



ATTACHMENTS

UNDER SEPARATE COVER

Ordinary Council Meeting

21 November 2023

Part C - Item 25.1

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2022-23 Annual Report



Welcome

**Ngiyanhi Wiradjuri mayiny gawaymbanha nginyalgir Wiradjuri-gu
Ngurabung-gu We the Narrungdera Wiradjuri people welcome
you all to Wiradjuri Country**

Acknowledgement

Narrandera Shire acknowledges Aboriginal and Torres Strait Islanders as the first Australians and recognises that they have a unique relationship with the land and water. Council recognises that we are situated on the traditional lands of the Narrungdera Clan, of the Wiradjuri Nation who have lived here for thousands of years. We offer our respect to their elders past and present and through them, to all Aboriginal and Torres Strait Islander people.



Front cover: Destination and Discovery Hub under construction
Inside Front Cover: A koala at the Narrandera Flora and Fauna Reserve

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About This Document

This document has been prepared in accordance with Sections 406 and 428 of the *Local Government Act 1993* and also the *Local Government (General) Regulation 2021*. Other statutory and guideline documents include the *Government Information (Public Access) Act 2009*, *Privacy and Personal Information Protection Act 1998*, *Public Interest Disclosures Act 1994*, *Carers' Recognition Act 2010*, *Disability Inclusion Act, 2014* and the Integrated Planning and Reporting Guidelines for local government in NSW issued September 2021 by the Office of Local Government.

This report is accessible for viewing and printing from Council's website, with each section available as a separate document. Please visit www.narrandera.nsw.gov.au, select Council from the main menu and then select Council Reporting.

Copies are on public display at Council's Administration Centre located at 141 East Street, Narrandera and may be viewed between the hours of 9:00am and 4:30pm weekdays. Photocopy charges apply if any page or pages are requested to be copied.

Aboriginal and Torres Strait Islander readers are advised that this document may contain images of deceased Indigenous persons.

2022-23 Councillors elected 4 December 2021

Mayor
Deputy Mayor
Councillors

Cr Neville Kschenka
Cr Cameron Lander
Cr Jenny Clarke OAM
Cr Peter Dawson
Cr Tracey Lewis
Cr Braden Lyons
Cr Kevin Morris
Cr Narelle Payne
Cr Sue Ruffles



Mayor Neville Kschenka



Deputy Mayor Cameron Lander



Councillor Jenny Clarke
OAM JP



Councillor Peter Dawson



Councillor Tracey Lewis



Councillor Braden Lyons



Councillor Kevin Morris



Councillor Narelle Payne



Councillor Sue Ruffles

2022-23 Management Team

| | |
|---|------------------|
| General Manager | Mr George Cowan |
| Deputy General Manager Corporate & Community Services | Mr Martin Hiscox |
| Deputy General Manager Infrastructure Services | Mr Shane Wilson |

Administration & Governance Details



Administration Centre
141 East Street
NARRANDERA NSW 2700

Hours of operation

Enquiries 9:00am – 4:30pm

Cashier 9:00am – 4:00pm



02 6959 5510



02 6959 1884



council@narrandera.nsw.gov.au



www.narrandera.nsw.gov.au



<https://www.facebook.com/NarranderaShire/>



<https://www.instagram.com/narranderashirecouncil/>



<https://www.linkedin.com/company/narrandera-shire-council>

A Message from the Mayor

Welcome to the 2022-23 annual report for Narrandera Shire Council. Let me firstly acknowledge the traditional owners of the land of Narrandera Shire, the Wiradjuri people, and I pay my respects to the Elders past, present and emerging.

In the 2021-22 Annual Report I reflected on how COVID-19 had affected our lives, but as a Council we continued to move forward by completing projects and starting new ones. As I write this report, some of the most visible projects include the Skywalk adjacent to the Lake Talbot Tourist Park, the Northbank Bridge across the Murrumbidgee Irrigation Canal and, of course, the new Narrandera Destination and Discovery Hub at Marie Bashir Park which is nearing completion. The Hub is an exciting project and will contain a dedicated area for visitor services, a permanent exhibition area where people can discover Narrandera Shire's nature-based and cultural stories in a contemporary space with interactive displays, improved access, public amenities and workspaces. The Hub will help establish Narrandera as a starting point for exploring many of the attractions and opportunities available in the Riverina.

Most of our projects would not be possible without the support of both the Federal and State Governments and I thank them for their continued commitment to our Shire and to regional Australia.

Speaking of regional Australia, our rural communities have benefitted greatly over the past century through the advocacy and fundraising activities of the Country Women's Association of NSW (CWA). In August 2022, Cr Clarke represented Council at the Narrandera CWA Branch 100th birthday celebration and I was fortunate to be able attend the Barellan CWA Branch celebrations at the heritage-listed CWA Rest House.

Across the year I attended many workshops, conferences and individual meetings with service providers to our Shire. In particular, I held quarterly meetings with NSW Police about staffing matters, incidents and the possibility of planning for a new police station at Narrandera. The General Manager and I liaise closely with the Murrumbidgee Local Health District to both retain and enhance services to our Shire's residents; in particular I want to see dialysis services for Narrandera Shire residents.

Amongst the highlights of my year is attending school presentation ceremonies across the Shire. Although Council financially sponsors all schools and TAFE, I enjoy attending, for not only the recognition of academic achievement of students, but also to hear about the community achievements of individual students and how they go above and beyond their school tasks to help others. The Clontarf Academy invited the General Manager and me to their annual awards ceremony in December 2022 and I was really pleased to see these young men recognised for their achievements.

The latter half of 2022 saw major flooding along the Murrumbidgee River. Council once again assisted where it could to maintain essential services to residents of the Shire, with Council continuing to lobby for flood-free access to Gillenbah.

Listening to our community is very important and, with fellow Councillors and senior staff, I attended the annual listening posts at Barellan, Grong Grong, Narrandera and Sandigo. These community sessions provide the ideal opportunity to meet with residents to find out about their concerns, what projects, repair works and road maintenance they would like to see undertaken. The events are also a useful forum for updating the community on current and future projects or other proposals.

I take this opportunity to thank my fellow Councillors and also the employees of Narrandera Shire Council for their efforts, loyalty and support during the reporting year.

Councillor Neville Kschenka, Mayor

A Message from the General Manager

At 30 June 2023, Council completed another successful year having delivered a number of community projects, but Council's long term financial position is looking uncertain with ongoing rate-pegging at levels below actual cost. The combined effects of fair value accounting for assets, increasing compliance costs and increasing community expectations have taken their toll, however ways to create financial stability for the immediate future will be discussed by Council in coming months.

As a Council we eagerly await completion and fitout of the Narrandera Shire Destination and Discovery Hub which is planned to be opened in coming months. This exciting new centre replaces the now demolished Visitor Information Centre, creating a destination for visitors and encouraging them to stay and discover our natural features, our culture, our koalas, our art and our heritage features.

Along with the Mayor, we attended many workshops, conferences and held individual meetings with service providers to our Shire. In particular, I liaise closely with the Murrumbidgee Local Health District, our State Member and also the Minister for Health about retaining and enhancing services to our Shire residents. I will continue to lobby for dialysis services for Narrandera Shire residents.

During the year, Council staff continued to focus on engaging with the community through our website, our Facebook page and through direct communication such as our newsletter, in person or by telephone.

I would like to take this opportunity to thank the Mayor and Councillors for their leadership during the reporting year, and to also thank the staff for their efforts and achievements across the year.

George Cowan, General Manager

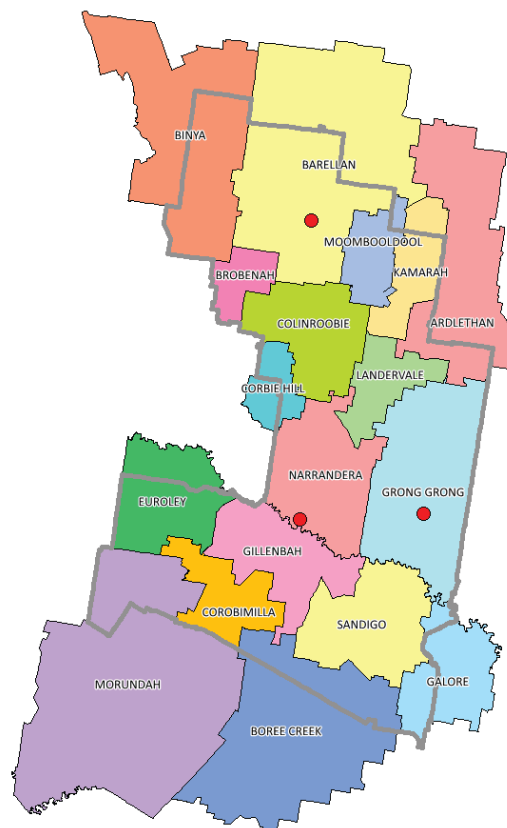
General Information

The Shire has an area of 4,117 square kilometres and provides for a population of 5,698 persons*. The principal centres of population are Narrandera, Barellan and Grong Grong.

Narrandera Shire Council manages a broad range of general community services including Narrandera Community Transport, Narrandera-Leeton Airport, Narrandera Shire Library, Narrandera Visitor Information Centre, Narrandera Arts and Community Centre, as well as recreational facilities such as Narrandera’s Lake Talbot Water Park and the Barellan War Memorial Swimming Pool.

Council controls amenities and services such as sporting fields, waste management and recycling services across the Shire, essential water supply and sewerage infrastructure for the town of Narrandera.

Council is also responsible for a number of environmental and public health services, like planning and development services, companion animals’ control, and managing infrastructure including roads, bridges, cemeteries, open space parks and gardens, public amenities, skate park and picnic areas.



(* source 2021 Census data supplied by the Australian Bureau of Statistics – 2021 Census All Persons QuickStats viewed 22 September, 2023 <https://abs.gov.au/census/find-census-data/quickstats/2021/LGA15800>)

Meetings

Council meetings are held on the third Tuesday of the month commencing at 2:00pm, with any approved public presentations made to Council from 1:30pm. The December meeting is traditionally brought forward to the second Wednesday of the month and there is often no meeting in the month of January. Council's website and social media channels confirm meeting details and any changes of date for the community.

Community members are encouraged to attend public meetings of the Council and livestreaming of Council meetings is available through Council's website and Facebook page.

Council conducts most of its business in an open forum. Exceptions are those matters deemed confidential in accordance with Section 10A of the Local Government Act, 1993, such as personnel matters, the personal hardship of any resident or ratepayer, commercial information of a confidential nature or alleged contravention of any code of conduct.

Section 1 - The Reporting

Overview

Council either retained or adopted the following strategic documents in June 2022 for the 2022-23 reporting year:

- Community Strategic Plan 'Our Narrandera Shire' - long term 2022-34
- Delivery Program – 4 year term 2022-26
- Operational Plan – 1 year term 2022-23
- Resourcing Strategy (including a Long-Term Financial Plan, an Asset Management Strategy, and a Workforce Plan)

The Community Strategic Plan titled Our Narrandera Shire 2034 and other supporting plans such as Our Disability Inclusion Action Plan 2022-26 can be found on Council's website or by selecting the following link – [Council Plans](#).

Developing and reporting on the plans

The set of strategic documents was developed following extensive community consultation on what the community and Council determined were the priorities for the Shire. The priorities are contained within one or more of the five themes within the Plan and identify actions and measurable targets to be delivered.

A major element of Integrated Planning is that Council must report to the community on actions and progress to date within the Delivery Program. Narrandera Shire Council reports on these achievements every six months. These reports are also available for viewing or download from Council's website www.narrandera.nsw.gov.au or by selecting the following link [Council Reporting](#).

Attached within Section 2 Appendix F are the 2022-26 Delivery Program comments as at 30 June 2023.

Our Vision

Achieving together.

The vision of our Community Strategic Plan is ‘to preserve and enhance the lifestyle of our communities by encouraging, promoting and facilitating the sustainable development of the Shire’.

Our Community Strategic Plan is built around five key themes:

1. Civic leadership
2. Community
3. Economy
4. Infrastructure
5. Environment

To achieve this vision, Council aligns programs and services with the key themes and directions and gauges success through the achievement of actions and measures reported on every six months.

Our Values

Our vision

Achieving Together

Our values



- 

Ethical
Be transparent and equitable in all our actions
- 

Caring
Be helpful, supportive and thoughtful towards each other and our community
- 

Loyalty
Take pride in our work and our organisation
- 

Accountability
Be responsible for our actions
- 

Integrity
Be trustworthy, honest and consistent
- 

Respect
Respect for each other and the role we play
- 

Safety
Work safely to protect ourselves and the public



1. Our Civic Leadership

Local Government in New South Wales is governed primarily by the *Local Government Act 1993*, and the *Local Government (General) Regulation 2021*, however there are many additional statutes that Council must also observe. A particular area where Council has taken a proactive approach over many years to ensure good governance is the establishment of an Audit, Risk and Improvement Committee. The Annual Report from the Committee for the 2022-23 reporting year is provided below and prepared by the Chairperson, Mr John Batchelor:

Audit, Risk & Improvement Committee Report – Year Ended 30 June 2023

Introduction

This report is made in accordance with the Audit, Risk and Improvement Committee's (the Committee) Internal Audit Charter and covers the financial year ending 30th June 2023.

The Committee has a key role in the governance framework of Council by providing Council with independent oversight, objective assurance and monitoring of Council's audit processes, internal controls, external reporting, risk management activities, compliance with Council's policies and procedures, and performance improvement activities.

Background

The Committee was formed in 2014 as part of Council's governance structure following the issue of guidelines by the Office Local Government in 2010. For the reporting year the Committee operates under a revised Charter adopted by Council on 17 September 2019 with the objectives of the Committee supported by obligations under Section 428A of the Local Government Act, 1993 for keeping under review the following aspects of Council's operations –

- Compliance,*
- Risk management,*
- Fraud control,*
- Financial management,*
- Governance,*
- Implementation of the strategic plan, delivery program and strategies,*
- Service reviews,*
- Collection of performance measurement data by the Council, and*
- Any other matters prescribed by the regulations.*

Also under this Section, the Committee is also to provide information to Council for the purpose of improving the Council's performance of its functions.

In December 2022 the NSW Office of Local Government issued new guidelines for the Committee which are scheduled to be implemented from 1 July 2024. The Committee is moving to the new guidelines with the recent adoption of both the Model Terms of Reference and the Model Internal Audit Charter, and the recruitment of a 3rd independent member.

The 2023-2024 report will contain more information on how the Committee has evolved to meet the new guidelines.

Committee Meetings Held During the Period

The Committee met on the following dates –

- 6th July 2022
- 15th August 2022 (extraordinary meeting to consider the draft financial statements for 2021-2022)
- 5th October 2022
- 23rd November 2022
- 8th March 2023.

Attendances at meetings have included by Zoom where necessary.

Membership

The Committee comprised the following membership during the reporting period –

| <u>Voting Independent External Members</u> | <u>Meetings Attended</u> |
|--|--------------------------|
| John Batchelor (Chairperson) | 5 |
| Gayle Murphy | 5 |

| <u>Voting Council Representative *</u> | <u>Meetings Attended</u> |
|--|--------------------------|
| Cr Cameron Lander | 5 |

| <u>Non-Voting Attendees</u> | |
|--|---|
| George Cowan - General Manager | 4 |
| Martin Hiscox - Deputy GM Corporate & Community | 4 |
| Craig Taylor - Governance and Engagement Manager | 4 |
| Bec Best – Finance Manager | 2 |
| Melissa Gilmour - Secretariat Support | 2 |
| Amanda Collins – Secretariat Support | 2 |

Representatives from the NSW Audit Office and Council’s external auditors are invited to the ordinary meetings and attended using Zoom technology.

Mr Phil Swaffield from the National Audits Group is also invited to the ordinary meetings and attends in person where possible, otherwise attendance is by using Zoom technology.

Internal Audit Program

The National Audits Group continues to provide Internal Audit services and will continue in this role until 30 September 2023.

During 2022-2023 the Committee received the following Internal Audit reports:

- Fleet Management
- Financial Grants Management
- Events Management
- Workplace Health and Safety Management

For 2023-2024 the following Internal Audit workplan was set and the following reports will be sought during the reporting year:

- *Personnel Succession Planning/Attraction*
- *Corporate Governance Framework*
- *Treasury Functions - Investments*
- *Community Transport*

The Committee acknowledges that the implementation of recommendations requires the commitment of significant resources, particularly at senior officer level. The Committee will continue to take an active role in the scoping of internal audit assignments with a view to more precise targeting of assignments to specific areas of risk. It is anticipated that this will reduce the range and number of recommendations that require the attention of senior staff.

The Committee has continued to monitor management actions in relation to issues raised in previous Internal Audit Reports.

In addition to the above it is also recognised by the Committee that management -

- *Issues reminders to key staff in relation to the importance of identifying risks and then recording options to deal with these risks to ensure that they are within acceptable risk parameters,*
- *Monitors identified risks and reports any significant incidents or near misses to the Committee,*
- *Develops and reviews key strategic documents such as the Strategic Internal Audit Plan in consultation with the Committee and the internal auditor. This annual review allows the Committee or internal auditor to identify emerging risks and the opportunity to assess current controls.*
- *Makes presentations to the Committee on any key documents issued by external authorities such as the Audit Office NSW findings on procurement within local government identifying areas of concern and how Narrandera Shire Council adapted processes and/or procedures to reduce risks in these areas.*

Annual Financial Statements and External Audit

At the meeting held 15 August 2022 the Committee reviewed the draft Annual Financial Statements for the year ended 30 June 2022. Council's Finance team is congratulated on the timely completion of the Statements.

The Committee reported to Council that it knew of no matter that would prevent Council from executing the certificates required by section 413 of the Local Government Act, 1993.

The Committee has also reviewed all correspondence from the external auditor in relation to the external audit. In reviewing the 2022 Financial Statements the Committee did however raise concerns in relation to the potential impact of continuing operating losses in Water Fund operations and drew this to the attention of Council

The major items of correspondence were:

- *Audit Reports 2022*
- *Final Management letter 2022*
- *Engagement Closing Report 2022*
- *Annual Engagement Plan 2023*

Approach of the Committee

The Committee takes what may broadly be described as a 'risk management' approach which includes –

- *Monitoring the risk exposure of Council,*
- *Reviewing the level of resources allocated to internal audit and the scope of its authority,*
- *Reviewing the scope of internal audit plans and the effectiveness of the function,*
- *Reviewing reports of internal audit and the extent to which Council and Management react to matters raised by internal audit,*
- *Facilitating liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs,*
- *Critically analysing and following up on any internal or external audit report that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues raised,*
- *Identifying and referring specific projects or investigations deemed necessary through the General Manager, internal auditor, and the Council as appropriate,*
- *Addressing issues brought to the attention of the Committee that are within the parameters of its Charter,*
- *Considering and recommending any changes to the Committee's Charter and the Internal Audit Charter.*

Staff

The Committee wishes to formally record its appreciation for the assistance it has received from the General Manager, George Cowan, Deputy General Manager Corporate and Community, Martin Hiscox, Governance and Engagement Manager, Craig Taylor, Finance Manager, Bec Best and the secretarial support provided by Melissa Gilmour and Amanda Collins.

Conclusion

Council's Audit, Risk and Improvement Committee continues to operate effectively and will continue to monitor issues raised both in the External Audit Reports and the Internal Audit Reports and where necessary will highlight issues for the consideration of Council.

John Batchelor

Chairperson

Narrandera Shire Council Audit Risk and Improvement Committee

12 September 2023

Information Management

Government Information (Public Access) Act 2009

The focus of *Government Information (Public Access) Act 2009* (GIPA) is to maintain and advance a system of responsible and representative democratic government that is open, accountable, fair and effective. The GIPA requires Council to proactively release information where possible, providing there is no over-riding public interest against disclosure. It establishes four ways that the community can access Council information, being Mandatory Disclosure, Informal Release, Formal Access, and Proactive Release. Council continues to work towards providing as much open access information as it can to the community through its website and other mediums.

GIPA Disclosure Log

The following disclosure log records information released in response to formal access applications that may be of interest to other members of the public (unless the applicant objects to its recording). The complete 2022-23 GIPA Annual Report was submitted to the Information and Privacy Commission of NSW on 22 September 2023 and has also been attached to this annual report in Section 2 Appendix A.

| Reference | Date of Decision | Topic/Information Requested | Information Released |
|------------|-------------------|--|---|
| GIPA-22-9 | 26 July 2022 | Sought available information from 2018 on Lot B DP 403262. | Available information provided however some documents released have had information redacted in accordance with Section 14 (2) Table 3 (a) of the Government Information (Public Access) Act 2009 that could reasonably be expected to reveal an individual's personal information. |
| GIPA-22-11 | 23 September 2022 | Sought available information about part of the road reserve adjacent to 89 to 101 East Street, Narrandera. | Available information provided however some documents released have had information redacted in accordance with Section 14 (2) Table 3 (a) of the Government Information (Public Access) Act 2009 that could reasonably be expected to reveal an individual's personal information |

Public Interest Disclosures Act 1994

Council is required to report annually on its obligations under the *Public Interest Disclosures Act 1994* (PID Act).

This is where a disclosure can be made by members of an organisation of illegal, immoral, or illegitimate practices under the control of their employers to persons or organisations that may be able to initiate remedial action. The report must be in accordance with the requirements of Section 31 of the PID Act and Clause 4 of the *Public Interest Disclosures Regulation 2011* (PID Regulation).

For the reporting period there were **NO** disclosures received.

The complete 2022-23 PID Annual Report was submitted to the Office of the NSW Ombudsman on 22 September 2023 and has also been attached to this annual report in Section 2 Appendix B.

Privacy and Personal Information Protection Act 1998

Council has adopted the Model Privacy Management Plan as provided to Council by the Office of Local Government without amendment. There were no privacy complaints received during the reporting period.

Mayoral and Councillor Provisions

Council's [Councillor Expenses and Facilities Policy](#) details financial, equipment, facilities and support provided for elected members. This policy was reviewed and adopted by Council on 5 January 2022 in accordance with the *Local Government Act 1993*.

Mayoral and Councillor Financial Provisions

Payments made relating to the Mayor and Councillors during 2022-23 totalled \$162,691 and comprised the following:

| Expense Item related to Civic Duty | Amount |
|---|------------|
| Mayoral allowance | \$ 27,600 |
| Councillor fees | \$ 103,310 |
| Councillor superannuation | \$ 16,127 |
| Councillor travelling costs – Councillors | \$ 786 |
| Councillor attendance at LGNSW conference | \$ 0 |
| Councillor attendance at other conferences | \$ 8,139 |
| Councillor professional development | \$ 3,152 |
| iPad and other technology | \$ 757 |
| Telecommunication costs | \$ 2,160 |
| Value of telephone calls made by the Mayor or reimbursed to Councillors | \$ 660 |
| Interstate visits by Councillors | \$ NIL |
| Overseas visits by Councillors | \$ NIL |
| Expenses of any spouse or partner of a Councillor | \$ NIL |
| Expenses for childcare or immediate family care | \$ NIL |

For the reporting year, the following Councillors undertook professional development either through personal studies or other delivery methods:

| Councillor Name and course or activity undertaken | Amount |
|---|----------|
| All Councillors – Understanding LG Finances for Councillors | \$ 1,855 |
| All Councillors – Chairing and effective meeting procedures for Councillors | \$ 1,200 |

Equipment and Facilities - Commitment to Participation, Equity and Access

Narrandera Shire Council encourages all members of the community to be involved in Local Government, in particular to nominate for election to Council.

An elevator from the ground floor to the first floor of Council's Administration Centre is available for any person with a disability. Large screen monitor, microphones, sound system and hearing aid loop have been installed to support people with a hearing impairment. Council is committed to providing transportation or other reasonable facilities to assist people with disabilities who are involved in civic duties as an elected member.

Use of Equipment and Facilities by the Mayor

Appropriate administrative support is provided for the Mayor to carry out the duties of the Office, including a fully furnished Mayoral Office for Council business and a ceremonial chain. The administrative support cost for the Mayor is estimated to be \$12,917 per year (based on a single support employee for an average of one hour per day multiplied by 250 workdays).

Appropriate stationery such as pens, paper, diary and other appropriate items are provided to assist the Mayor in the performance of the day to day duties at a cost of approximating \$250. The Mayor is provided with a mobile telephone for Council use only which is capped at a monthly limit of \$150.

Appropriate refreshments and beverages are provided as required by the Mayor for hospitality purposes.

Return of Equipment and Facilities

Councillors are to return to the General Manager any Council-owned and provided equipment following completion of their term in office or prior to commencing a period of extended leave of absence or at the cessation of their civic duties.

Modern Slavery

Narrandera Shire Council Modern Slavery Annual Report Reporting Period: Financial Year 2022-23

Introduction

This Modern Slavery Statement is provided by Narrandera Shire Council in accordance with Section 428 (4) of the NSW *Local Government Act*, 1993. This statement outlines Narrandera Shire Council's commitment to combatting modern slavery and the measures we have implemented during this reporting period to reduce the risk of our procurement activities resulting in or contributing to human rights violations.

Organisational Structure and Supply Chain

Narrandera Shire Council recognises the importance of taking steps to ensure that goods and services procured by and for our Council are not the product of modern slavery. Our supply chain includes many suppliers of goods, services or works with the highest categories of spend being transport and communications, recreation and culture, and sewerage network.

Policy

Narrandera Shire Council adopted its revised [Procurement Policy](#) on 16 May 2023 which outlines Council's commitment to preventing and addressing modern slavery in all its procurement activities.

Outcomes

Implementation of the above policy resulted in Council's Procurement Policy being updated and available for reference by all staff.

The Modern Slavery Annual Report for 2022-23 is included as Appendix C at the end of this document.

Service Review

Requirements

Councils are required to undertake service reviews as part of 'promoting better practice', a means of assessing performance and promoting continuous improvement. The reviews are designed to act as a 'health check' examining the extent to which there are appropriate strategies, policies, systems and procedures in place in the areas of strategic planning, financial sustainability, governance and service delivery.

While the purpose of a service review is to ensure continuous improvement, a rolling program of service reviews can also put Councils in a better position to:

- **Respond** to changing customer priorities and needs.
- **Determine** the right mix of services and align services with the council's vision.
- **Define** statutory and non-statutory services and consider the potential for divestment of services.
- **Generate** financial savings.
- **Review and optimise** service levels and build staff capacity and skills.

Actions taken by Council during 2022-23

Construction of the much-anticipated Destination and Discovery Hub (The Hub) commenced in March 2022, with the centre expected to be completed by the end of October 2023.

Given that The Hub was designed to accommodate exhibitions, static displays, retail space, visitor service staff and other members of staff, The Hub and its staffing levels were the first Service Review to be actioned.

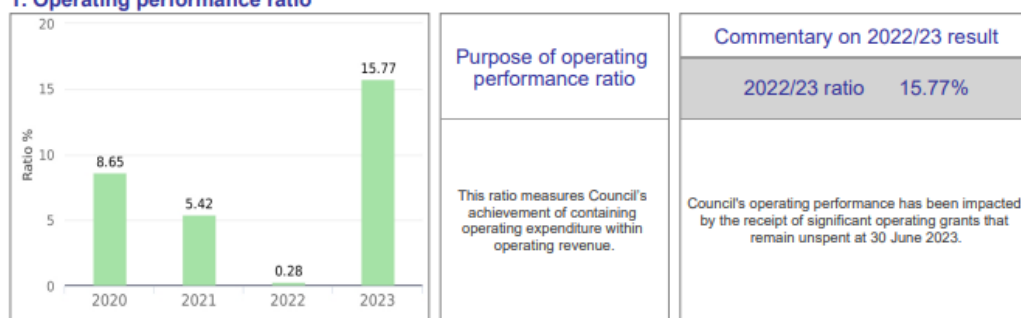
The review commenced, led by the Economic Development Manager, however, is currently on hold due to the manager's resignation and ensuing recruitment process. Given that The Hub is an essential part of the role's responsibilities, the incoming Economic Development Manager will progress this review and the outcomes will be presented as part of the 2023-24 Annual Report.

Financial Performance Measures

The audited financial statements for the year ending 30 June 2023 show that Council mostly meets or exceeds the benchmarks established by New South Wales Treasury Corporation (TCorp) except for 'Own Source Operating Revenue Ratio' and 'Infrastructure Backlog Ratio'.

The following graphs have been extracted from the Narrandera Shire Council audited financial statements for the year ending 30 June 2023 which are attached to this document in full within Section 2 Annexure D.

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2022/23 result

2022/23 ratio 15.77%

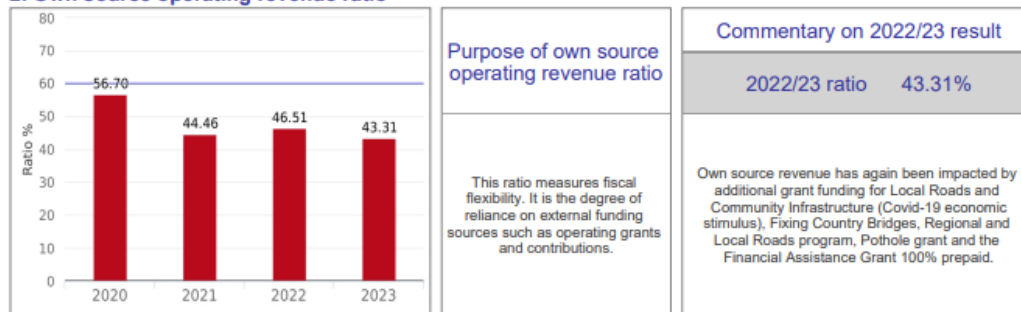
Council's operating performance has been impacted by the receipt of significant operating grants that remain unspent at 30 June 2023.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark
Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result

2022/23 ratio 43.31%

Own source revenue has again been impacted by additional grant funding for Local Roads and Community Infrastructure (Covid-19 economic stimulus), Fixing Country Bridges, Regional and Local Roads program, Pothole grant and the Financial Assistance Grant 100% prepaid.

Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark
Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 6.57x

Council's ratio remains well above the benchmark with more than adequate funds to satisfy its short term obligations.

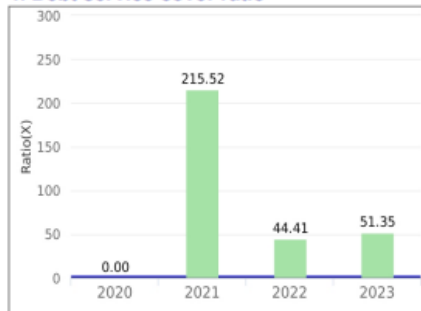
Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result

2022/23 ratio 51.35x

Council currently has two external loans with the uptake of the Barellan sewer loan in 2022 and Lake Talbot pool in 2021. Internal loans exist from the Water fund to the General fund \$164,000

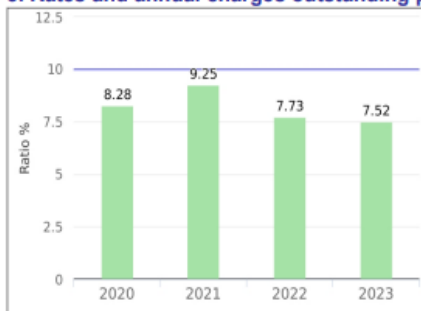
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

2022/23 ratio 7.52%

Council's outstanding rates have improved considerably and are at a satisfactory level having been achieved through a fair debt recovery program.

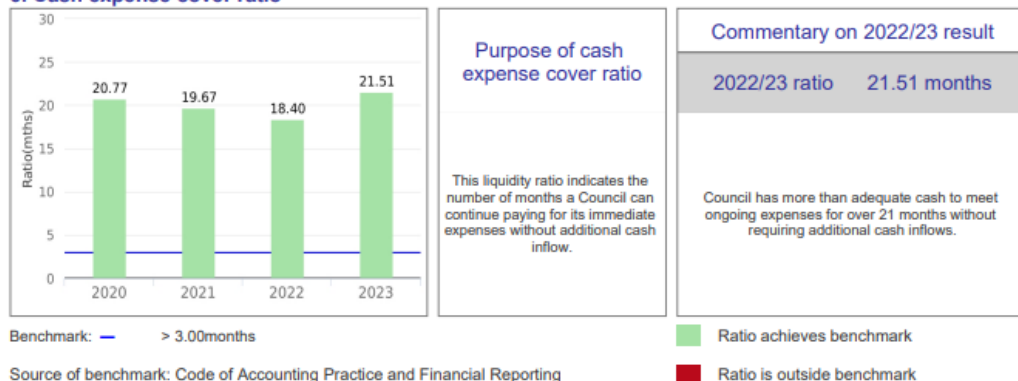
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

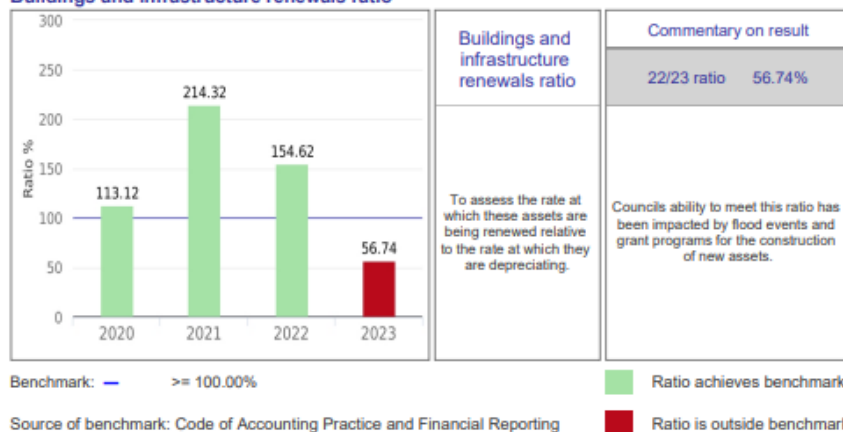
Ratio achieves benchmark

Ratio is outside benchmark

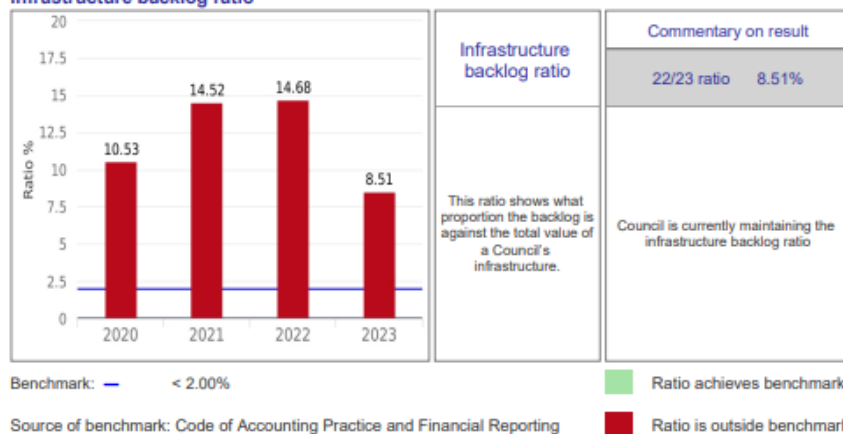
6. Cash expense cover ratio



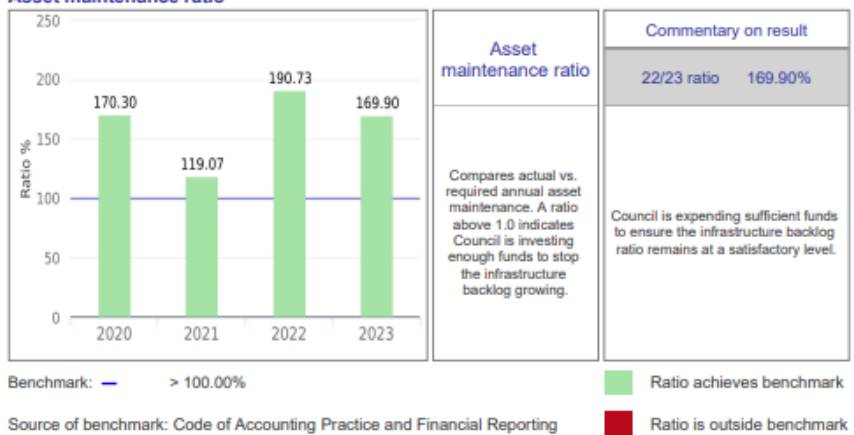
Buildings and infrastructure renewals ratio



Infrastructure backlog ratio



Asset maintenance ratio



| Asset maintenance ratio | |
|---|---------|
| <p>Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.</p> | |
| Commentary on result | |
| 22/23 ratio | 169.90% |
| <p>Council is expending sufficient funds to ensure the infrastructure backlog ratio remains at a satisfactory level.</p> | |

Financial Reporting

Statutory Financial Reports

Council's audited financial reports for the year ending 30 June 2023 are attached as Appendix D.

The Office of Local Government on 19 September 2023 advised that Narrandera Shire Council was the first General Purpose Council in NSW to have its 2022-23 audited financial statements completed.

Rates and Charges

Abandonments

During the 2022-23 reporting year, rates and charges totalling \$5,516.89 were abandoned due to a statutory requirement or the amount deemed as irrecoverable based on legal advice.

Sundry debtor amounts totalling \$1,682.59 (exclusive of GST) were abandoned as irrecoverable.

Pensioner Rebates Granted and Subsidy Claimed

Pensioner rebates totalling \$201,831 were granted during 2022-23. Of this amount \$111,007 was recovered through subsidies received from the NSW State Government.

Statement Of Council's Principal Activities

Following is a statement for each of Council's principal activities setting out:

- Revenue and expenses for 2022-23
- Assets held by Council at 30 June 2023

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

| \$ '000 | Income | | Expenses | | Operating result | | Grants and contributions | | Carrying amount of assets | |
|---------------------------------------|---------------|---------------|---------------|---------------|------------------|--------------|--------------------------|---------------|---------------------------|----------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Functions or activities | | | | | | | | | | |
| Our Community | 7,193 | 5,579 | 6,253 | 6,117 | 940 | (538) | 5,915 | 4,357 | 40,024 | 34,636 |
| Our Environment | 1,324 | 1,488 | 1,636 | 1,624 | (312) | (136) | 219 | 496 | 3,129 | 2,891 |
| Our Economy | 1,644 | 2,655 | 2,853 | 3,332 | (1,209) | (677) | 7 | 343 | 7,540 | 7,096 |
| Our Infrastructure | 10,104 | 7,581 | 10,359 | 9,014 | (255) | (1,433) | 5,531 | 4,006 | 223,235 | 193,645 |
| Our Civic Leadership | 13,962 | 13,140 | 3,363 | 3,195 | 10,599 | 9,945 | 7,732 | 6,889 | 22,277 | 18,800 |
| Total functions and activities | 34,227 | 30,443 | 24,464 | 23,262 | 9,763 | 7,161 | 19,404 | 16,091 | 296,205 | 257,068 |

Debt Recovery

Legal Proceedings for the Recovery of Overdue Amounts

During 2022-23 Council was involved in legal action for the recovery of overdue rates and charges in addition to overdue debtor accounts.

For the twelve months ending 30 June 2023, Council initiated the following action for recovery of outstanding:

| Nature of Action | Amount excluding legal expenses | Legal Expenses | Result |
|--|---------------------------------|--|--|
| Sundry Debtors No sundry debtor matters actioned during the reporting period. | \$0.00 | \$0.00 | N/A |
| Rate/Water Debtors Council actioned the recovery of arrears of rates and charges using the services of Executive Collections for the issuing of letters of demand, Statement of Liquidated Claim, Judgement, Summons of Examination, Writ, Warrant, and Garnishee. | \$61,417.57 | \$28,203.51 NOTE: This amount includes legal action costs for arrears carried forward from previous years | Recovered \$55,542.60 Continuing legal action \$17,102.05 |
| Sale of Land 4 matters actioned during 2022-23 sale of land proceedings | \$16,375.64 | \$21,159.12 | Recovered \$16,375.64 Abandoned as irrecoverable \$0 |

Summary Of Legal Expenses

| Activity Centre | Amount \$ (excl GST) |
|--|----------------------|
| General advice, property matters, human resource matters | \$ 269 |
| Debt recovery matters | \$ 53,894 |
| Sale of industrial land | \$ 3,841 |
| TOTAL | \$ 58,004 |

Contracts

During 2022-23 there were five contracts awarded by Council equal to or above \$150,000 being:

| Contract Details | Value |
|--|--------------|
| Q 22-23-10 Detailed design for Barellan levee was awarded to Dryside Engineering at a cost of | \$173,250.00 |
| T 21-22-06 Design and construct Lake Talbot Skywalk was awarded to Ezibuild Pty Ltd at a cost of | \$626,000.00 |

| | | |
|------------|--|--------------|
| T 22-23-02 | Design and construct fire station at Landervale was awarded to Joss Facility Management at a cost of | \$650,311.00 |
| T 22-23-04 | Design and construct solar PV panel and battery installation at various locations was awarded to Enerigus Pty Ltd at a cost of | \$466,050.00 |
| Q 22-23-37 | Design and construction of the pedestrian deck at Lake Talbot Water Park was awarded to Roddy Engineering at a cost of | \$154,541.00 |

Statement of all Corporations, Partnerships, Trusts, Joint Ventures, Syndicates or other bodies in which Council held a controlling interest

During the reporting period Council did not hold any controlling interests, either by itself or in conjunction with other councils in any company.

Statement of all Corporations, Partnerships, Trusts, Joint Ventures, Syndicates or other bodies in which the Council participated during the year

Council is a member of the Western Riverina Libraries (WRL), a collaborative of six local government areas sharing resources and technical services. WRL provides the Narrandera Shire Library with access to the greater regional library facility and the mobile library vehicle where clients in remote areas of the Shire or confined to their homes are able to access public library facilities.

Council is a funding contributor to Western Riverina Arts (WRA) with the Community Development Manager a member of the Board. WRA is a not-for-profit organisation dedicated to supporting the development and promotion of the arts.

Council owns 10,000 shares in Narrandera District Investments Limited being the Narrandera franchise of the Bendigo Bank.

Works on Private Land

Council undertook works such as roadworks, mowing grass and removing excess vegetation on private land in 2022-23 raising revenue of \$318,338. Council policy about charging for these private rates is as follows:

| | |
|----------------------|---|
| Plant hire rates | Reviewed each year based on commercial rates, includes operator |
| Additional labour | Actual cost plus on costs and overheads |
| Stores and materials | Actual cost plus 25% for overheads |

Section 67 of the *Local Government Act, 1993* provides that Council must not carry out work under this section if it is proposed to charge an amount less than the approved fee unless the proposed fee is made by resolution of the Council at an open meeting of Council before the work is carried out.

During the reporting year there were no Private Works undertaken at less than the rates set and therefore no Council resolutions required by Section 67 (2) (b) of the Act.

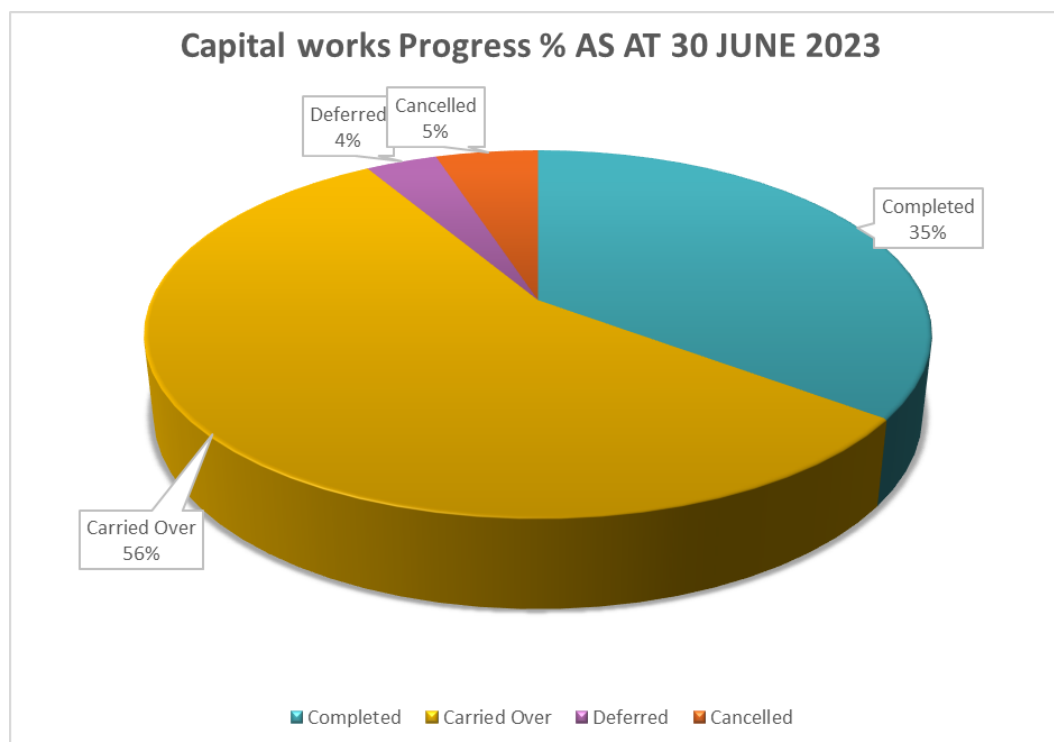
Capital Works Program 2022-23

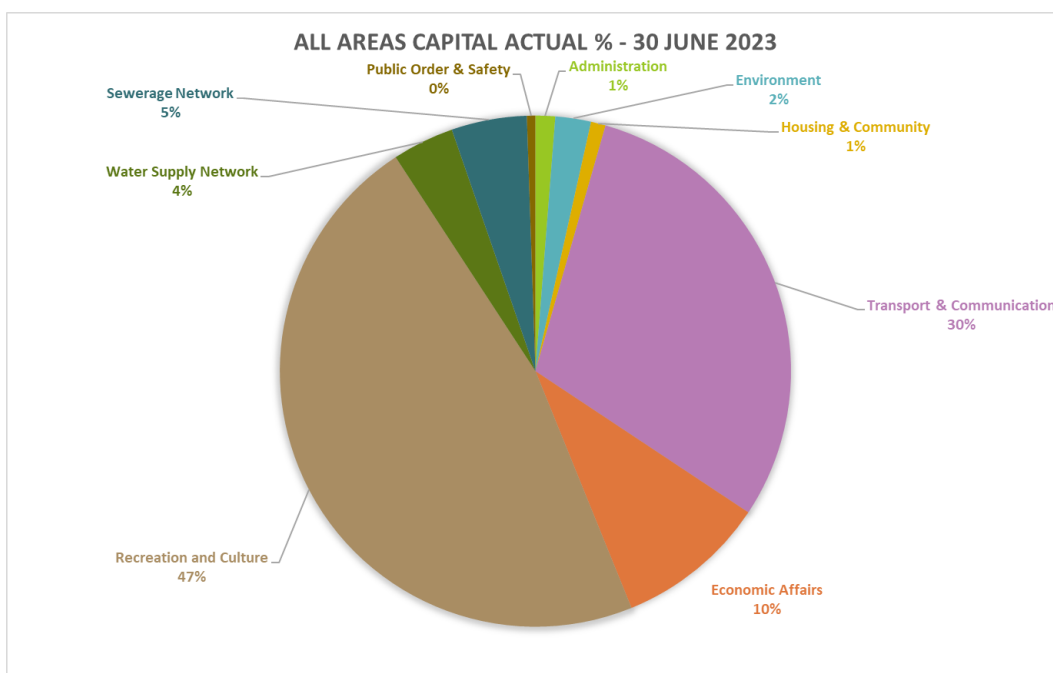
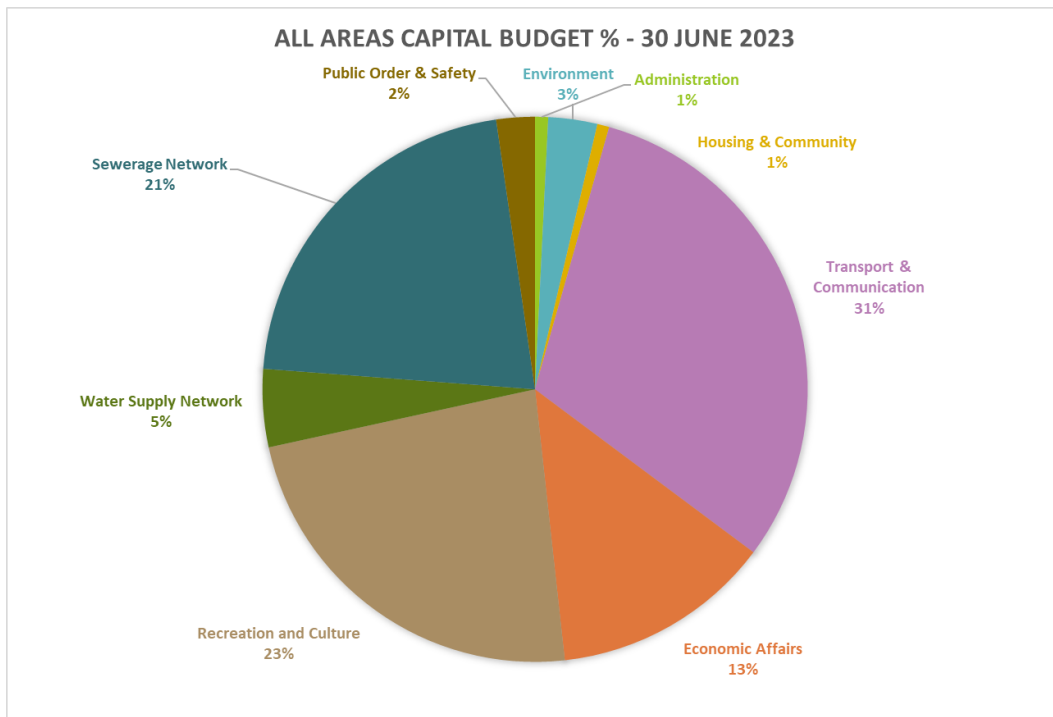
For the 2022-23 capital works program Council adopted an original budget of \$15,913,225 relating to General Fund \$12,128,225, Water Fund \$385,000 and Sewer Fund \$3,400,000.

During the year, Council adopted carry over works and other items not originally in the budget to be added to the program leaving the total budget of the program to be \$32.745 Million.

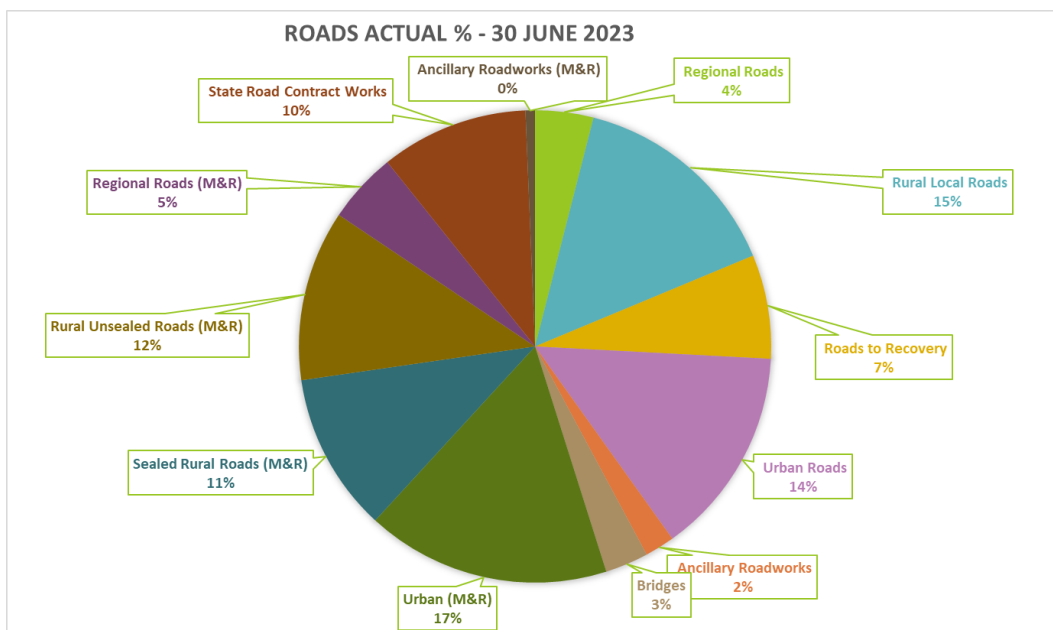
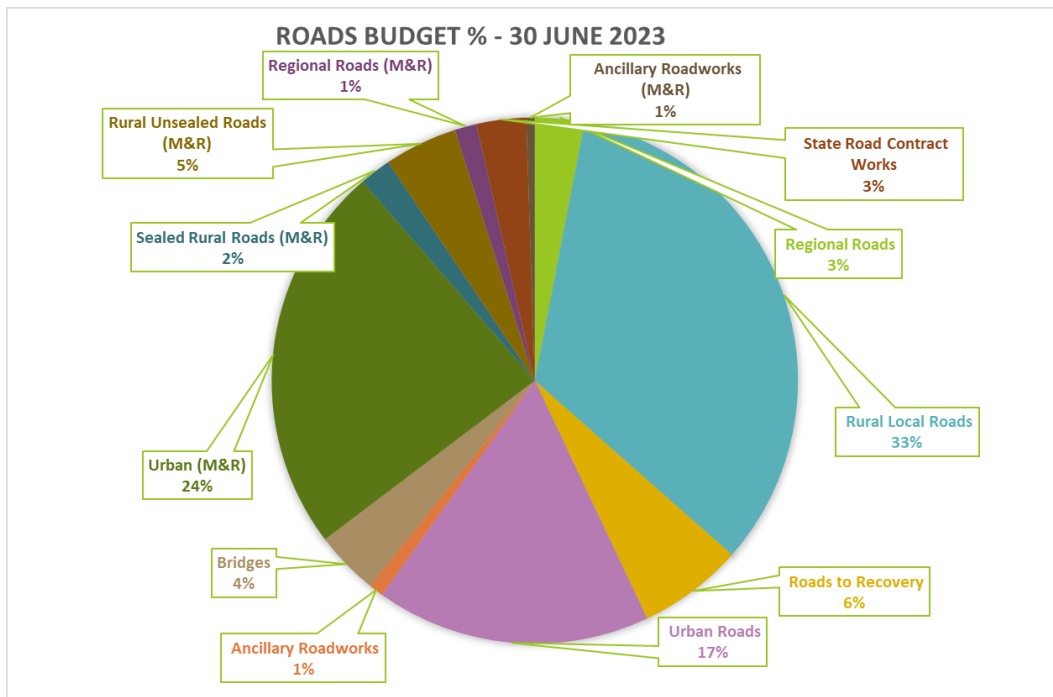
As at 30 June 2023:

- 35% of the program was complete
- 5% was cancelled
- 56% was in progress and carried over to 2023-24
- 4% of the program was deferred until a later date.





Council's transport and communication program below made up a significant portion of Capital Expenditure as at 30 June 2023. The Rural Local Roads and Urban Roads Program had the largest percentage of expenditure with the majority grant funded.



Competitive Neutrality

Council in 2022-23 operated one Category 1 businesses and one Category 2 business.

Category 1 Business

- At 30 June 2023 Council operated one Category 1 business being the Narrandera Water Fund.
- Financial statements for these activities are included within Council's financial statements which form Appendix C to this report.
- The financial statement for Council's Category 1 business activity discloses National Competition Policy National Payments including corporate taxation equivalents, dividends paid and rate of return on capital.

Category 2 Business

- At 30 June 2023 Council operated one Category 2 business, being the Narrandera Sewer Fund. Financial statements for this activity are included within Council's financial statements which form Appendix C to this report.
- The financial statements for Council's Category 2 business activities disclose National Competition Policy Payments including corporate taxation equivalents, dividends paid and rate of return on capital.

Council has a complaint handling mechanism to deal with any concerns about Council not complying with competitive neutrality arrangements applying to the public sector. Council did not receive any complaints in relation to its Category 1 or Category 2 businesses for the financial year 2022-23.

Other Entities that can Exercise Some Functions of the Council

Section 355 Committees

Section 355 of the *Local Government Act, 1993* allows Council to delegate some of its functions to an approved Committee. Council uses this delegation in several key areas and appoints community-spirited people to manage facilities or functions through the committee structure.

Community involvement in managing community facilities provides better outcomes for residents, engaging and promoting inclusiveness and providing the opportunity for individuals to participate in local community life.

The revitalised Section 355 Committee structure was adopted by Council in September 2018 and was again endorsed by the new Council in January 2022.

The following Committees operate under the *Local Government Act, 1993* and have delegated functions:

- Audit, Risk and Improvement Committee
- Narrandera-Leeton Shire Council's Joint Airport Management Committee
- Narrandera Youth Advisory Council
- Parkside Cottage Museum Committee

The following Advisory Groups did not have delegated functions, but assisted Council in its decision making during 2022-23:

- Arts and Culture Advisory Committee
- Australia Day Planning Advisory Committee
- Bettering Barellan Advisory Committee
- Domestic Violence Advisory Committee
- Grong Grong Community Advisory Committee
- Koala Regeneration Advisory Committee
- Lake Talbot Environs Advisory Committee
- Narrandera Railway Station Facility Advisory Committee
- Narrandera Stadium Advisory Committee
- Parks and Gardens Advisory Committee
- Sports Facilities Advisory Committee

Partnerships, Co-Operatives and Joint Ventures

Partnerships, co-operatives or other joint ventures to which Council was a party in 2022-23 included:

- MIA Rural Fire Zone Service Agreement
- Riverina and Murray Joint Organisation (RAMJO)
- Western Riverina Arts (WRA)
- Western Riverina Libraries (WRL)

2. Our Community

The 2021 Census information provided by the Australian Bureau of Statistics (ABS) details that there were 5,698 residents within Narrandera Shire. Of these persons, 50.49% were female and 49.51% were male.

Of the total Shire population, 12.68% identified as being of Aboriginal or Torres Strait Islander descent and 23.28% of the population aged 65+. Analysing the Shire workforce 2,463 persons over the age of 15 were reported as being in the workforce, with 58.9% employed full-time, 30.2% employed part-time and 5.6% employed under other conditions.

<https://abs.gov.au/census/find-census-data/quickstats/2021/LGA15800> - viewed 3 October 2023

Youth

The Narrandera Youth Advisory Council held regular monthly meetings to discuss important matters relating to the youth of the Shire, including access to mental health services such as the Blue Tree Project initiative, grant funding opportunities, Youth Listening Posts, and various school holiday programs funded by the NSW Government under the School Holiday Break Program.

The Youth Advisory Council welcomed six new members and currently has nine active Youth Councillors. At the Youth Mayoral elections, Cr Wesley Bamblett was elected Youth Mayor and Cr Madeline Fraser was elected Youth Deputy Mayor. Madeline has since resigned from her role with the Youth Advisory Council.



Youth Councillors Mayor Wesley Bamblett, Cr Alyssa Sanders, Cr Braden Lyons, Cr Memphis Singh, Deputy Mayor Maddie Fraser

The Community Liaison Officer made several successful grant submissions to facilitate youth-led programs activities, including Youth Week, Winter Break, Spring Break, Summer Break and Autumn Break programs. Activities included movie nights, slime run, craft sessions, art sessions, skateboard workshops, roller skating workshops and discos.

The Community Liaison Officer continues to work in partnership with the Narrandera High School to facilitate Girls' Group which meets each Wednesday and focusses on wellbeing programs for girls in Years 7-10.

Assistance to Narrandera Little Connections Playgroup

Council continues to provide a building for use by the Narrandera Play Group to conduct its weekly activities. The premises are at the rear of the Emergency Operations Centre and the building is currently provided free of charge.

Assistance to Narrandera Pre-School on Dixon Park

Council is the owner of the land upon which the Narrandera Pre-School on Dixon Park is sited. The centre provides learning-based activities and social interaction for children prior to entering mainstream schools. The rental per year to occupy the site is a peppercorn amount.

Recreational Activities

The Community Liaison Officer and Community Support Manager actively seek funding to hold events for the children of the Shire.

Playground Equipment

Council continues to replace and enhance play equipment at various locations across the Shire. The adventure playground located at Marie Bashir Park is a much loved and used facility by locals and visitors alike. A new playground is proposed to be built adjacent to the water reservoirs in Watermain Street, Narrandera.

Festivals/Street Parades and Competitions

Where possible to do so, children from all schools within the Shire are invited and encouraged to participate in various street festival parades and also participate in colouring in competitions, such as those run as part of the annual bike week.

Assistance with School and TAFE Awards

Council continues to financially sponsor scholastic and merit awards at annual school presentations across the Shire. Council is represented by the Mayor or the General Manager where possible.

Aboriginal Community

Council continues to support the Aboriginal community through representation on relevant committees and administrative support for the interagency group. The Mayor, General Manager and Community Liaison Officer meet quarterly with the Aboriginal Elders Group to discuss matters of interest and concern within the community. These meetings give the Aboriginal community a platform to raise important issues, such as employment and education, with Council.

The Aboriginal Elders Liaison Committee held four formal meetings and several informal meetings to discuss matters of importance including the Wiradjuri Wall, NAIDOC Celebrations, concerns about educational opportunities for Aboriginal students and several other Council projects.

Council has implemented an Aboriginal careers initiative.

The Narrandera NAIDOC Committee successfully planned and hosted NAIDOC events with assistance from the Community Liaison Officer. Planned events provided

an opportunity for the community to come together to celebrate Aboriginal culture and highlight the significance of the traditions within the Aboriginal culture.

Road Safety

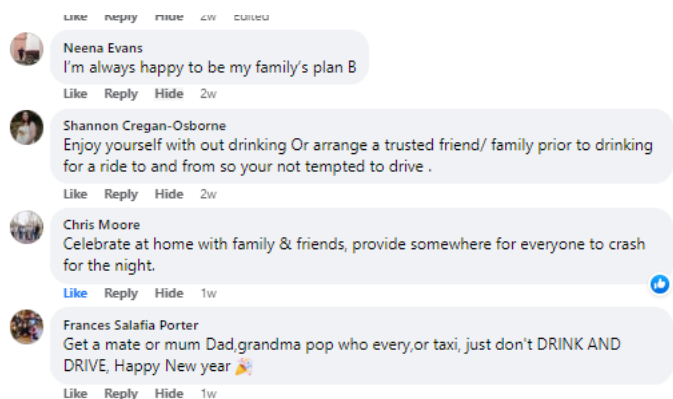
As a partner in the NSW Government’s Local Government Road Safety Program (LGRSP), Narrandera Shire Council employs a Road Safety Officer to develop and implement local road safety projects.



Council again supported NRMA Safer Driving - Wagga Wagga to provide Safer Drivers Courses locally in September 2022 and March 2023. Had this not been available, Narrandera learner drivers would need to travel to Wagga Wagga, Griffith or Leeton to complete the course, placing Narrandera residents at a disadvantage compared to learner drivers in larger centres.

The Safer Drivers Course helps drivers on their L-plates to prepare for driving solo when they graduate to provisional licences. The learner drivers who participated received 20 hours of logbook credit for completing the five-hour course. Council provided a venue, promoted the course, and covered travel costs of presenters to bring the course to Narrandera.

Helping Learner Drivers Become Safer Drivers (HLDBSD) workshops were offered at the same time as the Safer Drivers Course. The HLDBSD workshop is for anyone supervising a learner driver including parents, relatives, friends and carers. The workshop helps supervisors to feel confident and motivated to provide supervision for learner drivers.



Facebook competitions, highlighting sleeping in a swag as Plan B were held over the football Grand Final and Christmas to New Year periods. To enter participants needed to share their Plan B on the ‘win a swag’ posts on Council’s Facebook page.



Courtesy Breath Testing (CBT) was held in conjunction with the 'win a swag' promotion at events including Narrandera race days. This initiative aims to increase awareness and discussion in the community regarding drink driving and reinforce the Plan B message to avoid driving after drinking.

Variable Message Sign (VMS) boards were placed on state roads within Narrandera Shire for the December-January holiday period and at Easter. A range of messages were displayed to drivers, focusing on speed, fatigue, and drink-drug driving. This was supported by a local social media campaign over the same periods.

Vouchers for provided for free child restraint checks/fitting by authorised fitter Rodney Flanagan from Safari Motors were provided for 11 child restraints to be correctly fitted.

A range of activities, including Coffee with a Cop, Survive the Ride and Seniors Road Safety workshops, was held for National Road Safety Week to highlight road safety messages.



National Road Safety Week 'Coffee with a Cop'

Motorcyclists from as far as Albury travelled to Narrandera to attend the Survive the Ride workshop developed specifically for motorcyclists. The workshop focused on improving skills by enabling riders to recognise their mistakes and how to avoid them in the future.



National Road Safety Week Survive the Ride Workshop participants

Seniors' Road Safety Workshops held during Seniors' and National Road Safety Weeks provided information and tips to improve safety when on or near roads. The workshops included information and checklists for all road use whether driving, riding, walking, catching public transport or using mobility scooters.

Bicycle, skateboard, and scooter safety was highlighted during Youth Week using an online quiz with questions highlighting rules related to road safety and riding on footpaths. The immediate feedback to the entrants helped improve their knowledge of the relevant rules and potential consequences.

A monthly road safety editorial was published in the Narrandera Argus to provide continual road safety messages with local content and relevance. This proactive campaign included promotion of timely road safety messages such as double demerit point periods, fatigue during holiday periods, rural road safety, drink and drug driving, local crash statistics and road safety tips. In addition, a social media campaign was used to deliver road safety messages across a broad range of issues.

Narrandera Shire Library

2022-23 was a year of reopening and rebuilding, with the Library reintroducing services and activities such as Story Times, Lego Club and VR in a new Living With COVID era. Two successful Library Infrastructure Grants made great improvements to the Library Service. Narrandera and Carrathool Shire received a grant of \$196,000 for replacement of the shared Narrandera-Carrathool Mobile Library. Notification of the successful application came during COVID lockdowns which delayed implementation of the project. The new Mobile Library was officially launched on the 18 April 2023.



The Library was also successful with a Kidz Zone Library Infrastructure Grant of \$35,523 to revamp the children’s area including purchase of new shelving and furnishings specifically designed for children’s usage. Purchase and installation of a smart TV provides an opportunity for interactive activities and access to resources such as Story Box Library. The funding also provides for installation of wheels on the large print and AV shelving, allowing them to be moved to provide more space for larger activities.



The Library provides a range of activities for all members of the community, such as Children’s Book Week visits from local schools, a wide range of school holiday activities, twice monthly story times, weekly Lego Club and Little Lego sessions. A range of services and facilities are provided including internet and computer access, and free wi-fi.

Extensive fiction and non-fiction collections provide for adults as well as young adult, with junior and picture book collections for younger readers. It offers a wide selection of DVD titles, magazines, large print and audio books, and access to eBooks, eAudio and eMagazines through BorrowBox.

The Library is a popular venue for community meetings and activities, and for outside organisations providing access and services to the Narrandera community such as Centrelink Rural Agency and Sureway.

The Library's Youth Space continues to be used by the Youth Council and the Narrandera High School Girls' Group and is the scene for a range of school holiday activities ranging from Christmas craft through to virtual reality sessions. It is a very popular spot on Tuesday afternoons for Lego Club, on Thursdays for board games, and as a venue for training and meetings where users can take advantage of the high-quality display and conferencing facilities. This year it provided a very comfortable venue for Seniors' Festival movies and gala concert broadcast.



The Library has a strong focus on literacy, providing support materials for teachers, parents and students, including those who are home schooling. It is a valuable resource for local and family history researchers as it holds a collection of local history materials including the Murrumbidgee Cemeteries Database, and microfilm copies of the Narrandera Ensign from 1888-1913 and the Narrandera Argus from 1899 to the present day.

The mobile library vehicle provides a visiting service to schools and pre-schools in Narrandera, Barellan and Binya, as well as providing town stops and a home library service in Barellan, Binya, Grong Grong and Narrandera.

Multiculturalism

Council acknowledges the diversity of people within the community and residents have access to LOTE (Languages other than English) materials and resources through Narrandera Shire Library, the Western Riverina Libraries co-operative and via the State Library of NSW.

Customer service team members are aware of the Translating and Interpreting Service (TIS National) where telephone or online assistance is available for people who do not speak English and for English speakers who need to communicate with them.

Brochures and publications in languages other than English are readily available from the NSW Office of Local Government website.

Narrandera Shire Cultural Plan

The Narrandera Shire Cultural Plan 2021-31 was adopted in May 2021 and is a 10-year guide for Council’s investment in the arts and cultural sector. It is intended to be actioned within the context of Council’s Long Term Financial Plan, Community Strategic Plan, Disability Inclusion Action Plan, Positive Aging and Youth Strategies.

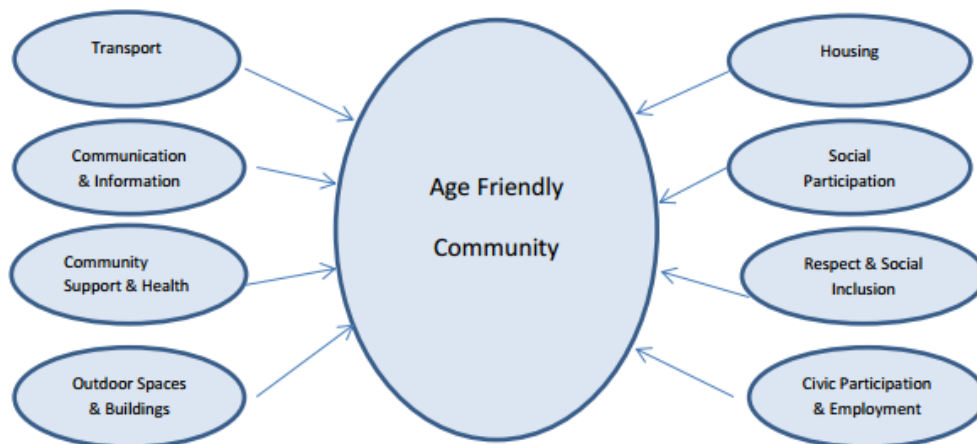
The Arts and Cultural Advisory Committee has been actively working on the Cultural Plan goal of Developing an environment of accessible and inclusive arts and culture for residents and visitors through the Wide Open Narrandera program that they co-ordinate and run in conjunction with NACNET (Narrandera Arts and Creative Network).



Positive Ageing Strategy

Positive Ageing means creating an aged-friendly community by enhancing the quality of life for older people. This can be achieved through the provision of opportunities for improving and preserving a person’s health, their independence, their degree of personal responsibility and their participation and security within the community.

The Positive Ageing Strategy identifies priority issues, addresses Council’s role, and outlines actions both in the short and medium term. The strategy is also integrated into Council’s Community Strategic Plan.



Although Council has adopted the Positive Ageing Strategy, this does not mean all of the issues identified can be completed by Council alone. Often Council requires the support, resources, goodwill and assistance of community groups, business community, individuals and other levels of Government. For example, where there is a need for additional services at the local hospital this is the responsibility of the NSW State Government, however Council can act as an advocate on behalf of the community.

Council provides funding for the annual Seniors' Festival in Narrandera. This year it was augmented by grant funding allowing an extensive local program for Narrandera Seniors Festival 2023. As part of the Strategy in 2022-23, Council ran and auspiced a range of Tech Savvy Seniors programs providing skills training in devices and connectivity.





Disability Inclusion Access Plan

The Narrandera Shire Council Disability Inclusion Action Plan 2017-21 (DIAP) is guiding Council to meet its requirements under the *Disability Inclusion Act, 2014*. The *Disability Inclusion Act, 2014* has four focus areas:

- Developing positive attitudes and behaviours
- Creating liveable communities
- Supporting access to meaningful employment
- Improving access to services through provision of better systems and processes.

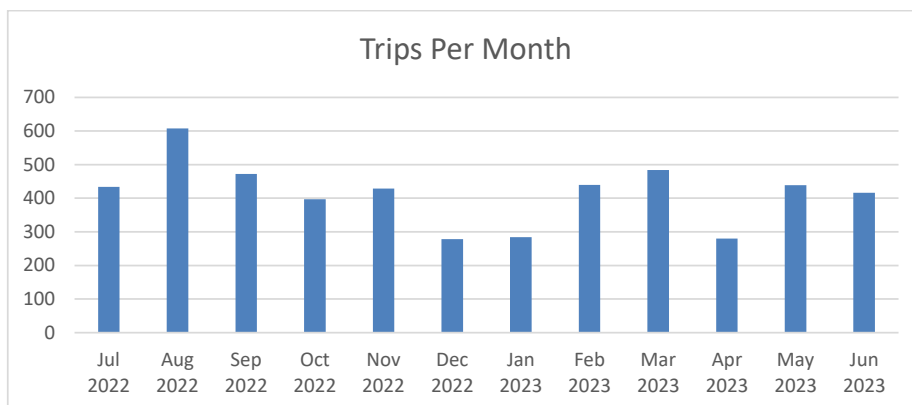
Council initiated extensive consultation with the community during 2021 and 2022 to develop the latest [Disability Inclusion Action Plan titled Our Disability Inclusion Action Plan – 2022-26](#) and ongoing consultation ensures that priorities remain current and appropriate budgets are included.

The annual update on the progress of the Disability Inclusion Action 2022-26 is included in this report as Attachment E.

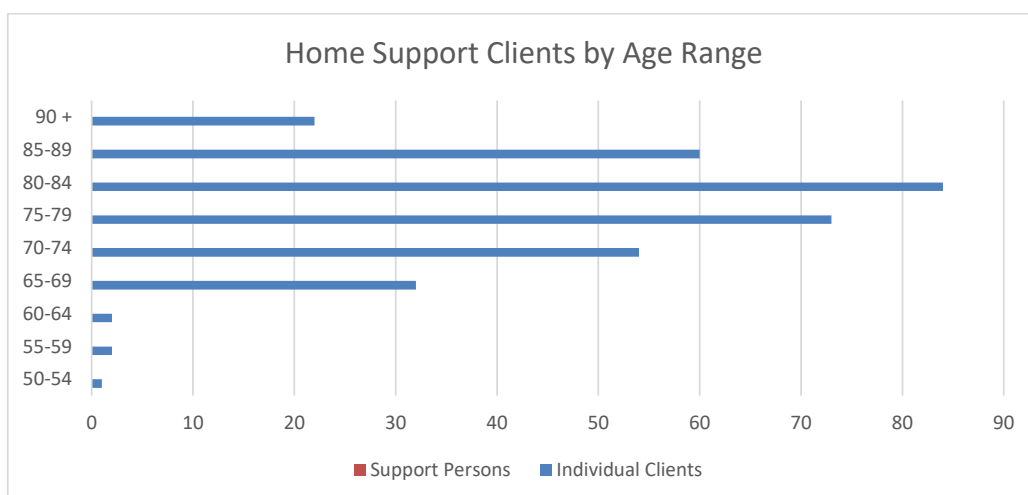
Community Transport and Home Support Programs

Narrandera Shire Council services both Narrandera and Leeton Shires and administers five services under the Commonwealth Home Support Program (CHSP), supported by four part-time employees, one casual employee, 22 volunteers and a fleet of 10 vehicles. Narrandera Shire CHSP services are located within the Community Services Building at 4 Victoria Square in Narrandera, while the Leeton Community Transport Office is located within the Multi-Services Building at 3 Wade Avenue, Leeton.

The Commonwealth Home Support Programs funded through the Commonwealth Government are aimed at helping aged community members remain safely in their own homes. During the 2022-23 reporting year, Council provided services such as community transport, social support, flexible respite, home modifications and maintenance to over 356 individual clients aged 65 years and older, or 50 years and over for Aboriginal and Torres Strait Islanders.



Community Transport clients 65 years and older or 50 Years and older for Aboriginal and Torres Strait Islander per month



Commonwealth Home Support clients by age group

Community Transport - Providing Access for our Communities

The Narrandera Leeton Community Transport service is funded by Transport for NSW on behalf of the Commonwealth Government – the aim of the program is to provide access and social inclusion to the aged and transport disadvantaged members of the Narrandera Shire and Leeton Shire communities.

Clients aged 65 years and over, or 50 years and over for Aboriginal and Torres Strait Islanders, access Community Transport through the My Aged Care referral portal. Those who are transport disadvantaged can access Community Transport by registering for the service at the Community Services Building, Leeton Community Transport Office or by telephoning 02 6959 5558.

Community Transport works in partnership with organisations such as Murrumbidgee Local Health District, Murrumbidgee Primary Health Network, Marathon Health, Narrandera CanAssist and Leeton CanAssist to provide transport options to residents needing to attend medical appointments in Wagga Wagga, Griffith and Albury. Community Transport also works with the Narrandera Flag booking provider, providing vouchers to eligible clients for local out-of-hours transport needs.

Equally important is the transport provided to access the local community for shopping and social events. Where possible, prescheduled bus services are provided from Barellan to Leeton, Barellan to Wagga Wagga, Leeton to Wagga Wagga, Leeton to Griffith, and Narrandera to Wagga Wagga.

All Community Transport vehicles display Community Transport branding and are easily identifiable for clients and the general public. Whilst Community Transport did see a slight decline in service delivery due to COVID-19, in 2022-23 the Narrandera-Leeton Community Transport provided 14,254 trips to residents and travelled over 214,869 kilometres, providing services to over 1,400 active clients. Many of the clients use the service on a regular basis as their sole means of transport.

Wheelchair accessible vehicles are located in both Narrandera and Leeton Shires, with the service increasing its wheelchair accessible vehicles from three to four to accommodate the loss of a wheelchair accessible taxi in Leeton.

CanAssist had limited opportunities for fundraising due to the COVID-19 pandemic. To ensure CanAssist was able to continue to support local community members, Community Transport provided free transport to CanAssist clients.

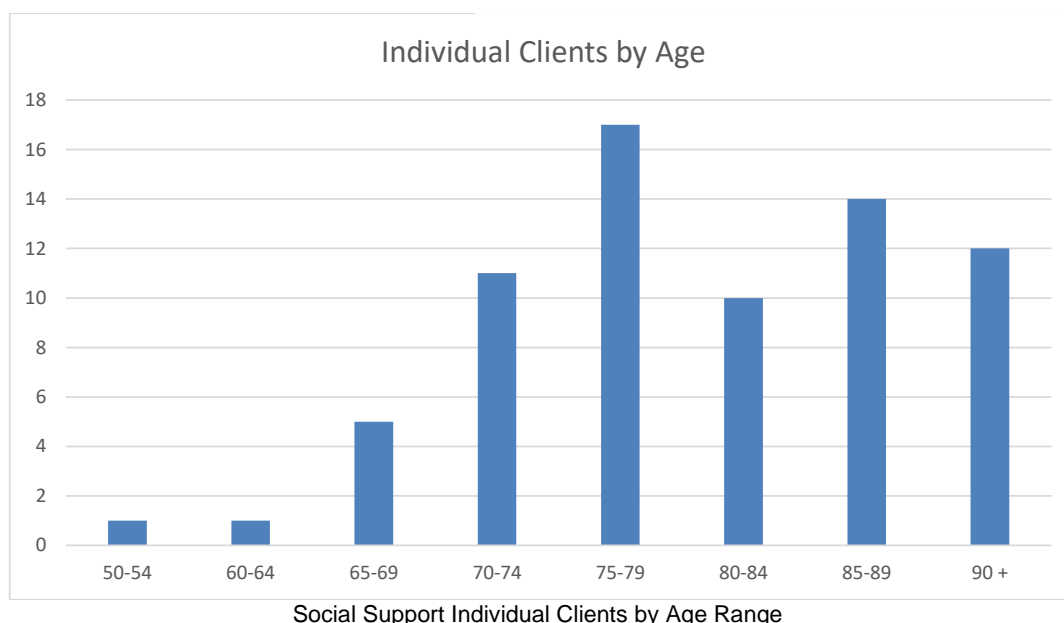
Narrandera and Leeton Community Transport relies heavily on the incredible generosity of 22 volunteer drivers who worked a staggering 8,800 hours within the reporting period.

Social Support and Respite

Social isolation is a critical issue for the aged. Through Social Support services provided by CHSP workers and volunteers, eligible clients are assisted to remain integrated in the community, leading to better health and well-being. Under this program, a staff or volunteer companion assists clients to attend social activities of the client's choice. This is a flexible program and has been highly successful in making a real difference to socially isolated people. For the 2022-23 reporting year, over 2,786 hours of combined Social Support was provided to 68 clients located within both Narrandera and Leeton Shires.

Social support services include day trips and outings, coffee shop visits, shopping, running errands, a quiet drive, or even a cup of tea and chat at home. Narrandera Leeton Social Support also offers large groups outings such as trips to the Whitton Malthouse and Altina Wildlife Park.

A small program for respite care is provided, primarily for the benefit of carers of frail aged people or people with a disability. It allows the carer to have time out to attend to personal matters.



Home Modification and Maintenance

Home modification is a service where the necessary changes are made to a client's home to allow them to move around safely and continue living in their own home. Many clients are referred to the service upon discharge from hospital. Modifications are clinically assessed by an occupational therapist and include fitting of handrails, ramps and handheld showers. For the reporting year, 25 clients were assisted with modifications.

Under the home maintenance program, eligible CHSP clients access services such as yard and garden maintenance, changing light globes, replacing tap washers. The emphasis of this program is to assist clients to maintain their home environment as a safe and habitable area. A total of 592 hours of maintenance was provided during the 2022-23 reporting year.

My Aged Care

As of 1 July 2015, all clients over 65, or over 50 for Aboriginal and Torres Strait Islanders must apply for services through the My Aged Care portal. If seeking only one service, the client is assessed over the phone and a referral sent to the service for eligible clients. Where client needs are more complex, they are referred to the Regional Assessment Service (RAS) for a face-to-face assessment.

National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) is a program funded by the Commonwealth Government to help persons under 65 years of age, or 50 years of age for Aboriginal and Torres Strait Islanders, who live with a significant or permanent disability. This program commenced on 1 January 2018 providing people with a disability a choice and greater control over the support services that they receive. It is designed to facilitate greater access for community members and to help set goals for a successful future.

When the NDIS is fully operational it is estimated that 140,000 people with a disability in New South Wales alone will have access to support services.

Compliance with the NSW Carers (Recognition) Act 2010

The Act establishes obligations for public sector agencies and additional obligations for human service agencies. For Council this means ensuring that its employees and agents have an awareness and understanding of the NSW Carers' Charter. Council employees and volunteers are made aware of their obligations at induction.

Events like National Volunteer Week recognise the valuable contribution that volunteers make to the community as a whole.



The Arts

Narrandera Arts and Community Centre

The Narrandera Arts and Community Centre experienced a major change in the past year with temporary relocation of the Visitor Information Centre (VIC) into the performance area of the building while work progresses on the new Destination and Discovery Hub.

Although halving the useable exhibition space, the temporary relocation of the Visitor Information Centre provided a unique opportunity for local artists to hold exhibitions through the Wide Open Narrandera 2022-23 program. The program saw the activation of the Arts Centre, during the period when the centre was also hosting The Visitor Information Centre, with a series of monthly exhibitions featuring local and locally connected artists.

The Committee is continuing to review the plan and will work with the Narrandera Arts and Creative Network, Western Riverina Arts and LCAIN to identify opportunities and work towards achieving more of the plan's goals.

| | | |
|---|---|--|
| <p>Wide Open 2022 Narrandera - August Artists</p> <h3>The Sunflower Collective</h3> <p>6 to 29 August 2022 Mon to Fri 9am-4pm Saturday 9am-3pm Sunday 10am-2pm</p> <p>The Sunflower Collective are a collective of regional NSW artists: Broken Hill artist Kelly Leonard, Blue Mountains and Monaro artist Michael Pechovsky, Narrandera's Julie Briggs and Wagga artist Julie Montgret. Each of the visiting artists has year-long association with Narrandera and the Riverina through their various activities undertaken with The Cad Factory and Western Riverina Arts.</p>  <p>The works to be shown have come together in this exhibition through a continuing process of exploration and virtual gatherings of the artists, with each drawing attention to the environment via an ecocriticism perspective.</p> <p>Exhibition Launch & Artist conversation led by Sarah McEwen Saturday 6 August 11:30am to 1:30pm</p> <p>Narrandera Arts & Creative Network invite you to visit this exhibition at the Narrandera Arts & Community Centre, 31 Cadell Street (opposite the Marie Bashir Park)</p> <p>Wide Open 2022 showcases a series of exhibitions throughout the year at the Arts Centre, providing local artists and communities. Made possible with sponsorship from the Western Riverina Branch of the Bushy Park and the Narrandera Shire Council and in sharing with the support of the Arts Centre and the Visitor Information Centre in terms of energy and of course our recycled NSW This exhibition will have any sign of happen in our community. For more information contact us via email or social media.</p> <p>narranderaarts.com.au facebook.com/narranderaarts instagram.com/narranderaarts twitter.com/narranderaarts</p>  | <p>Wide Open 2022 Narrandera - September Artist</p> <h3>Lindee Russell</h3> <p>Let's Walk</p> <p>2 to 30 September 2022 Mon to Fri 9am-4pm Saturday 9am-3pm Sunday 10am-2pm</p> <p>Exhibition Launch Friday 2 September 6 - 8 pm</p> <p>Lindee's exhibition, Let's Walk, showcases popular local walking places through a series of textile and mixed media pieces created from recycled and gathered materials.</p>  <p>Lindee Russell is a local Narrandera multi-disciplinary artist with a passion for textiles, stitch, media and reusing and transforming existing objects to create art, reduce waste and inspire others in their own arts practice - art is for everyone.</p> <p>Narrandera Arts & Creative Network invite you to visit this exhibition at the Narrandera Arts & Community Centre, 31 Cadell Street (opposite the Marie Bashir Park)</p> <p>Wide Open 2022 showcases a series of exhibitions throughout the year at the Arts Centre, providing local artists and communities. Made possible with sponsorship from the Western Riverina Branch of the Bushy Park and the Narrandera Shire Council and in sharing with the support of the Arts Centre and the Visitor Information Centre in terms of energy and of course our recycled NSW This exhibition will have any sign of happen in our community. For more information contact us via email or social media.</p> <p>narranderaarts.com.au facebook.com/narranderaarts instagram.com/narranderaarts twitter.com/narranderaarts</p>  | <p>Wide Open 2022 Narrandera - November Artist</p> <h3>Susan Bannister</h3> <p>Narrandera Illustrated</p> <p>4 to 26 November 2022</p>  <p>Narrandera Illustrated is a collection of newly created works by local artist, Susan Bannister. These works are mixed media pieces with various combinations of ink, watercolour, oil and pastel pencils and showcase iconic and interesting Narrandera buildings and homes. Susan has been painting since she was 19 and enjoys realism combined with the exploration of new methods.</p> <p>Mon to Fri 9am-4pm Saturday 9am-3pm Sunday 10am-2pm</p> <p>Exhibition launch Friday 4 November at 6pm</p> <p>Narrandera Arts & Community Centre 31 Cadell Street (opposite the Marie Bashir Park)</p> <p>Narrandera Arts & Creative Network invite you to visit this exhibition at the Narrandera Arts & Community Centre, 31 Cadell Street (opposite the Marie Bashir Park)</p> <p>Wide Open 2022 showcases a series of exhibitions throughout the year at the Arts Centre, providing local artists and communities. Made possible with sponsorship from the Western Riverina Branch of the Bushy Park and the Narrandera Shire Council and in sharing with the support of the Arts Centre and the Visitor Information Centre in terms of energy and of course our recycled NSW This exhibition will have any sign of happen in our community. For more information contact us via email or social media.</p> <p>narranderaarts.com.au facebook.com/narranderaarts instagram.com/narranderaarts twitter.com/narranderaarts</p>  |
|---|---|--|

Museums

Narrandera Shire Council supports two volunteer-run museums. Narrandera Parkside Cottage Museum and Borellan Museum are operated by committees with assistance from Council employees. Council partners with Museums and Galleries NSW to fund a part-time museum advisor to assist with development and sustainability of the museums.

Both museums received Culture, Heritage and Arts Regional Tourism (CHART) grant funding this year. Parkside Museum was also successful in obtaining funds for a residency by Dr David Kaus who is advising on the First Nations and the Lethbridge Collections. An Activation project working with a variety of artists through the CAD Factory and the grant funded Soundscape Project, developed in partnership with the CAD Factory pairing local stories with one of Parkside's vintage telephone exchanges, is now up and running and creating much interest with younger visitors.



Western Riverina Arts Board

WRA is dedicated to actively supporting the development and promotion of the arts in the Narrandera, Leeton and Murrumbidgee Shires and the City of Griffith Council. The Board and Regional Arts Director’s mission is to ensure the vitality and sustainability of our community’s diverse and rich culture. The Arts Board, funded by Regional Arts NSW and the local government areas, works in partnership with artists and communities to encourage participation, involvement and passion for all things creative in the Western Riverina.



Community Financial Assistance

Council contributed a total of \$14,652 to a number of community organisations across the reporting year for a variety of projects and contributed financially to a number of special projects.

The contributions were contributed or granted by Council in accordance with Section 356 of the Local Government Act 1993.

| 2022-2023 Financial Assistance | Value |
|--|------------|
| AAPA – rental subsidy | \$5,082.00 |
| Australian Air League | \$1,300.00 |
| Barellan and District Netball Association | \$1,500.00 |
| CWA Narrandera Evening Branch | \$1,000.00 |
| Immune Deficiencies Foundation | \$480.00 |
| Narrandera Meals on Wheels | \$2,000.00 |
| Narrandera Pre-school | \$1,950.00 |
| Narrandera Rodeo Committee | \$300.00 |
| School academic awards within the Shire and TAFE NSW | \$560.00 |
| South Wagga Rotary Club | \$480.00 |

Council supported the community in other ways such as:

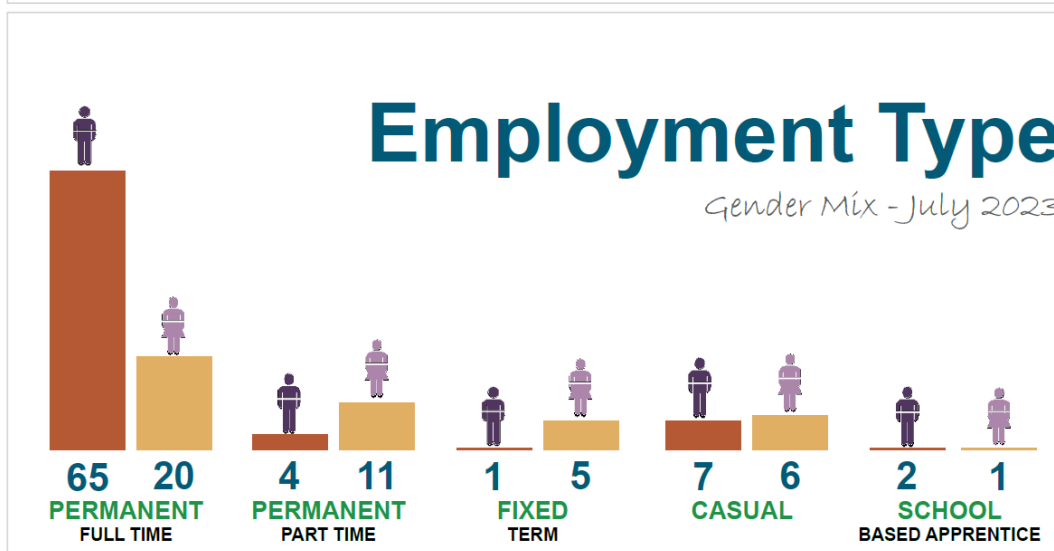
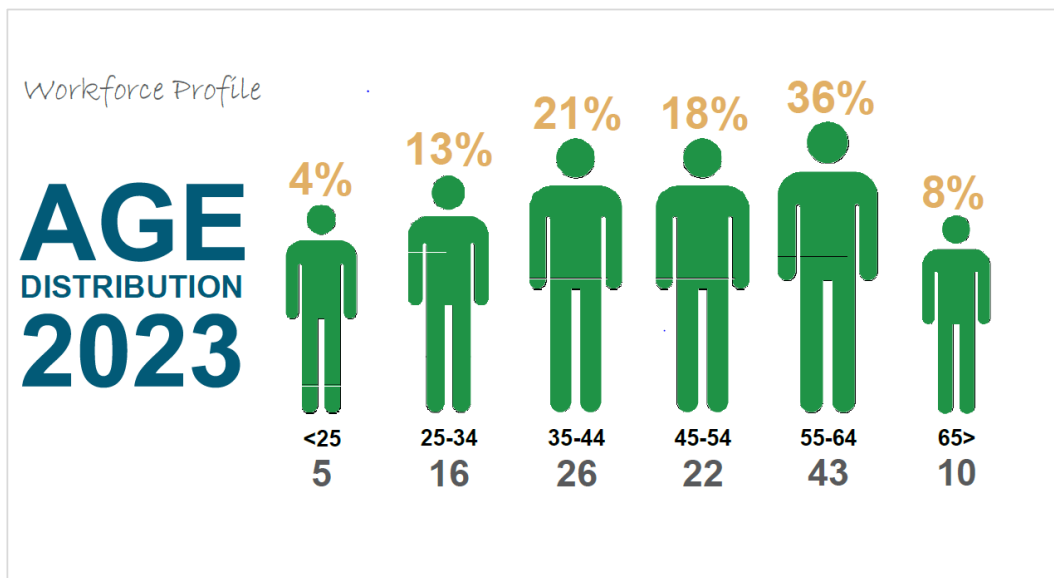
- Assistance by subsidising community art exhibitions at the Narrandera Arts and Community Centre, six months totalling approximately \$1,200 (incl GST).
- Subsidisation of rental for two tenants of Council-owned properties.
 - The former residence at the Narrandera-Leeton Airport has been leased to the Australian Airline Pilot Academy (AAPA) as a debriefing centre for use by trainee pilots. It is hoped that the AAPA will recognise the significance of the airport location and the commitment of Council to enhancing the aviation industry that, at a future date, the airport may be considered as the site of a new flight school. Rental subsidy for the debriefing centre for 2022-23 was \$5,200.
 - A residential property owned by Council is currently leased by a doctor from the Narrandera Medical Centre. A subsidised rental is provided to retain a skilled professional in Narrandera and the 2022-23 subsidy was \$9,880.
 - Narrandera and District Community Radio has a licence agreement with Council for the use of space on the 3 Ngurang Road communications tower. The agreement states that no rental is to be charged to the Narrandera and District Community Radio and for 2022-23 the subsidy equates to \$3,183.91 (incl GST).
- Council also receives requests to waive user fees and charges such as the annual Golden Boot Challenge held at the Narrandera Sportsground.

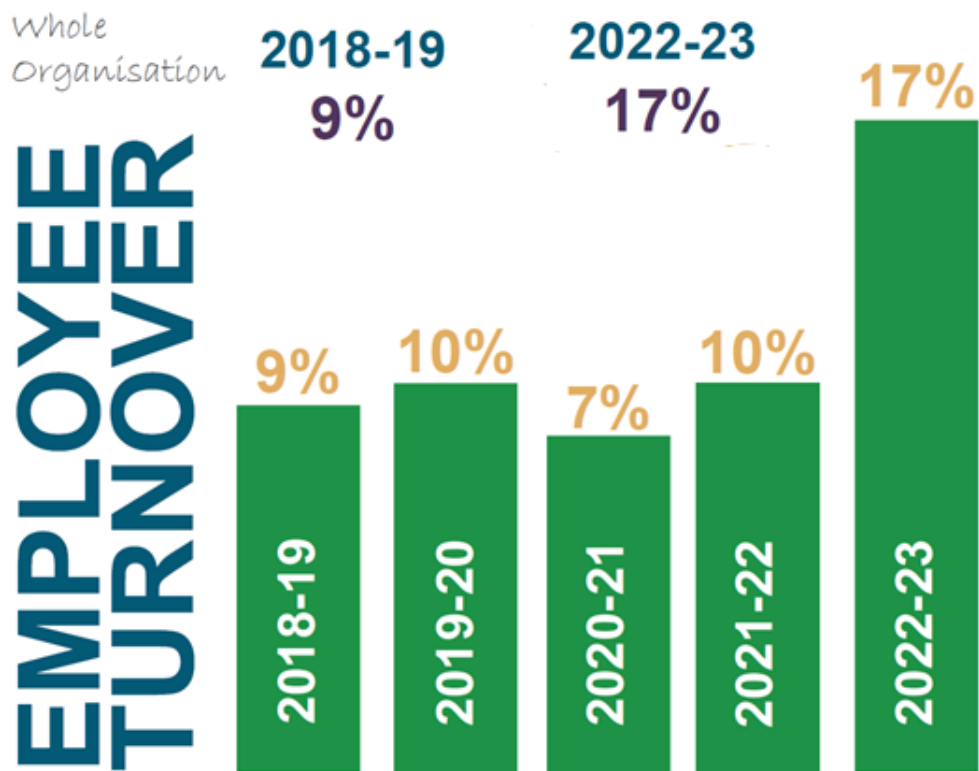
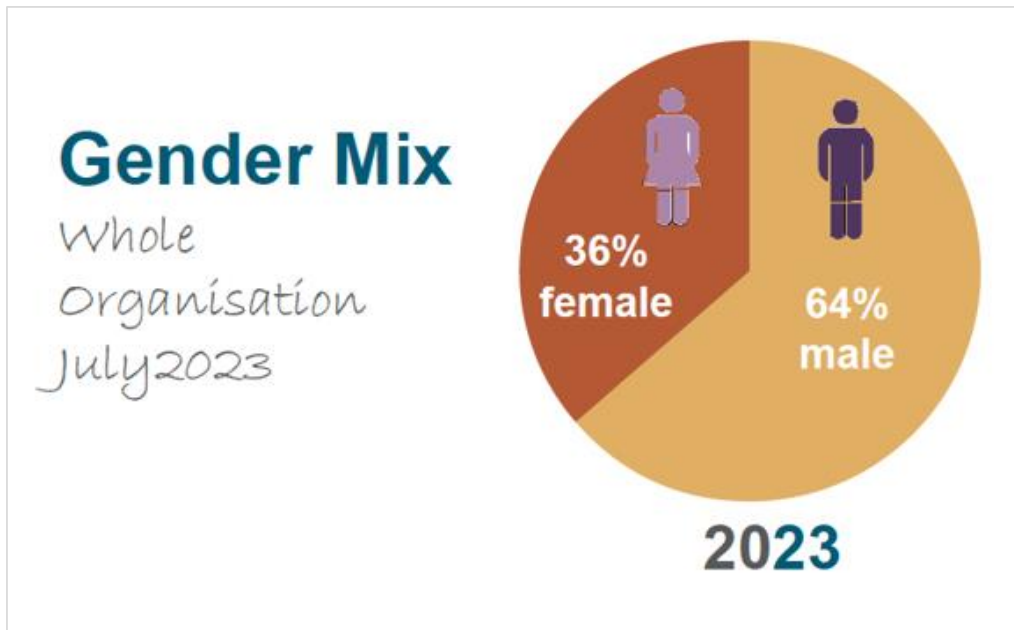
Our People

Human Resources

Council continues to recognise that its human capital is one of its most valuable resources and strives to develop a highly skilled and motivated workforce. The 2022-26 Workforce Management Plan was developed, endorsed and adopted by Council during the reporting period.

Workforce Profile





Employee Training

Employees attend training to maintain and develop the skills required by Council to fulfil its statutory obligations and to efficiently carry out its functions to serve the residents of Narrandera Shire.

A training needs analysis is prepared annually as part of the performance review process so priorities for training can be determined. Individual and organisational training plans are developed, and training recommended within the constraints of the available budget according to the following hierarchy:

1. Legislative requirement (such as traffic control qualifications)
2. Essential skill competency for salary progression
3. The organisation is at risk by not having knowledge/training.
4. Supports the Community Strategic Plan
5. An identified area of required skill development.

Employees, with their respective manager/supervisor and Human Resources, have a joint responsibility to ensure that training targets are achieved and managed.

| Training Cost by Category for 2022-2023 | Cost |
|---|---------------|
| Category 1 - legislative requirement | \$ 22,010.00 |
| Category 2 - required competency | \$ 17,052.81 |
| Category 3 - organisational risk | \$ 25,184.12 |
| Category 4 - supports Community Strategic Plan | \$ 3,984.00 |
| Category 5 - required skill development | \$ - |
| WHS training | \$ 13,006.00 |
| Other training costs (includes wages, plant, creditors) | \$ 14,649.73 |
| Higher education | \$ 23,269.00 |
| Total | \$ 119,155.66 |

Attainment of Qualifications

Four employees achieved qualifications with the support of Council.

| Qualification | Number of Employees |
|---|----------------------------|
| Bachelor of Business (Marketing) | 1 |
| Certificate IV in Accounting and Bookkeeping | 1 |
| Certificate IV in Business (Records and Information Management) | 1 |
| Certificate II in Business – School Based Apprentice | 1 |

New Employees

New employees, volunteers, school-based apprentices and work placement students are required to complete an induction program. The program takes each individual through the employee handbook, work, health and safety requirements, policies and Council’s Code of Conduct requirements.

14 inductions were undertaken, including the following work placement students and school-based apprentices.



IT School Based Apprentice – Charlie Ireland



Library School Based Apprentice – Lydia Murcia



Events School Based Apprentice – Memphis Singh



Year 10 Work Placement student from Narrandera High School – Will Thornton

Performance Appraisal System

Ongoing appraisals are undertaken in accordance with the Local Government (State) Award and Council’s salary system policy. Council continues to improve the online employee performance management system (EPM) and has purchased add-on modules to complement and enhance the module.

Narrandera Shire Council Consultative Committee

Council’s Consultative Committee meets bi-monthly and comprises elected union and employee representatives and management representatives. The Local Government (State) Award identifies key areas of consultation, and these are confirmed in the Committee’s constitution. The Committee provides a participative forum to consult and discuss matters of mutual concern, devise solutions and work cooperatively in workplace reform.

While the Committee does not have power to make decisions, it endorses proposed actions, suggests alternative actions, and can make recommendations to management. Committee members act on behalf of their constituents by raising matters for consideration, providing feedback, and acting as a conduit between employees and management.

Equal Employment Opportunities

Council actively supports the principles of Equal Employment Opportunity (EEO) in the areas of recruitment, selection criteria, training and employee development programs, promotion and conditions of employment. By engaging the EEO principles, Council ensures that all employees (or future employees) have an equal opportunity to enjoy a rewarding and challenging career with Council.

The following table provides insight into how the composition of the Narrandera Shire Council workforce has changed since 2004.

| EEO Groups % of total workforce at Narrandera Shire Council | 2004 | 2008 | 2012 | 2016 | 2020 | 2022 | 2023 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Women in leadership roles | 2.40% | 3.75% | 2.51% | 4.59% | 6.06% | 5.88% | 6.55% |
| Aboriginal and/or Torres Strait Islander people | 4.94% | 6.25% | 5.03% | 4.59% | 9.09% | 10.92% | 10.65% |
| People from culturally and linguistically diverse backgrounds (CALD) | 0% | 1.25% | 3.35% | 1.83% | 1.51% | 1.68% | 0.81% |
| Youth (under 25) | 4.94% | 6.25% | 2.51% | 4.58% | 6.81% | 6.72% | 4.09% |
| People with disability requiring work-related adjustment | 1.23% | 1.25% | 0.84% | 0.92% | 1.51% | 0.84% | 0.81% |

The objectives of Council’s EEO Policy are:

- Eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, religion, marital status, sexual preference and physical and/or intellectual impairment in Council.
- Promote equal employment opportunities for all employees.
- Ensure confidentiality for all applicants for positions with Council.

Council has a focus on groups who are under-represented in the workforce, by encouraging employment applications including:

- Women in senior leadership roles
- Aboriginal people
- People from Culturally and Linguistically Diverse Backgrounds (CALD)
- Young people (under 25 years of age)
- People living with a disability.

The concept and application of workplace diversity is not limited to the above groups. It also embraces other aspects of employees’ life and identity including:

- Age
- Carer’s responsibilities
- Sexual orientation
- Gender identity
- Educational level
- Socio-economic background
- Gender balance in non-traditional roles.

Annual Reporting of Labour Statistics

Circular 23-08 issued by the Office of Local Government 10 July 2023 requires Councils to report on their labour statistics within the Annual Report at a specific ‘relevant day’ – for the 2022-23 reporting year.

On the date specified, Wednesday 23 November 2022, the following were directly employed by Council and performed paid work:

| Status | Number of Persons |
|---------------------|-------------------|
| Permanent full-time | 74 |
| Permanent part-time | 7 |
| Casual | 4 |
| Fixed-term contract | 7 |

On Wednesday 23 November 2022, the following information also applied:

| Status | Number of Persons |
|--|-------------------|
| Senior staff | 1 |
| Engaged under contract or other arrangement with employer wholly or principally for the labour | 0 |
| Supplied under a contract or other arrangement with employer as apprentice or trainee | 0 |

Senior Staff

At 30 June 2023 Council had one designated senior staff position being the General Manager. The total value of the remuneration package of the General Manager was \$323,234 comprising:

- salary component of \$286,391 (inclusive of rental subsidy of \$7,040)
- 10.5% superannuation guarantee amount of \$28,606.
- \$8,237 in Fringe Benefits.

Employee Assistance Program

Council offers an Employee Assistance Program that provides confidential and professional assistance for employees experiencing difficulties of a personal or work-related nature.

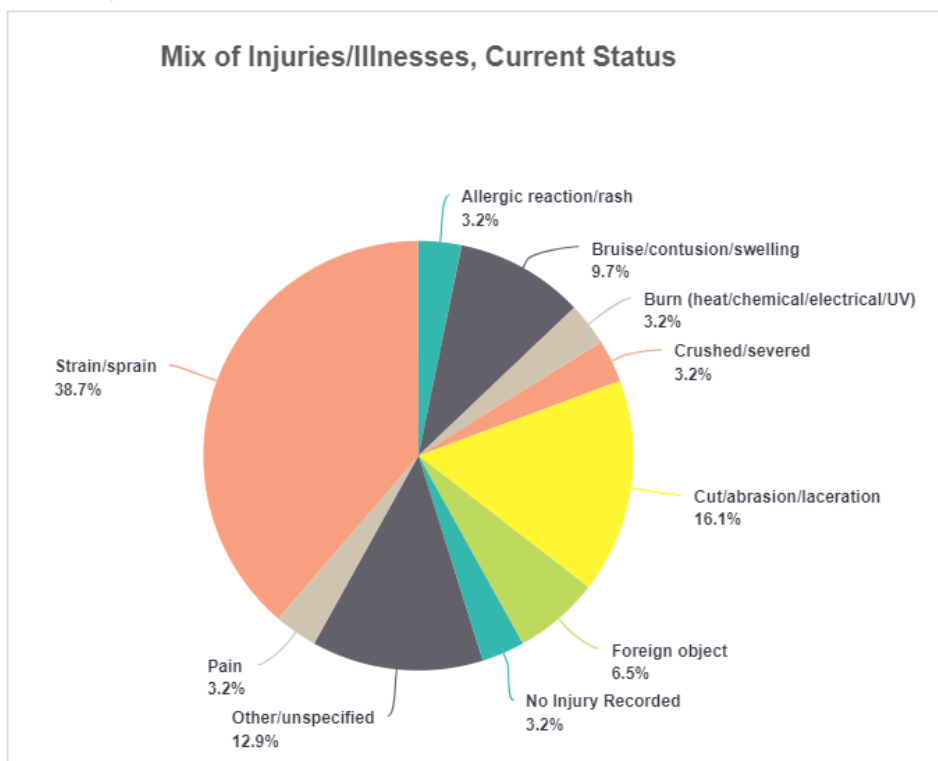
Workplace Health and Safety (WHS)

The Enterprise Risk Management Plan (ERM) promotes an integrated approach to risk management across all areas of Council. The ERM was actioned across the organisation during the 2022-23 reporting year. The Council's Enterprise Risk Register was continually discussed at senior management meetings, and reviewed and updated periodically to ensure all emerging risks were identified and mitigated.

Risk identification is an essential part of every job and aims to decrease the number of incidents and injuries. Risks that could affect workers, the community and the environment are continually reviewed and once identified, are considered in all decision making. To highlight the importance of risk management and ensure workers are informed and using risk management in their everyday roles, WHS Responsibilities and Risk Management training has been arranged for all managers and supervisors.

The number of work-related injuries and accidents continues to decline, with near miss and incident (not resulting in injuries) reports increasing. This is pleasing to show that there is more awareness around risk. The focus will now be on reducing hazards and risks identified through the near miss reporting.

Details of Injuries/Incidents for 2022-23



Workplace Health and Safety Committee

The Workplace Health and Safety Committee (WHSC) meets bi-monthly to discuss all WHS matters. The Committee continues to review new and reviewed policies and procedures and assists in the planning of Council’s WHS objectives. The hazard inspection schedule is carried out monthly by the Enterprise Risk and Safety Officer (ERSO) accompanied by a committee member, inspecting Council properties and worksites. These inspections continue to be a high priority and allow teams the opportunity to rectify hazards as they arise. The WHSC works with each section to implement changes to rectify any hazards identified to ensure a safe working environment. In-house training has been arranged for all Committee members on their roles and responsibilities as a part of the Committee.

Safe Work Method Statements (SWMS) are a high priority and continue to be reviewed for each specific project to ensure compliance, that all site-specific risks have been assessed, and action plans developed to mitigate any risks.

Council’s COVID-19 risk management plan was reviewed and adjusted to reflect the current pandemic conditions with the safety of workers and community a priority. These documents have been updated based on Government advice.

Health and Well Being Day

Employee programs provide employees with a valuable insight into issues which may be affecting their health and provide options on how to improve their wellbeing. The Human Resources team held a Health and Wellbeing Day for all employees in

December 2022. This initiative included sessions on exercise, nutrition, mental health and cancer awareness.



Council Staff engaging in the Health and Wellbeing Day 2022



Council Values



Kelsey Tobin - Nutrient Nation



Guest Speaker - Patrizia Cassaniti

After a successful day, the health and wellbeing day will become an annual event.

3. OUR ECONOMY

Economic Development

Narrandera Economic Development Strategy

Narrandera Shire Council has updated its Economic Development Strategy (EDS) for 2023-26, focusing on achieving positive economic outcomes and long-term economic growth to support businesses and residents. The comprehensive five-year plan is the result of targeted consultation with key stakeholders and the community, ensuring that it aligns with the specific needs and aspirations of the Narrandera Shire.



The consultation process provided a comprehensive understanding of the challenges and opportunities faced by the local businesses and communities, enabling the strategy to be tailored accordingly and ensuring the project reflects community values and considers industry needs.

The primary objective of the Narrandera Economic Development Strategy is to boost job creation and facilitate business growth within the region. The strategy aims to attract new businesses, while supporting the expansion and diversification of existing ones. By encouraging entrepreneurship and innovation, the strategy seeks to foster a vibrant and dynamic business community that will contribute to the overall growth and prosperity of Narrandera Shire.

Narrandera Connectivity Roadshow

The Connectivity Roadshow was an initiative aimed at addressing connectivity issues in the region and providing valuable information and support to the local community. The roadshow aimed to address connectivity issues faced by residents and businesses in the Narrandera Shire and was attended by a variety of stakeholders,

including residents, business owners, and community leaders, indicating a broad representation of the local community.

The Regional Tech Hub offered independent advice and assistance on connectivity issues, navigating phone and internet options, understanding different types of connections, data plans, and ways to save on plans.

Telstra, as a major telecommunications provider, presented sessions focusing on their services in the region, network coverage, an update on the 3G closure, and information on 4G and 5G technologies. Attendees had the opportunity to ask questions and seek help with home and mobile connectivity issues.



Telstra and The Regional Tech Hub Representatives

The Tech Exec conducted workshops and mentoring sessions covering effective use of devices, understanding device operations, cybersecurity, using the internet for everyday tasks, and safely choosing and using relevant apps.

The roadshow successfully identified connectivity issues in the region, such as bad coverage in rural areas, poor internet connections, problems with the National Broadband Network, internet plans, and the lack of awareness about available technologies and services to overcome connectivity challenges. It encouraged community engagement by providing a forum for sharing experiences and concerns related to connectivity.



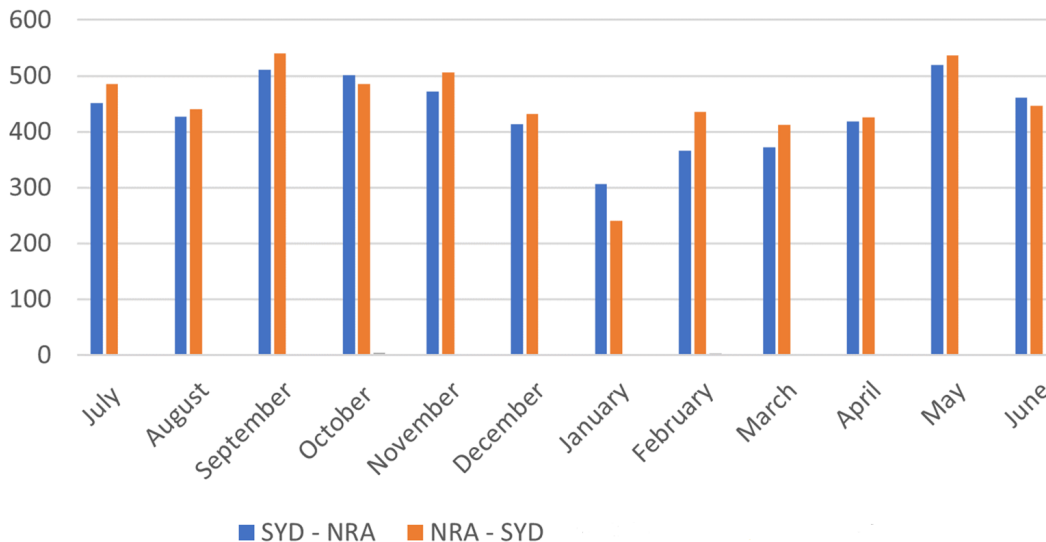
The Tec Exec

Overall, the Connectivity Roadshow appears to have been a valuable tool in addressing connectivity issues and fostering communication between the community and relevant stakeholders. By identifying challenges and engaging various parties, the roadshow has set the groundwork for potential solutions and improvements in connectivity in Narrandera Shire.

REX / Australian Airline Pilot Academy (AAPA)

REX airlines and the Australian Airline Pilot Academy (AAPA) provides essential aviation services within Narrandera Shire. REX offers regular passenger flights to and from Narrandera Airport, providing convenient travel options for residents and tourists. During the 2022-23 reporting period 5,220 passengers travelled Sydney-Narrandera and 5,388 passengers travelled from Narrandera-Sydney. Main customer profiles include travel for medical, business and events.

REGIONAL EXPRESS PASSENGER NUMBERS 22/23



As a leading aviation education institution, AAPA has state-of-the-art facilities, experienced instructors and comprehensive flight training programs to train the next generation of pilots. Council maintains an ongoing contact with AAPA to assist the proposal to establish a satellite training facility in Narrandera.

AAPA continues to use the airport residence as a briefing centre for trainee pilots and their instructors, and negotiations towards the higher objective are ongoing. Council subsidises the AAPA by paying rent for the briefing centre property which amounted to \$5,200 for the reporting year.

Reverse Vending Machine

The Reverse Vending Machine (RVM) continues to be very successful, with significant volumes deposited throughout the year and vouchers redeemable locally at Coles Supermarket Narrandera. The vouchers have enabled an increased number of shoppers to spend at a local venue, potentially bolstering local employment.

Over the 2022-223 financial year a total of 2,353,029 containers were deposited at the Narrandera facility. A total of \$214,211.00 was provided to community members in vouchers.

Breakdown of amounts collected from Coles Supermarket Narrandera:

| Month | Amount |
|--------------|---------------------|
| July | \$13,219.10 |
| August | \$10,488.50 |
| September | \$15,140.60 |
| October | \$20,006.40 |
| November | \$15,565.10 |
| December | \$18,873.50 |
| January | \$25,106.70 |
| February | \$19,918.20 |
| March | \$19,363.00 |
| April | \$23,221.60 |
| May | \$15,244.00 |
| June | \$18,064.30 |
| TOTAL | \$214,211.00 |

The benefit of having a local RVM and redeemable location means that shopper drift to other centres has reduced. This strongly meets the Narrandera Business Group and Council’s joint objective of people shopping locally. Another positive is the notable reduction in roadside bottles and cans.

Solar Farm Developments

A key driver of economic activity in Narrandera Shire has been the rise of solar farms. Several farms are being established in the Shire, bringing substantial investment and job opportunities to the community.

Avonlie Solar Farm commenced construction mid-2022 with the project being commissioned in mid-2023. Once completed the Avonlie Solar Farm will comprise more than 450,000 solar panels with a total energy capacity of up to 245MW(DC). Once complete, Avonlie Solar Farm will generate approximately 500 gigawatt hours of renewable energy per year. During the peak construction phase the project created 200 direct and 320 indirect jobs and, once completed, the facility will create four direct and 12 indirect jobs during the operational phase.

Yarrabee Solar Farm Stage 1 construction is yet to commence, with a projected early-2024 start. The project is expected to support between 150-200 positions during construction phase and 10-15 positions during the operational phase.

The Grong Grong Solar Farm’s Haystacks Solar Garden will host Australia’s first large-scale solar garden. This farm is being developed by Komo Energy, partnering with

communities, landholders and businesses who want to invest in, develop and benefit from renewable energy. The project, which has a connection agreement with Essential Energy, commenced construction in late 2022.

Small Area Labour Market Statistics

Council’s Economic Development section monitors the Small Area Labour Market quarterly results to observe trends for Narrandera Shire and other rural centres within NSW. Unemployment numbers fluctuated during the period, with unemployment sitting at 4.3% during the March 2023 quarter. The Small Area Labour Market data for Narrandera was consistent in its movements for the period when compared with other Riverina towns.

Small area labour market statistics for Narrandera, source Small Area Labour Markets data: Department of Jobs and Small Business.

| Quarter/Year | Unemployment | Labour Force |
|--------------|---------------------|----------------|
| June 2022 | 122 persons or 4.4% | 2,795 persons |
| Sept 2022 | 144 persons or 5% | 2,786 persons |
| Dec 2022 | 151 persons or 5.2% | 2, 889 persons |
| Mar 2023 | 126 persons or 4.3% | 2,939 persons |

Flexible Options Housing Estate

Council owns a suitably zoned parcel of land on the corner of Crescent and Elwin Streets in Narrandera where an area of 1.4 hectares is available for residential development. The site has the potential for over 20 two- and/or three-bedroom homes set in an environment conducive to independent secure living, but also offers the opportunity for a suitable mixed housing estate.

Council commissioned concept plans for an independent living style development to fulfill the needs of downsizing local seniors and continues to seek expressions of interest from potential partners.

Red Hill Industrial Estate

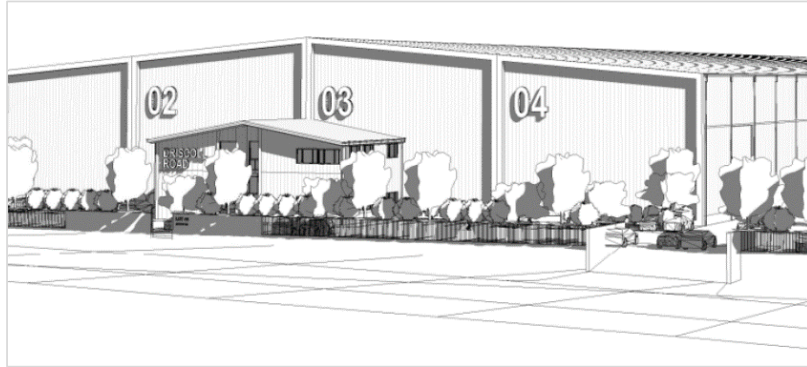
The existing Red Hill Industrial Estate has reached capacity of available land, leaving limited options for new businesses or the expansion of existing ones. This situation poses a significant challenge for economic development and attracting new investments to the area. Council is investigating funding for expansion of the industrial estate to address this shortfall.

Bhullar Group

Narrandera Shire welcomes the Bhullar Group and its construction of a steel fabrication factory valued at \$14.2M. The investment will not only provide economic benefits to the Bhullar Group but will contribute to the local community through new job creation for up to 150 staff. Additionally, the investment has helped in development of infrastructure which indirectly supports other local businesses. Bhullar’s development will lead to advancements in engineering technology in the region.

Michael Bhullar, from Bhullar Group said “We are very excited to commence stage 1 of our major manufacturing and fabrication facilities in Narrandera. This project will

deliver growth, employment as well as partnering opportunities with local businesses. From Narrandera, Bhullar Group will be able to contribute to the construction and infrastructure landscape nationally.”



Concept drawings – Bhullar Group

Marketing and Tourism

Visit Riverina Membership

By actively participating in Visit Riverina as a member council, Narrandera Shire has enjoyed numerous benefits including regional collaboration and collective marketing efforts, allowing pooled resources and amplified marketing messages. Narrandera has been promoted widely as an attractive destination within the broader Riverina region through this collaboration.

Attendance at the 2022 Canberra Caravan Camping Lifestyle Expo

Participating in the 2022 Canberra Caravan Camping Lifestyle Expo as part of Visit Riverina was a strategic move yielding significant benefits.

The event provided a valuable opportunity to showcase the Shire and wider region to a diverse audience. Visitors, previously unaware of Narrandera Shire, left with a better understanding of its unique offerings and are more likely to consider future visits.

Presenting at such a prominent event successfully increased Narrandera's visibility and generated interest among potential tourists and caravan enthusiasts.



Tourism and Economic Development Coordinator Appointed Chair of Visit Riverina

Appointment of the Tourism and Economic Development Coordinator as Chair of Visit Riverina reflects Council's commitment to driving regional tourism growth and further strengthening our collaborative efforts. Through this leadership role, Council will have an opportunity to shape the region's marketing strategies, leverage partnerships, and ensure that Narrandera has a voice at a regional level. This appointment enhances Council's reputation as a proactive and engaged participant in regional tourism initiatives.

Community Events Program Success

Reconnecting Regional NSW - Community Events Program achieved remarkable success, contributing to the vibrancy and appeal of the region. Narrandera

successfully hosted several notable events, each attracting a diverse range of visitors and locals alike.

Social Media Updates

Narrandera Tourism Facebook Page

During the reporting period, the Narrandera Tourism Facebook page achieved a reach of 175,978 providing the audience with opportunities to view the page's posts and updates.

The reach of the Narrandera Tourism Facebook page experienced a notable increase of 32.2% compared to the previous period. This growth is significant and indicates an expanding audience for the page's content. The increase demonstrates that more people are being exposed to tourism-related information, updates, and promotions shared on the Facebook page. This positive trend suggests that the page's content is resonating with the target audience and attracting new followers or potential visitors to Narrandera.

The Facebook page visits for Narrandera Tourism during the reporting period totalled 25,048. Page visits refer to the number of times individuals clicked on the page to view its content, posts, and additional information. This metric provides insights into the level of interest generated by the page, as well as the engagement and interaction of Facebook users with the page's content.

The page visits data shows an impressive increase of 612.8% during the reporting period. This substantial growth indicates a significant rise in the number of people actively seeking information or engaging with the Narrandera Tourism Facebook page. The substantial increase in page visits demonstrates that users are not only viewing the page but also clicking through to explore the content and potentially engage further with the tourism offerings in Narrandera.

Updated Town Banners

A recent project to update Shire banners aimed to enhance the visual appeal of these areas, create a sense of pride among locals, and leave a lasting impression on visitors. The new banners successfully transformed the town's entrances and main street, creating an inviting atmosphere that celebrates Narrandera's unique character and fosters a sense of belonging.

They also serve as a warm welcome to visitors contributing to a positive first impression, enticing visitors to further explore and discover the town's rich offerings.

Murrumbidgee Trails

The Murrumbidgee Trails collaboration has been successful in maintaining steady engagement on social media platforms. The collaborative effort among the participating councils has allowed for consistent and coordinated social media content, ensuring a unified brand presence and message across channels. The engagement metrics, including likes, shares, comments, and post reach, reflect the sustained interest and active participation of the target audience. This continued engagement is vital for maintaining visibility, attracting potential visitors, and fostering a sense of community among locals and tourists alike.

The councils involved in the Murrumbidgee Trails collaboration are currently focused on developing a new brochure for 2024. The new brochure plays a crucial role in

promoting the region as a desirable tourist destination and serves as a tangible resource providing comprehensive information about the region's attractions, accommodations, activities, and events. The collaborative approach in developing the brochure ensures a cohesive and well-rounded representation of the region, highlighting its unique selling points and encouraging visitation.

The sustained engagement on social media platforms and development of the new brochure signifies the continued commitment of participating councils to effectively promote the Murrumbidgee Trails region. The collaboration has demonstrated its ability to maintain and grow the region's presence on social media, thereby expanding reach and engagement with the target audience.

Australia Day

Narrandera Shire celebrates Australia Day with a variety of community activities intrinsic to the values of our Shire and the popular celebrations were held at multiple locations. Council co-ordinates Australia Day activities through a volunteer committee and provides some financial assistance to ensure that events across the Shire are supported.

The Australia Day Awards and Citizenship Ceremony was held at Lake Talbot Water Park. The event included an 'Aussie breakfast' served by Narrandera Lions Club, Welcome to Country by Neville Bamblett, Citizenship Ceremony and addresses by Mayor Neville Kschenka, local Australia Day Ambassador Lindy Lou, local Australia Day Ambassador Lorraine Gawne, and Dance Performance by local dancers from Dinawans Connection.

Narrandera Shire award recipients for Australia Day 2023:

- Citizen of the Year – Rex Evans for notable service to the communities and sporting associations of Narrandera Shire.
- Young Citizen of the Year – Brooke Hall for notable service to the community during the preceding year.
- Senior Citizens of the Year – John Gerrard and Beverly Hughes for notable service to the community for many years.
- Environmental Citizen of the Year – Nella Smith for notable service to the community for environmental initiatives.
- Organisations of the Year – Barellan Working Clydesdale Committee and Kurrajong Supported Living for outstanding service/achievement by an organisation (business, group, club or committee) to the community of the Narrandera Shire in the preceding year.



Australia Day Award Recipients, our New Australian Citizens, Australia Day Ambassador Lindy Hou, Local Ambassador Lorraine Gawne and Mayor Kschenka

Australia Day flag raising ceremonies and luncheons were held at the Barellan War Memorial Swimming Pool and the Grong Grong Park/Royal Hotel Grong Grong.

In the afternoon community activities included free kayaking on Lake Talbot, roller disco at Pioneer Hall, water fun at the Lake Talbot Water Park and an Australia Day concert with River Country held at the Narrandera Ex-Servicemen’s Club.

Over 100 people also participated in the Narrungdera Survival Day March down East Street to celebrate the survival of the oldest living culture.



Dinawans Connection



Narrungdera Survival Day March organising committee

Narrandera Hot Rod Run 2023

The 50th Narrandera Hot Rod Run was a landmark event that brought together hot rodders and automotive enthusiasts from near and far. This annual gathering has been a long-standing tradition in Narrandera and the 50th edition was celebrated with great enthusiasm and appreciation. The event showcased the town's rich automotive culture, fostered community engagement, and left a lasting impact on all who attended.

Recognition and Commemoration: To honour the 50 years milestone, Narrandera Shire Council organised a special BBQ at Marie Bashir Park on Saturday to recognise and congratulate Earlies Custom Rods Club and the hot rodders. This gesture of appreciation and commemoration highlighted the significant contribution made by both the club and the participants in making the event a resounding success.

User-Pays Policing Cruizin No Boozing: In a pioneering move, this year's Narrandera Hot Rod Run introduced user-pays policing of the event, particularly the popular Cruizin No Boozing activities. This innovative approach received overwhelming support and appreciation from both hot rodders and attendees. The user-pays policing model ensured a safe and enjoyable environment for everyone involved, promoting responsible behaviour and contributing to the overall success of the event. This initiative set a positive example for similar events in the future, emphasizing the importance of community safety and responsibility.

Enhanced Saturday Night Experience: The 50th Narrandera Hot Rod Run featured exciting additions to the Saturday night program. A new light tower installed at the crossing of Elwin and East Streets illuminated the festivities and enhanced the overall ambience. Kiesling Lane was transformed into a hub of entertainment, providing attendees with live music in the evening. These enhancements elevated the event experience and highlighted Narrandera's commitment to creating memorable moments for both participants and visitors.

Sunday Show N Shine: The Sunday event was a resounding success, drawing a significant number of attendees and showcasing the impressive array of over 370 cars. This was a true celebration of automotive excellence, with participants proudly displaying their meticulously maintained vehicles. It also featured a variety of food stalls, live music performances, and a vibrant atmosphere that captured the spirit of the Narrandera Hot Rod Run.

The organisers and Mayor of Narrandera Shire Council were publicly acknowledged and thanked, recognising their dedication and support in making the event possible. Steven and Kathleen Alldrick, representing Earlies Custom Rods Club, were presented with a commemorative plaque, symbolising the importance of their dedication and passion for hot rodding.

Shire Events

Narrandera Horse Trials

Held in August 2022, the equestrian event displayed the skills and talents of riders from various disciplines, drawing participants and spectators who share a passion for equestrian sports, and generated a significant economic impact through increased visitor expenditure and accommodation bookings.



Narrandera Community Race Day

Narrandera Community Race Day provided horse racing, entertainment, as well as community engagement in December 2022. This event not only entertained attendees but also fostered a sense of camaraderie and local pride.

Narrandera Rodeo

Held February 2023, the Narrandera Rodeo brought the excitement and traditions of rodeo to our region, captivating audiences with thrilling competitions and family-friendly entertainment. The excellent attendance numbers boosted tourism and local business activity.

Narrandera Soroptimists - Wellness Day

Narrandera Soroptimists provided a platform for health and wellness enthusiasts to gather, share knowledge, and promote well-being in May 2023. The event contributed to the overall well-being of our community and highlighted Narrandera as a hub for wellness initiatives.

A Bit of Country & BBQ

Held at Narrandera Sportsground on 19 November 2022, A Bit of Country & BBQ was part of the NSW Government Community Events Program. It attracted around 350 attendees, directly involving 20 businesses and five community organisations, with 14 other businesses benefitting indirectly from the event.

A family-friendly experience with free admission and a variety of activities for all ages, it included a jumping castle, balloon sculpting, face painting, and farmyard plaster shapes. One of the highlights was the BBQ demonstrations conducted by Shannon Walker and Rob Gallina who presented different BBQ techniques with various meats, insights and tips. Michael Lyons and Leanne Higgins demonstrated BBQ techniques with a unique twist, using Bush Tucker flavours and proteins to add a local touch to the culinary experience. This area was a hit with attendees, particularly the samples available for tasting.

Live performances featured local contemporary singer Sameera Bashir, Texas Rose, and headline act Southbound XO contributing to the vibrant and enjoyable atmosphere.

Narrandera Koala Festival

The festival was held at Narrandera Showground on 17 September 2022 when approximately 1,500 attendees contributed to the local economy. The Koala Festival directly involved 25 businesses and 11 community organisations, with 20 other businesses benefitting indirectly from the festival.

It celebrated the healthy and growing koala population in the Flora and Fauna Reserve, Koala Regeneration Area, and surrounding areas. The festival also featured a free koala and nature photography exhibition, guided tours of the habitat, and informational sessions from local wildlife and environmental groups. Attendees enjoyed live performances, puppet shows, storytelling sessions, readings, interactive circus workshops, and free amusement rides, including jumping castles and mechanical rides.



Narrandera Koala Fest included information stalls and nature inspired activities

Narrandera Volunteer Expo

The Narrandera Volunteer Expo was held on 15 June 2023 at the Emergency Operations Centre. The event attracted displays by 19 community organisations, with a good number of locals attending. Most organisations reported that they were happy with the response from the community and expected to sign up new members/volunteers in the coming months.



Representatives from Narrandera Visitor Information Centre and Community Transport and Home Support



Support for Events in Narrandera Shire

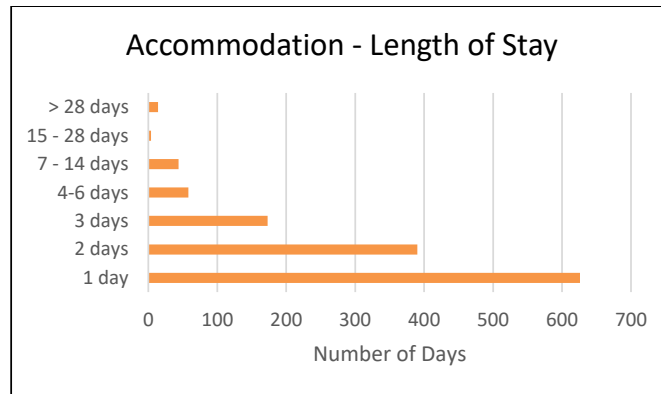
The Events team received 28 event applications during the period, indicating a strong interest in hosting events within the Shire. This is a positive sign for the local community and tourism industry as events attract visitors, boost local businesses, and enhance community engagement. Of the applications received, five were new events. Council received Community Event Program funding during this financial year which provided funding opportunities to event organisers.

The Events team offered advice and advocacy to organisers regarding event planning and marketing opportunities. This support is valuable for ensuring events run smoothly and are effectively promoted to attract a larger audience.

Visitation Statistics

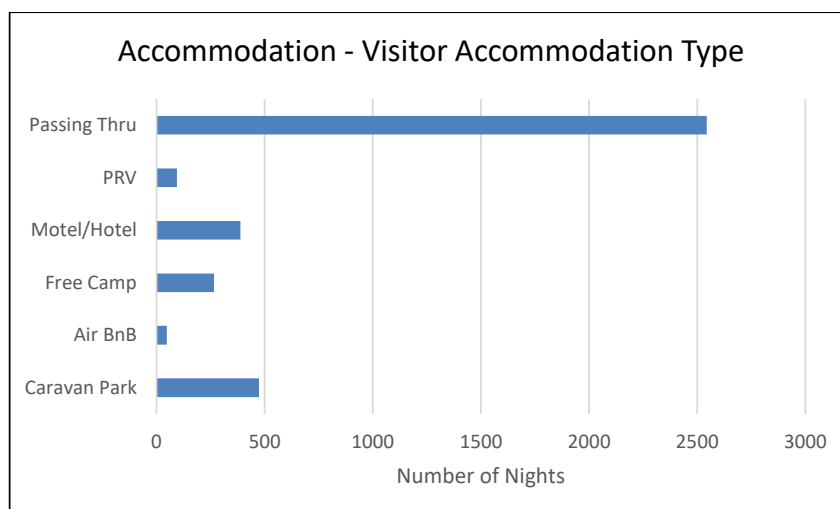
Narrandera Shire is starting to experience a recovery in visitation as travel patterns return to normal after the impact of COVID-19 and flooding. Visitor trends are positive for the local tourism industry, indicating that more people are choosing to spend time in the area to explore, rather than simply passing through. Fifty percent of visitors are now staying for one to three days as part of their regional holiday, and this shift in

visitor behaviour benefits the community in ways such as increased spending in local businesses, more exposure for local attractions, and potentially higher demand for tourism-related services.



Statistics collected by the Visitor Information Centre show the majority of Narrandera’s visitors come from within New South Wales. The VIC also experienced a consistent flow of visitors from both Victoria and Queensland. Recent marketing campaigns, such as the Australian Traveller and the Canberra Caravan and Camping Show, had a positive impact on visitors from Canberra. This suggests that promotional activities targeted at the ACT market have resonated well and attracted visitors to Narrandera Shire.

Based on the statistics, caravan parks are the most popular accommodation option within Narrandera Shire, followed by motels. The popularity of free camping demonstrates the segment of visitors more inclined towards outdoor experiences, while the rise of Airbnb accommodation reflects the growing interest in alternative options. Staying with friends and relatives remains a popular choice for visitors.



4. Our Infrastructure

2022-23 Infrastructure Projects

Playground on the Murrumbidgee

This project secured \$8 million dollars funding from the NSW State Government. The scope included an impressive rebuild and rebranding of the Narrandera Visitor Information Centre to the Narrandera Shire Destination and Discovery Hub.

Lake Talbot Tourist Park also benefited from the funding with construction of a new amenities block including disabled access and family change rooms, laundry, and a new camp kitchen to replace the existing aged structure. Other works at the park included converting a redundant building into new family accommodation units, and a new playground.

The completed Northbank Bridge project takes advantage of Narrandera's location adjacent to waterways. The newly constructed bridge over the Main Canal connects walking and cycle paths linking existing infrastructure and provides access from the free camping area to the Narrandera Business District.

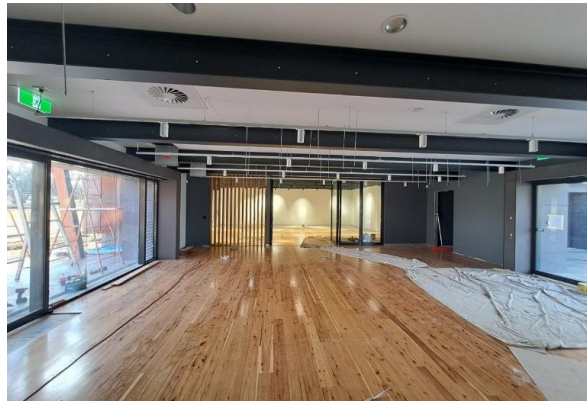
The Lake Talbot Skywalk when completed will extend over the water at Lake Talbot to provide a unique and scenic views of Lake Talbot, Lake Talbot Water Park and the landscape beyond.

Narrandera Destination & Discovery Hub

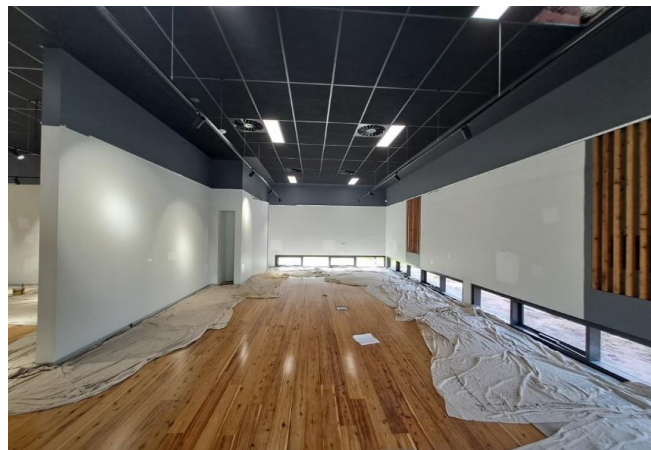
This flagship project will allow visitors and local community members to discover Narrandera's nature-based and cultural stories using interactive displays and virtual reality. The building will contain a discovery centre with theatre, gallery, staff offices and ample space for visitor servicing.



Front (Eastern) view under construction– Destination & Discovery Hub



Visitor servicing area under construction– Destination & Discovery Hub



Gallery area under construction– Destination & Discovery Hub

Northbank Boardwalk

The Northbank Boardwalk consists of a raised boardwalk/walkway from the footpath in Melbourne Street to the newly completed pedestrian bridge. This raised walkway platform provides seating for those who want to stop and rest and admire the view. It provides a link between the free camping area at Brewery flat to the Narrandera Business District.



Northbank boardwalk – Looking south



Northbank boardwalk – Looking west

Stronger Country Communities Round 4

Sportsground Changeroom Upgrade

This project involved upgrading existing changerroom amenities underneath the grandstand to meet women-in-sport requirements, including separate cubicles with clean and modern inclusions.



Refurbished female changerroom – Narrandera Sportsground.



Refurbished umpires changerroom – Narrandera Sportsground

Local Roads and Community Infrastructure – Phases 2 and 3

Barellan Hall Toilet Refurbishment

This refurbishment project delivered new fixtures and fittings installed with new tiling, partitions and painting, resulting in a modern facelift for the amenities.



Male amenities – Barellan Hall



Female amenities – Barellan Hall

Narrandera Sportsground Spectator Pavilion

Demolition of the former changerooms/club rooms was the first stage of this project, followed by construction of a new spectator pavilion. Future works will include tiered aluminium seating and lighting to complete the work.



New spectators Pavilion – Narrandera Sportsground



New spectators Pavilion, looking East – Narrandera Sportsground

Barellan Sportsground Spectators Pavilion

Under construction, this building includes a custom-designed structure to provide exceptional viewing of the oval. Severy benches with stainless steel bench tops and sink will complete the fit out.



Concrete floor - new spectators pavilion – Barellan Sportsground

Works Office

A new transportable Works Office including office space and a small meeting/training room was constructed at the Narrandera Depot.



New Works Office

The Wiradjuri Wall

Under construction, this project is a memorial to the Wiradjuri people of the Narrungdera nation. The design consists of curved concrete walls with granite etched inlays and central metal sphere feature.



The Wiradjuri wall – Under construction – Looking south – Marie Bashir Park

Barellan Pump Track

Located at the north-western corner of the Barellan Sportsground, the Barellan pump track evolved from consultation with younger members of the Barellan community.



Pump track installed at Barellan Sportsground

Grong Grong Hall Improvements

This project included installation of an outdoor covered area with lighting and drinks bench along the hall’s eastern side. The male toilets also underwent renewal with installation of an entry covered structure and privacy screen.



The new covered pergola at the rear of the Hall



Refurbishment of the male amenities



Male amenities shade structure and privacy screen

North Narrandera Footpath

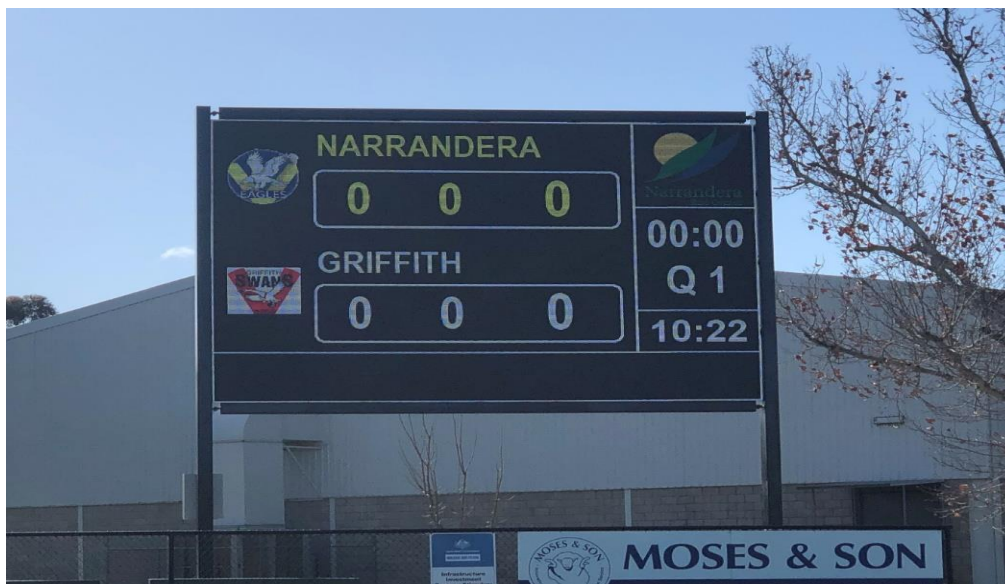
Construction of a footpath network north of the railway bridge along Adams Street to connect Adams, Watermain and Dalgetty Streets and Racecourse Road.



Completion of the Adams St section of the footpath

Narrandera Sportsground Digital Scoreboard

This highly visible project involved purchase and installation of a new 25 square metre digital scoreboard. As well as catering for sporting events, it also has the capability to play movies.



The new scoreboard is located north-east of the playing field

Other Projects

Pine Hill Water Tanks

Redundant water storage tanks at Pine Hill have been demolished, with removal of the foundation pad underway.



Redundant water tanks – Pine Hill

Pedestrian Deck – Lake Talbot Water Park

Located directly beneath the Lake Talbot Skywalk, the pedestrian deck, will sit on the lake's edge to provide safe and comfortable access to the area. Over 25 metres in length, the fully galvanised steel structure will have three floating pontoons fitted for boat moorings.



Site of pedestrian deck – Lake Talbot Water Park– Under construction.

Narrandera Tennis Club – Accessible Unisex Toilet

Narrandera Shire Council in conjunction with the Narrandera Tennis Club is undertaking an accessible facility upgrade. Work includes inclusion of an accessible unisex toilet to the clubhouse.



New accessible unisex toilet – Under construction – Narrandera Tennis Club

Narrandera Tennis Club – Accessible Ramps

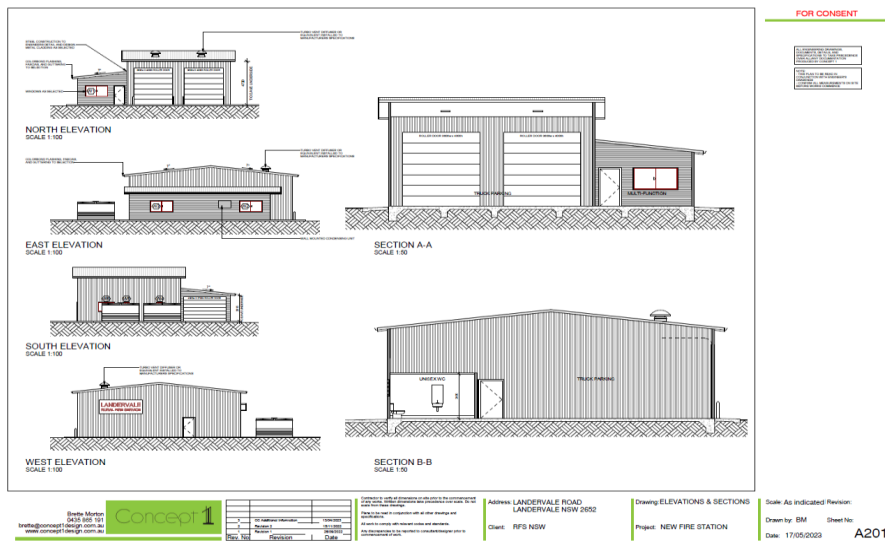
Part of the accessible upgrade includes the installation of two accessible ramps. One with viewing platform to access the clubhouse and the second ramp providing access to the lower courts.



New accessible ramp to the lower courts – under construction – Narrandera Tennis Club.

Landervale Bushfire Shed

Narrandera Shire Council, in conjunction with the Rural Fire Service, has engaged Joss Facility Management to construct the new Landervale Rural Fire Station. The shed is expected to be completed by the end of November 2023.



Concept plans – Landervale Fire shed – under construction



Earthworks underway – Landervale Fire shed

Barellan BBQ Replacement

Installation of a new dual plate BBQ at Evonne Goolagong Park.



Road Network

Regional Roads

Council’s road construction team completed road rehabilitation works to parts of Barellan Road as part of the Regional Roads Repair Program.



Barellan Road

Canola Way had heavy patching completed at Cowabbie Creek crossing due to heavy vehicle traffic detours during the natural disaster event of January 2022.



Canola Way failures at Cowabbie Creek

Sealed Roads

Council completed the widening and sealing of Pamandi and Cowabbie Roads and sealing of Mejum Park Road totalling 19.9km for this project.

Construction commenced for Drover Place, a new road within the Red Hill Industrial Estate. This 580 metres of road will service large industrial developments in the near future.



Drover Place

Gravel Roads

Council completed over 45.8 kilometres of gravel re-sheet works on roads across the Shire, including Back Yamma, Buckingbong, Devlins Bridge, Euratha, Galore Forest, Galore Park, Kangaroo Plains, Lismoyle, Mannings, Mejum, Mollys Lagoon, Murrell Creek and The Gap Roads.

Routine maintenance grading to 423.5 kilometres of the gravel road network included 65.6 kilometres of emergency flood works, which were carried out following the August onwards flood event.



Mejum Road

Bridges

Council commenced replacement of Mollys and Somerset Bridges under the Fixing Country Bridges (FCB) program with works continuing into the new financial year.



Somerset Bridge before works



Mollys Bridge during works

Footpath and Kerb Works

East Street kerb and footpath on the eastern side from Elwin Street south to Watkins Lane was recently upgraded.



East Street kerb and footpath upgrade between Elwin Street and Watkins Lane

A new footpath was constructed along Mulga Street, Barellan between Boree and Myall Streets with Council funds and a grant for Transport for NSW under the Get NSW Active (Walking) program.



Footpath between Boree Street and Myall Street, Barellan

Water and Sewer Projects

Hydration, Sustainability and Accessibility

Council took a significant step towards promoting health and sustainability by installing six state-of-the-art water bottle refill stations throughout Narrandera. These stations encourage hydration and help to reduce plastic waste, reflecting Council's commitment to a greener future.



Lake Talbot Water Park entrance



Marie Bashir Park skatepark

Meeting Future Demand

Council constructed 560 metres of new water mains along Drover Place at the Red Hill Industrial Estate to accommodate the growing needs of our community. This

extension along Driscoll Road ensures that industrial development opportunities can progress.

Water Mains Cleaning Innovation

NO-DES Water Mains Cleaning was engaged to undertake a comprehensive water mains cleaning program as part of Council's commitment to improving the potable water supply. 35 kilometres of water mains were cleaned during 2022-23 resulting in better water efficiency, sustainability and a reduction in 'dirty water' incidents.

Reliability and Reduced Maintenance

The water valve replacement program continues as part of Council's ongoing efforts to enhance reliability and to reduce maintenance costs. This program safeguards the uninterrupted flow of water to our community.

Effective Leak Detection

In collaboration with the NSW Department of Planning and Environment, Council launched a leak detection program that uncovered and rectified significant water main issues. The process detected leaks within the infrastructure equating to a combined 20,000 litres per hour in losses in 19 different locations. Actions such as these show the commitment of Council to the conservation of valuable water resources.

Water Treatment Plant Upgrade

Work continued with the water treatment plant upgrade project and NSW Government grant funding was secured for a scoping study to identify a suitable site at Narrandera for a replacement water treatment plant using contemporary water treatment technology. The study is expected to be completed in the second half of 2023 and will include the preliminary planning required for Council to secure funding for design and construction of a new water treatment plant.

Sewer System Progress

The Barellan sewer scheme design has been finalised with tendering for construction completed. Awarding of a tender of this size takes an important step towards meeting the needs of an established community through better sewage management whilst maintaining a commitment to environmental sustainability.

Stormwater Management

During the stormwater event in late January 2022, an intense localised storm delivered 55 millimetres of rainfall in a short period leading to the flooding of areas along Victoria Avenue and East Street. The SEMC group was engaged by Council to undertake a detailed design to duplicate the existing underground stormwater infrastructure to manage a similar event.

Flood Risk Management Prevention Measures

The 2019 Review of the Narrandera Flood Risk Management Plan & Study identified several flood-protection measures. Council applied for funding to progress to feasibility stage for three of these measures:

- Feasibility and preliminary design of the Northeast detention basin has now been completed. Water Modelling Solutions investigated and modelled a number of options to minimise the eastern catchment flowrates. The completed study enables Council to apply for the next detailed design phase.

- The voluntary house-raising and purchase feasibility study prepared a report identifying eligible properties that met the NSW Government's criteria for house raising and house purchase flood protection measures. Affected property owners were contacted to gauge their interest in participating and the report enables Council to apply for funding to assist these properties.
- Design of Barellan township flood protection will be prepared by Dryside Engineers, who will carry out a detailed design of the preferred levee option. Completion of the design will enable Council to take advantage of future Federal and State Government grants by having a shovel-ready solution to prevent future overland flooding of the Barellan township.

Across the reporting period, Council also continued to carry out maintenance works to maintain Council's existing stormwater drainage infrastructure, including cleaning culverts and open drains.

Report on Infrastructure Assets

The following schedule reports on the condition of Public Works under the control of Council and contains costs in relation to:

1. Estimated cost to bring the asset up to a satisfactory standard
2. Required annual maintenance
3. Actual maintenance as at 30 June 2023
4. Written Down Value
5. Assets in Condition as a percentage of Written Down Value
 - Excellent/Very Good – No work required
 - Good – Only minor maintenance work required
 - Satisfactory – Maintenance work required
 - Poor – Renewal Required
 - Very poor – Urgent renewal/upgrading required

Report on infrastructure assets as at 30 June 2023

| Asset Class | Asset Category | Estimated cost | | | 2022/23 Actual maintenance \$ '000 | 2022/23 Required maintenance \$ '000 | Net carrying amount \$ '000 | Gross replacement cost (GRC) \$ '000 | Assets in condition as a percentage of gross replacement cost | | | | | |
|---|-----------------------------|---|---|--|------------------------------------|--------------------------------------|-----------------------------|--------------------------------------|---|--------------|--------------|--------------|---|--|
| | | Estimated cost to bring assets agreed level of to satisfactory standard \$ '000 | Estimated cost to bring assets agreed level of to satisfactory service set by Council \$ '000 | Estimated cost to bring assets agreed level of to satisfactory level of service set by Council \$ '000 | | | | | 1 | 2 | 3 | 4 | 5 | |
| Buildings | Buildings – non-specialised | 2,538 | - | 425 | 178 | 10,811 | 31,054 | 2.0% | 11.0% | 46.0% | 39.0% | 2.0% | | |
| | Buildings – specialised | 1,316 | - | 243 | 154 | 9,044 | 17,703 | 36.0% | 3.0% | 23.0% | 36.0% | 2.0% | | |
| | Sub-total | 3,854 | - | 668 | 332 | 19,812 | 48,757 | 14.3% | 8.1% | 37.6% | 37.9% | 2.1% | | |
| Other structures | Other structures | 1,432 | - | 303 | 457 | 12,490 | 22,094 | 40.0% | 6.0% | 25.0% | 25.0% | 4.0% | | |
| | Sub-total | 1,432 | - | 303 | 457 | 12,490 | 22,094 | 40.0% | 6.0% | 25.0% | 25.0% | 4.0% | | |
| Water supply network | Water supply network | 3,969 | - | 503 | 1,306 | 22,706 | 44,937 | 18.0% | 6.0% | 41.0% | 28.0% | 7.0% | | |
| | Sub-total | 3,969 | - | 503 | 1,306 | 22,706 | 44,937 | 18.0% | 6.0% | 41.0% | 28.0% | 7.0% | | |
| Roads | Sealed roads pavement | 293 | - | 434 | 259 | 27,002 | 41,685 | 60.0% | 7.0% | 10.0% | 5.0% | 18.0% | | |
| | Sealed roads surface | 3,390 | - | 227 | 1,192 | 9,889 | 21,836 | 19.0% | 4.0% | 15.0% | 50.0% | 12.0% | | |
| | Unsealed roads pavement | 2,953 | - | 275 | 1,146 | 18,852 | 26,434 | 12.0% | 4.0% | 83.0% | 0.0% | 1.0% | | |
| | Bridges | 472 | - | 69 | 8 | 10,885 | 18,107 | 7.0% | 45.0% | 43.0% | 0.0% | 5.0% | | |
| | Footpaths | 6 | - | 28 | 21 | 1,326 | 1,927 | 28.0% | 69.0% | 2.0% | 0.0% | 1.0% | | |
| | Bulk earthworks | - | - | - | - | 68,950 | 68,950 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | | |
| | Flood-ways | - | - | 23 | - | 2,179 | 2,239 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | | |
| | Guardrail | 6 | - | 2 | - | 324 | 438 | 50.0% | 34.0% | 14.0% | 0.0% | 2.0% | | |
| | Kerb and guttering | - | - | 78 | 25 | 4,357 | 7,462 | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | | |
| | Traffic devices | - | - | 14 | - | 1,137 | 1,353 | 79.0% | 4.0% | 17.0% | 0.0% | 0.0% | | |
| | Sub-total | 7,120 | - | 1,150 | 2,651 | 144,901 | 190,431 | 56.0% | 11.5% | 19.7% | 6.8% | 6.0% | | |
| Sewerage network | Sewerage network | 639 | - | 287 | 683 | 16,416 | 25,613 | 48.0% | 29.0% | 14.0% | 6.0% | 3.0% | | |
| | Sub-total | 639 | - | 287 | 683 | 16,416 | 25,613 | 48.0% | 29.0% | 14.0% | 6.0% | 3.0% | | |
| Stormwater drainage | Stormwater drainage | 2,908 | - | 99 | - | 7,710 | 11,891 | 14.0% | 43.0% | 0.0% | 0.0% | 43.0% | | |
| | Sub-total | 2,908 | - | 99 | - | 7,710 | 11,891 | 14.0% | 43.0% | 0.0% | 0.0% | 43.0% | | |
| Open space / recreational assets | Swimming pools | 198 | - | 189 | 168 | 3,094 | 4,452 | 75.0% | 0.0% | 0.0% | 25.0% | 0.0% | | |
| | Open Space & Recreational | 128 | - | 117 | 37 | 1,024 | 1,946 | 29.0% | 40.0% | 15.0% | 7.0% | 9.0% | | |
| | Sub-total | 326 | - | 306 | 205 | 4,118 | 6,398 | 61.0% | 12.2% | 4.6% | 19.5% | 2.7% | | |
| Total – all assets | 20,248 | - | 3,316 | 5,634 | 228,153 | 350,121 | 42.4% | 12.4% | 23.9% | 15.0% | 6.3% | | | |

(a) Required maintenance is the amount identified in Council's asset management plans.

5. OUR ENVIRONMENT

Companion Animals

Council is responsible for companion animals within Narrandera Shire and these responsibilities include:

- Operation of the Narrandera Animal Care Facility
- Rehoming unclaimed companion animals
- Microchipping and lifetime registration
- Roaming and stray dogs
- Animal noise complaints
- Reducing incidents of dog attacks
- Trapping feral cats
- Community education and awareness of responsible pet ownership.

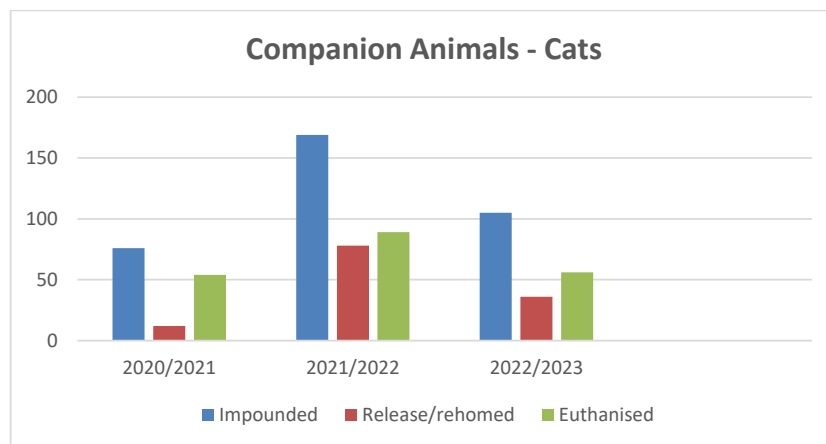
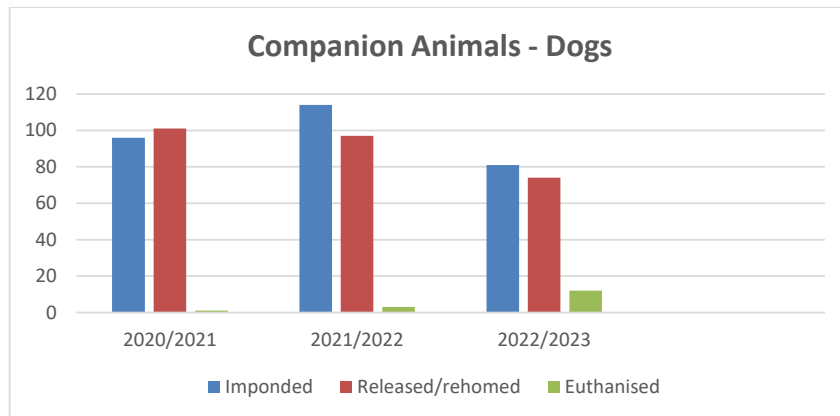
Residential areas in Narrandera, Barellan and Grong Grong are patrolled routinely and in response to call outs. Council updates and maintains data in the NSW Companion Animals Register. Employees also enforce the provisions of the Act by issuing fines, nuisance animal orders, dangerous and menacing dog declarations where required. Council's data relating to dog attacks is lodged through the NSW Companion Animals Register to the Office of Local Government with pound collection returns lodged with the Office of Local Government.

The southern side of Narrandera Sportsground has been a dedicated off-leash area for dogs for many years, however a new fully enclosed off leash/dog park area will open to pet owners in October 2023. Located west of Henry Mathieson Oval, the cost to develop this project was \$46,350.

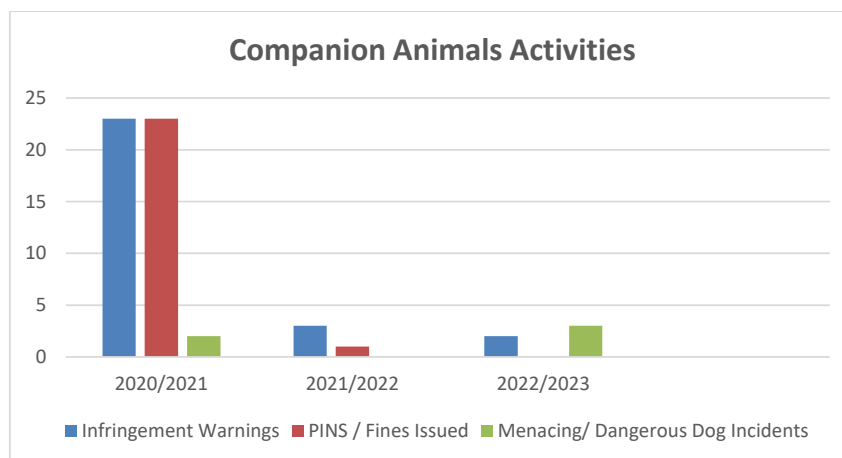
Council liaises with pet rescue groups to re-home unclaimed and surrendered animals as an alternative to euthanasia. Dogs and cats are only euthanised when deemed unsuitable for rehoming following temperament testing or upon veterinary advice.

During 2022-23 there were two dog attack incidents reported for the Narrandera Local Government Area.

Impounding, release and other statistics for the reporting year for dogs and cats are also provided to the NSW Office of Local Government.



Enforcement activities by Compliance Officers are recorded and reported on annually. Not recorded are the numerous interactions with community members about the responsibilities of keeping pets and the importance of desexing companion animals.



Income for 2022-23 companion animal registrations was \$4,786 being registration commission from the NSW Office of Local Government.

Expenses for 2022-23 included \$135,318 for wages and salaries, \$11,144 for materials, \$491 for protective equipment, \$887 for telephone expenses and \$10,594 for vehicle operating expenses.

What We Do to Manage Our Environment

Narrandera Shire is renowned for the rich diversity and maturity of the many trees found within its streetscapes, parkland and private gardens. Tree-lined avenues, mature exotic gardens and specimen trees are all present throughout the Shire. Council plays a key role in managing and protecting the environment and continues to protect, restore, enhance and conserve the local environment.

Tree Plantings

114 trees were planted, and 15 tree removals were documented during the 2022-23 reporting year.

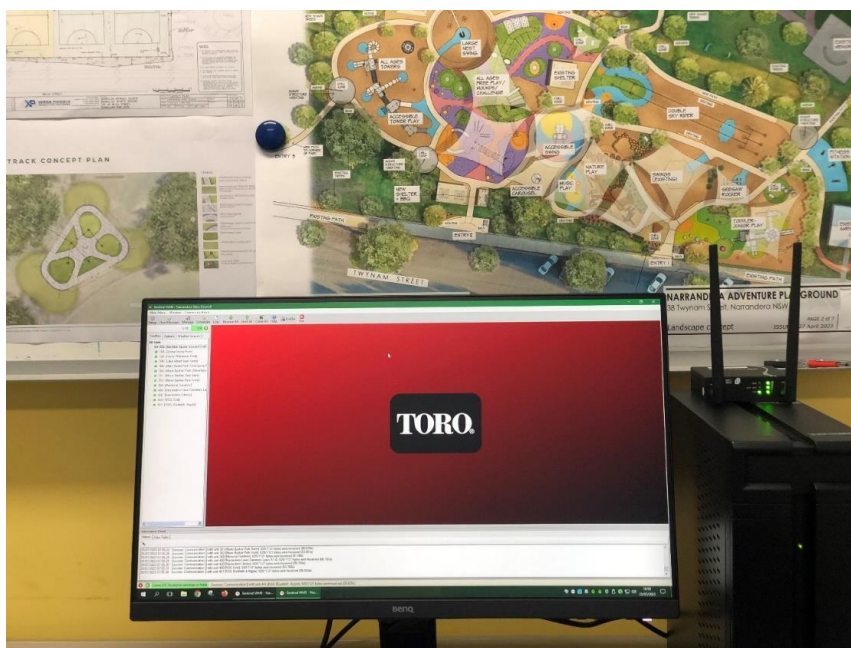
Biosecurity Weeds Management System

The new Biosecurity Weeds Management system is used to conduct inspections, record treatments, schedule weed control programs and generate reports for other agencies.

The new system has already achieved time efficiencies by reducing the time to generate reports and also ensures Council remains compliant to the requirements within the Biosecurity Act 2015.

Narrandera Irrigation Management System

The new Irrigation Management system is used to control all irrigated areas within Narrandera Shire. The system reports faults and can turn off controllers remotely, achieving cost savings in both water use and staff time.



Marie Bashir Park Playground Masterplan

Council designed a new masterplan for the Marie Bashir Park playground incorporating specific components the community identified that they would like to see in the playground. The master plan can be used to support grant applications or be constructed when funding becomes available.

The proposed masterplan can be viewed by selecting the following link: <https://www.narrandera.nsw.gov.au/marie-bashir-park-playground-masterplan>

Narrandera Shire Tree Audit and Tree Plotter Management Program

Council acknowledges that trees play a vital role in the health, social framework and economic sustainability of an area and improve our environment and quality of life. In the long term, trees often create a very real 'sense of place' and enhance the public domain. Trees can also:

- Provide habitat for native animals
- Reduce the effects of urban heat
- Reduce airborne pollution
- Reduce carbon dioxide in the atmosphere
- Protect from soil erosion
- Encourage outdoor activity
- Reduce exposure to the sun and ultraviolet rays
- Create privacy and lessen noise
- Provide a connection to nature
- Soften and screen street infrastructure
- Reduce demand for energy
- Contribute to ecological biodiversity.

Council conducts a tree audit every five years when every street tree is assessed. Findings from the audit are used to prioritise works including maintenance and replacement programs.

Tree Plotter management software is used to ensure that the tree population is managed effectively. The system records all works, has the capability to provide instant condition reports and creates specific tree maintenance packages. It allows Council to look at trends, such as maintenance needs and numbers of new plantings.

Weed Management for Biodiversity Conservation

Council is committed to the ongoing management of weeds and the risks and impacts they have on our community, environment and economy. Council is an active member of the Riverina Weeds Action Program. This program helps develop partnerships to effectively target weeds, identify and stop new weeds early and increase community involvement in weed management.

To carry out this task, Council supports an extensive Weeds Action Program (WAP) involving inspections of private property, Council managed and owned land, and numerous spray programs throughout the year that target a range of weeds.

Biosecurity management mapping system Iconyx schedules and records inspections, and maps weed infestations. A monthly report is submitted to the Department of Primary Industries (DPI) Biosecurity Information System (BIS) which details findings from inspections that have taken place during the month.

Planning & Development

Local Strategic Planning Statement

Council adopted its [Local Strategic Planning Statement](#) (LSPS) in August 2020 which set the framework for Narrandera Shire’s economic, social and environmental land use needs over the next 20 years.

Details of Planning Agreements

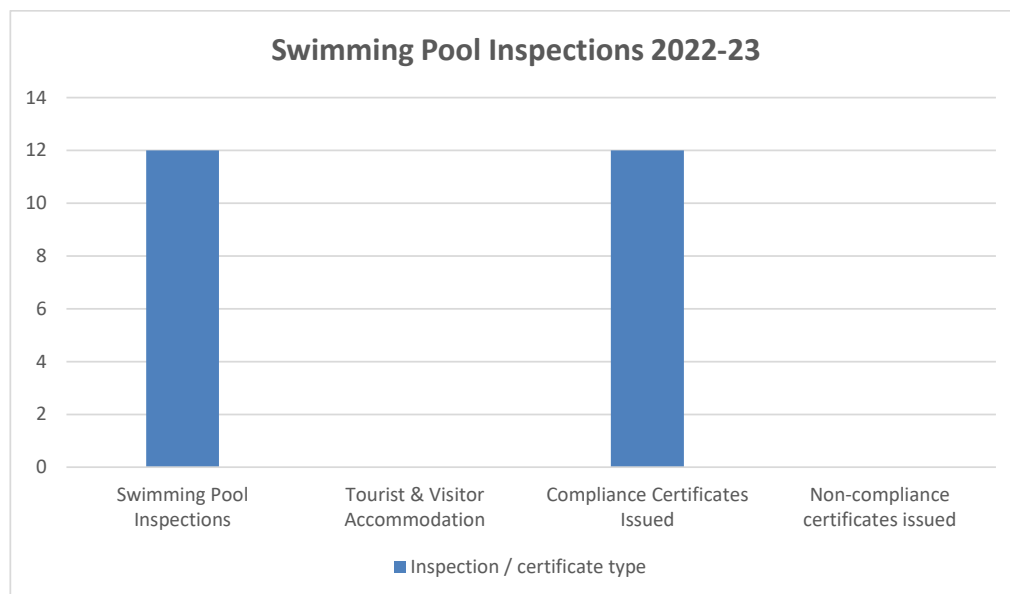
Council did not enter into any planning agreements as per Section 7.5(5) of the *Environmental and Planning Assessment Act, 1979* during the 2022-23 reporting year.

Details of any Environmental Upgrade Agreements entered into by Council

THERE were no agreements entered in to by Council during the reporting year.

Swimming Pool Inspections

Council is required to report on the details of private swimming pool inspections in accordance with the Swimming Pools Act 1195 s22F(2) and Swimming Pools Regulation 2018 (SP Reg) CI 23,.



6. SECTION 2 - THE ATTACHMENTS

- A. Government Information (Public Access) Act, 2009 - Annual Report 2022-2023
Doc ID 695213
- B. Public Interest Disclosures Act, 1994 - Report 30 June 2023 Doc ID 695209
- C. Modern Slavery - Annual Report 2022-2023 Doc ID 703443
- D. Audited Financial Reports ending 30 June 2023 Doc ID's 693935, 693934,
694356, 694406
- E. Disability Inclusion Action Plan 2022-26 – update 30 June 2023 Doc ID 701967
- F. Delivery Program 2022-26 – update 30 June 2023 Doc ID 701965

NOTE: Communications Officer to use the documents listed above for each attachment - Doc Id is listed in red font with the reference numbers to be deleted in the final formatted document.

From: [Information and Privacy Commission NSW](#)
To: [Taylor, Craig](#)
Subject: GIPA Report Submitted
Date: Friday, 22 September 2023 11:41:16 AM

Hi Craig,

Thank you for submitting the 2023 GIPA Report for Narrandera Shire Council.

This notification is to confirm that your agency data has been received by the Information and Privacy Commission on 22/09/2023 11:41 AM. The report was submitted by Craig Taylor.

If you have any enquiries, please email ipcinfo@ipc.nsw.gov.au

Kind Regards

Information and Privacy Commission NSW

Level 15, McKell Building, 2-24 Rawson Place, Haymarket NSW 2000

1800 472 679

www.ipc.nsw.gov.au

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

Clause 8A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

| | |
|-----------------------------------|---|
| Reviews carried out by the agency | Information made publicly available by the agency |
| Yes | Yes |

Clause 8B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

| |
|---------------------------------------|
| Total number of applications received |
| 2 |

Clause 8C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

| Number of Applications Refused | Wholly | Partly | Total |
|--------------------------------|--------|--------|-------|
| | 0 | 0 | 0 |
| % of Total | 0% | 0% | |

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

Schedule 2 Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*

| | Access Granted in Full | Access Granted in Part | Access Refused in Full | Information not Held | Information Already Available | Refuse to Deal with Application | Refuse to Confirm/Deny whether information is held | Application Withdrawn | Total | % of Total |
|--|------------------------|------------------------|------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|-------|------------|
| Media | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Members of Parliament | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Private sector business | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 50% |
| Not for profit organisations or community groups | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Members of the public (by legal representative) | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 50% |
| Members of the public (other) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | |
| % of Total | 50% | 50% | 0% | 0% | 0% | 0% | 0% | 0% | | |

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

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

Table B: Number of applications by type of application and outcome*

| | Access Granted in Full | Access Granted in Part | Access Refused in Full | Information not Held | Information Already Available | Refuse to Deal with Application | Refuse to Confirm/Deny whether information is held | Application Withdrawn | Total | % of Total |
|--|------------------------|------------------------|------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|-------|------------|
| Personal information applications* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Access applications (other than personal information applications) | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 100% |
| Access applications that are partly personal information applications and partly other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | |
| % of Total | 50% | 50% | 0% | 0% | 0% | 0% | 0% | 0% | | |

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

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

Table C: Invalid applications

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

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

| | Number of times consideration used* | % of Total |
|--|-------------------------------------|------------|
| Overriding secrecy laws | 0 | 0% |
| Cabinet information | 0 | 0% |
| Executive Council information | 0 | 0% |
| Contempt | 0 | 0% |
| Legal professional privilege | 0 | 0% |
| Excluded information | 0 | 0% |
| Documents affecting law enforcement and public safety | 0 | 0% |
| Transport safety | 0 | 0% |
| Adoption | 0 | 0% |
| Care and protection of children | 0 | 0% |
| Ministerial code of conduct | 0 | 0% |
| Aboriginal and environmental heritage | 0 | 0% |
| Privilege generally - Sch 1(5A) | 0 | 0% |
| Information provided to High Risk Offenders Assessment Committee | 0 | 0% |
| Total | 0 | |

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

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

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

| | Number of times consideration used* | % of Total |
|--|-------------------------------------|------------|
| Responsible and effective government | 0 | 0% |
| Law enforcement and security | 0 | 0% |
| Individual rights, judicial processes and natural justice | 1 | 100% |
| Business interests of agencies and other persons | 0 | 0% |
| Environment, culture, economy and general matters | 0 | 0% |
| Secrecy provisions | 0 | 0% |
| Exempt documents under interstate Freedom of Information legislation | 0 | 0% |
| Total | 1 | |

Table F: Timeliness

| | Number of applications* | % of Total |
|--|-------------------------|------------|
| Decided within the statutory timeframe (20 days plus any extensions) | 2 | 100% |
| Decided after 35 days (by agreement with applicant) | 0 | 0% |
| Not decided within time (deemed refusal) | 0 | 0% |
| Total | 2 | |

Government Information (Public Access) Act – Annual Report for Agency Narrandera Shire Council

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

| | Decision varied | Decision upheld | Total | % of Total |
|--|-----------------|-----------------|-------|------------|
| Internal review | 0 | 0 | 0 | 0% |
| Review by Information Commissioner* | 0 | 0 | 0 | 0% |
| Internal review following recommendation under section 93 of Act | 0 | 0 | 0 | 0% |
| Review by NCAT | 0 | 0 | 0 | 0% |
| Total | 0 | 0 | 0 | |
| % of Total | 0% | 0% | | |

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

Table H: Applications for review under Part 5 of the Act (by type of applicant)

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

Table I: Applications transferred to other agencies.

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

NARRANDERA SHIRE
COUNCIL PUBLIC INTEREST
DISCLOSURES ACT
ANNUAL REPORT
1 JULY 2022 – 30 JUNE 2023



NARRANDERA SHIRE COUNCIL

Narrandera Shire Council
141 East Street
NARRANDERA NSW 2700
Tel: 02 6959 5510 Fax: 02 6959 1884
Email: council@narrandera.nsw.gov.au

PUBLIC INTEREST DISCLOSURES**2022 – 2023 ANNUAL REPORT****1. Background**

The Narrandera Shire Council is required to report annually on its obligations under Council *Public Interest Disclosures Act, 1994* (PID Act).

The report must be in accordance with the requirements of section 31 of the PID Act and clause 4 of the *Public Interest Disclosures Regulation, 2011* (PID Regulation).

This report is for the period 1 July 2022 to 30 June 2023.

Statistical Information

Detail required by clause 4(2)(a) – (c) of the PID Regulation, is shown as per the following table:

| | 1 July 2022 to 30 June 2023 |
|---|------------------------------------|
| Number of public officials who made PIDs | Nil |
| Number of PIDs received | Nil |
| Of PIDs received, number primarily about: | Nil |
| Corrupt Conduct | Nil |
| Maladministration | Nil |
| Serious and substantial waste of local government money | Nil |
| Government Information contravention | Nil |
| Local Government pecuniary interest convention | Nil |
| Number of PIDs finalised | Nil |

Public Interest Disclosures Internal Reporting Policy (clause 4(2)(d) - PID Regulation)

Council's current Public Interest Disclosures Internal Reporting Policy and Internal Reporting system was reviewed and adopted on 21 March 2023 but is currently undergoing further review given the commencement of the *Public Interest Disclosures Act, 2022* on 1 October 2023. The new policy version will be based on the model policy and guidelines issued by the NSW Ombudsman.

Staff Awareness of Public Interest Disclosures Policy (clause 4(2)(e) - PID Regulation)

All staff, including Councillors, undertook refresher training and information on the PID on 27 March 2014 with this training facilitated by a representative of the NSW Ombudsman Office.

The Deputy General Manager Corporate and Community Services (the Disclosures Co-Ordinator) also the Human Resources Manager (the Disclosures Officer) undertook training on 28 February 2019 at Leeton Shire Council by a representative of the NSW Ombudsman Office.

The NSW Ombudsman has provided SCORM files so that Council can deliver training sessions to staff using the PULSE eLearning module – staff need to undertake this training within 6 months of 1 October 2023.

Council is meeting its obligations for staff awareness by:

- Placement of the Public Interest Disclosures Internal Reporting Policy on the Intranet which is accessible by all members of staff;
- The Public Interest Disclosures Internal Reporting Policy is provided and explained as part of staff induction for new staff on commencement;
- Key staff attend relevant training when it is being conducted in our region;
- Public Interest Disclosure Information posters from the NSW Ombudsman have been placed in strategic locations such as adjacent to photocopiers and on staff notice boards advising of how to report wrong doings within the organisation and who to make these reports to;
- Public Interest Disclosure Information is regularly placed within a fortnightly communicate issued to both Councillors and staff.

Appendix C - Narrandera Shire Council Modern Slavery Annual Report 2022-23

Actions taken to 30 June 2023 and future initiatives

| Activity | Description | Actions Taken | Future Initiatives |
|------------------------------|---|---|--|
| Staff awareness and training | Staff awareness of modern slavery and Council's policy and expectations | Communicated to all staff via intranet; updated Procurement Manual available on intranet. | Awareness training at future all staff events. |
| | Staff training | Training available to key staff, however awareness to all staff communicated through staff fortnightly Communique newsletter. | Awareness training at future all staff events and inclusion as part of the induction process for new employees. |
| Supplier engagement | Awareness of Council's policy and expectations | Awareness included as part of the induction process for new employees. | Awareness training at future all staff events and inclusion as part of the induction process for new employees. |
| | Supplier training | Yet to be completely actioned. | A proposed supplier event to be organised by Council on how to use VendorPanel will include information on Modern Slavery. |
| | Supplier self-assessment questionnaire (SAQ) | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | High risk supplier engagement | Apart from requiring a Modern Slavery Questionnaire/ Statement on all purchases above \$4,999, more work is required in this space. | Internal audit to gauge whether staff are obtaining this information. |
| Risk assessment | Inherent risk assessment at a category level | Yet to be actioned. | Yet to be actioned. |
| | Pre-purchase checklist to identify higher risk procurements | Yet to be actioned. | Yet to be actioned. |
| | Supplier risk assessment – existing suppliers | Yet to be actioned. | Yet to be actioned. |
| | Supplier risk assessment – new and potential suppliers | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |

| | | | |
|------------------------------------|---|--|---|
| Tendering and contracting | Modern slavery tender criteria | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Procurement process/procedure includes the requirement to assess that the tendered price allows for at least the minimum level of wages and other entitlements required by law. | Yet to be actioned. | Yet to be actioned. |
| | Modern slavery contract clauses | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Supplier Code of Conduct | Yet to be actioned. | Yet to be actioned. |
| Reporting and grievance mechanisms | Confidential reporting mechanism/process for staff, contractors, community to report concerns related to modern slavery. | Yet to be actioned, however there is the ability to make such a report through the <i>Public Interest Disclosures Act, 2022</i> . | Yet to be actioned. |
| Response and remedy framework | Response and remedy framework involving actions, such as facilitation of access to health, legal or psychosocial services, financial compensation, and prevention of future harm. | Yet to be actioned, however Council staff have access to the Employee Assistance Program which can be access 24/7 with the first 2 sessions paid for by Council. | Yet to be actioned. |
| Monitoring and review | Monitoring and review of the effectiveness of modern slavery related processes. | Yet to be actioned. | Potentially could be the subject of an Internal Audit by the Audit, Risk and Improvement Committee. |

Management of High-Risk Categories

| Category | Due Diligence Measure | Progress | Planned |
|---------------------------------|--|---|--|
| ICT hardware | Supplier engagement | Yet to be actioned. | A proposed supplier event to be organised by Council on how to use VendorPanel will include information on Modern Slavery. |
| | Modern slavery risk assessment of suppliers | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery tender criteria | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery contract clauses | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Supplier Code of Conduct | Yet to be actioned. | Yet to be actioned. |
| | Contract KPIs in relation to modern slavery in place | Yet to be actioned. | Yet to be actioned. |
| | KPI measurement | Yet to be actioned. | Yet to be actioned. |
| Renewable energy (solar panels) | Supplier engagement | Yet to be actioned. | A proposed supplier event to be organised by Council on how to use VendorPanel will include information on Modern Slavery. |
| | Modern slavery risk assessment of suppliers | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery tender criteria | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery contract clauses | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Supplier Code of Conduct | Yet to be actioned. | Yet to be actioned. |

| | | | |
|-------------------|--|---|--|
| | Contract KPIs in relation to modern slavery in place | Yet to be actioned. | Yet to be actioned. |
| | KPI measurement | Yet to be actioned. | Yet to be actioned. |
| Cleaning services | Supplier engagement | Yet to be actioned. | A proposed supplier event to be organised by Council on how to use VendorPanel will include information on Modern Slavery. |
| | Modern slavery risk assessment of suppliers | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery tender criteria | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Modern slavery contract clauses | Modern Slavery Questionnaire/Statement required on all purchases above \$4,999. | Internal audit to gauge whether staff are obtaining this information. |
| | Supplier Code of Conduct | Yet to be actioned. | Yet to be actioned. |
| | Contract KPIs in relation to modern slavery in place | Yet to be actioned. | Yet to be actioned. |
| | KPI measurement | Yet to be actioned. | Yet to be actioned. |



Mr George Cowan
General Manager
Narrandera Shire Council
14 East Street
NARRANDERA NSW 2705

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-16585809-44609/1768

14 September 2023

Dear Mr Cowan,

**Engagement Closing Report
for the year ended 30 June 2023
Narrandera Shire Council**

We have audited the Narrandera Shire Council's (the Council):

- general purpose financial statements (GPFS)
- special purpose financial statements (SPFS) for the:
 - Council's Declared Business Activities
 - Special Schedule 'Permissible income for general rates' (the Schedule).

Attached is the Engagement Closing Report, which details findings relevant to you in your role as one of those charged with governance. This report gives the General Manager, the Mayor and the Audit, Risk and Improvement Committee the opportunity to assess the audit findings, before the representation letter and the Statements by Council and Management, required for the GPFS and SPFS under section 413(2)(c) of the *Local Government Act 1993* (the LG Act), are signed.

I consider this report to fall within the definition of 'excluded information' contained in Schedule 2(2) of the *Government Information (Public Access) Act 2009*. It may not be distributed to persons other than Management and those you determine to be charged with governance of the Council.

If you need more information about the audit, please contact me on 02 9275 7397 or Dannielle MacKenzie on 02 6021 1111.

Yours sincerely



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

cc: Cr Neville Kschenka, Mayor
Mr John Batchelor, Chair of the Audit, Risk and Improvement Committee



Engagement Closing Report

for the year ended 30 June 2023

Narrandera Shire Council



FINANCIAL AUDIT

INSIGHTS FOR BETTER GOVERNMENT

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1. INTRODUCTION

We have audited the Narrandera Shire Council (the Council):

- general purpose financial statements (GPFS)
- special purpose financial statements (SPFS) for the:
 - Council's Declared Business Activities
 - Special Schedule 'Permissible income for general rates' (the Schedule)

This report informs the General Manager, Mayor and the Audit, Risk and Improvement Committee of audit findings relevant to their responsibilities and oversight of the Council's financial statements. We will inform you if significant new matters are found while finalising the audit.

An audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. It is not designed to identify all matters of governance interest, nor is it conducted to express an opinion on the effectiveness of internal control. Matters of governance interest identified during the audit are included in this report.

2. AUDIT OVERVIEW

The table below provides an overview of findings identified during the audit of the Council.

| Impact assessment | | |
|-------------------|-----------------|---|
| | High | Matters identified which had a high impact on the financial statements and/or audit. |
| | Moderate | Matters identified which had a moderate impact on the financial statements and/or audit. |
| | Low | No matters or matters identified which had a low impact on the financial statements and/or audit. |

| Section | Outcome | Reference |
|---|-----------------------------|---------------------|
| Audit outcome: | | |
| GPFS | Unqualified opinion | 3.1 |
| SPFS for Council's Declared Business Activities | Unqualified opinion | 3.1 |
| Special Schedule 'Permissible income for general rates' | Unqualified opinion | 3.1 |
| Response to key issues and audit risks | Matters partially addressed | 4.1 |
| Misstatements | Misstatements noted | 4.2 |
| Compliance with legislative requirements | No matters noted | 4.3 |

3. AUDIT OUTCOME AND REPORTS

3.1 Audit outcome

We are likely to express an unmodified opinion on the GPFS, the SPFS for Declared Business Activities and the Schedule.

The Independent Auditor's Report for the SPFS engagements and Schedule will advise users the SPFS engagements and Schedule have been prepared in accordance with a special purpose framework to fulfil the Council's financial reporting responsibilities under the Local Government Code of Accounting Practice and Financial Reporting 2022-23 (LG Code). As a result, the SPFS engagements and Schedule may not be suitable for another purpose.

The Independent Auditor's Reports will be signed after the outstanding matters listed below are completed and the signed financial statements and management representation letters are received.

The following matters are outstanding at the date of this report:

- Reviewing and accepting final amendments to the financial statements
- Completion of our events after reporting period procedures up to the date of signing the audit reports.

Promptly resolving these matters will avoid delays in issuing the Independent Auditor's Reports.

'Other Information' section

The Council's annual report will include information in addition to the financial statements and Independent Auditor's Report. For the purposes of our audit this is considered 'other information'. Auditing Standards require us to consider whether the other information is materially consistent with the financial statements and the knowledge we obtained during the audit. Where matters are identified, we are required to disclose them in the Independent Auditor's Report.

3.2 Report on the Conduct of the Audit

We will issue the Report on the Conduct of the Audit required by section 417(3) of the *Local Government Act 1993* at the same time as the Independent Auditor's Reports. The Report on the Conduct of the Audit will incorporate comments we consider appropriate, based on the audit of the Council's financial statements.

3.3 Auditor-General's Report to Parliament

The 2023 Auditor-General's Report to Parliament will incorporate the results of the audit.

3.4 Management Letter

Enclosed is our Management letter which includes our observations from the final phase of the audit.

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4. AUDIT FINDINGS

4.1 Response to key issues and audit risks

The Annual Engagement Plan sent on 15 March 2023, identified key issues affecting the Council and how the audit team planned to respond to them. The results of the audit work are detailed below.

| Issue or risk | Audit outcome |
|---|--|
| Assessing the fair value of Council’s infrastructure, property, plant and equipment (IPPE) | |
| <p>The Australian Accounting Standards require Council to annually assess:</p> <ul style="list-style-type: none"> • whether the carrying value of IPPE materially reflects fair value • useful lives remain reasonable • whether any assets are impaired | <p>We reviewed management’s procedures for assessing fair value at reporting date. We also considered relevant externally available information to ensure assets’ carrying amounts materially reflect fair value.</p> <p>Refer to the Appendix for corrected monetary misstatement.</p> |
| <p>This annual assessment along with significant judgements and assumptions should be documented.</p> | |
| Revaluation of Infrastructure, property, plant and equipment (IPPE) | |
| <p>Community land and operational land will be comprehensively revalued this year.</p> <p>Insufficient governance over the valuation process can impact on the quality and timeliness of financial reporting.</p> | <p>We assessed the:</p> <ul style="list-style-type: none"> • methodology of the revaluation to ensure it complied with AASB 13 Fair Value Measurement • qualifications and experience of experts used • completeness and accuracy of data provided to valuers • effectiveness of management’s process in assessing the valuation outcomes • process used to assess the assets’ condition • whether key asset management systems are regularly reconciled to the general ledger • reasonableness of useful lives and depreciation • accuracy of adjustments made to the fixed asset register and general ledger • adequacy of financial statement disclosures. <p>No exceptions were identified from our review of the comprehensive revaluations.</p> |
| Information Technology General Controls | |
| <p>Australian Auditing Standards require the auditor to understand the Council’s control activities and obtain an understanding of how it has responded to risks arising from Information Technology (IT).</p> | <p>For all systems relevant to financial reporting, we:</p> <ul style="list-style-type: none"> • updated our understanding of the IT general controls and IT dependencies and identify related risks relevant to our audit approach; and • understood, evaluated and, where appropriate validated the IT general controls management has implemented to address these risks. |
| <p>We are reporting one low risk rated issue relating to IT policies in our Management Letter.</p> | |
| Cyber security | |

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| Issue or risk | Audit outcome |
|--|---|
| <p>The Council relies on digital technology to deliver services, organise and store information, manage business processes, and control critical infrastructure. The increasing global interconnectivity between computer networks has dramatically increased the risk of cyber security incidents. Such incidents can harm the Council's service delivery and may include the theft of information, denial of access to critical technology, or even the hijacking of systems for profit or malicious intent.</p> | <p>As part of the 2022–23 financial audit we assessed whether cyber security risks represent a risk of material misstatement to the Council's financial statements. Our audit procedures included:</p> <ul style="list-style-type: none"> • assessing whether the risk assessment process considers cyber security risks • determining how the roles and responsibilities for cyber security are established • obtaining an understanding of the process. <p>No issues were identified.</p> |
| Rehabilitation provision | |
| <p>The Council is responsible for rehabilitating closed and operating landfill sites. The rehabilitation obligations over the next 30 years were estimated at \$0.4 million at 30 June 2022. Management will reassess the rehabilitation provision at 30 June 2023.</p> | <p>We reviewed management's rehabilitation provision. We have checked calculation and inputs for completeness, and reviewed the methodology was according to the requirements of AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'.</p> <p>The reassessed rehabilitation provision was \$0.5 million at 30 June 2023. No exceptions identified.</p> |
| Natural Disasters | |
| <p>The Council was recently impacted by severe weather and flooding (AGRN 1030 and 1034). It is important that the Council considers the potential financial implications of the event, which may include:</p> <ul style="list-style-type: none"> • asset impairment • insurance recoveries • restructuring costs • decommissioning obligations • regulatory requirements • impact to financial statement disclosures | <p>We have assessed:</p> <ul style="list-style-type: none"> • whether there are impairment indicators, requiring assets to be impaired • that assets have been appropriately disposed of • whether insurance recoveries have been appropriately accounted for • if decommissioning obligations arise • the appropriateness of disclosure in the financial statements. <p>Refer to the Appendix for corrected monetary misstatement of \$341,000. No exceptions identified.</p> |

4.2 Misstatements

Auditing Standards require matters of governance interest and significant misstatements identified during the audit to be communicated to those charged with governance.

Misstatements (both monetary and disclosure deficiencies) are differences between what has been reported in the financial statements and what is required in accordance with the Council's financial reporting framework. Misstatements can arise from error or fraud. Misstatements that resulted from failures in internal controls and / or systemic deficiencies will be reported in the Management Letter.

General Purpose Financial Statements (GPFS)

The appendix lists and explains the nature and impact of the misstatements contained in the GPFS.

- Table one reports significant uncorrected misstatements and disclosure deficiencies
- Table two reports the effect on the reported net operating result of misstatements that have not been corrected in the period in which they occurred
- Table three reports significant corrected misstatements and disclosure deficiencies.

Based on our evaluation, none of the misstatements reported are due to fraud.

Special Purpose Financial Statements (SPFS)

Declared Business Activities

The SPFS for Declared Business Activities did not contain misstatements.

Special Schedule 'Permissible income for general rates' (the Schedule)

The Schedule did not contain misstatements.

4.3 Compliance with legislative requirements

The Annual Engagement Plan and Terms of Engagement explain that audit procedures are targeted specifically towards forming an opinion on the Council's financial statements. This includes testing whether the Council has complied with legislative requirements that may materially impact the financial statements.

Our audit procedures did not identify reportable findings on compliance with legislative requirements.

5. THE AUDIT PROCESS

5.1 Management co-operation

We appreciated the co-operation and help received from the Council's staff, in particular the finance team.

5.2 Next year's audit

Your comments about the audit process are welcomed.

APPENDIX – GENERAL PURPOSE FINANCIAL STATEMENTS

Table one: Uncorrected monetary misstatements and disclosure deficiencies

Uncorrected monetary misstatements

The following uncorrected monetary misstatements were identified and discussed with management. Management believes the effect of not correcting these misstatements is immaterial, individually and in aggregate, to the GPFS as a whole. We agree with management’s determination and do not consider the uncorrected misstatements significant enough to modify the opinion in the Independent Auditor’s Report. Management is required to attach the schedules of uncorrected misstatements to the Representation Letter. The misstatements were discussed with management on 14 September 2023.

| Description | Assets | Liabilities | Net result for the year | Other comprehensive income |
|---|----------------------|----------------------|-------------------------|----------------------------|
| Effect of potential correction | Increase/ (decrease) | (Increase)/ decrease | (Increase)/ decrease | (Increase)/ decrease |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Factual misstatements | | | | |
| Investment in Western Riverina Library Investments was not recorded | 48 | - | (48) | - |
| Expenses incorrectly recognised in 2023-24 | - | (107) | 107 | - |
| Total impact if misstatements were corrected | 48 | (107) | 59 | - |

Uncorrected disclosure deficiencies

We did not detect any reportable disclosure deficiencies that remain uncorrected in the GPFS.

Table two: Effect of misstatements on the reported net operating result

To fully understand the current year’s financial result, those charged with governance should consider the impact of misstatements from previous years corrected in the current period and current period errors that remain uncorrected.

This table illustrates the effect of misstatements that have not been corrected in the period in which they occurred.

| Description and effect | Net result for the year |
|---|-------------------------|
| | (Increase)/ decrease |
| | \$'000 |
| Net operating result as reported | (9,764) |
| Current year misstatements that have not been corrected | 59 |
| Adjusted current year net operating result | (9,705) |

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Table three: Corrected monetary misstatements and disclosure deficiencies

Corrected monetary misstatements

Management corrected the following monetary misstatements in the current year's GPFS. We agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

| Description | Assets | Liabilities | Net result for the year | Other comprehensive income |
|---|----------------------|----------------------|-------------------------|----------------------------|
| Effect of correction | Increase/ (decrease) | (Increase)/ decrease | (Increase)/ decrease | (Increase)/ decrease |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Factual misstatements | | | | |
| To recognise fair value decrement through the asset revaluation reserve | - | - | (341) | 341 |
| To recognise grant funding for performance obligations met | - | 42 | (42) | - |
| To correct fair value decrement reversal | (43) | - | - | 43 |
| Total impact of corrected misstatements | (43) | 42 | 299 | (298) |

Corrected disclosure deficiencies

Management corrected the following disclosure deficiencies in the current year's GPFS. We agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

| AASB reference | Disclosure title | Description of disclosure deficiency |
|----------------|------------------|---|
| Various | Various | Various minor amendments and corrections were made to the financial statement disclosures |

|

I

OUR VISION

Our insights inform and challenge government to improve outcomes for citizens.

OUR PURPOSE

To help parliament hold government accountable for its use of public resources.



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George Cowan
General Manager
Narrandera Shire Council
141 East Street
NARRANDERA NSW 2705

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-16585809-44611/1768

14 September 2023

Dear Mr Cowan,

Management Letter on the Final Phase of the Audit for the Year Ended 30 June 2023

The final phase of our audit for the year ended 30 June 2023 is complete. This letter outlines:

- matters of governance interest we identified during the current audit
- unresolved matters identified during previous audits
- matters we are required to communicate under Australian Auditing Standards.

We planned and carried out our audit to obtain reasonable assurance the financial statements are free from material misstatement. Because our audit is not designed to identify all matters that may be of governance interest to you, there may be other matters that did not come to our attention.

For each matter in this letter, we have included our observations, risk assessment and recommendations. The risk assessment is based on our understanding of your business. Management should make its own assessment of the risks to the organisation.

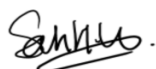
We have kept management informed of the issues included in this letter as they have arisen. This letter includes management's formal responses, the person responsible for addressing the matter and the date by which this should be actioned.

I consider this Management Letter to fall within the definition of 'excluded information' contained in Schedule 2(2) of the *Government Information (Public Access) Act 2009*. It may not be distributed to persons other than Management and those you determine to be charged with governance of the Council.

The Auditor-General may include items listed in this letter in the Report to Parliament. We will send you a draft of this report and ask for your comments before it is tabled in Parliament.

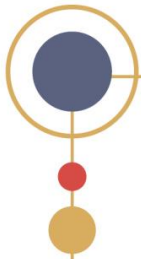
If you would like to discuss any of the matters raised in this letter, please contact me on 02 9275 7397 or Dannielle MacKenzie on 02 6022 0133.

Yours sincerely



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

cc: Cr Neville Kschenka, Mayor
Mr John Batchelor, Chair of the Audit, Risk and Improvement Committee
Mr Martin Hiscox, Deputy General Manager Corporate and Community



Final management letter

for the year ended 30 June 2023

Narrandera Shire Council



INSIGHTS FOR BETTER GOVERNMENT

Our insights inform and challenge government to improve outcomes for citizens

We have rated the risk of each issue as ‘Extreme’, ‘High’, ‘Moderate’ or ‘Low’ based on the likelihood of the risk occurring and the consequences if the risk does occur.

The risk assessment matrix used is based on principles within the risk management framework in [TPP12-03](#) ‘Risk Management Toolkit for the NSW Public Sector’.

This framework may be used as better practice for councils.

| | | CONSEQUENCE | | | |
|------------|----------------|-------------|--------|------|-----------|
| | | Low | Medium | High | Very high |
| LIKELIHOOD | Almost certain | M | M | H | E |
| | Likely | L | M | H | H |
| | Possible | L | M | M | H |
| | Rare | L | L | M | M |

The risk level is a combination of the consequences and likelihood. The position within the matrix corresponds to the risk levels below.

| RISK LEVELS | MATRIX REFERENCE |
|-------------|------------------|
| ⊗ Extreme: | E |
| ! High: | H |
| — Moderate: | M |
| ∨ Low: | L |

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For each issue identified, the principles within the consequence and likelihood tables, which are based on the principles within [TPP12-03](#) have been used to guide our assessment.

Consequence levels and descriptors

When assessing the consequence of each issue, we have regard to the length of time the issue remains unresolved. The lack of timeliness in resolving issues may indicate systemic issues and/or poor governance practices, which warrant an increase in the consequence level. As such, unresolved or unaddressed issues from prior periods are re-assessed annually. This re-assessment may lead to an increase in the risk rating adopted.

| Consequence level | Consequence level description |
|-------------------|--|
| Very high | <ul style="list-style-type: none"> Affects the ability of the entire entity to achieve its objectives and may require third party intervention; Arises from a fundamental systemic failure of governance practices and/or internal controls across the entity or across a critical/significant part of the entity; or May result in an inability for the auditor to issue an audit opinion or issue an unqualified audit opinion, and/or significant management work arounds and substantive tests of details was required in order to issue an unqualified opinion. |
| High | <ul style="list-style-type: none"> Requires coordinated management effort at the executive level; Arises from a widespread failure of governance practices and/or internal controls affecting most parts of the entity or across a significant/important part of the entity (eg. as demonstrated through a lack of timely resolution of unresolved/repeat issues); or May result in an inability for the auditor to issue an unqualified audit opinion, and/or significant management workarounds and substantive tests of details was required in order to issue an unqualified opinion. |
| Medium | <ul style="list-style-type: none"> Requires management effort from areas outside the business unit; or Arises from ineffective governance practices and/or internal controls affecting several parts or a key part of the entity (eg. as demonstrated through a lack of timely resolution of unresolved/repeat issues). |
| Low | <ul style="list-style-type: none"> Can be managed within normal management practices; or Arises from isolated ineffective governance practices and/or internal controls affecting a small part of the entity that are largely administrative in nature. |

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Likelihood levels and descriptors

When assessing the likelihood of each issue, we have regard to the length of time the issue remains unresolved because the longer the risk remains unresolved the greater the chance the weakness could be exploited, or an adverse event or events could occur. As such, unresolved or unaddressed issues from prior periods are re-assessed annually. This re-assessment may lead to an increase in the risk rating adopted.

| Likelihood level | Frequency | Probability |
|------------------|--|---|
| Almost certain | The event is expected to occur in most circumstances, and frequently during the year | More than 99 per cent |
| Likely | The event will probably occur once during the year | More than 20 per cent and up to 99 per cent |
| Possible | The event might occur at some time in the next five years | More than 1 per cent and up to 20 per cent |
| Rare | The event could occur in exceptional circumstances | Less than 1 per cent |

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Summary of issues

| Issue | Detail | Likelihood | Consequence | Risk assessment |
|-----------------------------|--------------------------------------|------------|-------------|-----------------|
| Current year matters | | | | |
| 1 | Outdated IT Policies | Likely | Low | Low |

| Appendix |
|--|
| Review of matters raised in prior year management letters that have been addressed |

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Current year matters

Issue 1: Outdated IT Policies

| Likelihood | Consequence | Systemic issue | Category | Risk assessment |
|------------|-------------|----------------|-------------|-----------------|
| Likely | Low | No | Operational | Low |

Observation

The review date for the following policies were due on 1 June 2023:

- Information Security Policy
- Data Privacy and Protection Policy
- IT Access Control Policy
- IT Security Policy
- IT Acceptable Use Policy

These policies were not reviewed in 2022-23.

Implications

Increased risk in disruption in operations due to policies not updated for the current business practices and technology.

Increased cybersecurity risk.

Recommendation

Management should review and update the outdated policies to ensure that current processes reflect the procedural requirements. Key changes should be communicated to relevant staff.

Management response

Agree

Policy review due at 1 June was underway but incomplete at 30 June 2023.

| Person responsible: | Date (to be) actioned: |
|-------------------------|------------------------|
| Nick Price - IT Manager | Prior 31 December 2023 |



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Appendix

Review of matters raised in prior year management letters that have been addressed

The issues in this appendix were raised in previous management letters. For each of these issues, we have determined how management has addressed the issue in the current year.

| Prior issues raised | Risk assessment | Assessment of action taken | Recommendation |
|--------------------------------|--|--|-------------------------|
| Disaster Recovery Plan testing |  Moderate | Matter has been addressed by management. | Nil as matter addressed |
| Water billing cycle cut off |  Low | Matter has been addressed by management. | Nil as matter addressed |



Cr Neville Kschenka
Mayor
Narrandera Shire Council
141 East Street
NARRANDERA NSW 2705

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-16585809-44612/1768

18 September 2023

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2023
Narrandera Shire Council**





I have audited the general purpose financial statements (GPFS) of the Narrandera Shire Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

| | 2023 \$'m | 2022 \$m | Variance % |
|--|--------------|-------------|--|
| Rates and annual charges revenue | 8.6 | 8.4 |  2.3 |
| Grants and contributions revenue | 19.4 | 16.1 |  20.4 |
| Operating result from continuing operations | 9.8 | 7.2 |  36.1 |
| Net operating result before capital grants and contributions | 4.5 | 0.3 |  >100 |

The Council's operating result from continuing operations (\$9.8 million including depreciation and amortisation expense of \$6.3 million) was \$2.6 million higher than the 2021–22 result.

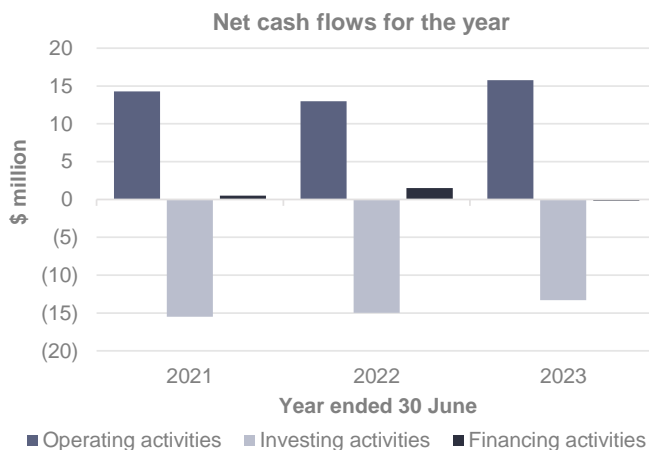
The net operating result before capital grants and contributions (\$4.5 million) was \$4.2 million higher than the 2021–22 result.

Rates and annual charges revenue (\$8.6 million) increased by \$0.2 million (2.3 per cent) in 2022–23 due to increase in rateable properties and increase in rate peg to 2.0%.

Grants and contributions revenue (\$19.4 million) increased by \$3.3 million (20.5 per cent) in 2022–23 due to a \$3.4 million increase in transport operational grants.

STATEMENT OF CASH FLOWS

- The Council's cash and cash equivalents was \$3.7 million at 30 June 2023 (\$1.4 million at 30 June 2022). There was a net increase in cash and cash equivalents of \$2.3 million during 2022-23.
- Net cash provided by operating activities has increased by \$2.8 million. This is mainly due to the increase in grants and contributions of \$3.9 million.
- Net cash used in investing activities has decreased by \$1.7 million, which is driven by the increase in purchase of infrastructure, property, plant and equipment of \$2.0 million.
- Net cash used in financing activities decreased by \$1.7 million, as \$1.6 million external borrowing was drawn by the Council during 2021-22.



FINANCIAL POSITION

Cash and investments

| Cash and investments | 2023 | 2022 | Commentary |
|---|--|--|---|
| | \$m | \$m | |
| Total cash, cash equivalents and investments | 36.3 | 29.2 | <ul style="list-style-type: none"> Externally restricted balances comprise mainly of developer contributions, water and sewer funds. The increase of \$7.1 million is primarily due to a \$4.2 million increase in specific purpose unexpended grants Internal allocations are determined by council policies or decisions, which are subject to change. The increase of \$1.7 million in the internal allocations is primarily due to a \$2.0 million increase in the Financial Assistance Grant received in advance |
| Restricted cash and investments: | | | |
| <ul style="list-style-type: none"> External restrictions Internal allocations | <ul style="list-style-type: none"> 20.0 16.1 | <ul style="list-style-type: none"> 14.7 14.4 | |

Debt

The Council has \$1.9 million of borrowings as at 30 June 2023 (2022: \$2.0 million). The borrowings are drawn through CBA related to the refurbishment and upgrading of Lake Talbot Water Park, and New South Wales Treasury Corporation related to the Barellan sewer project.

The Council also has a \$0.35 million bank overdraft facility, which was not drawn as at 30 June 2023 and 30 June 2022.

PERFORMANCE

Performance measures

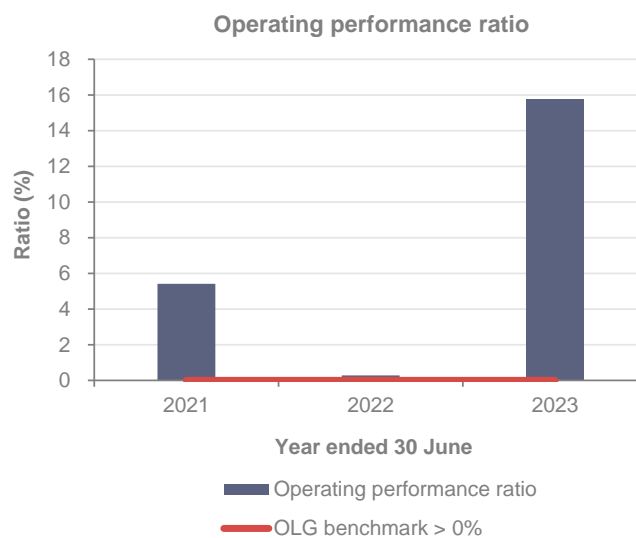
The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

The Council exceeded the OLG benchmark for the current reporting period.

The performance improved due to a \$4.9 million increase in operating grants and contributions.



Own source operating revenue ratio

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

The Council did not meet the OLG benchmark for the current reporting period.

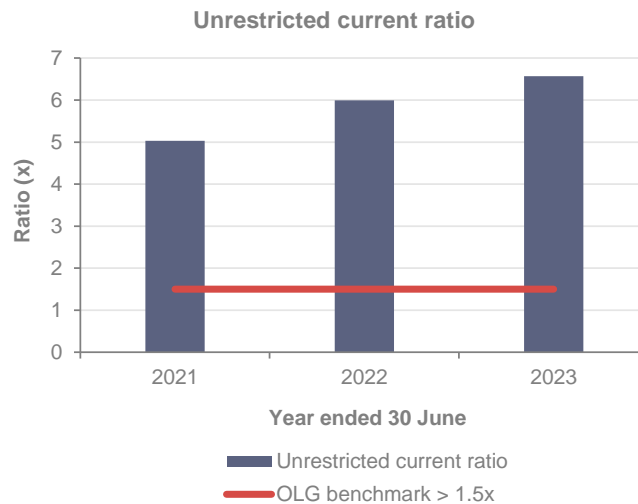


Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

The Council met the OLG benchmark for the current reporting period.

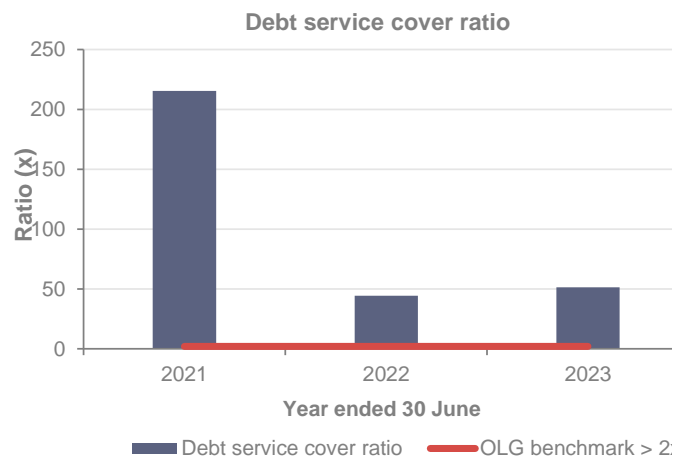
The current ratio improved due to a \$7.0 million increase in cash, cash equivalents and investments.



Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

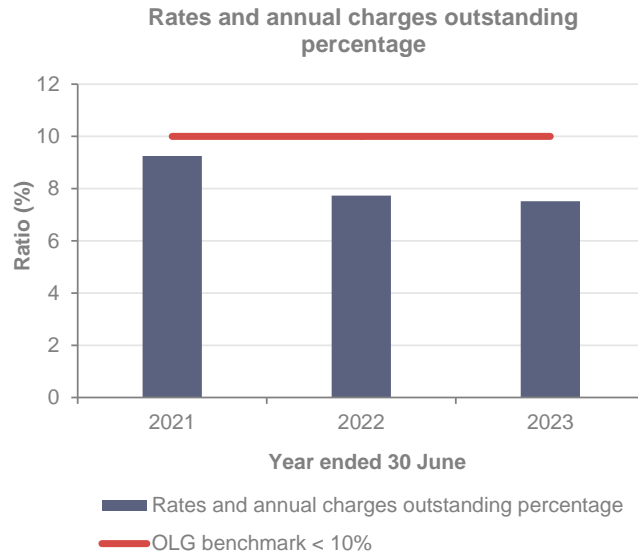
The Council met the OLG benchmark for the current reporting period.



Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for rural councils.

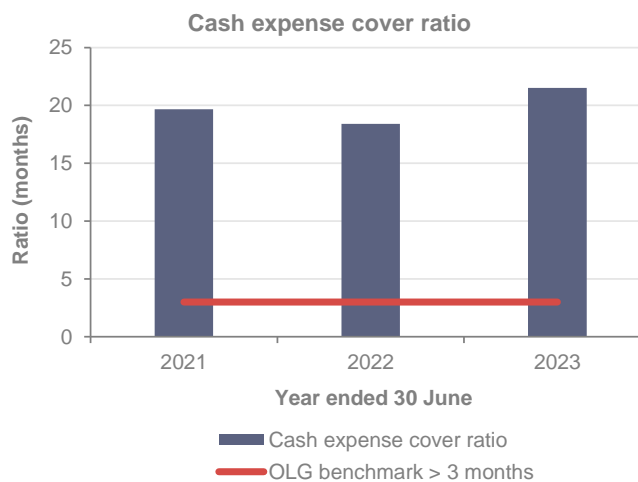
The Council met the OLG benchmark for the current reporting period.



Cash expense cover ratio

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period.



Infrastructure, property, plant and equipment renewals

The Council renewed \$2.3 million of assets in 2022-23, compared to \$7.6 million of assets in 2021-22.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Hong Wee Soh

Delegate of the Auditor-General for New South Wales

cc: Mr George Cowan, General Manager
Mr John Batchelor, Chair of the Audit, Risk and Improvement Committee
Ms Kiersten Fishburn, Secretary of the Department of Planning and Environment

Narrandera Shire Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2023

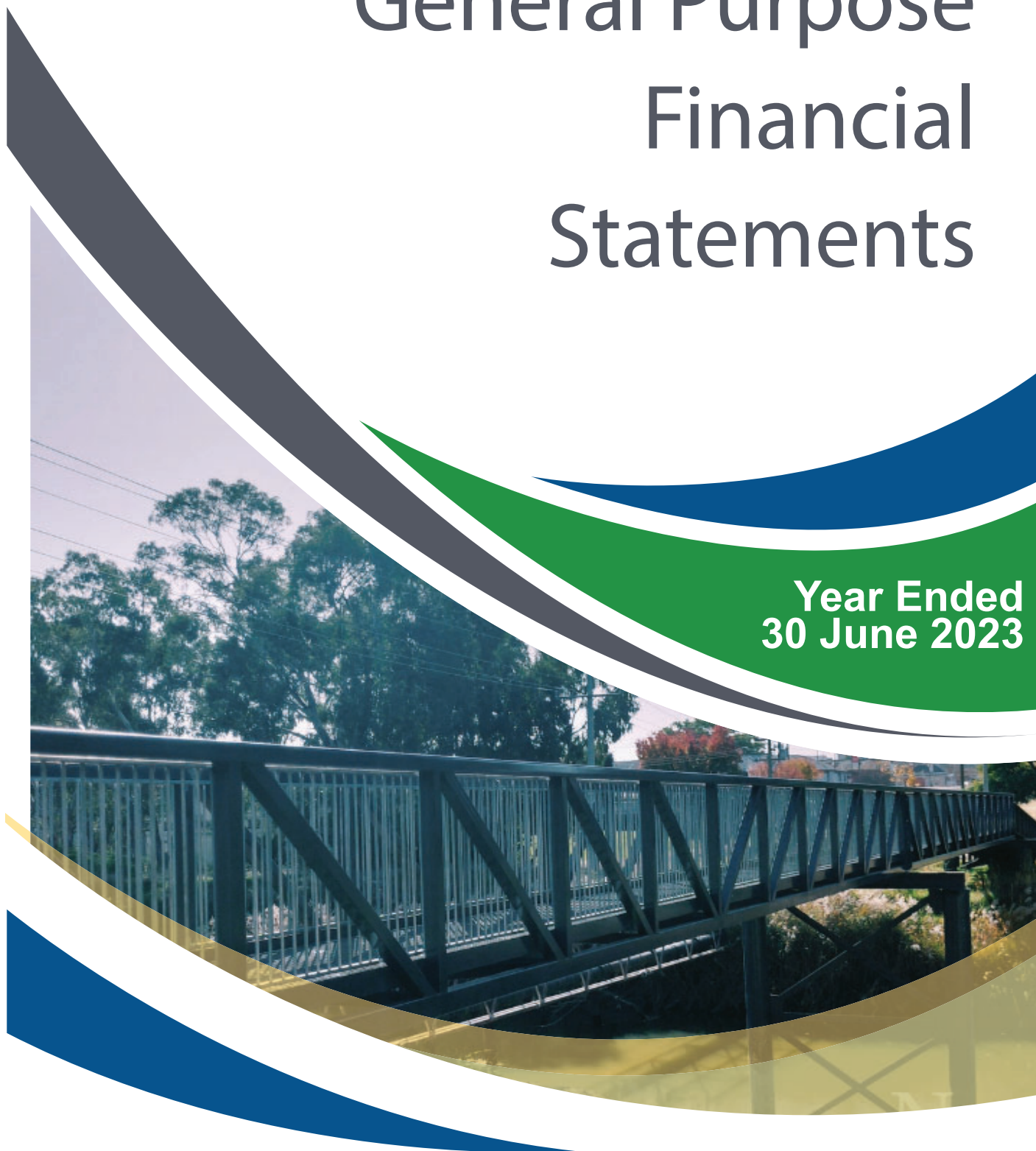
Heart of Riverina



Narrandera Shire Council

General Purpose Financial Statements

Year Ended
30 June 2023



Narrandera Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

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

141 East St
Narrandera NSW 2700

Council's guiding principles are detailed in Chapter 3 of the *Local Government Act 1993* (NSW) and includes:

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

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

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

Narrandera Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Narrandera Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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:

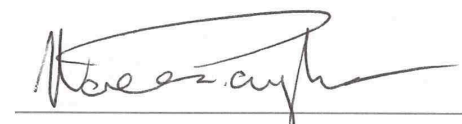
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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

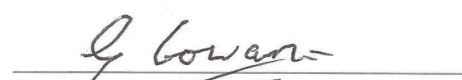
Signed in accordance with a resolution of Council made on 15 August 2023.



Neville Kschenka
Mayor
15 August 2023



Narelle Payne
Councillor
15 August 2023



Mr George Cowan
General Manager
15 August 2023



Mr Martin Hiscox
Responsible Accounting Officer
15 August 2023



Mr Shane Wilson
Deputy General Manager Infrastructure
15 August 2023

Narrandera Shire Council | Income Statement | for the year ended 30 June 2023

Narrandera Shire Council

Income Statement

for the year ended 30 June 2023

| Original unaudited budget 2023 | \$ '000 | Notes | Actual 2023 | Actual 2022 |
|--|--|-------|----------------|----------------|
| Income from continuing operations | | | | |
| 8,597 | Rates and annual charges | B2-1 | 8,586 | 8,362 |
| 3,213 | User charges and fees | B2-2 | 3,854 | 3,873 |
| 721 | Other revenues | B2-3 | 1,508 | 1,357 |
| 7,643 | Grants and contributions provided for operating purposes | B2-4 | 14,187 | 9,267 |
| 7,739 | Grants and contributions provided for capital purposes | B2-4 | 5,217 | 6,824 |
| 226 | Interest and investment income | B2-5 | 658 | 188 |
| 225 | Other income | B2-6 | 217 | 209 |
| 92 | Net gain from the disposal of assets | B4-1 | – | 363 |
| 28,456 | Total income from continuing operations | | 34,227 | 30,443 |
| Expenses from continuing operations | | | | |
| 8,450 | Employee benefits and on-costs | B3-1 | 8,559 | 8,234 |
| 5,732 | Materials and services | B3-2 | 9,007 | 8,392 |
| 46 | Borrowing costs | B3-3 | 64 | 39 |
| 6,123 | Depreciation, amortisation and impairment of non-financial assets | B3-4 | 6,298 | 5,980 |
| 403 | Other expenses | B3-5 | 514 | 637 |
| – | Net loss from the disposal of assets | B4-1 | 22 | – |
| 20,754 | Total expenses from continuing operations | | 24,464 | 23,282 |
| 7,702 | Operating result from continuing operations | | 9,763 | 7,161 |
| 7,702 | Net operating result for the year attributable to Council | | 9,763 | 7,161 |
| (37) | Net operating result for the year before grants and contributions provided for capital purposes | | 4,546 | 337 |

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

Narrandera Shire Council | Statement of Comprehensive Income | for the year ended 30 June 2023

Narrandera Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2023

| \$ '000 | Notes | 2023 | 2022 |
|--|-------|---------------|---------|
| Net operating result for the year – from Income Statement | | 9,763 | 7,161 |
| Other comprehensive income: | | | |
| Amounts which will not be reclassified subsequently to the operating result | | | |
| Gain/(loss) on revaluation of infrastructure, property, plant and equipment | C1-7 | 29,053 | (1,082) |
| Total items which will not be reclassified subsequently to the operating result | | 29,053 | (1,082) |
| Total other comprehensive income for the year | | 29,053 | (1,082) |
| Total comprehensive income for the year attributable to Council | | 38,816 | 6,079 |

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

Narrandera Shire Council | Statement of Financial Position | for the year ended 30 June 2023

Narrandera Shire Council

Statement of Financial Position

as at 30 June 2023

| \$ '000 | Notes | 2023 | 2022 |
|--|-------|----------------|----------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | C1-1 | 3,716 | 1,396 |
| Investments | C1-2 | 32,563 | 27,846 |
| Receivables | C1-4 | 2,360 | 2,201 |
| Inventories | C1-5 | 447 | 791 |
| Contract assets and contract cost assets | C1-6 | 1,224 | 644 |
| Other | C1-8 | 26 | – |
| Total current assets | | 40,336 | 32,878 |
| Non-current assets | | | |
| Receivables | C1-4 | – | 26 |
| Inventories | C1-5 | 161 | – |
| Infrastructure, property, plant and equipment (IPPE) | C1-7 | 255,696 | 224,164 |
| Right of use assets | C2-1 | 12 | – |
| Total non-current assets | | 255,869 | 224,190 |
| Total assets | | 296,205 | 257,068 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Payables | C3-1 | 1,862 | 2,003 |
| Contract liabilities | C3-2 | 2,661 | 2,057 |
| Lease liabilities | C2-1 | 5 | – |
| Borrowings | C3-3 | 147 | 144 |
| Employee benefit provisions | C3-4 | 2,443 | 2,518 |
| Total current liabilities | | 7,118 | 6,722 |
| Non-current liabilities | | | |
| Lease liabilities | C2-1 | 6 | – |
| Borrowings | C3-3 | 1,757 | 1,904 |
| Employee benefit provisions | C3-4 | 88 | 90 |
| Provisions | C3-5 | 500 | 432 |
| Total non-current liabilities | | 2,351 | 2,426 |
| Total liabilities | | 9,469 | 9,148 |
| Net assets | | 286,736 | 247,920 |
| EQUITY | | | |
| Accumulated surplus | C4-1 | 175,638 | 165,875 |
| IPPE revaluation reserve | C4-1 | 111,098 | 82,045 |
| Total equity | | 286,736 | 247,920 |

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

Narrandera Shire Council | Statement of Changes in Equity | for the year ended 30 June 2023

Narrandera Shire Council

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

| \$ '000 | Notes | 2023 | | | 2022 | | |
|---|-------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|
| | | Accumulated surplus | IPPE revaluation reserve | Total equity | Accumulated surplus | IPPE revaluation reserve | Total equity |
| Opening balance at 1 July | | 165,875 | 82,045 | 247,920 | 158,714 | 83,127 | 241,841 |
| Opening balance | | 165,875 | 82,045 | 247,920 | 158,714 | 83,127 | 241,841 |
| Net operating result for the year | | 9,763 | – | 9,763 | 7,161 | – | 7,161 |
| Net operating result for the period | | 9,763 | – | 9,763 | 7,161 | – | 7,161 |
| Other comprehensive income | | | | | | | |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment | C1-7 | – | 29,053 | 29,053 | – | (1,082) | (1,082) |
| Other comprehensive income | | – | 29,053 | 29,053 | – | (1,082) | (1,082) |
| Total comprehensive income | | 9,763 | 29,053 | 38,816 | 7,161 | (1,082) | 6,079 |
| Closing balance at 30 June | | 175,638 | 111,098 | 286,736 | 165,875 | 82,045 | 247,920 |

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

Narrandera Shire Council | Statement of Cash Flows | for the year ended 30 June 2023

Narrandera Shire Council

Statement of Cash Flows

for the year ended 30 June 2023

| Original unaudited budget 2023 | \$ '000 | Notes | Actual 2023 | Actual 2022 |
|---|---|-------|-----------------|-----------------|
| Cash flows from operating activities | | | | |
| <i>Receipts:</i> | | | | |
| 8,604 | Rates and annual charges | | 8,651 | 8,502 |
| 3,175 | User charges and fees | | 3,752 | 4,091 |
| 224 | Interest received | | 409 | 173 |
| 15,132 | Grants and contributions | | 19,427 | 15,494 |
| – | Bonds, deposits and retentions received | | 30 | – |
| 1,095 | Other | | 3,599 | 3,705 |
| <i>Payments:</i> | | | | |
| (8,380) | Payments to employees | | (8,679) | (8,184) |
| (5,814) | Payments for materials and services | | (9,198) | (8,626) |
| (46) | Borrowing costs | | (47) | (28) |
| – | Bonds, deposits and retentions refunded | | – | (66) |
| (401) | Other | | (2,162) | (2,066) |
| 13,589 | Net cash flows from operating activities | G1-1 | 15,782 | 12,995 |
| Cash flows from investing activities | | | | |
| <i>Receipts:</i> | | | | |
| 592 | Sale of investments | | 27,846 | 25,836 |
| – | Sale of real estate assets | | 1,325 | 212 |
| 455 | Proceeds from sale of IPPE | | 101 | 339 |
| – | Deferred debtors receipts | | – | 1 |
| <i>Payments:</i> | | | | |
| – | Purchase of investments | | (27,846) | (25,836) |
| – | Acquisition of term deposits | | (4,717) | (3,000) |
| (15,913) | Payments for IPPE | | (9,175) | (12,519) |
| – | Purchase of real estate assets | | (774) | (5) |
| – | Deferred debtors and advances made | | (73) | – |
| (14,866) | Net cash flows from investing activities | | (13,313) | (14,972) |
| Cash flows from financing activities | | | | |
| <i>Receipts:</i> | | | | |
| 2,000 | Proceeds from borrowings | | – | 1,620 |
| <i>Payments:</i> | | | | |
| (144) | Repayment of borrowings | | (144) | (97) |
| – | Principal component of lease payments | | (5) | – |
| 1,856 | Net cash flows from financing activities | | (149) | 1,523 |
| 579 | Net change in cash and cash equivalents | | 2,320 | (454) |
| – | Cash and cash equivalents at beginning of year | | 1,396 | 1,850 |
| 579 | Cash and cash equivalents at end of year | C1-1 | 3,716 | 1,396 |
| 17,339 | plus: Investments on hand at end of year | C1-2 | 32,563 | 27,846 |
| 17,918 | Total cash, cash equivalents and investments | | 36,279 | 29,242 |

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

Narrandera Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 15 August 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

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

Historical cost convention

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

Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimations and assumptions concerning the future.

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

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

- i. estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- ii. employee benefit provisions – refer Note C3-4.
- iii. estimated tip remediation provisions - refer Note C3-5

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service
- Borellan Hall and Museum
- Grong Grong Hall
- Narrandera Railway Management Committee
- Narrandera Koala Regeneration Centre Supervisory Committee

continued on next page ...

Page 12 of 85

A1-1 Basis of preparation (continued)

- Arts Centre and Narrandera Museum

The Trust Fund

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

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

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council makes use of volunteers for the community transport program, museums at Narrandera and Barellan and also library services. The estimated value of these services has been included in the financial statements based on an average salary and on costs council would be required to pay if the services were not donated.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2022.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2023.

None of these standards had an impact on the reported position or performance.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

| \$ '000 | Income | | Expenses | | Operating result | | Grants and contributions | | Carrying amount of assets | |
|---------------------------------------|---------------|---------------|---------------|---------------|------------------|--------------|--------------------------|---------------|---------------------------|----------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Functions or activities | | | | | | | | | | |
| Our Community | 7,193 | 5,579 | 6,253 | 6,117 | 940 | (538) | 5,915 | 4,357 | 40,024 | 34,636 |
| Our Environment | 1,324 | 1,488 | 1,636 | 1,624 | (312) | (136) | 219 | 496 | 3,129 | 2,891 |
| Our Economy | 1,644 | 2,655 | 2,853 | 3,332 | (1,209) | (677) | 7 | 343 | 7,540 | 7,096 |
| Our Infrastructure | 10,104 | 7,581 | 10,359 | 9,014 | (255) | (1,433) | 5,531 | 4,006 | 223,235 | 193,645 |
| Our Civic Leadership | 13,962 | 13,140 | 3,363 | 3,195 | 10,599 | 9,945 | 7,732 | 6,889 | 22,277 | 18,800 |
| Total functions and activities | 34,227 | 30,443 | 24,464 | 23,282 | 9,763 | 7,161 | 19,404 | 16,091 | 296,205 | 257,068 |

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Our Community

Security cameras, emergency services, health, aged & disabled services, social support, home modification and maintenance, community transport, community options, youth and childcare services, street lighting, public cemeteries, library, swimming pools, sportsgrounds, parks & reserves, Lake Talbot, sports stadium, cultural services, roads safety officer, arts centre.

Our Environment

Ordinance and ranger services, insect & vermin control, noxious weeds, waste management, public toilets, environmental protection, development control.

Our Economy

State Roads contract, economic development/real estate, industrial subdivision, industrial promotion, marketing & tourism, visitors centre, saleyards, caravan parks, private works, council land & buildings, aerodrome.

Our Infrastructure

Infrastructure services, stormwater, urban & rural roads, regional roads, bridges, Roads to Recovery, roads ancillary, car parking, water & sewer services.

Our Civic Leadership

Governance, council chambers, administration, finance, human resources & work health and safety, information technology, property/revenue, employment overheads, plant operations, external plant revenue and general purposes income.

B2 Sources of income

B2-1 Rates and annual charges

| \$ '000 | 2023 | 2022 |
|---|--------------|--------------|
| Ordinary rates | | |
| Residential | 1,712 | 1,674 |
| Farmland | 3,114 | 3,067 |
| Business | 461 | 445 |
| Less: pensioner rebates | (131) | (136) |
| Rates levied to ratepayers | 5,156 | 5,050 |
| Pensioner rate subsidies received | 74 | 74 |
| Total ordinary rates | 5,230 | 5,124 |
| Annual charges (pursuant to s496, 496A, 496B, 501 & 611) | | |
| Domestic waste management services | 807 | 792 |
| Stormwater management services | 75 | 71 |
| Water supply services | 865 | 810 |
| Sewerage services | 1,516 | 1,475 |
| Waste management services | 126 | 124 |
| Less: pensioner rebates | (74) | (76) |
| Annual charges levied | 3,315 | 3,196 |
| Pensioner annual charges subsidies received: | | |
| – Water | 22 | 22 |
| – Sewerage | 19 | 20 |
| Total annual charges | 3,356 | 3,238 |
| Total rates and annual charges | 8,586 | 8,362 |
| Timing of revenue recognition for rates and annual charges | | |
| Rates and annual charges recognised at a point in time | 8,586 | 8,362 |
| Total rates and annual charges | 8,586 | 8,362 |

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

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

| \$ '000 | Timing | 2023 | 2022 |
|--|--------|--------------|--------------|
| User charges | | | |
| Water supply services | 2 | 1,334 | 1,067 |
| Sewerage services | 2 | 122 | 116 |
| Total User charges | | 1,456 | 1,183 |
| Fees | | | |
| (i) Fees – statutory and regulatory functions (per s.608) | | | |
| Inspection services | 2 | 4 | 5 |
| Planning and building regulation | 2 | 118 | 123 |
| Private works – section 67 | 2 | 350 | 839 |
| Section 10.7 certificates (EP&A Act) | 2 | 14 | 22 |
| Section 603 certificates | 2 | 15 | 22 |
| Companion animals fees | 2 | 1 | 1 |
| Total Fees – statutory/regulatory | | 502 | 1,012 |
| (ii) Fees – other (incl. general user charges (per s.608)) | | | |
| Aerodrome | 2 | 81 | 34 |
| Aged care | 2 | 741 | 632 |
| Cemeteries | 2 | 173 | 152 |
| Leaseback fees – Council vehicles | 2 | 23 | 28 |
| Multipurpose centre | 2 | 15 | 12 |
| Transport for NSW (formerly RMS) charges (state roads not controlled by Council) | 2 | 662 | 277 |
| Transport for NSW (formerly RMS) charges (ordered works) | 2 | – | 388 |
| Sundry sales | 2 | 2 | 1 |
| Waste disposal tipping fees | 2 | 34 | 22 |
| Connection fees | 2 | 21 | 23 |
| Sportsground Fees | 2 | 20 | 7 |
| Halls | 2 | 1 | – |
| Library | 2 | 5 | 3 |
| Stadium Fees | 2 | 62 | 42 |
| Truck Wash | 2 | 30 | 36 |
| Other | 2 | 26 | 21 |
| Total Fees – other | | 1,896 | 1,678 |
| Total Fees | | 2,398 | 2,690 |
| Total user charges and fees | | 3,854 | 3,873 |
| Timing of revenue recognition for user charges and fees | | | |
| User charges and fees recognised at a point in time (2) | | 3,854 | 3,873 |
| Total user charges and fees | | 3,854 | 3,873 |

Accounting policy

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

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

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

B2-3 Other revenues

| \$ '000 | Timing | 2023 | 2022 |
|---|--------|--------------|--------------|
| Fines | 2 | 5 | 5 |
| Legal fees recovery – rates and charges (extra charges) | 2 | 54 | 89 |
| Insurance claims recoveries | 2 | 208 | 171 |
| Commissions and agency fees | 2 | 42 | 43 |
| Recycling income (non-domestic) | 2 | 24 | 12 |
| Diesel rebate | 2 | 73 | 68 |
| Sales – general | 2 | 38 | 35 |
| Incentive insurance rebate | 2 | 27 | 27 |
| Insurance reimbursement | 2 | 8 | 34 |
| Rural fire service reimbursement | 2 | 161 | 98 |
| Sale of scrap materials | 2 | 6 | 18 |
| Temporary Sale of Water Allocation | 2 | 288 | 288 |
| Volunteer Services | 2 | 529 | 456 |
| Other | 2 | 45 | 13 |
| Total other revenue | | 1,508 | 1,357 |
| Timing of revenue recognition for other revenue | | | |
| Other revenue recognised at a point in time (2) | | 1,508 | 1,357 |
| Total other revenue | | 1,508 | 1,357 |

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

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

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

B2-4 Grants and contributions

| \$ '000 | Timing | Operating 2023 | Operating 2022 | Capital 2023 | Capital 2022 |
|--|--------|-------------------|-------------------|-----------------|-----------------|
| General purpose grants and non-developer contributions (untied) | | | | | |
| General purpose (untied) | | | | | |
| Current year allocation | | | | | |
| Financial assistance | 2 | 1,597 | 2,682 | - | - |
| Payment in advance - future year allocation | | | | | |
| Financial assistance | 2 | 6,119 | 4,125 | - | - |
| Amount recognised as income during current year | | 7,716 | 6,807 | - | - |
| Special purpose grants and non-developer contributions (tied) | | | | | |
| Cash contributions | | | | | |
| Water supplies | 2 | - | - | 24 | - |
| Sewerage | 1 | - | - | 332 | 226 |
| Aged care | 2 | 11 | - | - | - |
| Bushfire and emergency services | 2 | - | 92 | - | - |
| Employment and training programs | 2 | 16 | 82 | - | - |
| Heritage and cultural | 2 | 65 | 28 | - | - |
| Library | 2 | - | 1 | 36 | - |
| Library – per capita | 2 | 61 | 60 | - | - |
| Library – special projects | 2 | 19 | 19 | - | - |
| Noxious weeds | 2 | 44 | 44 | - | - |
| Community services | 2 | 43 | 10 | - | - |
| Floodplain mapping and land use | 2 | 109 | 153 | - | - |
| Crown Lands | 2 | - | - | - | 87 |
| Street lighting | 2 | 87 | 33 | - | - |
| Stronger Country Communities - Council Projects | 1 | - | - | 297 | 141 |
| Stronger Country Communities - Community Grants | 1 | - | 11 | - | - |
| Drought Communities - Council Projects | 1 | - | - | - | 6 |
| Local Roads & Community Infrastructure | 1 | - | - | 675 | 684 |
| Truck Wash | 2 | - | - | - | - |
| Playground on The Murrumbidgee | 1 | - | - | 2,990 | 1,762 |
| Regional Airports | 1 | - | - | 7 | 344 |
| Recreation and culture | 2 | 9 | - | - | 552 |
| Planning portal | 2 | - | 80 | - | - |
| Community Building Partnership | 1 | - | - | - | 26 |
| Transport (roads to recovery) | 2 | 603 | 997 | - | - |
| Drainage | 1 | - | - | 106 | - |
| Health and safety | 2 | 63 | - | - | - |
| Transport (other roads and bridges funding) | 2 | 3,454 | 51 | 414 | 1,844 |
| Other specific grants | 2 | 238 | 35 | - | - |
| Tourism | 2 | 14 | 132 | - | - |
| Recreation and culture | 1 | - | - | 83 | 73 |
| Transport for NSW contributions (regional roads, block grant) | 2 | 574 | 564 | 92 | 100 |
| Other contributions | 2 | - | - | 1 | - |
| Leeton Shire Council aerodrome contributions | 2 | 61 | 68 | 4 | 149 |
| Disaster Recovery Funding | 2 | 1,000 | - | - | - |
| Total special purpose grants and non-developer contributions – cash | | 6,471 | 2,460 | 5,061 | 5,994 |
| Non-cash contributions | | | | | |
| Rural Fire Services - Red Fleet | 2 | - | - | 46 | 527 |
| Total other contributions – non-cash | | - | - | 46 | 527 |

continued on next page ...

Narrandera Shire Council | Notes to the Financial Statements 30 June 2023

B2-4 Grants and contributions (continued)

| \$ '000 | Timing | Operating 2023 | Operating 2022 | Capital 2023 | Capital 2022 |
|--|--------|---------------------------|-------------------|-------------------------|-----------------|
| Total special purpose grants and non-developer contributions (tied) | | 6,471 | 2,460 | 5,107 | 6,521 |
| Total grants and non-developer contributions | | 14,187 | 9,267 | 5,107 | 6,521 |

continued on next page ...

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B2-4 Grants and contributions (continued)

| \$ '000 | Timing | Operating 2023 | Operating 2022 | Capital 2023 | Capital 2022 |
|------------------------|--------|-------------------|-------------------|-----------------|-----------------|
| Comprising: | | | | | |
| – Commonwealth funding | | 8,346 | 7,887 | 675 | 1,242 |
| – State funding | | 5,611 | 1,227 | 4,298 | 4,530 |
| – Other funding | | 230 | 153 | 134 | 749 |
| | | 14,187 | 9,267 | 5,107 | 6,521 |

Developer contributions

| \$ '000 | Notes | Timing | Operating 2023 | Operating 2022 | Capital 2023 | Capital 2022 |
|--|-------|--------|-------------------|-------------------|-----------------|-----------------|
| Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA): | | G4 | | | | |
| Cash contributions | | | | | | |
| S 7.4 – contributions using planning agreements | | 2 | – | – | – | 250 |
| S 7.11 – contributions towards amenities/services | | 2 | – | – | – | 20 |
| S 7.12 – fixed development consent levies | | 2 | – | – | 55 | 17 |
| S 64 – water supply contributions | | 2 | – | – | 43 | 16 |
| S 64 – sewerage service contributions | | 2 | – | – | 12 | – |
| Total developer contributions – cash | | | – | – | 110 | 303 |
| Total developer contributions | | | – | – | 110 | 303 |
| Total contributions | | | – | – | 110 | 303 |
| Total grants and contributions | | | 14,187 | 9,267 | 5,217 | 6,824 |
| Timing of revenue recognition for grants and contributions | | | | | | |
| Grants and contributions recognised over time (1) | | | – | 11 | 4,490 | 3,814 |
| Grants and contributions recognised at a point in time (2) | | | 14,187 | 9,256 | 727 | 3,010 |
| Total grants and contributions | | | 14,187 | 9,267 | 5,217 | 6,824 |

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

| \$ '000 | Operating 2023 | Operating 2022 | Capital 2023 | Capital 2022 |
|---|-------------------|-------------------|-----------------|-----------------|
| Unspent grants and contributions | | | | |
| Unspent funds at 1 July | 1,256 | 1,066 | 2,777 | 2,178 |
| Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions | 5,306 | 843 | 129 | 308 |
| Add: Funds received and not recognised as revenue in the current year | – | – | 1,510 | 1,948 |
| Less: Funds recognised as revenue in previous years that have been spent during the reporting year | (784) | (642) | (10) | (179) |
| Less: Funds received in prior year but revenue recognised and funds spent in current year | (5) | (11) | (902) | (1,478) |
| Unspent funds at 30 June | 5,773 | 1,256 | 3,504 | 2,777 |

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include evidence of the event taking place or satisfactory achievement of milestones. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

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

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

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

Developer contributions

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

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

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

B2-4 Grants and contributions (continued)

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

B2-5 Interest and investment income

| \$ '000 | 2023 | 2022 |
|--|------------|------------|
| Interest on financial assets measured at amortised cost | | |
| – Overdue rates and annual charges (incl. special purpose rates) | 46 | 52 |
| – Cash and investments | 611 | 135 |
| Dividend income (other) | 1 | 1 |
| Total interest and investment income | 658 | 188 |
| Interest and investment income is attributable to: | | |
| Unrestricted investments/financial assets: | | |
| Overdue rates and annual charges (general fund) | 24 | 30 |
| General Council cash and investments | 376 | 71 |
| Restricted investments/funds – external: | | |
| Development contributions | | |
| - Section 7.4 Planning Agreements | 6 | 1 |
| - Section 7.11 | 2 | – |
| - Section 7.12 | 5 | 1 |
| - Section 64 | 7 | 2 |
| Water fund operations | 146 | 50 |
| Sewerage fund operations | 66 | 20 |
| Domestic waste management operations | 26 | 13 |
| Total interest and investment income | 658 | 188 |

Accounting policy

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

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

B2-6 Other income

| \$ '000 | Notes | 2023 | 2022 |
|---------------------------------|-------|------------|------------|
| Rental income | | | |
| Other lease income | | | |
| Aerodrome Hangers | | 10 | 13 |
| Caravan Park | | 93 | 89 |
| Housing | | 46 | 41 |
| Reverse Vending Machine | | 2 | – |
| Shops & Offices | | 27 | 26 |
| Tower Rental | | 37 | 35 |
| Other | | 2 | 5 |
| Total other lease income | | 217 | 209 |
| Total rental income | C2-2 | 217 | 209 |
| Total other income | | 217 | 209 |

B3 Costs of providing services

B3-1 Employee benefits and on-costs

| \$ '000 | 2023 | 2022 |
|--|--------------|--------------|
| Salaries and wages | 7,002 | 7,074 |
| Employee leave entitlements (ELE) | 1,516 | 1,311 |
| Superannuation | 864 | 833 |
| Workers' compensation insurance | 183 | 282 |
| Fringe benefit tax (FBT) | 38 | 26 |
| Sick leave insurance | - | 14 |
| Other | 10 | 14 |
| Total employee costs | 9,613 | 9,554 |
| Less: capitalised costs | (1,054) | (1,320) |
| Total employee costs expensed | 8,559 | 8,234 |
| Number of 'full-time equivalent' employees (FTE) at year end | 100 | 103 |

Accounting policy

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

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

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

| \$ '000 | Notes | 2023 | 2022 |
|---|-------|--------------|--------------|
| Advertising | | 11 | 7 |
| Audit Fees | F2-1 | 87 | 89 |
| Bank charges | | 57 | 52 |
| Contractor costs | | 1,213 | 898 |
| Councillor and Mayoral fees and associated expenses | F1-2 | 181 | 145 |
| Election expenses | | – | 55 |
| Electricity and heating | | 662 | 505 |
| Fire control expenses | | 68 | 67 |
| Insurance | | 450 | 428 |
| Other expenses | | 70 | 9 |
| Postage | | 22 | 20 |
| Printing and stationery | | 24 | 30 |
| Raw materials and consumables | | 5,267 | 5,232 |
| Street lighting | | 99 | 87 |
| Subscriptions and publications | | 90 | 86 |
| Telephone and communications | | 80 | 65 |
| Valuation fees | | 31 | 29 |
| Volunteer Services expense | | 529 | 456 |
| Legal expenses: | | | |
| – Legal expenses: planning and development | | – | 6 |
| – Legal expenses: debt recovery | | 54 | 89 |
| – Legal expenses: other | | – | 24 |
| Expenses from leases of low value assets | | 9 | 11 |
| Variable lease expense relating to usage | | 3 | 2 |
| Total materials and services | | 9,007 | 8,392 |
| Total materials and services | | 9,007 | 8,392 |

Accounting policy

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

B3-3 Borrowing costs

| \$ '000 | Notes | 2023 | 2022 |
|---|-------|-----------|-----------|
| (i) Interest bearing liability costs | | | |
| Interest on leases | | 1 | – |
| Interest on loans | | 46 | 28 |
| Discount adjustments relating to movements in provisions (other than ELE) | | – | – |
| – Remediation liabilities | C3-5 | 17 | 11 |
| Total borrowing costs expensed | | 64 | 39 |

Accounting policy

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

B3-4 Depreciation, amortisation and impairment of non-financial assets

| \$ '000 | Notes | 2023 | 2022 |
|---|-------|--------------|--------------|
| Depreciation and amortisation | | | |
| Plant and equipment | | 674 | 684 |
| Plant and equipment - specialised (RFS Red Fleet) | | 181 | 164 |
| Office equipment | | 158 | 162 |
| Furniture and fittings | | 5 | 6 |
| Land improvements | | 5 | 5 |
| Infrastructure: | C1-7 | | |
| – Buildings – non-specialised | | 717 | 717 |
| – Buildings – specialised | | 488 | 431 |
| – Other structures | | 675 | 642 |
| – Roads | | 1,900 | 1,831 |
| – Bridges | | 145 | 149 |
| – Footpaths | | 21 | 19 |
| – Stormwater drainage | | 82 | 79 |
| – Water supply network | | 633 | 497 |
| – Sewerage network | | 348 | 305 |
| – Swimming pools | | 105 | 103 |
| – Other open space/recreational assets | | 116 | 105 |
| Right of use assets | C2-1 | 4 | – |
| Other assets: | | | |
| – Library books | | 26 | 22 |
| Reinstatement, rehabilitation and restoration assets: | | | |
| – Tip assets | C1-7 | 14 | 16 |
| Total gross depreciation and amortisation costs | | <u>6,297</u> | <u>5,937</u> |
| Impairment / revaluation decrement of IPPE | | | |
| Infrastructure: | C1-7 | | |
| – Buildings – specialised | | – | 43 |
| – Other structures | | 1 | – |
| Total gross IPPE impairment / revaluation decrement costs | | <u>1</u> | <u>43</u> |
| Total IPPE impairment / revaluation decrement costs charged to Income Statement | | <u>1</u> | <u>43</u> |
| Total depreciation, amortisation and impairment for non-financial assets | | <u>6,298</u> | <u>5,980</u> |

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore, an impairment loss would be captured during this assessment.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

B3-5 Other expenses

| \$ '000 | 2023 | 2022 |
|--|------------|------------|
| Impairment of receivables | | |
| Other | 7 | 47 |
| Total impairment of receivables | 7 | 47 |
| Other | | |
| Contributions/levies to other levels of government | | |
| – Emergency services levy (includes FRNSW, SES, and RFS levies) | 342 | 259 |
| – Western Riverina Library | 32 | 33 |
| Donations, contributions and assistance to other organisations (Section 356) | 27 | 28 |
| Street Lighting | 106 | 270 |
| Total other | 507 | 590 |
| Total other expenses | 514 | 637 |

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses. Impairment expenses are recognised when identified.

B4 Gains or losses

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

| \$ '000 | Notes | 2023 | 2022 |
|--|-------|--------------|-------------|
| Gain (or loss) on disposal of property (excl. investment property) | | | |
| Less: carrying amount of property assets sold/written off | | (4) | – |
| Gain (or loss) on disposal | | (4) | – |
| Gain (or loss) on disposal of plant and equipment | C1-7 | | |
| Proceeds from disposal – plant and equipment | | 101 | 339 |
| Less: carrying amount of plant and equipment assets sold/written off | | (22) | (140) |
| Gain (or loss) on disposal | | 79 | 199 |
| Gain (or loss) on disposal of infrastructure | C1-7 | | |
| Proceeds from disposal – infrastructure | | – | – |
| Less: carrying amount of infrastructure assets sold/written off | | (285) | (19) |
| Gain (or loss) on disposal | | (285) | (19) |
| Gain (or loss) on disposal of real estate assets held for sale | C1-5 | | |
| Proceeds from disposal – real estate assets | | 1,325 | 212 |
| Less: carrying amount of real estate assets sold/written off | | (1,000) | (20) |
| Gain (or loss) on disposal | | 325 | 192 |
| Gain (or loss) on disposal of investments | C1-2 | | |
| Proceeds from disposal/redemptions/maturities – investments | | 27,846 | 25,836 |
| Less: carrying amount of investments sold/redeemed/matured | | (27,846) | (25,836) |
| Gain (or loss) on disposal | | – | – |
| Gain (or loss) on disposal of plant and equipment - specialised | | | |
| Proceeds from disposal – plant and equipment - specialised | | – | – |
| Less: carrying amount of plant and equipment - specialised assets sold/written off | | – | (9) |
| Gain (or loss) on disposal | | – | (9) |
| Gain (or loss) on disposal of office equipment | | | |
| Less: carrying amount of office equipment assets sold/written off | | (7) | – |
| Gain (or loss) on disposal | | (7) | – |

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Narrandera Shire Council | Notes to the Financial Statements 30 June 2023

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

| \$ '000 | Notes | 2023 | 2022 |
|---|-------|--------------|------------|
| Gain (or loss) on disposal of work in progress | | | |
| Less: carrying amount of work in progress assets sold/written off | | <u>(130)</u> | — |
| Gain (or loss) on disposal | | <u>(130)</u> | — |
| Net gain (or loss) from disposal of assets | | <u>(22)</u> | <u>363</u> |

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 21 June 2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

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

| \$ '000 | 2023 Budget | 2023 Actual | 2023 ----- Variance ----- | |
|--|----------------|----------------|------------------------------|-----------------|
| Revenues | | | | |
| Rates and annual charges | 8,597 | 8,586 | (11) | 0% U |
| User charges and fees | 3,213 | 3,854 | 641 | 20% F |
| <ul style="list-style-type: none"> Higher than anticipated revenues for: <ul style="list-style-type: none"> Private works \$206,000 State Roads contract (Transport NSW) offset by expenses in materials and services \$483,000 | | | | |
| Other revenues | 721 | 1,508 | 787 | 109% F |
| <ul style="list-style-type: none"> Volunteer services revenue of \$529,000 recognised in accordance with the Australian Accounting Standard (offset by expenses in materials and services). Insurance income received relating to the 21-22 storm event \$180,000 | | | | |
| Operating grants and contributions | 7,643 | 14,187 | 6,544 | 86% F |
| <ul style="list-style-type: none"> Council received several operating grants in the 22-23 reporting period, including <ul style="list-style-type: none"> Financial Assistance Grant 100% prepayment \$6.119m Pothole repair grant \$535,000 Regional & Local Road Repair Program \$2.837m | | | | |
| Capital grants and contributions | 7,739 | 5,217 | (2,522) | (33)% U |
| <ul style="list-style-type: none"> Council has been seeking grants to assist with the cost of the below projects, at reporting date a successful grant has not been received <ul style="list-style-type: none"> Lake Talbot Deepening works \$2m Urban Stormwater Upgrade \$2m | | | | |
| Interest and investment revenue | 226 | 658 | 432 | 191% F |
| <ul style="list-style-type: none"> Council has benefited from higher than anticipated term deposit interest rates. | | | | |
| Net gains from disposal of assets | 92 | - | (92) | (100)% U |
| <ul style="list-style-type: none"> Council disposed of several infrastructure assets in 22-23 resulting in a loss on disposal of assets | | | | |
| Other income | 225 | 217 | (8) | (4)% U |

continued on next page ...

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B5-1 Material budget variations (continued)

| \$ '000 | 2023 Budget | 2023 Actual | 2023 ----- Variance ----- | |
|--|-----------------|-----------------|------------------------------|-----------------|
| Expenses | | | | |
| Employee benefits and on-costs | 8,450 | 8,559 | (109) | (1)% U |
| Materials and services | 5,732 | 9,007 | (3,275) | (57)% U |
| <ul style="list-style-type: none"> Higher than anticipated expenses relating to: <ul style="list-style-type: none"> Volunteer Expenses (offset in other revenues) \$529,000 State road contract expenses (offset by income in user charges & fees) \$483,000 Private works expenses (offset by income in user charges & fees) \$185,000 Flood event expenses \$375,000 Parks expenses \$183,000 Airport expenses \$250,000 Water operation expenses \$140,000 Grant programs \$480,000 Roads expenses \$183,000 Regional roads \$142,000 Gravel Pit expenses \$80,000 Consultant expenses \$110,000 Toilet contract \$65,000 Street Lighting contribution \$105,000 Workshop expenses \$150,000 | | | | |
| Borrowing costs | 46 | 64 | (18) | (39)% U |
| <ul style="list-style-type: none"> Council recognised a provision for the remediation of the landfill area in 21-22, the variance is the subsequent interest applicable to the provision and was not known at the time of budget completion. | | | | |
| Depreciation, amortisation and impairment of non-financial assets | 6,123 | 6,298 | (175) | (3)% U |
| Other expenses | 403 | 514 | (111) | (28)% U |
| <ul style="list-style-type: none"> Council provided a contribution for the costs of LED street lighting replacement. | | | | |
| Statement of cash flows | | | | |
| Cash flows from operating activities | 13,589 | 15,782 | 2,193 | 16% F |
| <ul style="list-style-type: none"> Cash flows from operating activities budget variance relates to higher than anticipated grants and contribution revenues offset by increased materials and services costs | | | | |
| Cash flows from investing activities | (14,866) | (13,313) | 1,553 | (10)% F |
| <ul style="list-style-type: none"> Council was unable to complete the 22-23 capital program due diverting resources to respond to the natural disaster events within the Local Government area. | | | | |
| Cash flows from financing activities | 1,856 | (149) | (2,005) | (108)% U |
| <ul style="list-style-type: none"> Council anticipated the drawdown of a loan for the Urban Stormwater upgrade project, the loan has been deferred to June 2024. | | | | |

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

| \$ '000 | 2023 | 2022 |
|--|--------------|--------------|
| Cash assets | | |
| Cash at bank and on hand | 536 | 338 |
| Cash equivalent assets | | |
| – Deposits at call | 3,180 | 1,058 |
| Total cash and cash equivalents | 3,716 | 1,396 |

Reconciliation of cash and cash equivalents

| | | |
|---|--------------|--------------|
| Total cash and cash equivalents per Statement of Financial Position | 3,716 | 1,396 |
| Balance as per the Statement of Cash Flows | 3,716 | 1,396 |

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

C1-2 Financial investments

| \$ '000 | 2023 Current | 2023 Non-current | 2022 Current | 2022 Non-current |
|---|-----------------|---------------------|-----------------|---------------------|
| Financial assets at fair value through the profit and loss | | | | |
| Unlisted equity securities | 10 | – | 10 | – |
| Total | 10 | – | 10 | – |
| Debt securities at amortised cost | | | | |
| Long term deposits | 32,553 | – | 27,836 | – |
| Total | 32,553 | – | 27,836 | – |
| Total financial investments | 32,563 | – | 27,846 | – |
| Total cash assets, cash equivalents and investments | 36,279 | – | 29,242 | – |

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Council classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost;

continued on next page ...

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C1-2 Financial investments (continued)

The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss are investments in Narrandera District Investments Ltd. (Bendigo Bank).

C1-3 Restricted and allocated cash, cash equivalents and investments

| \$ '000 | 2023 | 2022 |
|--|-----------------|-----------------|
| (a) Externally restricted cash, cash equivalents and investments | | |
| Total cash, cash equivalents and investments | 36,279 | 29,242 |
| Less: Externally restricted cash, cash equivalents and investments | <u>(19,842)</u> | <u>(14,726)</u> |
| Cash, cash equivalents and investments not subject to external restrictions | 16,437 | 14,516 |

External restrictions

External restrictions – included in liabilities

External restrictions included in cash, cash equivalents and investments above comprise:

| | | |
|--|--------------|-------|
| Specific purpose unexpended loans – sewer | 1,451 | 1,562 |
| Specific purpose unexpended grants – general fund | 2,505 | 1,953 |
| Unexpended contributions - general fund | 155 | 103 |
| External restrictions – included in liabilities | 4,111 | 3,618 |

External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

| | | |
|---|---------------|--------|
| Developer contributions – general | 524 | 466 |
| Developer contributions – water fund | 219 | 171 |
| Developer contributions – sewer fund | 92 | 78 |
| Transport for NSW contributions | 103 | 101 |
| Specific purpose unexpended grants (recognised as revenue) – general fund | 5,373 | 1,159 |
| Water fund | 5,121 | 5,113 |
| Water supplies – carry over works | 883 | 1,058 |
| Water supplies – Retention | 21 | 21 |
| Sewer fund | 388 | 268 |
| Sewerage services – carry over works | 732 | 529 |
| Stormwater management | 369 | 500 |
| Crown lands | 302 | 214 |
| Domestic waste management | 1,604 | 1,430 |
| External restrictions | 15,731 | 11,108 |
| Total external restrictions | 19,842 | 14,726 |

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

| \$ '000 | 2023 | 2022 |
|--|-----------------|-----------------|
| (b) Internal allocations | | |
| Cash, cash equivalents and investments not subject to external restrictions | 16,437 | 14,516 |
| Less: Internal allocations restricted cash, cash equivalents and investments | <u>(16,092)</u> | <u>(14,372)</u> |
| Unrestricted and unallocated cash, cash equivalents and investments | 345 | 144 |

Internal allocations

At 30 June, Council has internally allocated funds to the following:

| | | |
|--|-------|-------|
| Plant and vehicle replacement | 1,892 | 1,468 |
| Organisational service assets & projects | 2,924 | 5,076 |
| Employees leave entitlement | 1,178 | 1,288 |

continued on next page ...

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

| \$ '000 | 2023 | 2022 |
|--|---------------|---------------|
| Carry over works revenue funded | 1,198 | 901 |
| Deposits, retentions and bonds | 185 | 156 |
| Financial assistance grant received in advance | 6,119 | 4,124 |
| Information technology renewal & replacement | 670 | 590 |
| Property development | 762 | 244 |
| Quarry rehabilitation | 17 | 35 |
| Cemetery perpetual maintenance | 455 | 404 |
| Council committees | 60 | 57 |
| Other | 632 | 29 |
| Total internal allocations | 16,092 | 14,372 |

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

C1-4 Receivables

| \$ '000 | 2023 | 2023 | 2022 | 2022 |
|---|--------------|-------------|--------------|-------------|
| | Current | Non-current | Current | Non-current |
| Rates and annual charges | 646 | – | 657 | 26 |
| Interest and extra charges | 89 | – | 66 | – |
| User charges and fees | 485 | – | 383 | – |
| Accrued revenues | | | | |
| – Interest on investments | 310 | – | 84 | – |
| – Other income accruals | 126 | – | 256 | – |
| – User charges and fees (Water consumption) | 121 | – | – | – |
| Deferred debtors | 73 | – | – | – |
| Government grants and subsidies | 411 | – | 456 | – |
| Net GST receivable | 39 | – | 258 | – |
| Transport for NSW receivables | 95 | – | 74 | – |
| Other debtors | – | – | 2 | – |
| Total | 2,395 | – | 2,236 | 26 |
| Less: provision for impairment | | | | |
| Rates and annual charges | (26) | – | (26) | – |
| Interest and extra charges | (2) | – | (2) | – |
| User charges and fees | (7) | – | (7) | – |
| Total provision for impairment – receivables | (35) | – | (35) | – |
| Total net receivables | 2,360 | – | 2,201 | 26 |

Accounting policy

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

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When estimating ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Credit losses are measured at the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

C1-5 Inventories

| \$ '000 | 2023 | 2023 | 2022 | 2022 |
|----------------------------------|------------|-------------|------------|-------------|
| | Current | Non-current | Current | Non-current |
| (i) Inventories at cost | | | | |
| Real estate for resale | 19 | 161 | 406 | – |
| Stores and materials | 412 | – | 364 | – |
| Trading stock | 16 | – | 21 | – |
| Total inventories at cost | 447 | 161 | 791 | – |
| Total inventories | 447 | 161 | 791 | – |

(i) Other disclosures

| \$ '000 | 2023 | 2023 | 2022 | 2022 |
|--|-----------|-------------|------------|-------------|
| | Current | Non-current | Current | Non-current |
| (a) Details for real estate development | | | | |
| Industrial/commercial | 19 | 161 | 406 | – |
| Total real estate for resale | 19 | 161 | 406 | – |

Accounting policy

Raw materials and stores, work in progress and finished goods

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

Land held for resale

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

C1-6 Contract assets and Contract cost assets

| \$ '000 | 2023 | | 2022 | |
|---|--------------|-------------|------------|-------------|
| | Current | Non-current | Current | Non-current |
| Contract assets | 1,224 | – | 644 | – |
| Total contract assets and contract cost assets | 1,224 | – | 644 | – |

Contract assets

| | | | | |
|-----------------------------------|--------------|----------|------------|----------|
| Construction of Transport assets | 25 | – | 269 | – |
| Construction of Sewer assets | 323 | – | 130 | – |
| Construction of Recreation assets | 831 | – | 167 | – |
| Construction of Water assets | 24 | – | – | – |
| Other | 21 | – | 78 | – |
| Total contract assets | 1,224 | – | 644 | – |

Significant changes in contract assets

During 2022-2023 Council has undertaken many large grant programs including assets for recreation, airport, sewer and community activities.

Accounting policy

Contract assets

Contract assets represent Councils right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

Contract cost asset – costs to fulfil a contract

Where costs are incurred to fulfil a contract and these costs are outside the scope of another accounting standard, they are capitalised as contract cost assets if the following criteria are met:

- the costs relate directly to a contract
- the costs generate or enhance resources of Council that will be used to satisfy performance obligations in the future and
- the costs are expected to be recovered.

The capitalised costs are recognised in the Income statement on a systematic basis consistent with the timing of revenue recognition.

Refer to B3-4 for the accounting policy for impairment of contract cost assets.

C1-7 Infrastructure, property, plant and equipment

| By aggregated asset class | At 1 July 2022 | | | Asset movements during the reporting period | | | | | | | | | At 30 June 2023 | | |
|--|-----------------------|---|---------------------|---|----------------------|---|-----------------------------|----------------------|--|---------------|--------------------------|--|-----------------------|---|---------------------|
| | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount | Additions renewals ¹ | Additions new assets | Reinstatement costs for impaired assets | Carrying value of disposals | Depreciation expense | Impairment loss / revaluation decrements (recognised in P/L) | WIP transfers | Re-measurement movements | Revaluation increments to equity (ARR) | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount |
| \$ '000 | | | | | | | | | | | | | | | |
| Capital work in progress | 9,705 | – | 9,705 | 1,567 | 4,503 | – | (126) | – | – | (5,888) | – | – | 9,761 | – | 9,761 |
| Plant and equipment | 8,883 | (5,122) | 3,761 | – | 487 | – | (22) | (674) | – | – | – | – | 9,221 | (5,669) | 3,552 |
| Plant and equipment - specialised | 4,703 | (2,308) | 2,395 | – | 47 | – | – | (181) | – | – | – | – | 4,825 | (2,565) | 2,260 |
| Office equipment | 1,856 | (1,350) | 506 | – | 66 | – | (7) | (158) | – | 24 | – | – | 1,932 | (1,503) | 429 |
| Furniture and fittings | 155 | (143) | 12 | – | – | – | – | (5) | – | – | – | – | 155 | (148) | 7 |
| Land: | | | | | | | | | | | | | | | |
| – Operational land | 2,396 | – | 2,396 | – | 318 | – | (4) | – | – | 22 | – | 888 | 3,622 | – | 3,622 |
| – Community land | 5,021 | – | 5,021 | – | – | – | – | – | – | – | 1,640 | 6,661 | – | – | 6,661 |
| – Land under roads (post 30/6/08) | 25 | – | 25 | – | 16 | – | – | – | – | – | 26 | 66 | – | – | 66 |
| Land improvements – non-depreciable | 251 | – | 251 | – | – | – | – | – | – | – | 37 | 288 | – | – | 288 |
| Land improvements | 223 | (12) | 211 | – | – | – | – | (5) | – | – | 30 | 256 | (20) | 236 | |
| Infrastructure: | | | | | | | | | | | | | | | |
| – Buildings – non-specialised ² | 29,856 | (19,319) | 10,537 | – | 78 | – | (31) | (717) | – | 351 | – | 595 | 31,054 | (20,243) | 10,811 |
| – Buildings – specialised ² | 16,086 | (8,339) | 7,747 | 284 | 27 | – | (5) | (488) | – | 938 | – | 498 | 17,704 | (8,703) | 9,001 |
| – Other structures ² | 20,234 | (8,505) | 11,729 | 55 | 81 | – | (25) | (675) | (1) | 667 | – | 659 | 22,094 | (9,604) | 12,490 |
| – Roads | 84,519 | (31,429) | 53,090 | 431 | 702 | 263 | (11) | (1,900) | – | 2,052 | – | 9,396 | 101,737 | (37,714) | 64,023 |
| – Bridges | 15,203 | (6,013) | 9,190 | – | – | – | – | (145) | – | – | – | 1,555 | 17,817 | (7,216) | 10,601 |
| – Footpaths | 1,464 | (482) | 982 | – | 71 | – | – | (21) | – | 82 | – | 214 | 1,927 | (600) | 1,327 |
| – Bulk earthworks (non-depreciable) | 58,836 | – | 58,836 | – | – | – | – | – | – | – | 10,114 | 68,950 | – | – | 68,950 |
| – Stormwater drainage | 11,152 | (3,869) | 7,283 | – | 16 | – | – | (82) | – | 69 | – | 424 | 11,891 | (4,181) | 7,710 |
| – Water supply network | 40,666 | (20,431) | 20,235 | – | 94 | – | (212) | (633) | – | 1,662 | – | 1,560 | 44,937 | (22,231) | 22,706 |
| – Sewerage network | 23,780 | (8,215) | 15,565 | – | – | – | – | (348) | – | – | – | 1,200 | 25,613 | (9,197) | 16,416 |
| – Swimming pools ² | 4,217 | (1,182) | 3,035 | – | – | – | – | (105) | – | – | – | 163 | 4,452 | (1,358) | 3,094 |
| – Other open space/recreational assets ² | 1,820 | (758) | 1,062 | – | 2 | – | – | (116) | – | 21 | – | 54 | 1,946 | (922) | 1,024 |
| Other assets: | | | | | | | | | | | | | | | |
| – Library books | 261 | (77) | 184 | – | 61 | – | – | (26) | – | – | – | – | 322 | (103) | 219 |
| Reinstatement, rehabilitation and restoration assets (refer Note C3-5): | | | | | | | | | | | | | | | |
| – Tip assets | 422 | (16) | 406 | – | – | – | – | (14) | – | – | 51 | – | 472 | (30) | 442 |
| Total infrastructure, property, plant and equipment | 341,734 | (117,570) | 224,164 | 2,337 | 6,569 | 263 | (443) | (6,293) | (1) | – | 51 | 29,053 | 387,703 | (132,007) | 255,696 |

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

(2) Buildings, Other Structures, Swimming Pool and Open Space and Recreation assets opening 1/07/2022 has been adjusted \$1.632m between asset classes and the Gross carrying amount and Accumulated Depreciation while the Net carrying amount remained the same opening value

continued on next page ...

C1-7 Infrastructure, property, plant and equipment (continued)

| By aggregated asset class | At 1 July 2021 | | | Asset movements during the reporting period | | | | | | | | At 30 June 2022 | | |
|--|-----------------------|---|---------------------|---|----------------------|-----------------------------|----------------------|--|---------------|--|--|-----------------------|---|---------------------|
| | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount | Additions renewals ¹ | Additions new assets | Carrying value of disposals | Depreciation expense | Impairment loss / revaluation decrements (recognised in P/L) | WIP transfers | Revaluation decrements to equity (ARR) | Revaluation increments to equity (ARR) | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount |
| \$ '000 | | | | | | | | | | | | | | |
| Capital work in progress | 8,207 | – | 8,207 | 5,245 | 2,983 | (354) | – | – | (6,376) | – | – | 9,705 | – | 9,705 |
| Plant and equipment | 9,069 | (5,062) | 4,007 | – | 466 | (127) | (684) | – | 99 | – | – | 8,883 | (5,122) | 3,761 |
| Office equipment | 1,773 | (1,184) | 589 | – | 37 | – | (162) | – | 42 | – | – | 1,856 | (1,350) | 506 |
| Furniture and fittings | 155 | (137) | 18 | – | – | – | (6) | – | – | – | – | 155 | (143) | 12 |
| Plant and equipment - specialised | 4,024 | (1,984) | 2,040 | – | 527 | (9) | (164) | – | – | – | – | 4,703 | (2,308) | 2,395 |
| Land: | | | | | | | | | | | | | | |
| – Operational land | 2,180 | – | 2,180 | – | 9 | – | – | – | – | – | 207 | 2,396 | – | 2,396 |
| – Community land | 5,612 | – | 5,612 | – | – | – | – | – | – | (591) | – | 5,021 | – | 5,021 |
| – Land under roads (post 30/6/08) | – | – | – | – | 25 | – | – | – | – | – | – | 25 | – | 25 |
| Land improvements – non-depreciable | 251 | – | 251 | – | – | – | – | – | – | – | – | 251 | – | 251 |
| Land improvements – depreciable | 224 | (7) | 217 | – | – | – | (5) | – | – | – | – | 223 | (12) | 211 |
| Infrastructure: | | | | | | | | | | | | | | |
| – Buildings – non-specialised | 29,048 | (18,723) | 10,325 | 3 | – | – | (717) | – | 194 | – | 523 | 29,856 | (19,319) | 10,537 |
| – Buildings – specialised | 14,358 | (7,878) | 6,480 | 714 | 143 | (1) | (431) | (43) | 1,660 | – | 282 | 16,086 | (8,339) | 7,747 |
| – Other structures | 18,000 | (8,785) | 9,215 | 464 | 313 | (7) | (642) | – | 1,419 | – | 340 | 20,234 | (8,505) | 11,729 |
| – Roads | 81,922 | (29,652) | 52,270 | 903 | 587 | – | (1,831) | – | 2,010 | (849) | – | 84,519 | (31,429) | 53,090 |
| – Bridges | 15,203 | (5,525) | 9,678 | – | – | – | (149) | – | – | (339) | – | 15,203 | (6,013) | 9,190 |
| – Footpaths | 1,363 | (492) | 871 | – | 82 | – | (19) | – | 48 | – | – | 1,464 | (482) | 982 |
| – Bulk earthworks (non-depreciable) | 58,443 | – | 58,443 | – | 62 | – | – | – | 331 | – | – | 58,836 | – | 58,836 |
| – Stormwater drainage | 10,612 | (3,790) | 6,822 | – | – | – | (79) | – | – | – | 541 | 11,152 | (3,869) | 7,283 |
| – Water supply network | 31,742 | (13,116) | 18,626 | – | – | (18) | (497) | – | 107 | – | 2,017 | 40,666 | (20,431) | 20,235 |
| – Sewerage network | 26,032 | (7,606) | 18,426 | 280 | 14 | – | (305) | – | 466 | (3,316) | – | 23,780 | (8,215) | 15,565 |
| – Swimming pools | 4,143 | (1,078) | 3,065 | – | – | – | (103) | – | – | – | 75 | 4,217 | (1,182) | 3,035 |
| – Other open space/recreational assets | 1,494 | (658) | 836 | – | 80 | – | (105) | – | – | – | 28 | 1,820 | (758) | 1,062 |
| Other assets: | | | | | | | | | | | | | | |
| – Library books | 225 | (55) | 170 | – | 36 | – | (22) | – | – | – | – | 261 | (77) | 184 |
| Reinstatement, rehabilitation and restoration assets (refer Note C3-5): | | | | | | | | | | | | | | |
| – Tip assets | – | – | – | – | 422 | – | (16) | – | – | – | – | 422 | (16) | 406 |
| Total infrastructure, property, plant and equipment | 324,080 | (105,732) | 218,348 | 7,609 | 5,786 | (516) | (5,937) | (43) | – | (5,095) | 4,013 | 341,734 | (117,570) | 224,164 |

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

C1-7 Infrastructure, property, plant and equipment (continued)

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

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

Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

| Plant and equipment | Years | Other equipment | Years |
|-----------------------------------|-----------|--------------------------------------|-----------|
| Office equipment | 5 to 10 | Playground equipment | 15 to 40 |
| Office furniture | 5 to 20 | Benches, seats etc. | 30 |
| Computer equipment | 4 | | |
| Vehicles | 5 to 8 | Buildings | |
| Heavy plant/road making equipment | 5 to 15 | Buildings: masonry | 10 to 150 |
| Other plant and equipment | 5 to 15 | Buildings: other | 30 to 50 |
| | | | |
| Water and sewer assets | | Stormwater assets | |
| Reservoirs | 80 to 100 | Drains | 135 |
| Bores | 20 to 80 | Culverts | 135 |
| Reticulation pipes: PVC | 80 | | |
| Reticulation pipes: other | 25 to 75 | Other infrastructure assets | |
| Pumps and telemetry | 15 to 50 | Swimming pools | 40 |
| | | Other open space/recreational assets | 10 to 50 |
| Transportation assets | | Other Structures | 10 to 100 |
| Sealed roads: surface | 23 | | |
| Sealed roads: structure | 40 | | |
| Sealed roads: pavements | 100 | | |
| Bridge: concrete | 100 | | |
| Bridge: other | 50 | | |
| Unsealed road pavements | 30 to 40 | | |
| Kerb, gutter and footpaths | 75 | | |

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

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

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

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

Land under roads

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

continued on next page ...

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C1-7 Infrastructure, property, plant and equipment (continued)

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

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

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

Rural Fire Service assets

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

These Rural Fire Service assets are recognised as assets of the Council in these financial statements.

C1-8 Other

Other assets

| \$ '000 | 2023 Current | 2023 Non-current | 2022 Current | 2022 Non-current |
|---------------------------|-----------------|---------------------|-----------------|---------------------|
| Prepayments | 26 | - | - | - |
| Total other assets | 26 | - | - | - |

C2 Leasing activities

C2-1 Council as a lessee

(i) Council as a lessee

Council has leases for office equipment and vehicles. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Vehicles

Council leases vehicles with a lease terms varying of 3 years; the lease payments are fixed during the lease term and there is generally no renewal option.

Office and IT equipment

Leases for photocopiers are considered low value assets. The leases are for 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

(a) Right of use assets

| \$ '000 | Vehicles | Total |
|----------------------------------|-----------|-----------|
| 2023 | | |
| Opening balance at 1 July | – | – |
| Additions to right-of-use assets | 16 | 16 |
| Depreciation charge | (4) | (4) |
| Balance at 30 June | 12 | 12 |
| 2022 | | |
| Opening balance at 1 July | – | – |
| Depreciation charge | – | – |
| Balance at 30 June | – | – |

(b) Lease liabilities

| \$ '000 | 2023 Current | 2023 Non-current | 2022 Current | 2022 Non-current |
|--------------------------------|-----------------|---------------------|-----------------|---------------------|
| Lease liabilities | 5 | 6 | – | – |
| Total lease liabilities | 5 | 6 | – | – |

(c) (i) The maturity analysis

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

| \$ '000 | < 1 year | 1 – 5 years | > 5 years | Total | Total per Statement of Financial Position |
|-------------|----------|-------------|-----------|-------|--|
| 2023 | | | | | |
| Cash flows | 5 | 6 | – | 11 | 11 |
| 2022 | | | | | |
| Cash flows | – | – | – | – | – |

continued on next page ...

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C2-1 Council as a lessee (continued)

(d) Income Statement

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

| \$ '000 | 2023 | 2022 |
|---|-------------|-------------|
| Interest on lease liabilities | 1 | – |
| Variable lease payments based on usage not included in the measurement of lease liabilities | 3 | 2 |
| Depreciation of right of use assets | 4 | – |
| Expenses relating to low-value leases | 9 | 11 |
| | 17 | 13 |

(e) Statement of Cash Flows

| | | |
|-------------------------------|-----------|-----------|
| Total cash outflow for leases | 17 | 13 |
| | 17 | 13 |

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market for land and buildings which are used for:

- Council Works Depot
- Cemetery
- Lake Talbot Water Park
- Old Railway Station

The leases have varying terms and require payments of less than \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Accounting policy

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

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

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

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

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

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

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

Exceptions to lease accounting

C2-1 Council as a lessee (continued)

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

Leases at significantly below market value / concessionary leases

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

C2-2 Council as a lessor

Operating leases

| \$ '000 | 2023 | 2022 |
|---------|------|------|
|---------|------|------|

(i) Assets held as property, plant and equipment

Council provides operating leases on Council properties for the purpose of staff housing, health services, training providers, emergency services, caravan park and community groups, the table below relates to operating leases on assets disclosed in C1-8.

| | | |
|--|------------|------------|
| Lease income (excluding variable lease payments not dependent on an index or rate) | 217 | 209 |
| Total income relating to operating leases for Council assets | 217 | 209 |

Amount of IPPE leased out by Council under operating leases

| | | |
|--|---------------|---------------|
| Land | 978 | 672 |
| Buildings | 3,519 | 2,880 |
| Structures | 5,155 | 5,214 |
| Other recreation | 81 | 13 |
| Pools | 2,930 | 3,064 |
| Total amount of IPPE leased out by Council under operating leases | 12,663 | 11,843 |

(ii) Maturity analysis of contractual lease income

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

| | | |
|---|--------------|--------------|
| < 1 year | 236 | 236 |
| 1–2 years | 239 | 241 |
| 2–3 years | 243 | 229 |
| 3–4 years | 249 | 250 |
| 4–5 years | 238 | 242 |
| > 5 years | 243 | 230 |
| Total undiscounted lease payments to be received | 1,448 | 1,428 |

Accounting policy

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

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

C2-2 Council as a lessor (continued)

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

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

| \$ '000 | 2023 Current | 2023 Non-current | 2022 Current | 2022 Non-current |
|--|-----------------|---------------------|-----------------|---------------------|
| Payables | | | | |
| Goods and services – operating expenditure | 966 | – | 1,114 | – |
| Accrued expenses: | | | | |
| – Salaries and wages | 323 | – | 366 | – |
| Security bonds, deposits and retentions | 206 | – | 176 | – |
| Other | 8 | – | 16 | – |
| Prepaid rates | 359 | – | 331 | – |
| Total payables | 1,862 | – | 2,003 | – |
| Total payables | 1,862 | – | 2,003 | – |

Accounting policy

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

Payables

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

C3-2 Contract Liabilities

| \$ '000 | Notes | 2023 Current | 2023 Non-current | 2022 Current | 2022 Non-current |
|--|-------|-----------------|---------------------|-----------------|---------------------|
| Grants and contributions received in advance: | | | | | |
| Unexpended capital grants (to construct Council controlled assets) | (i) | 2,506 | - | 1,948 | - |
| Unexpended operating grants (received prior to performance obligation being satisfied) | (ii) | - | - | 5 | - |
| Unexpended capital contributions (to construct Council controlled assets) | (i) | 155 | - | 104 | - |
| Total grants received in advance | | 2,661 | - | 2,057 | - |
| Total contract liabilities | | 2,661 | - | 2,057 | - |

Notes

(i) Council has received funding to construct assets including sporting facilities and other recreation infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

Revenue recognised that was included in the contract liability balance at the beginning of the period

| \$ '000 | 2023 | 2022 |
|--|------------|--------------|
| Grants and contributions received in advance: | | |
| Capital grants (to construct Council controlled assets) | 902 | 1,477 |
| Operating grants (received prior to performance obligation being satisfied) | 5 | 11 |
| Total revenue recognised that was included in the contract liability balance at the beginning of the period | 907 | 1,488 |

Significant changes in contract liabilities

Council has reduced the amount of grant liabilities held at 30 June 2023.

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

| \$ '000 | 2023 | | 2022 | |
|------------------------------|------------|--------------|------------|--------------|
| | Current | Non-current | Current | Non-current |
| Loans – secured ¹ | 147 | 1,757 | 144 | 1,904 |
| Total borrowings | 147 | 1,757 | 144 | 1,904 |

(1) Loans are secured over the general rating income of Council.
Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

(a) Changes in liabilities arising from financing activities

| \$ '000 | 2022 | | 2023 | |
|--|-----------------|--------------|-----------------------------------|-----------------|
| | Opening Balance | Cash flows | Non-cash movements Acquisition | Closing balance |
| Loans – secured | 2,048 | (144) | – | 1,904 |
| Lease liability (Note C2-1b) | – | (5) | 16 | 11 |
| Total liabilities from financing activities | 2,048 | (149) | 16 | 1,915 |

(b) Financing arrangements

| \$ '000 | 2023 | 2022 |
|---|------------|------------|
| Total financing facilities available to Council at the reporting date are: | | |
| Bank overdraft facilities ¹ | 350 | 350 |
| Credit cards/purchase cards | 45 | 45 |
| Total financing arrangements | 395 | 395 |
| Financing facilities drawn down at the reporting date are: | | |
| – Credit cards/purchase cards | 7 | 8 |
| Total drawn financing arrangements | 7 | 8 |
| Undrawn financing facilities available to the Council at the reporting date are: | | |
| – Bank overdraft facilities | 350 | 350 |
| – Credit cards/purchase cards | 38 | 37 |
| Total undrawn financing arrangements | 388 | 387 |

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

C3-4 Employee benefit provisions

| \$ '000 | 2023 | | 2022 | |
|--|--------------|-------------|--------------|-------------|
| | Current | Non-current | Current | Non-current |
| Annual leave | 715 | – | 752 | – |
| Long service leave | 1,679 | 88 | 1,712 | 90 |
| Rostered days off | 49 | – | 54 | – |
| Total employee benefit provisions | 2,443 | 88 | 2,518 | 90 |

Current employee benefit provisions not anticipated to be settled within the next twelve months

| \$ '000 | 2023 | 2022 |
|--|--------------|--------------|
| The following provisions, even though classified as current, are not expected to be settled in the next 12 months. | | |
| Provisions – employees benefits | 1,434 | 1,631 |
| | 1,434 | 1,631 |

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

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

On-costs

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

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

C3-5 Provisions

| \$ '000 | 2023 | | 2022 | |
|--|----------|-------------|----------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Asset remediation/restoration: | | | | |
| Asset remediation/restoration (future works) | – | 500 | – | 432 |
| Sub-total – asset remediation/restoration | – | 500 | – | 432 |
| Total provisions | – | 500 | – | 432 |

Movements in provisions

continued on next page ...

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C3-5 Provisions (continued)

| \$ '000 | Asset remediation | Net carrying amount |
|---------------------------------------|----------------------|---------------------------|
| as at 30/06/23 | | |
| At beginning of year | 432 | 432 |
| Unwinding of discount | 17 | 17 |
| Remeasurement effects | 51 | 51 |
| Total other provisions at end of year | 500 | 500 |
| as at 30/06/22 | | |
| At beginning of year | 467 | 467 |
| Unwinding of discount | 11 | 11 |
| Remeasurement effects | (46) | (46) |
| Total other provisions at end of year | 432 | 432 |

Nature and purpose of provisions

Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the tip as a result of past operations.

Accounting policy

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

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

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

Asset remediation – tips

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

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

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

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

| \$ '000 | General 2023 | Water 2023 | Sewer 2023 |
|--|-----------------|---------------|---------------|
| Income from continuing operations | | | |
| Rates and annual charges | 6,237 | 848 | 1,501 |
| User charges and fees | 2,320 | 1,361 | 173 |
| Interest and investment income | 441 | 153 | 69 |
| Other revenues | 1,508 | – | – |
| Grants and contributions provided for operating purposes | 14,187 | – | – |
| Grants and contributions provided for capital purposes | 4,806 | 67 | 344 |
| Net gains from disposal of assets | 249 | – | – |
| Other income | 217 | – | – |
| Total income from continuing operations | 29,965 | 2,429 | 2,087 |
| Expenses from continuing operations | | | |
| Employee benefits and on-costs | 7,692 | 528 | 339 |
| Materials and services | 6,768 | 1,479 | 760 |
| Borrowing costs | 30 | – | 39 |
| Depreciation, amortisation and impairment of non-financial assets | 5,292 | 651 | 355 |
| Other expenses | 514 | – | – |
| Net losses from the disposal of assets | – | 271 | – |
| Total expenses from continuing operations | 20,296 | 2,929 | 1,493 |
| Operating result from continuing operations | 9,669 | (500) | 594 |
| Net operating result for the year | 9,669 | (500) | 594 |
| Net operating result attributable to each council fund | 9,669 | (500) | 594 |
| Net operating result for the year before grants and contributions provided for capital purposes | 4,863 | (567) | 250 |

D1-2 Statement of Financial Position by fund

| \$ '000 | General 2023 | Water 2023 | Sewer 2023 |
|---|-----------------|---------------|---------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 3,585 | 89 | 42 |
| Investments | 23,787 | 6,155 | 2,621 |
| Receivables | 1,701 | 519 | 176 |
| Inventories | 447 | - | - |
| Contract assets and contract cost assets | 877 | 24 | 323 |
| Other | 26 | - | - |
| Total current assets | 30,423 | 6,787 | 3,162 |
| Non-current assets | | | |
| Receivables | - | 127 | - |
| Inventories | 161 | - | - |
| Infrastructure, property, plant and equipment | 214,059 | 23,951 | 17,686 |
| Right of use assets | 12 | - | - |
| Total non-current assets | 214,232 | 24,078 | 17,686 |
| Total assets | 244,655 | 30,865 | 20,848 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Payables | 1,738 | 124 | - |
| Contract liabilities | 2,661 | - | - |
| Lease liabilities | 5 | - | - |
| Borrowings | 90 | - | 93 |
| Employee benefit provision | 2,443 | - | - |
| Total current liabilities | 6,937 | 124 | 93 |
| Non-current liabilities | | | |
| Lease liabilities | 6 | - | - |
| Borrowings | 493 | - | 1,391 |
| Employee benefit provision | 88 | - | - |
| Provisions | 500 | - | - |
| Total non-current liabilities | 1,087 | - | 1,391 |
| Total liabilities | 8,024 | 124 | 1,484 |
| Net assets | 236,631 | 30,741 | 19,364 |
| EQUITY | | | |
| Accumulated surplus | 144,851 | 17,733 | 13,054 |
| Revaluation reserves | 91,780 | 13,008 | 6,310 |
| Council equity interest | 236,631 | 30,741 | 19,364 |
| Total equity | 236,631 | 30,741 | 19,364 |

D1-3 Details of internal loans

(in accordance with s410(3) of the *Local Government Act 1993*)

| Details of individual internal loans | Council ID / Ref 278 | Council ID / Ref 280 | Council ID / Ref 285 |
|---|-----------------------------|-----------------------------|-----------------------------|
| Borrower (by purpose) | Coaches Box | Aerodrome Lighting | Festoon Lighting |
| Lender (by purpose) | Water Fund | Water Fund | Water Fund |
| Date of Minister's approval | 28/06/2017 | 28/06/2017 | 26/10/2017 |
| Date raised | 30/06/2017 | 30/06/2017 | 30/06/2018 |
| Term years | 10 | 10 | 10 |
| Dates of maturity | 30/06/2027 | 30/06/2027 | 30/06/2028 |
| Rate of interest (%) | 2.87% | 2.87% | 2.87% |
| Amount originally raised (\$'000) | 150 | 100 | 60 |

| Details of individual internal loans | Council ID / Ref 284 | Council ID / Ref 287 |
|---|-----------------------------|-----------------------------|
| Borrower (by purpose) | Barellan Change Room | Lake Talbot Water Park |
| Lender (by purpose) | Water Fund | Waste Fund |
| Date of Minister's approval | 26/10/2017 | |
| Date raised | 30/06/2018 | 31/12/2020 |
| Term years | 10 | 15 |
| Dates of maturity | 30/06/2028 | 31/12/2035 |
| Rate of interest (%) | 2.87% | 2.87% |
| Amount originally raised (\$'000) | 50 | 1,450 |

D2 Interests in other entities

D2-1 Subsidiaries, joint arrangements and associates not recognised

The following subsidiaries, joint arrangements and associates have not been recognised in this financial report.

| Name of entity/operation | Principal activity/type of entity | 2023 ¹ | 2023 ¹ |
|--|--|-------------------|-------------------|
| | | Net profit | Net assets |
| Western Riverina Library Services | Provision of library services to member local government areas | 48 | 670 |

Reasons for non-recognition

Council holds 7.23% equity share in Western Riverina Library Service, and has assessed this as not material, hence not recognised. The information provided above is for 2022 as this is the latest information available at the time of Council preparing the Financial Statements.

(1) The data represents the 2022 financial year for the Western Riverina Library Services

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with the s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

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

Financial risk management is carried out by the finance team under policies approved by the Councillors.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due.
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to the Council.

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

(a) Market risk – interest rate risk

| \$ '000 | 2023 | 2022 |
|--|------|------|
| The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date. | | |
| Impact of a 1% movement in interest rates | | |
| – Equity / Income Statement | 357 | 292 |

(b) Credit risk

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

There are no significant concentrations of credit risk other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

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

E1-1 Risks relating to financial instruments held (continued)

Credit risk profile

Receivables – rates and annual charges

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

| \$ '000 | Not yet overdue | overdue rates and annual charges < 5 years | ≥ 5 years | Total |
|-----------------------|--------------------|---|-----------|-------|
| 2023 | | | | |
| Gross carrying amount | – | 625 | 21 | 646 |
| 2022 | | | | |
| Gross carrying amount | – | 642 | 41 | 683 |

Receivables - non-rates and annual charges and contract assets

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

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

| \$ '000 | Not yet overdue | 0 - 30 days | Overdue debts | | | Total |
|------------------------|--------------------|-------------|---------------|--------------|-----------|-----------|
| | | | 31 - 60 days | 61 - 90 days | > 91 days | |
| 2023 | | | | | | |
| Gross carrying amount | 2,886 | – | 36 | 51 | – | 2,973 |
| Expected loss rate (%) | 0.00% | 0.00% | 0.00% | 23.68% | 0.00% | 0.41% |
| ECL provision | – | – | – | 12 | – | 12 |
| 2022 | | | | | | |
| Gross carrying amount | 2,130 | 60 | 10 | 23 | – | 2,223 |
| Expected loss rate (%) | 0.00% | 0.00% | 0.00% | 23.68% | 0.00% | 0.25% |
| ECL provision | – | – | – | 5 | – | 5 |

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

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

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs.

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

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

| \$ '000 | Weighted average interest rate | Subject to no maturity | ≤ 1 Year | payable in: | | Total cash outflows | Actual carrying values |
|------------------------------------|---|------------------------------|--------------|----------------|--------------|------------------------|------------------------------|
| | | | | 1 - 5 Years | > 5 Years | | |
| 2023 | | | | | | | |
| Payables | 0.00% | 206 | 1,589 | – | – | 1,795 | 1,862 |
| Borrowings | 2.01% | – | 147 | 783 | 974 | 1,904 | 1,904 |
| Total financial liabilities | | 206 | 1,736 | 783 | 974 | 3,699 | 3,766 |
| 2022 | | | | | | | |
| Payables | 0.00% | 176 | 1,496 | – | – | 1,672 | 2,003 |
| Borrowings | 2.01% | – | 144 | 606 | 1,298 | 2,048 | 2,048 |
| Total financial liabilities | | 176 | 1,640 | 606 | 1,298 | 3,720 | 4,051 |

E2-1 Fair value measurement

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

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

Fair value hierarchy

All assets measured at fair value are assigned to a level in the fair value hierarchy as follows:

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

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

Level 3: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Council:

| \$ '000 | Notes | Fair value measurement hierarchy | | | | Total | |
|--|-------|--|--|--|--|----------------|----------------|
| | | Level 2 Significant observable inputs 2023 | Level 2 Significant observable inputs 2022 | Level 3 Significant unobservable inputs 2023 | Level 3 Significant unobservable inputs 2022 | 2023 | 2022 |
| Recurring fair value measurements | | | | | | | |
| Financial assets | | | | | | | |
| Financial investments | C1-2 | | | | | | |
| At fair value through profit or loss – designated at fair value on initial recognition | | – | – | 10 | 10 | 10 | 10 |
| Total financial assets | | – | – | 10 | 10 | 10 | 10 |
| Infrastructure, property, plant and equipment | | | | | | | |
| | C1-7 | | | | | | |
| Plant and equipment | | – | – | 3,552 | 3,761 | 3,552 | 3,761 |
| Plant and equipment - specialised | | – | – | 2,260 | 2,395 | 2,260 | 2,395 |
| Office equipment | | – | – | 428 | 506 | 428 | 506 |
| Furniture and fittings | | – | – | 7 | 12 | 7 | 12 |
| Operational land | | 3,622 | 2,396 | – | – | 3,622 | 2,396 |
| Community land | | – | – | 6,661 | 5,021 | 6,661 | 5,021 |
| Land under roads (post 30/06/08) | | – | – | 66 | 25 | 66 | 25 |
| Land Improvements – non-depreciable | | – | – | 288 | 251 | 288 | 251 |
| Land Improvements - depreciable | | – | – | 236 | 211 | 236 | 211 |
| Buildings – non-specialised | | – | – | 10,811 | 10,328 | 10,811 | 10,328 |
| Buildings – specialised | | – | – | 9,044 | 8,805 | 9,044 | 8,805 |
| Other structures | | – | – | 12,490 | 11,102 | 12,490 | 11,102 |
| Roads, bridges, footpaths, bulk earthworks | | – | – | 144,901 | 122,098 | 144,901 | 122,098 |
| Stormwater drainage | | – | – | 7,710 | 7,283 | 7,710 | 7,283 |
| Sewerage network | | – | – | 16,416 | 15,565 | 16,416 | 15,565 |
| Water supply network | | – | – | 22,706 | 20,235 | 22,706 | 20,235 |
| Library books | | – | – | 219 | 184 | 219 | 184 |
| Swimming pools | | – | – | 3,094 | 3,036 | 3,094 | 3,036 |
| Other open space/recreational assets | | – | – | 1,024 | 839 | 1,024 | 839 |
| Tip assets | | – | – | 442 | 406 | 442 | 406 |
| Total infrastructure, property, plant and equipment | | 3,622 | 2,396 | 242,355 | 212,063 | 245,977 | 214,459 |

continued on next page ...

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E2-1 Fair value measurement (continued)

Valuation techniques

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

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

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment, Furniture & Fittings, Land Improvements and Library Books

Plant & Equipment, Office Equipment, Furniture & Fittings, Land Improvements and Library Books are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant & Equipment - Graders, trucks, rollers, tractors and motor vehicles.
- Office Equipment - Computer, photocopiers, tablets etc.
- Furniture & Fittings - Chairs, desks, cupboards etc.
- Land Improvements - Formation of land.
- Library Books - Books and audio visual.

Land improvement assets have been revalued internally as at 30 June 2021. An assessment has been undertaken on this asset class resulting in an indexation being applied for 30 June 2023.

There has been no change to the valuation process during the reporting period.

Operational & Community Land

Community land was revalued as at 30 June 2022 inhouse using the Land Value provided by the Valuer-General where available. Community land has been valued using level 3 valuation inputs.

Operational land was revalued as at 30 June 2023 by an external valuer, Australis Asset Advisory Group. Community land has been valued using level 2 valuation inputs.

The valuation is the valuer's opinion of the Market Value of the property as at the date of inspection having regard to the supply and demand conditions for this category of property.

Market value is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

An assessment has been undertaken on community land assets resulting in an indexation applied for 30 June 2023.

Buildings – Non-Specialised & Specialised

Non-Specialised & Specialised Buildings are valued by an external valuer, AssetVal Pty Ltd and have been revalued as at 30 June 2021. The cost approach has been used whereby replacement cost was estimated for each asset. No Market based evidence (Level 2) could be supported as such these assets were all classified as having been valued using level 3 valuation inputs.

There has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Buildings non-specialised and Buildings specialised for 30 June 2023.

Other Structures

Other Structures comprise of lighting, irrigation systems, fencing, shade structures etc.

The cost approach has been used whereby replacement cost was estimated for each asset. No Market based evidence (Level 2) could be supported as such these assets were all classified as having been valued using level 3 valuation inputs.

Other Structures have been revalued by an external valuer AssetVal Pty Ltd as at 30 June 2021 and there has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Other Structures for 30 June 2023.

E2-1 Fair value measurement (continued)

Roads

Roads include bulk earthworks, carriageway, roadside shoulders & kerb & gutter. The cost approach using level 3 inputs was used to value this asset class. A revaluation was undertaken as at 30 June 2020 in-house based on actual costs and assumptions from Council's Technical Services Department. No market based evidence (level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

A revaluation increment was recorded for 2023 relating to the reinstatement of impaired road assets from the 21/22 storm and flood events.

There has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Roads for 30 June 2023.

Bridges

Bridges were valued under the cost approach using level 3 inputs. A revaluation was undertaken as at 30 June 2020 in-house based on actual costs and assumptions from Council's Technical Services Department. No market based evidence (level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Bridges for 30 June 2023.

Footpaths

Footpaths were revalued in-house by Council's Technical Services Department as at 30 June 2020 and were based on actual cost per square meter of works carried out during the year.

There has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Roads for 30 June 2023.

Stormwater Drainage

Assets within this class comprise of pits and pipes.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear meters of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

A revaluation was undertaken as at 30 June 2020 in-house by council technical services staff and there has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Stormwater drainage for 30 June 2023.

Water Supply Network

Assets within this class comprise of bores, water treatment plant, reservoirs, pumping stations and water pipelines.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear meters of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. These assets are indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

The assets in this class of assets were revalued by an external valuer AssetVal Pty Ltd as at 30 June 2022 and there has been no change to the valuation process during the reporting period.

Sewerage Network

Assets within this class comprise of treatment works, pumping stations and sewerage mains.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear meters of certain diameter

continued on next page ...

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E2-1 Fair value measurement (continued)

pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. These assets are indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

The assets in this class of assets were revalued by an external valuer AssetVal Pty Ltd as at 30 June 2022 and there has been no change to the valuation process during the reporting period.

Swimming Pools

Swimming pools were valued using the cost approach. No Market based evidence (Level 2) could be supported as such these assets were all classified as having been valued using level 3 valuation inputs.

Swimming Pools have been revalued by an external valuer, AssetVal Pty Ltd as at 30 June 2021 and there has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Swimming pool assets for 30 June 2023.

Other Open Space/Recreational Assets

Assets within this class comprise of BBQ's and outdoor play equipment.

Other Open Space/Recreational Assets were valued using the cost approach. No Market based evidence (Level 2) could be supported as such these assets were all classified as having been valued using level 3 valuation inputs.

Open Space and Recreation Assets have been revalued by an external valuer, AssetVal Pty Ltd as at 30 June 2021 and there has been no change to the valuation process during the reporting period.

An assessment has been undertaken resulting in an indexation applied to Other open space/recreational assets for 30 June 2023.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

| \$ '000 | Fair value (30/6/23) 2023 | Valuation technique/s | Unobservable inputs |
|--|---------------------------------|---|--|
| Financial assets | | | |
| Unlisted equity securities | 10 | Level 3 Valued at cost | |
| Total financial assets | <u>10</u> | | |
| Infrastructure, property, plant and equipment | | | |
| Plant and Equipment | 5,812 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value |
| Office Equipment | 428 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value |
| Furniture and Fittings | 7 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value |
| Operational Land | 3,622 | Level 2 Market approach | <ul style="list-style-type: none"> • Land value (price per square metre) |
| Community Land, Land under roads (post 30/06/08) | 6,727 | Level 3 Market approach | <ul style="list-style-type: none"> • Land value (price per square metre) |
| Land Improvements- Non-dep | 288 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life |
| Land Improvements - depreciable | 236 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life |
| Buildings & other Structures | 32,302 | Level 3 External valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value |
| Roads, bridges, footpaths, bulk earthworks | 144,901 | Level 3 Internal valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Stormwater Drainage | 7,710 | Level 3 Internal valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Water Supply Network | 22,706 | Level 3 External valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Sewerage Network | 16,416 | Level 3 External valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Swimming Pools | 3,094 | Level 3 External valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Open Space and Recreational | 1,024 | Level 3 External valuation using cost approach | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life |
| Library Books | 219 | Level 3 Valued at cost | <ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value |

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

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

| | |
|------------|---|
| Division B | 1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members* |
| Division C | 2.5% salaries |
| Division D | 1.64 times member contributions |

* For 180 Point Members, Employers are required to contribute 8.0% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

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

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

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2023 was \$ 78,673.37. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$45,430. Council's expected contribution to the plan for the next annual reporting period is \$70,848.72.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

| Employer reserves only * | \$millions | Asset Coverage |
|---------------------------------|-------------------|-----------------------|
| Assets | 2,290.9 | |
| Past Service Liabilities | 2,236.1 | 102.4% |
| Vested Benefits | 2,253.6 | 101.7% |

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

The share of any funding surplus or deficit that can be attributed to Council is .17%

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

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

| | |
|--------------------|--|
| Investment return | 6.0% per annum |
| Salary inflation * | 3.5% per annum |
| Increase in CPI | 6.0% for FY 22/23 and 2.5% per annum thereafter |

* Plus promotional increases

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2023

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

E3-1 Contingencies (continued)

(iv) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

(ii) Quarries

Council operates a number gravel quarries and will have to rehabilitate the sites at some time in the future. As at 30 June 2023 Council is unable to reliably estimate the financial cost of such work.

ASSETS NOT RECOGNISED

(i) Land under roads

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

(ii) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

| \$ '000 | 2023 | 2022 |
|--------------------------|------------|------------|
| Compensation: | | |
| Short-term benefits | 842 | 802 |
| Post-employment benefits | 67 | 55 |
| Other long-term benefits | 27 | 22 |
| Total | 936 | 879 |

Other transactions with KMP and their related parties

| Nature of the transaction | Transactions during the year | Outstanding balances including commitments | Terms and conditions | Impairment provision on outstanding balances | Impairment expense |
|---|------------------------------|--|---|--|--------------------|
| \$ '000 | | | | | |
| 2023 | | | | | |
| Employee expenses relating to close family members of KMP | 367 | | – Council staff award | – | – |
| Related Parties, which are Suppliers of Council, supplying goods and services, such as printing services. | 38 | | – Contracts, purchase orders or tenders | – | – |
| 2022 | | | | | |
| Employee expenses relating to close family members of KMP | 266 | | – Council staff award | – | – |
| Related Parties, which are Suppliers of Council, supplying goods and services, such as printing services. | 74 | | – Contracts, purchase orders or tenders | – | – |

F1-2 Councillor and Mayoral fees and associated expenses

| \$ '000 | 2023 | 2022 |
|--|------------|------------|
| The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are: | | |
| Mayoral fee | 28 | 25 |
| Councillors' fees | 103 | 93 |
| Other Councillors' expenses (including Mayor) | 50 | 27 |
| Total | 181 | 145 |

F2 Other relationships

F2-1 Audit fees

| \$ '000 | 2023 | 2022 |
|--|-----------|-----------|
| During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms | | |
| Auditors of the Council - NSW Auditor-General: | | |
| (i) Audit and other assurance services | | |
| Audit and review of financial statements | 54 | 52 |
| Remuneration for audit and other assurance services | 54 | 52 |
| Total Auditor-General remuneration | 54 | 52 |
| Non NSW Auditor-General audit firms | | |
| (i) Audit and other assurance services | | |
| Internal Audit | 33 | 37 |
| Remuneration for audit and other assurance services | 33 | 37 |
| Total audit fees | 87 | 89 |

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

| \$ '000 | 2023 | 2022 |
|--|---------------|--------|
| Net operating result from Income Statement | 9,763 | 7,161 |
| Add / (less) non-cash items: | | |
| Depreciation and amortisation | 6,297 | 5,937 |
| (Gain) / loss on disposal of assets | 22 | (363) |
| Non-cash capital grants and contributions | (46) | (527) |
| – Revaluation decrements / impairments of IPP&E direct to P&L | 1 | 43 |
| Unwinding of discount rates on reinstatement provisions | 17 | 11 |
| Movements in operating assets and liabilities and other cash items: | | |
| (Increase) / decrease of receivables | (60) | 439 |
| (Increase) / decrease of inventories | (43) | 77 |
| (Increase) / decrease of other current assets | (26) | 24 |
| (Increase) / decrease of contract assets | (580) | (393) |
| Increase / (decrease) in payables | (148) | (311) |
| Increase / (decrease) in other accrued expenses payable | (43) | 111 |
| Increase / (decrease) in other liabilities | 50 | (34) |
| Increase / (decrease) in contract liabilities | 604 | 460 |
| Increase / (decrease) in employee benefit provisions | (77) | (61) |
| Increase / (decrease) in other provisions | 51 | 421 |
| Net cash flows from operating activities | 15,782 | 12,995 |

G2-1 Commitments

Capital commitments (exclusive of GST)

| \$ '000 | 2023 | 2022 |
|--|--------------|--------------|
| Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities: | | |
| Property, plant and equipment | | |
| Buildings | 1,093 | 2,585 |
| Recreation | 302 | 172 |
| Road infrastructure | - | 125 |
| Total commitments | 1,395 | 2,882 |
| These expenditures are payable as follows: | | |
| Within the next year | 1,395 | 2,882 |
| Total payable | 1,395 | 2,882 |
| Sources for funding of capital commitments: | | |
| Future grants and contributions | 857 | 2,359 |
| Unexpended grants | 72 | 302 |
| Unexpended Contributions | - | - |
| Externally restricted reserves | 373 | - |
| Internally restricted reserves | 93 | 221 |
| Total sources of funding | 1,395 | 2,882 |

Details of capital commitments

- Lake Talbot Skywalk \$101,350
- Landervale Fire Station \$601,014
- Solar Panels \$466,050
- Lake Talbot Pedestrian Deck \$154,541
- Henry Mathieson Oval Off leash dog area \$46,350
- Barellan Sportsground Spectator Pavillion \$26,200

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

G4 Statement of developer contributions as at 30 June 2023

G4-1 Summary of developer contributions

| \$ '000 | Opening balance at 1 July 2022 | Contributions received during the year | | | Interest and investment income earned | Amounts expended | Internal borrowings | Held as restricted asset at 30 June 2023 | Cumulative balance of internal borrowings (to)/from |
|--|--------------------------------|--|---------------|----------------|---------------------------------------|------------------|---------------------|--|---|
| | | Cash | Non-cash Land | Non-cash Other | | | | | |
| Roads | 55 | - | - | - | 2 | - | - | 57 | - |
| S7.11 contributions – under a plan | 55 | - | - | - | 2 | - | - | 57 | - |
| S7.12 levies - under a plan | 161 | 55 | - | - | 5 | (10) | - | 211 | - |
| Total S7.11 and S7.12 revenue under plans | 216 | 55 | - | - | 7 | (10) | - | 268 | - |
| S7.4 planning agreements | 251 | - | - | - | 6 | - | - | 257 | - |
| S64 contributions | 249 | 55 | - | - | 7 | - | - | 311 | - |
| Total contributions | 716 | 110 | - | - | 20 | (10) | - | 836 | - |

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

| \$ '000 | Opening balance at 1 July 2022 | Contributions received during the year | | | Interest and investment income earned | Amounts expended | Internal borrowings | Held as restricted asset at 30 June 2023 | Cumulative balance of internal borrowings (to)/from |
|--------------------------------------|--------------------------------|--|---------------|----------------|---------------------------------------|------------------|---------------------|--|---|
| | | Cash | Non-cash Land | Non-cash Other | | | | | |
| CONTRIBUTION PLAN - Pine Hill | | | | | | | | | |
| Roads | 55 | - | - | - | 2 | - | - | 57 | - |
| Total | 55 | - | - | - | 2 | - | - | 57 | - |

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

| \$ '000 | Amounts 2023 | Indicator 2023 | 2022 | Indicators 2021 | 2020 | Benchmark |
|--|-----------------|---------------------|--------------|--------------------|--------------|---------------|
| 1. Operating performance ratio | | | | | | |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2} | 4,576 | 15.77% | 0.28% | 5.42% | 8.65% | > 0.00% |
| Total continuing operating revenue excluding capital grants and contributions ¹ | 29,010 | | | | | |
| 2. Own source operating revenue ratio | | | | | | |
| Total continuing operating revenue excluding all grants and contributions ¹ | 14,823 | 43.31% | 46.51% | 44.46% | 56.70% | > 60.00% |
| Total continuing operating revenue | 34,227 | | | | | |
| 3. Unrestricted current ratio | | | | | | |
| Current assets less all external restrictions | 19,452 | 6.57x | 5.99x | 5.03x | 6.07x | > 1.50x |
| Current liabilities less specific purpose liabilities | 2,962 | | | | | |
| 4. Debt service cover ratio | | | | | | |
| Operating result before capital excluding interest and depreciation/impairment/amortisation ¹ | 10,937 | 51.35x | 44.41x | 215.52x | 0.00x | > 2.00x |
| Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement) | 213 | | | | | |
| 5. Rates and annual charges outstanding percentage | | | | | | |
| Rates and annual charges outstanding | 707 | 7.52% | 7.73% | 9.25% | 8.28% | < 10.00% |
| Rates and annual charges collectable | 9,407 | | | | | |
| 6. Cash expense cover ratio | | | | | | |
| Current year's cash and cash equivalents plus all term deposits | 36,269 | 21.51 months | 18.40 months | 19.67 months | 20.77 months | > 3.00 months |
| Monthly payments from cash flow of operating and financing activities | 1,686 | | | | | |

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

G5-2 Statement of performance measures by fund

| \$ '000 | General Indicators ³ | | Water Indicators | | Sewer Indicators | | Benchmark |
|--|---------------------------------|--------------|---------------------|--------------|---------------------|--------------|---------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | |
| 1. Operating performance ratio | | | | | | | |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2} | 18.93% | 1.50% | (13.09)% | (19.09)% | 13.75% | 8.70% | > 0.00% |
| Total continuing operating revenue excluding capital grants and contributions ¹ | | | | | | | |
| 2. Own source operating revenue ratio | | | | | | | |
| Total continuing operating revenue excluding capital grants and contributions ¹ | 35.72% | 39.59% | 95.93% | 99.19% | 82.94% | 87.91% | > 60.00% |
| Total continuing operating revenue ¹ | | | | | | | |
| 3. Unrestricted current ratio | | | | | | | |
| Current assets less all external restrictions | 6.57x | 5.99x | 54.73x | 53.09x | 34.00x | 30.42x | > 1.50x |
| Current liabilities less specific purpose liabilities | | | | | | | |
| 4. Debt service cover ratio | | | | | | | |
| Operating result before capital excluding interest and depreciation/impairment/amortisation ¹ | 59.98x | 50.23x | ∞ | ∞ | 16.51x | 7.29x | > 2.00x |
| Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement) | | | | | | | |
| 5. Rates and annual charges outstanding percentage | | | | | | | |
| Rates and annual charges outstanding | 6.91% | 7.34% | 10.15% | 8.30% | 8.52% | 9.05% | < 10.00% |
| Rates and annual charges collectable | | | | | | | |
| 6. Cash expense cover ratio | | | | | | | |
| Current year's cash and cash equivalents plus all term deposits | 19.07 months | 15.27 months | 41.63 months | 42.42 months | 26.32 months | 24.09 months | > 3.00 months |
| Monthly payments from cash flow of operating and financing activities | | | | | | | |

(1) - (2) Refer to Notes at Note G4-1 above.

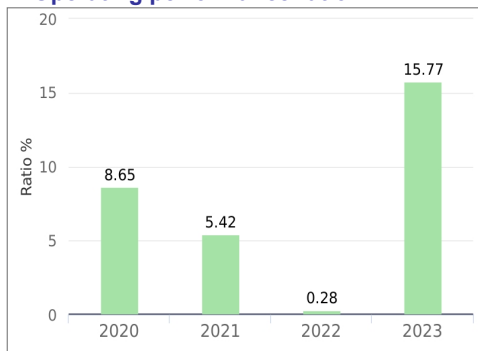
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2022/23 result

2022/23 ratio 15.77%

Council's operating performance has been impacted by the receipt of significant operating grants that remain unspent at 30 June 2023.

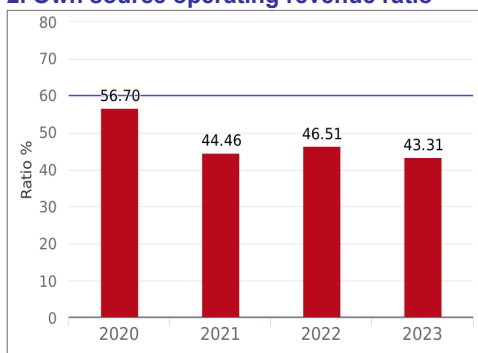
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result

2022/23 ratio 43.31%

Own source revenue has again been impacted by additional grant funding for Local Roads and Community Infrastructure (Covid-19 economic stimulus), Fixing Country Bridges, Regional and Local Roads program, Pothole grant and the Financial Assistance Grant 100% prepaid.

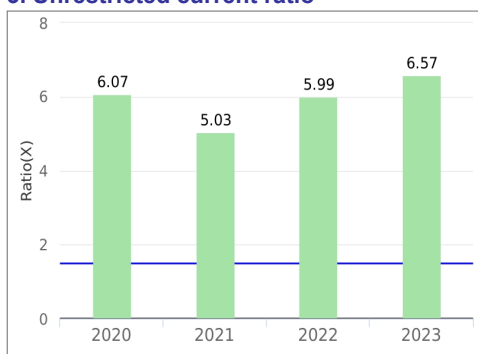
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 6.57x

Council's ratio remains well above the benchmark with more than adequate funds to satisfy its short term obligations.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

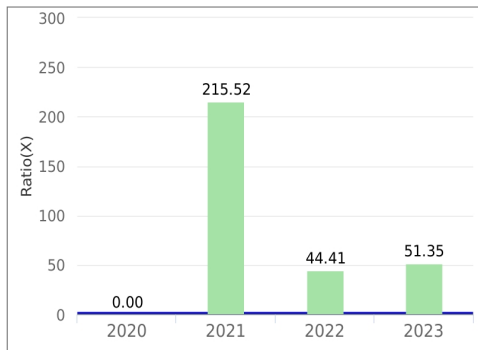
Ratio is outside benchmark

continued on next page ...

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H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result

2022/23 ratio 51.35x

Council currently has two external loans with the uptake of the Barellan sewer loan in 2022 and Lake Talbot pool in 2021. Internal loans exist from the Water fund to the General fund \$164,000

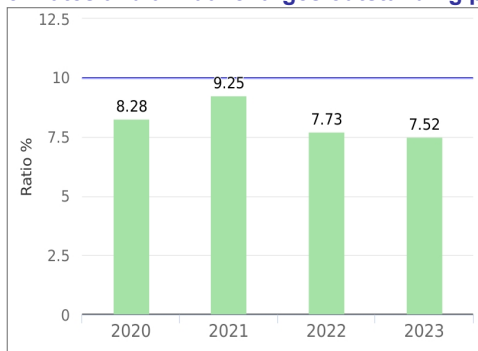
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

2022/23 ratio 7.52%

Council's outstanding rates have improved considerably and are at a satisfactory level having been achieved through a fair debt recovery program.

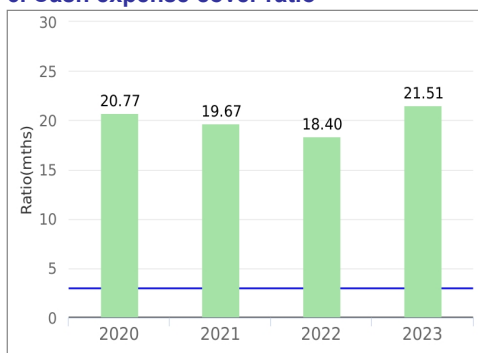
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2022/23 result

2022/23 ratio 21.51 months

Council has more than adequate cash to meet ongoing expenses for over 21 months without requiring additional cash inflows.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

141 East Street
Narrandera NSW 2700

Contact details**Mailing Address:**

141 East Street
Narrandera NSW 2700

Telephone: 02 6959 5510

Opening hours:

Office Hours
Monday to Friday
9.00am - 4:30pm

Internet: www.narrandera.nsw.gov.au

Email: council@narrandera.nsw.gov.au

Officers**General Manager**

Mr George Cowan

Responsible Accounting Officer

Mr Martin Hiscox

Public Officer

Mr Martin Hiscox

Auditors

NSW Audit Office
Level 19
Darling Park Tower 2
201 Sussex Street
Sydney NSW 2000

GPO Box 12

Sydney NSW 2001

Elected members**Mayor**

Cr Neville Kschenka

Councillors

Cr Cameron Lander
Cr Jenny Clarke
Cr Tracey Lewis
Cr Kevin Morris
Cr Peter Dawson
Cr Narelle Payne
Cr Braden Lyons
Cr Sue Ruffles

Other information

ABN: 96 547 765 569



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Narrandera Shire Council

To the Councillors of Narrandera Shire Council

Opinion

I have audited the accompanying financial statements of Narrandera Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

18 September 2023
SYDNEY



Cr Neville Kschenka
Mayor
Narrandera Shire Council
141 East Street
NARRANDERA NSW 2705

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-16585809-44612/1768

18 September 2023

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2023
Narrandera Shire Council**

I have audited the general purpose financial statements (GPFS) of the Narrandera Shire Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

| | 2023 \$'m | 2022 \$m | Variance % |
|--|--------------|-------------|---------------|
| Rates and annual charges revenue | 8.6 | 8.4 | ↑ 2.3 |
| Grants and contributions revenue | 19.4 | 16.1 | ↑ 20.4 |
| Operating result from continuing operations | 9.8 | 7.2 | ↑ 36.1 |
| Net operating result before capital grants and contributions | 4.5 | 0.3 | ↑ >100 |

The Council's operating result from continuing operations (\$9.8 million including depreciation and amortisation expense of \$6.3 million) was \$2.6 million higher than the 2021–22 result.

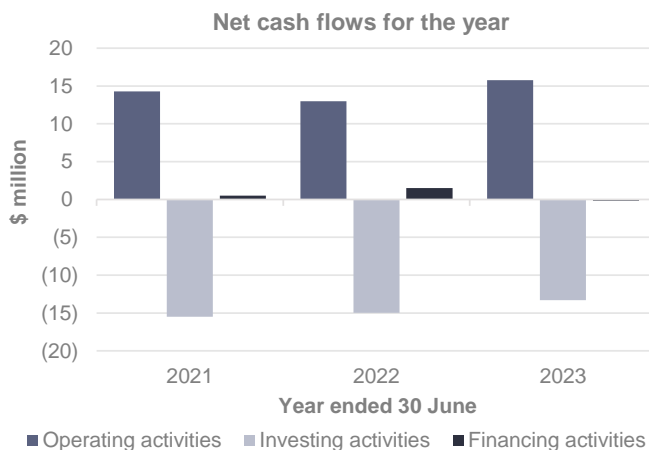
The net operating result before capital grants and contributions (\$4.5 million) was \$4.2 million higher than the 2021–22 result.

Rates and annual charges revenue (\$8.6 million) increased by \$0.2 million (2.3 per cent) in 2022–23 due to increase in rateable properties and increase in rate peg to 2.0%.

Grants and contributions revenue (\$19.4 million) increased by \$3.3 million (20.5 per cent) in 2022–23 due to a \$3.4 million increase in transport operational grants.

STATEMENT OF CASH FLOWS

- The Council's cash and cash equivalents was \$3.7 million at 30 June 2023 (\$1.4 million at 30 June 2022). There was a net increase in cash and cash equivalents of \$2.3 million during 2022-23.
- Net cash provided by operating activities has increased by \$2.8 million. This is mainly due to the increase in grants and contributions of \$3.9 million.
- Net cash used in investing activities has decreased by \$1.7 million, which is driven by the increase in purchase of infrastructure, property, plant and equipment of \$2.0 million.
- Net cash used in financing activities decreased by \$1.7 million, as \$1.6 million external borrowing was drawn by the Council during 2021-22.



FINANCIAL POSITION

Cash and investments

| Cash and investments | 2023 | 2022 | Commentary |
|---|--|--|---|
| | \$m | \$m | |
| Total cash, cash equivalents and investments | 36.3 | 29.2 | <ul style="list-style-type: none"> Externally restricted balances comprise mainly of developer contributions, water and sewer funds. The increase of \$7.1 million is primarily due to a \$4.2 million increase in specific purpose unexpended grants Internal allocations are determined by council policies or decisions, which are subject to change. The increase of \$1.7 million in the internal allocations is primarily due to a \$2.0 million increase in the Financial Assistance Grant received in advance |
| Restricted cash and investments: | | | |
| <ul style="list-style-type: none"> External restrictions Internal allocations | <ul style="list-style-type: none"> 20.0 16.1 | <ul style="list-style-type: none"> 14.7 14.4 | |

Debt

The Council has \$1.9 million of borrowings as at 30 June 2023 (2022: \$2.0 million). The borrowings are drawn through CBA related to the refurbishment and upgrading of Lake Talbot Water Park, and New South Wales Treasury Corporation related to the Barellan sewer project.

The Council also has a \$0.35 million bank overdraft facility, which was not drawn as at 30 June 2023 and 30 June 2022.

PERFORMANCE

Performance measures

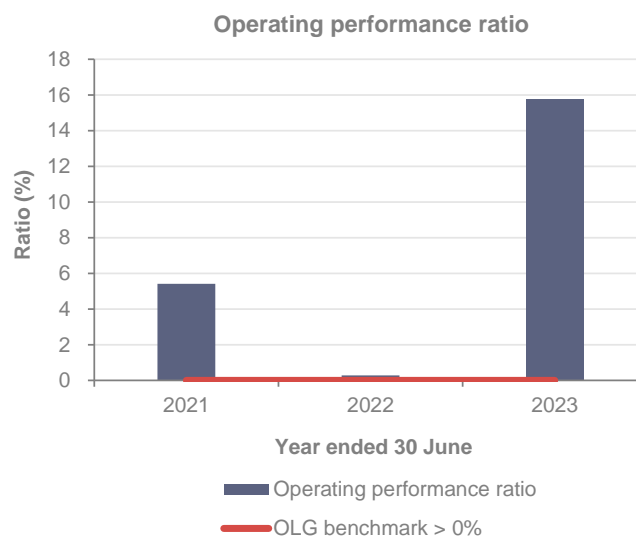
The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

The Council exceeded the OLG benchmark for the current reporting period.

The performance improved due to a \$4.9 million increase in operating grants and contributions.



Own source operating revenue ratio

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

The Council did not meet the OLG benchmark for the current reporting period.

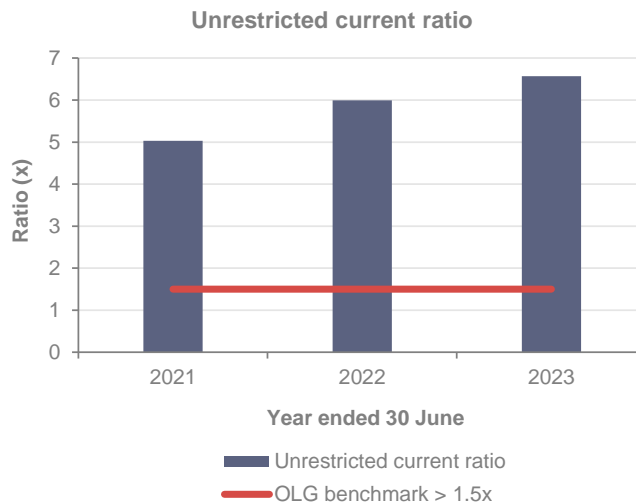


Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

The Council met the OLG benchmark for the current reporting period.

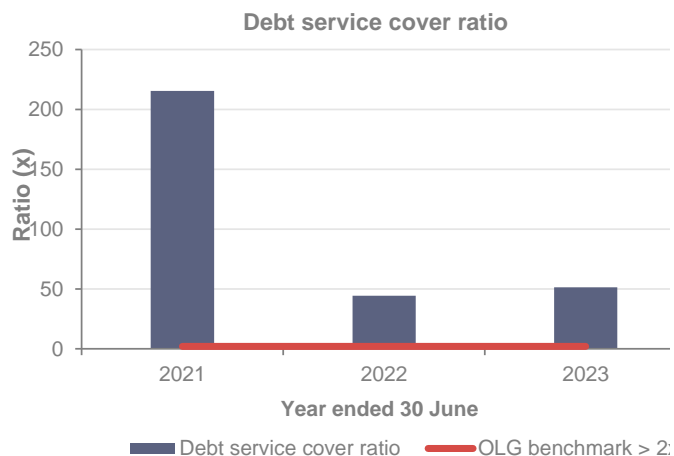
The current ratio improved due to a \$7.0 million increase in cash, cash equivalents and investments.



Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

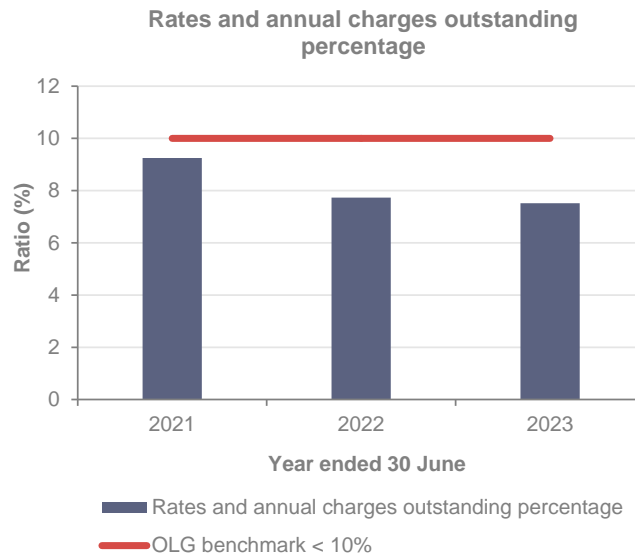
The Council met the OLG benchmark for the current reporting period.



Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for rural councils.

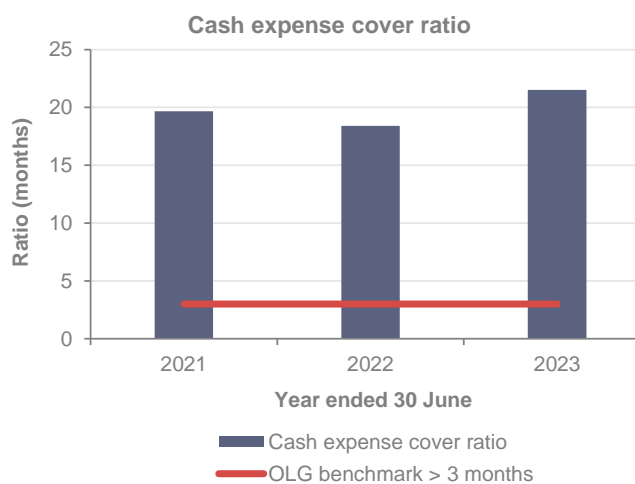
The Council met the OLG benchmark for the current reporting period.



Cash expense cover ratio

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period.



Infrastructure, property, plant and equipment renewals


The Council renewed \$2.3 million of assets in 2022-23, compared to \$7.6 million of assets in 2021-22.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Hong Wee Soh

Delegate of the Auditor-General for New South Wales

cc: Mr George Cowan, General Manager
Mr John Batchelor, Chair of the Audit, Risk and Improvement Committee
Ms Kiersten Fishburn, Secretary of the Department of Planning and Environment

Special Purpose Financial Statements

Year Ended
30 June 2023

Narrandera Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Narrandera Shire Council
Special Purpose Financial Statements
 for the year ended 30 June 2023

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:

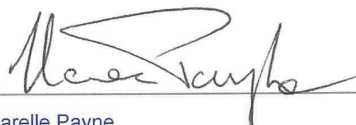
- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

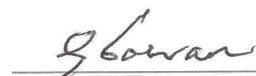
Signed in accordance with a resolution of Council made on 15 August 2023.



Neville Kschenka
Mayor
 15 August 2023



Narelle Payne
Councillor
 15 August 2023



Mr George Cowan
General Manager
 15 August 2023



Mr Martin Hiscox
Responsible Accounting Officer
 15 August 2023



Mr Shane Wilson
Deputy General Manager Infrastructure
 15 August 2023

Narrandera Shire Council | Income Statement of water supply business activity | for the year ended 30 June 2023

Narrandera Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2023

| \$ '000 | 2023 | 2022 |
|--|---------------|--------------|
| Income from continuing operations | | |
| Access charges | 848 | 792 |
| User charges | 1,354 | 1,067 |
| Fees | 7 | 31 |
| Interest and investment income | 153 | 51 |
| Total income from continuing operations | 2,362 | 1,941 |
| Expenses from continuing operations | | |
| Employee benefits and on-costs | 528 | 452 |
| Materials and services | 1,479 | 1,348 |
| Depreciation, amortisation and impairment | 651 | 515 |
| Net loss from the disposal of assets | 271 | 18 |
| Total expenses from continuing operations | 2,929 | 2,333 |
| Surplus (deficit) from continuing operations before capital amounts | (567) | (392) |
| Grants and contributions provided for capital purposes | 67 | 16 |
| Surplus (deficit) from continuing operations after capital amounts | (500) | (376) |
| Surplus (deficit) from all operations before tax | (500) | (376) |
| Surplus (deficit) after tax | (500) | (376) |
| Plus accumulated surplus | 18,233 | 18,609 |
| Plus adjustments for amounts unpaid: | | |
| Closing accumulated surplus | 17,733 | 18,233 |
| Return on capital % | (2.4)% | (1.7)% |
| Subsidy from Council | 1,530 | 1,224 |
| Calculation of dividend payable: | | |
| Surplus (deficit) after tax | (500) | (376) |
| Less: capital grants and contributions (excluding developer contributions) | (67) | (16) |
| Surplus for dividend calculation purposes | - | - |
| Potential dividend calculated from surplus | - | - |

Narrandera Shire Council | Income Statement of sewerage business activity | for the year ended 30 June 2023

Narrandera Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2023

| \$ '000 | 2023 | 2022 |
|--|---------------|---------------|
| Income from continuing operations | | |
| Access charges | 1,501 | 1,459 |
| User charges | 173 | 164 |
| Interest and investment income | 69 | 20 |
| Total income from continuing operations | 1,743 | 1,643 |
| Expenses from continuing operations | | |
| Employee benefits and on-costs | 339 | 377 |
| Borrowing costs | 39 | 20 |
| Materials and services | 760 | 792 |
| Depreciation, amortisation and impairment | 355 | 311 |
| Total expenses from continuing operations | 1,493 | 1,500 |
| Surplus (deficit) from continuing operations before capital amounts | 250 | 143 |
| Grants and contributions provided for capital purposes | 344 | 226 |
| Surplus (deficit) from continuing operations after capital amounts | 594 | 369 |
| Surplus (deficit) from all operations before tax | 594 | 369 |
| Less: corporate taxation equivalent (25%) [based on result before capital] | (63) | (36) |
| Surplus (deficit) after tax | 531 | 333 |
| Plus accumulated surplus | 12,460 | 12,091 |
| Plus adjustments for amounts unpaid: | | |
| – Corporate taxation equivalent | 63 | 36 |
| Closing accumulated surplus | 13,054 | 12,460 |
| Return on capital % | 1.6% | 1.0% |
| Subsidy from Council | 422 | 436 |
| Calculation of dividend payable: | | |
| Surplus (deficit) after tax | 532 | 333 |
| Less: capital grants and contributions (excluding developer contributions) | (344) | (226) |
| Surplus for dividend calculation purposes | 188 | 107 |
| Potential dividend calculated from surplus | 94 | 54 |

Narrandera Shire Council | Statement of Financial Position of water supply business activity | for the year ended 30 June 2023

Narrandera Shire Council

Statement of Financial Position of water supply business activity
as at 30 June 2023

| \$ '000 | 2023 | 2022 |
|---|---------------|---------------|
| ASSETS | | |
| Current assets | | |
| Contract assets and contract cost assets | 24 | – |
| Cash and cash equivalents | 89 | 313 |
| Investments | 6,155 | 6,050 |
| Receivables | 519 | 326 |
| Total current assets | 6,787 | 6,689 |
| Non-current assets | | |
| Receivables | 127 | 165 |
| Infrastructure, property, plant and equipment | 23,951 | 22,739 |
| Total non-current assets | 24,078 | 22,904 |
| Total assets | 30,865 | 29,593 |
| LIABILITIES | | |
| Current liabilities | | |
| Payables | 124 | 126 |
| Total current liabilities | 124 | 126 |
| Total liabilities | 124 | 126 |
| Net assets | 30,741 | 29,467 |
| EQUITY | | |
| Accumulated surplus | 17,733 | 18,233 |
| Revaluation reserves | 13,008 | 11,234 |
| Total equity | 30,741 | 29,467 |

Narrandera Shire Council | Statement of Financial Position of sewerage business activity | for the year ended 30 June 2023

Narrandera Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2023

| \$ '000 | 2023 | 2022 |
|---|---------------|---------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | 42 | 137 |
| Investments | 2,621 | 2,300 |
| Receivables | 176 | 201 |
| Contract assets and contract cost assets | 323 | 130 |
| Total current assets | 3,162 | 2,768 |
| Non-current assets | | |
| Infrastructure, property, plant and equipment | 17,686 | 16,365 |
| Total non-current assets | 17,686 | 16,365 |
| Total assets | 20,848 | 19,133 |
| LIABILITIES | | |
| Current liabilities | | |
| Borrowings | 93 | 91 |
| Total current liabilities | 93 | 91 |
| Non-current liabilities | | |
| Borrowings | 1,391 | 1,484 |
| Total non-current liabilities | 1,391 | 1,484 |
| Total liabilities | 1,484 | 1,575 |
| Net assets | 19,364 | 17,558 |
| EQUITY | | |
| Accumulated surplus | 13,054 | 12,460 |
| Revaluation reserves | 6,310 | 5,098 |
| Total equity | 19,364 | 17,558 |

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2021* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Narrandera Council Water Supply

Council's water supply activities servicing the town of Narrandera, and which is established as a Special Rate Fund of Council.

Category 2

(where gross operating turnover is less than \$2 million)

a. Narrandera Sewerage Service

Council's sewerage reticulation & treatment activities servicing the town of Narrandera, and which is established as a Special Rate Fund of Council.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 25% (21/22 25%)

Note – Significant Accounting Policies (continued)

Land tax – the first \$822,000 of combined land values attracts **0%**. For the combined land values in excess of \$822,000 up to \$5,026,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of **\$79,396 + 2.0%** applies.

Payroll tax – **5.45%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with section 4 of Department of Planning and Environment (DPE) – Water’s regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory or assurance framework as a ‘dividend for tax equivalent’, may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to sections 3 and 4 of DPE - Water’s regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25% (21/22 25%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the ‘Council’ as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face ‘true’ commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council’s borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses ‘would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field’.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council’s business activities on the Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.02% at 30/6/23.

Note – Significant Accounting Policies (continued)

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

A local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with section 4 of DPE - Water's regulatory and assurance framework and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2023 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with section 4 of DPE - Water's regulatory and assurance framework, statement of compliance and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DPE - Water.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Narrandera Shire Council

To the Councillors of Narrandera Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Narrandera Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2023, the Statement of Financial Position of each Declared Business Activity as at 30 June 2023 and Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water supply
- Sewerage

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2023, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

18 September 2023
SYDNEY

Special Schedules

Year Ended
30 June 2023



Narrandera Shire Council

Special Schedules

for the year ended 30 June 2023

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Permissible income for general rates

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Report on infrastructure assets as at 30 June 2023

6

Narrandera Shire Council | Permissible income for general rates | for the year ended 30 June 2023

Narrandera Shire Council

Permissible income for general rates

| \$ '000 | Notes | Calculation 2022/23 | Calculation 2023/24 |
|---|-------------------------|------------------------|------------------------|
| Notional general income calculation ¹ | | | |
| Last year notional general income yield | a | 5,193 | 5,308 |
| Plus or minus adjustments ² | b | 21 | 10 |
| Notional general income | c = a + b | 5,214 | 5,318 |
| Permissible income calculation | | | |
| Special variation percentage ³ | d | 0.00% | 0.00% |
| Or rate peg percentage | e | 2.00% | 3.70% |
| Or crown land adjustment (incl. rate peg percentage) | f | 0.00% | 0.00% |
| Less expiring special variation amount | g | - | - |
| Plus special variation amount | h = d x (c + g) | - | - |
| Or plus rate peg amount | i = e x (c + g) | 104 | 197 |
| Or plus Crown land adjustment and rate peg amount | j = f x (c + g) | - | - |
| Sub-total | k = (c + g + h + i + j) | 5,318 | 5,515 |
| Plus (or minus) last year's carry forward total | l | 17 | 20 |
| Less valuation objections claimed in the previous year | m | (7) | - |
| Sub-total | n = (l + m) | 10 | 20 |
| Total permissible income | o = k + n | 5,328 | 5,535 |
| Less notional general income yield | p | 5,308 | 5,511 |
| Catch-up or (excess) result | q = o - p | 20 | 24 |
| Plus income lost due to valuation objections claimed ⁴ | r | - | - |
| Less unused catch-up ⁵ | s | - | - |
| Carry forward to next year ⁶ | t = q + r + s | 20 | 24 |

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable, the Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts or the rate peg balance amounts will be deducted if they are not caught up within ten years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for when setting the rates in a future year.
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Narrandera Shire Council | Permissible income for general rates | for the year ended 30 June 2023



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Narrandera Shire Council

To the Councillors of Narrandera Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Narrandera Shire Council (the Council) for the year ending 30 June 2023.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2023'.

Narrandera Shire Council | Permissible income for general rates | for the year ended 30 June 2023

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

18 September 2023
SYDNEY

Narrandera Shire Council | Report on infrastructure assets as at 30 June 2023 | for the year ended 30 June 2023

Narrandera Shire Council

Report on infrastructure assets as at 30 June 2023

| Asset Class | Asset Category | Estimated cost | | 2022/23 Required maintenance ^a | 2022/23 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost | | | | |
|---|-----------------------------|--|---|---|----------------------------------|------------------------|------------------------------------|--|--------------|--------------|--------------|--------------|
| | | Estimated cost to bring assets to satisfactory standard | to bring to the agreed level of service set by Council | | | | | \$ '000 | \$ '000 | 1 | 2 | 3 |
| Buildings | Buildings – non-specialised | 2,538 | – | 425 | 178 | 10,811 | 31,054 | 2.0% | 11.0% | 46.0% | 39.0% | 2.0% |
| | Buildings – specialised | 1,316 | – | 243 | 154 | 9,044 | 17,703 | 36.0% | 3.0% | 23.0% | 36.0% | 2.0% |
| | Sub-total | 3,854 | – | 668 | 332 | 19,812 | 48,757 | 14.3% | 8.1% | 37.6% | 37.9% | 2.1% |
| Other structures | Other structures | 1,432 | – | 303 | 457 | 12,490 | 22,094 | 40.0% | 6.0% | 25.0% | 25.0% | 4.0% |
| | Sub-total | 1,432 | – | 303 | 457 | 12,490 | 22,094 | 40.0% | 6.0% | 25.0% | 25.0% | 4.0% |
| Water supply network | Water supply network | 3,969 | – | 503 | 1,306 | 22,706 | 44,937 | 18.0% | 6.0% | 41.0% | 28.0% | 7.0% |
| | Sub-total | 3,969 | – | 503 | 1,306 | 22,706 | 44,937 | 18.0% | 6.0% | 41.0% | 28.0% | 7.0% |
| Roads | Sealed roads pavement | 293 | – | 434 | 259 | 27,002 | 41,685 | 60.0% | 7.0% | 10.0% | 5.0% | 18.0% |
| | Sealed roads surface | 3,390 | – | 227 | 1,192 | 9,889 | 21,836 | 19.0% | 4.0% | 15.0% | 50.0% | 12.0% |
| | Unsealed roads pavement | 2,953 | – | 275 | 1,146 | 18,852 | 26,434 | 12.0% | 4.0% | 83.0% | 0.0% | 1.0% |
| | Bridges | 472 | – | 69 | 8 | 10,885 | 18,107 | 7.0% | 45.0% | 43.0% | 0.0% | 5.0% |
| | Footpaths | 6 | – | 28 | 21 | 1,326 | 1,927 | 28.0% | 69.0% | 2.0% | 0.0% | 1.0% |
| | Bulk earthworks | – | – | – | – | 68,950 | 68,950 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | Flood-ways | – | – | 23 | – | 2,179 | 2,239 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | Guardrail | 6 | – | 2 | – | 324 | 438 | 50.0% | 34.0% | 14.0% | 0.0% | 2.0% |
| | Kerb and guttering | – | – | 78 | 25 | 4,357 | 7,462 | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| | Traffic devices | – | – | 14 | – | 1,137 | 1,353 | 79.0% | 4.0% | 17.0% | 0.0% | 0.0% |
| Sub-total | 7,120 | – | 1,150 | 2,651 | 144,901 | 190,431 | 56.0% | 11.5% | 19.7% | 6.8% | 6.0% | |
| Sewerage network | Sewerage network | 639 | – | 287 | 683 | 16,416 | 25,613 | 48.0% | 29.0% | 14.0% | 6.0% | 3.0% |
| | Sub-total | 639 | – | 287 | 683 | 16,416 | 25,613 | 48.0% | 29.0% | 14.0% | 6.0% | 3.0% |
| Stormwater drainage | Stormwater drainage | 2,908 | – | 99 | – | 7,710 | 11,891 | 14.0% | 43.0% | 0.0% | 0.0% | 43.0% |
| | Sub-total | 2,908 | – | 99 | – | 7,710 | 11,891 | 14.0% | 43.0% | 0.0% | 0.0% | 43.0% |
| Open space / recreational assets | Swimming pools | 198 | – | 189 | 168 | 3,094 | 4,452 | 75.0% | 0.0% | 0.0% | 25.0% | 0.0% |
| | Open Space & Recreational | 128 | – | 117 | 37 | 1,024 | 1,946 | 29.0% | 40.0% | 15.0% | 7.0% | 9.0% |
| | Sub-total | 326 | – | 306 | 205 | 4,118 | 6,398 | 61.0% | 12.2% | 4.6% | 19.5% | 2.7% |
| Total – all assets | | 20,248 | – | 3,316 | 5,634 | 228,153 | 350,121 | 42.4% | 12.4% | 23.9% | 15.0% | 6.3% |

(a) Required maintenance is the amount identified in Council's asset management plans.

continued on next page ...

Narrandera Shire Council

Report on infrastructure assets as at 30 June 2023 (continued)

Infrastructure asset condition assessment 'key'

| # | Condition | Integrated planning and reporting (IP&R) description |
|---|---------------------|--|
| 1 | Excellent/very good | No work required (normal maintenance) |
| 2 | Good | Only minor maintenance work required |
| 3 | Satisfactory | Maintenance work required |
| 4 | Poor | Renewal required |
| 5 | Very poor | Urgent renewal/upgrading required |

Narrandera Shire Council | Report on infrastructure assets as at 30 June 2023 | for the year ended 30 June 2023

Narrandera Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

| \$ '000 | Amounts 2023 | Indicator 2023 | 2022 | Indicators 2021 | 2020 | Benchmark |
|--|-----------------|-------------------|---------|--------------------|---------|------------|
| Buildings and infrastructure renewals ratio | | | | | | |
| Asset renewals ¹ | 2,968 | | | | | |
| Depreciation, amortisation and impairment | 5,231 | 56.74% | 154.62% | 214.32% | 113.12% | >= 100.00% |
| Infrastructure backlog ratio | | | | | | |
| Estimated cost to bring assets to a satisfactory standard | 20,248 | | | | | |
| Net carrying amount of infrastructure assets | 237,914 | 8.51% | 14.68% | 14.52% | 10.53% | < 2.00% |
| Asset maintenance ratio | | | | | | |
| Actual asset maintenance | 5,634 | | | | | |
| Required asset maintenance | 3,316 | 169.90% | 190.73% | 119.07% | 170.30% | > 100.00% |
| Cost to bring assets to agreed service level | | | | | | |
| Estimated cost to bring assets to an agreed service level set by Council | - | 0.00% | 0.00% | 0.00% | 0.00% | |
| Gross replacement cost | 350,121 | | | | | |

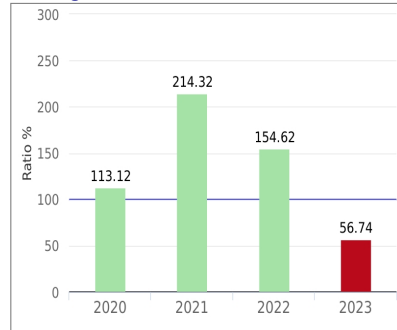
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Narrandera Shire Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

| Commentary on result | |
|---|--------|
| 22/23 ratio | 56.74% |
| Council's ability to meet this ratio has been impacted by flood events and grant programs for the construction of new assets. | |

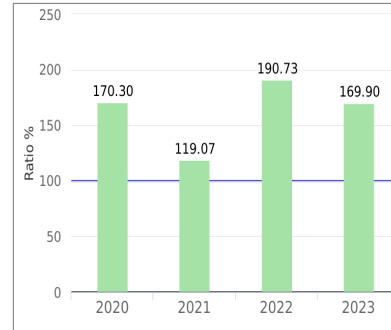
Benchmark: — $\geq 100.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

| Commentary on result | |
|---|---------|
| 22/23 ratio | 169.90% |
| Council is expending sufficient funds to ensure the infrastructure backlog ratio remains at a satisfactory level. | |

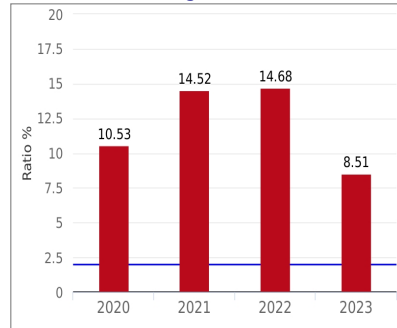
Benchmark: — $> 100.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

| Commentary on result | |
|---|-------|
| 22/23 ratio | 8.51% |
| Council is currently maintaining the infrastructure backlog ratio | |

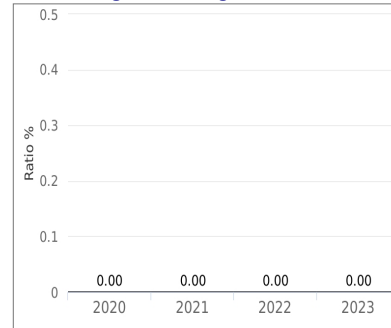
Benchmark: — $< 2.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

| Commentary on result | |
|----------------------|-------|
| 22/23 ratio | 0.00% |

Narrandera Shire Council | Report on infrastructure assets as at 30 June 2023 | for the year ended 30 June 2023

Narrandera Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (by fund)

| \$ '000 | General fund | | Water fund | | Sewer fund | | Benchmark |
|--|----------------|---------|----------------|---------|----------------|---------|------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | |
| Buildings and infrastructure renewals ratio | | | | | | | |
| Asset renewals | 67.67% | 177.93% | 14.53% | 0.00% | 0.00% | 91.80% | >= 100.00% |
| Depreciation, amortisation and impairment | | | | | | | |
| Infrastructure backlog ratio | | | | | | | |
| Estimated cost to bring assets to a satisfactory standard | 7.92% | 10.33% | 16.98% | 48.49% | 3.75% | 19.04% | < 2.00% |
| Net carrying amount of infrastructure assets | | | | | | | |
| Asset maintenance ratio | | | | | | | |
| Actual asset maintenance | 144.30% | 163.67% | 259.64% | 191.57% | 237.98% | 494.44% | > 100.00% |
| Required asset maintenance | | | | | | | |
| Cost to bring assets to agreed service level | | | | | | | |
| Estimated cost to bring assets to an agreed service level set by Council | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| Gross replacement cost | | | | | | | |



Disability Inclusion Action Plan 2022-2026

Update on progress at 30 June 2023 Reporting Year 2022-2023

DISABILITY INCLUSION ACTION PLAN 2022-2026

POSITIVE COMMUNITY ATTITUDES AND BEHAVIOURS

Elevate the profile and importance of people with a disability in our community

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---|--|---------------|
| 1.1.1 | Identify opportunities for an inclusive event recognising people with a disability and promoting inclusion. | Community Development (including Library) Manager | The Library plays host and provides a user friendly venue for Kurrajong Waratah clients and activities. It also provides a venue for community groups such as the Men's Group and the Nattering Knitters to meet in a safe, accessible environment. A range of special needs materials such as large print and talking books as well as adaptable E-Books, E-Magazines and E-Audio are available for persons with limited vision, elderly and housebound clients. The Mobile Library service visits housebound clients as well as facilities such as RSL Life Care and Opal Aged Care. The Library also obtained funding and ran a number of Tech Savvy Seniors courses through 2022-2023. In addition, as part of Seniors Festival 2023 Council hosted a highly successful Seniors Expo which brought local seniors together with a range of speakers and representatives of service providers to offer a day of information, advice and firsthand problem solving. | Completed |
| 1.1.2 | Through the Australia Day Committee consider an award recognising a significant contribution to the disability sector or the promotion of inclusivity and/or accessibility. | Events and Visitor Services Team Leader | The 2024 Australia Day Awards will include an award recognising a significant contribution to the disability sector or the promotion of inclusivity and/or accessibility. | Completed |

Include disability awareness within Committee and Advisory Groups Terms of Reference.

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---|--|---------------|
| 1.2.1 | Education delivered to the organisation on disability awareness also that disability awareness is to be included within the new employee induction program. | Human Resources Manager | The current induction process does not cover disability awareness in detail; however, this will be rectified in the next review of the induction process. A review of the induction process will be conducted soon the review will be aligned with the purchase/subscription to the Pulse onboarding module. | Progressing |
| 1.2.2 | Include disability awareness within Committee and Advisory Groups Terms of Reference. | Community Development (including Library) Manager | When undertaking new works or providing repairs or improvements to existing infrastructure Council takes in to account the needs of the whole community with special consideration given to equity and access. This is supported through the consultation process and the advice provided by Council Committees. The Terms of Reference for S355 and Advisory Committees have not been amended at this stage of the Council cycle however practical evidence of this consideration includes the provision of hand grips for security also trolleys to facilitate safe movement of heavy or large items at the Parkside Museum. This was evidenced throughout the Narrandera Wide Open Arts Program facilitated by the Arts and Cultural Advisory Committee where all events were held at an accessible venue and took in to account the requirements of patrons with special needs. Accessibility is a key consideration for all Committees when events and activities are proposed. | Progressing |
| 1.2.3 | Use media resources to promote disability awareness within the community. | Communications Officer | Council promoted a free online training seminar through The Australian Centre for Disability Law for students with a disability, or parents/carers, focused on learning to working well in with educational providers. | Completed |

LIVEABLE COMMUNITIES

Ensure the needs of people with a disability are properly considered when upgrading or developing Council infrastructure, recreational and cultural areas.

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--------------------------|--|--------------------|
| 2.1.1 | Commitment to disability awareness when considering, designing and executing projects. | Deputy GM Infrastructure | All projects are designed and constructed to comply with the Disability (Access to Premises — Buildings) Standards 2010 and the National Construction Code - Disability Access provisions. | Ongoing commitment |

Advocate to the Shire business community the importance of disability access to premises.

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|------------------------------|---|---------------|
| 2.2.1 | When opportunities arise, promote disability access to commercial property owners and retailers. | Economic Development Manager | As these opportunities arise Council will ensure advocacy of inclusivity and access to commercial property. | Progressing |

SUPPORT ACCESS TO MEANINGFUL EMPLOYMENT

Consider opportunities for people living with a disability to work with Council

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-------------------------|--|---------------|
| 3.1.1 | Council's Workforce Management Strategy to include meaningful guidelines for inclusion and Equal Employment Opportunities | Human Resources Manager | Council continues to employ one person with a recognised physical disability who is employed on a part time basis. Modifications have been made to the workplace to accommodate the requirements of this employee. Council continues to work with a local National Disability Insurance Scheme provider to facilitate a meaningful work/volunteer placement for an intellectually disability volunteer, this | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--------|----------------------|---|---------------|
| | | | volunteer works 4 hours each week with the aid of a support person. Recently Council advertised a casual customer service role which this volunteer applied for, Council is currently determining if there is a position available that can utilise the skills and knowledge of the applicant. Council also engages the services of a non-verbal volunteer in a casual arrangement when suitable work is available. The Human Resources team has reviewed the Workforce Management Plan and made the necessary amendments, so is currently in draft format. | |

Recognise workers with a disability and those performing a carer role for people with a disability

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|-------------------------|--|---------------|
| 3.2.1 | Promote Council as an 'employer of choice' by considering flexible working arrangements for staff to facilitate a better work/life balance | Human Resources Manager | Council provides many forms of flexible working arrangements - all applications requesting variations from the standard working arrangements are fully considered. A number of employees have requested and had their work times and/or days of work modified. To date the Human Resources team have not received any requests to vary hours due to care responsibilities for a person living with a disability. Flexible work arrangements are promoted as part of the recruitment processes and the onboarding process. Flexible work arrangements are currently being reviewed as part of the working party reference work initiatives. | Progressing |

Work proactively with employment service providers to match capabilities with workforce needs at Council and other workplaces

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-------------------------|--|---------------|
| 3.3.1 | Identify and work with disability employment organisations to assist with opportunities for employment at both Council and advocate to other workplaces where possible. | Human Resources Manager | Council has built a working relationship with local NDIS provider Kurrajong Narrandera. Council considers all requests for placement and currently has one long term commitment with a Kurrajong client with this placement being very successful. Council will consider further requests for placement by this and other providers as they arise. | Progressing |

IMPROVING ACCESS TO SERVICES

Identify gaps and limitations in Commonwealth and State services and provide a voice for advocacy

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---------------------------|--|--------------------|
| 4.1.1 | Where gaps are identified and are impacting members of the community, advocate for appropriate levels of support services | Community Support Manager | Council continues to participate in the weekly hospital discharge planning meeting also the monthly Interagency meeting and the quarterly Narrandera Health Advisory Group meeting - these meetings are used to identify the needs of identified members and the community as a whole. The NDIS provider 'My Plan Connect' held a meet and greet day at the Narrandera Library to help participants and future participants of the National Disability Insurance Scheme to get the most out of their packages. | Ongoing commitment |

Recognise the essential services that provide connectivity and support to members of our community, where necessary provide support and advocacy for improved services

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|---------------------------|--|--------------------|
| 4.2.1 | Strong voice of advocacy where reductions in community connectivity and services occur | Community Support Manager | Narrandera - Leeton Community Transport provides Community Transport to persons 65 years and over or 50 years and over and to persons identifying as Aboriginal or Torres Strait Islander also to those who are transport disadvantaged or participants of the National Disability Insurance Scheme and Home Care Package recipients. The purpose of the transport is for attending medical appointments, shopping or for social inclusion. Other services such as Social Support, Home Modifications and Maintenance and Flexible Respite are available for persons 65 years and over or 50 years and over and who identify as Aboriginal or Torres Strait Islander also participants of the National Disability Insurance Scheme and Home Care Package recipients. | Ongoing commitment |



Delivery Program 2022-2026
Annual Report
Reporting Year 2022-2023

DELIVERY PROGRAM 2022-2026

OUR COMMUNITY

To live in an inclusive, healthy and tolerant community with a positive attitude toward others

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---|---|---------------|
| 1.1.1 | Acknowledge and celebrate our local Wiradjuri culture | Community Support Manager | Council continues to work on the new Wiradjuri Honour Wall located in Marie Bashir Park - this project is a memorial wall to the Wiradjuri people of the Narrungdera nation. The project consists of curved concrete walls with granite etched inlays and a central metal sphere feature. Local Roads & Community Infrastructure Grant and Narrandera Shire Council fund this project. Council continues to meet regularly with the Aboriginal Elders Liaison Group to discuss matters impacting the Aboriginal community. | Progressing |
| 1.1.2 | Support opportunities for community participation in diverse arts and cultural activities | Community Development (including Library) Manager | The Wide Open Narrandera program has run through 2022-2023 with monthly exhibitions. All 12 exhibitions have been held at the Arts Centre which is an accessible venue. Activities for those with special needs are also coordinated and facilitated by the Narrandera Library, with Social Support and transportation provided through HACC and Community Transport. In 2023 a Seniors Expo was held as part of Seniors Festival which connected older people, including those with special needs, with information and service providers who could assist them to learn about available services and to participate more fully in community activities. | Completed |
| 1.1.3 | Work with event organisers to promote and | Events and Visitor Services Team Leader | Contact with and publicity to assist local community groups initiate and promote community events is ongoing. In the past 6 months a number of community events have been | Completed |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|----------------------|---|---------------|
| | improve participation in local events and festivals | | successfully held; some have been assisted at a Council level with the support of the Events and Visitor Services Team Leader (EVSTL) and others on a more informal basis. On June 15th a Volunteer Expo was held at the Emergency Operations Centre to recruit new volunteers for all community organisations. A number of these organisations are the hosts of local community events and others are participants. It was identified that more volunteers are needed to assist in the hosting of events with a new concept introduced to these groups of short term volunteer recruitment - the EVSTL will follow up with a workshop to be held in the 2023-2024 financial year to assist in raising the skill levels of groups with regards to Event Management. | |

Work together to advocate for quality health, education, youth and social services

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|---------------------------|--|--------------------|
| 1.2.1 | Continue to work with the Aboriginal community fostering mutual respect and understanding through consultation seeking valuable feedback on important projects and initiatives | Community Support Manager | The Narrandera Shire Council Aboriginal Elders Liaison Group a number of meeting during the reporting year, discussing many issues of importance including: finalising the wording for the Wiradjuri Honour Wall, NAIDOC Week 2023, maintenance of Koori Beach, a presentation from the administrator looking after the Local Aboriginal Lands Council, meeting with all of the Principals from the local schools to discuss education initiatives offered to Aboriginal students and future projects from Landcare. | Ongoing commitment |
| 1.2.2 | Work with the Youth Council to implement the Youth Strategy | Community Support Manager | During this term the Youth Advisory Council have been successful in receiving funding under the school holiday program for 'winter break funding' and 'spring into action' "Summer Breeze" and "Keeping Out of the Cold" which facilitated activities in Marie Bashir Park, a bus trip to ice- | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|---------------------------|--|--------------------|
| | | | skating, a movie night, a Paint and Picasso event, activities at the Lake Talbot Water Park, Totem Skate School, Roller Disco and Learn to Skate, craft lessons and a slime run held in October. Headspace have attended each 'boredom busters' day held by the Youth Advisory Council, through partnership with Local Health Advisory Committee, the YAC will be participating in the 'blue tree project' which is a mental health initiative to raise awareness and start a conversation around mental health matters. | |
| 1.2.3 | Integrate the Youth Council into official Council and community events | Community Support Manager | Council is still working towards integrating the Youth Council into the operations of the official Council. The Youth Council has attended various community events to provide food and refreshments from the food trailer, as well as many events aimed at youth. These have included roller skating evenings, fun days in the park and a slime run. The Youth Advisory Council were present at Council's Listening Posts, providing feedback on the proposed main street upgrade and they also held their own survey to provide feedback to the Council on important issues facing young people within the community. The information gathered will be presented at the July Council Meeting. The Youth Council also attended a presentation by the Vape Free Action Group to provide education and awareness of the dangers of vaping. This presentation will be made available to the greater community in July. | Progressing |
| 1.2.4 | Continued advocacy for the delivery of integrated health services and well-being programs. | General Manager | Attended two further Council of Australian Governments (GOAG) meetings held by the Murrumbidgee Local Health District (MLHD) and lobbied for the renovation of the former nurses' quarters in Narrandera for onsite accommodation for staff and visiting medical officers. The issue of dialysis services was also raised with the incoming government. | Ongoing commitment |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--------|----------------------|---|---------------|
| | | | Council resolved to continue to fund the Rural Doctors Network Scholarships to the value of \$3,000 and supported the hosting of two trainees in February 2023. Quarterly meetings were also attended, organised by the MLHD. | |

To feel connected also safe

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|--------------------------------|--|--------------------|
| 1.3.1 | Maintain and enhance the connection between Council and the community using available communication channels | Communications Officer | For the 2022-2023 reporting year, Council continued to utilise various channels to communicate Council activity to the community. In the past year, thirty-six media releases were distributed through regional and local media with the Communications Officer assisting with 90 media enquiries. The Council website engaged with 14,779 different users through 35,574 sessions, the top engaged page was the Home Page (12,916) from which many information options are available. | Completed |
| 1.3.2 | Continued advocacy for the strengthening of critical emergency services personnel and 'fit for purpose' infrastructure through the Narrandera Community Safety Precinct Committee | General Manager | Attended three quarterly meetings of NSW Police district commanders along with representatives of Leeton Shire Council. A submission was made to the Department of Regional NSW identifying the state of Police buildings in our Shire and continued to raise the issue of crime within the region. | Ongoing commitment |
| 1.3.3 | Ensure that the CCTV network is functional and there is a program for enhancement | Information Technology Manager | Council staff continue to maintain the existing CCTV infrastructure to respond to any requests for footage from the NSW Police. Council staff are also currently making plans to improve the existing CCTV systems in consultation | Ongoing commitment |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---------------------------|--|--------------------|
| | | | with the local Police and with the assistance of a government financial grant. | |
| 1.3.4 | Provide transport opportunities to support independent living at home | Community Support Manager | The Narrandera - Leeton Community Transport provided 14,254 trips to residents of the Narrandera and Leeton Shires to attend medical appointments, for social outings and for the purpose of shopping. Of these trips 4,864 were delivered to those who are 65 years and older (or 50 years and older and identify as Aboriginal and Torres Strait Islander), 6,713 were delivered to those who are transport disadvantaged, 224 were delivered to National Disability Insurance Scheme (NDIS) participants and the remainder were delivered through brokerage agreements and non-emergency health related transport. Narrandera - Leeton Community Transport travelled a total of 405,984 kilometres during the reporting 2022-2023 reporting period. | Ongoing commitment |

OUR ENVIRONMENT

To value, care for and protect our natural environment

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|-------------------------------|---|---------------|
| 2.1.1 | Establish strong partnerships to protect, expand and promote Narrandera's unique koala population with a vision to establish a research centre in Narrandera | Economic Development Manager | The Economic Development team continues to work closely with the Koala Regeneration Committee and have a strong relationship. This partnership then works with Charles Sturt University (CSU), Murrumbidgee Landcare and National Parks and Wildlife Service (NPWS) to ensure that our Koala population remains protected and healthy. At the 20 June 2023 meeting, Council resolved to concur with the Department of Planning, Industry and Environment for the issue of a short-term (12 month) to the Koala Science Team for the purpose of Environmental Studies - Koala Surveys. | Progressing |
| 2.1.2 | Key environmentally sensitive areas under the control of Council are managed with awareness and sensitivity | Open Space Recreation Manager | The Narrandera Flora and Fauna Reserve, the Narrandera Wetlands, the Lake Talbot and Rocky Water Holes precincts are all managed in accordance with the Crown Land Management Act, 2016. Targeted weed control program is currently in place for Blackberry and African Boxthorn. | Completed |
| 2.1.3 | Preservation and enhancement of our significant tree assets to maintain our signature streetscapes | Open Space Recreation Manager | The unique treescape of Narrandera is proactively managed with significant trees preserved to ensure the aesthetic value of Narrandera and to remain healthy and unique. Recent significant storm events have resulted in the removal of 130 trees; however, the tree replacement program is progressing. | Completed |

Enhance our public spaces to enrich our community

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|-------------------------------|--|---------------|
| 2.2.1 | Continually assess playgrounds to determine if fit for purpose, ensure compliance with the relevant standards and they meet community needs relevant to the level of use of the area | Open Space Recreation Manager | Community playgrounds are inspected bi-weekly, weekly or monthly depending on their location and the level of use of the playground. The inspection process and findings are documented and saved into council risk management system "Vault". Any remedial actions are assigned as tasks to staff and completed once repairs or replacements have taken place. | Completed |
| 2.2.2 | Implement a renewal and maintenance schedule to support a diverse range of building facilities for the community | Projects and Assets Manager | Council buildings renewal and maintenance program for the 2022-2023 financial year has been finalised. Scheduled air-conditioning servicing, spider spraying, and gutter cleaning have been completed. Renewal activities included an air conditioner replacement, identified fixture and fittings replacements, lighting upgrade, upgrade of some female toilet facilities, roof and gutter works, plumbing renewals, boundary fence replacement and internal /external painting. | Completed |

Maximise greater re-use of resources to increase sustainability within our community

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-----------------------------|--|---------------|
| 2.3.1 | Implementation of the Narrandera Shire Waste Management Plan and identify realistic opportunities for re-use of waste streams | Deputy GM Infrastructure | The new waste transfer area has been awarded with construction commencing shortly. Site preparation of the new area has been undertaken with internal roadway to commence in August. | Progressing |
| 2.3.2 | Source funding and implement short to | Projects and Assets Manager | Council was unsuccessful in gaining \$600,000 in grant funding under the Building Better Region Fund Round 6 for | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|----------------------|--|---------------|
| | medium term actions from the Narrandera Shire Council Climate Action Strategy | | the 'Power to Save' application. Council has itself funded the construction of 230KW (behind the meter photovoltaic (PV) solar system) and 35kWh of battery storage. The initial high demand sites are the Narrandera Sewer Treatment Plant, the Lake Talbot Water Park, the Narrandera Works Depot, the Truck Wash facility, the Narrandera Sports stadium and finally the Council Administration Centre. | |

OUR ECONOMY

Create strong conditions for investment and job creation through quality infrastructure and proactive business support

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--|--|--------------------|
| 3.1.1 | Identify and develop targeted campaigns to attract industry/business also building on our distinctive strengths in agriculture and its related supply chains | Economic Development Manager | For the 2022-23 reporting year - Council begun preparing the 2023-2026 Economic Development Strategy (EDS) which will focus on achieving positive economic outcomes and long-term economic growth to support businesses and residents of the Narrandera Shire. | Progressing |
| 3.1.2 | Promote collaborative marketing initiatives through regular meetings between businesses and Council on both a formal and informal basis | Economic Development Manager | For the 2022-23 reporting period Council has work on collaborative marketing initiatives, engaged in consultation sessions for the development of our 2023-26 Economic Development strategy, meet with many industries and businesses, attended business group meetings and engaged government agencies to assist businesses. Through regular meetings with local industries, businesses and attending business group meetings we can gain valuable insights into the needs and aspirations of local businesses. These interactions enable council to develop targeted marketing initiatives, nurture potential collaborations, and create a supportive environment for business growth. | Progressing |
| 3.1.3 | Promotion of Narrandera Shire using our heritage buildings, culture, location, waterways, ecotourism also business and sporting facilities | Tourism and Economic Development Coordinator | The unique natural environment and the built environment of our Shire is promoted in almost all of Council's promotional material ranging from printed brochures to banners used on the website of Council and in social media posts. | Ongoing commitment |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|------------------------------|--|---------------|
| 3.1.4 | Advocate and support the expansion of the Narrandera-Leeton Airport and increased business opportunities | Economic Development Manager | For the 2022-2023 reporting year Council supported the Regional NSW Jobs Creation Funding application for the Australian Airline Pilot Academy (AAPA). We believe that the increased use and capacity at the Narrandera - Leeton Airport will significantly benefit Narrandera Shire and its residents both socially and economically. | Progressing |

Encourage new housing supply to meet the needs of the community

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|------------------------------|--|--------------------|
| 3.2.1 | Actively seek and where possible, assist prospective developers to facilitate a mixed housing development that includes an independent living complex and affordable housing in Narrandera | Economic Development Manager | For the 2022-2023 reporting year, the Economic Development team have created open channels of communication with prospective developers and local real estate agents to help facilitate potential housing developments in Narrandera, which includes an independent living complex and affordable housing. | Progressing |
| 3.2.2 | Strategic land use planning for future housing, recreational, commercial and industrial needs | Deputy GM Infrastructure | Narrandera Local Housing & Employment Zone Land Strategy was adopted by Council in December 2022. The identified actions are now being progressed, with the planning proposal for the identified Employment Zone Land west of the Red Hill Industrial Estate now underway. | Progressing |
| 3.2.3 | Continue to lobby NSW Government to resolve Aboriginal Land Claims on lands suitable for potential development | General Manager | The General Manager met with Minister and relevant staff twice during the reporting year to lobby for the claims to be resolved. At this point in time there has been no progress, due to a lack of resources allocated by the NSW Government. | Ongoing commitment |

OUR INFRASTRUCTURE

To have an improved and appropriately maintained road network

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|----------------------|--|---------------|
| 4.1.1 | Submit funding applications to maximise opportunities to upgrade the local and regional road network | Works Manager | All funding streams eligible for Council to apply for in 2022-2023 were submitted for consideration with a summary of applications below. Council has applied for and is awaiting notification of \$102,500 Regional Roads Repair Program 2023-2024 Council has applied for and was successful in receiving: \$815,539 Fixing Local Roads Round 4 for Old Wagga Road widening and safety improvements; \$534,331 Fixing Local Roads Pothole Repair Round; \$2,836,998 Regional and Local Roads Repair Program; \$1,923,604 Essential Public Asset Reconstruction Works for Natural Disaster January 2022; \$102,470 Regional Roads Repair Program 2022-2023 for Barellan Road rehabilitation; Additional funding applications will be submitted in 2023-2024 for damage caused by Natural Disaster August to October 2022 also Natural Disaster 2022 Buckingbong Road and Federal Park Road. | Completed |
| 4.1.2 | Plan and undertake road maintenance and upgrades based on available funding | Works Manager | The Narrandera Shire Council Local Government Area was heavily impacted by Natural Disaster Events AGRN1030 and AGRN1034 from September 2023 onwards. Significant damage to the sealed and unsealed road network caused by flooding and extended heavy traffic on Council's local roads due to the closure of the Sturt Highway and the Newell Highway. Council has completed 54.5 Kilometres of scheduled Gravel Resheet works, 452 Kilometres of maintenance, 1.7km of sealed road rehabilitation and 550 metres of new industrial | Completed |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--------------------------|---|--------------------|
| | | | road construction. Included in these figures, Council has undertaken Emergency Works (EW) and Immediate Reconstruction Works (IRW) to 41.6 Kilometres of road network as part of Natural Disaster AGRN1034 (September 2022 onwards) and Essential Public Asset Reconstruction Works (EPA-RW) Gravel Resheet works of 21.5 Kilometres of road network as part of Natural Disaster AGRN1001 (January 2022). | |
| 4.1.3 | Strategic lobbying for the replacement or upgrade of the bridge across the main irrigation canal on Irrigation Way | Deputy GM Infrastructure | Council has ongoing communication with TfNSW and Local Member, but there is no commitment to improve the bridge at this stage. Initial investigations have been conducted by TfNSW, but no budget has been allocated for any detailed design work. | Ongoing commitment |

Actively investigate opportunities to enhance our potable water quality

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|----------------------|---|---------------|
| 4.2.1 | Implement the adopted Integrated Water Cycle Management Plan (IWCM) | Water Sewer Manager | Funding for the Integrated Water Cycle Management Plan (IWCM) additional works has been received with works currently underway - completion of the additional works and the IWCM strategy is expected by the end of September 2023. | Progressing |
| 4.2.2 | Continue to address water quality issues within the potable water supply network | Water Sewer Manager | Funding for the Narrandera Water Treatment Plant Scoping Study was approved, and the project began in May 2023. Potable water testing and initial studies are underway. Household filter installation program is still progressing slowly due to contractor availability. The water mains replacement program is slightly behind schedule due to wet weather, other works being prioritised also staff availability. The hydrant flushing program has been completed. | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|------------------------|--|---------------|
| 4.2.3 | Ensure that wastewater returned to the environment is in line with guidelines from relevant authorities | Water Sewer Manager | There have been issues at the Narrandera Sewer Treatment Plant (STP) with 2 recorded non-conformances for the reporting year - these non-conformance reports can be explained by high levels of rainfall and flooding events, also the delay in upgrading the STP filtration system. | Progressing |
| 4.2.4 | Keep the community informed of water supply matters and proposed infrastructure upgrades, encourage water customers to register and use the new water billing portal | Communications Officer | The water billing portal went live in February 2023 which allows property owners to log into the 'water billing portal' from the website of Council to monitor their water usage and as a tool to identify any possible water leaks - information has and will continue to be issued with rate instalment notices and annual rate notices promoting the portal. A Council staff member monitors the portal for high water consumption which could indicate a water leak, with an alert issued to the property owner by email or SMS text message. Council continues to notify the community of planned and ad-hoc water outages for both planned and unplanned upgrades and repair works using social media resources and the website of Council - where there is a planned major outage a letter box drop is organised for affected properties. | Progressing |

To improve, maintain and value-add to our essential public and recreational infrastructure

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--------------------------|--|---------------|
| 4.3.1 | Undertake stages 1 & 1A of the Narrandera Business Centre Upgrade, including the implementation of improved stormwater drainage and seek | Deputy GM Infrastructure | Redesign of stage 1B being East Street between Bolton & Twynam Streets was completed and placed on public exhibition, with strong community objection to the proposal. Report presented to the June 2023 council meeting recommended deferring this project. The detailed design of the drainage scheme is underway, with funding to be confirmed for these works. | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|-------------------------------|---|---------------|
| | funding for the additional stages of the project | | | |
| 4.3.2 | Through stakeholder consultation, in any project consider the diverse mobility needs of our community, consistent with the Disability Inclusion Action Plan | Projects and Assets Manager | Council staff are and will continue to undertake stakeholder consultation to determine the mobility needs of our community in accordance with the Disability Inclusion Action Plan. | Progressing |
| 4.3.3 | Through community consultation develop a new masterplan for Marie Bashir Park | Open Space Recreation Manager | A consultant has been engaged to develop a masterplan for Marie Bashir Park including revitalisation of the 'Adventure Playground'. Community engagement has taken place for the concept of the Marie Bahir Park 'Adventure Playground' masterplan with the overall concept plan for the park in the final draft stages. | Progressing |
| 4.3.4 | Through consultation with all user groups of Narrandera Shire sporting facilities, prioritise improvements for venues and seek funding to implement the improvements | Open Space Recreation Manager | Council staff are continuing to collaborate with user groups to improve sporting facilities - some of the latest projects include a new BBQ and undercover spectator area for the Barellan Sportsground, a covered spectator area at the Narrandera Sportsground, internal thermal and soundproof cladding for the interior of the Narrandera Sports Stadium also new stadium score boards. | Completed |
| 4.3.5 | Establish an off-leash companion animal area adjacent to Henry Mathieson Oval | Deputy GM Infrastructure | Construction of the off-leash area adjacent to HRM has commenced with works to be completed by September 2023. | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-----------------------------|--|---------------|
| 4.3.6 | Source funding to improve vehicle parking at the Lake Talbot Water Park | Projects and Assets Manager | Council staff are still searching for suitable grant funding opportunities for this project. | Progressing |

OUR CIVIC LEADERSHIP

Have a Council that provides leadership through actions and effective communication

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|---------------------------------|---|---------------|
| 5.1.1 | Manage the functions of ARIC also the schedule of Internal Audits and Service Reviews. | Governance & Engagement Manager | The reporting year has been a busy one for the Audit, Risk and Improvement Committee (ARIC) with progress achieved to conform with the guidelines for the management of ARIC released by the Office of Local Government mid December 2022. The ARIC have adopted the Terms of Reference and Internal Audit Charter and recently advertised for a 3rd independent person to be appointed to the Committee. For the 2022-2023 reporting year - 4 internal audits have been conducted being Financial Grant Management, Fleet Management, Work Health and Safety Framework, also Events Management. The term of the current internal auditor (National Audits Group) will end 30 September 2023; however, the ARIC have sought Request for Quotation using VendorPanel with a recommendation to be submitted to the August 2023 Council meeting. | Progressing |
| 5.1.2 | Support ethical, transparent and accountable corporate governance | Governance & Engagement Manager | Good governance promotes public confidence and is paramount to service delivery and the economic and efficient use of public money. Governance is the high-level processes and behaviours that ensure an organisation performs by achieving its intended purpose, complies with relevant laws, codes and directions while meeting community expectations of probity, accountability and transparency. Council achieves this in many ways - the most visible is the Council business paper also live streaming of non-confidential Council meetings to the community. The overarching document of Council is the Community Strategic Plan which is supported by key documents like the Delivery Program containing the | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|---------------------------------|---|--------------------|
| | | | strategies, actions and targets of Council which is reported to both Council and the community every 6 months. | |
| 5.1.3 | Gauge customer and resident satisfaction with services and operations | Governance & Engagement Manager | Having a quadrennial Community Survey allows the community to provide their opinion on a range of topics. Council can use this information to develop its long-term Community Strategic Plan also key supporting documents such as the 4 year Delivery Program also the 1 year Operational Plan. One of the key analytical features of the final report is the Performance Gap Analysis where Importance is compared to the Satisfaction - the difference represents the Performance Gap Analysis. Having the 'gap' data available allows the Council to consider options when developing budgets for the Long Term Financial Plan to improve satisfaction - this is the case with Water Supply having the greatest 'gap' from the 2021 survey of 53%. Council has initiated programs such as water mains flushing, projects to renew aged infrastructure also the option to install water filters at no cost to the property owner. The next Community Survey is planned for early 2024. | Progressing |
| 5.1.4 | Report on compliance with the financial performance measures within the annual financial statements | Deputy GM Corporate & Community | Financial reports for the year ending 30 June 2022 have been completed and audited by the NSW Audit Office. The Auditor General expressed an unmodified opinion on Council's General Purpose and Special Purpose Financial Statements. Benchmark ratios for financial performance were exceeded except for the "Own Source Operating Ratio". Council has not achieved this ratio in recent years due to its success in obtaining significant levels of grant funding which has a detrimental impact to this ratio. | Completed |
| 5.1.5 | Continue strategic advocacy for the | General Manager | Held a meeting with each of the school Principals to discuss learning outcomes for students within the Shire, Council has also provided opportunities for work experience and school- | Ongoing commitment |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-------------------------|--|--------------------|
| | strengthening of the Shire centres of learning | | based traineeships to work within the organisation. Council supports the Clontarf Academy for male students at the Narrandera High School but has also raised an issue with the Minister for Education that opportunities for female students must also be given priority. Council continues with its financial contribution to local schools and TAFE for their annual academic award ceremonies. | |
| 5.1.6 | Continue strategic advocacy for the improvement of telecommunication networks across the Shire | General Manager | Across the reporting year held a single meeting in the chambers with Telstra to discuss telecommunications in the Shire, held four community workshops with NBN and Telstra to allow businesses and residents to meet with technicians and raise issues. Followed up with the Field Solutions Group in relation to the proposed telecommunications site at Grong Grong and raised the issue of a tower for the Sandigo area. | Ongoing commitment |
| 5.1.7 | Make representations to both Federal and State Government agencies to determine the feasibility of the Lake Mejum and Lake Coolah concept | General Manager | A submission has been made to Government in relation to the Murrumbidgee Regional Plan also the Water sharing plan raising the issues of water availability to both the residential and farmer communities of the region. | Ongoing commitment |
| 5.1.8 | Ensure that workforce policies remain current in a changing environment | Human Resources Manager | The Human Resource team use task notifications in MAGIQ to notify when policies are due for review. Policies are reviewed as time permits, recently this has proven difficult due the higher than usual recruitment processes and extra duties in relation to the implementation of outcomes from the working party reference group. During the reporting period the following Human Resources and Enterprise Risk policies have been reviewed or created: <ul style="list-style-type: none"> • Flexible Work Arrangements • Personnel Files | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|-------------------------|---|---------------|
| | | | <ul style="list-style-type: none"> • Study Assistance • Succession Planning • Healthy Catering Options • Retirement and Resignation Gifts • Council Facilities Closure • WHS Planning and reporting Procedure 2022 • WHS Roles and responsibilities Procedure • POL134 Work Health and Safety Policy 2023 • POL135 Health and Safety Committee Policy 2022 • Risk Management Policy 2023 • POL159 Health Monitoring and Vaccination Policy • Health Monitoring and Vaccination Procedure. | |
| 5.1.9 | Maintain the connection with Price Waterhouse Cooper to complete the LG Performance Excellence Program on an annual basis | Human Resources Manager | Council has participated in the Price Waterhouse Cooper survey each year since 2017. The extensive reporting seeks information for a very wide source of data relating to the functions of Council. When finalised a full report is provided to the Executive Leadership Team for information, the information is then used to develop strategic plans such as the Workforce Strategic Plan. The next Price Waterhouse Cooper reporting cycle commences 24 July 2023 with the interim sign off due 29 September 2023. | Completed |
| 5.1.10 | Ensure our workforce is well trained and meets the needs of the organisation now and into the future with succession planning for key roles within the organisation | Human Resources Manager | Council continues to actively encourage employees to undertake external training or embark on tertiary studies to gain accredited qualifications. Council also looks to provide either internally or externally relevant training or short courses to employees as necessary to advise of legislative changes or to refresh and build on skills already acquired. At the present time, 20 employees are undertaking external training at Certificate II level or higher. Succession planning is a requirement of the Workforce Strategic Plan, | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--------------------------------|---|---------------|
| | | | opportunities for secondment and short-term higher duties are also provided to employees where the opportunity arises. | |
| 5.1.11 | Recognise the achievements of the Council workforce | Human Resources Manager | Council continues to host a staff breakfast event each October, this function provides the ideal opportunity to inform employees of issues affecting their employment and for employees to mingle also for new employees to be introduced to the organisation. This event also provides the perfect occasion to recognise the achievements of employees who may have completed external studies and to recognise those employees who have achieved milestone years of service to the organisation. The next breakfast function is scheduled for October 2023. | Completed |
| 5.1.12 | Maintain an Information Technology Strategy that meets the needs of the organisation, is fit for purpose and provides best value for money | Information Technology Manager | The current Information Management Strategy continues to help Council to maximize the value of its technology investments, to achieve predetermined goals and objectives. Information Technology staff have completed staff consultation for the next strategy update which will be completed as time allows. | Progressing |
| 5.1.13 | Actively protect the organisation from cyber threats such as spear phishing emails and unauthorised access to the network | Information Technology Manager | Information Technology (IT) staff organise annual penetration testing also compulsory training for all staff with the Executive Leadership Team informed of the results. Staff are informed of any threats discovered by the IT section or alerted to Council by Cyber Security NSW. IT staff action any issues identified by regular Australian Cyber Security Centre testing. IT staff are constantly reviewing Council's cyber security infrastructure for improvements. | Progressing |
| 5.1.14 | Monitor the availability of Federal and State funding grants payable to Council | Finance Manager | Council has developed a register that details the name of the Council officer who has applied for grant funding and from where the funding is being sourced. Should the funding | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|--------------------------|---|---------------|
| | | | be successful then the date and the amount of the funding received, the proposed date of acquittal is recorded as well as the actual date of acquittal. At present the Finance Manager and Information Technology officer are undertaking a review of the register - also an internal audit is being conducted by the National Audits Group (on behalf of the Audit Risk and Improvement Committee) on financial grant management which assesses the processes and procedures of the organisation. | |
| 5.1.15 | Maximise the revenue streams of Council | Finance Manager | Council's Revenue Officer closely monitors property arrears and manages these cases in accordance with established policies and procedures. Arrears statistics are reported to Council monthly along with details on the number of assessments being managed by Council's debt recovery agency. Throughout the year assessments are monitored for rateability i.e., rateable to non-rateable and non-rateable to rateable. The Finance Manager regularly reviews financial investments in accordance with the Investment Policy and a monthly report detailing the invested monies of Council is presented to each Council meeting - this report details all transactions that have taken place within the preceding month and gives a snapshot of the portfolio and credit limits to make sure that Council remains within the prescribed amount allowed for each financial institution. | Progressing |
| 5.1.16 | Provide a summary of ranger activities, including the number of dogs and cats registered in accordance with the Companion Animals Act 1998 | Deputy GM Infrastructure | Companion Animal statistics now reported to each Council meeting, with annual reporting made through LG NSW. | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|---|--------------------------|---|---------------|
| 5.1.17 | Provide a summary of Development Applications received and assessed | Deputy GM Infrastructure | Development activity report and statical data provided to each Council meeting. There has been a reduction in the average development assessment time by around 14 days to the same period last year. | Progressing |

Promote a community spirit that encourages volunteerism and values effective partnerships

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--|---|---|---------------|
| 5.2.1 | Through energised Advisory Committees seek input for the improvement of facilities and services under their management | Community Development (including Library) Manager | Corporate Services Advisory and S355 Committees are operating to maintain and improve Council facilities within their Terms of Reference. Financial grants have been applied for where available and programs delivered to activate venues - examples are improved signage and displays at the Shire museums also the very successful Narrandera Wide Open arts program being delivered at the the Arts & Community Centre through the work of the Arts and Cultural Advisory Committee. A range of events have also been managed by the Bettering Barellan and Grong Grong Community Advisory Committees utilising their local halls. Additionally, with great dedication, a volunteer from the Railway Facility Advisory Committee has worked tirelessly, in an interim capacity, to ensure that that venue continues to operate effectively for the community. | Progressing |
| 5.2.2 | Encourage volunteerism within Council operations and across the Shire where possible with recognition of volunteers at key times such as 'National Volunteer Week' | Community Development (including Library) Manager | Volunteer numbers for both community and cultural services remains steady, however availability can be an issue with a recruitment campaign in place. Volunteer work varied such as driving for Community Transport, data entry for Community Services, helping with Library and Visitor Centre tasks, opening and closing of Museums, oversee exhibitions and events at the Arts & Community Centre, also assist with | Progressing |

| Action Code | Action | Responsible Position | Comment | Action Status |
|-------------|--------|----------------------|--|---------------|
| | | | <p>the management of Community Halls at Grong Grong and Barellan. Volunteer hours for Narrandera Shire during 2022-2023 remain high with Community Services at 8,800 hours, Cultural Services at 4,077 hours and Visitor Services recording 132 hours. Council is now required to provide a monetary figure in its annual financial statements for volunteer hours, for 2022-2023 a conservative calculation of \$529,486 has been included. In recognition of their valuable contribution to the Shire community, all volunteers are acknowledged and celebrated with both thank you functions and small gifts.</p> | |