
Depreciation and impairment	(26)	(525)	(447)	(19)	(1,017)
FV gains – other comprehensive income	–	365	293	292	950
Closing balance – 30/6/18	1,606	24,392	14,265	778	41,041

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Other open space/ recreational	Other assets	Rehabilitation assets	Total
Opening balance – 1/7/16	–	522	686	1,208
Purchases (GBV)	246	8	184	438
Depreciation and impairment	(100)	(57)	(44)	(201)
Adjustments	1,234	(1)	(1)	1,232
Closing balance – 30/6/17	1,380	472	825	2,677
Purchases (GBV)	45	14	206	265
Disposals (WDV)	–	–	(58)	(58)
Depreciation and impairment	(106)	(55)	(36)	(197)
FV gains – other comprehensive income	569	–	427	996
Adjustments	–	–	1,901	1,901
Closing balance – 30/6/18	1,888	431	3,265	5,584

(5). Highest and best use

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

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 19. Related party transactions

 \$ '000

a. Key management personnel

Key management personnel (KMP) of the Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

Compensation:	2018	2017
Short-term benefits	1,072	1,055
Termination benefits	75	–
Total	1,147	1,055

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Statement of developer contributions

\$ '000

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.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Bushfire	154	37	–	4	(1)	–	194	–
Roads	1,915	521	–	48	(315)	–	2,169	–
Waste management	261	28	–	6	–	–	295	–
Open space	236	43	–	6	(19)	–	266	–
Community facilities	395	75	–	10	(42)	–	438	–
Other	80	10	–	2	(14)	–	78	–
S7.11 contributions – under a plan	3,041	714	–	76	(391)	–	3,440	–
S7.12 levies – under a plan	250	–	–	4	(78)	–	176	–
Total S7.11 and S7.12 revenue under plans	3,291	714	–	80	(469)	–	3,616	–
S64 contributions	277	122	–	6	(175)	–	230	–
Total contributions	3,568	836	–	86	(644)	–	3,846	–

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Statement of developer contributions (continued)

\$ '000

S7.11 CONTRIBUTIONS – UNDER A PLAN

Upper Lachlan Development Contributions Plan 2007 (previously Section 94)

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Bushfire	154	37	–	4	(1)	–	194	
Roads	1,915	521	–	48	(315)	–	2,169	
Waste management	261	28	–	6	–	–	295	
Open space	236	43	–	6	(19)	–	266	
Community facilities	395	75	–	10	(42)	–	438	
Other	80	10	–	2	(14)	–	78	
Total	3,041	714	–	76	(391)	–	3,440	–

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Statement of developer contributions (continued)

\$ '000

S7.12 LEVIES – UNDER A PLAN

Upper Lachlan Section 94A Development Contributions Plan - Gullen Range Solar Farm/Bannister lane (previously Section 94A)

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Public facilities	250	–	–	4	(78)		176	
Total	250	–	–	4	(78)	–	176	–

S64 contributions

Upper Lachlan Development Servicing Plan for Water & Sewer

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Water supply	114	63	–	3	(63)	–	117	
Sewerage services	163	59	–	3	(112)	–	113	
Total	277	122	–	6	(175)	–	230	–

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 21. Financial result and financial position by fund

Income Statement by fund \$ '000	2018	2018	2018
	Water	Sewer	General ¹
Continuing operations			
Income from continuing operations			
Rates and annual charges	839	1,102	8,254
User charges and fees	995	261	6,253
Interest and investment revenue	63	104	564
Other revenues	7	–	590
Grants and contributions provided for operating purposes	18	–	8,630
Grants and contributions provided for capital purposes	1,492	59	4,531
Other income			
Net gains from disposal of assets	–	16	–
Total income from continuing operations	3,414	1,542	28,822
Expenses from continuing operations			
Employee benefits and on-costs	477	304	9,162
Borrowing costs	50	20	102
Materials and contracts	627	332	6,380
Depreciation and amortisation	546	473	5,067
Other expenses	195	172	2,308
Net losses from the disposal of assets	–	–	51
Total expenses from continuing operations	1,895	1,301	23,070
Operating result from continuing operations	1,519	241	5,752
Net operating result attributable to each council fund	1,519	241	5,752
Net operating result for the year before grants and contributions provided for capital purposes	27	182	1,221

¹ General fund refers to all Council's activities other than Water and Sewer.

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

Upper Lachlan Shire Council

Notes to the Financial Statements

as at 30 June 2018

Note 21. Financial result and financial position by fund (continued)

Statement of Financial Position by fund \$ '000	2018	2018	2018
ASSETS	Water	Sewer	General¹
Current assets			
Cash and cash equivalents	–	–	10,705
Investments	2,529	4,350	12,421
Receivables	116	63	2,792
Inventories	–	–	916
Other	–	–	106
Total current assets	2,645	4,413	26,940
Non-current assets			
Receivables	18	6	98
Infrastructure, property, plant and equipment	25,045	15,355	367,121
Total non-current assets	25,063	15,361	367,219
TOTAL ASSETS	27,708	19,774	394,159
LIABILITIES			
Current liabilities			
Payables	15	5	2,137
Income received in advance	–	–	846
Borrowings	69	39	127
Provisions	144	132	6,332
Total current liabilities	228	176	9,442
Non-current liabilities			
Borrowings	631	225	799
Provisions	–	–	333
Total non-current liabilities	631	225	1,132
TOTAL LIABILITIES	859	401	10,574
Net assets	26,849	19,373	383,585
EQUITY			
Accumulated surplus	25,582	15,092	257,411
Revaluation reserves	1,267	4,281	126,174
Total equity	26,849	19,373	383,585

¹ General Fund refers to all Council's activities other than Water and Sewer.

NB. All amounts disclosed above are gross – that is, they include internal receivables and payables between the funds.

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 22(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2018	Indicator 2018	Prior periods		Benchmark
			2017	2016	
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	<u>1,465</u>	5.29%	16.47%	13.01%	> 0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	27,680				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	<u>19,032</u>	56.37%	52.13%	65.28%	> 60.00%
Total continuing operating revenue ⁽¹⁾	33,762				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	<u>18,717</u>	2.97x	5.14x	6.40x	> 1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	6,298				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	<u>7,723</u>	19.85x	25.52x	22.37x	> 2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	389				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	<u>311</u>	2.94%	3.35%	2.36%	10%
Rates, annual and extra charges collectible	10,586				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	<u>30,005</u>	18.48 mths	19.3 mths	15.9 mths	> 3 mths
Monthly payments from cash flow of operating and financing activities	1,624				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Notes 10 and 11.

⁽⁴⁾ Refer to Note 10(b) and 11(b) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 22(b). Statement of performance measures – by fund

\$ '000	General indicators ⁵		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Local government industry indicators – by fund							
1. Operating performance ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
less operating expenses							
<hr/>	5.17%	17.16%	1.40%	7.55%	12.27%	14.92%	> 0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
2. Own source operating revenue ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
<hr/>	54.37%	54.74%	55.77%	29.62%	95.14%	96.53%	> 60.00%
Total continuing operating revenue ⁽¹⁾							
3. Unrestricted current ratio							
Current assets less all external restrictions ⁽²⁾							
<hr/>	2.97x	5.14x	11.08x	9.78x	24.43x	21.89x	> 1.5x
Current liabilities less specific purpose liabilities ^(3, 4)							

Upper Lachlan Shire Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 22(b). Statement of performance measures – by fund (continued)

\$ '000	General indicators ⁵		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Local government industry indicators – by fund (continued)							
4. Debt service cover ratio							
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation							
<u>Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)</u>	28.46x	35.54x	5.46x	6.45x	13.63x	14.49x	> 2x
5. Rates, annual charges, interest and extra charges outstanding percentage							
<u>Rates, annual and extra charges outstanding</u>	2.13%	2.54%	6.89%	7.31%	6.23%	6.59%	< 10% regional & rural
Rates, annual and extra charges collectible							
6. Cash expense cover ratio							
<u>Current year's cash and cash equivalents plus all term deposits</u>	16.20	17.42	21.48	19.93	59.03	58.94	> 3 months
Monthly payments from cash flow of operating and financing activities	months	months	months	months	months	months	

END OF AUDITED FINANCIAL STATEMENTS

Upper Lachlan Shire Council

Notes to the Financial Statements
for the year ended 30 June 2018

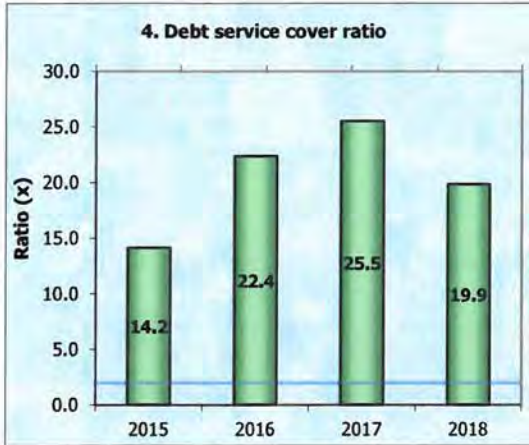
Note 22(c). Statement of performance measures – consolidated results (graphs)

<p>1. Operating performance ratio</p> <table border="1"> <caption>Operating performance ratio data</caption> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>3%</td> </tr> <tr> <td>2016</td> <td>13%</td> </tr> <tr> <td>2017</td> <td>16%</td> </tr> <tr> <td>2018</td> <td>5%</td> </tr> </tbody> </table> <p>Benchmark: — Minimum $\geq 0.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio %	2015	3%	2016	13%	2017	16%	2018	5%	<p>Purpose of operating performance ratio</p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 5.29%</p> <p>External funding utilised for capital works has returned to normal levels in 2017/2018. Council has managed cash outflows on operating expenses while supplementing operating revenues through profits generated by the NSW State road MR54 contract works.</p> <p>Ratio achieves benchmark (Green)</p>
Year	Ratio %											
2015	3%											
2016	13%											
2017	16%											
2018	5%											
<p>2. Own source operating revenue ratio</p> <table border="1"> <caption>Own source operating revenue ratio data</caption> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>66%</td> </tr> <tr> <td>2016</td> <td>65%</td> </tr> <tr> <td>2017</td> <td>52%</td> </tr> <tr> <td>2018</td> <td>56%</td> </tr> </tbody> </table> <p>Benchmark: — Minimum $\geq 60.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio %	2015	66%	2016	65%	2017	52%	2018	56%	<p>Purpose of own source operating revenue ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 56.37%</p> <p>2017/2018 double Roads to Recovery payment of \$839k. Council has a significance reliance on external grant funding and a limited rate base. There are few alternatives income streams available similar to those easily sourced by larger regional or city Councils.</p> <p>Ratio is outside benchmark (Red)</p>
Year	Ratio %											
2015	66%											
2016	65%											
2017	52%											
2018	56%											
<p>3. Unrestricted current ratio</p> <table border="1"> <caption>Unrestricted current ratio data</caption> <thead> <tr> <th>Year</th> <th>Ratio (x)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>5.7</td> </tr> <tr> <td>2016</td> <td>6.4</td> </tr> <tr> <td>2017</td> <td>5.1</td> </tr> <tr> <td>2018</td> <td>3.0</td> </tr> </tbody> </table> <p>Benchmark: — Minimum ≥ 1.50 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio (x)	2015	5.7	2016	6.4	2017	5.1	2018	3.0	<p>Purpose of unrestricted current ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 2.97x</p> <p>Council has been above benchmark for the past 4 years. Adequate working funds are retained to meet short term liabilities. Unrestricted cash levels have decreased significantly over 2017/2018 due to an increased level of unscheduled Council funded works.</p> <p>Ratio achieves benchmark (Green)</p>
Year	Ratio (x)											
2015	5.7											
2016	6.4											
2017	5.1											
2018	3.0											

Upper Lachlan Shire Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22(c). Statement of performance measures – consolidated results (graphs)



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 2017/18 result

2017/18 ratio 19.85x

Council has maintained low debt/borrowing levels by successfully securing external funding to carry out substantial capital infrastructure projects.

Benchmark: Minimum ≥ 2.00

Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio achieves benchmark
 Ratio is outside benchmark



Purpose of rates and annual charges outstanding ratio

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

Commentary on 2017/18 result

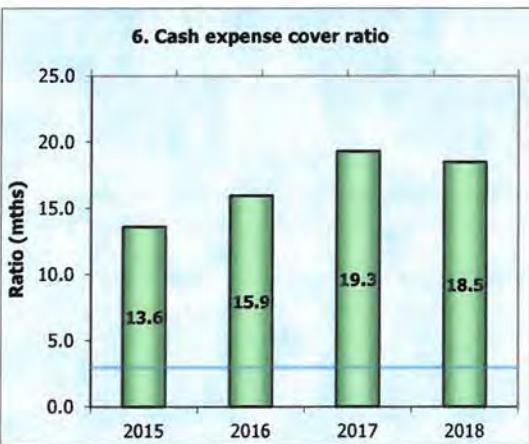
2017/18 ratio 2.94%

Council's debt recovery management practices and dedicated revenue staff have achieved impressive and consistent results in rates and debt recovery over the past 10 years keeping rates and charges outstanding levels well below the Upper Lachlan Shire Council's benchmark of 5%.

Benchmark: Maximum $< 10.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio is within Benchmark
 Ratio is outside Benchmark



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 2017/18 result

2017/18 ratio 18.48 mths

Performance is above benchmark for the past 4 years and Council currently has liquidity with the capacity to fund the works program detailed in the 4 year delivery program 2018/2019 to 2021/2022. It also allows Council the ability to meet unforeseen expenses such as emergency repairs and also to capitalise on short notice matching grant funding opportunities.

Benchmark: Minimum ≥ 3.00

Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio achieves benchmark
 Ratio is outside benchmark



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial report
Upper Lachlan Shire Council

To the Councillors of the Upper Lachlan Shire Council

Opinion

I have audited the accompanying financial report of Upper Lachlan Shire Council (the Council), which comprise the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial report:
 - has been presented, in all material respects, in accordance with the requirements of this Division
 - is consistent with the Council's accounting records
 - presents fairly, in all material respects, the financial position of the Council as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial report have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Report' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the financial report and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial report does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule 2 - Permissible income for general rates.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Report

The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting except where the Council will be dissolved or amalgamated by an Act of Parliament, or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to:

- obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial report.

A description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 17 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule 2 - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report.



Karen Taylor
Director, Financial Audit Services

31 October 2018
SYDNEY

The Mayor
Councillor John Stafford
c/- Upper Lachlan Shire Council
PO Box 42
Gunning NSW 2581

Contact: Karen Taylor
Phone no: (02) 92757311
Our ref: D1826703/FA1797

31 October 2018

Dear Mr Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2018
Upper Lachlan Shire Council**

I have audited the general purpose financial statements of the Upper Lachlan Shire Council (the Council) for the year ended 30 June 2018 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2018 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2018	2017	Variance
	\$m	\$m	%
Rates and annual charges revenue	10.2	9.9	 3.0
User charges and fees	7.5	8.3	 9.6
Grants and contributions revenue	14.7	17.9	 17.9
Operating result for the year	7.5	11.8	 36.4
Net operating result before capital amounts	1.4	5.2	 73.1

Council's operating result (\$7.5 million including the effect of depreciation and amortisation expense of \$6.1 million) was \$4.3 million lower than the 2016–17 result.

Consistent with this, the net operating result before capital grants and contributions (\$1.4 million) was \$3.8 million lower than the 2016–17 result.

A change in the relative mix of operating and capital revenue has impacted on Council's operating results before and after capital grants and contributions for the year.

Rates and annual charges revenue (\$10.2 million) increased by \$0.3 million (3.0 per cent) in 2017–18. Rates increased by 2.0 per cent which is marginally higher than the rate pegging amount of 1.5 per cent. Annual charges increased by 3.9 per cent consistent with Council's operational plan.

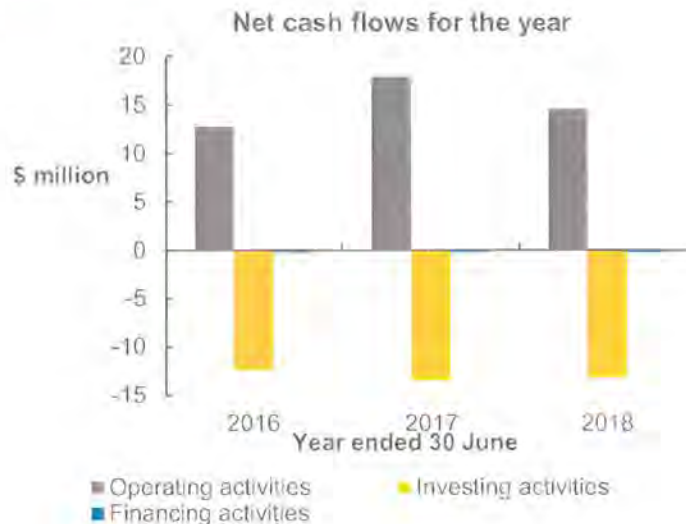
The decrease in user charges and fees revenue was mainly due to less revenue from the RMS for work on State Roads, which fell by \$1.1 million.

Grants and contributions revenue (\$14.7 million) decreased by \$3.2 million in 2017–18 due to:

- Financial Assistance Grants received in 2017–18 were \$4.5 million compared to \$6.5 million in 2016–17 due to the timing of payments by the Commonwealth
- Capital grants for water projects were \$3 million lower as the new Crookwell Water Treatment project was completed in 2017–18
- offset by a total increase in transport related operating and capital grants from the RMS of \$1.6 million.

STATEMENT OF CASH FLOWS

The net cash inflow for 2017–18 was \$1.3 million (2017 net cash inflow of \$4.2 million). The decrease was primarily influenced by Council's cash flows from operating activities, which fell by \$3.3 million.



FINANCIAL POSITION

Cash and Investments

Cash and Investments	2018	2017	Commentary
	\$m	\$m	
External restrictions	15.0	11.6	Externally restricted balances include unexpended developer contributions water, sewer and domestic waste management charges.
Internal restrictions	12.5	13.0	
Unrestricted	2.5	5.7	Balances are internally restricted due to Council policy or decisions for forward plans including works program. Unrestricted balances provide liquidity for day-to-day operations.
Cash and investments	30.0	30.3	

PERFORMANCE RATIOS

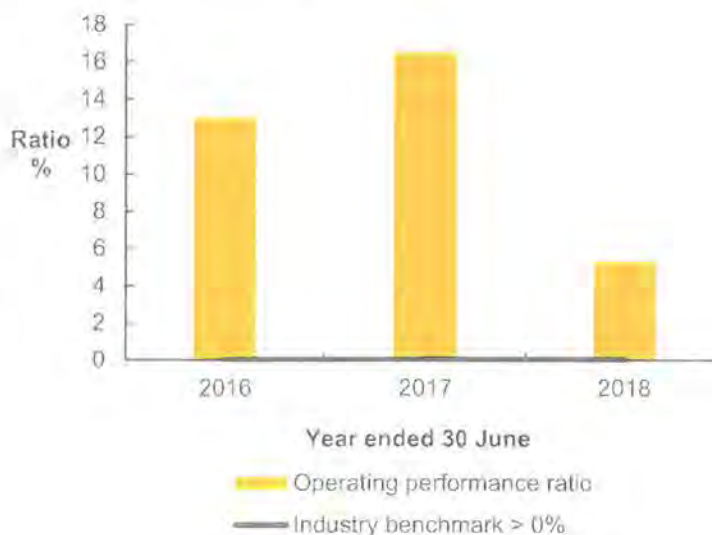
The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 22 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7 which has not been audited.

Operating performance ratio

The ratio decreased primarily due to the decrease in operating grants and contributions compared to the prior years.

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.

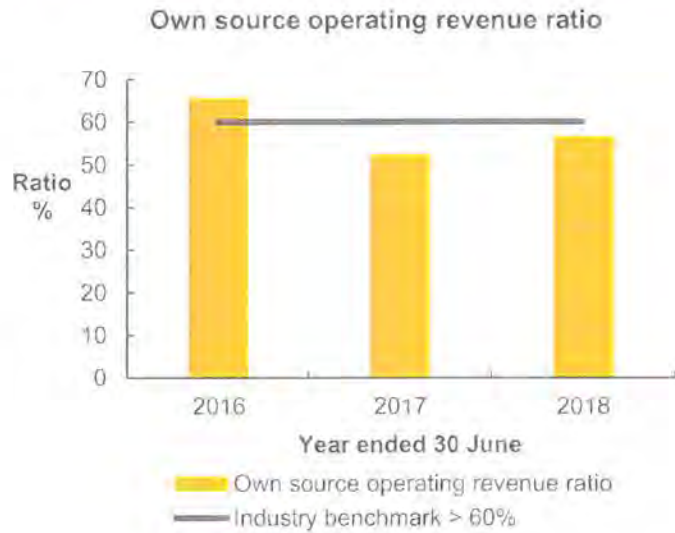
Operating performance ratio



Own source operating revenue ratio

The decrease in this ratio is due to the decrease in the level of RMS works on State Roads compared to the prior period.

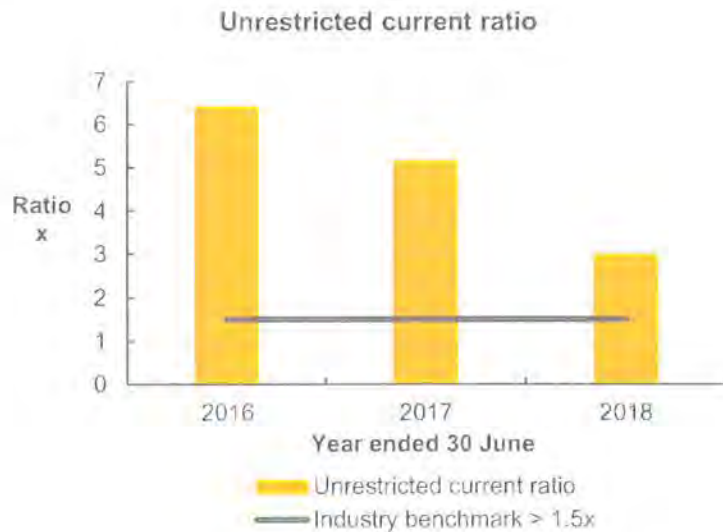
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

Council effectively manages its liquidity to consistently exceed the benchmark of 1.5 times.

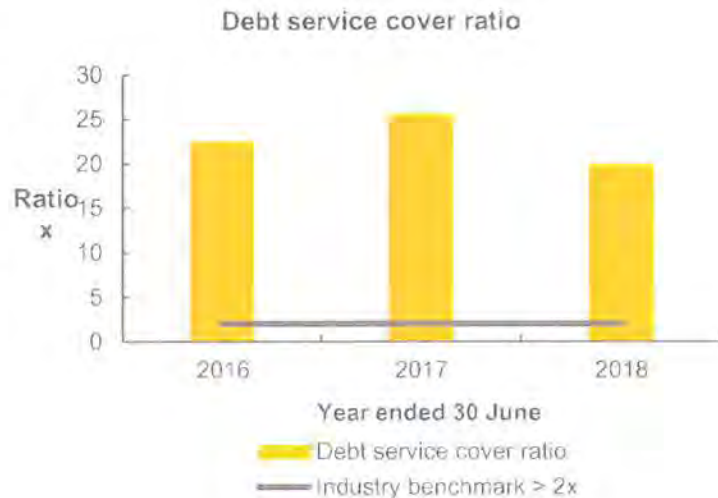
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

This ratio has remained fairly stable over the last few years, as Council continues to repay existing loans and not draw down additional funds.

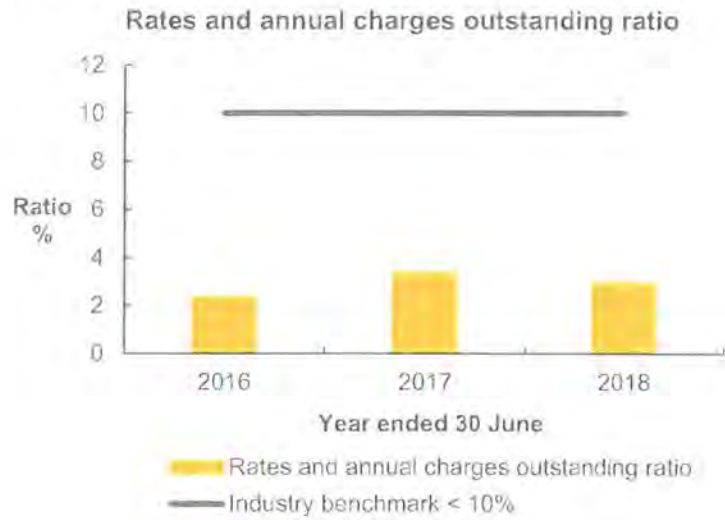
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding ratio

A sustained effort to effectively manage recovery has seen Council consistently outperform the benchmark for rural councils.

The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for rural councils.



Cash expense cover ratio

Council's strong liquidity is reflected by this measure. Council comfortably exceeded the benchmark, as it has done for a number of years.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



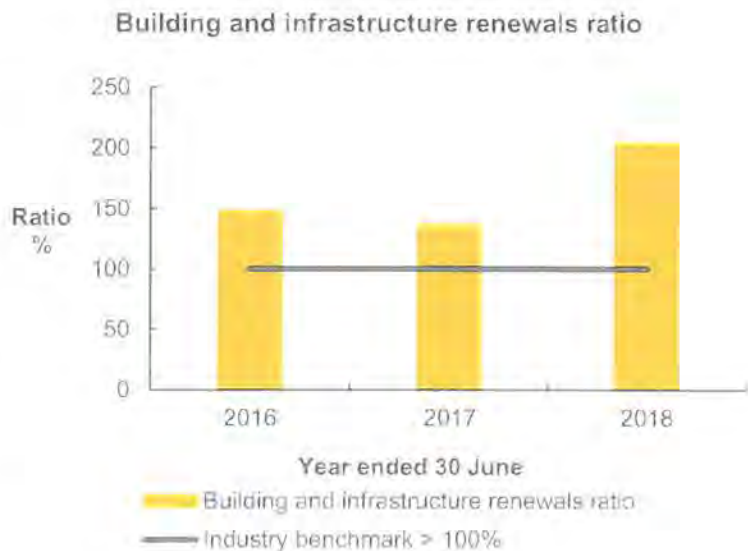
Building and infrastructure renewals ratio (unaudited)

Council has exceeded the building and infrastructure renewals ratio benchmark over the past three years.

Council has continued to focus on renewing its assets to meet a standard acceptable to the community. This includes renewal work for water treatment plants and road rehabilitation projects.

The 'building and infrastructure renewals ratio' assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from council's Special Schedule 7 which has not been audited.



OTHER MATTERS

New accounting standards implemented

AASB 2016-2 'Disclosure Initiative – Amendments to AASB 107'

Effective for annual reporting periods beginning on or after 1 January 2017

This Standard requires entities to provide disclosures that enable users of financial statements to evaluate changes (both cash flows and non-cash changes) in liabilities arising from financing activities.

Council's disclosure of the changes in their liabilities arising from financing activities is disclosed in Note 11.

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Karen Taylor
Director, Financial Audit Services

Upper Lachlan Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Council's Mission - To provide services and facilities to enhance the quality of life and economic viability within the Council area.



Upper Lachlan Shire Council

Special Purpose Financial Statements for the year ended 30 June 2018

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1. Statement by Councillors and Management	2
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Statement of Financial Position – Water Supply Business Activity	6
Statement of Financial Position – Sewerage Business Activity	7
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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
 - (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
 - (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
 - (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).
-

Upper Lachlan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2018

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 financial 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.

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 20 September 2018.



John Stafford
Mayor



John Searl
Councillor



John Bell
General manager



Bruce Johnston
Responsible accounting officer

Upper Lachlan Shire Council

Income Statement of Council's Water Supply Business Activity
for the year ended 30 June 2018

\$ '000	2018	2017
Income from continuing operations		
Access charges	839	818
User charges	995	1,003
Interest	63	53
Grants and contributions provided for non-capital purposes	18	19
Other income	7	1
Total income from continuing operations	1,922	1,894
Expenses from continuing operations		
Employee benefits and on-costs	477	431
Borrowing costs	50	54
Materials and contracts	627	484
Depreciation, amortisation and impairment	546	538
Other expenses	195	244
Total expenses from continuing operations	1,895	1,751
Surplus (deficit) from continuing operations before capital amounts	27	143
Grants and contributions provided for capital purposes	1,492	4,436
Surplus (deficit) from continuing operations after capital amounts	1,519	4,579
Surplus (deficit) from all operations before tax	1,519	4,579
Less: corporate taxation equivalent (30%) [based on result before capital]	(8)	(43)
SURPLUS (DEFICIT) AFTER TAX	1,511	4,536
Plus opening retained profits	24,063	19,485
Plus/less: other adjustments	-	(1)
Plus adjustments for amounts unpaid:		
- Corporate taxation equivalent	8	43
Closing retained profits	25,582	24,063
Return on capital %	0.3%	0.8%
Subsidy from Council	582	366
Calculation of dividend payable:		
Surplus (deficit) after tax	1,511	4,536
Less: capital grants and contributions (excluding developer contributions)	(1,428)	(4,405)
Surplus for dividend calculation purposes	83	131
Potential dividend calculated from surplus	41	66

Upper Lachlan Shire Council

Income Statement of Council's Sewerage Business Activity

for the year ended 30 June 2018

\$ '000	2018	2017
Income from continuing operations		
Access charges	1,102	1,072
User charges	261	250
Interest	104	95
Grants and contributions provided for non-capital purposes	–	17
Profit from the sale of assets	16	–
Total income from continuing operations	1,483	1,434
Expenses from continuing operations		
Employee benefits and on-costs	304	289
Borrowing costs	20	22
Materials and contracts	332	316
Depreciation, amortisation and impairment	473	481
Other expenses	172	112
Total expenses from continuing operations	1,301	1,220
Surplus (deficit) from continuing operations before capital amounts	182	214
Grants and contributions provided for capital purposes	59	34
Surplus (deficit) from continuing operations after capital amounts	241	248
Surplus (deficit) from all operations before tax	241	248
Less: corporate taxation equivalent (30%) [based on result before capital]	(55)	(64)
SURPLUS (DEFICIT) AFTER TAX	186	184
Plus opening retained profits	14,851	14,602
Plus/less: other adjustments	–	1
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	55	64
Closing retained profits	15,092	14,851
Return on capital %	1.3%	1.6%
Subsidy from Council	202	126
Calculation of dividend payable:		
Surplus (deficit) after tax	186	184
Less: capital grants and contributions (excluding developer contributions)	–	–
Surplus for dividend calculation purposes	186	184
Potential dividend calculated from surplus	93	92

Upper Lachlan Shire Council

Income Statement of Council's Other Business Activities
for the year ended 30 June 2018Domestic Waste
Management
Category 2

\$ '000	2018	2017
Income from continuing operations		
Access charges	1,058	997
User charges	1	1
Interest	52	41
Grants and contributions provided for non-capital purposes	36	27
Total income from continuing operations	1,147	1,066
Expenses from continuing operations		
Employee benefits and on-costs	177	172
Borrowing costs	-	1
Materials and contracts	571	553
Depreciation, amortisation and impairment	141	78
Loss on sale of assets	107	22
Other expenses	6	2
Total expenses from continuing operations	1,002	828
Surplus (deficit) from continuing operations before capital amounts	145	238
Grants and contributions provided for capital purposes	28	16
Surplus (deficit) from continuing operations after capital amounts	173	254
Surplus (deficit) from all operations before tax	173	254
Less: corporate taxation equivalent (30%) [based on result before capital]	(44)	(71)
SURPLUS (DEFICIT) AFTER TAX	130	183
Plus opening retained profits	2,783	2,529
Plus/less: other adjustments	(1)	-
Plus adjustments for amounts unpaid:		
- Corporate taxation equivalent	44	71
Closing retained profits	2,955	2,783
Return on capital %	19.0%	22.8%
Subsidy from Council	-	-

Upper Lachlan Shire Council

Statement of Financial Position – Council's Water Supply Business Activity
as at 30 June 2018

\$ '000	2018	2017
ASSETS		
Current assets		
Investments	2,529	2,114
Receivables	116	103
Total current assets	2,645	2,217
Non-current assets		
Receivables	18	16
Infrastructure, property, plant and equipment	25,045	23,654
Total non-current assets	25,063	23,670
TOTAL ASSETS	27,708	25,887
LIABILITIES		
Current liabilities		
Payables	15	16
Borrowings	69	64
Provisions	144	135
Total current liabilities	228	215
Non-current liabilities		
Borrowings	631	700
Total non-current liabilities	631	700
TOTAL LIABILITIES	859	915
NET ASSETS	26,849	24,972
EQUITY		
Accumulated surplus	25,582	24,063
Revaluation reserves	1,267	909
TOTAL EQUITY	26,849	24,972

Upper Lachlan Shire Council

Statement of Financial Position – Council's Sewerage Business Activity
as at 30 June 2018

\$ '000	2018	2017
ASSETS		
Current assets		
Investments	4,350	3,797
Receivables	63	65
Total current Assets	4,413	3,862
Non-current assets		
Receivables	6	6
Infrastructure, property, plant and equipment	15,355	15,215
Total non-current assets	15,361	15,221
TOTAL ASSETS	19,774	19,083
LIABILITIES		
Current liabilities		
Payables	5	5
Borrowings	39	36
Provisions	132	128
Total current liabilities	176	169
Non-current liabilities		
Borrowings	225	264
Total non-current liabilities	225	264
TOTAL LIABILITIES	401	433
NET ASSETS	19,373	18,650
EQUITY		
Accumulated surplus	15,092	14,851
Revaluation reserves	4,281	3,799
TOTAL EQUITY	19,373	18,650

Upper Lachlan Shire Council

Statement of Financial Position – Council's Other Business Activities

as at 30 June 2018

Domestic Waste
Management
Category 2

\$ '000	2018	2017
ASSETS		
Current assets		
Investments	2,071	1,597
Receivables	69	67
Total Current Assets	2,140	1,664
Non-current assets		
Receivables	5	4
Infrastructure, property, plant and equipment	765	1,046
Total non-current assets	770	1,050
TOTAL ASSETS	2,910	2,714
LIABILITIES		
Current liabilities		
Provisions	74	67
Total current liabilities	74	67
Total non-current liabilities	-	-
TOTAL LIABILITIES	74	67
NET ASSETS	2,836	2,647
EQUITY		
Accumulated surplus	2,955	2,783
Revaluation reserves	(119)	(136)
TOTAL EQUITY	2,836	2,647

Upper Lachlan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2018

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	10
2	Water Supply Business Best-Practice Management disclosure requirements	14
3	Sewerage Business Best-Practice Management disclosure requirements	16

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) 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, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Council has no Category 1 businesses.

Category 2

(where gross operating turnover is less than \$2 million)

a. Water Supply

Provision of reticulated water supply to the townships of Crookwell, Gunning, Taralga and Dalton.

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

b. Sewerage Services

Provision of sewerage service to the townships of Crookwell, Gunning and Taralga.

c. Domestic Waste Management

Provision of Domestic Waste disposal services for the townships of Crookwell, Gunning, Taralga and villages.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars, except for Note 2 (Water Supply Best-Practice Management Disclosures) and Note 3 (Sewerage Best-Practice Management Disclosures).

As required by Crown Lands and Water (CLAW), the amounts shown in Note 2 and Note 3 are disclosed in whole dollars.

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 30%

Land tax – the first \$629,000 of combined land values attracts **0%**. For the combined land values in excess of \$629,001 up to \$3,846,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$3,846,000 a premium marginal rate of **2.0%** applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

In accordance with Crown Lands and Water (CLAW), 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 NSW Office of Water Guidelines to as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the NSW Office of 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.

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 30% is/is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

The rate of return is calculated as follows:

$$\frac{\text{Operating result before capital income + interest expense}}{\text{Written down value of I,PP\&E as at 30 June}}$$

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.63% at 30/6/18.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the DPIW guidelines and must not exceed:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2018 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the DPIW guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the DPIW.

END OF AUDITED SPECIAL PURPOSE FINANCIAL STATEMENTS

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 2. Water supply business
best-practice management disclosure requirements

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2018

1. Calculation and payment of tax-equivalents

[all local government local water utilities must pay this dividend for tax equivalents]

(i)	Calculated tax equivalents	-
(ii)	Number of assessments multiplied by \$3/assessment	6,144
(iii)	Amounts payable for tax equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for tax equivalents	-

2. Dividend from surplus

(i)	50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	41,450
(ii)	Number of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	61,440
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2018, less the cumulative dividends paid for the 2 years to 30 June 2017 and 30 June 2016	348,500

2018 Surplus	82,900	2017 Surplus	131,100	2016 Surplus	134,500
		2017 Dividend	-	2016 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	41,450
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	-
(vi)	Are the overhead reallocation charges to the water business fair and reasonable? ^a	YES

3. Required outcomes for 6 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i)	Completion of strategic business plan (including financial plan)	YES
(ii)	Full cost recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	YES
	- Complying charges [item 2 (b) in table 1]	YES
	- DSP with commercial developer charges [item 2 (e) in table 1]	YES
	- If dual water supplies, complying charges [item 2 (g) in table 1]	YES
(iii)	Sound water conservation and demand management implemented	YES
(iv)	Sound drought management implemented	YES
(v)	Complete performance reporting form (by 15 September each year)	YES
(vi)	a. Integrated water cycle management evaluation	YES
	b. Complete and implement integrated water cycle management strategy	YES

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 2. Water supply business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2018

National Water Initiative (NWI) financial performance indicators

NWI F1	Total revenue (water) Total income (w13) – grants for the acquisition of assets (w11a) – interest income (w9) – Aboriginal Communities W&S Program income (w10a)	\$'000	1,926
NWI F4	Revenue from residential usage charges (water) Income from residential usage charges (w6b) x 100 divided by the sum of [income from residential usage charges (w6a) + income from residential access charges (w6b)]	%	54.25%
NWI F9	Written down replacement cost of fixed assets (water) Written down current cost of system assets (w47)	\$'000	24,996
NWI F11	Operating cost (OMA) (water) Management expenses (w1) + operational and maintenance expenses (w2)	\$'000	1,299
NWI F14	Capital expenditure (water) Acquisition of fixed assets (w16)	\$'000	1,577
NWI F17	Economic real rate of return (water) [total income (w13) – interest income (w9) – grants for acquisition of assets (w11a) – operating costs (NWI F11) – current cost depreciation (w3)] x 100 divided by [written down current cost of system assets (w47) + plant and equipment (w33b)]	%	0.32%
NWI F26	Capital works grants (water) Grants for the acquisition of assets (w11a)	\$'000	1,428

- Notes:
- References to w (e.g. w12) refer to item numbers within Special Schedules 3 and 4 of Council's Annual Financial Statements.
 - The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
 - refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 3. Sewerage business
best-practice management disclosure requirements

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2018

1. Calculation and payment of tax-equivalents

[all local government local water utilities must pay this dividend for tax equivalents]

(i) Calculated tax equivalents	-
(ii) Number of assessments multiplied by \$3/assessment	5,484
(iii) Amounts payable for tax equivalents [lesser of (i) and (ii)]	-
(iv) Amounts actually paid for tax equivalents	-

2. Dividend from surplus

(i) 50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	93,200
(ii) Number of assessments x (\$30 less tax equivalent charges per assessment)	54,840
(iii) Cumulative surplus before dividends for the 3 years to 30 June 2018, less the cumulative dividends paid for the 2 years to 30 June 2017 and 30 June 2016	552,000

2018 Surplus	186,400	2017 Surplus	183,800	2016 Surplus	181,800
		2017 Dividend	-	2016 Dividend	-

(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	54,840
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	-
(vi) Are the overhead reallocation charges to the sewer business fair and reasonable? ^a	YES

3. Required outcomes for 4 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i) Completion of strategic business plan (including financial plan)	YES
(ii) Pricing with full cost-recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	YES
Complying charges	
(a) Residential [item 2 (c) in table 1]	YES
(b) Non-residential [item 2 (c) in table 1]	YES
(c) Trade waste [item 2 (d) in table 1]	YES
DSP with commercial developer charges [item 2 (e) in table 1]	YES
Liquid trade waste approvals and policy [item 2 (f) in table 1]	YES
(iii) Complete performance reporting form (by 15 September each year)	YES
(iv) a. Integrated water cycle management evaluation	YES
b. Complete and implement integrated water cycle management strategy	YES

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 3. Sewerage business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2018

National Water Initiative (NWI) financial performance indicators

NWI F2	Total revenue (sewerage) Total income (s14) – grants for acquisition of assets (s12a) – interest income (s10) – Aboriginal Communities W&S Program income (w10a)	\$'000	1,443
NWI F10	Written down replacement cost of fixed assets (sewerage) Written down current cost of system assets (s48)	\$'000	15,276
NWI F12	Operating cost (sewerage) Management expenses (s1) + operational and maintenance expenses (s2)	\$'000	815
NWI F15	Capital expenditure (sewerage) Acquisition of fixed assets (s17)	\$'000	132
NWI F18	Economic real rate of return (sewerage) [total income (s14) – interest income (s10) – grants for acquisition of assets (s12a) – operating cost (NWI F12) – current cost depreciation (s3)] x 100 divided by [written down current cost (i.e. WDCC) of system assets (s48) + plant and equipment (s34b)]	%	1.01%
NWI F27	Capital works grants (sewerage) Grants for the acquisition of assets (12a)	\$'000	–

National Water Initiative (NWI) financial performance indicators
Water and sewer (combined)

NWI F3	Total income (water and sewerage) Total income (w13 + s14) + gain/loss on disposal of assets (w14 + s15) minus grants for acquisition of assets (w11a + s12a) – interest income (w9 + s10)	\$'000	3,369
NWI F8	Revenue from community service obligations (water and sewerage) Community service obligations (NWI F25) x 100 divided by total income (NWI F3)	%	1.01%
NWI F16	Capital expenditure (water and sewerage) Acquisition of fixed assets (w16 + s17)	\$'000	1,709
NWI F19	Economic real rate of return (water and sewerage) [total income (w13 + s14) – interest income (w9 + s10) – grants for acquisition of assets (w11a + s12a) – operating cost (NWI F11 + NWI F12) – current cost depreciation (w3 + s3)] x 100 divided by [written down replacement cost of fixed assets (NWI F9 + NWI F10) + plant and equipment (w33b + s34b)]	%	0.58%
NWI F20	Dividend (water and sewerage) Dividend paid from surplus (2 (v) of Note 2 + 2 (v) of Note 3)	\$'000	–
NWI F21	Dividend payout ratio (water and sewerage) Dividend (NWI F20) x 100 divided by net profit after tax (NWI F24)	%	0.00%

Upper Lachlan Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 3. Sewerage business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2018

National Water Initiative (NWI) financial performance indicators
Water and sewer (combined)

NWI F22	Net debt to equity (water and sewerage) Overdraft (w36 + s37) + borrowings (w38 + s39) – cash and investments (w30 + s31) x 100 divided by [total assets (w35 + s36) – total liabilities (w40 + s41)]	%	-12.80%
NWI F23	Interest cover (water and sewerage) Earnings before interest and tax (EBIT) divided by net interest Earnings before interest and tax (EBIT): 236 Operating result (w15a + s16a) + interest expense (w4a + s4a) – interest income (w9 + s10) – gain/loss on disposal of assets (w14 + s15) + miscellaneous expenses (w4b + w4c + s4b + s4c) Net interest: (96) Interest expense (w4a + s4a) – interest income (w9 + s10)		> 100
NWI F24	Net profit after tax (water and sewerage) Surplus before dividends (w15a + s16a) – tax equivalents paid (Note 2-1 (iv) + Note 3-1 (iv))	\$'000	332
NWI F25	Community service obligations (water and sewerage) Grants for pensioner rebates (w11b + s12b)	\$'000	34

- Notes:
1. References to w (eg. s12) refer to item numbers within Special Schedules 5 and 6 of Council's Annual Financial Statements.
 2. The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
 - a refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial report

Upper Lachlan Shire Council

To the Councillors of the Upper Lachlan Shire Council

Opinion

I have audited the accompanying special purpose financial report (the financial report) of Upper Lachlan Shire Council's (the Council) Declared Business Activities, which comprise the Income Statement of each Declared Business Activity for the year ended 30 June 2018, the Statement of Financial Position of each Declared Business Activity as at 30 June 2018, notes comprising a summary of Significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- water supply
- sewerage
- domestic waste management

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2018, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Report' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial report may not be suitable for another purpose.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the financial report and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial report does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 2 - Permissible income for general rates.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Report

The Councillors are responsible for the preparation and fair presentation of the financial report and for determining that the accounting policies, described in Note 1 to the financial report, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to:

- obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial report.

A description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the best practice management disclosures in Notes 2 and 3 of the financial report
- about the security and controls over the electronic publication of the audited financial report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report.



Karen Taylor
Director, Financial Audit Services

31 October 2018
SYDNEY

Upper Lachlan Shire Council

SPECIAL SCHEDULES

for the year ended 30 June 2018

Council's Mission - To provide services and facilities to enhance the quality of life and economic viability within the Council area.



Upper Lachlan Shire Council

Special Schedules

for the year ended 30 June 2018

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¹ Special Schedules are not audited (with the exception of Special Schedule 2).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Upper Lachlan Shire Council

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2018

\$'000				
Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	855	14	–	(841)
Administration	3,075	610	–	(2,465)
Public order and safety				
Fire service levy, fire protection, emergency services	820	214	13	(593)
Beach control	–	–	–	–
Enforcement of local government regulations	–	–	–	–
Animal control	104	33	–	(71)
Other	–	–	–	–
Total public order and safety	924	247	13	(664)
Health	186	69	–	(117)
Environment				
Noxious plants and insect/vermin control	370	144	–	(226)
Other environmental protection	62	–	–	(62)
Solid waste management	1,489	1,900	28	439
Street cleaning	75	–	–	(75)
Drainage	–	–	–	–
Stormwater management	28	46	–	18
Total environment	2,024	2,090	28	94
Community services and education				
Administration and education	128	13	–	(115)
Social protection (welfare)	–	–	–	–
Aged persons and disabled	13	–	–	(13)
Children's services	–	–	–	–
Total community services and education	141	13	–	(128)
Housing and community amenities				
Public cemeteries	141	131	–	(10)
Public conveniences	233	–	20	(213)
Street lighting	95	28	–	(67)
Town planning	452	253	685	486
Other community amenities	38	23	–	(15)
Total housing and community amenities	959	435	705	181
Water supplies	1,894	1,921	1,492	1,519
Sewerage services	1,301	1,483	59	241

Upper Lachlan Shire Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	431	61	–	(370)
Museums	–	–	–	–
Art galleries	–	–	–	–
Community centres and halls	270	39	15	(216)
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	–	–	–	–
Sporting grounds and venues	401	28	551	178
Swimming pools	234	32	–	(202)
Parks and gardens (lakes)	321	–	96	(225)
Other sport and recreation	2	–	–	(2)
Total recreation and culture	1,659	160	662	(837)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	395	130	–	(265)
Other mining, manufacturing and construction	963	888	–	(75)
Total mining, manufacturing and const.	1,358	1,018	–	(340)
Transport and communication				
Urban roads (UR) – local	714	–	–	(714)
Urban roads – regional	–	–	–	–
Sealed rural roads (SRR) – local	1,737	–	–	(1,737)
Sealed rural roads (SRR) – regional	1,382	1,582	1,971	2,171
Unsealed rural roads (URR) – local	2,721	1,763	558	(400)
Unsealed rural roads (URR) – regional	247	–	–	(247)
Bridges on UR – local	–	–	–	–
Bridges on SRR – local	6	–	–	(6)
Bridges on URR – local	328	–	–	(328)
Bridges on regional roads	205	–	183	(22)
Parking areas	–	–	–	–
Footpaths	50	–	410	360
Aerodromes	6	–	–	(6)
Other transport and communication	–	–	–	–
Total transport and communication	7,396	3,345	3,122	(929)
Economic affairs				
Camping areas and caravan parks	56	60	–	4
Other economic affairs	4,422	4,578	–	156
Total economic affairs	4,478	4,638	–	160
Totals – functions	26,250	16,043	6,081	(4,126)
General purpose revenues ⁽¹⁾		11,638		11,638
Share of interests – joint ventures and associates using the equity method	–	–	–	–
NET OPERATING RESULT ⁽²⁾	26,250	27,681	6,081	7,512

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

Upper Lachlan Shire Council

Special Schedule 2 – Permissible income for general rates
for the year ended 30 June 2019

\$'000		Calculation 2018/19	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	6,896	6,737
Plus or minus adjustments ⁽²⁾	b	42	59
Notional general income	$c = (a + b)$	<u>6,938</u>	<u>6,796</u>
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	2.30%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	-	-
Plus special variation amount	$h = d \times (c - g)$	-	-
Or plus rate peg amount	$i = c \times e$	160	102
Or plus Crown land adjustment and rate peg amount	$j = c \times f$	-	-
Sub-total	$k = (c + g + h + i + j)$	<u>7,097</u>	<u>6,898</u>
Plus (or minus) last year's carry forward total	l	2	(0)
Less valuation objections claimed in the previous year	m	-	-
Sub-total	$n = (l + m)$	<u>2</u>	<u>(0)</u>
Total permissible income	$o = k + n$	<u>7,099</u>	<u>6,898</u>
Less notional general income yield	p	7,098	6,896
Catch-up or (excess) result	$q = o - p$	<u>1</u>	<u>2</u>
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	-	-
Less unused catch-up ⁽⁵⁾	s	-	-
Carry forward to next year	$t = q + r - s$	<u>1</u>	<u>2</u>

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 2 in the financial data return (FDR) to administer this process.

Upper Lachlan Shire Council

Special Schedule 2 – Independent Auditors Report for the year ended 30 June 2019

Report on Special Schedule 2

See end for Independent Auditors Report

Upper Lachlan Shire Council

Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	2017
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	113	110
b. Engineering and supervision	166	158
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	26	15
b. Maintenance expenses	–	–
– Mains		
c. Operation expenses	147	127
d. Maintenance expenses	26	12
– Reservoirs		
e. Operation expenses	26	18
f. Maintenance expenses	6	8
– Pumping stations		
g. Operation expenses (excluding energy costs)	74	79
h. Energy costs	138	138
i. Maintenance expenses	22	25
– Treatment		
j. Operation expenses (excluding chemical costs)	284	312
k. Chemical costs	94	82
l. Maintenance expenses	90	22
– Other		
m. Operation expenses	42	25
n. Maintenance expenses	45	28
o. Purchase of water	–	–
3. Depreciation expenses		
a. System assets	546	538
b. Plant and equipment	–	–
4. Miscellaneous expenses		
a. Interest expenses	50	54
b. Revaluation decrements	–	–
c. Other expenses	–	–
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	1,895	1,751

Upper Lachlan Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	2017
Income		
6. Residential charges		
a. Access (including rates)	839	818
b. Usage charges	995	1,003
7. Non-residential charges		
a. Access (including rates)	–	–
b. Usage charges	–	–
8. Extra charges	3	3
9. Interest income	60	50
10. Other income	7	1
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	1,428	4,405
b. Grants for pensioner rebates	18	19
c. Other grants	–	–
12. Contributions		
a. Developer charges	64	31
b. Developer provided assets	–	–
c. Other contributions	–	–
13. Total income	<u>3,414</u>	<u>6,330</u>
14. Gain (or loss) on disposal of assets	–	–
15. Operating result	<u>1,519</u>	<u>4,579</u>
15a. Operating result (less grants for acquisition of assets)	91	174

Upper Lachlan Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	2017
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	–	–
b. New assets for growth	1,526	4,887
c. Renewals	51	290
d. Plant and equipment	–	37
17. Repayment of debt	64	60
18. Totals	<u>1,641</u>	<u>5,274</u>
Non-operating funds employed		
19. Proceeds from disposal of assets	–	–
20. Borrowing utilised	–	–
21. Totals	<u>–</u>	<u>–</u>
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	1,708	1,710
b. Residential (unoccupied, ie. vacant lot)	65	71
c. Non-residential (occupied)	235	215
d. Non-residential (unoccupied, ie. vacant lot)	40	41
23. Number of ETs for which developer charges were received	17 ET	9 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 33,000	\$ 34,000

Upper Lachlan Shire Council

Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2018

\$'000	Current	Non-current	Total
ASSETS			
25. Cash and investments			
a. Developer charges	118	–	118
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	2,411	–	2,411
26. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	57	1	58
c. User charges	59	17	76
d. Other	–	–	–
27. Inventories	–	–	–
28. Property, plant and equipment			
a. System assets	–	24,996	24,996
b. Plant and equipment	–	49	49
29. Other assets	–	–	–
30. Total assets	<u>2,645</u>	<u>25,063</u>	<u>27,708</u>
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	15	–	15
33. Borrowings	69	631	700
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	144	–	144
35. Total liabilities	<u>228</u>	<u>631</u>	<u>859</u>
36. NET ASSETS COMMITTED	<u>2,417</u>	<u>24,432</u>	<u>26,849</u>
EQUITY			
37. Accumulated surplus			25,582
38. Asset revaluation reserve			1,267
39. Other reserves			–
40. TOTAL EQUITY			<u>26,849</u>
Note to system assets:			
41. Current replacement cost of system assets			38,574
42. Accumulated current cost depreciation of system assets			(13,578)
43. Written down current cost of system assets			<u>24,996</u>

Upper Lachlan Shire Council

Special Schedule 5 – Sewerage Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	2017
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	115	109
b. Engineering and supervision	142	136
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	20	16
b. Maintenance expenses	11	16
– Pumping stations		
c. Operation expenses (excluding energy costs)	42	37
d. Energy costs	92	30
e. Maintenance expenses	14	6
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	217	196
g. Chemical costs	16	22
h. Energy costs	10	15
i. Effluent management	16	13
j. Biosolids management	–	–
k. Maintenance expenses	118	125
– Other		
l. Operation expenses	2	3
m. Maintenance expenses	–	–
3. Depreciation expenses		
a. System assets	473	481
b. Plant and equipment	–	–
4. Miscellaneous expenses		
a. Interest expenses	13	15
b. Revaluation decrements	–	–
c. Other expenses	–	–
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	1,301	1,220

Upper Lachlan Shire Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	2017
Income		
6. Residential charges (including rates)	1,102	1,072
7. Non-residential charges		
a. Access (including rates)	–	–
b. Usage charges	261	250
8. Trade waste charges		
a. Annual fees	–	–
b. Usage charges	–	–
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
9. Extra charges	5	5
10. Interest income	99	90
11. Other income	–	–
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	16	17
c. Other grants	–	–
13. Contributions		
a. Developer charges	59	34
b. Developer provided assets	–	–
c. Other contributions	–	–
14. Total income	<u>1,542</u>	<u>1,468</u>
15. Gain (or loss) on disposal of assets	–	–
16. Operating result	<u>241</u>	<u>248</u>
16a. Operating result (less grants for acquisition of assets)	241	248

Upper Lachlan Shire Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018.

\$'000	2018	2017
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	-	-
b. New assets for growth	-	-
c. Renewals	132	200
d. Plant and equipment	-	37
18. Repayment of debt	36	34
19. Totals	<u>168</u>	<u>271</u>
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised	-	-
22. Totals	<u>-</u>	<u>-</u>
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	1,390	1,366
b. Residential (unoccupied, ie. vacant lot)	163	164
c. Non-residential (occupied)	235	185
d. Non-residential (unoccupied, ie. vacant lot)	40	41
24. Number of ETs for which developer charges were received	14 ET	9 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 30,000	\$ 31,000

Upper Lachlan Shire Council

Special Schedule 6 – Sewerage Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2018

\$'000	Current	Non-current	Total
ASSETS			
26. Cash and investments			
a. Developer charges	113	–	113
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	4,237	–	4,237
27. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	63	6	69
c. User charges	–	–	–
d. Other	–	–	–
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	15,276	15,276
b. Plant and equipment	–	79	79
30. Other assets	–	–	–
31. Total assets	<u>4,413</u>	<u>15,361</u>	<u>19,774</u>
LIABILITIES			
32. Bank overdraft	–	–	–
33. Creditors	5	–	5
34. Borrowings	39	225	264
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	132	–	132
36. Total liabilities	<u>176</u>	<u>225</u>	<u>401</u>
37. NET ASSETS COMMITTED	<u>4,237</u>	<u>15,136</u>	<u>19,373</u>
EQUITY			
38. Accumulated surplus			15,093
39. Asset revaluation reserve			4,280
40. Other reserves			–
41. TOTAL EQUITY			<u>19,373</u>
Note to system assets:			
42. Current replacement cost of system assets			23,658
43. Accumulated current cost depreciation of system assets			(8,382)
44. Written down current cost of system assets			<u>15,276</u>

Upper Lachlan Shire Council

Notes to Special Schedules 3 and 5

for the year ended 30 June 2018

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment losses (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contributions for water supply or sewerage services received by Council under Section 565 of the *Local Government Act*.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Upper Lachlan Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings – non-specialised	–	–	52	16	2,306	4,651	0%	22%	78%	0%	0%
	Buildings – specialised	765	765	358	339	24,573	45,820	6%	45%	32%	14%	4%
	Sub-total	765	765	410	355	26,879	50,471	5.4%	42.9%	36.2%	12.7%	3.6%
Other structures	Other structures	63	63	20	45	991	1,632	4%	10%	55%	25%	7%
	Sub-total	63	63	20	45	991	1,632	4.0%	10.0%	55.0%	25.0%	7.0%
Roads	Sealed roads	1,032	1,032	2,084	2,129	54,665	83,362	25%	27%	25%	17%	6%
	Unsealed roads	–	–	1,410	2,146	21,210	39,169	14%	15%	51%	18%	2%
	Bridges	46	46	150	47	25,121	48,034	6%	39%	44%	8%	3%
	Footpaths	–	–	17	23	1,570	2,122	20%	41%	23%	16%	0%
	Kerb & Gutter	–	–	31	29	2,730	3,909	3%	63%	19%	15%	0%
	Sub-total	1,078	1,078	3,692	4,374	105,296	176,596	16.8%	28.6%	35.8%	14.7%	4.1%
Water supply network	Water supply network	–	–	473	408	24,392	37,808	56%	19%	4%	20%	1%
	Sub-total	–	–	473	408	24,392	37,808	56.0%	19.0%	4.0%	20.0%	1.0%
Sewerage network	Sewerage network	–	–	279	218	14,265	22,302	47%	27%	26%	0%	0%
	Sub-total	–	–	279	218	14,265	22,302	47.0%	27.0%	26.0%	0.0%	0.0%

Upper Lachlan Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Stormwater drainage	Stormwater drainage	–	–	17	2	1,606	2,745	21%	32%	26%	20%	0%
	Sub-total	–	–	17	2	1,606	2,745	21.0%	32.0%	26.0%	20.0%	0.0%
Open space/recreational assets	Swimming pools	–	–	30	24	778	1,684	9%	26%	26%	17%	22%
	Recreational assets	–	–	127	201	1,888	3,046	8%	27%	29%	15%	21%
	Sub-total	–	–	157	225	2,666	4,730	8.4%	26.6%	27.9%	15.7%	21.4%
	TOTAL – ALL ASSETS	1,906	1,906	5,048	5,627	176,095	296,284	22.0%	29.6%	31.0%	14.1%	3.6%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Upper Lachlan Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	Amounts 2018	Indicator 2018	Prior periods		Benchmark
			2017	2016	
Infrastructure asset performance indicators * consolidated					
1. Buildings and infrastructure renewals ratio ⁽¹⁾					
Asset renewals ⁽²⁾	<u>9,639</u>	204.09%	136.54%	148.04%	>= 100%
Depreciation, amortisation and impairment	<u>4,723</u>				
2. Infrastructure backlog ratio ⁽¹⁾					
Estimated cost to bring assets to a satisfactory standard	<u>1,906</u>	0.49%	1.66%	1.55%	< 2.00%
Net carrying amount of infrastructure assets	<u>387,951</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>5,627</u>	111.47%	118.40%	106.03%	> 100%
Required asset maintenance	<u>5,048</u>				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>1,906</u>	0.64%	0.98%	0.90%	
Gross replacement cost	<u>296,284</u>				

Notes

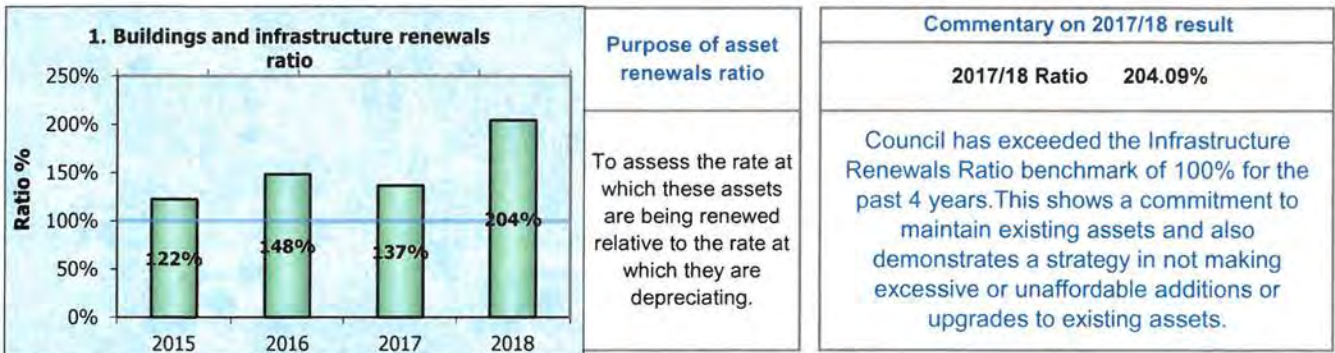
* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Excludes Work In Progress (WIP)

⁽²⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

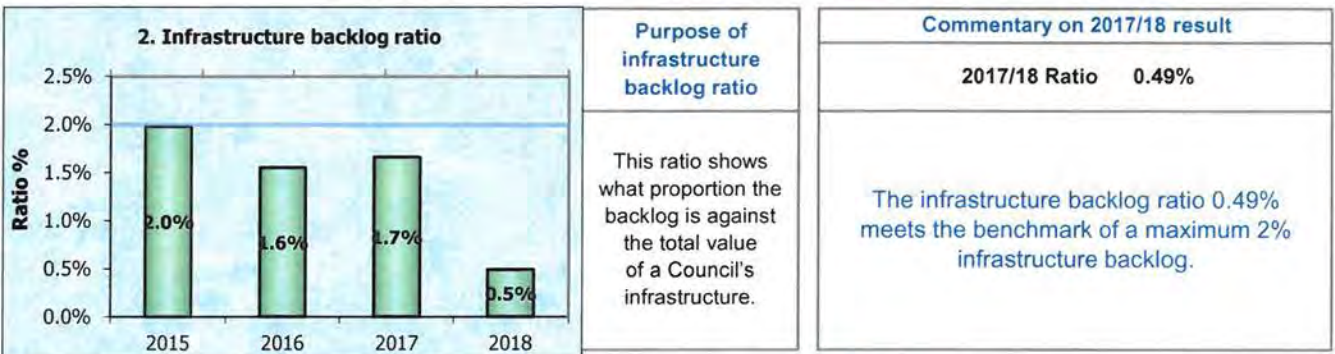
Upper Lachlan Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2018



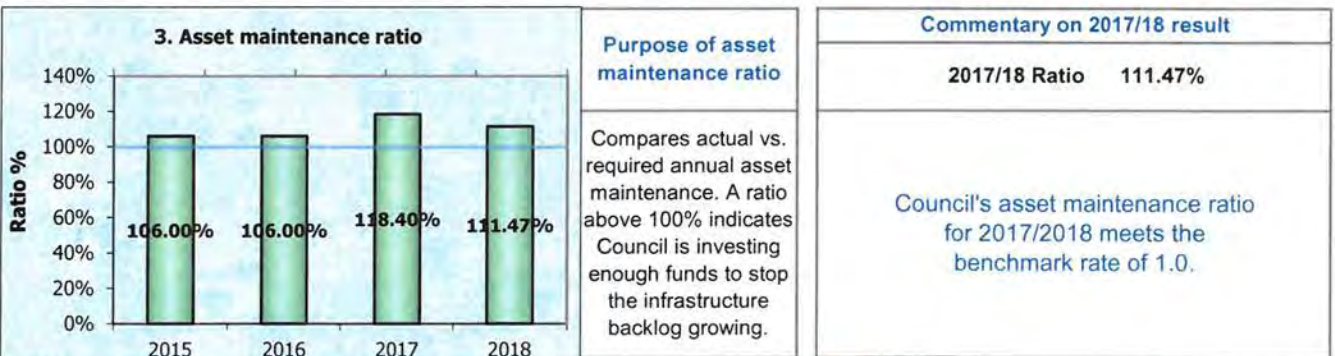
Benchmark: — Minimum $\geq 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio achieves benchmark
 Ratio is outside benchmark



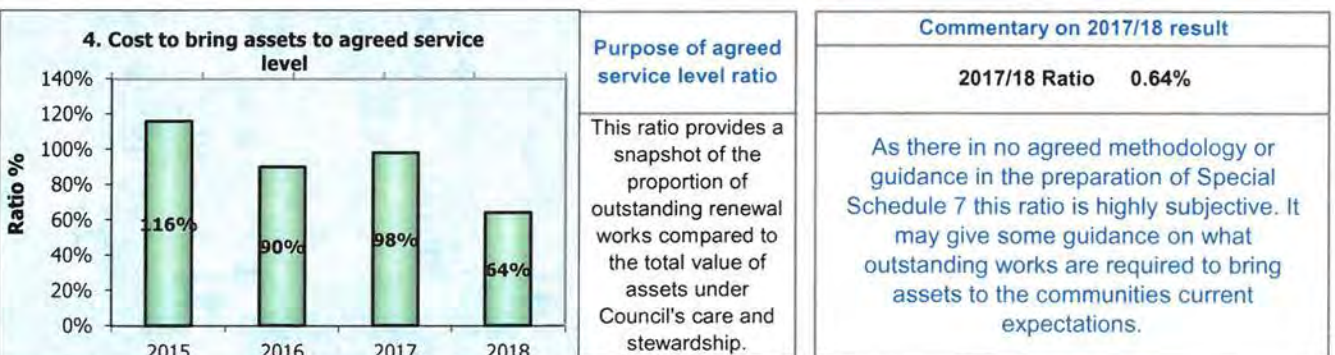
Benchmark: — Maximum $< 2.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio achieves benchmark
 Ratio is outside benchmark



Benchmark: — Minimum $> 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Ratio achieves benchmark
 Ratio is outside benchmark



Upper Lachlan Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	General indicators ⁽¹⁾		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Infrastructure asset performance indicators by fund							
1. Buildings and infrastructure renewals ratio ⁽²⁾							
Asset renewals ⁽³⁾	252.09%	174.56%	9.71%	55.56%	29.53%	43.38%	>= 100%
Depreciation, amortisation and impairment							
2. Infrastructure backlog ratio ⁽²⁾							
Estimated cost to bring assets to a satisfactory standard	0.55%	2.15%	0.00%	0.00%	0.00%	0.00%	< 2.00%
Net carrying amount of infrastructure assets							
3. Asset maintenance ratio							
Actual asset maintenance	116.41%	123.21%	86.26%	86.07%	78.14%	100.74%	> 100%
Required asset maintenance							
4. Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	0.81%	1.24%	0.00%	0.00%	0.00%	0.00%	
Gross replacement cost							



INDEPENDENT AUDITOR'S REPORT

Special Schedule 2 - Permissible Income for general rates

Upper Lachlan Shire Council

To the Councillors of Upper Lachlan Shire Council

Opinion

I have audited the accompanying Special Schedule 2 – Permissible Income for general rates (the Schedule) of Upper Lachlan Shire Council (the Council) for the year ending 30 June 2019.

In my opinion, the Schedule of the Council for the year ending 30 June 2019 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule had been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and the Special Schedules excluding Special Schedule 2 (the other Schedules).

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Karen Taylor
Director, Financial Audit Services

31 October 2018
SYDNEY