



# BUSINESS PAPER

Policy and General  
Committee Meeting

Council Chambers  
20 September 2023

5.30pm

**BROKEN HILL**  
CITY COUNCIL

**AUSTRALIA'S FIRST  
HERITAGE LISTED CITY**

## MEMBERS OF THE POLICY & GENERAL COMMITTEE:

Mayor Kennedy, Deputy Mayor Hickey, Councillor Algate (Chairperson), Councillor Boland, Councillor Browne and Councillor Jewitt

Notice is hereby given, in accordance with the provisions of the *Local Government Act 1993*, that the Policy and General Standing Committee of the Broken Hill City Council will be held in the Council Chambers on **Wednesday, 20 September 2023** commencing at **5:30pm** to consider the following business:

AGENDA	
1	Opening the Meeting
2	Apologies
3	Leave of Absence Applications
4	Prayer
5	Acknowledgement of Country
6	Acknowledgement of Broken Hill's Mining History
7	Minutes for Confirmation
8	Disclosure of Interest
9	Reports
10	Confidential Matters
11	Conclusion of the Meeting

### STATEMENT OF ETHICAL OBLIGATIONS

All Councillors undertook an Oath or Affirmation at the beginning of their term of office and declared to undertake the duties of the office of Councillor in the best interests of the people of the Broken Hill Local Government Area and the City of Broken Hill; and that they will faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgment.

### LIVE STREAMING OF COUNCIL MEETINGS

This Council meeting is being streamed live, recorded, and broadcast online via Facebook. To those present in the gallery today, by attending or participating in this public meeting you are consenting to your image, voice and comments being recorded and published. The Mayor and/or General Manager have the authority to pause or terminate the stream if comments or debate are considered defamatory or otherwise inappropriate for publishing. Attendees are advised that they may be subject to legal action if they engage in unlawful behaviour or commentary.

**JAY NANKIVELL**  
**GENERAL MANAGER**

# MINUTES FOR CONFIRMATION

Minutes of the Policy And General Committee of the City of Broken Hill held Wednesday, August 23, 2023.

**MINUTES OF THE POLICY AND GENERAL COMMITTEE MEETING HELD  
WEDNESDAY, AUGUST 23, 2023 (5.30PM)**

**PRESENT:**

Councillor T. Kennedy (Mayor) Councillors B. Algate (Chairperson),  
Councillor J. Hickey (Deputy Mayor), Councillors M. Boland, M. Browne, H.  
Jewitt. and A Chandler

General Manager, Director Corporate and Community, Director Finance and  
Commercial, Director Infrastructure and Environment and Executive  
Assistant.

Media ( ), Members of the Public ( )

**APOLOGIES:** Nil**LEAVE OF ABSENCE  
APPLICATIONS:****PRAYER**

Mayor Kennedy delivered the Prayer.

**ACKNOWLEDGEMENT OF COUNTRY**

Councillor Browne delivered the Acknowledgement of Country.

**ACKNOWLEDGEMENT OF BROKEN HILL'S MINING HISTORY**

Councillor Jewitt delivered the Acknowledgement of Broken Hill's Mining History.

**MINUTES FOR CONFIRMATION**Recommendation

Moved Mayor Tom Kennedy, Seconded Deputy Mayor Jim Hickey

That the Minutes of the Policy And General Committee meeting held Wednesday July 19,  
2023 be confirmed.

CARRIED UNANIMOUSLY

**DISCLOSURE OF INTEREST**

Nil

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## REPORTS

1. BROKEN HILL CITY COUNCIL REPORT NO. 151/23 - DATED AUGUST 04, 2023 - MOTIONS TO THE LOCAL GOVERNMENT NSW ANNUAL CONFERENCE TO BE HELD IN SYDNEY 12-14 NOVEMBER 2023 D23/41565

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Deputy Mayor Jim Hickey

1. That Broken Hill City Council Report No. 151/23 dated August 4, 2023, be received.
2. That Council notes that Council's successful motions to the 2023 Western Division Councils of NSW Conference will be submitted to the Local Government NSW Conference by the Western Division Councils secretariat.
3. That Council determines any further motions to be submitted to Local Government NSW (along with the accompanying Council resolution) for the Local Government Conference prior to the closing date of 15 September 2023.

**CARRIED UNANIMOUSLY**

2. BROKEN HILL CITY COUNCIL REPORT NO. 152/23 - DATED AUGUST 04, 2023 - COUNCIL MEETING ARRANGEMENTS AND CHRISTMAS SHUT DOWN PERIOD D23/41574

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Deputy Mayor Jim Hickey

1. That Broken Hill City Council Report No. 152/23 dated August 4, 2023, be received.
2. That Council's Ordinary Monthly Meeting for December be held 20 December 2023.
3. That the December Standing Committee Meetings be held as follows
  - a. Works Committee Meeting to be held Monday December 11, 2023, at 5:30pm
  - b. Health and Building Committee Meeting to be held Tuesday December 12, 2023, at 5:30pm
  - c. Policy and General Committee Meeting to be held Wednesday December 13, 2023, at 5:30pm
4. That Standing Committee Meetings not be held in January 2023.

5. That the Council shutdown period for the Administrative Centre and the Warnock Street Works Depot be from 5pm Friday December 22, 2023, and reopening Monday, January 8, 2023.
6. That Council advertise the shutdown period for the Administrative Centre and the Warnock Street Works Depot and that this advertisement also includes the operating hours for all other Council facilities during this period.

**CARRIED UNANIMOUSLY**

3. BROKEN HILL CITY COUNCIL REPORT NO. 153/23 - DATED JULY 28, 2023 - 2022-2026 DELIVERY PROGRAM INCLUDING 2022/2023 OPERATIONAL PLAN OUTCOMES - FINAL KEY PERFORMANCE INDICATORS PROGRESS REPORT FOR PERIOD ENDING 30 JUNE 2023 D23/39872

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Councillor Hayley Jewitt

1. That Broken Hill City Council Report No. 153/23 dated July 28, 2023, be received.
2. That Council receive the 2022-2026 Delivery Program including 2022/2023 Operational Plan outcomes – Final Key Performance Indicators Progress Report for period ending 30 June 2023.
3. That the 2022-2026 Delivery Program including 2022/2023 Operational Plan outcomes – Final Key Performance Indicators Progress Report for period ending 30 June 2023 be placed on Council's website.

**CARRIED UNANIMOUSLY**

4. BROKEN HILL CITY COUNCIL REPORT NO. 154/23 - DATED AUGUST 08, 2023 - DISABILITY INCLUSION ACTION PLAN 2022-2026 - KEY PERFORMANCE INDICATORS PROGRESS REPORT FOR PERIOD ENDING 30 JUNE 2023 D23/42028

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Deputy Mayor Jim Hickey

1. That Broken Hill City Council Report No. 154/23 dated August 8, 2023, be received.
2. That Council note the Disability Inclusion Action Plan 2022-2026 – Key Performance Indicators Progress Report for the reporting period ending 30 June 2023.
3. That the Disability Inclusion Action Plan 2022-2026 – Key Performance Indicators Progress Report for the reporting period ending 30 June 2023 be placed on Council's website.
4. That Council call a meeting of the Disability Inclusion Action Plan Monitoring Group to assess the outcomes of the progress report.

**CARRIED UNANIMOUSLY**

5. BROKEN HILL CITY COUNCIL REPORT NO. 155/23 - DATED JULY 24, 2023 - COMMUNITY SATISFACTION SURVEY D23/38878

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Councillor Michael Boland

1. That Broken Hill City Council Report No. 155/23 dated July 24, 2023, be received.
2. That Council notes the outcome of the 2023 Community Satisfaction Survey.

**CARRIED UNANIMOUSLY**

6. BROKEN HILL CITY COUNCIL REPORT NO. 156/23 - DATED AUGUST 08, 2023 - ADOPTION OF DRAFT ASSET NAMING POLICY D23/35110

**Recommendation**

Moved Councillor Marion Browne, Seconded Councillor Hayley Jewitt

1. That Broken Hill City Council Report No. 156/23 dated August 8, 2023, be received.
2. That Council notes that the Draft Asset Naming Policy was placed on public exhibition for a period of 28 days during which time Council received nil submissions from the public.
3. That Council adopts the Draft Asset Naming Policy as a Policy of Council and notes that this action will render the 'Naming of Parks and Community Facilities Policy' obsolete.

**CARRIED UNANIMOUSLY**

7. BROKEN HILL CITY COUNCIL REPORT NO. 157/23 - DATED AUGUST 06, 2023 - PUBLIC ART AUDIT, CONDITION REPORTS AND CONSERVATION PLANS D23/41622

**Recommendation**

Moved Councillor Marion Browne, Seconded Councillor Hayley Jewitt

1. That Broken Hill City Council Report No. 157/23 dated August 6, 2023, be received.
2. That the Public Art Audit be noted.
3. That a budget submission be prepared for items classified as 3 (poor) and 4(very poor) in the treatment classification index of the Grimwade report and submitted for consideration as part of next year's budget process.

**CARRIED UNANIMOUSLY**

8. BROKEN HILL CITY COUNCIL REPORT NO. 158/23 - DATED AUGUST 11, 2023 - INVESTMENT REPORT FOR JULY 2023 D23/42661

**Recommendation**

Moved Councillor Michael Boland, Seconded Councillor Hayley Jewitt

1. That Broken Hill City Council Report No. 158/23 dated August 11, 2023, be received.

**CARRIED UNANIMOUSLY**

9. BROKEN HILL CITY COUNCIL REPORT NO. 159/23 - DATED AUGUST 09, 2023 - 2023/2024 EVENT SPONSORSHIP D23/42409

**Recommendation**

Moved Deputy Mayor Jim Hickey, Seconded Councillor Hayley Jewitt

1. That Broken Hill City Council Report No. 159/23 dated August 9, 2023, be received.
2. That Council provides \$5,000 cash and \$2,091.91 in-kind sponsorship to the Broken Hill Junior Soccer Association to host the SA Junior Soccer Association Country Championships

**CARRIED UNANIMOUSLY**

10. BROKEN HILL CITY COUNCIL REPORT NO. 160/23 - DATED AUGUST 10, 2023 - MEMORANDUM OF UNDERSTANDING - ST PATRICK'S RACE CLUB AND BROKEN HILL CITY COUNCIL D23/42472

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Deputy Mayor Jim Hickey

1. That Broken Hill City Council Report No. 160/23 dated August 10, 2023, be received.
2. That the General Manager be authorised to negotiate and execute a Memorandum of Understanding for a period of three (3) years with the Broken Hill St Patrick's Race Club.
3. That Council authorise the General Manager to include in the MOU up to \$10,000 per annum in-kind contribution.

**CARRIED UNANIMOUSLY**

11. BROKEN HILL CITY COUNCIL REPORT NO. 161/23 - DATED AUGUST 10, 2023 - MEMORANDUM OF UNDERSTANDING - THE PALACE HOTEL (BROKEN HEEL FESTIVAL) AND BROKEN HILL CITY COUNCIL D23/42492

**Recommendation**

Moved Mayor Tom Kennedy, Seconded Councillor Marion Browne



1. That Broken Hill City Council Report No. 161/23 dated August 10, 2023, be received.
2. That the General Manager be authorized to negotiate and execute a Memorandum of Understanding for a period of three (3) years with The Palace Hotel (Broken Heel Festival) and Broken Hill City Council
3. That Council authorise the General Manager to include in the MOU up to \$10,000 cash and \$3,000 in-kind contribution.

CARRIED UNANIMOUSLY

12. BROKEN HILL CITY COUNCIL REPORT NO. 162/23 - DATED AUGUST 09, 2023 - MINUTES OF THE S355 YOUTH ADVISORY COMMITTEE MEETING HELD 25 JULY 2023 D23/42245

Recommendation

Moved Mayor Tom Kennedy, Seconded Councillor Marion Browne

1. That Broken Hill City Council Report No. 162/23 dated August 9, 2023, be received.
2. That the minutes of the S355 Youth Advisory Committee meeting held on 25 July 2023 be received.
3. That Council support the Invitation to Student Support Officers from Broken Hill High School and Willyama High School to join the S355 Youth Advisory Committee.

CARRIED UNANIMOUSLY

### CONFIDENTIAL MATTERS

Motion

Moved Mayor Tom Kennedy, Seconded Councillor Michael Boland

That the confidential item be considered in open session.

CARRIED UNANIMOUSLY

13. BROKEN HILL CITY COUNCIL REPORT NO. 163/23 - DATED AUGUST 14, 2023 - ACQUISITION OF LAND - ASSESSMENT 36970 - CONFIDENTIAL  
**(General Manager's Note:** This report considers Sale of Land for Unpaid Rates and is deemed confidential under Section 10A(2) (b) of the Local Government Act, 1993 which contains matters that will involve the discussion of the personal hardship of any resident or rate payer).

Recommendation

Moved Mayor Tom Kennedy, Seconded Councillor Michael Boland

1. That Broken Hill City Council Report No. 163/23 dated August 14, 2023, be received.
2. That Council proceed with the transfer of Assessment 36970 – 101 Cornish Lane into Councils possession in accordance with Section 570 of the *Local Government Act 1993*
3. That Council write off outstanding rates on the property of \$4,688.78 with an upper limited of \$5,000 to allow for any additional interest and costs yet to be attributed and finalised.
4. That Council delegate authority to the General Manager to sign documents required to complete the transfer.
5. That Council pay conveyancing costs to complete the transfer.

**CARRIED UNANIMOUSLY**

There being no further business to consider, the meeting was declared closed at 5:59pm.

The foregoing minutes were read and confirmed at the Policy and General Committee meeting held on 20 September 2023.

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Chairperson

# REPORTS

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## POLICY AND GENERAL COMMITTEE

June 8, 2023

**ITEM 1****BROKEN HILL CITY COUNCIL REPORT NO. 172/23****SUBJECT:**                    **ANNUAL FEES - MAYOR AND COUNCILLORS**                    **D23/29923****Recommendation**

1. That Broken Hill City Council Report No. 172/23 dated June 8, 2023, be received.
2. That Council notes the outcome of the community poll conducted regarding whether the Mayor and Councillors should receive a three (3) percent increase in their fees for the 2023/2024 financial year.
3. That Council notes that the Local Government Remuneration Tribunal determined that there be a three (3) percent increase to the minimum and maximum fees applicable to Councillors and Mayors in each existing category for the financial year commencing 1 July 2023.
4. That Council also notes that the current annual fees paid to Broken Hill City Council's Mayor and Councillors is below the maximum fees determined for the category of "Regional Rural".
5. That Council determines whether an increase be applied to the current fees for the Mayor and Councillors for the 2023/2024 financial year.
6. That allocation of a fee for the Deputy Mayor when acting in the role as Mayor, being the daily fee based on the annual additional Mayoral fee; with the fee so payable deducted from the Mayor's fee, be reaffirmed.

**Executive Summary:**

At the Ordinary Council Meeting held 31 May 2023 Council considered a report regarding the setting of the annual fees for the Mayor and Councillors for the 2023/2024 financial year and Council resolved that a community poll be conducted by Council to ascertain whether the community believes that the Mayor and Councillors should receive an increase in fees of three (3) percent as per the Local Government Remuneration Tribunal's determination.

A total of 357 votes were received for the poll, with 34 in favour of the Mayor and Councillors receiving a three (3) percent increase in fees and 323 against the Mayor and Councillors receiving an increase in fees.

This report is presented to Council to review the outcome of the community poll and for Council to determine whether an increase be applied to the current fees for the Mayor and Councillors for the 2023/2024 financial year.

**Report:**

The *Local Government Act 1993* (“the Act”) provides for the establishment of a Local Government Remuneration Tribunal to determine categories for Councils, together with annual fees payable to Mayors and Councillors. The Tribunal, in accordance with Sections 239 and 241 of the Act, must determine no later than 1 May each year the minimum / maximum fees payable for Councillors and Mayors for each category.

As per Section 239 of the *Local Government Act 1993* which requires a review of the categories and allocation of councils into each category at least once every three (3) years the Local Government Remuneration Tribunal have undertaken the review taking into consideration submissions received from Councils, and as a result have introduced two (2) new categories and reclassified a number of Councils into these categories.

The new remuneration categories being:

- Metropolitan Major; and
- Rural Large

The Tribunal have also varied the criteria of several existing categories and as a result of the creation of the two new categories and changes to the criteria of some of the existing categories, the Tribunal has re-categorised twenty six (26) Councils into a higher existing category or into a new category.

The Tribunal have determined that Broken Hill City Council’s categorisation remains unchanged with Broken Hill falling into the “Regional Rural” category although Broken Hill’s population is under 20,000 it aligns more closely with the other eligibility criteria of this category rather than the “Rural” category for areas with a population less than 20,000 due to Broken Hill being:

- a major town of the Far West of NSW;
- provides services to its surrounding townships;
- provides a full range of higher-order services including business, office and retail uses with arts, culture, recreation and entertainment centre;
- has a principal referring hospital, tertiary education services and a major regional airport;
- and Broken Hill also attracts large visitor numbers to established tourism ventures and events.

The Tribunal have indicated that there is merit in a comprehensive review of the framework for Mayor and Councillor remuneration given the issues raised in submissions (which are outlined in the 2023/2024 Determination Report attached) and that this will be considered as part of the Government’s examination of the broader issues facing local government.

Council is required under the Act to determine the fees to be paid to the Mayor and Councillors and Section 248 of the *Local Government Act 1993* stipulates that a Council must pay each Councillor an annual fee in accordance with the Tribunal’s determinations, the annual fee is to be the same for each Councillor and Council is able to pay that fee having regard to the category established by the Tribunal.

In setting the fee Council may fix a fee that is equal to or greater than the minimum fee but not greater than the maximum fee for the appropriate category. When a Council declines to fix a fee, it must pay the appropriate minimum fees as determined by the Tribunal.

The Local Government Remuneration Tribunal has determined that a three (3) percent increase be applied to the minimum and maximum fees applicable to each existing category for the 2023/2024 financial year.

Pursuant to Section 241 of the *Local Government Act 1993*, the annual fees to be paid in each of the categories to Councillors, Mayors of Councils, and Members and Chairpersons of County Councils effective on and from 1 July 2023 are determined as follows (**Note: Broken Hill City Council falls into the “Regional Rural” category**):

### General Purpose Councils - Non-Metropolitan

#### Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	19,760	34,330
Major Strategic Area	19,760	34,330
Regional Strategic Area	19,760	32,590
Regional Centre	14,810	26,070
Regional Rural	9,850	21,730
Rural Large	9,850	17,680
Rural	9,850	13,030

#### Mayor/Chairperson Additional Fee\* (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	41,960	106,960
Major Strategic Area	41,960	106,960
Regional Strategic Area	41,960	94,950
Regional Centre	30,820	64,390
Regional Rural	20,980	47,420
Rural Large	15,735	37,925
Rural	10,490	28,430

### Community Engagement:

As per Council’s resolution Minute No. 47215 at the 31 May 2023 Council Meeting, a Community Poll was conducted via the bi-monthly newsletter and online to seek the community’s vote as to whether the Mayor and Councillors should receive a three (3) percent increase in fees for the 2023/2024 financial year.

The outcome of the Community Poll was:

Total votes received = 357

Votes for the Mayor and Councillors receiving a three percent increase in fees = 34

Votes against an increase to the Mayor and Councillors’ fees = 323

The most prevalent reason for respondents answering “no” was cost of living increases and the impact of an increase in the Mayor and Councillors’ fees being passed onto ratepayers.

### Strategic Direction:

Key Direction:	4	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.1	Support the organisation to operate its legal framework

**Relevant Legislation:**

*The Local Government Act 1993 Division 4 Sections 235-247 and Division 5 Sections 248-251 and the annual determination of the Local Government Remuneration Tribunal for 2023/2024.*

**Financial Implications:**

The current fees paid to Councillors and the Mayor in the 2022/2023 financial year are below the maximum fee allowable at \$17,982.60 for the Councillor Fee, and \$39,234.60 for the Mayoral Fee.

Allowance has been made in the 2023/2024 Budget for Mayoral and Councillor fees with an increase of three (3) percent, which reflects \$18,522.08 per Councillor Fee and the Mayoral Fee being \$40,411.64.

**Attachments**

1. [↓](#) Local Government Remuneration Tribunal - Determination Report

LEISA BARTLETT  
EXECUTIVE OFFICER

JAY NANKIVELL  
GENERAL MANAGER

**Local Government  
Remuneration Tribunal**

# Annual Determination

Report and determination under sections  
239 and 241 of the Local Government Act  
1993

27 April 2023





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# Executive Summary

The *Local Government Act 1993* (the LG Act) requires the Local Government Remuneration Tribunal (the Tribunal) to report to the Minister for Local Government by 1 May each year on its determination of categories of councils and the maximum and minimum amounts of fees to be paid to mayors, councillors, and chairpersons and members of county councils.

## Categories

Section 239 of the LG Act requires the Tribunal to determine the categories of councils and mayoral offices at least once every 3 years.

In accordance with the LG Act the Tribunal undertook a review of the categories and allocation of councils into each category as part of this review.

Accordingly, the revised categories of general purposes councils are determined as follows:

Metropolitan	Non-Metropolitan
Principal CBD	Major Regional City
Major CBD	Major Strategic Area
Metropolitan Major	Regional Strategic Area
Metropolitan Large	Regional Centre
Metropolitan Medium	Regional Rural
Metropolitan Small	Rural Large
	Rural

## Fees

The Tribunal determined a 3 per cent per annum increase in the minimum and maximum fees applicable to each category.

For the new categories, the Tribunal has determined fees having regard to the relevant factors and relativities of remuneration ranges for existing categories.

Twenty six (26) councils are recategorised into a higher existing category or placed in a new category.

# Section 1 – Introduction

1. Section 239 of the LG Act requires the Tribunal to determine the categories of councils and mayoral offices at least once every 3 years. The Tribunal last undertook a significant review of the categories and the allocation of councils into each of those categories in 2020.
2. Section 241 of the LG Act provides that the Tribunal determine the maximum and minimum amount of fees to be paid to mayors and councillors of councils, as well as chairpersons and members of county councils for each of the categories determined under section 239.
3. Section 242A(1) of the LG Act requires the Tribunal to give effect to the same policies on increases in remuneration as those of the Industrial Relations Commission.
4. The Tribunal can also determine that a council can be placed in another existing or new category with a higher range of fees without breaching the Government's Wages Policy as per section 242A (3) of the LG Act.
5. Natural disasters have a significant impact on the way mayors in particular work. There is an increase on time demands from the community, and media during these events as well as an increase in workloads. Whilst it is worth noting these issues, it is not within the Tribunal's authority to determine additional remuneration in recognition of the increasing demands on a mayor's time for these events.
6. The Tribunal's determination takes effect from 1 July each year.

## Section 2 – 2022 Determination

7. In 2022, the Tribunal received eight (8) submissions, which included five (5) requests for recategorisation. Three of these requests sought the creation of new categories.
8. The Tribunal found that the current categories and allocation of councils to these categories remained appropriate but noted that some councils may have a case for recategorisation at the next major review of categories in 2023.
9. The Tribunal determined that fees would increase 2 per cent in the minimum and maximum fees applicable to each category from 1 July 2022.

# Section 3 – 2023 Review

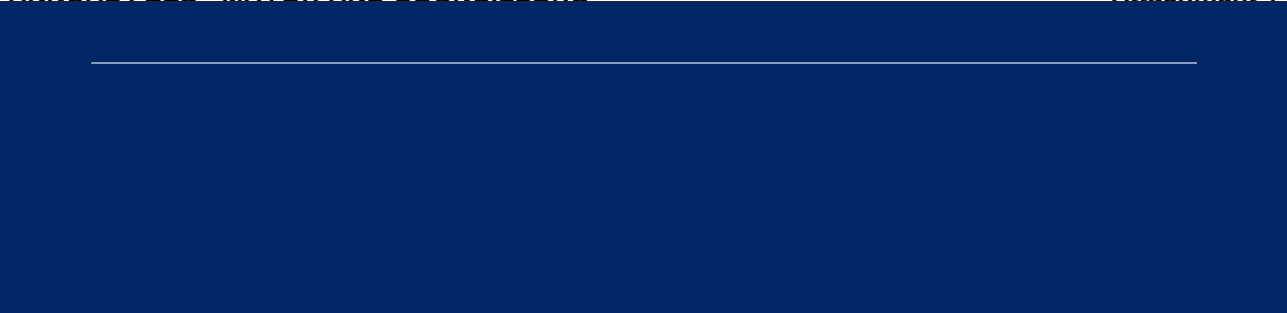
## 2023 Process

10. The Tribunal's annual review commenced in October when it wrote to all councils inviting submissions regarding fees, categorisation and any other general matters. The invitation noted that it is expected that submissions are endorsed by the respective council.
11. The Tribunal also wrote to the President of Local Government NSW (LGNSW) inviting a submission.
12. The Tribunal received 18 written submissions, of which 15 were from individual councils, 1 submission from LGNSW, 1 from Australian National University academic, Associate Professor Tanya Jakimow, and 1 from the United Services Union (USU).
13. The Tribunal notes that 12 of the 15 council submissions were endorsed by the representative councils.
14. The Tribunal acknowledges and thanks all parties for their submissions.
15. Noting its comments in its reports of 2021 and 2022, the Tribunal met Central NSW Joint Organisation member representatives in Orange, and Far South West Joint Organisation member representatives in Broken Hill. The Tribunal also gave an overview of its work to a meeting of the Country Mayors' Association in Newcastle. While in Broken Hill the Tribunal met with LGNSW representatives.
16. The Tribunal and Assessors met as required to discuss submissions, review category criteria and allocation of councils

## Categories

17. Section 239 of the LG Act requires the Tribunal to determine the categories of councils and mayoral offices at least once every three years. The Tribunal last reviewed the categories in 2020.
18. In determining categories, the Tribunal is required to have regard to the following matters that are prescribed in Section 240 of the LG Act:
- *the size of areas;*
  - *the physical terrain of areas;*
  - *the population of areas and the distribution of the population;*
  - *the nature and volume of business dealt with by each council;*
  - *the nature and extent of the development of areas;*
  - *the diversity of communities served;*
  - *the regional, national and international significance of the council;*
  - *such matters as the Remuneration Tribunal considers relevant to the provision of efficient and effective local government; and*
  - *such other matters as may be prescribed by the regulations.*
19. The 2020 Determination established the following categories:

Metropolitan	Non-Metropolitan
Principal CBD	Major Regional City
Major CBD	Major Strategic Area
Metropolitan Large	Regional Strategic Area
Metropolitan Medium	Regional Centre



Metropolitan Small      Regional Rural

Rural
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- 20. For its 2023 review, the Tribunal undertook an extensive examination of the categories, criteria and allocation of councils into each of the categories.
- 21. The Tribunal examined statistical and demographical data, with population data sourced from Australian Bureau of Statistics (ABS) 2021 Census (the latest available data).
- 22. Having regard to section 239 of the LG Act, information examined and provided through submissions, the Tribunal has determined the categories of general purpose councils as follows:

Metropolitan	Non-Metropolitan
Principal CBD	Major Regional City
Major CBD	Major Strategic Area
Metropolitan Major	Regional Strategic Area
Metropolitan Large	Regional Centre
Metropolitan Medium	Regional Rural
Metropolitan Small	Rural Large
	Rural

- 23. In reviewing the current model, the Tribunal sought to improve consistency of criteria.
- 24. In examining the criteria for each of the categories, the Tribunal is of the view that non-resident population criteria should also be included for consistency in the following categories:



- Major Strategic Area
- Regional Strategic Area
- Regional Centre
- Regional Rural

25. Three (3) councils will be reclassified as a result of meeting criteria thresholds into an existing category.
26. The Tribunal has determined the creation of two (2) new categories, being Metropolitan Major and Rural Large.
27. In determining the 2 new categories the Tribunal gave significant consideration to section 239 of the LG Act, statistical data, the existing categories and relativities between each category.
28. It was determined that the existing Rural category did not differentiate between large and small rural councils, in population, size, and terrain. Evidence demonstrated that a number of Rural councils are large in geographic area, requiring great distances to be covered. The Tribunal also examined a range of data that it believes goes to the delivery of efficient and effective local government.
29. Hence a new category Rural Large is created. The determination is amended to reflect the new category and criteria that includes a population greater than ten thousand, and a councillor to resident ratio of 1 to 1200. The Tribunal notes there are a number of Rural councils on the cusp of this new category.
30. The revised category also shows more clearly the differences for large rural and remote councils. It is becoming apparent these councils require

different considerations regarding the role Mayors and Councillors in servicing the community across such large distances.

31. Evidence reviewed established the need to differentiate between some Large Metropolitan councils. Comparison data reviewed included population, operating revenue, and submission evidence relevant to section 239 of the LG Act. This examination further exposed the gap between Metropolitan Large and Major CBD categories, thus resulting in the Tribunal establishing a new category to bridge the gap.
32. The determination is amended to reflect a new category, Metropolitan Major, with a population criteria threshold of 400,000 (including non-resident).
33. Accordingly, the Tribunal has identified a number of councils that will be recategorised into these new categories.
34. Given the relativities in population threshold criteria, the Tribunal is of the view that the population criteria for Regional Strategic Area be adjusted from 200,00 down to 100,000.
35. As a result, three (3) councils will be reclassified as Regional Strategic.
36. Whilst the Tribunal did explore additional criteria points that may go to efficient and effective local government, within the bounds of statutory provisions no further changes to the criteria could be determined in this review.
37. The category County Councils remain unchanged, retaining the categories of Water and Other.

38. **Appendix 1 Criteria that apply to categories** has been amended to reflect changes outlined above.

## Submissions Received – Categorisation

39. Nine (9) submissions received from councils requested recategorisation and five (5) of these requested the creation of new categories.
40. A summary of matters raised in submissions and the Tribunal's consideration of those matters is outlined below

## Request for New Categories

41. Requests were received for the creation of new categories namely, Metropolitan Large Growth Area, Metropolitan Major, Metropolitan Medium Growth and Regional Growth.
42. Blacktown City Council again requested the creation of a new category, Metropolitan Large - Growth Area. Council stated its current categorisation in Metropolitan Large "*does not reflect the complexities of servicing their rapid rate of growth and economic influence*".
43. Blacktown City Council contends that a new category would allow a criteria to be set that reflects:
- Size
  - Rate of growth
  - Economic influence
  - Operational budget

- Complexities of remaining financially sustainable whilst maintaining services and providing new infrastructure
44. Penrith Council reiterated previous submissions, again requesting the creation of a new category, Metropolitan Large Growth Centre. Council argues they are unique compared to other similar sized councils, providing significant regional services to Greater Western Sydney.
45. Penrith Council contends its claim for creation and inclusion in a new category is enhanced through their leading role in the region demonstrating the exponential growth that will occur in the Penrith Local Government area. Council submits they are playing a leading role in several significant city-shaping projects and initiatives such as:
- Western Sydney Airport
  - Western Sydney Priority Growth Area
  - Penrith Health and Education Precinct
  - The Greater Sydney Commission District planning process
  - National Growth Areas Alliance
  - Sydney Science Park
  - Defence Industries Precinct and
  - South Creek Corridor
46. While the Tribunal understands that areas of Western Sydney are developing rapidly, not least with the new airport and associated infrastructure it is not persuaded to create a new category, Metropolitan Large - Growth Area/Centre. These councils are experiencing growth and will in the future have populations of residents and non-residents that meet the thresholds for recategorisation. It is not within the Tribunal's legislative

remit to anticipate growth. However as dealt with earlier in this determination, the Tribunal acknowledges the need for a new Metropolitan category to reflect increasing population and bridge gap between current categories, Metropolitan Large and Major CBD.

47. Canterbury Bankstown Council proposed the creation of a new category, Metropolitan Major, that would sit in between current category of Metropolitan Large and Major CBD.
48. Council based its argument for a new category on the following grounds:
  - Categories need to have consistent criteria
  - A new category of Metropolitan Major would capture increased population and workloads post amalgamation process
  - New criteria should be based on population size and councillor to resident ratio
  - Councils size, with a current population of 372,322 across five wards
  - Population and distribution of population
  - Councils' area and physical terrain
  - Diversity of communities served
  - Nature and volume of business dealt with by Council
49. Council proposed a new criteria could include population threshold and councillor to resident ratio, with thresholds being 350,000 and 1 to 24,000.
50. The Tribunal considered the suggested criteria of a councillor to resident ratio for all categories. Whilst the Tribunal has included this criteria for

Rural Large category, it has not included it for all categories. It may warrant further consideration for other categories in future reviews.

51. The Tribunal is persuaded to include a new category, Metropolitan Major, with a population criteria threshold of 400,000 in the determination.
52. Camden Council's submission requests the creation of a growth category for Metropolitan Medium councils. They argue the proposed new category would allow criteria to be established to better reflect their growth rate, economic influence and complexities involved in servicing growth.
53. Council proposes the new category be called Metropolitan Medium – Growth Area. Council submits that its inclusion into this new category is based on the following:
  - Population growth
  - Development corridors
  - Growing assets and major infrastructure
  - Major services and institutions
54. The Tribunal has already determined a new metropolitan category, taking into account population and relatives in population between existing categories. It is not persuaded to include another new metropolitan category.
55. Maitland City Council requested the creation of a new category, Regional Growth Area to bridge the gap between Regional Centre and Regional Strategic.
56. Council based its argument for a new category on the following grounds:

- Maitland is the fastest growing regional city in NSW
- significant role in accommodation growth
- Council being an emerging health centre, with the \$470 million investment in the new Maitland Hospital
- Significant role in delivery of state goals, including Greater Newcastle Metropolitan Plan 2036 and a state partner in infrastructure delivery including roads and facilities

57. Council also contends the current categorisation model for non-metropolitan is inadequate. It argues that the application of the population criteria is flawed as increments initially rise by 20,000 before leaping up by 160,000.

58. The current population criteria thresholds for non-metropolitan councils are outlined in the table below:

Category	Population Criteria
Rural	<20,000
Regional Rural	>20,000
Regional Centre	>40,000
Regional Strategic Area	>200,000
Major Strategic Area	>300,000

59. The Tribunal has considered the issues raised in Council's submission but is not persuaded for reasons noted earlier for anticipation of growth versus actual population, to create a new category, Regional Growth Area.

60. The Tribunal acknowledges the point made in Council's submission regarding incremental increases for non-metropolitan categories population criteria.
61. As outlined earlier the Tribunal has determined to change the population criteria for Regional Strategic from 200,000 to 100,000. This will result in Maitland Council being reclassified.

## Requests for Recategorisation

62. The Tribunal received four (4) requests for recategorisation. Liverpool, Byron, Tweed and Burwood Councils put forward individual cases for recategorisation for the Tribunal's consideration.
63. A summary of council's requests and the Tribunal's findings are outlined in the paragraphs below.
64. Liverpool Council requested to be reclassified from their current classification of Metro Large to Major CBD category. Liverpool Council's case to be included in Major CBD category is based on the following grounds:
- Population forecast to grow by 59.23% in the next 20 years from 242,817 to 386,646
  - A GDP estimated at \$13.03 billion, with 91,000 jobs in the LGA
  - Significant development in the LGA that includes new council offices and chambers, new city library, childcare facility, and the \$106 million Liverpool Quarter development consisting of retail, commercial, food and beverage spaces



- Liverpool being an integral part of Western Sydney Deal to deliver transformative change
  - Liverpool being home to several significant infrastructure projects, including Western Sydney Airport, Western Sydney Infrastructure plan, Holsworthy Barracks and Liverpool Hospital upgrades
  - Diversity of population
65. The Tribunal notes that the current criteria for Major CBD remains unchanged. It includes being a major provider of business and government services, and secondary CBD to metropolitan Sydney.
66. Having regard to section 239 of the LG Act, the criteria, the submission put forward, and for reasons outlined earlier in regard to anticipated growth versus actual growth, the Tribunal is not persuaded to include Liverpool Council in Major CBD category.
67. Byron Shire Council requested to be reclassified from their current category of Regional Rural into Regional Centre.
68. Council noted, based on ABS 2021 census data, with a population of 36,077, it is on the cusp of reaching the population threshold of 40,000 residents.
69. Council believes they meet several other additional criteria that supports their case for reclassification. Council's request is based on the following grounds:
- Non-resident population of 4,817 travel from surrounding locations to work in the LGA

- A population growth increase of 7.2% over the last 5 years, which is above the state increase of 5.3%
- Proximity to Gold Coast and Ballina/Byron airports
- Byron being home to internationally renowned Hinterland region
- Byron being home to a large number of festivals and events

70. As outlined earlier in this determination, the criteria for Regional Centre has been amended to include non-resident population as a criteria point.

71. This result is Byron Shire Council will be reclassified to Regional Centre.

72. Tweed Shire Council once again requested reclassification from Regional Centre to Regional Strategic Area on the following grounds:

- Proximity to Sydney via Gold Coast airport
- Proximity to Brisbane and Gold Coast
- Tweed being a major city centre and population centre for Northern Rivers Joint Organisation
- Tweed being the largest employer and strongest growth area in the Northern Rivers
- The construction of new state of the art Tweed Valley Hospital due to open in late 2023

73. Tweed Shire Council will be reclassified as a result of changes to Regional Strategic Area criteria outlined earlier in this determination.

74. Burwood Council requested to be reclassified from their current classification of Metropolitan Small to Metropolitan Medium. Council acknowledged that they do not currently meet the population criteria to be

placed into the requested category. The criteria as outlined in the 2022 Determination, Appendix 1 of the criteria that apply to categories states

“Councils categorised as Metropolitan Medium will typically have a minimum residential population of 100,000.”

75. If Burwood Council’s non-resident working population was included, the total population would be 53,435 well short of exceeding the population threshold for Metropolitan Medium.
76. Further examination demonstrates that Burwood council does not meet the broader criteria for Metropolitan Medium. Accordingly, Burwood Council will remain in current classification of Metropolitan Small.
77. The matters raised generally in submissions of Berrigan, Cowra, Inner West, Kur-ring-gai, Singleton and Temora Councils are outside of the scope of the Tribunal statutory functions, but in the view of the Tribunal are worthy of further consideration. These matters relate to the current remuneration principles and structures that apply to mayors and councillors in NSW and the potential impacts of these constraints. These are discussed further below.

# Section 4 – 2023 Fees

78. In determining the maximum and minimum fees payable in each of the categories, the Tribunal is required by section 242A of the LG Act, to give effect to the same policies on increases in remuneration as those that the Industrial Relations Commission is required to give effect to under section 146C of the *Industrial Relations Act 1996* (IR Act), when making or varying awards or orders relating to the conditions of employment of public sector employees.
79. Pursuant to section 146C (1) (a) of the IR Act, the current government policy on wages is expressed in the Industrial Relations (Public Sector Conditions of Employment) Regulation 2014 (IR Regulation). The IR Regulation provides that public sector wages cannot increase by more than 3 per cent per annum and the tribunal therefore has the discretion to determine an increase of up to 3 per cent per annum.
80. Four (4) submissions received addressed the issue of the fees quantum increase. These submissions sought an increase of 2.5% or greater.
81. The LGNSW submission requested that the Tribunal increase fees by the maximum 3 per cent, but further argued that the maximum increase is *“inadequate and does not address the historic undervaluation of work performed by elected representatives and the substantial responsibility associated with local government.”*
82. LGNSW used economic and wage data to support their argument, that included:
- Consumer Price Index (CPI)
  - National and State Wage cases
  - Market comparability

83. LGNSW in their meeting with The Tribunal and Assessors, further emphasised that remuneration for Councillors and Mayors has been reduced in real terms due to impacts of inflation and capping of remuneration increases.
84. The Tribunal received a late submission from the USU, advocating for the maximum increase to be applied. The USU argued that all work carried out in local government needed to be fairly remunerated and reflect the rise in cost of living.
85. Whilst only five of the eighteen submissions received addressed the issue of quantum increase of fees, more than half of the submissions provided commentary on a range of remuneration issues.
86. Submissions suggested that the current remuneration structure is inadequate and requires further review. It has been suggested that the current remuneration structure does not adequately reflect:
- Role, responsibilities, and commitment required to perform functions successfully
  - Workloads
  - Complexity of role
  - Commitment and skills required
  - Fairness
87. Furthermore, it has been suggested that the low level of remuneration is a barrier to encouraging participation and diversity of candidates that reflects communities.

88. Associate Professor Jakimow of the Australian National University provided a detailed submission outlining the negative impacts of inadequate remuneration. The substance of the submission is that current remuneration levels do not adequately reflect the hours and complexity of work. Furthermore, low remuneration is a barrier to participation and diversity.

89. Associate Professor Jakimow argues that:

*“inadequate pay has significant negative consequences: low quality local democracy, an unacceptable burden on councillors and their families, and poor councillor diversity.”*

90. A number of submissions provided comparison data to demonstrate that the current remuneration principles and structure are not reflective of time, skills and competencies required to effectively perform the roles of councillor and mayor.

91. Comparisons were made to State and Federal parliamentary members, councillors and mayors in the Queensland and Victorian local government jurisdictions, average remuneration of a chairperson of a board, not for profit organisations and national minimum wage. The basis of the argument is that NSW mayor and councillors are paid below these organisations.

92. One submission noted that legislative change would be required to change remuneration model.

93. The Tribunal acknowledges issues raised in submissions regarding remuneration principles, structure and potential impacts. Many of these issues are worth serious consideration, they are however not currently

within the Tribunal's remit. The Tribunal concludes these matters should be given further investigation and consideration.

94. The Tribunal has considered key economic indicators, including the Consumer Price Index and Wage Price Index, and has determined that the full 3 per cent increase will apply to the minimum and maximum fees applicable to existing categories.
95. As an initial determination, the ranges for new categories are not subject to the wages policy. Future increases in those categories, as is the case for existing categories, will be subject to wages policy in accordance with section 242A(4) of the LG Act.
96. The minimum and maximum fees for the new categories have been determined having regard to the relativities of existing categories

## Time for Fresh Thinking

97. Submissions made to the 2023 review and the Tribunal's own conclusions from evidence it has examined, suggest that there are significant issues underlying the concerns raised about mayor and councillor remuneration. It is apparent to the Tribunal that those issues which include a lack of diversity in representation, changing nature of work required to be undertaken and changed community expectations cannot be easily resolved under the existing framework. In the Tribunal's view, there would be merit in a comprehensive review of the framework for mayor and councillor remuneration.
98. The criteria under which the Tribunal makes these determinations has

been in existence since 1994 and at that time NSW had 177 Councils. Much has changed over the past 30 years, but the criteria has not.

99. As noted earlier in this determination the Tribunal and Assessors met with two Joint Organisation member representatives. While much of what was discussed has been dealt with in this determination it is worthy for the record to restate the view of LGNSW of the “*need for major reform*”.
100. Key themes and issues raised during discussions by mayors, councillors and general managers with the Tribunal and Assessors include:
- Changes to ways of working including expectations of increased use of social media and online platforms (“always on” expectations from constituents)
  - Impacts of future development
  - Impact of changes to legislation and regulation on workload
  - Serving constituents in regional centres, country areas regional areas, rural and remote areas
  - Remuneration principles
  - Natural Disasters including floods, fires, mice, locusts and tragedies generally
  - Confusion in roles and responsibilities – need for compulsory and consistent training of candidates prior to election and induction of those elected



- Popularly elected mayors and two-year mayoral terms and the role of the Deputy Mayor when a mayor is absent, as distinct from temporarily unavailable
- Questioning whether the guidelines by the Office of Local Government for the payment of expenses and the provision of facilities for mayors and councillors that were issued in 2009 are still fit for purpose. There appears to be significant variation in the interpretation of the guidelines and subsequent council policies
- The optional payment of superannuation being used for political purposes
- Paid parental leave for councillors
- Is remuneration holding back quality candidates or are behavioural issues – both in and out of meeting environment
- Parity in the payment differential in existing categories between councillors and mayors
- A possible alignment in categories of councillor to resident and ratepayer ratios and rateable property ratios
- Clarity in the payment of fees for chairpersons and voting members of Joint Organisations for additional workloads

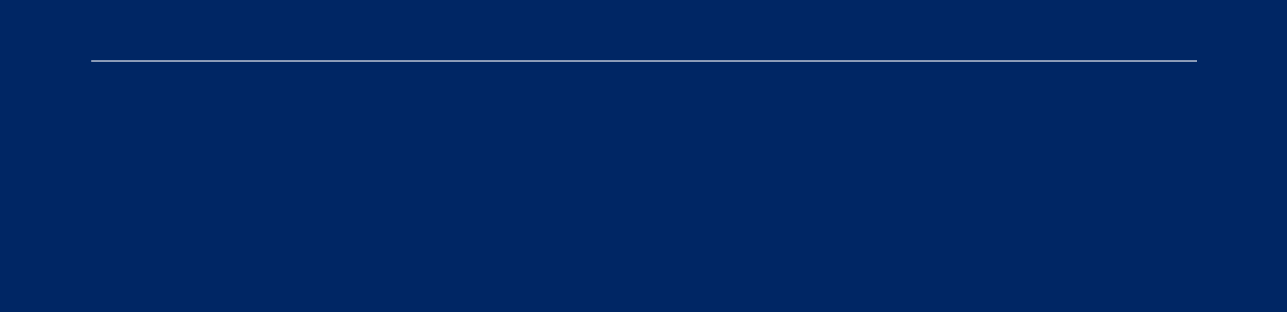
101. Diversity was a strong theme heard by the Tribunal, both diversity of communities served and diversity of representation. We heard that

younger people, women, Aboriginal and Torres Strait Islander people and members of culturally and linguistically diverse communities among others, are underrepresented in many councils.

102. The Tribunal acknowledges that it is not within its authority to address many of the issues that were raised in submissions.
103. The Tribunal is not suggesting a fundamental review of the role of councillors and notes that people enter local government representation from a sense of civic service rather than for remuneration.

## Conclusion

104. The Tribunal is of the view that a broader consideration is required of the matters raised in this determination. If the Minister decided to refer these matters under section 238 (2) of the LG Act the Tribunal would be willing to assist noting that it would require considerable consultation with the sector and access to suitable resources from Government.
105. The Tribunal's determinations have been made with the assistance of the Assessors Ms Kylie Yates, Gail Connolly PSM (in her role as Acting Deputy Secretary) and Mr Brett Whitworth.
106. It is the requirement of the Tribunal that in the future all submissions have council endorsement.
107. Determination 1 outlines the allocation of councils into each of the categories as per section 239 of the LG Act.
108. Determination 2 outlines the maximum and minimum fees paid to



councillors and mayors and members and chairpersons of county councils as per section 241 of the LG Act.

109. The Tribunal acknowledges and thanks the secretariat for their excellent research and support in completing the 2023 determination.



Viv May PSM

**Local Government Remuneration Tribunal**

Dated 27 April 2023

# Section 5 – Determinations

Determination No. 1 – Allocation of councils into each of the categories as per section 239 of the LG Act effective 1 July 2023

## General Purpose Councils – Metropolitan

### Principal CBD (1)

- Sydney

### Major CBD (1)

- Parramatta

### Metropolitan Major (2)

- Blacktown
- Canterbury-Bankstown

### Metropolitan Large (10)

- Bayside
- Cumberland
- Fairfield
- Inner West
- Liverpool
- Northern Beaches
- Penrith
- Ryde
- Sutherland
- The Hills

### Metropolitan Medium (8)

- Campbelltown
- Camden
- Georges River
- Hornsby
- Ku-ring-gai
- North Sydney
- Randwick
- Willoughby

### Metropolitan Small (8)

- Burwood
- Canada Bay
- Hunters Hill
- Lane Cove
- Mosman
- Strathfield
- Waverley
- Woollahra

## General Purpose Councils - Non-Metropolitan

### Major Regional City (2)

- Newcastle
- Wollongong

### Major Strategic Area (1)

- Central Coast

### Regional Centre (23)

- Albury
- Armidale
- Ballina
- Bathurst
- Blue Mountains
- Byron
- Cessnock
- Clarence Valley
- Coffs Harbour
- Dubbo
- Eurobodella
- Hawkesbury

### Regional Strategic Area(4)

- Lake Macquarie
- Maitland
- Shoalhaven
- Tweed

- Lismore
- Mid-Coast
- Orange
- Port Macquarie-Hastings
- Port Stephens
- Queanbeyan-Palerang
- Shellharbour
- Tamworth
- Wagga Wagga
- Wingecarribee
- Wollondilly

**Regional Rural (12)**

- Bega
- Broken Hill
- Goulburn Mulwaree
- Griffith
- Kempsey
- Kiama
- Lithgow
- Mid-Western
- Nambucca
- Richmond Valleys
- Singleton
- Snowy Monaro

**Rural Large (18)**

- Bellingen
- Cabonne
- Cootamundra-Gundagai
- Cowra
- Federation
- Greater Hume
- Gunnedah
- Hilltops
- Inverell
- Leeton
- Moree Plains
- Murray River
- Muswellbrook
- Narrabri
- Parkes
- Snowy Valleys
- Upper Hunter
- Yass

**Rural (38)**

- Balranald
- Berrigan
- Bland
- Blayney
- Bogan
- Bourke
- Brewarrina
- Carrathool
- Central Darling
- Cobar
- Coolamon
- Coonamble
- Dungog
- Edward River
- Forbes
- Gilgandra

- Glen Innes Severn
- Gwydir
- Hay
- Junee
- Kyogle
- Lachlan
- Liverpool Plains
- Lockhart
- Murrumbidgee
- Narrandera
- Narromine
- Oberon
- Temora
- Tenterfield
- Upper Lachlan
- Uralla
- Walcha
- Walgett
- Warren
- Warrumbungle
- Weddin
- Wentworth

## County Councils

### Water (4)

- Central Tablelands
- Goldenfields Water
- Riverina Water
- Rous

### Other (6)

- Castlereagh-Macquarie
- Central Murray
- Hawkesbury River
- New England Tablelands
- Upper Hunter
- Upper Macquarie

## Determination No. 2 - Fees for Councillors and Mayors as per section 241 of the LG Act effective from 1 July 2023

The annual fees to be paid in each of the categories to Councillors, Mayors, Members and Chairpersons of County Councils effective on and from 1 July 2023 as per section 241 of the *Local Government Act 1993* are determined as follows:

### Table 4: Fees for General Purpose and County Councils

#### General Purpose Councils – Metropolitan

##### Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Principal CBD	29,610	43,440
Major CBD	19,760	36,590
Metropolitan Major	19,760	34,590
Metropolitan Large	19,760	32,590
Metropolitan Medium	14,810	27,650
Metropolitan Small	9,850	21,730

##### Mayor/Chairperson Additional Fee\* (\$) effective 1 July 2023

Category	Minimum	Maximum
Principal CBD	181,210	238,450
Major CBD	41,960	118,210
Metropolitan Major	41,960	106,960
Metropolitan Large	41,960	94,950
Metropolitan Medium	31,470	73,440
Metropolitan Small	20,980	47,390



### General Purpose Councils - Non-Metropolitan

#### Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	19,760	34,330
Major Strategic Area	19,760	34,330
Regional Strategic Area	19,760	32,590
Regional Centre	14,810	26,070
Regional Rural	9,850	21,730
Rural Large	9,850	17,680
Rural	9,850	13,030

#### Mayor/Chairperson Additional Fee\* (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	41,960	106,960
Major Strategic Area	41,960	106,960
Regional Strategic Area	41,960	94,950
Regional Centre	30,820	64,390
Regional Rural	20,980	47,420
Rural Large	15,735	37,925
Rural	10,490	28,430

## County Councils

### Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Water	1,960	10,870
Other	1,960	6,490

### Mayor/Chairperson Additional Fee\* (\$) effective 1 July 2023

Category	Minimum	Maximum
Water	4,200	17,850
Other	4,200	11,860

\*This fee must be paid in addition to the fee paid to the Mayor/Chairperson as a Councillor/Member (s.249(2))

Viv May PSM

**Local Government Remuneration Tribunal**

Dated 27 April 2023

# Appendices

## Appendix 1 Criteria that apply to categories

### Principal CBD

The Council of the City of Sydney (the City of Sydney) is the principal central business district (CBD) in the Sydney Metropolitan area. The City of Sydney is home to Sydney's primary commercial office district with the largest concentration of businesses and retailers in Sydney. The City of Sydney's sphere of economic influence is the greatest of any local government area in Australia.

The CBD is also host to some of the city's most significant transport infrastructure including Central Station, Circular Quay and International Overseas Passenger Terminal. Sydney is recognised globally with its iconic harbour setting and the City of Sydney is host to the city's historical, cultural and ceremonial precincts. The City of Sydney attracts significant visitor numbers and is home to 60 per cent of metropolitan Sydney's hotels.

The role of Lord Mayor of the City of Sydney has significant prominence reflecting the CBD's importance as home to the country's major business centres and public facilities of state and national importance. The Lord Mayor's responsibilities in developing and maintaining relationships with stakeholders, including other councils, state and federal governments, community and business groups, and the media are considered greater than other mayoral roles in NSW.

## Major CBD

The Council of the City of Parramatta (City of Parramatta) is the economic capital of Greater Western Sydney and the geographic and demographic centre of Greater Sydney. Parramatta is the second largest economy in NSW (after Sydney CBD) and the sixth largest in Australia.

As a secondary CBD to metropolitan Sydney the Parramatta local government area is a major provider of business and government services with a significant number of organisations relocating their head offices to Parramatta. Public administration and safety have been a growth sector for Parramatta as the State Government has promoted a policy of moving government agencies westward to support economic development beyond the Sydney CBD.

The City of Parramatta provides a broad range of regional services across the Sydney Metropolitan area with a significant transport hub and hospital and educational facilities. The City of Parramatta is home to the Westmead Health and Medical Research precinct which represents the largest concentration of hospital and health services in Australia, servicing Western Sydney and providing other specialised services for the rest of NSW.

The City of Parramatta is also home to a significant number of cultural and sporting facilities (including Sydney Olympic Park) which draw significant domestic and international visitors to the region.

## Metropolitan Major

Councils categorised Metropolitan Major will typically have a minimum residential population of 400,000.

Councils may also be categorised Metropolitan Major if their residential population combined with their non-resident working population exceeds 400,000. To satisfy this criteria the non-resident working population must exceed 50,000.

Other features may include:

- total operating revenue exceeding \$300M per annum
- the provision of significant regional services to greater Sydney including, but not limited to, major education, health, retail, sports, other recreation and cultural facilities
- significant industrial, commercial and residential centres and development corridors
- high population growth.

Councils categorised as Metropolitan Major will have a sphere of economic influence and provide regional services considered to be greater than those of other metropolitan councils.

## Metropolitan Large

Councils categorised as Metropolitan Large will typically have a minimum residential population of 200,000.

Councils may also be categorised as Metropolitan Large if their residential population combined with their non-resident working population exceeds 200,000. To satisfy this criteria the non-resident working population must exceed 50,000.

Other features may include:

- total operating revenue exceeding \$200M per annum
- the provision of significant regional services to greater Sydney including, but not limited to, major education, health, retail, sports, other recreation and cultural facilities
- significant industrial, commercial and residential centres and development corridors
- high population growth.

Councils categorised as Metropolitan Large will have a sphere of economic influence and provide regional services considered to be greater than those of other metropolitan councils.

## Metropolitan Medium

Councils categorised as Metropolitan Medium will typically have a minimum residential population of 100,000.

Councils may also be categorised as Metropolitan Medium if their residential population combined with their non-resident working population exceeds 100,000. To satisfy this criteria the non-resident working population must exceed 50,000.

Other features may include:

- total operating revenue exceeding \$100M per annum
- services to greater Sydney including, but not limited to, major education, health, retail, sports, other recreation and cultural facilities
- industrial, commercial and residential centres and development corridors
- high population growth.

The sphere of economic influence, the scale of council operations and the extent of regional servicing would be below that of Metropolitan Large councils.

## Metropolitan Small

Councils categorised as Metropolitan Small will typically have a residential population less than 100,000.

Other features which distinguish them from other metropolitan councils include:

- total operating revenue less than \$150M per annum.

While these councils may include some of the facilities and characteristics of both Metropolitan Large and Metropolitan Medium councils the overall sphere of economic influence, the scale of council operations and the extent of regional servicing would be below that of Metropolitan Medium councils.

## Major Regional City

Newcastle City Council and Wollongong City Councils are categorised as Major Regional City. These councils:

- are metropolitan in nature with major residential, commercial and industrial areas
- typically host government departments, major tertiary education and health facilities and incorporate high density commercial and residential development



- provide a full range of higher order services and activities along with arts, culture, recreation, sporting and entertainment facilities to service the wider community and broader region
- have significant transport and freight infrastructure servicing international markets, the capital city and regional areas
- have significant natural and man-made assets to support diverse economic activity, trade and future investment
- typically contain ventures which have a broader State and national focus which impact upon the operations of the council.

### **Major Strategic Area**

Councils categorised as Major Strategic Area will have a minimum population of 300,000. To satisfy this criteria the non-resident working population can be included.

Other features may include:

- health services, tertiary education services and major regional airports which service the surrounding and wider regional community
- a full range of high-order services including business, office and retail uses with arts, culture, recreation and entertainment centres
- total operating revenue exceeding \$250M per annum

- significant visitor numbers to established tourism ventures and major events that attract state and national attention
- a proximity to Sydney which generates economic opportunities.

Currently, only Central Coast Council meets the criteria to be categorised as a Major Strategic Area. Its population, predicted population growth, and scale of the Council's operations warrant that it be differentiated from other non-metropolitan councils. Central Coast Council is also a significant contributor to the regional economy associated with proximity to and connections with Sydney and the Hunter Region.

### **Regional Strategic Area**

Councils categorised as Regional Strategic Area are differentiated from councils in the Regional Centre category on the basis of their significant population and will typically have a residential population above 100,000. To satisfy this criteria the non-resident working population can be included.

Other features may include:

- health services, tertiary education services and major regional airports which service the surrounding and wider regional community
- a full range of high-order services including business, office and retail uses with arts, culture, recreation and entertainment centres
- total operating revenue exceeding \$250M per annum

- significant visitor numbers to established tourism ventures and major events that attract state and national attention
- a proximity to Sydney which generates economic opportunities.

Currently, only Lake Macquarie Council meets the criteria to be categorised as a Regional Strategic Area. Its population and overall scale of council operations will be greater than Regional Centre councils.

### **Regional Centre**

Councils categorised as Regional Centre will typically have a minimum residential population of 40,000. To satisfy this criteria the non-resident working population can be included.

Other features may include:

- a large city or town providing a significant proportion of the region's housing and employment
- health services, tertiary education services and major regional airports which service the surrounding and wider regional community
- a full range of high-order services including business, office and retail uses with arts, culture, recreation and entertainment centres
- total operating revenue exceeding \$100M per annum
- the highest rates of population growth in regional NSW

- significant visitor numbers to established tourism ventures and major events that attract state and national attention
- a proximity to Sydney which generates economic opportunities.

Councils in the category of Regional Centre are often considered the geographic centre of the region providing services to their immediate and wider catchment communities.

### **Regional Rural**

Councils categorised as Regional Rural will typically have a minimum residential population of 20,000. To satisfy this criteria the non-resident working population can be included.

Other features may include:

- a large urban population existing alongside a traditional farming sector, and are surrounded by smaller towns and villages
- health services, tertiary education services and regional airports which service a regional community
- a broad range of industries including agricultural, educational, health, professional, government and retail services
- large visitor numbers to established tourism ventures and events.

Councils in the category of Regional Rural provide a degree of regional servicing below that of a Regional Centre.

### **Rural Large**

Councils categorised as Rural Large will have a residential population greater than 10,000, and a councillor to resident ratio of at least 1 to 1200.

Other features may include:

- one or two significant townships combined with a considerable dispersed population spread over a large area and a long distance from a major regional centre
- a limited range of services, facilities and employment opportunities compared to Regional Rural councils
- local economies based on agricultural/resource industries.

## **Rural**

Councils categorised as Rural will typically have a residential population less than 10,000.

## **County Councils - Water**

County councils that provide water and/or sewerage functions with a joint approach in planning and installing large water reticulation and sewerage systems.

## **County Councils - Other**

County councils that administer, control and eradicate declared noxious weeds as a specified Local Control Authority under the Biosecurity Act 2015.

## POLICY AND GENERAL COMMITTEE

August 31, 2023

**ITEM 2****BROKEN HILL CITY COUNCIL REPORT NO. 173/23**

**SUBJECT:** **ENDORSEMENT OF DISPLAY FORMAT FOR COUNCILLOR MEETING/BRIEFING ATTENDANCE IN DRAFT 2022/23 ANNUAL REPORT** **D23/46951**

**Recommendation**

1. That Broken Hill City Council Report No. 173/23 dated August 31, 2023, be received.
2. That Council endorse the proposed display format for Councillor attendance at Ordinary, Extraordinary and Standing Committee Meetings and Briefings for placement in the Draft 2022/2023 Annual Report.

**Executive Summary:**

The purpose of this report is to present the proposed display format for the Councillor attendance at Ordinary, Extraordinary and Standing Committee meetings and Councillor Briefings within the Draft 2022/23 Annual Report, for endorsement.

**Report:**

In accordance with Section 428(1) of the *Local Government Act 1993*, Council adopted the 2021/2022 Annual Report, minute number 47041, at the November 2022 Ordinary Council meeting.

A section of the 2021/2022 Annual Report contained information relating to the attendance of Councillors at Ordinary and Extraordinary Meetings and Briefings. The below question was raised during the November 2022 Ordinary meeting.

Annual Report - The Mayor asked for the Councillor Attendance section of next year's Annual Report to include Standing Committees and for a draft of this section to be provided to the Policy and General Committee prior to the final draft Annual Report being presented to Council.

The following is the proposed Annual Report display format for Councillor attendance at Ordinary, Extraordinary and Standing Committee meetings and Councillor Briefings for 2022/23.

## Council Meetings and Committees

Council conducts its business on a monthly basis at open and publicly advertised meetings. At times, Council matters may be classed as confidential and will be conducted as such. Additional Council meetings may be held throughout the year to consider specific matters.

During 2022/2023 there were a total of **13 Council Meetings** consisting of **twelve Ordinary** and **one Extraordinary Council Meetings**, **29 Councillor Briefings**, **ten Health and Building Standing Committee Meetings**, **nine Policy and General Standing Committee Meetings** and **ten Works Standing Committee Meetings** held. Councillor attendance is shown in the table below.

Councillor	Council Meetings	Councillor Briefings	Health and Building	Policy and General	Works
Mayor Kennedy	13	26*	9	8	9
Councillor Algate	11	19*	1*	8	9
Councillor Bolland	12	9*	4*	7	8
Councillor Browne	13	23*	3*	9	6*
Councillor Chandler	13	18*	9	5*	8
Councillor Gallagher APM	12	14*	9	1*	2*
Councillor Hickey	11	12*	5	6	1*
Councillor Jewitt	12	1*	7	5	1*
Councillor Page	10	7*	0*	1*	9
Councillor Turley AM	12	14*	6	2*	1*

\* Note: Councillor attendance at Briefings and Standing Committee meetings for non-members was optional

### Community Engagement:

Council Business Paper – Policy and General Standing Committee Meeting 20 September 2023  
Council Business paper – Council Meeting 27 September 2023

### Strategic Direction:

Key Direction:	4	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.5	Support the organisation to operate within its legal framework

### Relevant Legislation:

*Local Government Act 1993*

### Financial Implications:

There are no direct financial implication arising from the endorsement of this recommendation.

### Attachments

There are no attachments for this report

RAZIJA NU'MAN  
DIRECTOR CORPORATE AND COMMUNITY

JAY NANKIVELL  
GENERAL MANAGER



## POLICY AND GENERAL COMMITTEE

August 23, 2023

**ITEM 3****BROKEN HILL CITY COUNCIL REPORT NO. 174/23****SUBJECT:** **PUBLIC INTEREST DISCLOSURES ANNUAL REPORT - 2022/2023**  
**D23/45024****Recommendation**

1. That Broken Hill City Council Report No. 174/23 dated August 23, 2023, be received.
2. That the Broken Hill City Council Public Interest Disclosures Annual Report 2022/2023 be forwarded to the Minister for Local Government and the NSW Ombudsman by 30 October 2023

**Executive Summary:**

In accordance with Section 31 of the *Public Interest Disclosures Act 1994 (the Act)* each public authority must, within four months after the end of each reporting year, prepare an annual report on the public authority's obligations under the Act for submission to the Minister responsible for the public authority. A copy of the report is also to be provided to the NSW Ombudsman.

Council adopted the reviewed Reporting of Public Interest Disclosures Policy on 25 September 2019. The objective of this policy is to establish an internal reporting system for staff and Councillors, volunteers, consultants and contractors to report wrongdoing without fear of reprisal. The policy sets out to whom wrongdoing can be reported at Broken Hill City Council, what can be reported and how reports of wrongdoing will be dealt with.

The Act focuses on corrupt conduct, maladministration, serious and substantial waste of public money or local government money (as appropriate), Government information contraventions and local government pecuniary interest contraventions.

Council's Public Interest Disclosures reporting year is aligned with financial year reporting. As such, this report is for 1 July 2022 through to 30 June 2023. A copy of the July to December 2022 and January to June 2023 Public Interest Disclosures reports submitted online to the NSW Ombudsman are attached for reference.

**Report:**

The *Public Interest Disclosures Regulation 2011* – Reg 4 requires the following information to be included in the Public Interest Disclosures Annual Report:

<b>The <i>Public Interest Disclosures Regulation 2011</i>, requires the following information to be included in the Public Interest Disclosures Annual Report:</b>		
	<b>Requirement</b>	<b>Statistic</b>
(a)	The number of public officials who have made a public interest disclosure to the public authority	1
(b)	The number of public interest disclosures received by the public authority in total and the number of public interest disclosures received by the public authority relating to each of the following: (i) corrupt conduct (ii) maladministration (iii) serious and substantial waste of public money or local government money (as appropriate) (iv) government information contraventions (v) local government pecuniary interest contraventions	1  1 Nil Nil Nil Nil
(c)	The number of public interest disclosures finalised by the public authority	1
(d)	Whether the public authority has a public interest disclosure policy in place	A copy of Council's Reporting of Public Interest Disclosures Policy is available on Council's website <a href="http://www.brokenhill.nsw.gov.au">www.brokenhill.nsw.gov.au</a>
(e)	What actions the head of the public authority has taken to ensure that his or her staff awareness responsibilities under section 6E (1) (b) of the Act have been met.	<ul style="list-style-type: none"> <li>• Council's reviewed Reporting of Public Interest Disclosures Policy was adopted by Council 25 September 2019 and is available on Council's website and intranet site.</li> <li>• PID Awareness and information on PID Policies and Procedures is included in Council's Corporate Induction Program and provided to staff via posters, staff newsletter.</li> </ul>

**Community Engagement:**

Reporting of Public Interest Disclosures Policy was placed on 28-day public exhibition for comment in July 2019 and once adopted in September 2019, the Policy was placed on Council's website.

**Strategic Direction:**

Key Direction:	4.	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.5	Support the organisation to operate within its legal framework

**Relevant Legislation:**

*Public Disclosures Act 1994*

*Public Interest Disclosures Regulation 2011*

*Local Government Act 1993*

**Financial Implications:**

Nil

**Attachments**

1. [↓](#) Public Interest Disclosures Report - July to December 2022
2. [↓](#) Public Interest Disclosures Report - Jan to June 2023

RAZIJA NU'MAN  
DIRECTOR CORPORATE AND COMMUNITY

JAY NANKIVELL  
GENERAL MANAGER

**BROKEN HILL CITY COUNCIL**

**Report to the NSW Ombudsman**

Submitted On: 24 Jan 2023

Reporting Period: July to December 2022

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
No of public officials who made public interest disclosures to your public authority	1	0	0
No of public interest disclosure received by your public authority	1	0	0
Of public interest disclosures received, how many were primarily about:	1	0	0
Corrupt conduct	1	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		1	
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 by your organisation, Messages in staff newsletters, Messages in other publications, Brochures, Posters, Training provided to new staff during induction

**BROKEN HILL CITY COUNCIL**

**Report to the NSW Ombudsman**

*Submitted On: 27 Jul 2023*

*Reporting Period: January to June 2023*

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
No of public officials who made public interest disclosures to your public authority	0	0	0
No of public interest disclosure received by your public authority	0	0	0
Of public interest disclosures received, how many were primarily about:	0	0	0
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 by your organisation, Training provided to new staff during induction			

## POLICY AND GENERAL COMMITTEE

September 7, 2023

**ITEM 4**BROKEN HILL CITY COUNCIL REPORT NO. 175/23SUBJECT: 2022/2023 DRAFT ANNUAL FINANCIAL STATEMENTS D23/48829**Recommendation**

1. That Broken Hill City Council Report No. 175/23 dated September 7, 2023, be received.
2. That the 2022/2023 Draft Primary Financial Statements as attached be received.
3. That the 2022/2023 Draft Primary Financial Statements as attached be referred to audit.
4. That Council adopt the attached Statements of Opinion on the 2022/23 General Purpose and Special Purpose Financial Statements and the Mayor, the Deputy Mayor, the General Manager and the Responsible Accounting Officer sign the Statements in accordance with Section 413(2)(c) of the *Local Government Act 1993*.
5. That Council delegate to the General Manager the authority to finalise the date at which the auditor's report and financial statements are to be presented to the public.
6. That Council delegate the General Manager the authority to authorise the 2022/23 General Purpose and Special Purpose Financial Statements and associated Special Schedules for issue immediately upon receipt of the auditors reports subject to there being no material audit changes or audit issues, in accordance with AASB 110.

**Executive Summary:**

Two separate financial reports are produced by Council each year to comply with State Government legislative requirements under the *Local Government Act 1993* and the *Public Finance and Audit Act 1983*.

The reports are the:

- General Purpose Financial Report
- Special Purpose Financial Report

The draft reports have been completed and the primary financial statements are attached.

Please note that these Financial Statements are in draft form and prior to independent audit and therefore do not necessarily represent the final financial position of Council as at 30 June 2023.

**Report:**

The *Local Government Act 1993* and Audit Plan provides for the following process to be observed by Councils for the preparation and audit of the annual financial reports:

1. Council staff prepare draft annual financial reports – July to September 23.
2. Draft report (this Agenda item) to Council for signing of Statement of Opinion by Council on the draft annual financial reports – 27 September 2023.
3. Internal Audit Committee Meeting held – TBC
4. Audit office issues engagement closing report 12 October 2023.
5. Auditor submits financial reports and audit reports to the Council and the Office of Local Government – 14 October 2023.
6. A notice is published in the local newspaper advising that the annual financial reports together with the auditors' reports will be presented to the public at an Ordinary meeting of the Council – 18 October 2023.
7. The reports are presented to the public at the October Ordinary Council Meeting – 25 October 2023.
8. Audit office issues final management letter - No later than 30 November 2023.

### Statement by the Council

Section 413(2) of the *Local Government Act 1993* and Section 41C of the *Public Finance and Audit Act 1983* requires Council to include in the financial reports; a statement as to Council's opinion on each of the reports. The auditor requires these statements to be signed prior to the issue of the audit reports. The prescribed forms of the statements of opinion are attached and must be signed by the Mayor, at least one other Councillor, the General Manager and the Responsible Accounting Officer of the Council. (Refer to Attachments).

Following the audit of these reports, they will be presented to the public at the October 2023 Ordinary Council Meeting, subject to the above disclaimer.

### **Strategic Direction:**

Key Direction:	4	Our Community
Objective:	4.1	Openness and Transparency in Decision Making
Strategy:	4.1.1	Support the organization to operate within its legal framework

### **Relevant Legislation:**

*Local Government Act (1993)*

*Public Finance and Audit Act (1983)*

*Local Government Amendment (Governance and Planning) Bill 2016*

### **Financial Implications:**

The recommendation has no financial impact.

### **Attachments**

1. [↓](#) 2022/23 General Purpose Financial Statements
2. [↓](#) 2022/23 Special Purpose Financial Statements

SIMON BROWN  
DIRECTOR FINANCE AND COMMERCIAL

JAY NANKIVELL  
GENERAL MANAGER

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**Broken Hill City Council****General Purpose Financial Statements**

for the year ended 30 June 2023

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

**The attached general purpose financial statements have been prepared in accordance with:**

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

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

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

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

**Signed in accordance with a resolution of Council made on 27 September 2023.**

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Tom Kennedy  
**Mayor**  
27 September 2023

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Jim Hickey  
**Councillor**  
27 September 2023

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Jay Nankivell  
**General Manager**  
27 September 2023

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Simon Brown  
**Responsible Accounting Officer**  
27 September 2023



## Broken Hill City Council

## Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
	<b>Income from continuing operations</b>			
20,226	Rates and annual charges	B2-1	19,678	19,540
3,480	User charges and fees	B2-2	4,454	3,096
464	Other revenues	B2-3	4,873	3,099
7,132	Grants and contributions provided for operating purposes	B2-4	10,617	9,469
8,023	Grants and contributions provided for capital purposes	B2-4	4,534	4,920
498	Interest and investment income	B2-5	724	276
–	Other income	B2-6	331	294
–	Net gain from the disposal of assets	B4-1	–	5
39,823	<b>Total income from continuing operations</b>		<b>45,211</b>	<b>40,699</b>
	<b>Expenses from continuing operations</b>			
14,563	Employee benefits and on-costs	B3-1	15,492	14,465
10,139	Materials and services	B3-2	12,346	11,748
678	Borrowing costs	B3-3	841	799
6,259	Depreciation, amortisation and impairment of non-financial assets	B3-4	6,675	7,380
963	Other expenses	B3-5	784	1,338
–	Net loss from the disposal of assets	B4-1	395	–
32,602	<b>Total expenses from continuing operations</b>		<b>36,533</b>	<b>35,730</b>
7,221	<b>Operating result from continuing operations</b>		<b>8,678</b>	<b>4,969</b>
7,221	<b>Net operating result for the year attributable to Council</b>		<b>8,678</b>	<b>4,969</b>
(802)	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>4,144</b>	<b>49</b>

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

## Broken Hill City Council

## Statement of Comprehensive Income

for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>Net operating result for the year – from Income Statement</b>		<b>8,678</b>	4,969
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<b>34,704</b>	27,281
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>34,704</b>	27,281
<b>Total other comprehensive income for the year</b>		<b>34,704</b>	27,281
<b>Total comprehensive income for the year attributable to Council</b>		<b>43,382</b>	32,250

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

## Broken Hill City Council

## Statement of Financial Position

as at 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	15,400	15,165
Investments	C1-2	22,328	8,570
Receivables	C1-4	3,911	4,672
Inventories	C1-5	134	147
Other	C1-11	1,068	1,069
<b>Total current assets</b>		<b>42,841</b>	<b>29,623</b>
<b>Non-current assets</b>			
Infrastructure, property, plant and equipment (IPPE)	C1-6	326,346	288,869
Investments accounted for using the equity method	D1-1	866	931
<b>Total non-current assets</b>		<b>327,212</b>	<b>289,800</b>
<b>Total assets</b>		<b>370,053</b>	<b>319,423</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	4,683	4,149
Contract liabilities	C3-2	8,864	2,028
Borrowings	C3-3	1,803	1,556
Employee benefit provisions	C3-4	4,768	4,550
<b>Total current liabilities</b>		<b>20,118</b>	<b>12,283</b>
<b>Non-current liabilities</b>			
Borrowings	C3-3	17,875	18,667
Employee benefit provisions	C3-4	268	228
Provisions	C3-5	9,712	9,547
<b>Total non-current liabilities</b>		<b>27,855</b>	<b>28,442</b>
<b>Total liabilities</b>		<b>47,973</b>	<b>40,725</b>
<b>Net assets</b>		<b>322,080</b>	<b>278,698</b>
<b>EQUITY</b>			
Accumulated surplus	C4-1	122,388	113,710
IPPE revaluation reserve	C4-1	199,692	164,988
<b>Council equity interest</b>		<b>322,080</b>	<b>278,698</b>
<b>Total equity</b>		<b>322,080</b>	<b>278,698</b>

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

**Broken Hill City Council**

**Statement of Changes in Equity**  
for the year ended 30 June 2023

	Notes	2023			2022		
		Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July		113,710	164,988	278,698	108,741	137,707	246,448
<b>Net operating result for the year</b>		8,678	–	8,678	4,969	–	4,969
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	34,704	34,704	–	27,281	27,281
<b>Other comprehensive income</b>		–	34,704	34,704	–	27,281	27,281
<b>Total comprehensive income</b>		8,678	34,704	43,382	4,969	27,281	32,250
<b>Closing balance at 30 June</b>		122,388	199,692	322,080	113,710	164,988	278,698

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

## Broken Hill City Council

## Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Actual 2023 \$ '000	Actual 2022 \$ '000
	Notes		
<b>Cash flows from operating activities</b>			
<i>Receipts:</i>			
19,619	Rates and annual charges	20,453	19,917
3,376	User charges and fees	4,201	3,457
465	Interest received	874	106
15,155	Grants and contributions	21,987	14,065
–	Bonds, deposits and retentions received	339	11
450	Other	7,457	5,570
<i>Payments:</i>			
(14,126)	Payments to employees	(15,226)	(13,852)
(9,835)	Payments for materials and services	(14,386)	(14,705)
(678)	Borrowing costs	(841)	(642)
(934)	Other	(477)	(1,074)
13,492	<b>Net cash flows from operating activities</b>	24,381	12,853
	G1-1		
<b>Cash flows from investing activities</b>			
<i>Receipts:</i>			
–	Sale of investments	500	5,126
–	Proceeds from sale of IPPE	123	241
–	Deferred debtors receipts	–	6
<i>Payments:</i>			
–	Purchase of investments	(248)	–
–	Acquisition of term deposits	(14,010)	(4,500)
(21,625)	Payments for IPPE	(9,966)	(16,818)
(21,625)	<b>Net cash flows from investing activities</b>	(23,601)	(15,945)
<b>Cash flows from financing activities</b>			
<i>Receipts:</i>			
–	Proceeds from borrowings	1,141	437
<i>Payments:</i>			
(1,605)	Repayment of borrowings	(1,686)	(1,451)
(1,605)	<b>Net cash flows from financing activities</b>	(545)	(1,014)
(9,738)	<b>Net change in cash and cash equivalents</b>	235	(4,106)
–	Cash and cash equivalents at beginning of year	15,165	19,271
(9,738)	<b>Cash and cash equivalents at end of year</b>	15,400	15,165
	C1-1		
–	plus: Investments on hand at end of year	22,328	8,570
(9,738)	<b>Total cash, cash equivalents and investments</b>	37,728	23,735
	C1-2		

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

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**Broken Hill City Council****Special Purpose Financial Statements**

for the year ended 30 June 2023

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**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:

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- 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
- Sections 3 and 4 of the NSW Department of Planning and Environment, *Water's Regulatory and assurance framework for local water utilities*.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 27 September 2023.

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Tom Kennedy

**Mayor**

27 September 2023

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Jim Hickey

**Councillor**

27 September 2023

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Jay Nankivell

**General Manager**

27 September 2023

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Simon Brown

**Responsible Accounting Officer**

27 September 2023

## Broken Hill City Council

Income Statement of Airport  
for the year ended 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>Income from continuing operations</b>		
User charges	911	393
<b>Total income from continuing operations</b>	<b>911</b>	<b>393</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	342	325
Materials and services	320	206
Depreciation, amortisation and impairment	463	446
<b>Total expenses from continuing operations</b>	<b>1,125</b>	<b>977</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(214)</b>	<b>(584)</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(214)</b>	<b>(584)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(214)</b>	<b>(584)</b>
<b>Surplus (deficit) after tax</b>	<b>(214)</b>	<b>(584)</b>
<b>Plus accumulated surplus</b>	<b>(5,441)</b>	<b>(3,157)</b>
<b>Add:</b>		
– Subsidy paid/contribution to operations	5,203	(1,700)
<b>Closing accumulated surplus</b>	<b>(452)</b>	<b>(5,441)</b>
<b>Return on capital %</b>	<b>(1.0)%</b>	<b>(2.9)%</b>
<b>Subsidy from Council</b>	<b>1,041</b>	<b>8,725</b>

## Broken Hill City Council

Income Statement of Civic Centre (Entertainment centre)  
for the year ended 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>Income from continuing operations</b>		
User charges	313	105
<b>Total income from continuing operations</b>	<b>313</b>	<b>105</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	470	179
Materials and services	190	77
Depreciation, amortisation and impairment	405	536
<b>Total expenses from continuing operations</b>	<b>1,065</b>	<b>792</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(752)</b>	<b>(687)</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(752)</b>	<b>(687)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(752)</b>	<b>(687)</b>
<b>Surplus (deficit) after tax</b>	<b>(752)</b>	<b>(687)</b>
<b>Plus accumulated surplus</b>	<b>13,954</b>	<b>14,567</b>
– Subsidy paid/contribution to operations	<b>(3,847)</b>	<b>74</b>
<b>Closing accumulated surplus</b>	<b>9,355</b>	<b>13,954</b>
<b>Return on capital %</b>	<b>(4.6)%</b>	<b>(3.7)%</b>
<b>Subsidy from Council</b>	<b>1,405</b>	<b>2,693</b>



## Broken Hill City Council

Income Statement of Commercial waste  
for the year ended 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>Income from continuing operations</b>		
User charges	1,625	1,506
<b>Total income from continuing operations</b>	<b>1,625</b>	<b>1,506</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	373	357
Materials and services	340	27
Depreciation, amortisation and impairment	150	158
Other expenses	75	398
<b>Total expenses from continuing operations</b>	<b>938</b>	<b>940</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>687</b>	<b>566</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>687</b>	<b>566</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>687</b>	<b>566</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(172)	(142)
<b>Surplus (deficit) after tax</b>	<b>515</b>	<b>424</b>
<b>Plus accumulated surplus</b>	<b>1,243</b>	<b>1,450</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	172	142
– Subsidy paid/contribution to operations	(481)	(773)
<b>Closing accumulated surplus</b>	<b>1,449</b>	<b>1,243</b>
<b>Return on capital %</b>	<b>22.9%</b>	<b>19.9%</b>

Broken Hill City Council

Statement of Financial Position of Airport  
as at 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	20,577	20,192
<b>Total non-current assets</b>	<b>20,577</b>	<b>20,192</b>
<b>Total assets</b>	<b>20,577</b>	<b>20,192</b>
<b>Net assets</b>	<b>20,577</b>	<b>20,192</b>
<b>EQUITY</b>		
Accumulated surplus	(452)	(5,441)
Revaluation reserves	21,029	25,633
<b>Total equity</b>	<b>20,577</b>	<b>20,192</b>

## Broken Hill City Council

## Statement of Financial Position of Civic Centre (Entertainment centre)

as at 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	16,253	18,800
<b>Total non-current assets</b>	<b>16,253</b>	<b>18,800</b>
<b>Total assets</b>	<b>16,253</b>	<b>18,800</b>
<b>Net assets</b>	<b>16,253</b>	<b>18,800</b>
<b>EQUITY</b>		
Accumulated surplus	9,355	13,954
Revaluation reserves	6,898	4,846
<b>Total equity</b>	<b>16,253</b>	<b>18,800</b>

## Broken Hill City Council

## Statement of Financial Position of Commercial waste

as at 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
<b>ASSETS</b>		
<b>Current assets</b>		
Receivables	58	69
<b>Total current assets</b>	<b>58</b>	<b>69</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	3,003	2,844
<b>Total non-current assets</b>	<b>3,003</b>	<b>2,844</b>
<b>Total assets</b>	<b>3,061</b>	<b>2,913</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Provisions	1,612	1,670
<b>Total current liabilities</b>	<b>1,612</b>	<b>1,670</b>
<b>Total liabilities</b>	<b>1,612</b>	<b>1,670</b>
<b>Net assets</b>	<b>1,449</b>	<b>1,243</b>
<b>EQUITY</b>		
Accumulated surplus	1,449	1,243
<b>Total equity</b>	<b>1,449</b>	<b>1,243</b>

## POLICY AND GENERAL COMMITTEE

September 7, 2023

**ITEM 5**BROKEN HILL CITY COUNCIL REPORT NO. 176/23SUBJECT:                    BUDGET CARRYOVER'S 2022/23                    D23/48540**Recommendation**

1. That Broken Hill City Council Report No. 176/23 dated September 7, 2023, be received.
2. That Council revoke the budget items as listed below in *Table 1* for the amount of \$399,100.
3. That Council note the carryover budget items as listed below in *Table 2* for the amount of \$41,510,479.

**Executive Summary:**

At the conclusion of each financial year some works remain either not commenced or not completed. Under *Local Government (General) Regulation (2005)* Division 5, Section 211 (Authorisation of Expenditure) it is necessary for Council each year to revoke funds for those works that are not commenced in order that the works can be carried out during the following financial year. It is not a requirement for Council to revoke funds for works that have commenced or are/have been contracted to be carried out.

The 2022-23 capital projects programme was again disrupted by ongoing delays to supply chains for equipment and materials and shortage of skilled trades people in Broken Hill. As a result, there are a number of projects that are not completed at the end of the financial year including some plant items ordered in the 2020-21 financial year that are still to be delivered by our suppliers.

As at 30 June 2023, ten capital projects budgeted for \$399,100 as listed below in *Table 1* require Council's revoke and 30 capital projects budgeted for \$41,510,479 as listed below in *Table 2* have been included for Council's notation.

The total capital expenditure budget to be carried over to the 2022/23 financial year is \$41,909,579. Eight of the carryover projects are partly or fully grant funded and the total grant funding still to be received for these projects is \$30,477,304.

**Report:**

A reconciliation of all budgeted capital project items for the 2022/23 financial year has been completed. As a result of this reconciliation, ten capital projects have been identified that are yet to be commenced. For these works to be carried out in the 2023/24 financial year Council are required to revoke these funds.

In addition, there are 30 capital projects that have been started in the 2022/23 financial year but are incomplete. These are included in this report for Council notation.

Below is a summary of the capital works that are required to be carried forward into the 2023/24 financial year.

**For Council's re-vote:**

The capital projects that have yet to be started with their matching unspent funds and Council contribution are listed below and require Council to formally re-vote them as part of the 2023/24 budget:

**Table 1**

No.	Project Name	Budgeted Expenditure
1	O Neil Park Tennis Court Lighting Upgrade	122,400
2	Bus Shelter - Gypsum St, Gossan St and Ryan St	60,000
3	Visitors Information Centre Shop 3 Air conditioner Replacement	9,400
4	HACC Sewerage Pump Station fencing	5,050
5	Admin Building - No2 Chilled Water Pump Replacement	9,500
6	Admin Building - No1 Condensor Pump Replacement	9,000
7	Admin Building stairwell doors replacement	13,350
8	Replace vandalised projection lighting at the Civic Centre	18,000
9	Renewable Energy Action Plan Stage 2	136,400
10	Patton Park Electrical Upgrade	16,000
	<b>Total capital expenditure required for re-vote</b>	<b>\$399,100</b>

1. O Neil Park Tennis Court Lighting Upgrade

This project has been delayed due to the unavailability of contractors willing and able to provide quotes.

2. Bus Shelter - Gypsum St, Gossan St and Ryan St

Project has commenced awaiting delivery of shelters from the supplier.

3. Visitors Information Centre Shop 3 Air conditioner Replacement

This project was awaiting installation as at 30 June 2023 but has since been completed.

4. HACC Sewerage Pump Station Fencing

This project has been delayed due to the unavailability of contractors willing and able to provide quotes. Staff are investigating adding the project to the internal schedule of works for 2023-24.

5. Admin Building - No2 Chilled Water Pump Replacement

This project has been delayed due to the difficulty experienced by contractors in sourcing suitable replacement components for the ageing system.

6. Admin Building - No2 Condenser Pump Replacement

This project has been delayed due to the difficulty experienced by contractors in sourcing suitable replacement components for the ageing system.

7. Admin Building – Stairwell Doors Replacement

This project has been delayed awaiting building fire safety compliance schedules to be completed in September 2023.

8. Replace vandalised projection lighting at the Civic Centre

This work was awaiting installation as at 30 June 2023 but has since been completed.

9. Renewable Energy Action Plan Stage 2

This project has been delayed due to delays experienced with land claims on the previously identified land.

10. Patton Park Electrical Upgrade

This project was postponed due to the resignation of Council's electrician. The project will commence when a replacement electrician is recruited.

***For Council's notation:***

The following is a list of commenced but incomplete projects for the 2022/23 financial year and is for Council's notation. All unspent funds on these projects were placed in reserves at the year end and will be brought forward to cover the cost of these projects. These works with their matching reserves and/or unspent grant funds will be added to this year's budget.

**Table 2**

<b>No.</b>	<b>Project Name</b>	<b>Budgeted Expenditure</b>
1	Library, Archive & Cultural Precinct - Construction	14,412,708
2	Library, Archive & Cultural Precinct - Temp Relocation	748,184
3	CBD Redevelopment	3,381,470
4	Annual Fence Renewal Program	130,131
5	EP O'Neill Complex Redevelopment Project-Stage 1	6,317,722
6	Tree Replacement Program	76,492
7	Waste Facility Fencing	31,358
8	Road Reseal Program 2022/23	403,835

9	Oxide Street - Lane to Chapple St - R2R	773,806
10	Duff Lane Sealing	241,507
11	Waste Transfer Facility Inlet Road	142,534
12	Gypsum St – Newton St to Pell Ln	86,525
13	Art Gallery Exhibition Space Upgrade	34,032
14	Housing Subdivision and Duke of Cornwall Redevelopment	1,944,311
15	Warnock Depot Master Plan Technical Design	173,772
16	Airport CCTV Security Upgrade	40,000
17	Sturt Park Shed Extension	30,000
18	BLD - 176 Beryl Street Development	210,000
19	Works Depot Security System Upgrade	836
20	Visitor Information Centre Security System Upgrade	3,748
21	Airport Fire Equipment Upgrade	88,215
22	Upgrade Airport Taxiways and Apron	9,999,600
23	Geocentre Multimedia Equipment Renewal	52,180
24	Library Reservations and Print Management	10,912
25	HR Management System Implementation	26,807
26	Gateway Sign Replacement 2023	36,000
27	Plant and Equipment Replacement 20-21	241,317
28	Plant and Equipment Replacement 21-22	748,477
29	Plant and Equipment Replacement 22-23	1,000,000
30	Outback Letterbox Library Van	124,000
	<b>Total capital expenditure carry forward that does not require a re-vote:</b>	<b>\$41,510,479</b>

1. Library, Archive & Cultural Precinct - Construction



This a long-term project that is planned to be completed by December 2024. Construction will commence once existing library operations are relocated to the ground floor of the admin building expected to be December 2023.

2. Library, Archive & Cultural Precinct – Temporary Relocation

This project involves refurbishment of the Administration Building ground floor and carpark to accommodate the temporary relocation of library operations while the new library is constructed. Construction and the relocation are planned to be complete by December 2023.

3. CBD Redevelopment

This project was commenced in the 2022 financial year and currently has four components:

- Erection of banner poles – Complete
- Installation of wayfinding signs and structures – Under construction
- Town Square redevelopment – Preliminary design and consultation
- Argent Street paving replacement – Project scoping and planning

4. Annual Fence Renewal Program

The annual fence renewal program consists of a ten-year plan to replace fencing of the Willyama common, Regeneration Reserve and Living Desert Reserve. Work commenced in the 2022 financial year and was subsequently delayed due to the need to prioritise flood repairs and the sporadic availability of suitable contractors. It is anticipated that budgeted works will be completed in 2023-24.

5. EP O'Neill Complex Redevelopment Project-Stage 1

This a long-term project with multiple components that has reached the technical design stage. Technical designs are due to be completed by September 2023.

6. Tree Replacement Program

The first phase of the project to replace dead and diseased trees was complete in the 2023-24 with the removal and replacement of trees in Blende Street. The remainder of the work is planned to be completed in 2023-24.

7. Waste Facility Fencing

Project is complete and awaiting final payment.

8. Road Reseal Program 2022/23

Resealing was complete as at 30 June 2023 however line marking of resealed roads was delayed due to the unavailability of line marking contractors. Work is scheduled to be completed by October 2023.

9. Oxide Street - Lane to Chapple St - R2R

Commencement of this project was delayed due to unavailability of design consultants which in turn delayed tendering of the contract. The contract has been awarded and construction is due to commence in September 2023.

10. Duff Lane Sealing

Commencement of this project was delayed due to unavailability of design consultants which in turn delayed contract works. The project was completed on 5 September 2023.

11. Waste Transfer Facility Inlet Road

Commencement of this project was delayed due to unavailability of design consultants. Construction to commence is September.

12. Gypsum St – Newton St to Pell Ln

Commencement of this project was delayed due to unavailability of design consultants which in turn delayed contract works. The project was completed in August 2023.

13. Art Gallery Exhibition Space Upgrade

Finalisation of this project has been delayed by supply chain issues with the manufacture of removable modular panels.

14. Housing Subdivision and Duke of Cornwall Redevelopment

This project is delayed by the need to rezone land for the housing subdivision.

15. Warnock Depot Master Plan Technical Design

This is a long-term project. Final technical designs are scheduled to be completed by mid-October.

16. Airport CCTV Security Upgrade

Contractor has been engaged for this project and awaiting delivery of parts and materials.

17. Sturt Park Shed Extension

Contractor has been engaged for this project and awaiting delivery of parts and materials. Slab construction has commenced, and installation of the shed is scheduled for September.

18. 176 Beryl Street Development

Settlement on purchase of the site has been delayed due to the vendor passing away.

19. Works Depot Security System Upgrade

Contractor has been engaged for this project and the project is scheduled to be completed in September 2023.

20. Visitor Information Centre Security System Upgrade

Contractor has been engaged for this project and the project is scheduled to be completed in September 2023.

**21. Airport Fire Equipment Upgrade**

Contractor has been engaged for this project and the project is scheduled to be completed in September 2023.

**22. Upgrade Airport Taxiways and Apron**

The design brief is currently out for tender that closes on 7 September 2023.

**23. Geocentre Multimedia Equipment Renewal**

Contractor has been engaged and work is scheduled to commence in September 2023.

**24. Library Reservations and Print Management**

Contractor has been engaged and work has commenced and due for completion in September 2023.

**25. HR Management System Implementation**

Core system has been implemented. Implementation of subsidiary modules is awaiting availability of staff for data uploads and training.

**26. Gateway Sign Replacement 2023**

This project is delayed awaiting submission of design changes by the designer and contractor for approval of the development application.

**27-31 Plant and Equipment Replacement -2021 to 2023**

The effect of Covid 19 on supply chains in the motor vehicle industry is still impacting supply of plant and equipment particularly heavy duty and specialised equipment. We are awaiting delivery of the following vehicles:

- Ordered 2020-21      – Two trucks
  
- Ordered 2021-22      - Two trucks
  - Jet Patcher
  - Forklift
  
- Ordered 2022-23      - Outback Letterbox Library Van
  - Bitumen Truck
  - Elevated Work Platform

In summary, \$399,100 requires a Council re-vote and \$41,510,479 will be carried forward into the 2023/24 financial year which does not require a Council re-vote.

The total carryover expenditure budget for 2023/24 is \$41,909,579. Six of the carryover projects are partly or fully grant funded and the total grant funding still to be received for these projects is \$30,477,304.

**Strategic Direction:**

Key Direction:	4	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.1	Support the organisation to operate its legal framework

**Relevant Legislation:**

*Local Government Act 1993*

*Local Government (General) Regulation 2021 Division 5, Section 211*

**Financial Implications:**

The recommendation will have an impact on the representation of the cash flow in the 2023/24 year as the carry forward expenditure of \$41,909,579 less related grant income of \$30,477,304 was not forecast to be expended in this year.

However, it will not influence Council's budgeted cash position as this revenue and expenditure were forecasted for 2023/24 based on the projects being completed in the 2022/23 financial year.

An updated capital budget inclusive of the approved carryovers will form part of the September 2023 Budget Quarterly Review report.

**Attachments**

There are no attachments for this report

SIMON BROWN  
DIRECTOR FINANCE AND COMMERCIAL

JAY NANKIVELL  
GENERAL MANAGER

## POLICY AND GENERAL COMMITTEE

September 7, 2023

**ITEM 6**BROKEN HILL CITY COUNCIL REPORT NO. 177/23SUBJECT: INVESTMENT REPORT FOR AUGUST 2023 D23/48850**Recommendation**

1. That Broken Hill City Council Report No. 177/23 dated September 7, 2023, be received.

**Executive Summary:**

The *Local Government (General) Regulation 2021* (Part 9, Division 5, Clause 212), effective from 1 September 2021, requires the Responsible Accounting Officer of a Council to provide a written report setting out details of all monies that have been invested under Section 625 (2) of the *Local Government Act 1993*, as per the Minister's Amended Investment Order gazetted 11 March 2011. The Responsible Accounting Officer must also include in the report, a certificate as to whether the investment has been made in accordance with the Act, the Regulations and the Council's Investment Policy.

As at 31 August 2023, Council's Investment Portfolio had a current market valuation of \$38,686,944 or principal value (face value) of \$38,439,279 and was compliant with policy and legislative requirements as per the below table.

**Report:**

Council's investments as at 31 August 2023 are detailed in Attachment 1.

Portfolio Summary		
Portfolio Performance vs. RBA Cash Rate	✓	Compliant with policy
Investment Policy Compliance		
Legislative Requirements	✓	Compliant with policy
Portfolio Credit Rating Limit	✓	Compliant with policy
Institutional Exposure Limits	✓	Compliant with policy
Term to Maturity Limits	✓	Compliant with policy

**Market Review****Global issues:**

- Business conditions data coming out of the US, Europe, UK and Australia reflect service sector conditions rapidly deteriorating and nearly matching the downward trajectory of manufacturing sectors which are in negative territory.
- In the US, latest economic data has been mostly weaker than expected. Existing home sales fell as did new mortgage applications suggesting that the rise in US mortgage rates is starting to weigh on the housing market. Meanwhile, slowing capital goods orders and shipments point to weak business investment.

- In the UK, inflation (at 6.8%yoy) and wages growth (at 7.8%yoy) came in stronger than expected keeping the BoE on track for another 0.5% hike at its next meeting. There is little indication that the US and Australia will need to follow suit given the UK had much higher inflation and wages growth over the past few years.
- In China, the economic recovery continues to be weaker than expected after the lifting of Covid-19 restrictions at the end of 2022. Weak external demand is weighing on export growth and there is further deterioration in conditions in the property market, placing additional pressure on financially stressed developers.
- Global share markets gave back some of their recent gains. Several factors weighed on the markets including the still high risks of recession; intensifying risks around the Chinese economy; increasing energy prices; stubbornly high services inflation; and the impending threat of another US Government shutdown from 1 October. US shares slipped 1.6% while European markets dropped nearly 2.5%. Japanese shares managed a slight gain, but Chinese property sector woes helped trigger a 6% fall in their market. Domestically, the ASX All Ords ended the month down 0.7%, with Consumer Staples and Utilities the worst performing sectors.

### **Domestic issues**

- According to recent consumer surveys, consumer confidence fell slightly in August remaining at recessionary levels despite the RBA's decision to leave rates on hold again indicating that the lagged impact of rate hikes and cost of living pressures continue to impact.
- The ongoing weakness in consumer confidence and the hit to spending power is now showing up in weakening household spending growth and supports economists' views that RBA rate hikes are cooling demand and will help bring inflation back to target allowing RBA to keep rates on hold.
- The latest monthly CPI release, which is less thorough than the quarterly release but provides a trend indicator, showed inflation has fallen to 4.9%, down from last month's 5.4% and below expectations of 5.2%. The data, released at the end of August, eliminated any market anticipation of an interest rate hike in early September resulting in a drop in market rates and pushing bond valuations higher.

### **Interest rates**

- At its August meeting the RBA kept the cash target unchanged at 4.10%, noting that there was a credible path back to the inflation target with the cash rate staying at its present level. Recent information on inflation has been encouraging and the economy is expected to grow only slowly over the period ahead, which will help with further moderation of inflation.
- By the end of August, following the latest monthly inflation data, the market is now pricing in the anticipation that we are essentially at the peak cash rate:
- In August, term deposit rates across the 1 to 60 month range decreased on average by 25 basis points from their July levels. Growing expectations that the RBA may be at the end of its rate hike cycle has banks trimming back its rates on offer in line with market conditions.

### **Investment Portfolio Commentary**

Council's investment portfolio returned 4.10%pa (0.34% actual) for the month on a marked-to-market basis versus the bank bill index benchmark's 4.39%pa return. Over the past 12 months, the investment portfolio has returned 3.58% versus the bank bill index benchmark's 3.37%.

During August, Council had \$1m in investments mature, a 4 month TD paying 4.10%pa and 2 year deposit paying 0.62%pa. Council took advantage of the high interest rate environment

reinvesting the \$1m between a 9 month TD paying 5.22%pa and a 7 month deposit paying 5.20%pa.

The NSW TCorpIM Medium Term Growth Fund returned a modest 0.32% (actual) for the month as the slump in share market returns offset good gains in fixed and floating rate bonds. The release of favourable inflation data at the end of the month helped give a boost to bond valuations within the fund.

Council has a well-diversified portfolio invested predominantly among a range of term deposits from highly rated Australian banks. Council also has exposure to a wide range of asset classes, including senior ranked fixed and floating rate notes, listed property and international and domestic shares via the NSW TCorp Medium Term Growth Fund. It is expected that Council's portfolio will achieve above benchmark returns over the medium/long term with prudent investment selection.

### **Council's Portfolio by Source of Funds – August 2023**

As at 31 August 2023, Council's Investment Portfolio had a current market valuation of \$38,686,944 or principal value (face value) of \$38,439,279 and was compliant with policy and legislative requirements as per the table above.

	Source of Funds	Principal Amount
<b>GENERAL Fund</b>	Operating Capital & Internal Restrictions	\$21,660,984
	Royalties Reserve	\$611,378
	Domestic Waste Management Reserve	\$4,381,473
	Grants	\$11,785,444
	<b>TOTAL PORTFOLIO</b>	<b>\$38,439,279</b>

### **Certificate by Responsible Accounting Officer**

All investments have been placed in accordance with Council's Investment Policy, Section 625 of the *Local Government Act 1993* (as amended), the Revised Ministerial Investment Order gazetted 11 February 2011, Clause 212 of the *Local Government (General) Regulations 2005*- and Third-Party Investment requirements of the then Department Local Government Circular 06-70. Council continues to obtain independent financial advice on its investment portfolio in accordance with the then Department of Local Government Circular of 16 September 2008.

### **Community Engagement:**

Nil

### **Strategic Direction:**

- Key Direction 4: Our Leadership
- Objective 4.1: Openness and Transparency in Decision Making
- Action 4.1.1: Maintain good governance and best practice methods and ensure compliance with various guidelines and legislation.

### **Relevant Legislation:**

This report is provided for Council's consideration in compliance with the requirements of *Part 9, Division 5, Clause 212 of the Local Government (General) Regulations 2021*.

**Financial Implications:**

The recommendation has no financial impact.

**Attachments**

1. [↓](#) Investment Report For August 2023

SIMON BROWN  
DIRECTOR FINANCE AND COMMERCIAL

JAY NANKIVELL  
GENERAL MANAGER





Investment Summary Report  
August 2023

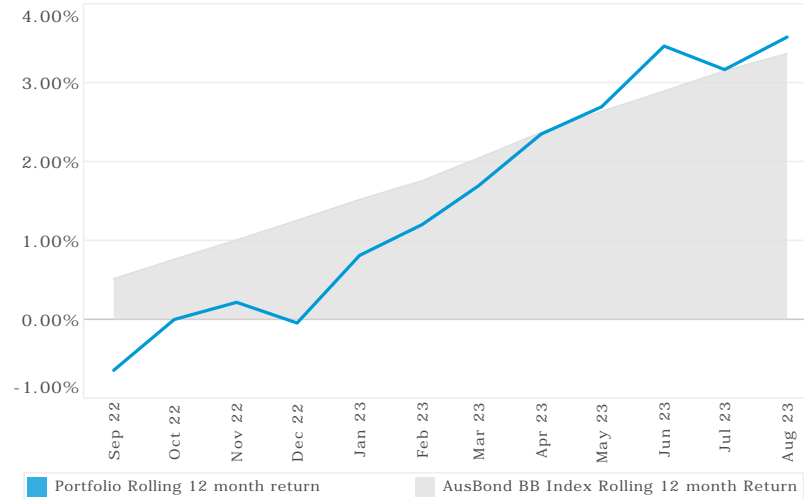




Investment Holdings

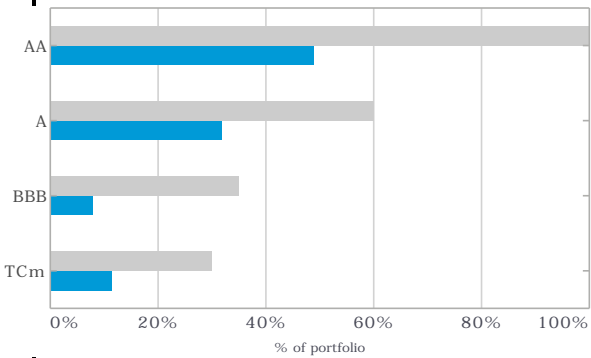
	Face Value (\$)	Current Value (\$)
Cash	15,557,167	15,557,167
Managed Funds	4,372,002	4,372,002
Term Deposit	18,510,110	18,757,775
	38,439,279	38,686,944

Investment Performance

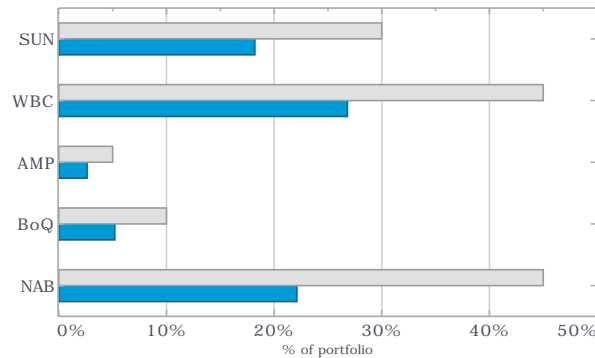


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	38,439,279	100% a
	38,439,279	

Specific Sub Limits	Face Value (\$)	Policy Max
Between 5 and 10 year	0	30% a

Portfolio Exposure      Investment Policy Limit



BRACKEN HILL CITY COUNCIL  
Investment Holdings Report - August 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
4,581,351.41	0.0000%	Westpac Group	AA-	4,581,351.41	473409	Cheque
5,251,744.74	4.0496%	Macquarie Bank	A+	5,251,744.74	540354	Accelerator
5,724,071.20	5.0500%	Westpac Group	AA-	5,724,071.20	535442	90d Notice
15,557,167.35	3.2251%			15,557,167.35		

Managed Funds

Face Value (\$)	Monthly Return (%)	Institution	Credit Rating	Funds Name	Current Value (\$)	Deal No.	Reference
4,372,002.17	0.3192%	NSW T-Corp (MT)	TCm	Medium Term Growth Fund	4,372,002.17	536441	
4,372,002.17	0.3192%				4,372,002.17		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
5-Sep-23	500,000.00	4.4800%	Suncorp Bank	A+	500,000.00	6-Apr-23	509,082.74	543998	9,082.74	At Maturity	
19-Sep-23	500,000.00	4.4000%	Bank of Queensland	BBB+	500,000.00	16-Nov-22	517,419.18	543561	17,419.18	At Maturity	
22-Sep-23	510,109.59	4.6500%	AMP Bank	BBB	510,109.59	22-Mar-23	520,702.40	543948	10,592.81	At Maturity	
25-Sep-23	500,000.00	4.5000%	AMP Bank	BBB	500,000.00	23-Sep-22	521,143.84	543323	21,143.84	At Maturity	
27-Sep-23	500,000.00	0.6300%	National Australia Bank	AA-	500,000.00	29-Sep-21	502,908.36	541935	2,908.36	Annually	
3-Oct-23	500,000.00	4.5000%	Suncorp Bank	A+	500,000.00	6-Apr-23	509,123.29	543999	9,123.29	At Maturity	
10-Oct-23	500,000.00	4.6600%	National Australia Bank	AA-	500,000.00	8-Mar-23	511,298.90	543912	11,298.90	At Maturity	
23-Oct-23	500,000.00	4.5200%	National Australia Bank	AA-	500,000.00	26-Apr-23	507,925.48	544036	7,925.48	At Maturity	
7-Nov-23	500,000.00	4.5000%	Suncorp Bank	A+	500,000.00	6-Apr-23	509,123.29	544000	9,123.29	At Maturity	
28-Nov-23	500,000.00	4.5100%	National Australia Bank	AA-	500,000.00	27-Apr-23	507,846.16	544038	7,846.16	At Maturity	
5-Dec-23	500,000.00	4.5000%	Suncorp Bank	A+	500,000.00	6-Apr-23	509,123.29	544001	9,123.29	At Maturity	
6-Dec-23	500,000.00	5.1000%	Bank of Queensland	BBB+	500,000.00	6-Jun-23	506,078.08	544162	6,078.08	At Maturity	
12-Dec-23	500,000.00	4.7800%	National Australia Bank	AA-	500,000.00	10-May-23	507,464.66	544090	7,464.66	At Maturity	
14-Dec-23	500,000.00	5.4100%	Suncorp Bank	A+	500,000.00	15-Jun-23	505,780.55	544202	5,780.55	At Maturity	

INVESTMENT REPORT FOR AUGUST 2023



**BRACKEN HILL CITY COUNCIL**  
**Investment Holdings Report - August 2023**



Attachment 1  
2023

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
19-Dec-23	500,000.00	5.3900%	National Australia Bank	AA-	500,000.00	21-Jun-23	505,316.16	544215	5,316.16	At Maturity	
24-Jan-24	1,000,000.00	5.5000%	Suncorp Bank	A+	1,000,000.00	29-Jun-23	1,009,643.84	544273	9,643.84	At Maturity	
6-Feb-24	1,000,000.00	5.5500%	Bank of Queensland	BBB+	1,000,000.00	4-Jul-23	1,008,971.23	544288	8,971.23	At Maturity	
23-Feb-24	2,000,000.00	5.5000%	Suncorp Bank	A+	2,000,000.00	29-Jun-23	2,019,287.67	544274	19,287.67	At Maturity	
5-Mar-24	500,000.00	4.4700%	National Australia Bank	AA-	500,000.00	5-Apr-23	509,123.70	543995	9,123.70	At Maturity	
5-Mar-24	1,000,000.00	5.5100%	National Australia Bank	AA-	1,000,000.00	5-Jul-23	1,008,755.62	544292	8,755.62	At Maturity	
6-Mar-24	1,000,000.00	5.5000%	Suncorp Bank	A+	1,000,000.00	6-Jul-23	1,008,589.04	544296	8,589.04	At Maturity	
20-Mar-24	500,000.00	5.2000%	National Australia Bank	AA-	500,000.00	16-Aug-23	501,139.73	544393	1,139.73	At Maturity	
27-Mar-24	2,000,000.00	5.4500%	National Australia Bank	AA-	2,000,000.00	28-Jun-23	2,019,410.96	544239	19,410.96	At Maturity	
9-Apr-24	1,000,000.00	4.4700%	National Australia Bank	AA-	1,000,000.00	5-Apr-23	1,018,247.40	543996	18,247.40	At Maturity	
23-Apr-24	500,000.00	5.4600%	Suncorp Bank	A+	500,000.00	26-Jul-23	502,767.40	544336	2,767.40	At Maturity	
14-May-24	500,000.00	5.2200%	National Australia Bank	AA-	500,000.00	11-Aug-23	501,501.64	544380	1,501.64	At Maturity	
	18,510,109.59	4.9658%			18,510,109.59		18,757,774.61		247,665.02		

INVESTMENT REPORT FOR AUGUST 2023



BRACKEN HILL CITY COUNCIL  
Accrued Interest Report - August 2023



Attachment 1  
Investment Report For August 2023  
INVESTMENT REPORT FOR AUGUST 2023

Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Interest Yield (% pa)
<b>Cash</b>									
Macquarie Bank	540354					17,676.82	0	17,676.82	4.05%
Westpac Group	473409					0.00	0	0.00	0.00%
Westpac Group	535442					24,445.92	0	24,445.92	5.05%
						42,122.74		42,122.74	3.22%
<b>Managed Funds</b>									
Nation T-Corp Medium Term Growth Fund	536441				1-Jul-24	0.00	0	13,912.43	3.82%
						0.00		13,912.43	3.82%
<b>Term Deposits</b>									
National Australia Bank	541757		500,000.00	18-Aug-21	16-Aug-23	3,083.01	15	127.39	0.62%
Suncorp Bank	543997		500,000.00	6-Apr-23	8-Aug-23	7,575.89	7	427.67	4.46%
AMP Bank	543323		500,000.00	23-Sep-22	25-Sep-23	0.00	31	1,910.96	4.50%
AMP Bank	543948		510,109.59	22-Mar-23	22-Sep-23	0.00	31	2,014.58	4.65%
Bank of Queensland	543561		500,000.00	16-Nov-22	19-Sep-23	0.00	31	1,868.50	4.40%
National Australia Bank	541935		500,000.00	29-Sep-21	27-Sep-23	0.00	31	267.54	0.63%
Suncorp Bank	543998		500,000.00	6-Apr-23	5-Sep-23	0.00	31	1,902.47	4.48%
National Australia Bank	543912		500,000.00	8-Mar-23	10-Oct-23	0.00	31	1,978.90	4.66%
National Australia Bank	544036		500,000.00	26-Apr-23	23-Oct-23	0.00	31	1,919.45	4.52%
Suncorp Bank	543999		500,000.00	6-Apr-23	3-Oct-23	0.00	31	1,910.96	4.50%
National Australia Bank	544038		500,000.00	27-Apr-23	28-Nov-23	0.00	31	1,915.20	4.51%
Suncorp Bank	544000		500,000.00	6-Apr-23	7-Nov-23	0.00	31	1,910.96	4.50%
Bank of Queensland	544162		500,000.00	6-Jun-23	6-Dec-23	0.00	31	2,165.75	5.10%
National Australia Bank	544090		500,000.00	10-May-23	12-Dec-23	0.00	31	2,029.87	4.78%
National Australia Bank	544215		500,000.00	21-Jun-23	19-Dec-23	0.00	31	2,288.90	5.39%
Suncorp Bank	544001		500,000.00	6-Apr-23	5-Dec-23	0.00	31	1,910.96	4.50%
Suncorp Bank	544202		500,000.00	15-Jun-23	14-Dec-23	0.00	31	2,297.40	5.41%
Suncorp Bank	544273		1,000,000.00	29-Jun-23	24-Jan-24	0.00	31	4,671.24	5.50%



BRACKEN HILL CITY COUNCIL  
 Accrued Interest Report - August 2023

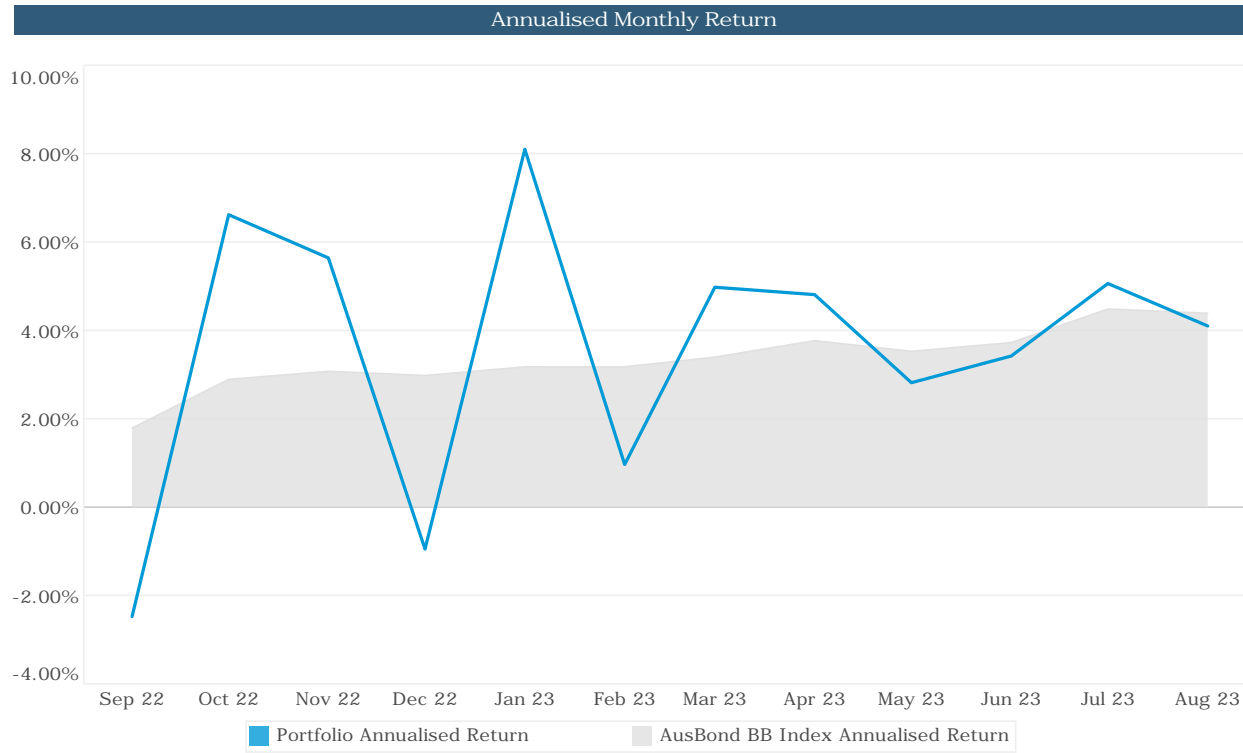


Attachment 1  
 Investment Report For August 2023

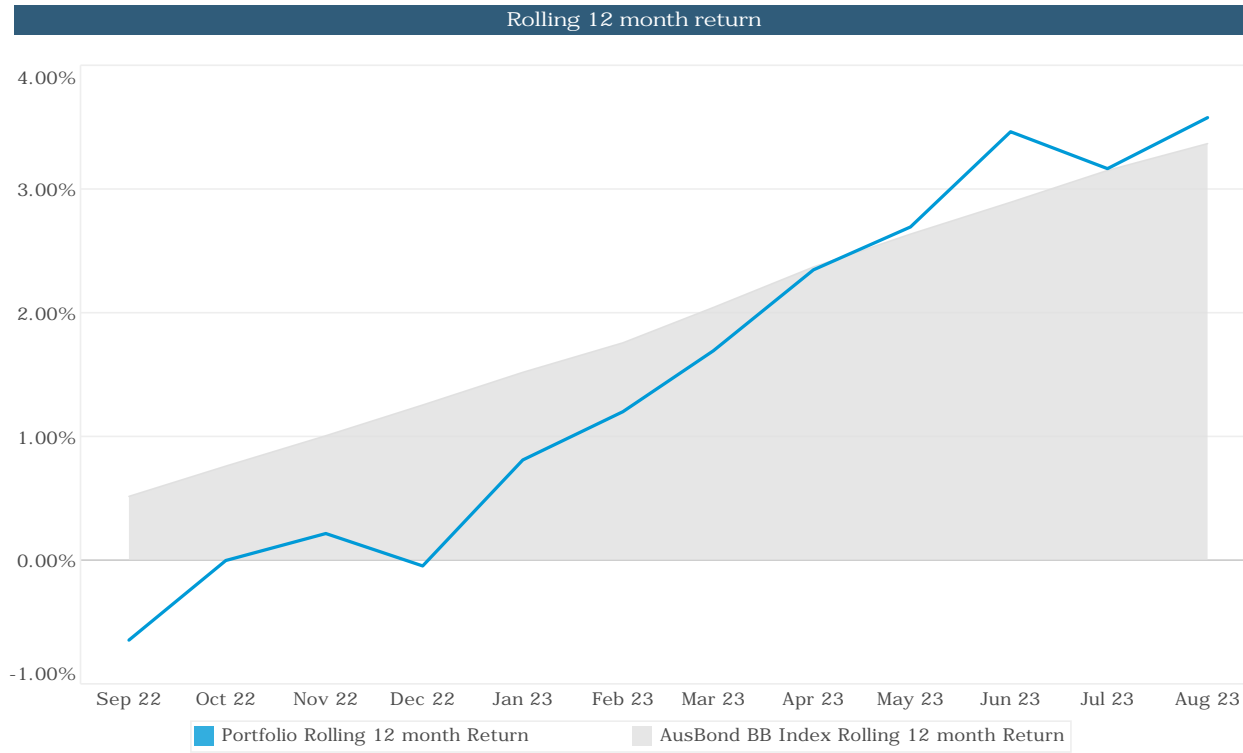
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Yield Accrued (\$)	Interest Yield (% pa)
Bank of Queensland	544288		1,000,000.00	4-Jul-23	6-Feb-24	0.00	31	4,713.70	5.55%
Suncorp Bank	544274		2,000,000.00	29-Jun-23	23-Feb-24	0.00	31	9,342.46	5.50%
National Australia Bank	543995		500,000.00	5-Apr-23	5-Mar-24	0.00	31	1,898.22	4.47%
National Australia Bank	544239		2,000,000.00	28-Jun-23	27-Mar-24	0.00	31	9,257.54	5.45%
National Australia Bank	544292		1,000,000.00	5-Jul-23	5-Mar-24	0.00	31	4,679.73	5.51%
National Australia Bank	544393		500,000.00	16-Aug-23	20-Mar-24	0.00	16	1,139.73	5.20%
Suncorp Bank	544296		1,000,000.00	6-Jul-23	6-Mar-24	0.00	31	4,671.23	5.50%
National Australia Bank	543996		1,000,000.00	5-Apr-23	9-Apr-24	0.00	31	3,796.44	4.47%
Suncorp Bank	544336		500,000.00	26-Jul-23	23-Apr-24	0.00	31	2,318.63	5.46%
National Australia Bank	544380		500,000.00	11-Aug-23	14-May-24	0.00	21	1,501.64	5.22%
						10,658.90		76,838.02	4.90%
<b>Grand Totals</b>						<b>52,781.64</b>		<b>132,873.19</b>	<b>4.10%</b>

INVESTMENT REPORT FOR AUGUST 2023





Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Aug 2023	4.10%	4.39%	-0.29%
Last 3 months	4.20%	4.20%	0.00%
Last 6 months	4.19%	3.88%	0.31%
Financial Year to Date	4.58%	4.44%	0.14%
Last 12 months	3.58%	3.37%	0.21%

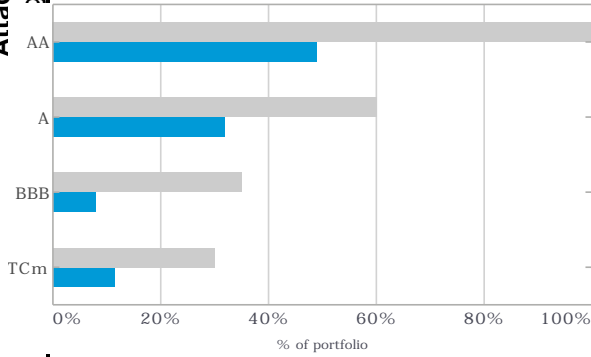


Historical Performance Summary (% actual)			
	Portfolio	Annualised BB Index	Outperformance
Aug 2023	0.34%	0.37%	-0.03%
Last 3 months	1.04%	1.04%	0.00%
Last 6 months	2.09%	1.94%	0.15%
Financial Year to Date	0.76%	0.74%	0.02%
Last 12 months	3.58%	3.37%	0.21%

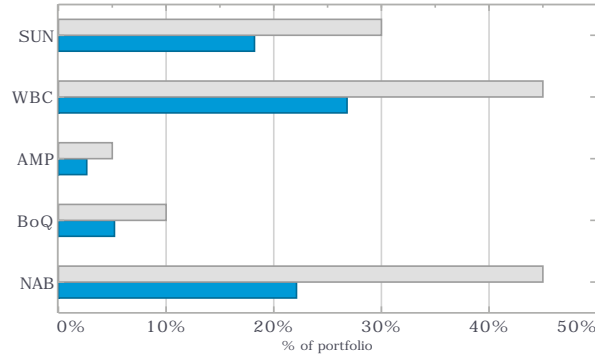




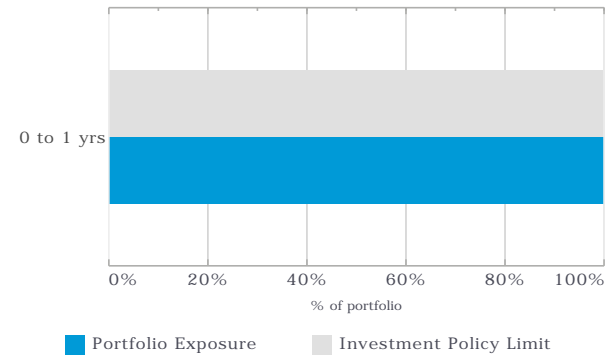
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	% of portfolio	Policy Max	
AA	18,805,423	49%	100%	a
A	12,251,745	32%	60%	a
BBB	3,010,110	8%	35%	a
TCm	4,372,002	11%	30%	a
	38,439,279			

Institution	% of portfolio	Investment Policy Limit	
Suncorp Bank (A+)	18%	30%	a
Westpac Group (AA-)	27%	45%	a
AMP Bank (BBB)	3%	5%	a
Bank of Queensland (BBB+)	5%	10%	a
National Australia Bank (AA-)	22%	45%	a
Macquarie Bank (A+)	14%	30%	a
NSW T-Corp (TCm)	11%	30%	a

	Face Value (\$)	Policy Max	
Between 0 and 1 years	38,439,279	100%	a
	38,439,279		

Specific Sub Limits	Face Value (\$)	% of portfolio	Policy Max	
BBB+	2,000,000	5%	35%	a
BBB	1,010,110	3%	10%	a

Specific Sub Limits	Face Value (\$)	Policy Max	
Between 5 and 10 years	0	0%	30% a

Credit Rating	Current Longest Maturity (years)	Policy Max	
AA+, AA, AA-	0.70	5.00	a
A+, A, A-	0.65	3.00	a
BBB+	0.44	3.00	a
BBB	0.07	1.00	a

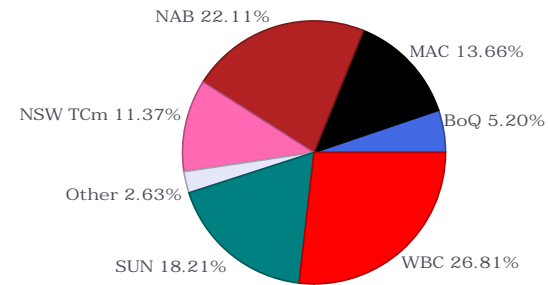
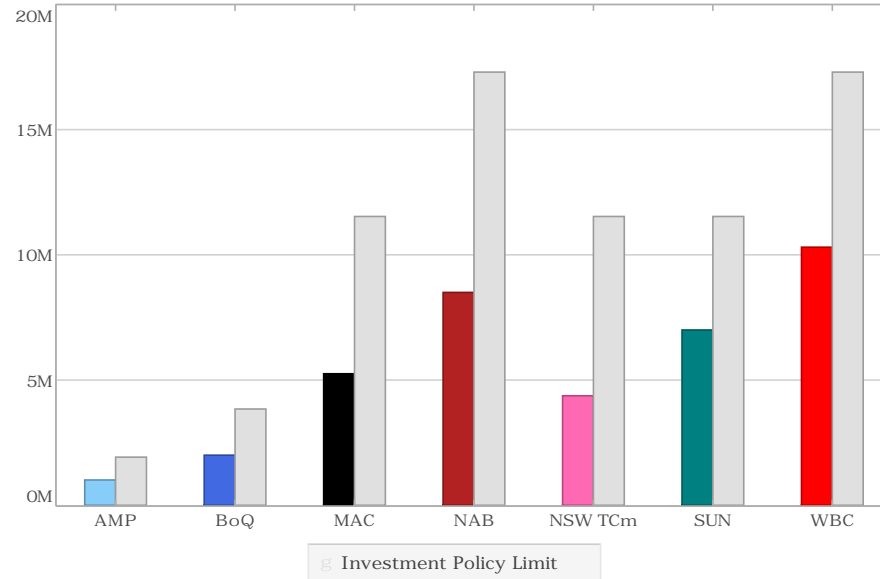
a = compliant  
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	1,010,110	3%	1,921,964	5%	911,854
Bank of Queensland (BBB+)	2,000,000	5%	3,843,928	10%	1,843,928
Macquarie Bank (A+)	5,251,745	14%	11,531,784	30%	6,280,039
National Australia Bank (AA-)	8,500,000	22%	17,297,676	45%	8,797,676
NSW T-Corp (TCm)	4,372,002	11%	11,531,784	30%	7,159,782
Suncorp Bank (A+)	7,000,000	18%	11,531,784	30%	4,531,784
Westpac Group (AA-)	10,305,423	27%	17,297,676	45%	6,992,253
	<b>38,439,279</b>				



Broken Hill City Council  
Cashflows Report - August 2023



Actual Cashflows for August 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
8-Aug-23	543997	Suncorp Bank	Term Deposit	Maturity: Face Value	500,000.00
		Suncorp Bank	Term Deposit	Maturity: Interest Received/Paid	7,575.89
<u>Deal Total</u>					<u>507,575.89</u>
Day Total					507,575.89
1-Aug-23	544380	National Australia Bank	Term Deposit	Settlement: Face Value	-500,000.00
<u>Deal Total</u>					<u>-500,000.00</u>
Day Total					-500,000.00
6-Aug-23	541757	National Australia Bank	Term Deposit	Maturity: Face Value	500,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	3,083.01
<u>Deal Total</u>					<u>503,083.01</u>
6-Aug-23	544393	National Australia Bank	Term Deposit	Settlement: Face Value	-500,000.00
<u>Deal Total</u>					<u>-500,000.00</u>
Day Total					3,083.01
<u>Total for Month</u>					<u>10,658.90</u>

Forecast Cashflows for September 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
5-Sep-23	543998	Suncorp Bank	Term Deposit	Maturity: Face Value	500,000.00
		Suncorp Bank	Term Deposit	Maturity: Interest Received/Paid	9,328.22
<u>Deal Total</u>					<u>509,328.22</u>
Day Total					509,328.22
19-Sep-23	543561	Bank of Queensland	Term Deposit	Maturity: Face Value	500,000.00
		Bank of Queensland	Term Deposit	Maturity: Interest Received/Paid	18,504.11
<u>Deal Total</u>					<u>518,504.11</u>
Day Total					518,504.11
22-Sep-23	543948	AMP Bank	Term Deposit	Maturity: Face Value	510,109.59



INVESTMENT REPORT FOR AUGUST 2023

Attachment 1  
Investment Report For August 2023

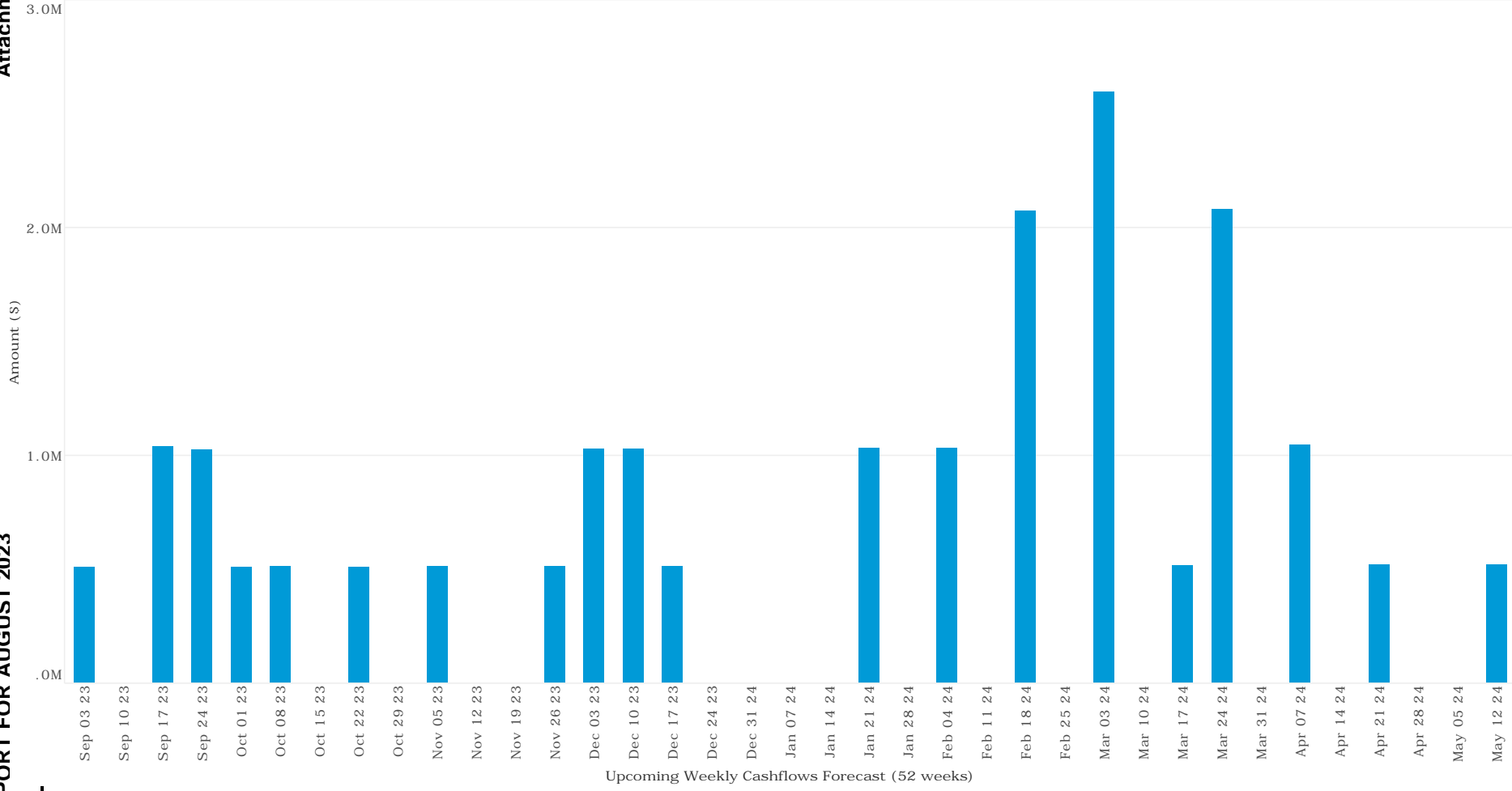
Broken Hill City Council  
Cashflows Report - August 2023



Attachment 1  
Investment Report  
For August 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
22-Sep-23	543948	AMP Bank	Term Deposit	Maturity: Interest Received/Paid	11,957.53
<u>Deal Total</u>					<u>522,067.12</u>
Day Total					522,067.12
05-Sep-23	543323	AMP Bank	Term Deposit	Maturity: Face Value	500,000.00
		AMP Bank	Term Deposit	Maturity: Interest Received/Paid	22,623.29
<u>Deal Total</u>					<u>522,623.29</u>
Day Total					522,623.29
27-Sep-23	541935	National Australia Bank	Term Deposit	Maturity: Face Value	500,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	3,132.74
<u>Deal Total</u>					<u>503,132.74</u>
Day Total					503,132.74
<u>Total for Month</u>					<u>2,575,655.48</u>

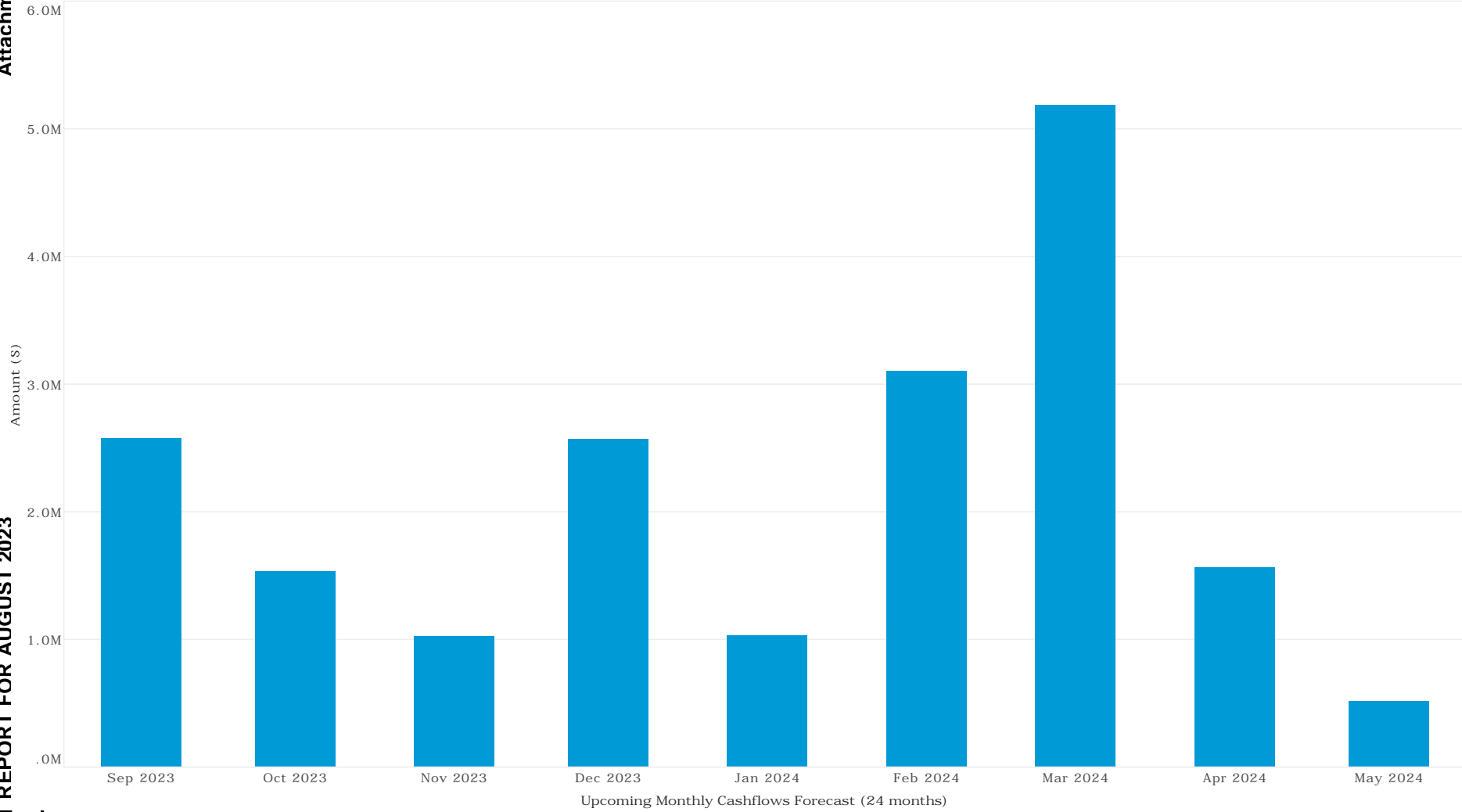
INVESTMENT REPORT FOR AUGUST 2023





Attachment 1

INVESTMENT REPORT FOR AUGUST 2023



## POLICY AND GENERAL COMMITTEE

September 12, 2023

**ITEM 7**BROKEN HILL CITY COUNCIL REPORT NO. 178/23

SUBJECT: MEMORANDUM OF UNDERSTANDING - FINANCIAL ASSISTANCE TO THE SILVER CITY CUP RACE COMMITTEE  
D23/49511

**Recommendation**

1. That Broken Hill City Council Report No. 178/23 dated September 12, 2023, be received.
2. That the General Manager be authorised to negotiate and execute a Memorandum of Understanding for financial assistance to the Silver City Cup Race Committee for the 2023/24 and 2024/25 financial years.
3. That the terms of the Memorandum of Understanding include financial assistance grants of \$7,300.00 per annum to cover in-kind waste services fees and the remainder to be used towards utility/hire costs for the conduct of the 2023 and 2024 Silver City Cup Races held at the Broken Hill Racecourse in November each year.
4. That the Memorandum of Understanding includes KPI's on the financial reporting of the Silver City Cup Races (income and expenditure financial statements following each Race meet) and the reporting of acquittal of grant funds each year.

**Executive Summary:**

The Silver City Cup Race Committee has requested that Council considers the provision of a Memorandum of Understanding (MOU) for financial assistance grants to assist the Committee to conduct the 2023 and 2024 Silver City Cup Race events at the Broken Hill Racecourse.

**Report:**

The Silver City Cup Race Committee has requested that Council considers the provision of a Memorandum of Understanding (MOU) for financial assistance grants to assist the Committee to conduct the 2023 and 2024 Silver City Cup Race events at the Broken Hill Racecourse.

Just like other local organisations who provide major events in the City, the Silver City Cup Race Committee have struggled financially since the COVID-19 pandemic hit, and did not hold a race meeting in 2019, 2020 and 2021. During these years, the Committee still expended funds to renew insurances, pay for their books to be audited etc. without the revenue of the race meetings to offset costs.

Due to the uncertainty of the event being held in 2022, and the Committee's decision to hold the event coming after the closing date for applications to the Community Assistance Grants program, Council approved for the granting of funds of \$7,128.00 (being in-kind support from Council for the provision and services of MGB's and dumper bins of \$2,128.00, and cash of \$5,000.00) towards the conduct of the event in 2022 (Minute Number 46950 of 31 August 2022 Council Meeting).

As the Committee is still experiencing a reduction in operating funds due to the race event not being held for three years (2019-2021), it is suggested that Council enters into an MOU with the Silver City Cup Committee for financial assistance of \$7,300.00 per year for two years (2023/24 and 2024/25) to assist the Committee to financially recover from the loss of revenue from 2019-2021; to provide certainty that the race events will be held; and for the race events to become sustainable into the future.

The Committee are seeking a Financial Assistance Grant of \$7,300.00 (being in-kind support from Council for the provision and servicing of MGB's and dumper bins at a cost of \$2,300.00, and cash of \$5,000.00) per annum towards the conduct of the 2023 and 2024 race events.

Council has the authority to resolve to provide a grant to the Silver City Cup Race Committee, with grant conditions to apply, such as (provision of financial statements, insurance certificate of currency and grant acquittal information etc.). The Committee will also be required to publicly acknowledge Council's grant in all media surrounding the Race event.

The provision of a grant would greatly assist the Committee to provide the 2023 and 2024 race events which are major events on the Broken Hill social calendar and brings many tourists to the City, boosting the City's economy through tourism spend.

Spendmapp reporting shows collective EFT transactions during the Silver City Cup race period for 2022 was \$2.69M, with the weekend prior showing 3% less spending. This shows an increase in spending of \$97,030 over the race weekend.

Profile ID estimates the overall impact of conducting the Silver City Races would see a rise of \$201,000 taking into account spending directly related to the event as well as via related industries and wider consumption effects. This would flow on to an employment impact of two local jobs. This modelling is based on 1500 people attending the event and spending \$100/person/day over the race weekend.

### Community Engagement:

As part of Council's MOU with the Silver City Cup Race Committee, advertising of Council's financial support of the Race Meet each year will form part of the acquittal of funds requirements.

### Strategic Direction:

Key Direction:	1	Our Community
Objective:	1.4	Our history, culture and diversity are embraced and celebrated
Strategy:	1.4.4	Sustain and grow arts and culture and events and preserve the importance of our social capital, built heritage and history
Key Direction:	2	Our Economy
Objective:	2.4	We are a destination of choice and provide a unique experience that encourages increased visitation
Strategy:	2.4.3	Deliver authentic visitor products and experiences
Strategy:	2.4.4	Ensure a strategic and proactive approach to the development, management and marketing of business and destination events, tourism and filming activities.



**Relevant Legislation:**

Local Government Act 1993

**Financial Implications:**

Council's financial assistance of \$7,300.00 will be included in the quarterly budget review.

**Attachments**

There are no attachments for this report.

LEISA BARTLETT  
EXECUTIVE OFFICER

JAY NANKIVELL  
GENERAL MANAGER

## POLICY AND GENERAL COMMITTEE

September 6, 2023

**ITEM 8****BROKEN HILL CITY COUNCIL REPORT NO. 179/23**

**SUBJECT:** MINUTES OF THE S355 AGEING WELL ADVISORY COMMITTEE MEETING HELD 2 AUGUST 2023 D23/48283

**Recommendation**

1. That Broken Hill City Council Report No. 179/23 dated September 6, 2023, be received.
2. That the minutes of the S355 Ageing Well Advisory Committee meeting held 2 August 2023 be received.
3. That Council prepare and send correspondence to service providers to enquire if they provide meals to clients, if so, where are the meals prepared and what is the cost of the meals.

**Executive Summary:**

Council has received minutes from the S355 Ageing Well Advisory Committee meeting held 2 August 2023.

**Report:**

As per Council's Section 355 Advisory Committee Framework Manual (adopted 30 March 2022) and the 355 Ageing Well Committee Terms of Reference (adopted 27 April 2022), the Committee is required to provide Council with a copy of their meeting minutes following each Committee meeting.

Of concern to the Committee was information raised by Southern Cross Care in delivering its service whereby since COVID-19 the organisation has lost over two thirds of its volunteers and also that it will only be intake one resident at a time due to low staffing levels. An overall understanding of agencies is being sought.

The Committee is also seeking further information on meals accessibility to aged people in Broken Hill. Good nutrition and access to well balanced meals are necessary for continued health and wellbeing enabling people to live independently for longer. Understanding of general meals access and availability of special diets such as gluten free or texture modified for people with swallowing difficulties will be sought.

**Community Engagement:**

Policy and General Committee business paper for 19 July 2023.

Council meeting business paper for 26 July 2023.

**Strategic Direction:**

Key Theme:	4	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.5	Support the organisation to operate with its legal framework

**Relevant Legislation:**

The S355 Ageing Well Advisory Committee Terms of Reference  
*Local Government Act 1993*

**Financial Implications:**

Nil

**Attachments**

1. [↓](#) S355 Ageing Well Advisory Committee Meeting Minutes - 2 August 2023

RAZIJA NU'MAN  
DIRECTOR CORPORATE AND COMMUNITY

JAY NANKIVELL  
GENERAL MANAGER

## MINUTES OF THE SECTION 355 AGEING WELL COMMITTEE MEETING HELD 2 AUGUST 2023 AT 3.00PM- AGED PERSONS REST CENTRE, BLENDE STREET

### 1. Present

Councillor Ronald Page	Council Delegate (Chair)
Councillor Bob Algate	Council Delegate
Razija Nu'man	Director Corporate and Community (BHCC)
Rachel Merton	Community Development Coordinator (BHCC)
Sharna Burcher	Administration Officer (Minute Taker BHCC)

### Present via Teams

Bernard Nankivell	Southern Cross Care
Melanie Chynoweth	Community Representative
Caryn Ferguson	Disability Advocacy NSW

### 2. Apologies

Councillor Dave Gallagher	Council Delegate
Julua Hamel	Community Representative
Cindy Richards	LiveBetter Representative
Judy Parr	Kirinari Community Services Representative

### Did not attend

Irene Davey	Community Representative
Owen Whyman	Community Representative

### 3. Acknowledgement of Country

Acknowledgement of Country – Councillor Ronald Page

### 4. Confirmation of Minutes of Previous Meeting

#### Amendment of Previous Minutes – 3 May 2023

#### Item 6.5 Invitations to Service Providers

Australian Unity: Meals are cooked at the Mulga and delivered by **paid staff**.

**Delete:** Paid Staff

**Should Read:** Australian Unity: Meals are cooked at the Mulga and delivered by **volunteers**.

Minutes approved as amended.

**Previous Meeting:** 3 May 2023

**Moved:** Councillor Bob Algate  
**Seconded:** Councillor Ronald Page

### 5. Correspondence

Nil

### 6. Business Arising from Previous Minutes

Nil

## 7. Action List

### Research to understand the full-service system

**Update:** Disability Advocacy NSW Representative, Caryn Ferguson gave the Committee an overview of Disability Advocacy NSW.

Disability Advocacy NSW is based in Broken Hill and is situated in the Exchange Arcade in Argent Street. The office is open four days per week.

Disability Advocacy NSW assists clients access government agencies such as NDIS, Centrelink and My Aged Care.

Disability Advocacy NSW does not require any diagnostic assessments or medical reports and is a free service.

Disability Advocacy NSW Representative, Caryn Ferguson advised Disability Advocacy NSW is primarily not for profit, but they do receive a small amount of Federal Government funding.

The Committee discussed the complexities of navigating NDIS and Aged Care Services and transitioning between these services.

Disability Advocacy NSW Representative, Caryn Ferguson stated people are able to stay on NDIS and do not need to transition to My Aged Care.

### Contact service providers and invite them to join the S355 Ageing Well Advisory Committee

**Update:** Action Completed, to be removed from action list.

### Contact RDA regarding accessibility program for ramps into CBD shops

**Update:** Action Completed, to be removed from action list

All other actions were not discussed.

## 8. General Business

### 8.1 Changes to the Aged Care Act

The Committee discussed the need for a better understanding of the changes in the Aged Care Act.

The Committee agreed Kirinari Representative, Judy Parr would be the best Committee member to explain the changes in the Aged Care Act.

Southern Cross Care Representative, Bernard Nankivell requested Southern Cross Care's Admissions Officer be invited to the next meeting to allow the Committee to gain a better insight into residential aged care.

**Action:** Kirinari Representative, Judy Parr to update the committee on the changes to the Aged Care Act.

**Action:** Southern Cross Care Admissions Officer, Sharon Dally to be invited to the next meeting.

**Moved:** Councillor Bob Algate

**Seconded:** Councillor Ron Page

**Unanimous**

## 8.2 Meal Services

The Committee discussed meal services in the city, the service providers who deliver the meals and which restaurants prepare the meals.

Discussions held around the cost and quality of the meals being delivered.

Council's Director of Corporate and Community would like to gain a greater understanding of all meal services in the city.

**Recommendation for Council resolution:** Council to contact service providers to enquire if they provide meals, if so, where are the meals prepared and what is the cost of the meals.

## 8.3 Southern Cross Care

Southern Cross Care Representative, Bernard Nankivell advised Southern Cross Care are looking for volunteers to help run activities and to visit with their residents.

Since COVID-19, Southern Cross Care have lost over two thirds of their volunteers.

Community Representative, Melanie Chynoweth queried when Southern Cross Care will be able to take in new residents who are currently waiting for placement in hospital.

Southern Cross Care Representative, Bernard Nankivell advised Southern Cross Care will be taking in one resident at a time due to low staffing levels.

Southern Cross Care are hoping to secure federal government funding to employ more agency nurses which would allow Southern Cross Care to take in more residents.

Council's Director of Corporate and Community queried current ratios in residential aged care.

Southern Cross Care Representative, Bernard Nankivell explained there are no set ratio's, the number of Registered Nurses required for each shift is based on the individual needs and wellness of each resident.

Each facility should also have at least one Registered Nurse on shift twenty-four hours per day, seven days a week, but given staffing issues in regional facilities, this is quite difficult to achieve.

## 9. Next Meeting

3pm on Wednesday, 1 November 2023, Ground Floor Meeting Room, Council Administrative Building

## 10. Meeting Closed: 3.35pm

Action List:

ITEM NUMBER	ACTION	RESPONSIBLE	DUE
<b>Meeting held 21 September 2022</b>			
S355 Ageing Well Advisory Committee	Research to understand the full-service system. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	To be confirmed
<b>Meeting held 1 February 2023</b>			
Item 5.2 Southern Cross Care	An invitation to be extended to the Southern Cross Care Board for a Representative to attend the next S355 Ageing Well Advisory Committee Meeting, to enable the Committee to gain more insight into the Aged Care Sector. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	To be confirmed
Item 5.2 Invitation to Service Providers	An invitation to be extended for Representatives from Meals on Wheels, Australian Unity and LiveBetter to present to the S355 Ageing Well Advisory Committee on their program delivery. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	3 May 2023
Item 5.5 Accessibility program for ramps	ABC Article to be distributed to the S355 Ageing Well Advisory Committee <b>Action status to be confirmed at next meeting</b>	Council's Administration Officer	Completed
<b>Meeting held 15 February 2023</b>			
Item 6.1.2 Service Providers	Black Sheep Services, NSW Home Care and Hammond Care invitations to be followed up. <b>Action status to be confirmed at next meeting</b>	Council's Administration Officer	3 May 2023
Item 6.1.5 CBD Accessibility Ramps	Letter to be sent to Council requesting funding to upgrade and install ramps. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	3 May 2023

S355 Ageing Well Advisory Committee Meeting 2 August 2023		Minutes - 2 August 2023	
Item 1.5 Ramps Accessibility	Letter to be sent to Regional Development Australia Far West to enquire if there is additional funding for disability ramps. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	3 May 2023
Item 6.1.8 Service Providers	Letter to be sent to Maori Ma Health regarding possible funding available in the Aged Care Sector. <b>Action status to be confirmed at next meeting</b>	Council's Community Development Officer	3 May 2023

## Meeting held 3 May 2023

Item 6.5 Bushview Cottage	<b>Recommendation resolved by Council</b> Council to contact Australian Unity and enquire if funding is available to operate the Bushview Cottage, if there is funding, why is it not being used.	Council's Administration Officer	2 August 2023
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## Meeting held 2 August 2023

Item 8.1 Changes to the Aged Care Act	<b>Action</b> Kiriari Representative Judy Parr to update the committee on the changes to the Aged Care Act.	Kiriari Representative, Judy Parr	1 November 2023
Item 8.1 Changes to the Aged Care Act	<b>Action</b> Southern Cross Care Admissions Officer, Sharon Dolly to be invited to the next meeting.	Council's Administration Officer	1 November 2023
Item 8.2 Meal Services	<b>Recommendation for Council resolution</b> Council to contact service providers to enquire if they provide meals to clients, if so, where are the meals prepared and the cost of the meals.	Council's Community Development Officer	1 November 2023



## POLICY AND GENERAL COMMITTEE

September 7, 2023

**ITEM 9**BROKEN HILL CITY COUNCIL REPORT NO. 180/23

SUBJECT: MINUTES OF THE AUDIT, RISK AND IMPROVEMENT  
COMMITTEE MEETING HELD 24 AUGUST 2023 D23/48533

**Recommendation**

1. That Broken Hill City Council Report No. 180/23 dated September 7, 2023, be received.
2. That minutes of the Audit, Risk and Improvement Committee meeting held 24 August 2023 be received and noted.

**Executive Summary:**

The Charter of the Broken Hill Audit Committee, as endorsed by Council at its meeting held on 29 September 2021, requires the Audit, Risk and Improvement Committee to refer the minutes and recommendations of its Committee Meetings to the next scheduled Ordinary Council Meeting.

The Broken Hill City Council Audit, Risk and Improvement Committee met on Thursday 24 August 2023 where the Committee confirmed minutes of its meeting held on 22 June 2023.

Minutes of the Audit, Risk and Improvement Committee meeting held Thursday 24 August 2023 are provided as an attachment to this report for Council's endorsement.

**Report:**

The Audit, Risk and Improvement Committee met on 24 August 2023 to consider the following items of business:

1. General Manager's Briefing
2. Internal Audit – Progress Report
3. Service Review Update
4. Enterprise Risk Management Policy and Framework Review Project Report
5. Action List
6. Family Day Care Proposal – Confidential
7. Civic Centre Legal Matter Update - Confidential

Minutes of the Audit, Risk and Improvement Committee Meeting held 16 March 2023 are attached for endorsement by Council.

**Community Engagement:**

Nil.

**Strategic Direction:**

Key Direction:	4	Our Leadership
Objective:	4.1	Openness and transparency in decision making
Strategy:	4.1.5	Support the organisation to operate its legal framework

**Relevant Legislation:**

*Local Government Act 1993, Chapter 13, Part 3, Division 2*

**Financial Implications:**

Nil.

**Attachments**

1. [↓](#) Minutes of the Audit, Risk and Improvement Meeting held 24 August 2023

LEISA BARTLETT  
EXECUTIVE OFFICER

JAY NANKIVELL  
GENERAL MANAGER

**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING  
HELD THURSDAY, AUGUST 24, 2023 (10:00 AM)**

**PRESENT:**

Mr J Mitchell (Chairperson), Mr J Mathers, Mr P DeLisio,  
Deputy Mayor J Hickey, Councillors B Algate and M Boland.

Councillor A Chandler.

Ms J Malpas (OCM) and Ms C Wu (NSW Audit Office).

General Manager, Director Corporate and Community, Director Finance and  
Commercial, Director Infrastructure and Environment, Manager Finance,  
Leader Innovation and Business Improvement and Executive Officer.

**APOLOGIES:**

Mayor T Kennedy.

Moved Mr Jim Mitchell, Seconded Mr James Mathers

That the apology submitted on behalf of Mayor Kennedy be accepted.

CARRIED

**ACKNOWLEDGEMENT OF COUNTRY**

The Chairperson delivered the Acknowledgement of Country.

**DISCLOSURE OF INTEREST**

Mr James Mathers declared a conflict of interest in the Confidential Report No. 21/23 as he provides  
accountancy services to the subject business referred to in the report, and advised that he will  
terminate his video link to the meeting prior to the report being considered.

**MINUTES FOR CONFIRMATION**

Recommendation

Moved Deputy Mayor Jim Hickey, Seconded Mr Paul DeLisio

That the Minutes of the Audit, Risk and Improvement Committee meeting held Thursday June 22,  
2023 be confirmed.

CARRIED

**GENERAL MANAGER'S BRIEFING**

*The General Manager advised that the Library and Cultural Precinct Project will commence in  
December 2023 and that work is currently underway for the temporary relocation of the Library to the  
ground floor of Council's Administration Building.*

Another project undertaken in June this year was the Community Satisfaction Survey which was carried out by independent data specialists. The previous survey was undertaken in 2018.

The final survey report shows a 10% increase in the overall satisfaction rating of Council's performance over the past twelve months revealing an increase in the community's confidence in the Elected Members, Council management and Council's finances. This increase is pleasing when other NSW Councils are experiencing a decline in customer satisfaction, possibly due to the impact of the COVID-19 pandemic on finances.

Out of Council's 42 services, customers were least satisfied with weed control, the maintenance of roads and footpaths, and road and footpath drainage during storm events which may be attributed to unseasonal wet weather which caused storm damage over the past few years.

The City is currently experiencing a large number of tourists due to the Mundi Mundi Bash which took place over the weekend and attracted an audience of 12,000 people and approximately 8,000-9,000 caravans. The city is still experiencing an increase in tourists this week and a boost to the city's economy over the Bash period.

Following a question from the Chairperson regarding the availability of accommodation in the City, the General Manager advised that due to contract workers in the City (for the mining industry and building industry) and due to it currently being a high tourism period with the Mundi Mundi Bash and the Broken Heel Festival in September, accommodation in the City is booked out. The General Manager also advised that Council has approved new accommodation developments in the City, and these developments are in the pipeline.

The Chairperson commented that the pleasing survey result is also an acknowledgement of the good work of all of Council's staff.

Mr DeLisio referred to Council's major infrastructure project for the Library and Cultural Precinct and enquired if the construction costs are still in hand? The General Manager advised that the project costs haven't changed and that the project is progressing to the agreed timeline.

## REPORTS

**ITEM 1 - BROKEN HILL CITY COUNCIL REPORT NO. 17/23 - DATED JULY 27, 2023 - INTERNAL  
AUDIT - PROGRESS REPORT** D23/39552

Ms Judy Malpas spoke to the report advising that the report tabled the Credit Card and Fuel Card Audit, being the last audit for 2022/2023 financial year.

Audits slated for the 2023/2024 financial year are:

- Procurement Audit (scope being developed)
- Work Health & Safety Audit (scope to be approved by middle September)
- Records Management Audit (audit commenced)

Following a question from the Chairperson regarding OCM's access to staff during the audits, Ms Malpas confirmed that they have never encountered any issues with access to staff. OCM endeavour to do a site visit with each audit, with the exception of the Credit Card and Fuel Card Audit, as a site visit was not necessary.

Mr Mathers referred to all NSW Councils struggling with rising operational costs and having to pass these costs onto ratepayers, and asked whether Council can afford to continue to undertake internal audits? Mr Mathers asked for a financial summary of the internal audits undertaken by OCM thus far.

The Chairperson advised that the Audit, Risk and Improvement Committee encouraged Council to consider undertaking internal audits of its functions to manage any issues of internal controls. A tender process was undertaken and OCM were appointed as Council's internal auditors. OCM were to conduct 4 audits in the first financial year and due to Council staff seeing the benefits of internal audits, the number of audits undertaken increased to 6 or 7. After the initial year, OCM have been undertaking 4 audits per year. The Chairperson advised that he was happy for the Committee and Council's management to consider the costs and benefits of internal audits.

Mr DeLisio added that the benefits need to be tangible benefits and referred to some high priority audit recommendations that have not progressed, whether they be misaligned recommendations or staff are unavailable to progress them.

Committee members discuss the following matters relating to internal audits:

- Broken Hill's remoteness means that travel and accommodations costs are incurred.
- It will be mandatory in 2024 for NSW Councils to include an internal audit function to comply with the new Audit, Risk and Improvement Framework for Councils.
- Internal Audits have both tangible and intangible benefits including
  - tightening up of control processes to prevent fraud and corruption or financial leakage,
  - a mechanism to reveal gaps and shortfalls in processes and functions,
  - assisting in the establishment of frameworks, e.g. Project Management Framework and Procedures which have been developed with the assistance of the internal audit.
  - a benchmark for the future review of an audited area to ensure ongoing compliance with recommendations and to identify any new gaps in processes.
- For transparency and accountability.

Deputy Mayor Hickey commented that the General Manager had explained the benefits of the internal audit function to improve Council's operations and prevent any fraud/corruption or misuse of Council's finances and advised that the minutes of the Audit, Risk and Improvement Committee Meetings were available to the public through their presentation to Ordinary Council Meetings.

#### Credit Card Audit

Ms Malpas advised that the Credit Card & Fuel Card Audit had been undertaken and was pleased to advise that there were solid findings with regards to financial delegations matching Credit Card limits, that Council has a Credit Card Register, that training is provided to eligible staff on the use of Council's Credit Cards.

The Fuel Card Audit showed that there is not the same level of control as with Council's Credit Cards and that there are some opportunities for improvement in the areas of:

- Development of a Fuel Card Policy
- Controls in the use of Fuel Cards to prevent any misuse
- Analysis of Fuel Card transactions

The Chairperson was pleased to note that a Fuel Policy will be developed by October 2023.

Mr Mathers spoke about the need for a Fuel Policy, but also stressed that having a policy is one thing, controlling its use and identifying anomalies, is another.

Ms Malpas advised of a NSW Council which is currently going through a court case regarding the misuse of a fuel card, which highlights the importance of control measures. The Council involved issued fuel cards in staff's names whereas Broken Hill City Council's fuel cards relate to the fleet vehicles and not to particular staff members.

Ms Malpas advised that the next internal audit to be undertaken will be the Work, Health and Safety Audit which will commence in September 2023, and then the Procurement Audit. If these audits require a site visit to Broken Hill, then a review of aged recommendations could be undertaken to ascertain if they are still relevant and if not then these recommendations could be retired. Closed recommendations could also be reviewed to ensure processes put in place are being adhered to.

**Recommendation**

Moved Mr Jim Mitchell, Seconded Mr James Mathers

1. That Broken Hill City Council Report No. 17/23 dated July 27, 2023, be received.
2. That the Audit, Risk & Improvement Committee note the final internal audit report on the Credit Card and Fuel Card Audit.
3. That the Audit, Risk & Improvement Committee note the Internal Audit Status Report from O'Connor Marsden & Associates.
4. That the Audit, Risk & Improvement Committee note the progress made on previous internal audit action items

**CARRIED**

**ITEM 2 - BROKEN HILL CITY COUNCIL REPORT NO. 18/23 - DATED JULY 27, 2023 - SERVICE REVIEW UPDATE** D23/39555

*Council's Leader Innovation and Business Improvement spoke to the report advising that the Cemetery Service Review had been completed and highlighted what Council already knew about the Cemetery Operations but is good to have highlighted.*

- Risks involved with the Cemetery Team consisting of only two staff
- Complete the Cemetery Plan of Management to meet the future needs of the Cemetery
- Opportunities for grant funding for the Cemetery
- Investigate the historical value of graves and for Council to seek opportunities for their conservation

*Mr Mathers enquired whether Indigenous people were buried at the Cemetery or whether they had a separate Cemetery? And the state of these graves?*

*The General Manager advised that Broken Hill only has one Cemetery, and that there used to be different sections of the Cemetery for burials dependent on religion only, but that in recent times all burials were made in the General Section of the Cemetery. The newer graves are well maintained, but many graves from the 1800's are in bad condition and Council is investigating funding to carry out conservation work on all historical graves.*

*Following a question from Mr DeLisio regarding the risk of running out of burial space at the Cemetery in as early as two years, Council's Director Infrastructure and Environment advised that geotechnical investigations of the Cemetery have been completed and have identified some land within the Cemetery boundaries which is estimated to accommodate burials for another 40 years.*

*The Director Infrastructure and Environment advised that there is currently a vacant position at the Cemetery and that Council is investigating a rotation of staff from Council's Works Team to alleviate the emotional stress on staff working long term at the Cemetery.*

**Recommendation**

Moved Mr Paul DeLisio, Seconded Mr Jim Mitchell

1. That Broken Hill City Council Report No. 18/23 dated July 27, 2023, be received.

2. That the Audit Risk & Improvement Committee note the findings of the Cemetery Service Review Report
3. That the Audit, Risk & Improvement Committee note the progress made on previous Service Reviews.

**CARRIED**

**ITEM 3 - BROKEN HILL CITY COUNCIL REPORT NO. 19/23 - DATED AUGUST 11, 2023 -  
ENTERPRISE RISK MANAGEMENT POLICY AND FRAMEWORK REVIEW PROJECT REPORT**  
D23/42717

*The General Manager advised that Council's Risk Management Coordinator was an apology for the meeting as he is attending and making a presentation at the Statewide Mutual Risk Management Conference regarding Broken Hill City Council's progress in Risk Management.*

*The General Manager advised that Council's Risk Team have commenced implementing a Safe Fleet Start-Up process to check the condition of fleet vehicles and machinery before their use.*

*The Risk Team have finished drafting the Volunteer Management Policy and Framework, and have completed a review of the Event Management Policy and Framework with both now being reviewed by the Executive Leadership Team (ELT).*

*Council has received the draft Independent Maturity Audit Report from O'Connor Marsden and ELT are currently reviewing the report and the proposed recommendations and actions and as part of the review will meet with Statewide Mutual representatives to review the Risk Register and Treatment Plans. A final report will be presented to the November Audit, Risk and Improvement Committee Meeting.*

*The Chairperson noted that there were no reportable incidents in the reporting period and congratulated Council's ELT and Senior Managers. The Chairperson commented that no reportable incidents means that staff are happy and are working safely.*

**Recommendation**

**Moved Mr Jim Mitchell, Seconded Mr James Mathers**

1. That the report be received.

**CARRIED**

**ITEM 4 - BROKEN HILL CITY COUNCIL REPORT NO. 20/23 - DATED AUGUST 14, 2023 - ACTION  
LIST - AUDIT, RISK AND IMPROVEMENT COMMITTEE**  
D23/42947

**Recommendation**

**Moved Mr Jim Mitchell, Seconded Mr Paul DeLisio**

1. That Broken Hill City Council Report No. 20/23 dated August 14, 2023, be received.

**CARRIED**

## CONFIDENTIAL MATTERS

ITEM 5 - BROKEN HILL CITY COUNCIL REPORT NO. 22/23 - DATED AUGUST 18, 2023 - FAMILY DAY CARE PROPOSAL - CONFIDENTIAL D23/44012

(General Manager's Note: This report considers the evaluation of a childcare service business proposal and is deemed confidential under Section 10A(2) (c) of the Local Government Act, 1993 which provides for information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business).

### Recommendation

Moved Mr Jim Mitchell, Seconded Mr Paul DeLisio

1. That Broken Hill City Council Report No. 22/23 dated August 18, 2023, be received.
2. That the Audit, Risk & Improvement Committee note the below report and resolution of Council at the July 2023 Ordinary Council Meeting.

CARRIED

*Mr Mathers declared a conflict of interest in Report No. 21/23 and terminated his video link to the meeting at 11:00am.*

ITEM 6 - BROKEN HILL CITY COUNCIL REPORT NO. 21/23 - DATED AUGUST 18, 2023 - CIVIC CENTRE LEGAL MATTER UPDATE - CONFIDENTIAL D23/44010

(General Manager's Note: This report considers a current legal matter and is deemed confidential under Section 10A(2) (e) (g) of the Local Government Act, 1993 which provides for information that would, if disclosed, prejudice the maintenance of law; AND which contains advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege).

### Recommendation

Moved Mr Jim Mitchell, Seconded Mr Paul DeLisio

1. That Broken Hill City Council Report No. 21/23 dated August 18, 2023, be received.
2. That the Audit, Risk & Improvement Committee note the below report.

CARRIED

### Next Meeting

The next scheduled meeting to be held 19 October 2023 has been postponed to be held on Thursday 23 November 2023 at 2:00pm ACDT.

Meeting closed at 11:05 am.



The foregoing minutes were read and confirmed at the Audit, Risk and Improvement Committee meeting held on 23 November 2023

\_\_\_\_\_  
Chairperson



CITY COUNCIL

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