

# **COBAR SHIRE COUNCIL**



## **FINANCE & POLICY COMMITTEE MEETING AGENDA**

**THURSDAY 11 FEBRUARY 2016**

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## **~ ORDER OF BUSINESS ~**

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Business for the meeting will be as follows:

1. Apologies
  2. Declaration of Interests
  3. General Manager's Report – Part A (Action)
  4. General Manager's Report – Part B (Information)
  5. Matters of Urgency
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## **REPORT 1A – CODE OF CONDUCT POLICY AMENDMENTS**

**FILE: P5-8 AOP REFERENCE: 3.1.5 ATTACHMENT: YES (PAGE 17-41)**

**AUTHOR: *Executive Assistant – General Manager/ Mayor, Janette Booth***

### **Purpose**

To advise Council of the amendments to the Model Code of Conduct for Local Council's in NSW that commenced on 13 November 2015 and for Council to approve and adopt the amended Code of Conduct Policy.

### **Background**

The Office of Local Government has amended the Model Code of Conduct in the NSW Government Gazette. A copy is detailed in the attachments. The amendments to the Model Code of Conduct came into effect 13 November 2015.

Councillors, administrators, members of staff, independent conduct reviewers and members of council committees including delegates of the council must comply with the provisions of Council's Code of Conduct in carrying out their functions as council officials.

Councillors and General Managers must note the following:

- As of the commencement date, Councillors who have previously been suspended on two or more occasions will be automatically disqualified from holding office in a Council for 5 years if they are suspended on a further occasion. The Office has written directly to Councillors who have been suspended on two or more occasions to inform them of this change.
- The definition of "misconduct" has been expanded to include acts or omissions by Councillors that are intended to prevent the proper or effective functioning of a council or a committee of a Council (e.g. by disrupting decision making). Penalties for Councillor misconduct include suspension and disqualification from holding office.
- Councillors will no longer be permitted to participate in the consideration of the making, amendment, alteration or repeal of an environmental planning instrument applying to the whole or a significant part of their local government area they have pecuniary interests in unless:
  - the only interests affected by the changes are the interests they or their relatives have in their principal places of residence; and
  - they have made a special disclosure of the affected interests.
- This amendment is complemented by an amendment to clause 4.29 of the *Model Code of Conduct for Local Councils in NSW* which also commenced on 13 November 2015. The amendment will mean that Councillors with significant non-pecuniary conflicts of interests in the making, amendment, alteration or repeal of an environmental planning instrument applying to the whole or a significant part of their local government area will no longer be permitted to participate in consideration of those matters unless:

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Amendments to the 2013 Model Code of Conduct Policy:

4.29 A councillor, who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interests in the matter, is permitted to participate in consideration of the matter, if:

- a) the matter is a proposal relating to:
  - i) the making of a principal environmental planning instrument applying to the whole or a significant part of the council's area, or
  - ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant part of the council's area, and
- b) the councillor declares any interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part.
- c) the councillor declares the interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part.

**Issues**

Key changes to the Code are summarised by the Office of Local Government (OLG) Circular Details: 15-41/ 17 December 2015/ A446439 which have been listed under the background section of this Report and is attached for your records.

**Legal Situation**

Section 440 of the Local Government Act 1993 requires that all councils adopt a Code of Conduct that incorporates the provisions of the Model Code. It is also considered appropriate that Council adopt the new Procedures.

Failure to comply with the provisions of the Code of Conduct constitutes misconduct for the purposes of the Act and penalties that can be imposed for misconduct include suspension or disqualification from civic office.

**Policy Implications**

The amended Code of Conduct Policy and Procedures would replace the Code of Conduct adopted by Council in February 2013.

**Financial Implications**

Nil.

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**Risk Implication**

Nil.

**Options**

Nil.

**RECOMMENDATION**

**That the amended Code of Conduct Policy be adopted.**

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**REPORT 2A – WESTERN REGIONAL WEED COMMITTEE – CALL FOR NOMINATION**

**FILE: N1-1 AOP REFERENCE: 5.2.4 ATTACHMENT: YES (PAGE 42-74)**

**AUTHOR: *Director of Planning & Environmental Services, Garry Ryman***

**Purpose**

The purpose of this report is to facilitate a Council nomination of a candidate and alternate for the Western Regional Weed Committee.

**Background**

The Local Land Services Western Region (LLS) is establishing the Committee in response to the NSW Government's acceptance of recommendations from the Natural Resources Commission's 2014 "Review of Weed Management in NSW".

The General Manager was invited to submit nominations for Committee in a letter received from the LLS on 21 December 2015 with nominations closing on 22 January 2016. An interim nomination of a staff member was submitted to cover a potential meeting flagged by the LLS for February 2016 pending consideration of this matter and the submission for a formal nomination by the Council.

Subsequent advice obtained from the LLS is that a February 2016 is unlikely and therefore this interim nomination is effectively redundant.

A role of the Western Regional Weed Committee will be to develop and prepare a new Regional Weeds Strategy for the Western Region. The LLS have advised that they are seeking nomination of representatives with an appropriate level of seniority and with a sound background in policy, resource implications and with the capacity to develop land and weed management programs to enable objectives of the Committee to be achieved.

A copy of the following documents are provided to support the report:

- 1) Invitation to nominate from the LLS.
- 2) Western Regional Weed Committee – Terms of Reference.
- 3) NSW Government Supported Recommendations relevant to the formation of Regional Weed Committees.
- 4) *Biosecurity Act 2015* Discussion Paper – Weeds, NSW Department of Primary Industries December 2015.

Further information and documents regarding the development of a supporting regulation to the *Biosecurity Act 2015* is available at the Department of Primary Industries website: [www.dpi.nsw.gov.au/biosecurityact](http://www.dpi.nsw.gov.au/biosecurityact)

The Terms of Reference document provides some detail on the Objectives, Membership, Process and Funding Model for the Committee.

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**Matters for Consideration**

The nomination of a candidate and alternate for the Western Regional Weed Committee is a matter for consideration and a decision by the Council.

It is suggested that an interested Councillor may be nominated as the candidate and the Director of Planning and Environmental Services be nominated as an alternate.

**RECOMMENDATION**

**That Council nominates a candidate and an alternate for membership on the proposed Western Regional Weed Committee.**

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**REPORT 1B – UPDATE ON INFRASTRUCTURE PROJECT FINANCES**

**FILE: G4-29 AOP REFERENCE: 4.1.4.3, 4.3.2 & 4.4.4 ATTACHMENT: NO**

**AUTHOR: *Project Manager, David Sechtig***

***Project Executive Officer, Heather Holder***

**Purpose**

To provide Council with an update on the infrastructure projects budgets and expenditure as at 31 January 2016.

**Background**

Cobar Shire Council was successful in obtaining funding for three projects through the Resources for Regions Restart NSW provided by the NSW State Government. One project has been completed with two ongoing projects.

**Financial Implications**

	<b>Restart NSW Funding</b>	<b>Cobar Shire Council Funding</b>	<b>Expended as at 31 January 2016</b>	<b>Project Status</b>
Water Treatment Plant	\$7,800,000	\$200,000	\$611,515	<ul style="list-style-type: none"><li>- Power supply work continuing.</li><li>- Algal testing completed.</li><li>- Continued work on the tender documents and concept design.</li></ul>
Sewerage Scheme Refurbishments Expansion and upgrade	\$2,100,000	\$100,000	\$118,460	<ul style="list-style-type: none"><li>- Ward Oval pump station refurbishment is out for tender.</li><li>- Chlorination facility in design stage.</li><li>- Lagoon upgrade on ground works are continuing.</li><li>- Sewer Extension project in design stage.</li></ul>

**RECOMMENDATION**

**That Council receive and note the updated financial information for the two Restart NSW Resources for Regions infrastructure projects.**

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**REPORT 2B – BANK RECONCILIATION, CASH FLOW & LOAN FACILITY  
SUMMARIES AS AT 31 JANUARY 2016**

**FILE: B2-7      AOP REFERENCE: 3.1.1.5      ATTACHMENT: NO**  
**AUTHOR: *Director of Corporate and Community Services, Kym Miller***

**Purpose**

Council has requested that the following financial information be presented to each meeting of Council: reconciled bank balance, cash flow statement, and loan facilities.

**Bank Reconciliation**

Balance as per Bank Statement	-
Add: Outstanding deposits	8,546
Deduct: Unpresented Cheques	(82,346)
<b>BALANCE AS PER CASH BOOK</b>	<b>(73,800)</b>

*In accordance with the requirements of the Local Government Act, 1993, I hereby certify that the Cash Book has been reconciled with the appropriate Bank Statements on a daily basis, during the month of January 2016 and that the reconciliations have been recorded.*

**Summary of Total Funds Available at Month End for the Last 12 Months**

<b>Month</b>	<b>Investment Balances</b>	<b>Operating Account</b>	<b>Total Available Funds</b>
February 2015	9,182,594	122,149	9,304,743
March 2015	9,310,753	92,176	9,402,929
April 2015	9,182,594	36,235	9,218,829
May 2015	11,606,935	20,318	11,627,253
June 2015	10,473,979	153	10,474,132
July 2015	12,971,035	8,402	12,979,437
August 2015	13,801,984	42,273	13,844,257
September 2015	12,482,788	2,134	12,484,922
October 2015	12,002,987	(13,000)	11,989,987
November 2015	12,524,282	-	12,524,282
December 2015	12,435,700	-	12,435,700
January 2016	10,002,473	(73,800)	9,928,673

*12 month average of cash held: \$11,351,262  
The amount restricted in the Audited Financial Accounts for Employee Leave Entitlements  
is \$309,220.*

## Cash Flow

Forecast*	Actual	Description	Forecast
Jan-15	Jan-15		Feb-15
	-	Bank Balance Forward	(73,800)
		Major Project Revenue	80,000
		Financial Assistance Grant	660,000-
		Roads to Recovery	-
	524,532	RMS Regional Roads	-
	411,000	RMS - Routine Works and Ordered Works	-
	13,893	RMS Agency	12,500
	462,767	Rates /Water/User Charges	550,000
	41,398	Private Works/Debtors	50,000
	114,494	Non s67 Debtors	120,000
	63,253	LBV – Residents Fees & Grant	220,000
	111,171	Child Care/In Home Care	150,000
	323,310	Net Transfer from ‘At Call’ Account	
	24,990	Sundry	27,000
		Plant Sales	
	98,606	GST	120,000
		<i>Less</i>	
	(1,233,258)	Creditors	(2,603,400)
	(860,056)	Wages & Salaries	710,000
		Net Transfer to At Call Account	
	(22,300)	Loan Repayment	(22,300)
-	(73,800)	Closing Reconciled Bank Balance Cr/(Dr)	-

\*No January forecast presented.

### **COUNCIL’S LOAN FACILITIES as at 31 JANUARY 2016**

Working Capital Loan (4.120%)	(\$300,000)
Refinanced NECU Loan (6.22%)	(\$1,639,444)
<b>Closing Balance</b>	<b>(\$1,939,444)</b>

## RECOMMENDATION

**That Council receive and note the Bank Reconciliation, Cash Flow and Loan Facilities Report as at 31 January 2016.**

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**REPORT 3B – RATES RECONCILIATION REPORT AS AT 31 JANUARY 2016****FILE: R2-1****AOP REFERENCE: 3.1.1.6****ATTACHMENT: YES (PAGE 75-76)****AUTHOR: Rates Officer, Jo-Louise Brown****Purpose**

To provide Council details of the Rate Reconciliation as at 31 January 2016.

FUND	LEVY 2015-2016	Pensioner Rebates	Abandoned Levy	Additional Levies	Sub Total 2015- 2016	Arrears 30th Jun 15	Payments	Total Outstanding	Total Outstanding Previous Year	% Outstanding of Sub Total Plus Arrears
Business	373,284.09		-	-	373,284.09	28,372.80	259,821.26	141,835.63	127,325.36	35.31%
Farmland	636,330.18		-	-	636,330.18	30,712.52	431,396.35	235,646.35	268,185.91	35.33%
Mining	1,562,018.90		-	-	1,562,018.90	100,980.00	1,147,640.29	515,358.61	803,598.41	30.99%
Residential	1,125,966.49	54,292.41	251.00	320.50	1,071,743.58	163,655.32	673,484.47	561,914.43	532,818.29	45.48%
Overpayments					-	-112,364.94	- 42,737.97	-69,626.97	-54,255.42	61.97%
Legal Costs			-	7,485.96	7,485.96	34,066.14	12,068.28	29,483.82	34,137.17	70.96%
Interest			-	6,925.38	<b>6,925.38</b>	74,347.87	11,297.56	69,975.69	57,339.49	86.10%
<b>General Rates</b>	<b>3,697,599.66</b>	<b>54,292.41</b>	<b>251.00</b>	<b>14,731.84</b>	<b>3,657,788.09</b>	<b>319,769.71</b>	<b>2,492,970.24</b>	<b>1,484,587.56</b>	<b>1,769,149.21</b>	<b>37.32%</b>
<b>Domestic Waste</b>	<b>571,520.00</b>	<b>19,482.59</b>	<b>910.00</b>	<b>207.50</b>	<b>551,334.91</b>	<b>26,068.33</b>	<b>364,563.75</b>	<b>212,839.49</b>	<b>197,058.07</b>	<b>36.86%</b>
<b>Sewerage</b>	<b>715,059.17</b>	<b>20,628.13</b>	<b>330.00</b>	<b>-</b>	<b>694,101.04</b>	<b>42,857.67</b>	<b>437,390.53</b>	<b>299,568.18</b>	<b>254,047.75</b>	<b>40.65%</b>
Cobar Water	617,750.00	22,028.13	240.00	-	595,481.87	23,343.92	410,258.88	208,566.91	203,267.58	33.70%
Nymagee Water	26,250.00	612.50	295.00	-	25,342.50	5,829.76	16,167.13	15,005.13	12,221.20	48.14%
Euabalong Water	41,495.00	1,203.12	1,705.00	585.00	39,171.88	8,321.50	28,320.21	19,173.17	18,480.20	40.37%
Euab West Water	25,720.00	525.00	-	-	25,195.00	4,905.32	17,810.36	12,289.96	10,503.10	40.83%
Mt Hope Water	6,800.00	21.87	680.00	-	6,098.13	249.72	5,522.51	825.34	1,812.60	13.00%
<b>Water Access</b>	<b>718,015.00</b>	<b>24,390.62</b>	<b>2,920.00</b>	<b>585.00</b>	<b>691,289.38</b>	<b>42,650.22</b>	<b>478,079.09</b>	<b>255,860.51</b>	<b>246,284.68</b>	<b>34.86%</b>
<b>Water Usage</b>	<b>759,560.90</b>		<b>14,531.60</b>	<b>-</b>	<b>745,029.30</b>	<b>474,833.87</b>	<b>1,144,350.52</b>	<b>75,512.65</b>	<b>100,673.85</b>	<b>6.19%</b>
<b>TOTAL</b>	<b>6,461,754.73</b>	<b>118,793.75</b>	<b>18,942.60</b>	<b>15,524.34</b>	<b>6,339,542.72</b>	<b>906,179.80</b>	<b>4,917,354.13</b>	<b>2,328,368.39</b>	<b>2,567,213.56</b>	<b>32.13%</b>

**RECOMMENDATION****That the Rates Reconciliation Report as at the 31 January 2016 be received and noted.**

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**REPORT 4B – GRANT FUNDING**

FILE: G4-17

AOP REFERENCE: 3.1.1.4

ATTACHMENT: NO

AUTHOR: *Special Projects Officer, Angela Shepherd***Grant Update**

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Deadline for Project
<b>Grants Applied for</b>					
Building Reliance to Climate Change	Constructing three water bores along the Wool Track	\$79,900	Pending	Nil required.	
Water Security for Regions Regional Water and Waste Water Backlog	Replacement of the Cobar Water Treatment Plant	\$7.5 million	Expression of Interest - Pending	Existing funds – Council and NSW Government – used as matching money.	EOI's expected to be announced around October 2015.
Seniors Week Grant	To undertake activities during Seniors Week	\$1,000	Pending	Matching to come from budget allocation.	
RMS funding for Aboriginal communities	To reconstruct and seal three roads within the community and to undertake potholing on the rest of the network.	Approx. \$450,000 over four different grants	Pending	Nil	Council supplied the information to RMS for them to submit the application. Will be for the 2016/2017 year.
Liveable Communities Grant (FACS)	Establish a Wellness Centre in Cobar	\$86,000	EOI pending	Nil. This grant was put in under the NSWODGP.	
Fixing Country Roads	Wool Track – Reconstruct the bends at the Cottage, stabilise, form and seal 4km	\$1,105,000	EOI pending	\$100,000 – regional block grant.	

Fixing Country Roads	Grain Road – form, stabilise and seal 11.8km between the two sections of seal.	\$2,000,000	EIO pending	\$350,000 from Roads to Recovery funds.	
Fixing Country Roads	Wilga Downs Road – form, stabilise and seal 4km.	\$800,000	EOI Pending	\$200,000 from Roads to Recovery funds.	

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Comment
<b>Grants Announced</b>					
Community Building Partnership Grant	Construction of a new steel shade structure in Drummond Park to replace existing shade sail	\$15,000	Unsuccessful	Total Cost around \$55,000. Additional funds to come from Drummond Park capital upgrades budget	
National Stronger Regions Fund	Expansion and Upgrade of the Cobar Youth and Fitness Centre	\$310,775	Unsuccessful	\$312,000 (matching grant funds and \$94 grants used), CSA and Peak contributions pledged.	To be awarded December 2015.
National Stronger Regions Fund	Replacement of the Cobar Water Treatment Plant	\$7.5 million	Unsuccessful	Existing funds – Council and NSW Government – used as matching money.	To be awarded December 2015.
Youth Opportunities Grant	Various youth activities	\$14,650	Successful	Nil	

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### **Current Grant Opportunities**

- LLS Incentives Program – considering an application.
- Murray Darling Basin Economic Diversification Fund – two streams open, one closes 15 Feb, the other 1 March. Considering projects.
- NSW Sport and Recreation – Council not eligible however, working with Little A's on an application for a new runway for long jump.
- National Stronger Regions Fund Rd 3 open – closes March. Application being considered.
- Innovation Fund – applications close March. Considering an application to move towards an Electronic Document Management System.

### **RECOMMENDATION**

**That the information contained in the grant funding report detailing grants applied for, grants announced and grants available be received and noted.**

# **ATTACHMENTS**



## **FINANCE & POLICY COMMITTEE MEETING AGENDA**

**THURSDAY 11 FEBRUARY 2016**

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## ~ REFERENCE TO ATTACHMENTS ~

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**PART A – ACTION**

Report 1A – Code of Conduct Policy Amendments.....17-41

Report 2A – Western Regional Weed Committee – Call for Nomination .....42-74

**PART B – INFORMATION**

Report 3B – Rates Reconciliation Report as at 31 January 2016 .....75-76