



Agenda

Central NSW Joint Organisation

Board

Meeting

27 November 2019

Members

Cr B Bourke	Bathurst Regional Council	Cr J Medcalf	Lachlan Shire Council
Cr S Ferguson	Blayney Shire Council	Cr K Sajowitz	Oberon Council
Cr K Beatty	Cabonne Council	Cr R Kidd	Orange City Council
Cr B West	Cowra Shire Council	Cr K Keith	Parkes Shire Council
Cr J Webb	Forbes Shire Council	Cr M Liebich	Weddin Shire Council

Attending

Mr D Sherley	Bathurst Regional Council	Ms C Weston	RDACW
Ms R Ryan	Blayney Shire Council	Mr S Harma	RDACW
Mr B Byrnes	Cabonne Council	Mr A Albury	DPC
Mr D Wymer	Cowra Shire Council	Mr P Evans	OLG
Mr S Loane	Forbes Shire Council	Ms J Bennett	CNSWJO
Mr G Tory	Lachlan Shire Council	Ms M Macpherson	CNSWJO
Mr G Wallace	Oberon Council	Ms A Thomas	CNSWJO
Mr D Waddell	Orange City Council	Ms K Barker	CNSWJO
Mr K Boyd	Parkes Shire Council	Ms V Page	CNSWJO
Mr G Carroll	Weddin Shire Council		
Cr D Somervaille	Central Tablelands Water		
Mr G Rhodes	Central Tablelands Water		

It is advised that the next Board meeting of the Central NSW Joint Organisation will be held **Wednesday 27 November** at the **ACT Assembly, 196 London Circuit Canberra, beginning at 12.00pm.**

Please note the meeting is on the ground floor of the Legislative Assembly for the ACT, you will need to go through security, please bring your PHOTO ID as a precaution. Visitors to the Assembly should use the paid short stay public parking adjacent the Assembly building. You can access this car park from Constitution Avenue.

An Informal Dinner will be held Wednesday night at Pomegranate Restaurant in Kingston (ground floor of Kingston's York Apartments) beginning at 7.00pm, 31 Giles Street, Kingston ACT.

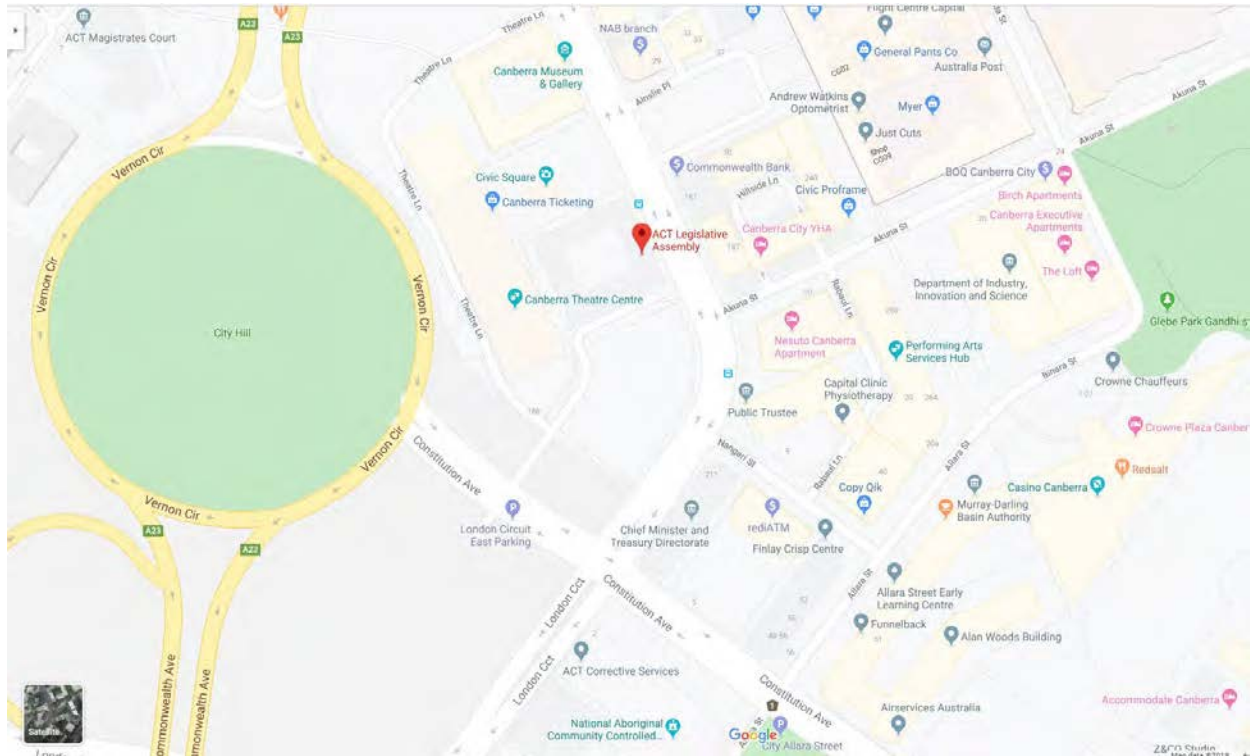
Please note that the following day Thursday 28 November round table discussions will be held with Ministers at Parliament House starting at 9.00am with our host the Hon Michael McCormack, Deputy Prime Minister and Member for the Riverina. The schedule for the day is on page 4.

Tea and coffee on arrival and all refreshments will be provided. Please contact Jenny Bennett on 0428 690 935 with any queries.

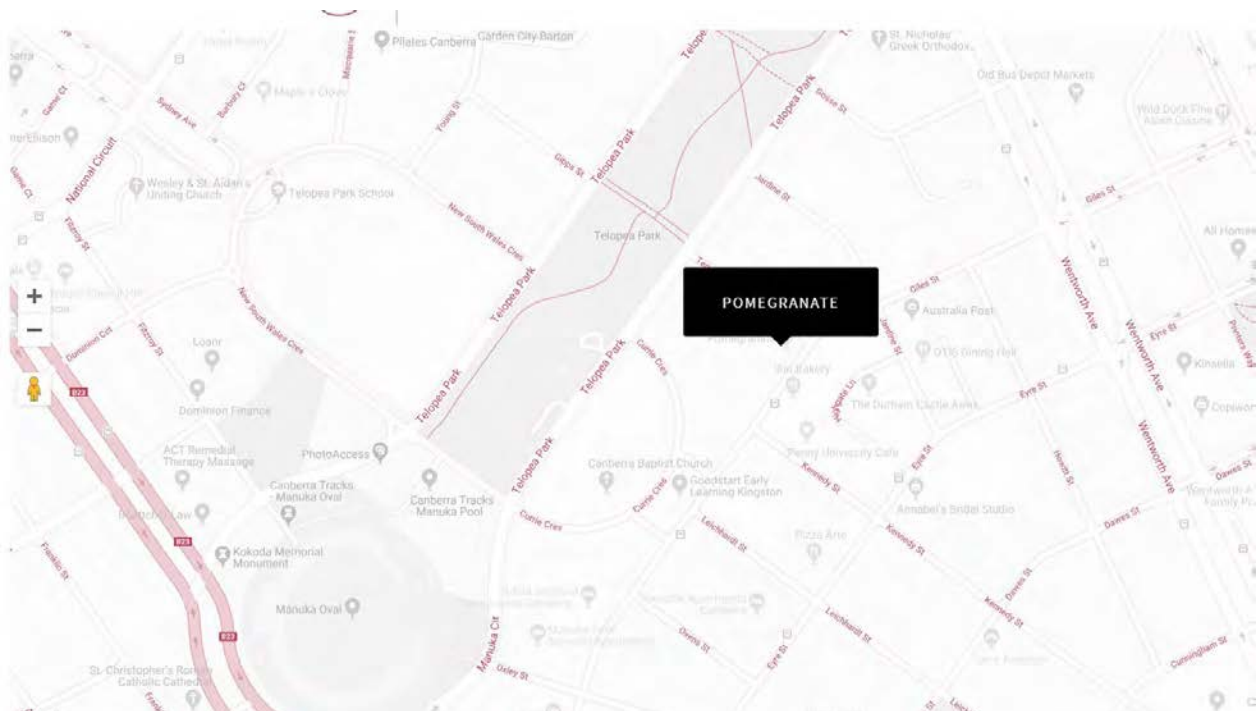
Central NSW JO Board Meeting 27 November 2019

The Legislative Assembly is located at 196 London Circuit, Canberra City, ACT.

Adjacent to the Canberra Theatre. Visitors should present to security personnel at the Public Entrance of the Assembly, located on the Civic Square side of the building. Please allow 5-10 minutes for security processing.



Pomegranate Restaurant (ground floor of Kingston's York Apartments) 31 Giles Street, Kingston ACT.



Agenda

1. Acknowledgment to Country

"I acknowledge the traditional custodians of the land we are meeting on, the Ngunnawal people. I acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region."

2. Apologies

3. Speakers

12.30 -1pm Andrew Barr MLA, ACT Chief Minister
1 -1.30pm Ms Bettina Konti, Chief Digital Officer
3.30-4.00pm Gabbi Cusack, Rowena Abbey CBRJO and
 Noel McCann, Susan Mulligan Canberra Airport

*Please note that representatives of Riverina and Murray and Riverina JO's have been invited

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- 12. Late Reports
- 13. Matters raised by Members
- 14. Speakers to the next meeting
- 15. Meeting dates for 2020

Please see compliance report where suggested dates are:

Board	27 February	28 May	27 August	26 November
GMAC	30 January	7 May	27 July	22 October

28 November CNSWJO Meeting Schedule

Committee Room 1R1 - Parliament House Canberra

Schedule – Thursday 28 November 2019		
TIME SLOT	Time allocated	SESSION
8.30-9.00am	30 min	Morning Tea & Coffee on arrival
8.55am-9.00am	5 min	WELCOME and Introduction: Cr John Medcalf, Chair of Centroc.
9.00 – 9.30am	30 min	WELCOME & OFFICIAL OPENING Introduction: The Hon Michael McCormack Deputy Prime Minister, Minister for Infrastructure, Transport and Regional Development, Member for Riverina
9.30am -10.00am	30 min	The Hon Mark Coulton Minister for Regional Services, Decentralisation and Local Government
10.00am -10.30am	30 min	The Hon Josh Frydenberg Treasurer
10.30am – 11.00am	30 min	The Hon David Littleproud Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management
11.00am – 11.30am	30 min	The Hon Angus Taylor Minister for Energy and Emissions Reduction
11.30am-12.00pm	30 min	The Hon Sussan Ley Minister for the Environment
12.00pm-12.30pm	30 min	Hon Dan Tehan Minister for Education
12.30pm-1.30pm	60 min	Lunch
2.00pm-3.15pm		Question time
3.30pm-4.00pm	30 min	Senator the Hon Bridget McKenzie Minister for Agriculture
4.00pm – 4.10pm	10 min	Wrap up, & Close by the Hon Michael McCormack

4. Minutes**4a. Noting the Minutes of the GMAC meeting 24 October 2019 held in Orange****Delegates in Bold**

Mr D Sherley	Bathurst Regional Council	Mr G Wallace	Oberon Council
Ms R Ryan	Blayney Shire Council	M D Waddell	Orange City Council
Mr G Rhodes	Central Tablelands Water	Mr K Boyd	Parkes Shire Council
Mr B Byrnes	Cabonne Council	Mr P Evans	DPIE Local Government
Mr P Devery	Cowra Shire Council	Ms J Bennett	Central NSW JO
Mr J Zannes	Forbes Shire Council	Ms M Macpherson	Central NSW JO
Mr T Rivera	Lachlan Shire Council	Ms K Barker	Central NSW JO

1 Welcome

Meeting opened at 10.15 am Chaired by Mr D Sherley and welcomed Mr D Waddell to the meeting in his capacity as CEO of Orange City Council

2 Apologies

Mr G Carroll, Mr S Loane, Mr G Tory, Mr S Harma and Mr A Albury

Resolved	Mr K Boyd/Mr B Byrnes
That the apologies for the Centroc GMAC meeting 24 October 2019 listed above be accepted.	

3 Speakers**Mr Graham Mawer, Next Energy.**

Update on the Southern Lights - specifically about an accelerated roll-out and the default position for the deployment.

Mr Luke Homann, TfNSW

Update on CWO Transport Planning

4 Minutes**4a Confirmation of the Minutes of the GMAC Meeting 25 July 2019**

Resolved	Mr K Boyd/Mr G Wallace
That the Minutes of the Centroc GMAC Meeting 25 July 2019 held in Orange be confirmed.	

4b Noting of the Minutes of the Central NSW Joint Organisation meeting 22 August 2019 held in Parkes

Resolved	Mr G Rhodes /Mr B Byrnes
That the Minutes of the Central NSW Joint Organisation Meeting 22 August 2019 held in Parkes be noted.	

4c Noting the Minutes of the Centroc meeting 22 August 2019 held in Parkes

Resolved	Mr P Devery/Mr D Waddell
That the Minutes of the Centroc meeting 22 August 2019 held in Parkes held via teleconference be noted.	

5 Business Arising from the Minutes – Matters in Progress

Resolved	Mr K Boyd/Mr P Devery
That the Matters in Progress be noted and deletions as suggested be made.	

Minutes and Matters in Progress

6 Projects in Progress

Resolved	Mr B Byrnes/Mr G Wallace
That the Projects in Progress be noted.	

7 Reports to the Strategic Plan**Priority One: Inter-council Co-operation****a. Procurement Report**

Resolved	Mr B Byrnes/Mr D Waddell
That GMAC note the Procurement Report and	
<ol style="list-style-type: none"> commend to the Board that it approve the 12-month extension of the road signs contract (S1_2018) with Artcraft, Barrier Signs and DeNeefe until 31 December 2020; commend to the Board that it approve the 12-month extension of the bitumen emulsion contract (S2_2018) with Boral Asphalt until 31 March 2021; commend to the Board that it approve the 12-month extension of the linemarking services contract (R2_2018) with Avante, Central West Linemarking, Complete Linemarking, Oz Linemarking and Red Squirrel; commend to the Board that it approve a 6-month extension of the contract with Common Thread Consulting for the Procurement Support for Water Main Condition Assessment; approve an EOI process for a new Code of Conduct panel for members; commend to the Board that it approve the Water Main Condition Assessment Pilot contract to include a management fee of 1.5% of the total value of the contract, which will be payable by the successful Contractor/s; approve an EOI process for Stages 2-6 of the Best Practice in Aggregated Procurement Program on behalf of CNSWJO and other participating ROCs and JOs; note that the structure of contract management fees to CNSWJO will remain as is until the Best Practice in Aggregated Procurement Program is completed, at which time a report will be provided to GMAC and the Board on the recommendations for aggregated procurement by the JO which includes management fees to be charged to fund the future procurement function of the JO; note the contract management fees being charged for current contracts and; a report be provided to the Board regarding management fees for any upcoming procurement processes for approval of the percentage contract management fee to be charged. 	

b. Internal Audit and Risk Management Report

Resolved	Mr B Byrnes/Mr G Wallace
That GMAC note the new Internal Audit Risk Management Guidelines advice from the Office of Local Government and provide a response through the Board that:	
<ol style="list-style-type: none"> Is supportive of a strategic approach to internal audit and risk management; Suggests a less prescriptive approach, than that suggested in the guidelines; Is not supportive of leveraging Section 377 of the Local Government Act where Councils delegate internal audit and risk management functions to the JO; Notes the diversion of resource required for a Joint Organisation to fulfill these guidelines will be counterproductive and is at risk of contributing to JO network failure, and Request that Jos be exempt from the new Internal Audit and Risk Management Framework for NSW. 	

c. Administration Update

Resolved	Ms R Ryan/Mr K Boyd
That GMAC note the timeline for the implementation of the JO.	

Priority Two: Regional Prosperity**a. Central West and Orana Food and Fibre Strategy report**

Resolved	Ms R Ryan/Mr D Waddell
That GMAC note the report on the Central West Food and Fibre Strategy and	
1. commend it to the Board; and	
2. note that advice on implementation is being progressed through the Regional Prosperity Subcommittee.	

b. Regional Prosperity and Advocacy Plan

Resolved	Mr J Zannes/Mr T Rivera
That GMAC note the report on the Regional Prosperity Advocacy Plan and	
1. commend it to the Board; and	
2. commend to the Board its policy position be shared with LGNSW.	

Priority Three: Regional Transport and Infrastructure**a. Regional Transport Advocacy Policy, Prioritisation and Freight Links Mapping.**

Resolved	Mr K Boyd/Mr G Wallace
That GMAC:	
1. Commend the changes to the Department of Planning, Industry and Environment regional network map to the Board;	
2. Provide a report to the Board on the Central West and Orana Transport Issues and Insights report; Commend the Transport Advocacy Plan to the CNSWJO Board noting the need to update the Matrix in line with advice below;	
3. Commend the 58 projects listed on the Matrix to the Board with the exception of priority 1;	
4. Note priority 1 of the Matrix is under review to align it with the Transport Advocacy policy;	
5. Note that a review of the Matrix is underway; and	
6. Seek advice from General Managers regarding their position with regard to Regional Economic Development Strategies as part of the broader Growing Local Economies fund.	

Priority Four: Regional Water**a. Regional Water, Advocacy Plan**

Resolved	Mr K Boyd/Mr G Rhodes
That GMAC note the report on the Regional Water Advocacy Plan and	
1. commend it to the Board; and	
2. commend to the Board its policy position be shared with LGNSW.	

b. Regional Water Report

Resolved	Mr K Boyd/Mr G Rhodes
That GMAC consider the advice regarding the need for a higher level of strategic support for a regional response to emergency town water needs and long-term planning; and	
1. Participate in further review of the CWUA Business Plan in light of the formation of a Regional Water Committee and gaps in developing strategy for business as usual; and	

Minutes and Matters in Progress

2. Arrange a meeting of sponsoring GM's, other interested GMs, the Portfolio Mayor and Chair to provide higher level strategic support in the short term.

8. Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020

Resolved	Mr K Boyd/Mr D Waddell
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That GMAC note the report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority.
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9. Financial Report

Resolved	Mr D Waddell/Mr G Wallace
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That GMAC note the Financial and compliance report and note the advice regarding changes to the reserves that will be provided to the November Centroc and JO Board meetings.

10. Other Reports

a. Prioritisation of \$150k funding for JO

Resolved	Mr D Waddell/Mr D Sherley
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That GMAC commend the following projects be negotiated under the auspices of the Chair with the Office of Local Government to expend the \$150K as offered by the Minister:

- | |
|--|
| <ol style="list-style-type: none"> 1. Best Practice in Aggregated Procurement at an estimate of \$35K; and 2. Collaborating for our CBDs – a project of the Regional Prosperity Subcommittee at an estimate of \$50K; and 3. Develop up further advice for the balance of the funding in the areas of water, training and energy. |
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b. Logo Report

Resolved	Mr P Devery/Mr K Boyd
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That GMAC note the Logo report and commend to the Board Options 2, 3 and 5.

11. Confidential Reports

a. Regional Bridge Assessment Report

Resolved	Mr K Boyd/Mr J Zannes
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That GMAC note the confidential report on bridge assessments and commend to the Board the Regional Bridge Assessment Report be used to access further funding.
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b. Regional Smart Approved Water Mark Subscription

Resolved	Mr P Devery/Mr G Rhodes
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That GMAC note the confidential report on the Regional Smart Approved Water Mark Subscription and commend to the Board that it approve the regional subscription for Smart Approved Water Mark and the JO invoice member councils accordingly.
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12. Late Reports

13. Matters Raised by Members – discussion around EAP contract – JO staff to follow-up.

- Country Councils accessing TCORP.
- ELMO challenges.
- Water supply usage by large construction projects in drought affected areas.

Minutes and Matters in Progress

- **RMS contracts.**
- **Cowra to Carcoar Pipeline.**
- **Water Restrictions.**
- **Local Government Professionals Conference.**

14. Speakers to the next meeting - TBA

15. Next Meeting

Board

12.00pm Wed 27 November - Board meeting Canberra hosted by ACT Gov.

8.30am Thur 28 November - Round table discussions with Ministers Canberra PH

Meeting closed 12.50pm

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4b. Confirmation of the Minutes of the Central NSW Joint Organisation meeting 22 August 2019 held in Parkes

Attendees, voting members in bold.

Cr S Ferguson	Blayney Shire Council	Cr K Sajowitz	Oberon Council
Cr B West	Cowra Shire Council	Cr R Kidd	Orange City Council
Cr P Miller	Forbes Shire Council	Cr K Keith	Parkes Shire Council
Cr P Phillips	Lachlan Shire Council		
Mr D Sherley	Bathurst Regional Council	Cr D Somervaille	Central Tablelands Water
Ms R Ryan	Blayney Shire Council	Mr G Rhodes	Central Tablelands Water
Mr P Devery	Cowra Shire Council	Ms S Harma	RDACW
Mr G Tory	Lachlan Shire Council	Mr K Harrison	DPIE Regional
Mr S Loane	Forbes Shire Council	Mr P Evans	DPIE OLG
Mr G Wallace	Oberon Council	Ms K Purser	DPIE OLG
Mr K Boyd	Parkes Shire Council	Ms J Bennett	Central NSW JO
Mr G Carroll	Weddin Shire Council	Ms Meredith Macpherson	Central NSW JO

1. Opening meeting 10.00am

2. Welcome to Country by Parkes Shire Elder Uncle Robert Clegg and Cr Ken Keith

3. Speakers

- Justin Johnson & Angela Hubbard Co-Founders of PHYZ X 2U - Mobile Physio Bus.
- Mr Brett Dean and Mr Bruce King from the Regional Investment Corporation.

4. Election of the Chair for the Joint Organisation Meeting in the absence of Cr Medcalf

Resolved	Cr B West/Cr P Miller
That Cr Scott Ferguson, Mayor of Blayney Shire Council, be the Chair for the meeting of the Central NSW JO Board meeting 22 August 2019.	

5. Apologies applications for a leave of absence by Joint Voting representatives

Cr J Medcalf, Cr G Hanger, Cr K Beatty, Cr M Liebich, Mr B Byrnes, Mr D Waddell, Ms C Weston, Mr A Albury, and Ms K Barker.

Resolved	Cr R Kidd/Cr K Keith
That the apologies for the Central NSW Joint Organisation Board meeting 22 August 2019 listed above be accepted.	

6. Moved forward Disclosures of Interest - Nil Provided

7. Minutes

7a Confirmation of the Minutes of the Central NSW Joint Organisation meeting 28 June 2019 held via teleconference

Resolved	Cr B West/Cr K Sajowitz
That the Central NSW Joint Organisation Board confirm the Minutes of the meeting 28 June 2019 held in Sydney	

Minutes and Matters in Progress

Central NSW JO Board Meeting 27 November 2019

7b Confirmation of the Minutes of the Central NSW Joint Organisation meeting 29 May 2019 in Sydney

Resolved	Cr K Keith/Cr R Kidd
That the Central NSW Joint Organisation Board confirm the Minutes of the meeting 29 May 2019 held via teleconference	

8. Business Arising from the Minutes – Matters in Progress

Resolved	Cr K Keith/Cr P Miller
That the Central NSW Joint Organisation Board note the Matters in Progress, making deletions as suggested.	

9. Chair's Minute(s) - Nil

10. Reports on Committees

a. Terms of Reference for the Regional Prosperity Sub-committee

Resolved	Cr B West/Cr P Miller
That the Board adopt the Terms of Reference for the Regional Prosperity Subcommittee and note the balance of the report.	

b. Terms of Reference for the Central NSW Regional Water Subcommittee

Resolved	Cr R Kidd/Cr B West
That the Board adopt the Terms of Reference for the Regional Water Subcommittee and note the balance of the report.	

Cr P Miller encouraged members to attend the upcoming meeting for Region 10 of the Murray Darling Association

11. Reports to Joint Organisation

a. Regional Water

Resolved	Cr P Miller/Cr B West
That the Board	
<ol style="list-style-type: none"> 1. Endorse the development of policy and advocacy on the identified emergency water security projects (short-term and long term); 2. Endorse the Chairs of the Regional Prosperity and Regional Water portfolios working together to optimise opportunities from the Wyangala Dam wall investigations for economic development and urban water security across the Lachlan catchment and develop further policy in this regard; 3. Receive a report on the IPART recommendations in the Review of reporting and compliance burdens on Local Government; 4. Note work with DPIE-Water and the RLE to integrate town water into the Regional Water Strategy; and 5. Circulate advice to members monitoring the current opportunities and risks; 	

11.15am Arrival of Special Guest The Hon Mark Coulton – Minister for Regional Services, Decentralisation and Local Government, Assistant Trade and Investment Minister and Federal Member for Parkes, and his advisor Ms Cathy Heidrich. The region raised FAGs grants and opportunities to support decentralization including fuel excise, zonal taxation and child care. The Minister recommended the region undertake follow-up on the Digital Connectivity Discussion Paper.

12.10pm break for morning tea.

Minutes and Matters in Progress

12.30pm resume meeting**b. Administration of GMAC**

Resolved	Cr P Miller/Cr B West
That the Board note the advice regarding the administration of GMAC and	
1. note the terms of reference for GMAC; and	
2. note that sponsoring General Managers for the priorities of the Joint Organisation Strategic Plan are	
a. Inter Council Cooperation – Greg Tory and Brad Byrnes;	
b. Regional Water – Gavin Rhodes, Kent Boyd and David Sherley;	
c. Transport and Infrastructure– Kent Boyd, Gary Wallace and Steve Loane;	
d. Regional Prosperity – Paul Devery, Orange General Manager (TBC), Glenn Carroll and Rebecca Ryan; and	
3. note the sponsoring General Managers for the regional teams are as follows:	
a. Energy – Brad Byrnes	
b. Transport Technical Group – Kent Boyd	
c. IT – Greg Tory	
d. Tourism – Rebecca Ryan	
e. HR and Training – Dave Sherley	
f. Directors of Corporate Services – Steve Loane	
g. WHS – Paul Devery	
h. Planning – Gary Wallace and General Manager Orange (TBC)	
i. Water Utilities teams – Kent Boyd	

c. Report on Electricity Essential Energy Service levels

Resolved	Cr P Miller/Cr K Keith
That the Board note the report on Essential Energy service levels and approach Essential Energy:	
4. seeking regular reporting from Essential Energy about performance in our region against the full range of service levels it is required to meet under the Guaranteed Service Level Scheme and the AER's revised Service Target Performance Incentive Scheme;	
5. Proceed with a workshop with Essential Energy on improved service levels while maintaining current workforce; and	
6. Encourage members to support the Small Business Commissioner in her efforts to address this issue.	

d. Rural Health Pro Partnership Proposal

Resolved	Cr R Kidd/Cr B West
That the Board note the Rural Health Pro Partnership Proposal, allow the Joint Organisation logo to be used on the website and commend to members they provide content to promote their communities as a destination of choice for health workforce.	

e. WRI Sponsorship Proposal

Resolved	Cr S Ferguson/Cr P Miller
That the Board note the WRI Event Sponsorship Proposal and	
1. Commend to members they provide attendance to support the event;	
2. Provide in-kind assistance with promotion of the event;	
3. Sponsor the event as a Gold Sponsor at \$2500; and	
4. Under the auspices of the Chair, develop key messages for the event in line with existing policy.	

Minutes and Matters in Progress

f. Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020

Resolved	Cr P Miller/Cr B West
That the Board note the report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority; and	
1. Amend the control for Risk 32 in the Risk Management Plan to “work with other JOs and relevant State agencies on a sustainable funding framework for the JO network and advocate as necessary;”	
2. Note that the TOR for the Regional Strategic Transport Group will be reviewed by the Group at their next meeting;	
3. Endorse the actions of the JO Chairs with regard to seeking funding and a sustainable framework for Joint Organisations;	
4. Support the suggested changes to the Terms of Reference for the JO Chairs Forum seeking to have one Chair elected for up to twelve months;	
5. Note that the funding agreement for the \$150K for the Joint Organisation announced by the Minister 30 July will be negotiated by the Chair between meetings; and	
6. Thank the Minister for Local Government for the funding seeking to apprise her of the value of the Joint Organisation to the State.	

g. Administration Update

Resolved	Cr P Miller/Cr B West
That the Board note the timeline for the implementation of the JO.	

h. Financial and Compliance Report

Resolved	Cr K Keith/Cr P Miller
That the Board note the Finance and compliance report provided late due to late advice from the auditor and gives permission for the audited accounts to be signed under the auspices of the Chair if the final result after audit does not differ greatly from the figures presented in this report.	

12. Notices of motions/Questions with notice - Nil

13. Confidential matters - Nil

14. General Business - Forbes - RMS contracts on the Newell and RMCC contracts more broadly – seeking a collective approach to ensuring Councils’ engagement in these programs. Oberon provided advice on their Spartan event for next year – watch this space!

15. Conclusion of the meeting - Meeting closed at 1.07 pm

The next meeting of the Central NSW JO Board will be 12.00pm Wednesday 27 November in Canberra at the ACT Legislative Assembly. Members have requested a presentation on the City Power Partnerships and Canberra Airport then roundtable discussions with various Ministers at Parliament House Canberra 28 November.

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Minutes and Matters in Progress

Central NSW JO Board Meeting 27 November 2019

5. Matters in Progress

CENTRAL NSW JOINT ORGANISATION		
Action	By	Update
290519-9e-Structural, reporting and other arrangements to progress the Joint Organisation (JO) Strategic Plan 1. Seek updated advocacy plans from each Portfolio Spokesperson, subject to feedback from members, regarding their priority; 2. Receive a report on delegations to optimise the administration and leadership of the Joint Organisation;	JB	1– See report to this meeting. 2- Underway – legal advice is being sought on best practice in aggregated procurement as part of a consortia of JOs to inform this advice. This project forms part of the application to OLG for the Capacity Building Program. Please find a report elsewhere in this agenda.
290519-9j-Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020 1. Nominate members to form the working group reviewing tourism; 2. Nominate members to form the working group reviewing the Matrix and developing policy going forward.	JB	1. A date is still being sought for a Tourism meeting – Cr Bill West, Rebecca Ryan, Megan Rodd, Dan Cove, Dave Waddell, Christine Weston. Terms of reference being developed in consultation with tourism group. 2. Meeting date is being sought. Matrix – Cr Ken Keith, Grant Baker, Darren Sturgiss, Mark Dicker, Dirk Wymer
COMMITTEE REPORTS		
Action	By	
290519-8b-Drought Sub-committee - Progressing the recommendations of the Drought Issues Paper 1. Work with requisite State agencies and other peak regional bodies regarding drought preparedness with a report to be provided to the Board on options for resourcing better drought support and coordination at the local and regional level.	JB and MM	1. There continues to be a lot of activity in this space. CNSWJO staff attended the first RLE Central West and Orana Drought Taskforce meeting on 24 September. The date for the next meeting is yet to be confirmed. See Water report to this meeting.
TRANSPORT		
Action	By	Update
231117-7a-Transport Infrastructure 1. A subcommittee be formed to progress improvements to transport constraints in the region; 2. Develop a funding proposal to resource further activity; and 3. Advocacy to include reference to existing State commitments.	JB	Correspondence has been sent to members with regard to forming a regional subcommittee. Feedback is broadly that Mayors would fulfill this role. Interest more broadly will be sought through the Summit. Suggest deletion
280219-Board -7a-Transport 1. take a collaborative approach with key State agencies in the development of a Freight Study for Central NSW by CSIRO,	JB	1. Subsequent to advocacy, the Federal Department of Infrastructure, Transport, Cities and Regional Development have provided advice that the Transit Data project will be extended to all JO members. This

Minutes and Matters in Progress

seeking appropriate funding accordingly. 2. a letter to be drafted in consultation with Penrith City progressing support for a safe swift link between Sydney and Central NSW to be signed by the “willing,” and 3. progress an “alliance of the willing” in support of a safe swift link between Central NSW and Western Sydney including case study material from industry.		will be at no cost to members. Subsequent to this work being done a review will be undertaken for next steps. 2. Correspondence sent. Dialogue with Penrith continues. 3. It is intended to progress this through the Summit identified in the Communication Plan for the JO. Suggest deletion
WATER		Meredith Macpherson
Action	By	Update
281113 - 8b - Water Infrastructure Develop a MoU with NSW Health.	MM	November 2013- January 2019– continuous efforts to progress this matter. Building on the outcomes of the <i>Drinking Water Incident Workshop</i> it is proposed that an Incident Agreement with NSW Health be pursued through the Regional Water Committee to be formed as part of the JO strategic process.
280219-7b-Board-Water Infrastructure Report Commend to the CWUA that it investigates the potential for a regional application to stream 2 of the revised Safe and Secure program for funding to procure consulting services to update CWUA member Council’s Integrated water cycle management (IWCM) strategies.	MM	Underway. Discussions have been held with DPIE Water and a report was discussed at the JO EOs Network Meeting on 31 October on opportunities for JOs to work collectively and collaboratively with the State Government to enable an alternative approach to IWCM. See Water Report to this meeting.
220819-Reports to Joint Organisation- 11a-Regional Water 1. Endorse the development of policy and advocacy on the identified emergency water security projects (short-term and long term); 2. Endorse the Chairs of the Regional Prosperity and Regional Water portfolios working together to optimise opportunities from the Wyangala Dam wall investigations for economic development and urban water security across the Lachlan catchment and develop further policy in this regard; 3. Receive a report on the IPART recommendations in the Review of reporting and compliance burdens on Local Government;	MM	1 & 2. See Regional Water reports to this meeting. 3. OLG requested comments on IPARTs recommendations in the Review of Reporting and Compliance Burdens on Local Government –Final Report April 2016. In regards to the recommendations 11 and 12 on water utility regulation, OLG have deferred to DPIE Water's on-going regulatory reform process noting that they are not taking submissions on these two recommendations at this time. A key aspect of the IPART recommendations is an outcomes focussed, multi-agency approach to water where currently there are significant gaps and overlaps in regulatory responsibility in water. A submission was not required though a watching brief will be maintained over the progress of DPIE

Minutes and Matters in Progress

4. Note work with DPIE-Water and the RLE to integrate town water into the Regional Water Strategy; and Circulate advice to members monitoring the current opportunities and risks;		Water's regulatory reform process and advice provided to a future meeting. 4. Roundtable discussions have been held on the development of the Regional Water Strategies for the Lachlan Valley and the Upper Macquarie. Consultations have also been held with individual member Councils. See Water Report to this meeting.
OPERATIONAL		
Action	By	Update
220819-11c-Report on Electricity Essential Energy Service levels 1. seeking regular reporting from Essential Energy about performance in our region against the full range of service levels it is required to meet under the Guaranteed Service Level Scheme and the AER's revised Service Target Performance Incentive Scheme; 2. Proceed with a workshop with Essential Energy on improved service levels while maintaining current workforce; and 3. Encourage members to support the Small Business Commissioner in her efforts to address this issue.	JB	1. and 2. Correspondence sent, follow-up underway. 3. Contact has been made with the SBC to seek the Commissioners view on this issue. Suggest deletion
220819-11d-Rural Health Pro Partnership Proposal allow the Joint Organisation logo to be used on the website and commend to members they provide content to promote their communities as a destination of choice for health workforce.	JB	Correspondence sent to members. Suggest deletion
220819-11e-WRI Sponsorship Proposal 1. Commend to members they provide attendance to support the event; 2. Provide in-kind assistance with promotion of the event; 3. Sponsor the event as a Gold Sponsor; and Under the auspices of the Chair, develop key messages for the event in line with existing policy	JB	The event has been held Suggest deletion
220819-11f-Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020 1. Amend the control for Risk 32 in the Risk Management Plan to "work with other	JB	All tasks are completed Suggest deletion

Minutes and Matters in Progress

<p>JOs and relevant State agencies on a sustainable funding framework for the JO network and advocate as necessary;”</p> <p>2. Thank the Minister for Local Government for the funding seeking to apprise her of the value of the Joint Organisation to the State.</p>		
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6. Reports to Statement of Regional Strategic Priority**Priority One: Inter-council Co-operation****a. Procurement Report**

Report by Kate Barker, 6 November 2019

Regional Strategic Priorities	1.1 Deliver cost savings and other value to member councils through aggregated procurement
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Recommendation/s
<p>That the Board note the Procurement Report and</p> <ol style="list-style-type: none"> 1. approve the 12-month extension of the road signs contract (S1_2018) with Artcraft, Barrier Signs and DeNeefe until 31 December 2020; 2. approve the 12-month extension of the bitumen emulsion contract (S2_2018) with Boral Asphalt until 31 March 2021; 3. approve the 12-month extension of the linemarking services contract (R2_2018) with Avante, Central West Linemarking, Complete Linemarking, Oz Linemarking and Red Squirrel; 4. approve a 6-month extension of the contract with Common Thread Consulting for the Procurement Support for Water Main Condition Assessment; 5. approve the Water Main Condition Assessment Pilot contract to include a management fee of 1.5% of the total value of the contract, which will be payable by the successful Contractor/s; 6. note that the structure of contract management fees to CNSWJO will remain as is until the Best Practice in Aggregated Procurement Program is completed, at which time a report will be provided to GMAC and the Board on the recommendations for aggregated procurement by the JO, including a report on options on fees and funding of aggregated procurement; 7. note the contract management fees being charged for current contracts; and 8. receive reports regarding management fees for any upcoming procurement processes for approval of the percentage contract management fee to be charged.

Reason for the Report

Members currently procure varying goods and services through regional contracts administered by CNSWJO, where a number of these contracts are due to conclude in the coming months. GMAC received a detailed report at their October meeting and resolved to commend to the Board that it approves the extension of the following contracts:

1. Road Signs
2. Bitumen Emulsion
3. Linemarking Services
4. Procurement Support for Water Main Condition Assessment

The Board is asked to approve the extensions of these contracts as detailed further in this report.

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Additionally, these contracts, along with varying others, contain a contract management fee payable to CNSWJO for contract management services. The inclusion of contract management fees in aggregated procurement is being reviewed as part of the Best Practice in Aggregated Procurement (BPAP) Program, and a report will be received by GMAC and the Board in due course regarding the recommendations. It is recommended that in the meantime the contract management fees currently included in contracts remain as they are, and the contract management fee percentage for any new contracts be approved by the Board prior to the procurement process being conducted.

Legislative, Policy and Risk Considerations

Given procurement is an operational support program designed to bring cost savings and other benefits from aggregation, prior to commencing a procurement process a report is considered by GMAC where they are notified of the background and asked to approve the process. All procurement processes are conducted in accordance with the requirements of the Local Government Act and the CNSWJO procurement policy.

The region is progressing a best practice in aggregated procurement program collaboratively with neighbouring JOs to inform optimal processes that can be leveraged by the changes in legislation enabling the JO.

Related risks from the Strategic Plan include:

- 27 – Procurement charging processes not universally supported
- 28 – Ensuring services are relevant to all members, and providing value for money
- 32 – Long term viability and financial sustainability

Through the BPAP program a review of aggregated procurement, including the viability of income derived through contract management fees to the JO, will be undertaken.

Discussion

Contract Extensions

GMAC received a detailed report at their October meeting and resolved to approve the extension of the following contracts:

- **Road Signs (S1_2018)** - The current contract for the supply and delivery of road signs, held by individual councils, commenced on 1 January 2018 and expires on 31 December 2019, with the option of a 12-month extension. The service providers include Artcraft, Barrier Signs and DeNeefe. It is recommended that the Board approves the 12-month extension of the road signs contract each of the providers until 31 December 2020.
- **Bitumen Emulsion (S2_2018)** - The current contract for the supply and delivery of bitumen emulsion, held by individual councils, commenced on 1 April 2018 and expires on 31 March 2020, with the option of a 12-month extension. It is recommended that the Board approves the 12-month extension of the bitumen emulsion contract with Boral Asphalt until 31 March 2021.
- **Linemarking Services (R2_2018)** - The current contract for linemarking services, held by individual councils, commenced on 1 December 2018 and expires on 30 November 2019, with the option of two 12-month extensions. The service providers include Avante, Central

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West Linemarking, Complete Linemarking, Oz Linemarking and Red Squirrel. It is recommended that the Board approves the 12-month extension of the linemarking services contract with each of the providers until 30 November 2020. There is a second 12-month extension available on conclusion of this proposed extension.

Central West Linemarking has requested to include rates for transverse linemarking as a variation as part of the extension of their contract. The contract currently allows for transverse linemarking, however the schedule of rates shows as 'can be quoted'. A variation will form part of the extension for Central West Linemarking to show the prices for transverse linemarking.

- **Procurement Support for Water Main Condition Assessment (CWUA6_2018)** – the contract, held by CNSWJO, has experienced delays with the work and therefore it is recommended that the contract be extended for 6 months to enable the work to continue.

Water Main Condition Assessment (WMCA) Pilot

The procurement process for the Water Main Condition Assessment Pilot to be conducted by CNSWJO was approved by the Board on 27 June 2019. Councils participating in the Pilot include Cowra, Lachlan, Orange and Parkes, where Forbes has advised they will no longer be participating. All councils have been provided with a proforma report to Council to participate in the procurement process, however some have advised that due to the expected value of the works they will not need a Council resolution to participate.

As with some other CNSWJO-managed contracts, it is intended that the WMCA Pilot include a contract management fee. The heads of consideration used to determine this are as per what is described later in this report. The value of the work is unknown due to the emerging technology being used and the lack of examples of similar projects in Australia available, and as such the management fee percentage is based on a mid-point between pipe relining (high value contract) which is a 1% contract management fee and CCTV of Sewer and Stormwater Pipes (mid-value contract) which is 2%. A report was provided to GMAC at its October meeting, where it was resolved to commend to the Board that the contract management fee of the WMCA Pilot is 1.5%, payable by the successful contractor/s to CNSWJO.

Best Practice in Aggregated Procurement Program

The Best Practice in Aggregated Procurement (BPAP) Program is underway, with Lindsay Taylor Lawyers (LTL) being awarded the contract for *Stage 1 – Legal advice on enablement through the legislative framework*. The BPAP Program is a collaborative effort by CNSWJO, Illawarra Shoalhaven Joint Organisation (ISJO), Riverina Joint Organisation (RivJO), Canberra Region Joint Organisation (CRJO) and Riverina and Murray Joint Organisation (RAMJO), where CNSWJO staff are taking the lead on the project management role.

The report for Stage 1 has now been completed and received. The JOs have requested a quote from LTL for a further piece of work as a continuation of Stage 1 which includes:

- Letter to the Minister regarding anomalies under the Local Government Act
- Draft Table of Contents for a Procurement Policy
- First draft template Memorandum of Understanding
- Advice on management fees
- First draft of template delegations from member councils to JOs and from JOs to the JO Executive Officer

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- First draft of template Service Level Agreement
- Further Advice on Competition Law Issues

The proposed next stages of the BPAP Program include:

- Stage 2 - A piece of work on procurement models (fee for service etc) - this may require the legal advice as a prerequisite. This would inform advice on best level of aggregation for specific goods or services – local, regional, State and wider, and tailored.
- Stage 3 - Advice on the value proposition for members including reporting and methodologies on cost savings. Arguably this, with a few potential projects from the above at Stage 2 will help JOs with sustainability going forward.
- Stage 4 - A background report on best practice and current innovation, including advice on panels and supporting regional economies.
- Stage 5 - A workshop pulling together feedback from JOs and key Council staff on potential projects and their implementation.
- Stage 6 - A “pulling it all together” toolkit piece pulling together the above and taking into account serendipitous advice and shared learnings.

At its October meeting, GMAC resolved to approve an EOI process for Stages 2-6, after which it is intended that a formal procurement process will be undertaken for the work to be completed as a group of projects by one consultant, or as separable portions by multiple consultants. The costs for BPAP are being shared across the participating Joint Organisations, with CNSWJO’s portion being funded from the existing Best Practice in Aggregated Procurement budget.

There has been interest expressed from the broader JO network across the state to participate in and contribute to the BPAP Program.

The report on Stage 1 of the Program is available on request. Once the remaining stages have been completed, a comprehensive report will be provided to the Board including the recommendations.

Contract Management Fees

Identified as risks at 27 and 28 of the Strategic Plan, where controls described in the risk management plan are in place and being optimised through BPAP, there has been ongoing discussion regarding the inclusion of contract management fees in CNSWJO-managed contracts. The following heads of consideration are used to determine the inclusion of contract management fees as part of the procurement process:

1. Will the fee be absorbed by the contractor/service provider or passed through to councils?
2. What is the value of the contract?
3. What is the value to members?
4. Should the Service Provider pay the fee, or should Councils?

Contract management fees currently being charged through CNSWJO contracts, which include the spend by non-member councils participating in CNSWJO contracts, include:

Contract	Percentage Fee 18/19	Income received in 18/19 FY
Bitumen Emulsion	0.5%	\$6,101.86
Coldmix Asphalt	2%	\$4,683.19
Road Signs	2%	\$9,679.50
Fuel	0.15%	\$11,417.31

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Linemarking	2%	\$16,641.43
LMS + Content + Recruit + Onboarding + Performance	5%	\$11,205.78
Pre-Employment	5%	\$5,472.50
EAP (5% for new contract commencing 1/7/19)	3%	\$1,480.03
Traffic Control Training (commenced on 1/4/19)	5%	\$780.00
Compliance Training	5%	\$5,101.05
Dam Surveillance + Annual Inspection of Dams	3%	\$6,971.20
Pipe Relining	1%	\$8,150.96
CCTV of Sewer and Stormwater	2%	\$0.00
Rates Notices	5%	\$4,216.22
Inspection and Condition Assessment of Bridges	5%	\$42,314.98*
Asset Management Maturity Audit (commenced on 1/3/19)	5%	\$621.45
Total		\$134,837.45

* the bridge assessment project was fully grant funded by the NSW Government.

The following table shows the new contracts which have or will commence after 1 July 2019, including their percentage contract management fee and the estimated income.

New contracts in 19/20	Percentage Fee 19/20	Estimated Income in 19/20
Restocking of First Aid Kits	0%	\$0.00
Auditing of Performance Monitoring Data for Water and Sewer	5%	\$3,522.20
Internal Audit of Cyber Security	5%	\$8,651.00
Water Main Condition Assessment Pilot	1.5%	\$5-10k
Supply of Retail Electricity including Renewable Energy	0.25%*	~\$10,000-15,000

* subject to Board approval. See report elsewhere in this business paper.

It is recommended that the management fees being charged for all CNSWJO-managed contracts be noted.

Attachment/s: Nil.

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b. Energy Programming Report**Report by Kate Barker, 6 November 2019**

Regional Strategic Priorities	1.3 Members are provided with value for money from collaboration on energy related projects
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Recommendation/s
<p>That the Board note the Energy Programming Report and</p> <ol style="list-style-type: none"> 1. Vary the existing contract with Sourced Energy to raise the management fee from the large market retailer by 0.25% which will be payable to CNSWJO; and 2. Note the cost savings of \$2.37m over 3 years achieved through the procurement process for the supply of electricity for large market sites.

Reason for the Report

Members will be aware that CNSWJO recently coordinated the procurement for the supply of electricity for member councils for contracts to commence on 1 January 2020. This report provides an update on the process, including an explanation on the reasons why it was not possible to incorporate renewable energy into the contracts.

Discussion**Background**

A report was received by GMAC at their July meeting regarding the opportunity to combine electricity load with SSROC councils as part of their PEERS2 project. Subsequent to the resolution from GMAC, further discussions were held with SSROC regarding CNSWJO councils not joining the PEERS2 project, noting that there may be other ways to work together. Through the Sponsoring General Managers of this process, Mr D Sherley and Mr K Boyd, it was agreed that the RFX would be run as an aligned procurement process with SSROC, meaning that the requests would be released on the same day, close on the same day, and would have the same or similar requirements; however, would be run as separate processes. This was made on the basis of advice provided by Consultant David West from Sourced Energy, that combining load with SSROC to be over 200GWh p.a. would be more desirable to members and could lead to a better outcome.

To align the processes, it was agreed that the management fee payable to Sourced Energy (reported in the confidential report to GMAC in July) would be raised to be equivalent to that charged through the SSROC process, which would ensure there was no cross-subsidisation, among other things. Discussions with SSROC were not finalised until the end of August. The resolution from GMAC's July meeting regarding this matter is as follows:

- 1. note that the benefits of aggregating load only with SSROC and others includes better market response, cheaper pricing and better negotiating power regarding terms and conditions;***

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- 2. commend to the Board an increase in the management fee to Sourced Energy where CNSWJO has performed work in addition to Sourced Energy and where CNSWJO receives a rebate of the difference between the Sourced Energy management fee and an increased amount that matches that of the PEERS program;**
- 3. note that the increase amount is likely to be negligible, that is \$10-15K per annum; and**
- 4. direct that there would be no direct participation in SSROC's PEERS program but a combined load single document tender could be sent to the market and a separate evaluation would be undertaken.**

It is recommended to the Board, as per the GMAC resolution from July, that it approve an increase in the management fee paid by the large market retailer by 0.25%, and to vary the existing contract with Sourced Energy for the additional fee received from the retailer be paid to CNSWJO.

Procurement Process

On 10 September 2019, CNSWJO released the Request for Quotation/Tender to energy retailers for the supply of electricity. Retailers were also asked to provide pricing that allocated approx. 20% of the entire load as renewable energy. The RFX included all 11 CNSWJO councils, along with 5 REROC councils (Bland, Coolamon, Cootamundra-Gundagai, Greater Hume and Temora) and Tamworth (large market sites only).

Stage 1 offers were received on 2 October 2019 for both small market sites and large market sites (including streetlighting). On completion of the evaluation of Stage 1 offers, the evaluation panel agreed on the retailers to shortlist and invite to respond to Stage 2 (the Best and Final Offer (BAFO) round). As a result of the offers received in the BAFO round, the evaluation panel deemed the successful providers to be:

- Small market sites – Origin Energy
- Large market sites (including streetlighting) – Energy Australia.

Both the small market contract and the large market contract are for a period of 3 years, from 1 January 2020 to 31 December 2022.

Contracts are currently being developed by each of the retailers and are expected to be provided to councils for signing in the coming weeks.

Renewable Energy

Members will recall reports to each Council regarding the allocation of a percentage of their entire load to renewable energy. Most councils resolved to allocate 20%, however Bathurst resolved to allocate 35% and Weddin 0% as it has no large market sites besides streetlighting to apportion the renewable energy to. It should be noted that each resolution stated that renewable energy would only be included if it was financially advantageous for councils.

During the procurement process, retailers were asked to provide pricing for standard grid energy and renewable energy, as well as standard grid energy only. Pricing from both Stage 1 and Stage 2 (BAFO) included a renewable energy component that was significantly higher than standard grid energy. This outcome was unexpected, and the reasons for why it occurred are explained by Sourced Energy below:

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The agreed intention of the group's approach to market was to incorporate renewable energy into the electricity mix where it made financial sense.

11 retailers downloaded the documents, which is an above average response to an electricity Request for Quotation/Tender (RFX) in NSW.

The expectation was that a number of retailers would competitively respond with renewable and regular grid options.

However, only 2 retailers supplied quotation for renewable power as well as regular grid Power. Of these, only one satisfied the requirements that the offer did not involve direct investment in a derivative and that the agreement duration was less than 10 years.

Unfortunately, this offer of renewable energy was also more expensive than the regular grid offer. Therefore, it didn't make sense to incorporate renewables at the available prices.

The reasons cited by non-respondents for the lack of quotation varied from retailer to retailer. Some retailers were unable to source the wind power in NSW required to cover the off-peak load of streetlights and for the required start date. Others suggested that they could only provide a derivative agreement.

Also, shortly after the release of the RFX, the Australian Energy Market Operator (AEMO) made a significant and unprecedented regulatory intervention in the electricity market by cutting the allowed output of five NSW and Victorian solar farms by 50% on 13 September (i.e. immediately after the RFX was released to the market and before it closed).

The intervention to curtail generation from large and already built solar plants in this manner not only restricts renewables supply in NSW but also substantially increases the supplier's risk (e.g., they may not be able to deliver against already contracted volumes).

From the feedback received, it appears to Sourced Energy that electricity retailers factored this new risk into their pricing (or did not offer renewable pricing at all or did not submit at all despite previous indications that they would). This is a new development which no retailers raised with Sourced Energy or CNSWJO as a major issue during market research immediately prior to the RFX release. Its impact only became clear when the RFX responses were opened.

For reference, the following links to announcements about this regulatory intervention are provided: [Reference 1 PV Magazine](#) and [Reference 2 Renew Economy](#)

On 14 October, in the midst of RFX Best and Final Offer (BAFO) pricing, the Australian Energy Markets Commission (AEMC) [announced](#) fundamental reform of the National Electricity Market which aims to ensure that there are clear locational price signals about the costs of connecting power plants to the grid. The key driver was cited as being the growing number of distributed renewables plants coming online and the grid not having the capacity to take them at particular locations.

Sourced Energy's advice is that both the above events have materially increased the uncertainty about the financing, approvals, connections and costs for new renewables plants. Further, it appears that this substantial increase in regulatory uncertainty for

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renewables plants is unlikely to be resolved in the near term, given the time typically taken for such fundamental regulatory reform.

The group decision was to not incorporate renewable power into the contract but instead achieve significant cost savings through regular grid power.

There are alternatives available to incorporate renewable energy into a council's electricity mix:

- *GreenPower can be purchased at an additional cost to a desired percentage level.*
- *Additional behind-the-meter renewable installations can be used to reduce Councils' grid consumption within the allowable load flex amount (i.e. -20% is available without penalty)*
- *Developing community powerplants that reduce grid consumption of residents using behind the meter installations of solar PV and batteries*

CNSWJO staff will continue to work with Sourced Energy and councils to further explore other renewable energy options.

Cost Savings

Sourced Energy has calculated the cost savings that councils have achieved through the procurement process and the associated contracts with Energy Australia (large market sites). The cost savings are calculated by multiplying the existing incumbent rates by the 3 years of forecast load, compared to the new contract rates multiplied by the 3 years of forecast load.

Please note that the savings are based on forecast loads provided by councils, inclusive of energy efficiency upgrades (e.g. Southern Lights) and the installation of planned solar installations. The reduction in load from the Southern Lights Project is based on the existing Bulk Lamp Replacement schedule provided by Essential Energy, current at November 2019.

For large market sites, the spend includes energy, environmental charges, supply charge, metering charge and network charges. The network charges for 2020, 2021 and 2022 have been used to calculate both the 'total cost (using contracted rates)' and the 'total cost (using incumbent rates)', i.e. no savings shown for network charges. These rates are pass-through rates and cannot be negotiated through the procurement process.

The estimated cost savings are shown in the tables below. A per council breakdown can be provided on request. If there are questions regarding the cost savings, please request advice prior to the meeting.

The cost savings for small market sites are still being calculated and will be reported to the next Board meeting.

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Council	Period	Large Market - Energy Australia				Totals		Savings	
		Forecast Load (MWh)	Total Cost (using contracted rates)	Total cost (using incumbent rates)	Savings	Total Spend (new contract rates)	Total spend (incumbent rates)	Total Savings (3 year contract)	Percentage saving
Bathurst	2020	12,083	\$ 2,397,219	\$ 2,558,749	\$ 161,530	\$ 7,112,906	\$ 7,739,088	\$ 626,182	8.09%
	2021	12,083	\$ 2,354,646	\$ 2,579,574	\$ 224,929				
	2022	12,083	\$ 2,361,041	\$ 2,600,764	\$ 239,723				
Blayney	2020	774	\$ 139,974	\$ 150,719	\$ 10,745	\$ 396,022	\$ 435,325	\$ 39,303	9.03%
	2021	789	\$ 139,720	\$ 154,804	\$ 15,084				
	2022	651	\$ 116,328	\$ 129,802	\$ 13,474				
Cabonne	2020	746	\$ 160,530	\$ 172,161	\$ 11,630	\$ 416,220	\$ 454,458	\$ 38,238	8.41%
	2021	562	\$ 120,233	\$ 132,508	\$ 12,275				
	2022	631	\$ 135,457	\$ 149,789	\$ 14,332				
Central Tablelands Water	2020	1,435	\$ 278,011	\$ 298,669	\$ 20,657	\$ 824,394	\$ 903,184	\$ 78,790	8.72%
	2021	1,435	\$ 272,860	\$ 301,048	\$ 28,188				
	2022	1,435	\$ 273,523	\$ 303,468	\$ 29,945				
Cowra	2020	3,837	\$ 743,719	\$ 796,210	\$ 52,491	\$ 2,077,931	\$ 2,267,751	\$ 189,820	8.37%
	2021	3,521	\$ 671,091	\$ 738,084	\$ 66,993				
	2022	3,463	\$ 663,121	\$ 733,456	\$ 70,336				
Forbes	2020	3,221	\$ 646,062	\$ 690,859	\$ 44,797	\$ 1,840,029	\$ 2,004,668	\$ 164,639	8.21%
	2021	3,103	\$ 612,370	\$ 671,995	\$ 59,625				
	2022	2,931	\$ 581,597	\$ 641,814	\$ 60,217				
Lachlan	2020	2,053	\$ 401,254	\$ 430,381	\$ 29,126	\$ 1,170,800	\$ 1,280,286	\$ 109,485	8.55%
	2021	2,053	\$ 393,876	\$ 433,774	\$ 39,898				
	2022	1,949	\$ 375,670	\$ 416,131	\$ 40,461				
Oberon	2020	370	\$ 75,254	\$ 80,825	\$ 5,571	\$ 188,447	\$ 206,174	\$ 17,728	8.60%
	2021	317	\$ 63,845	\$ 70,439	\$ 6,594				
	2022	241	\$ 49,347	\$ 54,911	\$ 5,563				
Orange	2020	13,079	\$ 2,574,213	\$ 2,749,629	\$ 175,415	\$ 7,636,264	\$ 8,315,769	\$ 679,505	8.17%
	2021	13,079	\$ 2,527,756	\$ 2,771,794	\$ 244,038				
	2022	13,079	\$ 2,534,295	\$ 2,794,347	\$ 260,052				
Parkes	2020	8,214	\$ 1,510,670	\$ 1,620,205	\$ 109,535	\$ 4,416,423	\$ 4,835,221	\$ 418,798	8.66%
	2021	8,214	\$ 1,479,914	\$ 1,632,545	\$ 152,632				
	2022	7,890	\$ 1,425,839	\$ 1,582,470	\$ 156,631				
Weddin	2020	252	\$ 45,428	\$ 48,795	\$ 3,366	\$ 100,278	\$ 109,760	\$ 9,482	8.64%
	2021	195	\$ 34,570	\$ 38,272	\$ 3,702				
	2022	114	\$ 20,279	\$ 22,694	\$ 2,414				
CNSWJO Total	2020	46,065	\$ 8,972,336	\$ 9,597,201	\$ 624,865	\$ 26,179,714	\$ 28,551,683	\$ 2,371,969	8.31%
	2021	45,352	\$ 8,670,880	\$ 9,524,836	\$ 853,956				
	2022	44,467	\$ 8,536,498	\$ 9,429,646	\$ 893,148				

Attachment/s: Nil.

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c. Internal Audit and Risk Management Report

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Jennifer Bennett, 8 November 2019

Recommendation/s
<p>That the Board note the new Internal Audit and Risk Management Guidelines advice from the Office of Local Government and provide a response that:</p> <ol style="list-style-type: none"> 1. Is supportive of a strategic approach to internal audit and risk management; 2. Suggests a less prescriptive approach, than that suggested in the guidelines; 3. Is not supportive of leveraging Section 377 of the Local Government Act where Councils delegate internal audit and risk management functions to the JO; 4. Notes the diversion of resource required for a Joint Organisation to fulfill these guidelines will be counterproductive and is at risk of contributing to JO network failure; and 5. Request that JOs be exempt from the new Internal Audit and Risk Management Framework for NSW.

Reason for the Report

This report seeks direction regarding the development of a response to the new Internal Audit and Risk Management Guidelines (the Guidelines). These Guidelines will apply to Joint Organisations and will have a direct and indirect financial impact which will ultimately be met by members unless other sources of income can be found.

While risk management and process improvement are integral to the Joint Organisation, the program for their management as suggested by the Office of Local Government is seen as unnecessary and diverting resources away from delivering outcomes including process improvement.

A response from the JO Board outlining its concerns is recommended looking for a more outcomes rather than prescriptive approach.

Legislative, Risk and Policy Considerations

Please note there is a new Internal Audit and Risk Management Guidance from Office of Local Government (OLG) that applies to all JOs. To view the full guide please [click here](#). Submissions may be made in writing by 31 December 2019 and are asked to address the following questions:

- Will the proposed internal audit framework achieve the outcomes sought?
- What challenges do you see for your council when implementing the proposed framework?
- Does the proposed framework include all important elements of an effective internal audit and risk framework?

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- Is there anything you don't like about the proposed framework?
- Can you suggest any improvements to the proposed framework?

Of note is the following advice which is applicable to Joint Organisations.

Proposed policy framework

The risk management and internal audit framework proposed for the NSW local government sector seeks to:

- *ensure each council (including county council/joint organisation) in NSW has an independent Audit, Risk and Improvement Committee that adds value to the council*
- *ensure each council (including county council/joint organisation) in NSW has a robust risk management framework in place that accurately identifies and mitigates the risks facing the council and its operations*
- *ensure each council (including county council/joint organisation) in NSW has an effective internal audit function that provides independent assurance that the council is functioning effectively and the internal controls the council has put into place to manage risk are working, and*
- *establish a minimum standard for these mechanisms based on internationally accepted standards and good practice guidance. The framework has been based primarily on the NSW public sector risk management and internal audit framework (as recommended by the Independent Commission Against Corruption⁴¹) and the IPPF⁴². It has also taken into consideration:*
 - *the existing Internal Audit Guidelines updated by the Office of Local Government in 2010*
 - *the internal audit-related recommendations of the Independent Local Government Review Panel's 2013 inquiry⁴⁴ and the Local Government Acts Taskforce's 2013 review⁴⁵*
 - *recommendations made by the Independent Commission Against Corruption in its various public inquiries into local councils in NSW⁴⁶*
 - *the Australian Government's public sector internal audit framework 41 Independent Commission Against Corruption (2011) Investigation into the alleged corrupt conduct*

In summary, an audit and risk committee is to meet 4 times a year working within the specified framework, which includes various plans and processes. The Chair is to sign off on an Annual Attestation Statement for which the assurance is substantial. All activities are to be coordinated through a resource described as "Chief Audit Executive" overseeing in-house personnel and/or outsourced. Share arrangements are encouraged but involve a greater degree of structure and process than those currently in place in region.

Summarising some of the issues:

- Practicality of the Annual Attestation Statement;
- Focus in the role statement on the control framework for financial management and external accountability framework instead of process improvement;
- The impossibility of the assurance task to be achieved with the process described; and
- The resourcing requirements for the above and for the shared arrangements as proposed.

There are two broad areas of interest for the JO Board:

1. The implications for the JO; and
2. The options for shared arrangements and their implications for both members and the JO.

Reports

The implications for the JO

Central NSW JO and its predecessor Centroc have included risk management in its approach. This is demonstrated by its strategic plan and reporting. Further, process improvement and leading practice are also features of the work it undertakes for Councils and for itself. Current examples include:

- Best Practice in Aggregated Procurement;
- Audit of water quality program; and
- National Asset Management Audit Framework program.

Without doubt the JO could do better in this space but the approach as suggested in the Guidelines is not designed for a very small organisation like a JO, is unaffordable and unworkable.

Besides internal resourcing there is advice on the remuneration of this Committee as follows:

Council size Indicator Chair fee (excluding GST) Member fee (excluding GST) Large Expenditure greater than \$400 million \$20,920 per annum \$2,092 per meeting day including preparation time Medium Expenditure between \$50 million and \$400 million \$16,213 per annum \$1,621 per meeting day including preparation time Small Expenditure less than \$50 million \$12,552 per annum \$1,255 per meeting day including preparation time.

Estimates for the JO are in the order of \$30K per annum direct costs where the internal resourcing to fit the balance of the requirements will consume a significant amount of time for the JO EO.

The options for shared arrangements and their implications for both members and the JO

Members in region have been working collaboratively in various ways on internal audit for some time. The discussion paper makes provision for how this is to occur in the future in the chapter “Core Requirement 9.”

There are two types of collaborative arrangement described in the discussion paper. The first is Councils working together enabled through a Section 355 Committee of the Local Government Act. The second is enabled through the JO enabled under Section 377 of the Local Government Act.

Regarding the approach enabled through Section 377, Councils would need to delegate this function to the JO. Depending on the extent of the functions to be delegated, arguably this is creating another level of government and outside existing JO policy. There may be some cost savings opportunities for members but these would need to be considered in the broader context of Council control over the process.

Regarding the approach enabled through Section 355, it is more complex than Councils working in this space currently and may be a disincentive to collaboration.

There is no contemplation for JOs sharing arrangements which may be a better option given their similarity in size and function.

Value for members

While sound risk management and process improvement are essential for organisational success the approach described by the OLG is likely to be highly resource intensive and reduce other services.

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Financial Implications

Nil at this time though if these Guidelines are accepted there are likely to be direct costs of at least \$30K and then substantial internal resourcing required.

Attachment/s:

1. Draft response to the proposed new Internal Audit and Risk Management Guidelines

d. Administration Update

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Jennifer Bennett , 8 November 2019

Recommendation/s

That the Board note the timeline for the implementation of the JO.

Action	By	Update
<ul style="list-style-type: none"> Obtain relevant insurances and workers compensation coverage Hold the first meeting of the joint organisation board Adopt a code of conduct Appoint an interim executive officer Obtain an ABN and TFN Reserve a domain name Establish a phone number and email address 	First month	√
Return signed funding agreement to OLG	29 June 2018	√
<ul style="list-style-type: none"> Adopt a charter—and publish on website Adopt an expenses and facilities policy 	First three months	√
<ul style="list-style-type: none"> Prepare a communication and engagement plan Organise for any relevant regional organisation of councils grants and contracts to be transferred to the joint organisation 	First three months	√ Awaiting all copies to be returned.
Adopt a statement of revenue policy for 2018/19, including budget	31 August 2018	√
Funding report, noting key milestones to be met	28 September 2018	√
Adopt a statement of regional strategic priorities	30 December 2018	√
<ul style="list-style-type: none"> Adopt a logo and other key elements of visual identity Deliver a website featuring the adopted visual identity 	First six months	<p>The seal design has been used in the interim. See logo report to this meeting.</p> <p>Website is now live https://www.centraljo.nsw.gov.au/ Collateral being updated. Social media updated. New email implemented.</p>
Submit six-monthly progress and expenditure report to OLG on the Establishment Funds	28 February 2019	√
Adopt statement of revenue policy for 2019/20, including Budget	30 July 2019	√
Submit six-monthly progress and expenditure report to OLG on the Establishment Funds	31 August 2019	√
Prepare an annual performance statement	30 November 2019	√ See report elsewhere in this agenda
Prepare audited financial reports for the period ending on the last day of the financial year after the year in which the joint organisation is established	31 October 2019	√

Attachment/s: Nil

Reports

Priority Two: Regional Prosperity**a. Central West and Orana Food and Fibre Strategy report****Report by Jennifer Bennett, 8 November 2019**

Regional Strategic Priorities	2.2 Regional industry and population sustainability and growth planning across the Region
Portfolio Mayor	Cr Bill West
Sponsoring General Manager/s	Paul Devery, Dave Waddell, Glenn Carroll and Rebecca Ryan

Recommendation/s
That the Board note the report on the Central West Food and Fibre Strategy and <ol style="list-style-type: none"> 1. endorse the Strategy; and 2. note that advice on implementation is being progressed through the Regional Prosperity Subcommittee.

Reason for the Report

The Central West and Orana Regional Plan identified the need for a Food and Fibre Strategy. This was subsequently progressed through what is now the Department of Planning Industry and Environment (DPIE). This report was provided to General Managers including review of the Strategy with a view to it being commended to the Board including noting the intention for implementation through the Regional Prosperity Subcommittee chaired Cllr Bill West and administered through DPIE.

Legislative, policy and risk considerations

This region has been an ardent supporter of the value of the Central West and Orana Regional Plan. Twelve of the thirteen priority actions were in support of actions suggested through consultation in Central NSW. One of these actions was the delivery of the Central West Food and Fibre Strategy.

While the Strategy does not go as far as members might have hoped in terms of providing a roadmap on an lga by lga basis for activity to support the growth of the agricultural economy, it does provide a series of suggested actions and collateral for advocacy purposes.

The Regional Prosperity Subcommittee of both the Regional Leadership Executive and the Joint Organisation have reviewed the priority actions please see below. The intention is for this Subcommittee to monitor the implementation of the Strategy. Endorsement by the Board will facilitate this approach.

Gaps identified were communicating the Strategy, research and development. Regarding communication, RDA Central West and the JO will give consideration to the Strategy's usefulness as collateral to bring value to the region. Regarding research and development – this will be considered at the next meeting of the Prosperity Subcommittee which will be held at the GATE in February of next year.

Reports

Central NSW JO Board Meeting 27 November 2019

1.Develop our people and our markets <i>Work together to build our people's capacity to add-value to their businesses and grow our markets and our region</i>		
1.1 Collaborate for success	<ol style="list-style-type: none"> 1. <i>State Government regional business advisors and local government economic development staff collaborate to identify the existing and potential collaborative groups in the food and fibre manufacturing sector within the region and seek support from the Food and Beverage Manufacturing Connect (FBMC) Program to establish and support these groups' activities.</i> 2. <i>State Government regional business advisors investigate opportunities within the FBMC Program to broaden the learning opportunities to include facilitating networks like business discussion groups.</i> 3. <i>Local government and industry advocate collaboratively to have the FBMC Program expanded to include those involved in high-value agricultural production, so as they may integrate with other businesses experiencing similar challenges in the food and fibre supply chain.</i> 	<p>Advice regarding the FBMC to be provided to the next meeting for review of its potential.</p>
1.2 Build the skilled workforce we need	<ol style="list-style-type: none"> 4. <i>State Government to initiate a regional industry/training provider/schools roundtable to identify ways to better match the training provided locally with the needs of the regional food and fibre industry.</i> 5. <i>As a first priority, this roundtable should commission a skills demand profile for the regional industry, building on that already undertaken by the Regional Development Australia – Central West (RDACW), to identify the priority areas of skill development it should initially focus on.</i> 6. <i>Local Government should initiate programs to support recently arrived migrants and seasonal workers better settle into and participate in our local communities.</i> 7. <i>Local Government incorporate appropriate planning policy amendments to increase the supply and quality of affordable housing and budget accommodation for new arrivals and seasonal workers.</i> 	<p>4 and 5 – Advice on priority activity in the skills space to be provided to the next meeting</p> <p>6 and 7 RDACW and JO to provide advice Q3 2020</p>

Reports

Central NSW JO Board Meeting 27 November 2019

1.3 Become export-ready	<p>8. <i>State Government increase the awareness of export advisers and export support services in the region.</i></p> <p>9. <i>State Government, regional business advisers and local government economic development staff work together to review the available business support grants to ensure they are tailored to the scale and needs of regional food and fibre businesses.</i></p>	<p>8. Advice on export advisers to be provided by DPIE to the next meeting</p> <p>9. Ongoing through RDACW</p>
<p>2. Create an investment-ready environment</p> <p><i>Create an environment that encourages investment, whilst protecting that which is of importance to our community</i></p>		
2.1 Protect and actively manage land use	<p>10. <i>The Department of Planning, Industry and Environment collaborate with and support each local government authority in the region to review and update their rural land use plans to be consistent with the principles and recommendations of the draft CWO Agricultural Development Strategy.</i></p>	<p>Advice to be sought from Planning representative to the next meeting.</p>
2.2 Facilitate appropriate development	<p>11. <i>Local Government should seek to develop their own local activation precincts for food and fibre sector, as part of the review and update their rural land use plan, following the identification of the regional priorities.</i></p> <p>12. <i>The concierge service provided by Treasury should be utilised to ensure access to facilitation services for regionally significant developments.</i></p> <p>13. <i>Local Government and State Government collaborate to support the capacity and capability of economic development staff.</i></p>	<p>11. Advice to be sought from Planning representative to the next meeting.</p> <p>12. Advice on concierge service to be provided to the next meeting.</p> <p>13. This will require scoping – to be undertaken in the third quarter of 2020.</p>
2.3 Protect the health of our industries	<p>14. <i>State Government investigate the opportunity for the Parkes freight hub to become an inland port, hosting quarantine and customs services, which could support the whole region.</i></p> <p>15. <i>Industry and Local Government collaborate to advocate for the establishment of an irradiation facility in NSW to facilitate market access for the region's growing fresh fruit industry and biosecurity.</i></p>	<p>14. Anna Wylie to present to the next meeting re this opportunity in the context of the Parkes SAP.</p> <p>15. Advice will be provided to the JO Board under the auspices of the Portfolio Mayor.</p>

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Central NSW JO Board Meeting 27 November 2019

3. Build enabling infrastructure <i>Co-operate and advocate at a regional level to ensure adequate infrastructure investment to facilitate industry growth</i>		
3.1 Improve access to our markets	16. <i>Local Government and industry advocate collaboratively to achieve State and Federal Government's investment in the road and rail infrastructure projects necessary to deliver a sub three hour journey for High Productivity Vehicles between Orange and Parramatta.</i> 17. <i>Local, State and Federal Governments continue to collaborate to deliver the Inland Rail project and regional rail as a matter of national, state and regional priority.</i>	16 and 17 – Await feedback from the Central West and Orana Regional Transport Plan currently under development
3.2 Provide reliable energy	18. <i>Local Government through Central NSW Joint Organisation (CNSWJO) to collaborate with Essential Energy to investigate the current energy network's capacity and capability to deliver energy to different parts of the region and use the findings of this audit to identify initiatives that would enhance the network and promote regional growth.</i> 19. <i>Local Government utilise the findings of the energy network investigation to inform the development of local activation precincts, and their rural land use plans.</i> 20. <i>State Government work with Industry to install/develop their own renewable energy solutions.</i>	18 and 19 Update to be provided to the next meeting. 20 Monitor opportunities
3.3 Improve our water security	21. <i>Local Government seek to protect our catchments and irrigation areas from incompatible land uses, and direct the siting of high-water use industries to locations with water access and security via their rural land use plans and, where appropriate, through the use of strategic precincts.</i> 22. <i>Industry, State and Local Government work collaboratively to develop and implement initiatives to increase water use efficiency and increase the use of recycled water.</i> 23. <i>State and Local Government together with local industry to identify opportunities to increase the operating efficiency of the local water-supply and irrigation system to provide greater water security to all water users.</i>	Presentation from Ms Anna Wylie on opportunities along the Lachlan to the next meeting.

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Value for members

This Strategy has been fully funded by the NSW Government and provides specific 2 page per LGA Advice regarding Local Government potential support in the agricultural sector. With consultation across the region including all member Councils the Strategy includes recommendations for action and is logically being implemented through the Regional Prosperity Subcommittee.

Financial Implications

Nil at this time.

Attachment/s:

2. NSW Central West Food and Fibre Strategy - July 2019

b. Regional Prosperity and Advocacy Plan

Regional Strategic Priorities	2.1 Initiatives to grow population and increase the visitor economy 2.2 Regional industry and population sustainability and growth planning across the Region 2.3 Heritage, cultural advantages and land use planning processes
Portfolio Mayor	Cr Bill West
Sponsoring General Manager/s	Paul Devery, David Waddell, Glenn Carroll and Rebecca Ryan

Report by Jennifer Bennett, 8 November 2019

Recommendation/s
That the Board note the report on the Regional Prosperity Advocacy Plan; 1. Adopt the Plan; and 2. Share the policy position with LGNSW.

The implementation of the Strategic Plan for the CNSWJO calls for an Advocacy Plan for Regional Prosperity.

The Plan consists of a policy position and key messages. These are used to inform submissions, media, ministerial and other meetings.

Given the breadth of consideration under the “Prosperity” banner, detail is provided in only a few areas, those being health, telecommunications and planning. It may be that members have a view regarding other areas that would require a deeper policy dive and this can be developed for a future Board meeting.

The policy and messaging have been drawn from previous advocacy plans and submissions. It has been developed in consultation with the Portfolio Mayor, Cr Bill West.

At a workshop between JOs and LGNSW it was suggested that JOs provide their policy position to LGNSW to assist them in supporting the regions with advocacy.

The Advocacy Plan follows.

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DRAFT REGIONAL PROSPERITY ADVOCACY

Policy

Our communities have told us they want Central NSW to be a vibrant, growing and welcoming place of seasonal landscapes that is recognised in the nation for its agricultural heart. Accordingly, this region seeks to be recognised as one of the 7 top contributors to National Gross Regional Product.¹ To achieve this the voices of this region need to be heard, investment in the region needs to be optimised and decision making needs to be more localised.

Standing on the shoulders of the work and reputation of Centroc, as part of its role as a Joint Organisation, CNSWJO will work more collaboratively with relevant State, Federal and other agencies to improve regional development outcomes. Given resourcing, this work will occur where value to the communities of Central NSW is likely.

This region suggests that 'growth' in NSW is understood as population growth. Arguably much of NSW has concerns regarding the methodology used for calculating population growth and decline. We would suggest that regional growth is about economic contribution and its enablement.

This region needs to plan to ensure it has the freight links, water supply, broadband capability, social structures and services, access to skills and the like, to sustain and grow our economy. Regional planning should inform a raft of activities including land use planning and control. Instead we have to manage death by a thousand cuts as services and infrastructure are either provided or withdrawn inflexibly on the basis of capitation using, we believe, a flawed methodology.

Further, we need to manage the economic shocks of changes to mining and manufacturing. This is particularly challenging for smaller communities and effort is required to build capacity to manage those shocks. Effort is also required to manage the economic impact of drought.

At the time of the Joint Organisation Pilots, there were no frameworks to enable alignment between Local Government and State Government priorities. These are now beginning to emerge along with some enthusiasm and willingness from various State agencies in exploring the potential offered by Joint Organisations.

The collaborative work undertaken during the Pilot on the Central West and Orana Regional Plan demonstrates the value of Local Government providing deep knowledge from the grass roots to inform strategy.

¹ Infrastructure Australia 2015

Since the Pilot the State has invested in its Regional Economic Vision including Regional Economic Development Strategies. There are 5 of these relevant to this region and the JO Strategy has reviewed these for areas of commonality. Continuity and optimisation of the strategic framework including the DPIE Regional Plans and the Regional Economic Vision are seen as critical to ensuring best outcomes for this region.

With the new approach and structure of the CNSWJO, Regional Prosperity covers a lot of territory and includes:

- Health- ensuring the needs of services across the regions are known to the NSW and Federal Governments, supporting a medical school in the Region and improving regional service levels.
- Education
- Telecommunications – delivered in collaboration with RDACW
- Energy
- Transport and infrastructure
- Regional Growth
- Water, including urban water management and funding
- Tourism
- Planning
- Policing
- Agriculture

Please note a more detailed approach to advocacy on transport and water is provided in their respective advocacy plans. Given the importance of health, telecommunications and planning, more detailed advice regarding health these is included. For some of the above, for example policing, there is little policy and advice would have to be sought from the membership to inform key messaging in this area.

Advocacy will take into account the electoral cycle and the likelihood for change.

Advocacy will take into account optimising outcomes from infrastructure prioritisation and feedback from member annual consultations. Consideration is given to the State and Federal funding framework including the quasi independent authorities of Infrastructure NSW, Jobs NSW and Infrastructure Australia. Advice from the broader national building and NSW Regional Devt Frameworks is also considered.

Subsidiarity is a principle of social organisation that originated in the Roman Catholic church, and was developed following the [First Vatican Council](#). *In its most basic formulation, it holds that social problems should be dealt with at the most immediate (or local) level consistent with their solution.* The [Oxford English Dictionary](#) defines subsidiarity as the idea that a central authority should have a subsidiary (that is, a supporting, rather than a subordinate) function, performing only those tasks which cannot be performed effectively at a more immediate or local level. The concept is applicable in the fields of government, [political science](#), [neuropsychology](#), [cybernetics](#), management and in military command ([Mission Command](#)). In political theory, the principle of subsidiarity is sometimes viewed as an aspect of the concept of [federalism](#), although the two have no necessary connection. It has been associated by some with the idea of [decentralisation](#).

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Advocacy for regional prosperity is based on the principles of subsidiarisation, decentralisation and place based planning for:

- Local control over land use including LEPs, native vegetation and SEPPs;
- Support for Special Activation Precincts;
- A review of the population projection methodology in NSW that recognises the need for infrastructure and services to grow the economy as well as the population;
- Empowering communities including:
 - Their access to data;
 - Supporting and building on the Community Strategic Planning process;
 - To increase their influence over plans at other levels of government that affect them and
 - Local Government Reform reflecting community aspirations (JO policy is no forced amalgamations);
- Less sectoralisation and centralisation of State agencies;
- Sustaining Local Government, including but not limited to:
 - Funding for infrastructure
 - Asset management
 - Financial management
- Planning and prioritisation frameworks to align the aspirations of communities with those of the State and Federal Government using a regional footprint;
- Optimising the Regional Plan for Central NSW; and
- Other emerging issues as they become apparent recognising this is a period of significant churn and change for the bureaucracy in NSW.

While evidence based competitive investment is supported, the types of evidence that are regarded as compelling are rejected. For change to occur, decentralisation to happen and Central NSW to optimise its role in the State and Australia, we need be aspirational rather than basing development on looking backwards.

It is anticipated that the messaging and policy position of this Advocacy Plan will be progressed through:

- Supporting regional strategic and technical groups in their efforts to provide deep knowledge and support to advocacy, prioritisation and intergovernmental collaboration;
- Developing policy with other regions;
- Providing submissions to government;
- Meeting with State and Federal representatives; and
- Intergovernmental collaboration.

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Key Messages

1 Central NSW has a unified voice with a clear vision and is seeking to work in collaboration with other levels of government and industry to achieve sustainable regional development that leads to jobs and population growth

Background: As a Joint Organisation proclaimed under the NSW Local Government Act, CNSWJO has been tasked with intergovernmental cooperation. With decades of successful inter-Council cooperation delivering value to its member Councils, the Joint Organisation seeks to work in collaboration with other levels of government and industry where there is shared value.

The following principles guide this region's work with other entities:

- Clarity of vision
- Outcomes focussed
- Exercising leadership
- Mutual respect
- Demonstrating integrity
- Thoughtful contribution
- Acting in the public interest
- Intergenerational equity
- Timely and appropriate responsiveness
- Willingness and commitment
- Accountability and transparency
- Sharing and positive intent
- Adding value

Sub-messages:

- 1.1 Central NSW JO has a MoU with RDA Central West, the only one of its kind in Australia.**
- 1.2 This region has a proud history of working collaboratively showing good value to Councils and through them to community as well as the State and Federal Government. Examples include:**
 - 1.2.1 Tourism where given the size of Destination Network and Country, this region has chosen to collaborate in the tourism space investing in PR campaigns, data and increasing capacity – none of which is recognised in the funding framework to any extent. FY 2018/2019 showed a 21% increase in the visitor economy over the previous year.²**
 - 1.2.2 Procurement where this region currently supports the administration of over \$28m of aggregated procurement at over \$1m annual savings to members.**
 - 1.2.3 Please find attached the Bridges Assessment Case Study showing the value proposition to all stakeholder including the State.**
 - 1.2.4 Water utilities collaborating including on national award winning strategic work.**

² WRI media release August 2019

2 This region seeks to be recognised as one of the 7 top contributors to National Gross Regional Product

Sub-messages:

- 2.1** *The Central West of NSW is a diverse area that covers around 47,000km² with a population estimated to be 157,686 persons*³.
- 2.2** *Infrastructure Australia identified in the Australian Infrastructure Plan that the Central NSW region was a significant contributor to the national economy.*⁴
- 2.3** *Infrastructure Australia ranked the Central West as one of the top 20 regional growth areas in Australia.*⁵
- 2.4** *Central NSW was second behind the Hunter area in the assessment of NSW based regional growth areas and seventh overall in the nation.*⁶

3 This region's proximity, pattern of settlement, diverse economy and liveability make it a destination of choice for both visitation and relocation

4 This region seeks to do business differently with the State and Federal governments

Sub-messages:

- 4.1** *This region is a staunch supporter of the growing strategic framework for regional growth and keen to work with other levels of government on its optimisation including:*
 - a.** *Supporting the consistent application of the planning boundaries;*
 - b.** *Supporting continuous improvement of the Central West and Orana Regional Plan; and*
 - c.** *Support the model of direct funding to Councils through the Regional Economic Development Strategies though seek for these to be optimised; and*
 - d.** *Support the over arching Regional Economic Vision.*
- 4.2** *Set aspirational targets;*
- 4.3** *Support pragmatic place based planning and service delivery;*
- 4.4** *Ensure there are sufficient delegation in region to support local decision making and program implementation;*
- 4.5** *Look for metro-comparable outcomes for CNSW communities in connectivity, health and education;*
- 4.6** *Reduce travel times and improve safety for freight and passenger into Sydney, ports and Canberra;*
- 4.7** *Support Special Activation precincts such as Parkes to be delivered where there is merit – its not about geography but endowments.*
- 4.8** *Recognise that this region has plenty of water but there needs to be change in how it is administered to sustain growth;*
- 4.9** *There is an opportunity for State agencies to leverage the Community Strategic Planning process;*

³ Office Local Government – Council statistics – based on 2016 Census data. Accessed December 2018

⁴ Infrastructure Australia, Australian Infrastructure Plan 2015 cited in the Central NSW JO Strategic Plan page 9

⁵ Ibid

⁶ Ibid

- 4.10 Treasury should provide suitable representation at the Regional Leadership Executive level to support a funding framework informed by regional priority;**
- 4.11 Take advantage of the Joint Organisation and co-design and co-develop shared strategy “with waratahs on them” for regional growth – then plan to implement and review them – at the very least ensure fit for purpose processes for planning and implementation.**
- 4.12 Share data;**
- 4.13 Recognise that Benefit Cost Ratio skews funding towards the cities. Step away from benefit/cost ratios where they patently do not apply, for example for drinking water. The modelling for tourism funding is also questioned;**
- 4.14 Change the funding framework to recognise the value offered to the State of the Joint Organisation;**
- 4.15 This region has a proud history of working collaboratively showing good value to Councils and through them to community as well as the State.**

Sub-messages:

- 4.15.1 Tourism where given the size of Destination Network and Country, this region has chosen to collaborate in the tourism space investing in PR campaigns, data and increasing capacity – none of which is recognised in the funding framework to any extent. FY 2018/2019 showed a 21% increase in the visitor economy over the previous year.⁷**
- 4.15.2 Procurement where this region currently supports the administration of over \$28m of aggregated procurement at over \$1m annual savings to members.**
- 4.15.3 Please find attached the Bridges Assessment Case Study showing the value proposition to all stakeholder including the State.**
- 4.15.4 Water utilities collaboration including on national award winning strategic work.**

5 Health is a particular challenge for the communities of Central NSW and their Councils

Background: In the national funding framework, Local Government does not have responsibility for health infrastructure or workforce. It does have a statutory role in health protection such as food safety and delivering secure quality water.

However, health is identified in 100% of Community Strategic Plans as being a priority of the people of Central NSW. Under the Local Government Act, 1993, Local Government develops programming to meet community need. Therefore, CNSWWJO members increasingly find themselves providing health infrastructure and incentives to attract and retain health workforce.

Sub-messages:

- 5.1 People living in regional and remote regions still have a shorter life expectancy than their city counterparts.**
- 5.2 Central NSW communities rightly expect a level of health service comparative to metropolitan areas. The city/country divide in health outcomes needs to be a catalyst for change.**
- 5.3 There is still a significant shortage of generalist and proceduralist GPs in regional areas.**

⁷ WRI Media release August 2019

Background: The NSW Rural Doctors Network suggests at least two doctors will have to replace each one doctor who retires over the coming years. In some areas, GP proceduralists are required – doctors with specific skills in obstetrics or anaesthetics for example. Generally, larger towns like Forbes, Parkes, Mudgee, Cowra can support proceduralists as well as generalists. The smaller towns can't support a proceduralist load, so require strong GP generalist support.

5.4 *Local government is the front line of regional communities and a part of the solution for a sustainable regional health workforce.*

5.5 *This region supports “growing our own” health workforce*

Background: Interesting Statistic - At graduation, 88% of JCU medical students intend to practice outside Australian capital cities compared with 31% of graduates from other medical schools. (“James Cook University MBBS graduate intentions and intern destinations: a comparative study with other Queensland and Australian medical schools.” Written by academics at James Cook University and Bond University, published June 2013)

5.6 *Local Government is willing to be part of the solution and invest in health infrastructure, but requires support from State and Federal Governments to do so.*

Background: Doctors do not want to come out to the regions and take on the risk of building their own infrastructure. Examples in Central NSW of councils taking the initiative and risk to develop health infrastructure and attract health workforce are;

- Forbes Health Precinct
- Melrose Medical Centre, Condobolin
- Waluwin Community Centre/HealthOne Molong
- Weddin Medical Centre

Local Government has invaluable knowledge, skills and expertise in community issues and services required in regional health. This deep understanding of community is essential to targeted, sustainable, workable health infrastructure.

To enable infrastructure development and attract critical health workforce to the regions, Local Government needs to be eligible for infrastructure grants.

5.7 *The constant churn and change of structural arrangements in providing regional health services creates uncertainty and risks continuity of services.*

5.8 *Continue to support the growth of cancer care services in the region*

Background; Over one-third (36%) of premature mortality (age <75) in WNSW is due to cancer⁸ Australians in rural and remote areas have relatively poor access to cancer treatment and support;

- 38 per cent of rural hospitals administering chemotherapy had neither a resident nor visiting medical oncology service;
- only 58 per cent of rural hospitals surveyed reported that most chemotherapy orders were written by a medical oncologist;

⁸ Western NSW Health Needs Assessment 2013, Western NSW Local Health District & Western Medicare Local

- as the remoteness of hospitals increased, chemotherapy was increasingly administered by people other than a chemotherapy-trained nurse, such as other nurses and general practitioners;
- 7 per cent of non-metropolitan hospitals that reported administering chemotherapy had access to a radiation unit;
- many hospitals reported long waiting times for allied health and inpatient services; and
- 61 per cent of the hospitals requested urgent access to psychological services and support.⁹

6 Overall, regional planning particularly land use planning is currently in a state of at best change and at worst churn.

The region is concerned that there has been a hesitancy to embrace the potential of regional planning. We believe that this because there is a fear of over commitment and being held to account. We would argue that while there will always be politics, through the Integrated Planning and Reporting framework our communities are becoming more sophisticated in their understanding of planning and prioritisation. Not everything needs to come with immediate funding and it is better to be aspirational than not.

Planning:

- is poorly understood;
- needs to be approached more strategically and in an integrated manner;
- suffers from churn, centralisation and sectoralisation and so needs enablement in the region through:
 - better resourcing
 - appropriate delegation
- is confused with a number of organisations taking a strategic approach to “regional development” with variable alignment and approaches across the State;
- has a chequered history of engagement, alignment with local priorities and delivery of commitments in the development of plans in the region (for example TfNSW Plans); and
- has ongoing issues as a result of boundary alignment, or lack thereof, though it is pleasing to see an improvement in this area in recent years.

Sub-messages:

- 6.1** *While recognising there were learning from the first round of its implementation, this region is a staunch supporter of the Central West and Orana Regional Plan.*

A key activity undertaken collaboratively by the Pilot was the Regional Plan. Engagement in this process showed us that:

- While any new process will have challenges, co-design on how to develop a future Regional (Growth) Plan will lead to a better understanding of the process, risk and quality management as well as the needs of the collaborating parties.

⁹ Clinical Oncological Society of Australia. Mapping rural and regional oncology services in Australia, 2006

- There needs to be a better understanding of collaboration and its value by all parties.
- There should be Ministerial sign off on any significant planning process with the JO with a view to minimising changes to the process.
- Agencies need to be in the same room as the JO representatives negotiating the shared priorities and actual activities to be undertaken in the region rather than the DoPE having to undertake this on a blow by blow basis on behalf of Local Government.
- DoPE and any other State agency should be resourced and empowered to perform their parts in regional planning or any other function with the JO.
- For the output to have credibility, Councils as a whole need to be able to have a meaningful input including feedback loops harnessing the significant corporate knowledge of elected representatives.

There is an opportunity to be more effective through taking a regional strategic approach and looking at regional planning with new eyes.

It appears to this region that land use planning is too narrowly defined. We would argue that a more integrated and strategic approach should be adopted and that effort should be undertaken to develop a planning and prioritisation framework to stimulate regional economic development. Put simply, planning should be about enabling economic growth in this region, not a metro focused compliance driven activity informed by trying to squeeze another 2 million people into Western Sydney.

7 There should be a review of the population projection methodology in NSW that recognises the need for infrastructure and services to grow the economy as well as the population

Sub-messages:

- 7.1** *Planning should be about enabling economic growth in this region, not a metro focussed compliance driven activity informed by trying to squeeze another 2 million people into Western Sydney.*
- 7.2** *The knock-on effect of the use of population projections as they stand is a reduction of services in many of our communities*

8 Local communities should be self-determining and have land use planning control

Sub-messages:

- 8.1** *Empowered communities are more resilient and self-reliant. In order to achieve this they should communities including:*
 - Their access to data;
 - Supporting and building on the Community Strategic Planning process;
 - To increase their influence over plans at other levels of government that affect them and

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- Local Government Reform reflecting community aspirations (Centroc policy is 'no forced amalgamations');

8.2 *In a rate capped environment, Local Government in regional NSW is challenged as it provides services where other levels of government and the private sector withdraw.*

9 Significant work needs to be undertaken on frameworks to enable regional planning and prioritization

Sub-messages:

- 9.1** *The frameworks should be properly resourced and have appropriate delegation*
- 9.2** *These frameworks should include a place based approach;*
- 9.3** *Given that consistent advice using a consistent methodology from JOs would be of use to the State, consideration should be given to the development of tools to support the prioritisation methodology gifted to the State by Central NSW Councils.*
- 9.4** *The work undertaken by the Mining Taskforce in Western NSW on scenario planning should be leveraged into a tool for use to enable collaboration at the regional level.*
- 9.5** *A consistent application of scenario planning should be applied regionally across the State, preferably using a tool developed under the auspices of the Department of Planning.*
- 9.6** *Further alignment of boundaries should occur where possible and if not other mechanisms come into place to facilitate regional place based planning.*

10 One size does not fit all

Sub-messages:

- 10.1** *Councils in this region have varying capacity to be able to resource the strategy to inform land use planning and stimulate economic development.*
- 10.2** *The template approach designed to manage urban growth in metropolitan Sydney has not worked for this region and should be either amended substantially or scrapped.*
- 10.3** *The "Regional Impact Statements" of Legislation need to be optimised either through legislation or elsewhere.*
- 10.4** *A salient example is the introduction of regulatory change requiring 14 days notice pre-assessment notice on complying development applications. This was a nonsense in this region and while its recent removal was welcome, if the "Regional Impact Statements" asked for advice from us, or listened to it when provided, the original administrative stupidity would not have occurred.*
- 10.5** *Effort needs to be undertaken regionally, preferably co-ordinated through the Department of Premier and Cabinet, on legislative rollout that affects Local Government.*

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11 Data is crucial to taking an evidence based approach to planning

Sub-messages:

- 11.1** *all State agencies should be required to provide advice on their data so communities can inform themselves*
- 11.2** *A review of the onerous, expensive and at times duplicative of effort needs to occur around the funding framework where Councils are currently procuring input/output and other modelling as well as*
 - **Less sectoralisation and centralisation of State agencies;**
 - **Sustaining Local Government, including but not limited to:**
 - **Funding for infrastructure**
 - **Asset management**
 - **Financial management**

12 Digital connectivity is critical to the liveability and economic prosperity of the region

Sub-messages:

- 12.1** *Future proof telecommunications for the region*
- 12.2** *Ensure long term broad band accessibility for the region:*
- 12.3** *Ensure adequate man-power to service the region*
- 12.4** *Improve mobile phone service across the region*
- 12.5** *Specifically regarding broadband:*
 - 12.5.1** *any upgrades be affordable and will scale into the future with the growth of broadband needs*
 - 12.5.2** *there be wholesale access to infrastructure*
 - 12.5.3** *there be price parity*
 - 12.5.4** *there be no overbuild; and*
 - 12.5.5** *the regulatory environment be amended to enable the above and*

c. Tourism Data Tool by WRI and support for a collaborative project with Arts Out West delivering arts and culture journeys

Regional Strategic Priorities	2.1 Initiatives to grow population and increase the visitor economy
Portfolio Mayor	Cr Bill West
Sponsoring General Manager/s	Paul Devery, David Waddell, Glenn Carroll and Rebecca Ryan

Report by Jennifer Bennett, 13 November 2019

Recommendation/s
<p>That the Board note the report on the Tourism Data Tool and support for a collaborative project with Arts Out West delivering arts and culture journeys and;</p> <ol style="list-style-type: none"> 1. encourage members to support providing data into the program including promoting the visiting friends and relatives (VFR) survey through the community and through Council staff; and 2. amend the Tourism Budget transferring the \$5000 for the second round of the Regional Passport Project to a collaborative project with Arts Out West for arts and culture journeys.

Purpose of the report

The purpose of this report is twofold. Firstly, it seeks support for the data project being co-funded by WRI, CNSWJO, Destination Network Country and Outback. Secondly, it is to seek to transfer the funds in the tourism budget from the second round of the regional passport project to a collaborative project with Arts Out West for arts and culture journeys.

Legislative Policy and Risk Considerations

Data Project With WRI

Please request previous reports regarding this program which is identified at 2.1b of the JO Strategic Plan. There is a paucity of useful data, particularly for smaller Councils regarding the effect of tourism on their economy. Members are encouraged to engage in this project and Mayors should have received a media release 15 November 2019 to help promote the Visiting Friends and Relatives Survey. Please find the media release attached.

The Tourism Managers of the region met 6 November 2019 when it was suggested that a good audience to work with for Visiting Friends and Relatives is member Council staff and this is commended. Please find the survey attached and the survey can be accessed at wri.org.au/surveys. Draft notes from the meeting are available on request.

Collaborative project with Arts Out West for an arts and culture journeys

Members may recall the public relations program for tourism in Central NSW has had good success from the promotion of the public art in the region including publications like the Australian Financial Review. Please request more detail where advice on the overall program is provided as an attachment to the report on progress of the Strategic Business Plan.

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Ms Tracey Callinan CEO of Arts Out West attends regional meetings of Tourism Managers and has worked closely with members on developing advice on product in arts and cultural tourism. The recent meeting of Tourism Managers considered the following advice and subsequently resolved to seek Board resolve to support the program:

This resource would provide a regional, up-to-date, easy to maintain resource around arts and cultural attractions for internal and external visitors.

There are two components of the project

1. *Online cultural maps: using the artsoutwest.org.au as a platform to host online cultural maps*
2. *Printed promotional booklet*

The online platform – a Google Maps based tool – would house the specifics: locations or venues, their details, images and links. The platform would be housed at: www.artsoutwest.org.au/trails

The printed booklet would provide overviews and direct people to check the online platform

Content

ONLINE

Working alongside Arts OutWest's existing directory of local arts events (artsoutwest.org.au/whats-on/) the new Creative Central West NSW platform would bring together researched listings of:

- *Public art (outdoor, publically accessible)*
- *'Heritage' (Museums and heritage experiences)*
- *Galleries*
- *'Handmade' (volunteer and commercial retail spaces offering local handmade arts, crafts, homewares, furniture, design etc)*
- *Aboriginal culture (places, sites, cultural experiences)*

Links on the online landing page would also take people to direct lists of events and existing, regularly updated content listed in our Whats On such as:

- [Festivals](#)
- [Arts markets](#)
- [For kids](#)
- *Music theatre and performance ('performance')*
- *Workshops (perhaps 'learn something new')*

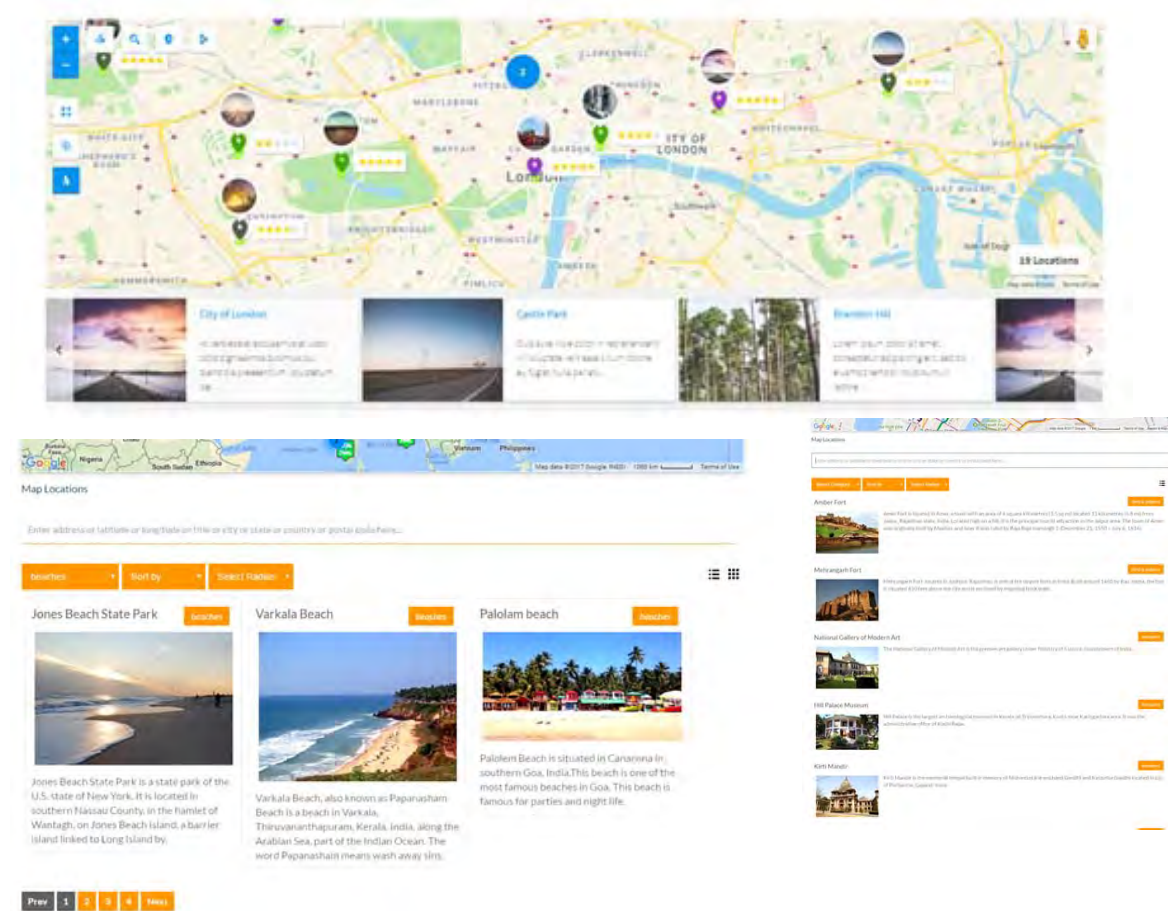
The link for the platform would be artsoutwest.org.au/trails or artsoutwest.org.au/explore. Links for each map would be simply artsoutwest.org.au/publicart, artsoutwest.org.au/heritage etc.

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There'll also be a new large link on the front page of the artsoutwest website.

Future proof: In the next year or so the artsoutwest website will need to be upgraded and redesigned. The mapping tool is a Wordpress plug in that can be migrated, with content, into a new design.

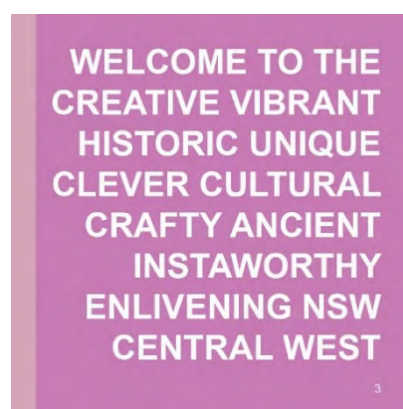
Using a Google Maps plugin for Wordpress the content will look like a bit like this:



PRINT

We're working with a 16 or 20 page small square (width of an A5) full colour offset booklet.

Content would be enticing, overview text driving people to the website (via link of search).



Along with the major categories named above (Public art, Heritage, Galleries, Handmade, Aboriginal culture, Festivals, Arts markets, For kids) there will be pages for major existing trails/ experiences: Gold Trails, Cowra Voices, Inland Astro Trail and a list of others including Bathurst Arts Trail, Parkes Public Art Trail etc.

Why not a booklet with all the listings included? Essentially a) there's just too much content in our region. We've identified 76 locations of public art alone. b) the content changes so frequently the print materials go quickly out of date. We know that from experience with moving from printed monthly event calendars to a purely online Whats On list.

Mock ups of the printed booklet, see images.

Costs to the JO are estimated at \$5K.



Research

We've been influenced by similar projects in particular Arts Mid North Coast's ['Creative Coast Cultural Trails' project](#)

We've already compiled lists of venues and places to be included in the online map component. The focus is on places that have some public opening times. Volunteer, council and commercial places are covered. So far we've located up-to-date details for 76 public art locations (featuring around 200 individual works of art), 35 'handmade' listings, 29 galleries, 55 heritage. Currently working with our Aboriginal arts development officer to build the 'Aboriginal culture' list. The online format allows us to add to this at any time (and take out the places that close).

Region

Working with the area covered by Arts OutWest's member councils: Bathurst Region, Blayney, Cabonne, Cowra, Forbes, Lachlan, *Lithgow, Oberon, Orange, Parkes, Weddin.

*as Lithgow is not a member of the Central NSW Joint Organisation but is a member of Arts OutWest they might be required to make an extra financial contribution to be included in the print materials, OR, they would be included online but not acknowledged in print materials.

Name

The working title is 'Central West Cultural Trails' but perhaps something like 'Explore the Creative NSW Central West' as a title for the booklet. We really welcome input – including details around the name, branding etc – from stakeholders, especially member councils and tourism experts.

Process from here

- Build online map tool (Arts OutWest with Sauce Design) – Arts OutWest funded
- Finalise listings
- Contact all listing stakeholders to check their details and engage them in the project
- Complete library of images (Arts OutWest media associates team and/or listed stakeholders)
- Add all content to maps and test
- Finalise design and content for printed booklet
- Print booklet (minimum 10,000) – requires external funding

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- *Distribute booklet: VICs, listed stakeholders, other outlets*
- *Media and promotions campaign*
- *Regular updates of content*
- *Review*

Financial implications

Please find attached the current status of the tourism budget for Central NSW Tourism. Funds have already been allocated to the data project and this is well underway.

Tourism Managers resolved not to undertake the budgeted second round of the Regional Passport Project but rather continue with the seasonal “Top 50 Activities in Region” poster. There was very poor uptake of the passport project on a regional footprint though it has had good success on a per lga basis. This frees up \$5000 to be transferred to the print of the Trails.

Attachments/s

3. November 2019 Tourism Budget, dated 13 November
4. 2019 Accommodation Survey WRI
5. 2019 VFR Survey WRI
6. 15 November 2019, Media release Visiting Friends and Relatives

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Priority Three: Regional Transport and Infrastructure**a. Regional Transport Advocacy Policy, Prioritisation and Freight Links Mapping.**

Regional Strategic Priorities	3.1 Transport connectivity planning 3.2 Infrastructure planning
Portfolio Mayor	Cr Ken Keith
Sponsoring General Manager/s	Kent Boyd, Gary Wallace and Steve Loane

Report by Jennifer Bennett, 8 November 2019

Recommendation/s
<p>That the Board</p> <ol style="list-style-type: none"> 1. Endorse the changes to the Department of Planning, Industry and Environment regional network map; 2. Note the “Central West and Orana Transport Issues & Insights” report and that while it is complete, the transport planning process in region welcomes feedback through the JO; 3. Provide a submission to the consultation on the Lithgow to Katoomba Corridor for the upgrade of the Great Western Highway within existing policy; 4. Adopt the CNSWJO Transport Advocacy Plan noting the need to update the Matrix in line with advice below; 5. Endorse the 58 projects listed on the Matrix to the with the exception of priority 1; 6. Note priority 1 of the Matrix is under review to align it with the Transport Advocacy policy; and 7. Note that a review of the Matrix is underway.

Reason for this report

This report provides advice on the draft Transport Advocacy Plan and the freight mapping undertaken by the Dept of Planning Industry and Environment seeking review to inform a report to the CNSWJO Board. Please note that included in the Transport Advocacy Plan is the Matrix Projects list in priority order.

Further, the report seeks to progress the Central West and Orana Transport Issues and Insights report and for a submission to be developed to go to the Lithgow to Katoomba Corridor consultation for the upgrade of the Great Western Highway.

For other advice regarding progress by the Technical Committee, Strategic Committee and other matters, please see the Strategic Plan Update report.

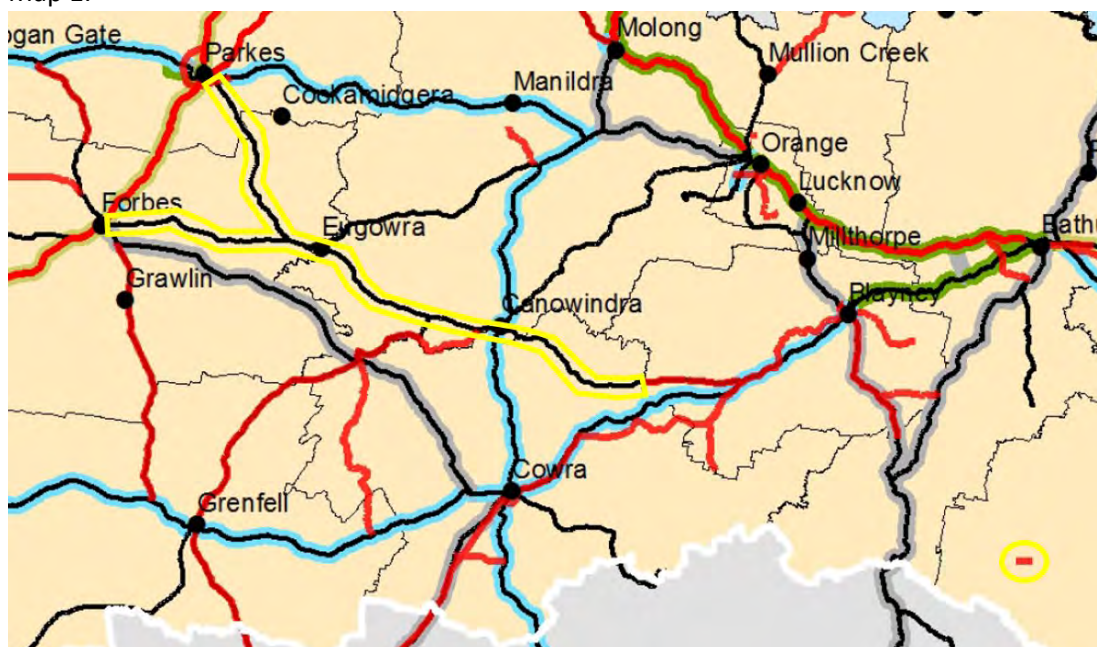
Legislative Policy and Risk Considerations**Freight Network Map**

The Freight network mapping project led by the Department of Planning Industry and the Environment was identified in the Central West and Orana Plan as a priority activity to be undertaken across a number of JOs in western NSW. Mapping advice has been provided by DPIE to

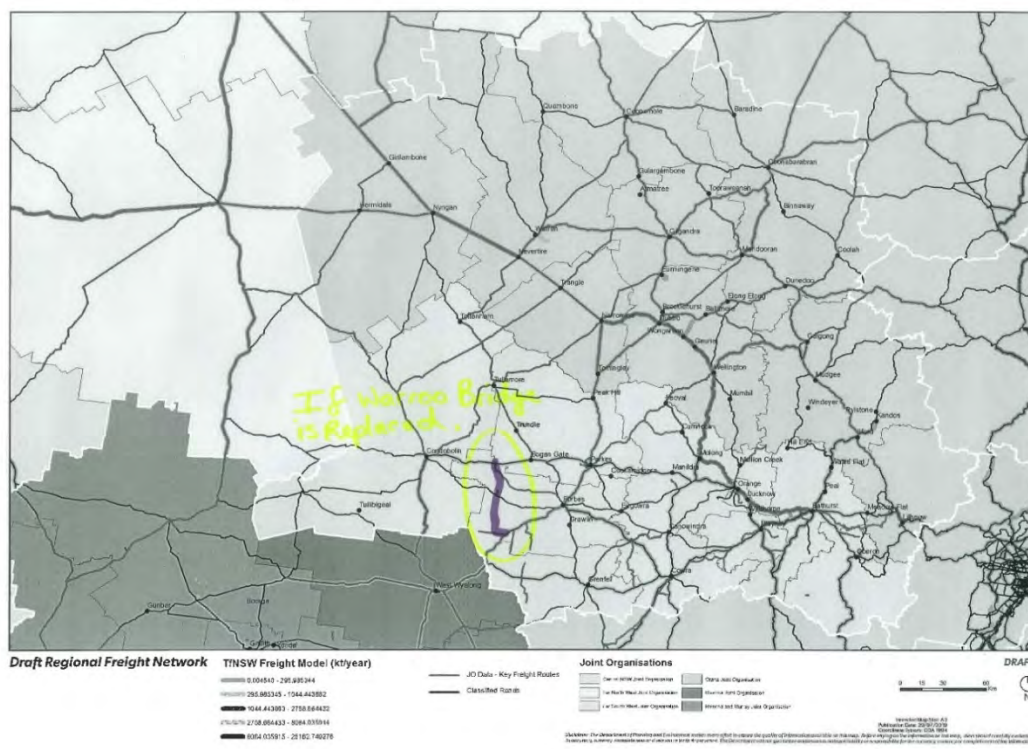
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the recent Transport Technical meeting. Members were asked to provide further advice regarding additional routes, routes that may need refining and/or misalignments of routes that cross JO or Planning Region boundaries.

It was agreed by Blayney, Cowra, Cabonne, Forbes and Parkes that the Belubula Way, Nangar Rd, Forbes – Eugowra and Parkes – Eugowra Roads should be included as key freight routes as seen in Map 1.



Map 2 is a suggestion based on if the Warroo Bridge is to be replaced, this is a route to connect the Henry Parks Way to the Newell Highway. -



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Central West and Orana Regional Transport Plan Central West and Orana Transport Issues and Insights report

A key activity in the CNSWJO Strategic Plan is monitor and actively engage in the TfNSW Central NSW Land Use and Transport Plan. Where reporting has been provided on progress of the Plan please find attached the Draft Central West and Orana Transport Issues and Insights report.

The Central West and Orana Insights and Issues Paper (the Paper) has been prepared to enable stakeholders across the Transport cluster and externally to appreciate the size and scale of opportunities and challenges to Transport within the region; as well as other interdependencies that impact on other Regions and the whole State. It was co-designed and coordinated through the Regional Integrated Transport Group (RITG) by the CCWO Program Manager. CNSWJO provides representation on the RITG and this approach was taken at the request of a CNSWJO stakeholder session. It is broadly similar to a discussion paper with the key difference being the level of involvement of stakeholders in its preparation and finalisation.

The primary purpose of this paper is to help frame and inform the development of Central West and Orana Regional Transport Plan and also the prioritisation of Transport initiatives being driven under the CCWO Program. In addition, the paper recognises the short term actions that have already been progressed under the CCWO Program. Please find the most current version attached.

Providing a response to the consultation on the Lithgow to Katoomba Corridor consultation for the upgrade of the Great Western Highway

Members will be aware that the consultation for the Lithgow to Katoomba Corridor upgrade along the Great Western Highway has opened.

There is an interactive portal open until Monday 16 December and members are encouraged to engage.

<https://www.rms.nsw.gov.au/projects/great-western-highway/katoomba-to-lithgow/consultation-map.html>

A written submission within policy to this process is recommended. For more information please go to:

<https://www.westernadvocate.com.au/story/6480721/next-step-for-25-billion-great-western-highway-duplication/>

The Transport Advocacy Plan

Please find following the Transport Advocacy Plan (the Plan). The Plan has been developed with direction from the Portfolio Mayor Cr Ken Keith and included is policy and key messaging.

A key difference between this Plan and previous versions is the policy change with regard to a safe swift link between Sydney and Central NSW taking into account the significant investment by the State along the Great Western Highway alignment.

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DRAFT TRANSPORT INFRASTRUCTURE ADVOCACY

Policy summary

Standing on the shoulders of advocacy undertaken by Centroc, Central NSW Joint Organisation (CNSWJO) advocacy recognises that transport constraints are its number one challenge. In its Strategic Plan transport has been identified as one of four priorities. CNSWJO seeks to work with other stakeholders to achieve better connectivity for the region's communities.

CNSWJO advocacy priorities for the period of this plan are;

1. A safe swift link between Central NSW and Sydney for both passenger and freight:
 - 1.1. Supporting the NSW government in its \$2.5b expenditure on the GWH seeking to have speeds of 100k along the route and able to service High Productivity Vehicles.
 - 1.2. Seeking have the corridor sequestered for a future upgrade of a safe swift link between Sydney and Central NSW along the Castlereagh Corridor alignment.
 - 1.3. Seeking a multi modal approach to shorter journey times including faster rail.
2. To focus on the potential of Inland Rail for this region including leveraging linkages from the region to ports including airports and the Special Activation Precinct in Parkes.
3. To seek funding for the Transport Infrastructure identified in the Priority Infrastructure Multi Criteria Analysis Matrix (the Transport Matrix) and associated Plans.
4. To lobby Federal and State representatives and other key stakeholders as appropriate in the areas of road deficiencies, rail infrastructure and intermodal facilities. This is to include
 - the Blayney/Demondrille Line
 - Maldon Dombarton
 - branch lines and
 - road upgrades as identified in the Transport Matrix and associated Plans.
5. maintaining the CNSWJO Policy for responding to issues relating to regional services remaining at Kingsford Smith Airport (KSA).

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6. supporting the current air services to Parkes, Orange and Bathurst and encourage any future expansion either of these services or into other LGAs.
7. ensure the connectivity of the region through early understanding and adoption of new technology that adds value to the lives of our communities.

CNSWJO is keen to work more collaboratively with relevant State, Federal and other agencies to improve transport infrastructure outcomes for the region. For the next twelve months work with TfNSW on a regional land use and transport plan is anticipated. CNSWJO supports principles of codesign, place based activities and the embedment of implementation of plans for the region. The region seeks to see adequate resourcing to ensure delivery.

The advocacy position outlined in this plan will inform consultation with State agencies. Notably, the JO seeks to have its value recognised in the funding framework – please see the Bridge Assessments Case Study attached.

In the recent State election March 2019 has committed:

- \$9.5 billion reservation from Restart NSW is committed to fund projects in the regions;
- \$1 billion on rural road maintenance;
- \$2.5 billion to duplicate 31km of the Great Western Highway between Katoomba and Lithgow; and
- \$200 million flood proofing the Newell Highway between Forbes and West Wyalong.

This region also understands that there is an intention to focus on high productivity links in the regions and timber bridges. This includes an additional \$500m and the transfer of local roads to state roads. There are a significant number of roads in this region being managed by Councils that support industry, for example timber industry, that would benefit from the commitments of both transfer and a higher level of funding.

From a Federal perspective, election commitments include \$400,000,000 on the Newell includes the Parkes Bypass and \$16,000,000 for Dixons' Long Point. There is also the continuing investment in Inland Rail which includes 100% funding for Transit Data for the communities of Central NSW JO.

Key Messages

1. A safe, swift link between Central NSW and Sydney remains a priority of the CNSWJO Board.

Background

The past decade

Subsequent to advocacy by Centroc in 2006 and 2007, it emerged that a staged approach to Bells Line advocacy would be more likely to succeed. This became Centroc policy.

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The honoured commitments to Centroc from the Federal Election 2007 by the incoming Labor government included \$5m on transport studies to identify solutions to the transport constraints for Central NSW and \$250m for a Little Hartley Bypass.

With relation to the strategic funds, these monies were administered through the State and this led to the development of the Central West Transport Need Study 2009 which included significant engagement with this region. This Study found that while the Bells Line would not be needed until 2033, the corridor should be secured to allow in the short term for future infrastructure development.

Meanwhile Centroc secured bipartisan State support for the project.

The NSW Long Term Transport Masterplan 2012 identified the need to secure the corridor.

The Central West Transport Plan 2013 identified continues to identify the corridor and on the website was treated at current till 2016 with a 2017 update on program delivery. Program delivery is silent regarding the corridor.

The next round of Federally funded strategy was the “Bells Line of Road Long Term Strategic Corridor Plan.” Centroc had a seat at Steering Committee level though the steering committee had little control, for example over budgets or project design; and was primarily advisory. Centroc requested a blog be developed to enable a conversation between the communities of Central NSW, Western Sydney and the Blue Mountains. The blog was very strong on road safety which became a key consideration for the \$43m of safety upgrade spend with a further \$5m to be spent on securing the corridor.

Centroc was invited to be part of the process of the Outer Sydney Orbital and Castlereagh Connection (the link between the M7 and Kurrajong) corridor committee. Apparently a corridor was identified but not made public due to a variety of factors including issues around compensation thrown up by the WestConnex process and wanting to take a strategic approach to other key infrastructure in the area.

Securing of the corridor was an election commitment of the State Government. The Hon Duncan Gaye provided feedback that it was just a matter of timing when he was Minister for Roads.

In August of 2017 the Board resolved to call a meeting of Mayors to progress Bells Line Expressway as soon as possible. A meeting with Councils of Hawkesbury, Blue Mountains and Penrith Councils was held 4 December 2017. Subsequently a shared position was sought with these Councils but this was unable to be achieved, primarily due to the Corridor debacle described below.

Minister Pavey “jumped for joy” in May 2018 with the Chair of Centroc and Cr Ken Keith when placing on exhibition a corridor between the M7 to Kurrajong which deviated from the original Castlereagh Corridor alignment. This generated a lot of hostility from affected residents which garnered support from the radio commentator Alan Jones. The Minister stepped away from the new Corridor and as a result the original alignment ending in the Nepean remains the only corridor contemplated heading west from Sydney.

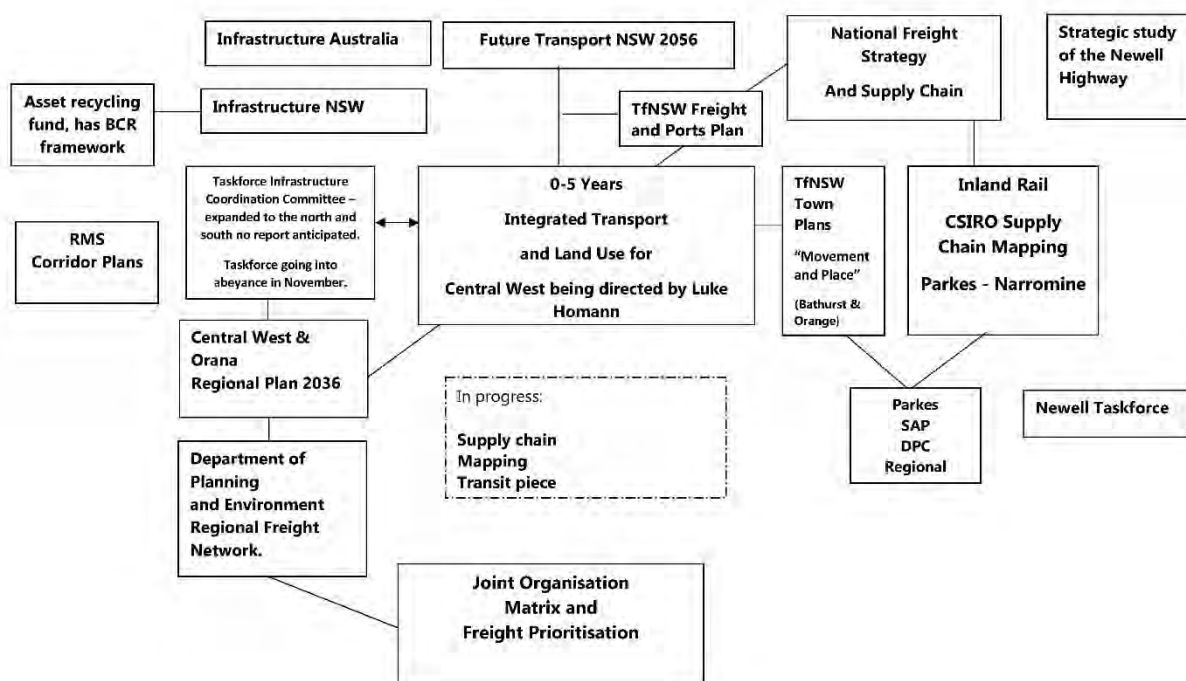
It is also noteworthy that Centroc and now the CNSWJO resource a Regional Strategic Transport Group with membership from RMS, TfNSW, DPC including Industry and RDA Central West and have done so since 2016. Please request the TOR where the role is to identify synergies and opportunities; to share information and provide feedback to stakeholders and to influence the regulatory and planning frameworks.

The Future Transport 2056 Plan adopted in 2018 makes commentary about long term work in the area of a safe swift connection.

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2019 election commitments to NSW

Currently there is a significant amount of transport planning being undertaken in the region.



Regarding tunnels - it is not clear how much is myth or fact, though a 2012 AECOM report suggests that transport tunnels are more expensive in Australia than they should be.¹⁰ According to an advocacy group in Sydney¹¹ Treasury has costed tunnels at \$366m per kilometre¹², the estimate for Melbourne-Brisbane Inland Rail Alignment tunnel is \$55m per kilometre plus fitout.¹³ Much of the advice on the web is at least 5 years out of date. There may be some potential for a different approach to tunneling for example that suggested by Elon Musk

<https://www.createdigital.org.au/musk-price-blue-mountains-tunnel-idea-good/>

Road status is a consideration. The Bells Line is rated 3U – urban though is treated as 3R regional with associated levels of service, which is basically one lane of traffic either way. There are however further complications around safety and freight. RMS is investigating the degree to which the geometry of the road are limiting factors.

Regarding freight, the Bells Line of Road and Great Western Highway are not approved for travel by B-doubles longer than 19 metres and with a total mass greater than 50 tonnes. The Bells Line of Road is approved for vehicles up to 4.6 metres high, whereas the Great Western Highway is not. Vehicles of this height include car carriers, trucks with wool or hay bales, high containers and livestock crates. Overmass vehicles are permitted on the Great Western Highway but not on the

¹⁰ https://web.wpi.edu/Pubs/E-project/Available/E-project-043012-122558/unrestricted/Analysing_International_Tunnelling_Costs_Public_Report.pdf

¹¹ <http://www.ecotransit.org.au>

¹² <http://www.ecotransit.org.au/ets/files/Rail-Tunnelling-Factsheet.pdf>

¹³ Melbourne-Brisbane Inland Rail Alignment Study, Working Paper No. 3, Stage 1 Capital Works Costings. Available on the web at: <http://www.artc.com.au/library/IRAS%20WP3%20Stage%201%20Capital%20Works%20Costings%20090505.pdf>

Bells Line of Road. As a result, there are no direct routes for larger B-doubles (longer than 19 metres) from the central and west regions of NSW to Sydney via the Blue Mountains.

While the priority outcome the CNSWJO Board is a safe swift link between Sydney and Central NSW along any alignment or modality including trains and tunnels, this region recognises that securing the Corridor along the Bells Line of Road alignment with a link into the M7 is essential for longer term strategic planning and delivery. A multiplicity of options is required to serve the needs of both Central NSW and the communities further west as well as those of Sydney, particularly Western Sydney. It is estimated that 80% of all road freight generated in the Central West travels through Lithgow.¹⁴

The NSW Government has completed over \$48m program to improve traffic efficiency on Bells Line of Road between Lithgow and Kurrajong Heights. The Centroc Board is calling on the State Government to progress the next steps on corridor selection as soon as possible and have Local Government involvement at the steering committee level.

Sub-messages:

- 1.1 A safe swift connection between Sydney and Central NSW is the first priority of the CNSWJO Board. In terms of speed – this means 100kph.**
- 1.2 Build this safe swift link now and development will follow, like the M5 and the M2 into the Central Coast.**
- 1.3 Corridors needs to be set aside now for development in the future, particularly Kurrajong to M7.**
- 1.4 There are more than thirteen kilos of studies on the Bells Line. What is needed now is action.**
- 1.5 Taking a staged approach to the development of the Bells Line is sensible.**
- 1.6 The CNSWJO Board fully supports the \$2.5b upgrades to the Great Western Highway between Lithgow and Katoomba but has concerns that speeds along this alignment are slowing down.**
- 1.7 80% of the freight by road from Central NSW goes through Lithgow.**
- 1.8 Tourism is the third largest industry in Central NSW and totally constrained by transport options most particularly congestion on the Great Western Highway.**
- 1.9 Stop the carnage – the NRMA has identified the Bells Line and GWH from Sydney to Lithgow as the most dangerous roads in NSW.**
- 1.10 Given the significant population increases projected by both the State and Federal Governments, several routes including the Bells Line will be needed for the expansion of Sydney.**
- 1.11 A second crossing of the Hawkesbury near Richmond should be part of the considerations of the route.**
- 1.12 The corridor needs to be secured now as the costs every day of growth in the north west of Sydney will only increase costs in the future.**
- 1.13 We challenge the State Government to publish the daily costs to the tax payers of NSW of not securing the Corridor.**
- 1.14 We need to leverage Inland Rail providing linkages to port including the Aerotropolis from the Parkes Special Activation Precinct.**
- 1.15 This region supports the use of tunnels and new technologies if feasible.**

¹⁴ Lycopodium RDA Central West Freight Study 2014

2. This region has identified its transport priorities using Infrastructure Australia and Infrastructure NSW guidelines

CNSWJO has developed a multi-criteria analysis using the guidelines from infrastructure NSW and Infrastructure Australia following benefit cost ratio methodologies. This approach has identified key projects to enable QBL outcomes that align with the NSW government prioritisation methodologies.

Sub-messages:

2.1 Working collaboratively with RDA Central West and using the expertise of a strategic transport consultant the region presents the following as its transport infrastructure priorities:

Project Name	Region Rank	Project Name	Region Rank
Bells Line of Road Upgrade	1	Clergate Road Upgrading stg 2	29
Inland Rail Project	2	Lachlan and Kendal St Realignment	30
Parkes National Logistics Hub	3	Belubula Way - Trunkey Creek to Canowindra	31
Southern Feeder Road Stg 4	4	Clergate Road Upgrading Stg 3	32
Upgrade Greater Western Highway east of Bathurst	5	Yarrabandai Heavy Vehicle Route	33
Southern Feeder Road Stg 5	6	Parkes Southern Ring Road	34
Upgrade of Orange CBD	7	Cowra Intermodal Hub	35
Roundabout at the intersection of the Northern Distributor Road, Hill Street and William Maker Drive	8	Reconstruction of Quandialla to Carragable Road	36
Bathurst Bypass	9	Shoulder improving on the Forbes Road (MR 236)	37
Blayney to Demondrille Rail Line – reopening	10	Orange Airport	38
Southern Feeder Road Stg 6	11	Gap Road Heavy Vehicle Route Upgrade	39
Nags Head Bridge Replacement	12	Battery Hill Heavy Vehicle Route	39
Upgrade Evans Plains Rd and Hen & Chicken Lane	13	Warroo Heavy Vehicle Route	39
Orange Road Upgrades	14	The Bogan Way Widening	42
Realignment of Newbridge Road to Sealink	15	Old Lachlan Road Upgrade	43
Northern Distributor Road Rest Area	16	Hobbys Yards Road Upgrade	44
Huntley Road Widening and Upgrade	17	Mary Gilmore Way - Barmedman to Orange	45
Upgrade of Belubula Way to allow Higher Productivity Vehicles	18	Forbes Eastern Connection	46
Orange to Mudgee Link Road	19	Mount Tullabung Heavy Vehicle Route	47
Parkes Airport Runway Extension	20	Morongla Rd - from Lachlan Valley Way to Olympic Way	48
Parkes Western Ring Road	21	West Plains Heavy Vehicle Route	49
Heavy Vehicle Bypass - Condobolin Stage 2	22	Banjo Paterson Way B Double Upgrade	50
Blayney Heavy Vehicle Traffic Relief Route	23	Haynes Crossing	51
Widening Young Road (MR 239) - between Grenfell and Tygong Creek Road	24	Back Creek Heavy Vehicle Route	51
Heavy Vehicle Bypass - Condobolin Stage 1	25	Kurrajong Road B Double Access Upgrade	53
Heavy Vehicle Bypass - Condobolin Stage 3	25	Ledgers Malloy Bridge	54
Heavy Vehicle Bypass - Cowra - (Western Road Plan # 9)	27	Arkstone Road	55
Low level bridge replacement	28	Carlwood Road - Upgrade of Unsealed Section 8km	56
		Gibraltar Rocks Road Bridges	57
		Electrifying rail to Bathurst	58

3. Road funding to Councils has declined in real terms and needs to be reinstated

Local government is currently responsible for 164,000km - or 90 per cent - of all public roads in NSW, excluding Crown roads.

Local and regional roads are under-funded in NSW by more than \$600 million per annum, without accounting for works to meet demand from growth or upgrades to meet the increasing pressures to support higher productivity trucks. This shortfall is inclusive of existing Federal Assistance Grants (FAGs) and Roads to Recovery programs.¹⁵

Local government must have control of its revenue raising and investment decisions and be fairly funded by the Commonwealth and State/NSW Governments to meet its infrastructure and service responsibilities.

- FAGs funding should be increased to 1% of total Commonwealth tax revenue
- That the FAGs distribution methodology be reviewed and modified to achieve a more equitable distribution based on need.

Research suggests that it is unsealed local roads – the ‘first mile’ of much of Australia’s agriculture task – that are usually the first victim of local government road budget pressures: the 2008 Institute of Public Works Engineering Australia *Road Asset Benchmarking Project* revealed that local unsealed road re-sheeting life cycle costs in NSW were \$132 million *per annum*, yet only \$29 million of this amount was *actually allocated* to resealing these roads due to wider pressures.^{16 17}

Centroc in collaboration with RDA Central West has developed multi criteria analysis matrix which identifies the priority transport projects for the region.

Sub-messages;

- 3.1 FAGs funding should be increased to 1% of total Commonwealth tax revenue**
- 3.2 That the FAGs distribution methodology be reviewed and modified to achieve a more equitable distribution based on need.**
- 3.3 Local Government as manager of the Last Mile for freight has a significant role to play in the national economy**
- 3.4 Regional roads funding should give consideration to the Priority Roads Infrastructure Plan (attached)**

4. There needs to be a modal shift from road to rail

The current ongoing modal shift from rail to road has Councils carrying an ever growing load of responsibility. The contraction of the NSW rail network over the last 50 years means that through closures and deterioration of infrastructure, there is insufficient capacity for rail to take its fair share of the load. Greater use of trucks and heavy vehicles significantly increases road maintenance costs and is a serious safety concern for road users. If this trend continues, governments of all persuasions must resign themselves to constantly increasing road maintenance budgets.

¹⁵ Warren Sharpe, Chairman of the NSW Roads & Transport Directorate

¹⁶ Institute of Public Works Engineering Australia (2009) Road Asset Benchmarking Report 2008 Table 12 p. 9.

¹⁷ Australian Local Government Association “Local Government not spared in Budget cuts” <http://alga.asn.au/?ID=12206>

80% of the freight by road from Central NSW goes through Lithgow.

5. The Blayney/Demondrille Line needs to be fast tracked

Sub message;

5.1 The Government should support and make good use of the Blayney-Demondrille Line project as a “hero project”

The State Government withdrew maintenance funding from the Blayney-Demondrille Line and other country railway lines in November 2008. The Line has since lapsed into a non-operational state. At present, a growing proportion freight moves on an ever deteriorating, high maintenance country road network.

Work was undertaken by local councils to build the Cost-Benefit case to re-open the Blayney-Demondrille rail for bulk-freight to port movements. This included building relationships with the private sector and identifying the freight task. Transport for NSW invited proposals from the private sector to restore, operate and maintain this rail corridor on a commercially sustainable basis.

Packaged up as The Cowra Rail Lines, this innovative project offers an alternative route to traffic over the Blue Mountains and reduces congestion in the Sydney rail network. The project also links the southern and western networks and provides access to the future inland rail alignment. There is also the potential to link the ports of Sydney Kembla and Newcastle. Over 500,000 tonnes of freight in the first year of operation alone has been identified, most of which is destined for Sydney.

Currently it is understood that the State is undertaking strategic work in this regard at the moment with Lycopodium compiling a report for John Holland and TfNSW and we await the outcome of this work.

6. Air services are vital to the social and economic life of our regional communities

Sub messages;

6.1 Regional slots at Kingsford Smith Airport must be ring fenced

From time to time various reports try and suggest that there be a review of regional slots at Kingsford Smith airport.

Given the tyranny of distance, flight is the only possible transport that can have many of our citizens into the centre of Sydney in a timely manner. It is vital Regional slots at Kingsford Smith Airport must be ring-fenced.

6.2 Local Government in Central NSW should be included in the strategic development of Badgeries Creek

This development may bring opportunities to the Central NSW region and careful consideration of its opportunities and impacts needs to be undertaken with the communities of Central NSW represented by their Local Councils. This is even more imperative when considering leveraging Inland Rail.

6.3 For the health of our communities and their economies, RPT (Regular Public Transport) to and from Cowra, should be reinstated

According to a 2012 study by the Australian Airports Association, the range of aviation and non-aviation activity that occurs at Australia's regional airports emphasises how vitally important regional airports are to the communities they serve.

The number of airports serviced by regular public transport (RPT) has declined markedly over the years and trends in airline operations threaten to further reduce this number in the future, risking increased isolation for many Australians in rural and remote communities.

RPT, charter and private flights from Australia's regional, rural and remote airports allow those who work and live outside the major cities to access the specialist health, education, commercial and recreational facilities that are not economically available where they normally reside, allow travel by health professionals to the regional community, and enable regional residents to maintain and enjoy the pleasure of their relationships with distant families and friends.

Particularly in regional Australia, airports play an essential role in saving lives by facilitating medical evacuations, collection and delivery of organ donations and search and rescue.

6.4 When Government is making decisions about regional air hubs, Parkes Air Freight should be given consideration

The concept of an air freight hub located in Parkes has been evaluated and advocated by various entities for over two decades. Given the amount of work already undertaken, the Parkes Air Freight Hub should be a priority of the Government in thinking about any regional air hubs going forward.

A comprehensive viability assessment of the Inland Marketing Corporation (IMC) proposal concluded that under the IMC, against all existing gateway airports, Parkes offered a cheaper cost structure for air exports for all NSW agricultural production areas and offered a transport Benefit Cost Ratio of 2.14. Demand predictions forecast that in 10 years' time, NSW could export over 600,000 tonnes of food products by air annually, generating foreign earnings of \$1.9 billion per year. Over 10 years, increases are expected in inland revenue of \$360 million, generating 6740 inland jobs, state revenue of \$460 million, 9500 jobs state wide and a tax increase of \$860 million.

7. CNSWJO encourages greater intergovernmental collaboration

The region welcomes government focus on strategic work for transport and encourages more collaboration with government agencies on strategic work. As part of its role as a Joint Organisation of Councils, the region values the following in collaboration

- mutual respect
- thoughtful contribution
- acting in the public interest
- timely and appropriate responsiveness
- willingness and commitment
- accountability and transparency

Two key projects for this year are:

1. Supporting of the Regional Transport Group in collaboration with TfNSW and other

- key stakeholders. Various projects are emerging from this including better alignment with projects on the Centroc Transport Infrastructure Matrix, Electric Vehicles and RMS Live Traffic; and
2. Collaboration with Transport for NSW on the Land Use and Transport Planning process.

This region seeks to have the value it brings to the State recognised in the funding framework. For example, see the Bridges Assessment Case Study attached.

8. Following up on State and Federal election commitments

In the recent State election March 2019 it has committed:

- \$9.5 billion reservation from Restart NSW is committed to fund projects in the regions;
- \$1 billion on rural road maintenance;
- \$2.5 billion to duplicate 31km of the Great Western Highway between Katoomba and Lithgow; and
- \$200 million flood proofing the Newell Highway between Forbes and West Wyalong.

We also understand that there is an intention to focus on high productivity links in the regions and timber bridges. This includes an additional \$500m and the transfer of local roads to state roads. There are a significant number of roads in this region being managed by Councils that support industry, for example timber industry, that would benefit from the commitments of both transfer and a higher level of funding.

From a Federal perspective, \$400,000,000 on the Newell includes the Parkes Bypass and \$16,000,000 for Dixons' Long Point. There is also the continuing investment in Inland Rail which includes 100% funding for Transit Data for the communities of Central NSW JO.

CASE STUDY

Bridge Assessments in Central NSW

What happened

At the request of member Councils this region applied through the Fixing Country Roads program for bridges to be assessed. Advice and support from Riverina Regional Organisation of Councils enabled the funding request. This program was 100% funded by the State and administered through the JO. This led to cost savings on the aggregated procure, the State only having to deal with one entity instead of 10 and Councils only needing to deal with the JO rather than the funding entity. The JO gained a small income stream from the provider as it managed the contract on behalf of eleven Councils.

What was achieved

Where the project will be completed in September 2019 from CNSWJOs perspective the aggregated procure has led to 159 bridges being assessed at a lower price than anticipated, one contact for Councils, the provider and the State. There will also be a regional learning and next steps for members to consider with regards to this asset class.

Shared value

Value to the State

- One entity to deal with, the JO, experienced in regional projects and offering a compliant procurement and contract management framework. This region estimates the State spends 3 hours per month managing this contract. The life of the contract including variations is 12 months. Instead of 36 hours in administration, or one week, it would have been 10 weeks assuming each Council were as easy to deal with as the JO.



- Aggregated procurement delivers cheaper pricing and a better ROI to the State – quite simply, more bridges being assessed for the same price.
- JO manages Council staff turnover and other risks that lead to slippage. With their deep knowledge of Council personnel the JO is able to assure project delivery including altering internal timeframes in the project to manage Councils' capacity to engage.
- Regional learnings from the project inform further action. In an ideal world the State would be party to these conversations to help optimise the program going forward.
- Councils with staffing challenges are taken on the journey, deliver outcomes, and give consideration to future engagement.
- Road safety outcomes as bridges are closed or in other ways managed depending on their status.

Value to members

- Councils with staffing challenges are taken on the journey, deliver outcomes, and give consideration to future engagement.
- Cheaper pricing for bridges being assessed outside the grant using the same provider as a contract extension.
- Councils deal with JO staff using known JO processes which offer compliance and with which they are comfortable rather than unknown grant administrators.
- Regional management means less staff time and costs dedicated to the project, for example reporting to Councils and the funding entity, the procurement process and contact management are all delivered by the JO.
- Road safety outcomes.
- Asset management outcomes.

Value to contractor

- One entity to deal with rather than 11.
- Experienced at regional programming, the JO smooths the way for the contractor with member Councils and provides
- The contractor recognises this value by paying a management fee.

Value to JO

- Regional advice leads to further regional programming embedding the value to members of the JO.
- Success of project leads to further regional programming embedding the value to members of the JO.
- Income stream from management fee from the contractor helps with financial sustainability.



The Transport Matrix

The Matrix run is complete, the list is as follows, with projects ranked across the Region. There has been a significant amount of time spent on ensuring all council staff are consistent across the region with their inputting. A workshop was held and at least one project from each council was discussed at length.

Consultant Phil Newham has also reviewed and provided mutual advice on all projects where the lead was from the Transport Technical Committee.

Currently the number one ranked project is the Bells Line of Road upgrade. Given the policy change being suggested to advocacy that suggests a broader approach to a safe swift link that includes greater support for the upgrade to the Great Western Highway a review of this first priority is underway.

The list below was provided to GMAC for review at their last meeting.

Also being finalised as a separate document which will provide a more detailed piece to accompany the list is the Regional Freight Plan, where all Matrix Projects are detailed with pictures and constraints.

Members are asked to review and discuss with their Directors and Road Managers.

Project Name	Project Description	LGA	Region Rank	Rank LGA
Bells Line of Road Upgrade	Bells Line of Road Upgrade Capital Value: \$6bn	All Centroc	1	NA – aggregation of all LGAS used to inform figure This priority is under review based on feedback from Cr K Keith.
Inland Rail Project	Construction of the Inland Rail Project - Full length Capital Value: \$10bn	Parkes	2	1
Parkes National Logistics Hub	Construction of an intermodal transport and logistics hub. Capital Value: \$100m	Parkes	3	2
Southern Feeder Road Stg 4	1. THE SOUTHERN FEEDER ROAD (SFR) Provides a link across the south of the city, enabling the existing north-south streets to connect to this road and for traffic to then be distributed along the SFR to provide access to growth to areas in the south, especially the Shiralee residential area, Forest Rd hospital precinct and Huntley Rd/airport precinct. Eventual connection with the Escort Way to the West in later stages will provide more direct links between the Bathurst Region to the East of Orange, through to the Regional Transport Hub in Parkes on the Newell Highway and the agricultural industry centres of Canowindra and Manildra, thereby increasing productivity by achieving distance	Orange	4	1

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	<p>and time savings.</p> <p>The SFR can be delivered in discrete stages and the project described is:</p> <p>Stg 4 Anson St to Pinnacle Rd (Project estimate \$8.8M; 2-5 year timeframe subject to funding)</p> <p>This is a key element which will create a new linkage from the west of the city to South Orange, as well as provide a connection from the new Shiralee residential area to employment areas around Forest Rd.</p> <p>Capital Value: \$8.8m</p>			
Upgrade Greater Western Highway east of Bathurst	Upgrade between Gold Panner and 100k Zone in Raglan approx 3 ks to dual carriageway both ways Capital Value: \$2m	Bathurst	5	1
Southern Feeder Rd Stg 5	<p>1. THE SOUTHERN FEEDER ROAD (SFR)</p> <p>Provides a link across the south of the city, enabling the existing north-south streets to connect to this road and for traffic to then be distributed along the SFR to provide access to growth to areas in the south, especially the Shiralee residential area, Forest Rd hospital precinct and Huntley Rd/airport precinct. Eventual connection with the Escort Way to the West in later stages will provide more direct links between the Bathurst Region to the East of Orange, through to the Regional Transport Hub in Parkes on the Newell Highway and the agricultural industry centres of Canowindra and Manildra, thereby increasing productivity by achieving distance and time savings.</p> <p>The SFR can be delivered in discrete stages as follows:</p> <p>Stg 5 Roundabout at Escort Way and the Southern Feeder Road</p> <p>Creation of this roundabout on the State Road network junction with the Southern Feeder Road (Ploughmans Lane) and the Northern Distributor Road providing a safer and more efficient intersection treatment with the city orbital roads and the Highway.</p> <p>Capital Value: \$3.3m</p>	Orange	6	2
Upgrade of Orange CBD	In conjunction with RMS plans to review configuration of Summer St (Mitchell Hwy) including traffic turning movements at intersections along Summer St, Council plans to refurbish the CBD which is more than 20 years since it was last upgraded. The project will include upgraded pedestrian and cycle facilities, on street and off street parking, as	Orange	7	3

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	well as access issues within the CBD. Capital Value: \$25.5m			
Roundabout at the intersection of the Northern Distributor Road, Hill Street and William Maker Drive	Realign Hill Street and create one 4 leg roundabout and remove two tee intersections from the busy Northern Distributor Road. The project will improve safety and productivity along the NDR and the highly desirable north south link between the Orange CBD and the growth areas of North Orange Capital Value: \$4	Orange	8	4 – project funded
Bathurst Bypass	Bypass around Bathurst to the south from McDiarmid rd to Ceramic Avenue Capital Value: \$200m	Bathurst	9	2
Blayney to Demondrille Rail Line – reopening	The combined road and rail volumes at 2014 and 2034 in the Cowra and Blayney areas highlight the corridors and intersection points through the network that are expected to increase in congestion. Overlaying road and rail volumes illustrates the potential for modal shift on corridors such as the Mid Western Highway, which is predicted to increase in volume up to 2 million net tonne (per direction). Such a modal shift on the Mid Western Highway would require reopening of the Blayney to Demondrille railway line or alternatively increasing the capacity of the Mid-Western Highway. Consideration of the project in the wider NSW rail network context offering redundancy and also of its tourism potential Capital Value: \$31m	Blayney, Cowra & Hilltops	10	
Southern Feeder Road Stg 6	1. THE SOUTHERN FEEDER ROAD (SFR) Provides a link across the south of the city, enabling the existing north-south streets to connect to this road and for traffic to then be distributed along the SFR to provide access to growth to areas in the south, especially the Shiralee residential area, Forest Rd hospital precinct and Huntley Rd/airport precinct. Eventual connection with the Escort Way to the West in later stages will provide more direct links between the Bathurst Region to the East of Orange, through to the Regional Transport Hub in Parkes on the Newell Highway and the agricultural industry centres of Canowindra and Manildra, thereby increasing productivity by achieving distance and time savings. The SFR can be delivered in discrete stages as follows: Stg 6 Pinnacle Road to Escort Way Construction of the Western leg of the Southern Feeder Road from Pinnacle Road to the Escort Way thus completing the Link from the Mitchell Highway and closing the city	Orange	11	5

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	orbital loop with the Northern Distributor Road. Capital Value: \$2.5m			
Nags Head Bridge Replacement	Replacing existing single lane bridge Capital Value: \$2.4m	Weddin	12	1
Upgrade Evans Plains Rd and Hen & Chicken Lane	Upgrade Evans Plains Rd and Hen & Chicken Lane to by-pass Bathurst for traffic travelling south. Capital Value: \$5.5m	Bathurst	13	3
Orange Road Upgrades	Rehabilitation and widening of The Bogan Way from Parkes/Forbes boundary to the south, to Tullamore in the north to cater for HML vehicles Capital Value: \$6m	Parkes	14	3
Realignment of Newbridge Road to Sealink	Realignment of Newbridge Road and building resilience into floodway. Will provide an improved alignment reducing blind spots and improving sight distance, and associated safety. Capital Value: \$2.5m	Blayney	15	1
Northern Distributor Road Rest Area	The proposal will provide truck rest area parking for a minimum of 8 b-double units with toilet and shower facilities within close proximity of DA approved commercial refueling and refreshment services. Capital Value: \$2m	Orange	16	6
Huntley Road Widening and Upgrade	Undertake road upgrading to comply with current standards including widening and improvement to vertical and horizontal geometry to service route between Orange CBD and the transport hub of the Orange Regional Airport and proposed industrial technology park. Capital Value: \$8m	Orange	17	7
Upgrade of Belubula Way to allow Higher Productivity Vehicles	Widening and strengthening of pavement to provide access for Higher Productivity Vehicles Capital Value: \$4.6m	Blayney	18	2
Orange to Mudgee Link Road	The upgrade of this road will create a viable shorter distance route to travel between Orange and Mudgee. This will create an obvious tourism link road between two renowned wine regions. Capital Value: \$19m	Cabonne	19	1
Parkes Airport Runway Extension	Extension of existing 04/22 main runway by approx 500m Capital Value: \$20m	Parkes	20	4
Parkes Western Ring Road	Construction of the Western Ring Road (Project by others - RMS) Capital Value: \$125million	Parkes	21	5
Heavy Vehicle Bypass - Condobolin Stage 2	Upgrade and reconstruction of existing roads around the town of Condobolin - Stage 2 Harding Ave & Melrose St Capital Value: \$3m	Lachlan	22	1

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Project Name	Project Description	LGA	Region Rank	Rank LGA
Blayney Heavy Vehicle Traffic Relief Route	New 'ring road' that will connect the Mid Western Highway to Council's industrial land and through to the Orange Road Capital Value: \$15m	Blayney	23	3
Widening Young Road (MR 239) - between Grenfell and Tygong Creek Road	Widening Young Road (MR 239) - between Grenfell and Tygong Creek Road Capital Value: \$4.5m	Weddin	24	2
Heavy Vehicle Bypass - Condobolin Stage 1	Upgrade and reconstruction of existing roads around the town of Condobolin - Stage 1 Busby, Lachlan & Denison Sts Capital Value: \$3m	Lachlan	25	2
Heavy Vehicle Bypass - Condobolin Stage 3	Upgrade and reconstruction of existing roads around the town of Condobolin - Stage 3 Maitland St Capital Value: \$5m	Lachlan	25	2
Heavy Vehicle Bypass - Cowra - (Western Road Plan # 9)	Council has recently concluded a study to determine the preferred route for a heavy vehicle bypass of the main street of Cowra. This study was instigated by community demand through the development of the Cowra Land- Use Strategy and subsequent redevelopment plans for the main street. The aim of the bypass is to reduce conflict between traffic and pedestrian priorities in the main street, not only making the CBD area safer for pedestrians but reducing travel times and operating costs for heavy vehicles The current road is the main street of Cowra. There is nothing inherently wrong with the road itself other than it funnels heavy vehicles through the CBD, creating conflict with pedestrians. The Cowra community has requested Council to find a way to remove heavy vehicles from the CBD. An options study has been completed and a preferred route for a heavy vehicle bypass has been adopted by Council through extensive community consultation. If this work is not completed, the conflict between heavy vehicles and pedestrians will continue in the CBD, inevitably leading to injuries/accidents. The construction of this bypass will also facilitate the development of a transport hub with the potential to provide a nodal link with a reopened railway line. A REF has been prepared for the preferred route. Capital Value: \$25m	Cowra	27	1
Low level bridge replacement	There is a low level timber bridge across the Lachlan River in Cowra, immediately downstream of the existing high level bridge. This low level bridge is rapidly approaching the end of its useful life. A report has been prepared investigating options for the	Cowra	28	2

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	replacement of this bridge, including alternative alignments. This project is Option 3 of the recent report and proposes the replacement of the low level bridge on its existing alignment. Capital Value: \$6m			
Clergate Road Upgrading stg 2	Undertake upgrade and widening of Clergate Road from the Quartz Street to Ralston Drive Capital Value: \$2.2m	Orange	29	8
Lachlan and Kendal St Realignment	<p>* Lachlan and Kendal St Realignment to connect Lachlan Valley Way and Mid Western Hwy - (Western Road Plan # 12)</p> <p>The current intersection of B81 and A41 occurs at traffic lights at Kendal Street and Lachlan Street at the western side of the bridge over the Lachlan River in Cowra. This intersection is a constraint point as entrance onto Lachlan Street from B81 prior to the traffic lights is via a "T" intersection less than 40m north of the traffic lights. This configuration produces queuing problems and requires heavy vehicles to use adjacent lanes to perform turning manoeuvres. It is proposed to divert north-south traffic further along Redfern Street, over a new mid-level bridge across the Lachlan River to join the Mid-Western Highway at a new roundabout on the eastern end of the existing bridge at the intersection with Lachlan Valley Way. This would necessitate the relocation of an existing tennis court complex Redfern St - Lachlan St - needs rerouting as Heavy Vehicles pose a risk to oncoming traffic given narrow road pavement. (Canowindra Road - Mid/Western Hwy Kendal St intersection). the project would require an extension and another crossing. The internal conflict is not addressed by the Bypass. There is no existing road on this alignment. It is proposed to create a new road to provide an alternative crossing of the Lachlan River and to eliminate an existing constraint in the road network. In a recent traffic survey (2012), 100% of heavy vehicles travelling entering Cowra from the north on B81 proceeded south; all of them had to use the existing constrained intersection. If this project is not undertaken, the incidence of delays and accidents at the existing signals. intersection is likely to increase. This project has also been identified as Option 2 in a recent study investigating options to replace an low level timber bridge across the Lachlan River. Capital Value: \$6m</p>	Cowra	30	3
Belubula Way - Trunkey Creek to Canowindra	<p>* (Western Road Plan # 43 a,b,c and d) ((one blockage in Cabonne preventing it to be b-double. Last bit in major freight piece)</p> <p>Shared project: Blayney / Cowra / Cabonne. The pavement along these sections of Belubula Way is very narrow and poses safety risks for</p>	Cowra	31	4

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	<p>traffic especially heavy vehicles. Because of the narrow lane widths passing traffic moves onto the gravel shoulder causing bitumen edge break and edge drop off which increases safety issues. The road has a significant amount of heavy vehicles many which travel from Mid-Western Highway to areas west of the Cowra Shire boundary. If widening works are not undertaken on Belubula Way, the pavement will deteriorate further and become narrower, impacting on road-freight productivity for locals and regional heavy traffic Belubula Way connects the Mid-Western Highway south of Blayney to townships of Canowindra & Forbes. Widening of Belubula Way. Wearing surface comprising of D/D 7/10mm stone sprayed bitumen. Pavement structure will include 200mm of gravel for base, RMS specifications.</p> <ul style="list-style-type: none"> Recent counts (2011) show a daily traffic volume of 210 AADT with 24% HV – assumed servicing local agriculture and regional freight between Blayney and Parkes. Currently, the route is not of a standard for B-Double use however the Shire has a shire wide approval for BDouble use which would include this road. This project aims to widen the sealed road pavement in the remaining narrow sections 11.5-12.9km, 13.5- 15.6km and 16.7-18.7km from the Belubula River on Cowra Council's western boundary with Cabonne Council. A total of 5.5km of widening is required to complete Cowra Council's portion of Belubula Way to <p>7m sealed road standard significantly reducing bitumen edge break and edge drop off caused by inadequate sealed road widths Capital Value: \$0.825m</p>			
Clergate Road Upgrading Stg 3	Undertake the staged upgrade and widening of Clergate Road from Ralston drive to Canobolas Wooltops Capital Value: \$2.3m	Orange	32	9
Yarrabandai Heavy Vehicle Route	Yarrabandai Road is currently an arterial local road and a heavy vehicle route. Some sections are deficient in width and there are various horizontal curves that require reconstruction. 23 km's requires widening, with some sections requiring complete rehabilitation. Capital Value: \$8.5m	Forbes	33	1
Parkes Southern Ring Road	Southern Ring Road Construction - Project includes connecting Newell Highway with Orange Road. Project approx 5kms in length Capital Value: \$46m	Parkes	34	6
Cowra Intermodal Hub	<p>* (relies on blayney/demondrille line, maybe combine - bypass as well)</p> <p>A location for a future road/rail Hub has been identified, south of the Cowra Train Station. The location includes an existing siding. The Hub is proposed to be located at the old wool scouring plant, just south of station near the</p>	Cowra	35	5

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	Lachlan Valley Rail maintenance house Capital Value: \$1.1m			
Reconstruction of Quandialla to Carragable Road	Reconstruction of Quandialla to Carragable Road Capital Value: \$6.3m	Weddin	36	3
Shoulder improving on the Forbes Road (MR 236)	Shoulder improving on the Forbes Road (MR 236) Capital Value: \$0.6m	Weddin	37	4
Orange Airport	Provision of enhanced passenger facilities at Orange Airport to improve services to existing passengers as well as promote increased usage through new passengers Capital Value: \$1.4m	Orange	38	10
Gap Road Heavy Vehicle Route Upgrade	Widen and upgrade 3.8 km of narrow sealed road between Wirrinya Silos and LGA boundary with Weddin. This will allow the road to be upgraded to a HML Route and provide direct access to Caragabal Silos, which handles different types of grain than Wirrinya. Capital Value: \$2m	Forbes	39	2
Battery Hill Heavy Vehicle Route	Battery Hill Road connects Wirrinya Road to the Newell Highway and is 17.1 km's long. The road is mostly unsealed and the sealed section is narrow. The route requires widening and sealing. Capital Value: \$4.5m	Forbes	39	2
Warroo Heavy Vehicle Route	Warroo Bridge Road is currently a 3.9 km arterial local road that is deficient in width and there are various sections requiring complete rehabilitation. For the route to be fully upgraded, RMS will need to upgrade the Warroo Bridge over the Lachlan River. Capital Value: \$1.5m	Forbes	39	2
The Bogan Way Widening	Rehabilitation and widening of The Bogan Way from Parkes/Forbes boundary to the south, to Tullamore in the north to cater for HML vehicles Capital Value: \$6m	Parkes	42	7
Old Lachlan Road Upgrade	Upgrading Old Lachlan Road between Trunkay Road and Three Brothers Road to provide for heavy vehicle access from the east across to Central Tablelands Livestock Exchange Capital Value: \$6.8m	Blayney	43	4
Hobbys Yards Road Upgrade	Improvement of 'pinch points' for safety and heavy vehicle access along the route from Blayney to the Shire Boundary Capital Value: \$2.7m	Blayney	44	5
Mary Gilmore Way - Barmedman to Orange	* (this is Warranderry Way). Western Road Plan #36a b c and d) Shared project: Weddin / Cowra / Cabonne / Orange. Road widening - known as Mary Gilmore Way but known as 237 - Warranderry. This road widening project would allow an	Weddin	45	6

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	additional link between the Riverina and the Central West to be classified as B-Double approved. The original road was not designed to carry heavy vehicles. Over the past 10 years, Council has undertaken a road widening, pavement construction and bridge construction programme to upgrade this Regional Road. This widening project would be the final section, opening the road to B-Doubles. 6m wide pavement. The pavement needs to be extended to 8m wide to allow safe passage of BDoubles. The majority of the route has been constructed to an acceptable standard. There is only 7.4km remaining to be widened on Mary Gilmore Way and 6.2km on Gooloogong Road. Road freight will only continue to increase in size and volume. With increasing demands for freight efficiency, this haulage route should be upgraded as soon as funds are available. Capital Value: \$1.7m			
Forbes Eastern Connection	<p>The Forbes Eastern Bypass is to provide a heavy vehicle link to the Forbes Central West Livestock Exchange, Central West Industrial Park, and provides for an alternative transport route for the Newell Highway in the case that the Newell Highway is closed between Forbes and Daroobalgie.</p> <p>Forbes Shire Council is proposing a heavy vehicle bypass suitable for road train access to connect the Newell Highway and Main Road 377. This project will improve access to the Forbes Central West Livestock Exchange (regional facility), Central West Industrial Park as well as improve the amenity of Forbes by diverting freight movements onto the heavy vehicle bypass. The current network connectivity and accessibility conditions of the transportation network in and around Forbes are limiting the potential economic productivity and efficiency of the regional economy. The proposed Eastern Bypass will improve road network connectivity and accessibility for freight from the east and south of Forbes to the north. Capital Value: \$9.5m</p>	Forbes	46	5
Mount Tullabung Heavy Vehicle Route	Although currently a heavy vehicle route, Mount Tullabung Road is deficient in width and there are various horizontal and vertical curves that are unsuitable for an increasing volume of heavy vehicle movements. Mount Tullabung Road connects the Newell Highway and Wirrinya and is 22.7 km's in length. Capital Value: \$8m	Forbes	47	6
Morongla Rd - from Lachlan Valley Way to Olympic Way	Link road Marongra Rd - from Lachlan Valley Way to Olympic Way. Links 2 villages - Marongla to Wattamondara . Council have already prepared a funding submission. The road is narrow creating edge breaks. Volumes	Cowra	48	7

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	of grain movements and livestock are significant given the Livestock Exchange on the Olympic way. Capital Value: \$1m			
West Plains Heavy Vehicle Route	West Plains Road and Bogies Island Road are local, mostly unsealed roads, that connects a significant agricultural producing area and Lake Cowal Gold Mine, to the Newell Highway. It is proposed to widen and seal the 27.1 km's. Capital Value: \$9.5m	Forbes	49	7
Banjo Paterson Way B Double Upgrade	The Upgrade of Banjo Paterson Way between Cumnock and Yeoval would allow livestock farmers a direct route between the two towns, as well as allow a more direct route between Dubbo and Narromine, and Orange and Blayney Capital Value: \$15m	Cabonne	50	2
Haynes Crossing	Replace single lane, load limited bridge. Is the transport link between Main Road 236 and a significant grain and agricultural precinct. During wet periods, sidetrack through Ooma Creek is flooded and the detour is significant. Capital Value: \$0.8m	Forbes	51	8
Back Creek Heavy Vehicle Route	Replace single lane, load limited bridge. During wet periods, sidetrack through Back Creek is flooded and prevents access. Is the transport link between privately operated grain silos and a significant grain and agricultural precinct. 3.3km unsealed road between existing sealed b-double route (Wirrinya Rd) and silos needs to be upgraded sealed. Capital Value: \$2.5m	Forbes	51	8
Kurrajong Road B Double Access Upgrade	The upgrade of Kurrajong Road would allow a more direct route for B Double vehicles transporting grain and flour from MSM Milling in Manildra to grain silos in Canowindra, Nyrang Creek and adjacent towns. Capital Value: \$6m	Cabonne	53	3
Ledgers Malloy Bridge	Replace single lane, load limited bridge, on existing b-double route. Is the transport link between Main Road 236 and the Lachlan Valley Way. During wet periods, sidetrack through Ooma Creek is flooded and the detour is significant. Capital Value: \$0.8m	Forbes	54	10
Arkstone Road	Full reconstruction of 3.5km of Arkstone Road pavement required from the intersection of Campbell's River Road and Arkstone due west for 3.5km to the village of Burruga. The road work will improve the safety of motorists and community whom compete with B-Double logging trucks transporting pine to Oberon. Capital Value: \$1.5m	Oberon	55	1
Carlwood Road - Upgrade of Unsealed Section 8km	Carlwood Road forms a vital transport link for both Agriculture commodity and motorists travelling the east west corridor between Hazelgrove, Lowes Mount Road connecting with the O'Connell Road. The need to transport	Oberon	56	2

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Project Name	Project Description	LGA	Region Rank	Rank LGA
	livestock from the eastern end of the LGA, Carlwood Road provides a short cross link with the O'Connell Road. Capital Value: \$3.2m			
Gibraltar Rocks Road Bridges	Replacement of Bridge on Gibraltar Rocks Road. The Existing box culverts have reached the end of their useful life and require replacement. Capital Value: \$0.5m	Weddin	57	5
Electrifying rail to Bathurst	Extending electric rail from Lithgow to Bathurst. This would include realignment to reduce passenger journey time and enable faster train speeds. This would enable commuters between Sydney and Central NSW. Building on the success of the Bathurst Bullet this will enable further growth. It will particularly shorten the time and enable industry between the growth in western Sydney and more affordable housing and livability in central NSW. Capital Value: \$500m	Bathurst	58	4

Value for members

A strategic approach to advocacy and prioritisation for transport infrastructure enables a greater likelihood of funding.

Financial Implications

Nil at this time.

Attachment/s:

7. The Central West and Orana Issues and Insights Paper Revision - October 2019

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Priority Four: Regional Water

a. Regional Water, Advocacy Plan

Regional Strategic Priorities	4.1 Regional water network planning and best practice skills development
Portfolio Chairman	Cr David Somervaille
Sponsoring General Manager/s	Gavin Rhodes, Kent Boyd, David Sherley

Report by Meredith Macpherson, 6 November 2019

Recommendation/s
That the Board note the report on the Regional Water Advocacy Plan (the Plan) and 2. Adopt the Plan; and 3. Share the policy position with LGNSW.

The implementation of the Strategic Plan for the CNSWJO calls for an Advocacy Plan for Regional Water.

The Plan consists of a policy position and key messages. These are used to inform submissions, media, ministerial and other meetings.

Currently emergency short-term water management and longer-term water planning is a fast moving, complex and interrelated space. The Regional Water Advocacy Plan is a living document and it is likely that advocacy messages will evolve as the political, planning and policy context change over the coming weeks and months.

The policy and messaging have been drawn from previous advocacy plans and submissions. A draft has been provided to the Portfolio Chair, Cr David Somervaille and Portfolio Mayor, Bill West and will be updated progressively.

At a workshop between JOs and LGNSW it was suggested that JOs provide their policy position to LGNSW to assist them in supporting the regions with advocacy. LGNSW is also preparing an advocacy position for drought to be discussed at the LGNSW Annual Conference with further advice on this to be provided.

The Advocacy Plan follows.

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DRAFT REGIONAL WATER ADVOCACY PLAN

Overview

Proclaimed under the NSW Local Government Act, the Central NSW Joint Organisation (CNSWJO) has been tasked with intergovernmental cooperation, leadership and prioritisation. The Joint Organisation consulted with stakeholders to identify key strategic regional priorities. Regional Water was identified as one of four regional priorities.

For more information on the Strategic Plan go to:

https://docs.wixstatic.com/ugd/51b46b_31886650ecf546bc916f15e99a733b3e.pdf

Safe, secure water is essential for the growth and prosperity of our towns, to support agriculture and industry and sustain the environment.

The CNSWJO Board's interest in water security is at two levels:

- Firstly, in the context of member Council's ownership of Local Water Utilities, adopting a regional approach to town water security.
 - CNSWJO member councils all operate local water utilities so the security and availability of town water supplies for the communities in Central NSW is core business for the councils in this region.
- Secondly, in facilitating sustainable economic growth for the region.
 - Agriculture and mining are two prime economic drivers in this region and a reliable, secure water supply is crucial to the realisation of the region's potential as one of the 7 top contributors to National Gross Regional Product.¹

Currently Local water utilities in regional NSW are challenged by the following:

- *The strategic framework*
Currently modelling and planning for urban water security is done in isolation by Local Government and needs to be integrated into the State Government's strategic water planning.
- *The regulatory framework including best practice and drinking water quality management.*
LWUs seek a less paternalistic approach that meets the needs of LWUs in managing their businesses, avoids duplication and onerous reporting and meets the Government's regulatory needs.
- *The funding framework*
Quality secure water requires a funding framework that recognises that it is a basic human right.

¹Infrastructure Australia 2015

- *Drought management*

The unprecedented drought is demonstrating challenges, particularly for larger settlements, in navigating the strategic, regulatory and funding frameworks for urban water security. This is particularly the case for the towns of Orange and Bathurst on the unregulated river system.

- *Machinery of Government churn, culture & poor engagement.*

With decades of successful inter-Council cooperation delivering value to its member Councils through the Water Utilities Alliance, the Joint Organisation can offer shared value to both its members and other levels of government in advocating for solutions to these challenges.

The region seeks to work in cooperation with other levels of Government and the JO network to optimise and share this knowledge with the outcome being quality secure water and sewerage services to sustain and grow regional NSW. This will meet the needs of the regions while delivering on the Government's policy of decentralisation.

The following principles guide this region's work with other entities:

- Clarity of vision
- Intergenerational equity
- Willingness and commitment
- Exercising leadership
- Timely and appropriate responsiveness
- Mutual respect
- Demonstrating integrity
- Accountability and transparency
- Thoughtful contribution
- Sharing and positive intent
- Acting in the public interest
- Adding value

In summary, water and its management is a complex, fast moving and interlinked space. Water does not recognise LGA boundaries but requires a region-wide collaborative and positive approach to ensure security of supply to towns and communities across the region.

While acknowledging the severity of the current drought and its impact on our communities, it is crucial that messaging from the region is contextualised and continues to highlight the good work being done by Local Government as responsible managers experienced in planning and managing large scale infrastructure projects and urban water supplies.

This Advocacy Plan is iterative and will be updated through the Chair and CNSWJO Board Executive as needed. It is anticipated that the messaging and policy position in this Advocacy Plan will be progressed through:

- Supporting regional strategic and technical groups in their efforts to provide deep knowledge and support to advocacy, prioritisation and intergovernmental collaboration
- Developing policy with other regions
- Providing submissions to Government
- Meeting with state and federal representatives
- Intergovernmental collaboration

Advocacy for regional water can be summarised under three broad headings:

- Emergency town water security
- Long-term water security planning

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- Business as usual – supply of secure, quality local water utility services by Local Government.

1. Emergency Town Water Security

Key Messages

- 1.1** *The CNSWJO Board support investment in emergency infrastructure (and non-infrastructure) projects identified by its members (including through the Centroc Water Security Study) to meet critical human water needs and want to work with all levels of Government on implementing these solutions.*

Infrastructure Project	Council/s	Timeframe
Condobolin Bore Field 2	Lachlan	9-12 months
*Bogan Gate to Condobolin Pipeline (or Condobolin to Forbes)	Lachlan	2 years
Full Replacement of B-section pipeline (Parkes Shire boundary to Tottenham)	Lachlan/Parkes	2-years
Strategic upgrade of B-section pipeline	Parkes	2-years
Gooloogong- Forbes- Parkes Pipeline	Parkes/Forbes	2-years
Bore Trunk Main Duplication	Forbes	2-years
Fourth Bore and pipeline.	Forbes	2-years
Fifth Bore and pipeline.	Forbes	2-years
Raising Lake Rowlands existing Dam wall to 880m RL	CTW	12 months
Building new 26,500ML Coombing Creek Dam downstream of existing Lake Rowlands Dam.	CTW	Longer-term
Blayney Well / Blue Hole water pre-treatment and associated pipeline to Blayney Water Treatment Plant	CTW	2-years
Lithgow to Regis Pipeline	CTW	2-years
*Cowra to Central Tablelands Water bi-directional pipeline	CTW/Cowra	2-years
Manildra to Molong Pipeline	CTW	2-years
Non-infrastructure- Modification to Licence Conditions – environmental flow releases from Suma Park Dam	Orange	12 -months
Non-Infrastructure – modification to Conditions of Approval to reduce pumping trigger for the	Orange	12-months

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Macquarie River to Orange Pipeline		
Blackmans Swamp Creek Stormwater Harvesting Scheme Stage 2	Orange	2 years
River Intake -wet well augmentation	Cowra	By December 2019
*Wyangala Pipeline- pipe supply and access dead storage in the dam.	Cowra	2-years
Test Bores	Cowra	2-years
Young- Cowra Pipeline (bi-directional)	Cowra	2 years
Potable water supply to Molong - connection to Orange town water supply	Cabonne /Orange	2 years
Borenore Dam	Cabonne	12 months
Equip town bore and construct pipeline	Cabonne	2-years
Duckmaloi River Water Harvesting Project	*WaterNSW Oberon/Bathurst	2-years
Pipeline connecting Bathurst through CTW to Wyangala Dam	Bathurst	2-years
*Ben Chifley to Bathurst pipeline	Bathurst	2- years
Winburndale Dam to Bathurst pipeline	Bathurst	2-years
Non-Infrastructure including access arrangements between Ben Chifley and Bathurst	Bathurst	6 months

**Note – these projects provide a network of pipelines that would provide emergency water supplies to towns across the region.*

- 1.2** *The CNSWJO Board support (and has experience in) arrangements for the sharing of water for critical human water needs between towns across the region where the burden of providing infrastructure for critical human water transfers is borne equitably by the region (for example through the development of instruments and agreements not structures). Outside times of emergency Councils manage their own water supplies.*
- 1.3** *The CNSWJO Board support Local Government ownership and management of any infrastructure built to transfer emergency water between towns across the region for critical urban needs.*
- 1.4** *The CNSWJO Board support a multi-source approach to the supply of emergency water that enables options to be switched on or off as needed with these to be linked to State and local based triggers.*
- 1.5** *CNSWJO member Councils are responsible managers experienced in planning and managing large scale infrastructure projects and urban water in Central NSW.*

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- 1.6** *CNSWJO member Councils learned a great deal in the last drought around multi-sourced supply and demand management and continue to implement initiatives aimed at reducing consumption in their communities.*
- 1.6.1** *Advice from the State, which is regularly updated, informs communities on when they need to trigger water restrictions.*
- 1.6.2** *Communities like Orange at the top of the catchment are very water efficient using for example between 130 and 140 litres per person per day compared to Sydney where usage is around 210 litres.*

Sub-Messages

- 1 a.** *Failure of urban water supplies is socially unacceptable and economically costly.*
- 1 b.** *Towns use around 2% of the water stored in dams in NSW. It is critical to the sustainability of the region's towns that it is not overlooked.*
- 1 c.** *There is no water security when there is no high security water.*
- 1 d.** *Town water supplies service businesses as well as residents.*

For the latest advice

<https://www.industry.nsw.gov.au/water/allocations-availability/droughts-floods/update/critical-valleys-in-drought>

<https://www.industry.nsw.gov.au/water/allocations-availability/allocations/statements>

Background:

The millennium drought exposed the vulnerability of the Lachlan valley to the consequences of water shortages. There were severe impacts on both town water supply and economic activity.

As a result of this region's councils collaborated on their 2009 national award winning Centroc Water Security Study (CWSS).

The CWSS used sophisticated stochastic modelling to forecast urban demand for the region's towns for a 50-year horizon through to 2059. As a result, 29 communities in the Central NSW region were found to be at risk requiring substantial improvements to their water security.

The Centroc Water Security Study has informed infrastructure and demand management initiatives over the past decade with a number of pipeline networks to distribute water to towns across the Lachlan and Macquarie valleys completed, underway or in planning. Despite these and innovative approaches by Councils to alternate water sources and savings measures, there remains a need for additional storage for towns in the Central NSW region.

The current unprecedented drought conditions are seeing this vulnerability extend to the larger settlements of Orange and Bathurst on the unregulated Macquarie River and Oberon which draws its water from the Fish River system.

Recognising the water security vulnerability of the Lachlan catchment, the NSW Government has invested in the Lachlan Valley Water Security Investigations resulting in the funding for business cases for projects including a bi-directional pipeline from Lake Rowlands to Carcoar Dam and the raising of Wyangala Dam wall by 10 metres.

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The NSW Government has also invested in the Central Tablelands Water Security project for construction of pipelines that will provide a means to flow water in both directions between the Macquarie and Lachlan catchments to offset dry localised conditions under emergency circumstances.

The extensive work that Central NSW Councils has undertaken collaboratively on water security for the region through the CWSS, development of regional Demand, Drought and Integrated Water Cycle Management Plans and identification of water infrastructure priorities informs a deep knowledge of the region's water needs and an integrated approach to region-wide water security planning.

Central NSW Councils all operate local water utilities so the security and availability of town water supplies for their communities is core business for the councils in this region.

In the millennium drought the solution to pulse the Lachlan River failed to deliver water to the community. Forbes, Parkes and Cowra were only months away from day zero. This cannot happen again.

2. Long-Term Regional Water Security

Key Messages

With regard to options for augmented storage for the Lachlan Valley:

- 2.1 As the failure of urban water supplies is socially unacceptable and economically enormously costly, the CNSWJO Board support investment in long-term options that offer substantive improvements in security and reliability of water for town, agricultural, industrial and mining needs.*
- 2.2 Further investigation of preferred options from the Lachlan Valley Water Security Investigation to improve water security for the Lachlan Valley are welcomed with the expectation that the outcome will ensure evidence-based decision making on options including the Lake Rowlands to Carcoar pipeline and the raising of the Wyangala Dam wall and, subject to greater certainty, clarity about the management of water.*
- 2.3 The Wyangala Dam augmentation project is about improving security and reliability and allowing usage to reach the Plan Limit not increasing usage above the Plan Limit.*
- 2.4 Increasing storage capacity in Wyangala Dam will provide significant benefits in flood management capability.*
- 2.5 As a matter of priority, the development of Business Cases for the Lake Rowlands to Carcoar Pipeline and the raising of the Wyangala Dam wall, or any other options, be informed by in depth consultation with key stakeholders including CNSWJO member Councils and Lachlan Valley Water that is respectful, transparent and fully accountable.*
- 2.6 Investment in additional storage must be augmented with improvements in distribution networks for town water supplies.*
- 2.7 The reality is that with the right storage and pipe network there is plenty of water for town water supplies for Central NSW communities and to enable substantive growth in high value agriculture- it's just a matter of getting it to the right place, at the right time and for the right price.*

Sub Messages

- 2.a Additional storage is not about more water, it's about more reliable water.*
- 2.b The reliability of water supply is a major factor in having the confidence to plan ahead, invest and run a profitable business.*
- 2.c Expanded economic activity will attract a higher population to the region and therefore a higher level of water reliability will be required to ensure that a minimum level of service can be provided to an expanded population.*
- 2.d Additional storage for the Lachlan catchment will have community wide benefits through flood management in the Lachlan and Belubula River valleys with the costs to State government for the repair of flood damaged infrastructure offset by the costs of the operation of the dam.*

With regard to long-term regional water planning:

- 2.2.1 The CNSWJO Board support strategic work on a 50-year plan for the Lachlan and Macquarie catchments that will potentially solve drought emergency urban water needs for the region's towns and communities while delivering an economic driver through increased high security water.*
- 2.2.2 The CNSWJO Board seeks to work in collaboration with the State government on long-term water security solutions for the region's towns and communities.*
- 2.2.3 Town water supplies need to be integrated into the State Government's regional water planning framework to ensure security and reliability of supply.*
- 2.2.4 Long term water security solutions need to look at a multi-source approach.*
- 2.2.5 While water for human consumption is recognised as of the highest priority for the WaterNSW dam network, there are challenges in delivering the water to towns and communities. The next round of work needs to build on identified regional solutions and include access to the State-owned dams.*
- 2.2.6 There is an opportunity in both the Lachlan and Macquarie catchments to solve the water security problem and leverage growth by connecting both catchments.*

With regard to the State Government's Regional Water Strategies:

- 2.3.1 The CNSWJO Board supports the concept of Regional Water Strategies for the Lachlan and Macquarie catchments providing there is genuine community engagement, time to get it right and a clear commitment from Government to implement the strategies.*
- 2.3.2 The CNSWJO includes Councils that operate in both the Lachlan and Macquarie catchments. The Strategies should aim to recognise this connection.*
- 2.3.3 A key component of the Regional Water Strategies is to identify the level of risk to reliability of water supply. It is essential that the consultation provides full transparency on the models used and access to model outputs.*
- 2.3.4 Transparency around the models used to determine the impacts of climate change on the Regional Water Strategies and the identification of strategies to deal with it are essential otherwise we will see towns and communities becoming less viable.*
- 2.3.5 The CNSWJO Board and Lachlan Valley Water agree that water security for towns, stock and domestic, and high security water requirements for high value agriculture and other industries is the highest priority. Our focus is the community and having more clarity and certainty about security and reliability, so people can plan around and manage it.*

Background

The Lachlan River Catchment is widely recognised as the most unreliable Catchment in NSW. In fact, the Average allocation of general security water is 28%, the lowest in NSW. The Lachlan is a closed catchment and should be managed accordingly.

The award winning Centroc Water Security Study (2009) identified regional solutions including pipework, increased storage and emergency projects to ensure water security for Central NSW communities for a 50-year horizon.

Some regional solutions have been implemented, including innovative approaches to alternate sources, however, additional storage and a network of pipelines is needed to ensure security of supply for towns of the Lachlan valley.

Informed by the CWSS and the State Government's Lachlan Valley Water Security Investigations the region has advocated consistently over the past decade for additional storage high in the catchment for the communities on the Lachlan catchment.

Advocacy continues in support of the raising of both the Wyangala and Lake Rowlands Dam walls to ensure long-term security of supply for our communities as well as flood management in addition to projects identified by our members to shore up supplies to towns across the region.

While emergency action is being undertaken at the local and regional level, there are opportunities to improve communication, inform strategic work and support a more coordinated regional approach to a multi sourced strategy for longer term water security.

Long-Term Regional Water Planning

Modelling and planning for urban water security in regional NSW is being done by Councils in isolation through Integrated Water Cycle Management Planning. State engagement with this process is largely absent with the exception of DPIE Water where it is widely variable with significant, including financial, impacts to Councils. It is also noteworthy that Councils have a planning framework – IP&R which leads to duplication with the Best Practice framework that has been in place with the DPIE Water and its previous iterations. There are opportunities here for alignment and optimisation where DPIE Water have been reviewing the Best Practice Framework since at least 2015.

Where modelling by WaterNSW and DPIE Water for the development of Water Sharing Plans has not differentiated between town water supply needs and other water uses, planning for urban water security needs to be integrated into the State Government's strategic regional water planning processes. With the pressure of an unprecedented drought, cracks have emerged from this lack of integration. Further, there are State Government policies that need to change in relation to trigger points and the place-based management of town water supplies when drought conditions prevail prior to criticality stage.

The "fast tracking" of six new regional water strategies "that align with the needs of each region or catchment area so we can continue investing in local solutions" needs to be informed by solid modelling of the status of town water security.

The challenge is to ensure that Integrated Water Cycle Management planning required by Councils to demonstrate management of urban supplies is integrated into Regional Water Strategies and that

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Local Government have a seat at the table in the development of these key plans that will influence infrastructure planning and funding for communities into the future.

As the purpose of the Central NSW JO is to provide strong cohesive leadership that aligns all tiers of government to deliver our region's community derived strategic priorities, the ideal is for a long-term regional urban water security solution to be developed in cooperation with the State Government.

Central NSW has identified a need to form a strategic committee to provide an on-going forum for inter-governmental cooperation on water planning for the Central NSW region to ensure urban water is integrated into the regional strategic planning framework to improve security and quality of supply for its communities.

The region continues to seek engagement with the State Government in the development of Regional Water Strategies for the Lachlan and Macquarie catchments as well as Water Sharing Plans. Opportunities are being sought for JOs working collectively through a genuine collaboration with the State Government to enable an alternative regional approach to Integrated Water Cycle Management Planning that extends beyond a basic aggregated procure to deliver cost savings and optimum results for Government, our members and most importantly our communities

3. Supply of LWU services to Central NSW communities - Business as Usual

3.1 Local Government Ownership and Management of Local Water Utilities in Regional NSW

Key Messages

- 3.1.1** *The CNSWJO Board support institutional arrangements that maintain Local Government responsibility for the operation and management of water supply and sewerage services and infrastructure in regional NSW.*
- 3.1.2** *The CNSWJO Board opposes the transfer of council provided water supply and sewerage services to state owned water corporations or their privatisation.*
- 3.1.3** *The CNSWJO Board opposes recommendations made to aggregate non-metropolitan Local Water Utilities.*
- 3.1.4** *LG LWUs ensure an integrated and locally appropriate approach to water supply and sewerage management and optimal whole-of-community outcomes for their communities.*
- 3.1.5** *Lower prices in LWUs reflect greater efficiency of operation due to economies of scope achieved within the local government environment.*
- 3.1.6** *A one-size-fits all solution to providing LWU in regional NSW is impractical because of the great diversity in geographical and socio-economic conditions across regional NSW.*

- 3.1.7** *In the majority of cases, local systems are the most appropriate and cost-effective solution for regional communities, there are, however, opportunities for resource and skills sharing amongst geographically closely linked water utilities.*
- 3.1.8** *The removal of water supply and sewerage functions from councils would have significant impacts on the financial sustainability of councils and on local and regional economies and employment.*

Sub Messages

- 3.1.a** *LG LWUs operate under a comprehensive regime of health, environment and economic regulation within a stringent performance measurement framework outlined in the Department of Primary Industries and Environment – water’s Best Practice Management of Water Supply and Sewerage Framework.*
- 3.1.b** *LWUs in regional NSW deliver services in a safe, secure, efficient, and affordable manner and have demonstrated their ability to identify challenges and implement necessary reform.*
- 3.1.c** *DPIE- Water’s Performance Monitoring data shows assumptions regarding the performance of non-metropolitan LWU to be unsupported by empirical evidence with regional NSW water utilities performing well in terms of national standards.*
- 3.1.d** *Councils in regional NSW have made significant progress towards achieving the National Water Initiative’s objectives of efficient and sustainable urban water services.*

Background

Local communities having control over their water security and quality has been under threat for over 20 years. The 1990s asset strip of electricity infrastructure from communities and ultimate sale paved the way for successive governments at all levels to explore the potential of selling water utilities to the private sector, or at the very least, aggregating them into bigger regional entities. Various reports and processes including by Armstrong and Gellatly¹, Infrastructure Australia² Infrastructure NSW,³ the Productivity Commission⁴ and those through the most recent Local Government Reform period in NSW⁵ have continued to question community ownership of water utilities. This thinking continues to this day, with the current unprecedented drought conditions prompting Government to again question the number of Local Water Utilities in regional NSW and the capacity of some Councils to manage town water supplies under such challenging conditions.

Previous reports to Government that recommend the aggregation or privatisation of non-metropolitan LWU in regional NSW have since been discredited including by the Productivity Commission and fly in the face of a global trend towards the municipalisation of water supply and waste water services.

¹ Independent Inquiry into Secure and Sustainable Urban Water Supply and Sewerage Services for Non-Metropolitan NSW Armstrong-Gellatly, December 2008

² ‘Reforming Urban Water’ 2017

³ Infrastructure NSW State Infrastructure Strategy 2012-2032, October 2012

⁴ Productivity Commission, National Water Reform Inquiry, March 2017

⁵ Revitalising Local Government (Samson G et al 2013)

Research by the Public Services International Research Unit published by the University of Greenwich in 2015 details at least 180 cases across 35 countries including in Europe, the Americas, Asia and Africa where the privatisation of water supply and sewerage services has been reversed over the last 15 years.⁶

The integration of water supply and sewerage function and other general-purpose functions allows councils to capture “economies of scope”; i.e. technical and managerial synergies arising from the integration of engineering, asset management and corporate planning systems for water supply and sewerage, roads and transport, communication, waste management, or recreational services. Water supply and sewerage services are a major part of most regional councils’ operations. They contribute to a critical mass of responsibilities that make councils financially viable and attractive for skilled professionals.

Loss of operations and staff in councils would also have serious direct and flow-on effects on small communities and the affected families, particularly in rural areas where councils are often the largest employer

3.2 The Collaborative Water Utilities Alliance Model

Key Message

3.2 Local Government management of water utilities in Central NSW is being undertaken on a solid basis through the Central NSW Joint Organisation’s Water Utilities Alliance with demonstrable cost savings and efficiencies being achieved.

Sub Messages

3.2.1 The collaborative Water Utilities Alliance model has been recognised by the Productivity Commission, the Independent Local Government Review Panel and IPART as a model for the delivery of LWUs in regional NSW.

3.2.2 For smaller and more remote LWUs, regional solutions facilitate resource sharing and provide skills and knowledge to assist utilities in the coordination of service planning and delivery to satisfy regulatory requirements.

3.2.3 Regional alliances capture the benefits of regional solutions without having the disadvantages of institutional settings where water supply and sewerage functions are removed from councils.

Background

The Central NSW JO Water Utilities Alliance (CNSWJO WUA) is a voluntary collaborative Alliance between ten Councils and one water county council in the Central NSW region including the Local Government Areas of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes, Weddin and Central Tablelands Water. It represents a population of over 157,686 people covering an area of more than 47,000sq kms with 62,950 water connections across the region.

⁶ <http://www.psir.org/sites/default/files/2015-04-W-OurPublicWaterFutureFINAL.pdf>

The aim of the CWUA is for Local Government to be recognised as national leaders in the delivery of secure and quality water supplies and sewerage services to grow Central NSW to 2059 and beyond.

Since its inception in 2009 the CWUA has achieved cost savings and efficiencies for its members through its collaborative efforts and has been recognised by the Productivity Commission, the Minister for Local Government and the Independent Local Government Review Panel.

The Independent Local Government Review Panel's report states:

"In addition to the five existing County Councils that operate water utilities, there are several emerging regional alliances promoting closer cooperation between member councils. The Panel sees an opportunity for new Joint Organisations (JOs) to build on these foundations by incorporating functions such as strategic business and network planning, regional water cycle management, high-level technical support to smaller councils, and – where agreed – joint infrastructure and service delivery. Making existing County Councils and regional water alliances subsidiaries of the new JOs would help achieve those objectives. It would also ensure that rural water supply and sewerage assets and operations remain firmly in local government hands." (Page 80).⁷

Core functions of the Alliance for members include:

- Compliance with Best Practice
- Cost savings and efficiencies
- Skilled and sustainable workforce
- Grant funding
- Advocacy

Since its inception in 2009 the CWUA has achieved:

- \$3.5M in cost savings for members from regional procurement; and
- \$2.6M in grant funding for collaborative projects.

Provided support to member Councils through:

- Recruitment of a full-time Program Manager;
- Formation of Working Groups for water operator training, water quality management and energy efficiency programming;
- Development of a 5 Year Procurement Plan for the best practice suite of plans and asset management services;
- Procurement and delivery of regional training for Water Operators Certification Program to ensure the delivery of compliance-based drinking water;
- Completion of regional plans in Integrated Water Cycle Management, Drought and Demand Management;
- Development of strategic documents for regional Training, Mentoring, Resource Sharing and Procurement;
- Procurement of regional contracts for a range of asset management services;
- A regional program of Strategic Business Planning;
- A regional program of asset management audits;
- A benchmarking and performance improvement program for drinking water quality

⁷ Water in Public Hands – Councils Collaborating To Deliver Local Water- CWUA Paper to AWA OzWater'17 Conference -May 17

- Completed work to prioritise water infrastructure projects; and
- Procured regional membership of industry associations.

3.3 Drinking water quality is an issue for Central NSW communities best managed by Local Government.

Key Message

3.3.1 The delivery of safe compliance-based drinking water to Central NSW communities is of the highest priority to the CNSWJO Board.

Background

The supply of quality drinking water to Central NSW communities is of the highest priority for Central NSW JO member Councils who are supported in achieving this through the collaborative efforts of the Central NSW JO Water Utilities Alliance with the following:

- A Drinking Water Quality Working Party which acts in an advisory capacity monitoring progress to achieving regional compliance with the Public Health Act and Australian Drinking Water Guidelines (ADWG).
- Implementation of a process for monitoring and reporting progress on Drinking Water Management Systems operation and co-ordinating regional response to issues.
- Training procured on a regional basis through accredited industry specialists for Water Treatment Operators and Managers to ensure best practice and compliance-based delivery of safe, quality drinking water.
- Implementation of a bi-monthly process for communication by NSW Health at a regional level on issues regarding compliance and other State managed programming relating to drinking water quality.
- Capacity building through shared learning at bi-monthly WUA meetings where members are encouraged to share advice on specific water quality issues, technologies implemented to improve water quality and tools such as templates or protocols developed for water quality management.
- Regional analysis of drinking water quality data to benchmark the performance of WUA member Councils in drinking water quality management across the region and against relevant benchmarks and to inform collaborative programming.
- Regional Microbial Best Practice program to optimise the operation of CNSWJO member Council's water treatment plants (WTPs).
- Collaborative work with NSW Health to develop a shared understanding and alignment of communication in the compliance framework. Specific considerations are incident management and boil water alerts.

3.4 Continuous improvement of the regulatory regime for LWUs

Key Message

3.4.1 Central NSW JO Board seeks engagement with the State Government on co-design of a fit-for purpose regulatory framework that meets the needs of LWUs in managing their businesses, avoids duplication and onerous reporting and that meets the Government's regulatory needs.

Background

The reform of the regulatory framework for the management of Local Government LWUs in regional NSW has been on the agenda for the past decade but gained momentum with the restructure of DPIE Water and appointment of a new management team in 2015. While LG LWUs generally support regulation, it is widely recognised that the current Best Practice Framework is in need of review particularly as utilities have matured in their management through implementation of Integrated Planning and Reporting.

Currently LWUs are required to meet multiple reporting and data collection requirements through multiple agencies responsible for regulating LWU that they do not own. Rather than using this as an opportunity to collaborate with LWUs to achieve better results they tend to use this power as a regulatory stick, at worst, wielded inconsistently.

While the consultation process with the industry has been "imminent" for some time, advice provided to the 2018 LGNSW Water Management conference by the Director of Urban Water was that DPIE Water are going back to the State Government's Better Regulation Guidelines⁸ to start from scratch. Many in the industry welcome a total re-work as opposed to more tinkering around the edges that has led to the current red tape and duplication in the Best Practice Framework.

In summary, LG LWUs seek a less paternalistic approach to the Best Practice Framework that recognises the increased capabilities of Utilities in managing their businesses. The aim is to co-design the Best Practice Framework with DPIE Water to ensure a framework that meets the needs of LWUs in managing their businesses, avoids duplication and onerous reporting and that meets the Government's regulatory needs.

⁸ NSW Guide to Better Regulation, NSW Dept. Finance, Service and Innovation, October 2016

DRAFT DROUGHT ADVOCACY PLAN

Overview

Central NSW Councils (CNSWJO) sought an issues paper that could be used to assist with informing governments and other stakeholders of the impact of the drought on the Central West region of NSW. A copy of the Western Research Institute Drought Issues Paper is provided as an attachment.

The CNSWJO Board has identified a need to improve drought preparedness in addition to managing and assisting its regional communities suffering under the current drought conditions.

The impacts of drought are long-term and require a whole of government approach to drought assistance and recovery packages for primary producers, their families plus the business communities in regional areas.

Local Government is a solid conduit for improving the understanding of local drought conditions and how to apply drought support to regional communities. This connectedness with our communities is the most efficient basis for monitoring the impacts of the drought and the success of drought assistance packages provided in collaboration with other tiers of government, the business sector and other stakeholders.

Local Government is well placed to assist and improve the substantial efforts being implemented to support drought affected areas. However, better coordination is required to ensure the right people are getting the right sort of assistance and barriers to accessing the assistance are reduced.

The need for improved drought preparedness to better plan for droughts of the future has also been identified. Droughts are inevitable and planning for better ways to monitor and identify the triggers that can be indicators for when actions should be taken will assist in management through worsening farming conditions.

It is essential that farming and other regional businesses are equipped with skills to plan for management in periods of drought. There is a raft of information services available, but the integration and interpretation of these data sources to develop an understanding of triggers and how they should be used to initiate actions to manage the impacts of future drought is still lacking.

The CNSWJO Board has formed a Drought Sub-committee and CNSWJO members and staff are participating in a number of forums including the Central West Orana and Central Tablelands Drought Task Group initiated by the Central West Orana Regional Leadership Executive (RLE) and DPIE Water, WaterNSW Critical Water Advisory Panel Meetings. Advice from these meetings will inform future iterations of the Advocacy Plan for Drought.

Also the Central NSW JO Board will work with Local Government NSW to support their advocacy efforts with regard to the impact of the drought on regional communities.

Key points from the WRI Drought Issues Paper are summarised in the Central West Drought Fact sheet. Refer Attachment 1.

Reports

Key Messages

1. *The Central NSW JO Board seek a whole of Government Drought Policy.*
2. *To ensure drought affected communities remain viable, Central NSW Councils seek to work with Governments on short-term solutions (10-12 months) to manage and assist their communities currently suffering under the drought conditions and on long-term (after 12 months) improvements to drought preparedness.*
3. *The impact of the current drought on both stock and grain producers and the flow-on effect on businesses and workers reliant on primary producers as their sole source of income means that the drought will have wide ranging impacts across communities and recovery could take many seasons. It is critical that drought assistance programs are maintained and extended to business owners and workers who can demonstrate need into the future.*
4. *Local co-ordinators are needed to provide face-to-face help to those seeking to access drought assistance programs and to build the capacity of communities to manage long term impacts of climate extremes (floods, drought, storm events).*
5. *The criteria for the Federally funded \$1M for drought relief provided to Councils is too limiting. Councils request greater flexibility where they accept the money on the basis of the criteria and acquit the funding against that criteria. Councils are responsible managers of public funding and greater flexibility will enable funding to get to where it is most needed when it is needed.*
6. *As was the case in the millennium drought, the Critical Water Panel should include Local Government Local Water Utility representatives and water users to ensure input by those responsible for managing a local system at the time of a critical event.*
7. *Regional long-term water infrastructure upgrades/renewals and water management planning by the State and Federal Government must include consideration of management during drought periods.*
8. *Increased security in the Lachlan Valley and completion of the feasibility modelling processes so an action plan can be implemented for Lachlan River management is essential.*
9. *Central NSW Councils request all levels of government consider the impact of drought conditions and the impact on asset maintenance regimes and asset plans. In particular the impact of climatic conditions on roads maintenance needs to be considered.*
10. *That reduced price of additional water releases in regulated areas with releases offered to primary producers and proceeds of sales going towards environmental improvement programs be considered.*

11. *Regional communities need communication that continues to encourage visitation to drought impacted areas rather than negative, ill-informed commentary on lack of water and bad farming practices which only adds pressure in already highly stressful situations.*
12. *Better drought preparedness is essential – the three tiers of government need to work together to develop tools and advisory services that build on best practice drought management techniques. Finalising drought preparedness processes and policy at a national level which is built on understanding triggers and how to act when they are pulled is critical. These responses should be place based and in some cases, farm based, to ensure the best allocation and actions are taken.*
13. *Central NSW Joint Organisation is well placed to assist in the creation of an integrated strategic approach to drought impacts on water management processes, including urban water systems, as the member councils have collaborated in this area for many years. With drought impacting on the management of all water sources, a consistent and collaborative approach is recommended with Local Government working with the State and Federal Governments on water management planning to specifically include water supply actions to be activated in drought situations. This is much more than standpipes offering free water. It extends to water infrastructure planning, water supply management and acknowledgement of the impacts drought has on urban water supplies.*
14. *Better understanding of triggers that would signal when we need to instigate drought management actions and case by case/place-based management approaches to enable the minimisation of worsening conditions of untreated impacts is needed. Local Government can work with State and Federal Governments to improve current approaches.*

*ATTACHMENT 1.***DROUGHT IN THE CENTRAL WEST NSW****What is happening now?**

The Bureau of Meteorology has reported September 2018 was the driest September on record. The Central West of NSW has had a small amount of rain in September and October 2018, but at best we are in a “green drought” with worrying concerns about future stock conditions, levels of stock and cropping production. NSW Department of Primary Industries¹ (DPI) reported in September 2018 that 98% of the state remains in drought. Farmers have kept stock for longer this drought than previously and therefore fodder needs are heightened.

Regional towns are feeling the pinch. 93.9% of businesses in the Central West have been impacted by the drought according to the August 2018 Drought survey by the NSW Business Chamber. The Survey also identified that 87.9% of businesses in the region have experienced a decrease in sales/revenue – equating to a 33% fall in revenue raising. 44.1% of businesses identified this drought is more severe and is hurting their business more than other droughts have impacted. Only 9.4% of businesses considered they were well equipped for drought impacts – this is the fourth lowest level of preparedness in regional NSW areas.

Where is it happening?

The Central West of NSW is a major contributor to the Australian economy. The 3,903 farms in the region represent 15.2% of the NSW farmland.² Infrastructure Australia's Infrastructure Plan identified the Central West region as the fastest growing areas across Australia and predicts by 2031 the region will be the 7th largest contributor to GDP in the country with an estimated \$17.4bn of production³.

What are the future impacts of drought?

In addition to the impact on the farming sector, the sustainability of towns is at risk. Food and fibre production falls will impact every Australian. ABARES⁴ is predicting worsening conditions and forecasting downward trends in livestock and cropping production. Soil moisture levels are low and if any winter cropping occurs, production will be significantly reduced. NSW DPI indicates in the September 2018 Seasonal update that most on farm practices remain unchanged despite recent low level rainfalls.⁵

Understanding the flow on effects of drought on regional communities is critical to ensuring regional jobs are maintained and services kept. Farmers are making decisions on what bills to pay – so local businesses are impacted. Jobs are being lost. This threatens the sustainability of regional Australia. If jobs go, people move, and this threatens the livelihood of Central West business and the ability for areas to retain schools, post offices, banks and government and other services. Getting people back into regional Australia is challenging – so preventing them leaving is paramount.

When does it need to happen?

We need action now - but we also need to think long term and plan for the future.

Major issues raised by locals

“This is a once in a lifetime drought that is impacting both the farming and business community”

“All droughts are different – what is needed is a suite of solutions of when to pull triggers to assist regional communities”

“Placed based solutions are needed to manage in times of drought”

“Action planning is needed so that when triggers are pulled in future there is a known set of actions that can be activated”

“Water infrastructure planning now for the future droughts is essential – these projects take a lot of time to happen”

“A group of us employs an agronomist. A family with 3 kids will leave town and how will we ever get another agronomist back?”

“We’ve planned for the future and have had grain stored underground for 14 years. So, we have been responsible, but when we sought assistance we were told our practices that have sustained us, make us ineligible for funding”

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¹ NSW Department of Primary Industries (DPI), <https://www.dpi.nsw.gov.au/climate-and-emergencies/droughthub/information-and-resources/seasonal-conditions/ssu/september-2018>

² ABARES Central West NSW Profile, <http://www.agriculture.gov.au/abares/research-topics/aboutmyregion/nsw-central#agricultural-sector> accessed Oct 2018

³ Infrastructure Australia, *Australian Infrastructure Plan, 2016*

⁴ Australian Bureau of Resource Economics and Sciences, agriculture.gov.au/abares Accessed Oct 2018

⁵ DPI ibid

What do we need to assist those impacted by drought?

Short term

- Review assistance packages and the complexity of processes required to apply for funding. Simplify applications where possible – the last thing a drought-stricken farmer needs is an onerous application form to complete to access funding.
- Funding of farmland rates – if rates are unpaid, council programs to maintain roads and other infrastructure is compromised. Sending funding to Councils for the payment of farmland rates gives an equitable distribution of funding can make its way to the farmers – and possibly regionally based business reliant on the primary sector could be included - without the need to assess applications as the rating structure already has a comparative and fair basis underpinning the levels of rates charged.
- Direct funding to Councils is welcomed but needs to go to all affected communities
- All farmers are impacted by drought. Making funding available to all farmers enables those who have planned well for drought to benefit – let's reward those that offer solid farm management practices.
- Acknowledge the broader impacts of drought on the regional business sector and develop financial assistance packages for business – tax incentives, access to loans programs with limited/no repayment for 2 years etc. We need assistance for regional businesses to ensure the businesses stay local and keep employing staff.
- Establish social engagement opportunities to ensure the mental health of farmers is monitored and isolation reduced. Local Government is well placed to assist in facilitation of functions and has the means to contact locals and drive these mental health improving engagements.

Agricultural profile of the Central West of NSW

In 2016/17, the gross value of agricultural production in the Central West region was \$1.7 billion, which was 12 percent of the total gross value of agricultural production in NSW of \$14.5 billion. 52% of the gross value of the region was from three sectors -wheat (\$366M), cattle and calves (\$303M), and wool (\$235M). 94% of the total value of NSW's brussel sprout and 83% of the NSW cauliflowers are produced in the Region.⁶ 21% of sheep and 19% of the NSW poultry are farmed in the Region⁷. The Region contributes significantly to the state's oats, apples, pears, cherries, cabbages and sweet corn production.

The Region is a significant source of food and fibre for Australia and the agricultural health of the Central West of NSW is vital.

Longer term

- Drought preparedness is critical and governments should be planning for the future – so we are ready when the next droughts occur and implementing actions before issues are at a critical stage.
- Identify and understand what triggers for action against drought should be observed and at what time they need to be acknowledged. Design programs that will respond to the triggers. This requires a multi tier government collaboration to ensure we properly assess the impact of drought and are ready with tools in place to manage drought impacts. Finalising drought preparedness tools is critical.
- Infrastructure planning, particularly for water infrastructure, needs to be forward looking and contemplate the impacts of drought. Better capital upgrade programs that are future looking are needed. This acknowledges planning for upgrades such as the \$650M required to raise Wyangla Dam's wall by 10 meters to improve water security requires a long term commitment to capital renewal.
- Better coordination of drought management advisory services is essential. Local Government can assist in the coordination efforts and be the regional conduit for service delivery.
- Potential solutions for the delivery of better coordinated drought recovery and management solutions range from Local Government providing office accommodation for State/Federal officers to make services more accessible and advice easier to obtain for our communities through to assistance in the three tiers of government collaborating on training our communities in drought support responses while being mindful of privacy.
- Place based solutions that can operate on multiple levels and be tailored for Local Government areas are needed. Local Government can help to identify what differentiates regions from others when drought impact consideration is made.
- We should consider how money raised by selling water earmarked for environmental impacts can be used on projects with an environmental improvement outcome and ensure the money is spent as proposed.

What do we need?

- To collaborate with State and Federal government for actions to address this drought and to create better drought preparedness processes across the three tiers of government for future droughts.

Prepared by



⁶ ABARES ibid

⁷ Australian Bureau of Statistics Cat: 7121.0 Value of Agricultural Commodities Australia 2016-17

b. Regional Water Report

Regional Strategic Priorities	4.1 Regional water network planning and best practice skills development
Portfolio Chairman	Cr David Somerville
Sponsoring General Manager/s	Gavin Rhodes, Kent Boyd and David Sherley

Report by Meredith Macpherson 13 November 2019

Recommendation/s
<p>That the Board:</p> <ol style="list-style-type: none"> 1. Note advice provided in the Confidential Briefing Note No. 3 regarding water security for urban water utilities in the current unprecedented drought; 2. Note that GMAC have agreed to form a strategic subcommittee including the sponsoring GMs, other interested GMs, the Portfolio Mayor and Chair to provide a higher level of strategic support for a regional response to emergency town water needs and long-term planning in the short term; 3. Agree arrangements be developed with the strategic subcommittee and in consultation with member Councils for emergency water management between towns across the region that (based on previous Board policy) address the following heads of consideration: <ol style="list-style-type: none"> a) Arrangements for the sharing of water for emergency water needs between towns across the region so that the burden of providing infrastructure for critical urban water transfers is borne equitably by the region (for example through the development of instruments and agreements not structures); b) Ownership and management by LG of any such infrastructure built to transfer emergency water between towns across the region for critical human needs; c) On-going operational costs for emergency water infrastructure; d) A multi-source approach to the supply of emergency water that enables options to be switched on or off as needed with these to be linked to State and local based triggers; and; e) Receive a report to the February 2020 Board meeting. 4. Undertake advocacy seeking early engagement in the Wyangala Dam wall raising and Lake Rowlands to Carcoar Dam projects with a view to being able to influence outcomes; 5. Adopt the response to the Lachlan Regional Water Strategy provided under the hand of the Chair; 6. Note the report to the JO Executive Officer network on a potential cross JO project for the development of Regional Town Water Strategies; 7. Adopt the response to the State Water Strategy provided under the hand of the Chair; 8. Note that a copy of the CNSWJO's input to the Lachlan Regional Water Strategy has been provided to the Independent Panel assessing the social and economic conditions in the Murray Darling Basin; 9. Commend to members that they become members of the Murray Darling Association; 10. Endorse the response provided to LGNSW for the NSW Legislative Assembly Committee on Investment, Industry and Regional Development inquiry into support for drought affected communities in NSW noting that the CNSWJO response will be provided based on this; 11. Advocate strongly that Councils are responsible and experienced water utilities managers that seek to work collaboratively with all levels of Government on water security solutions; and 12. Commend to members that they include this messaging in their media releases and advocacy.

Reports

Reason for advice

With deteriorating drought conditions and a long-term forecast by the Bureau of Meteorology for hotter, drier and windier conditions, the past month has seen increased activity by State Agencies in response to town water security (short and long-term) in the Central NSW region, particularly in the highly vulnerable Lachlan valley. This report adds to the Confidential Briefing Note No. 3 issued to the JO Board on 13 November and provided as an attachment.

Where the region and LGNSW have been advocating on behalf of their members for Local Government to retain ownership and management of their Local Water Utilities in regional NSW, concerns are mounting about messages coming out of the State Government that LWUs are not managing the current town water supply crisis.

This is being compounded by metropolitan media reports over recent weeks blaming Councils for the current status of town water security. Headlines like *Councils Scrapping Over Puddles* pose considerable risk to the ownership and management of Local Water Utilities by Councils and need to be challenged.

This report recommends that the region and individual Councils need to advocate strongly that Councils are responsible and experienced water utilities managers that seek to work collaboratively with all levels of Government on water security solutions.

Also, the report seeks Board agreement to progress strategic work collaboratively to agree its policy position and arrangements for water sharing and management issues between towns across the region in times of emergency and endorsement for submissions made in recent weeks to various consultative processes including by the State Government for long-term water planning.

Short-Term Emergency Water Supplies**Heads of Consideration for emergency town water supplies**

Urban water in the context of the broader challenges for water during the drought is very complex. At the request of the Portfolio Mayors, at the GMAC meeting 24 October, General Managers have agreed to put together a strategic subcommittee including the sponsoring GMs and portfolio mayors to help with this fast-moving environment. In addition, a number of Directors have agreed to provide support to the Water Utilities' Alliance meetings for the foreseeable future.

In the context of advice from DPIE Water and the Department of Premier and Cabinet that there is consideration being given to structural arrangements to manage infrastructure across LGAs and given that this poses a risk to the ownership and management of Local Water Utilities by LG, portfolio mayors have requested agreement on some Heads of Consideration for the sharing of water for emergency water needs between towns across the region.

Based on feedback and latest action by the State on emergency water management, portfolio mayors see that it is crucial that the region work collaboratively to agree its policy position on water sharing and management issues in times of emergency.

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1. The language needs to be clear that we are speaking about “emergency water for critical human needs” and that outside this time everyone manages their own water supplies.
2. That there is clarity about what the definition of “critical human needs” entails.
3. The overriding message that needs to be conveyed to government is that the region has identified infrastructure options (including through the Centroc Water Security Study) and is looking for funding from the State. We have collectively identified infrastructure (and non-infrastructure) for emergency critical urban water needs across the region and have experience in managing this through agreements. We want to work with the State on solutions and give them the confidence that the region can manage it.

It is recommended to the Board that arrangements be developed with the strategic subcommittee and in consultation with member Councils for emergency water management between towns across the region that (based on previous Board policy) address the following heads of consideration:

- Arrangements for the sharing of water for emergency water needs between towns across the region so that the burden of providing infrastructure for critical urban water transfers is borne equitably by the region (for example through the development of instruments and agreements not structures);
- Ownership and management by LG of any such infrastructure built to transfer emergency water between towns across the region for critical human needs;
- On-going operational costs for emergency water infrastructure;
- A multi-source approach to the supply of emergency water that enables options to be switched on or off as needed with these to be linked to State and local based triggers; and
- That advice be provided to the February 2020 Board meeting.

A meeting of the strategic sub-committee is being convened. A verbal update can be provided.

Also see Briefing Note No.3 for advice on media messaging and attached media release issued by CNSWJO.

Long-Term Regional Water Planning

Wyangala Dam Upgrade

With reference to Briefing Note No. 3, the Federal Government has announced 50:50 funding for the Wyangala Dam upgrade with the State Government. Advice to the River Operation Stakeholder Consultative Committee (ROSCCo) on 29 October 2019 is that given the NSW Government has already committed \$32 million in the NSW Budget to undertake the investigation into raising the wall, studies and design work will be commencing soon. See link to the Fact Sheet issued by WaterNSW:

https://www.waternsw.com.au/_data/assets/pdf_file/0020/149051/Wyangala-Dam-Raising-Fact-Sheet-14.10.2019.pdf

Lake Rowlands to Carcoar Dam

With reference to Briefing Note No. 3, Water NSW has been engaged by DPIE Water on behalf of the NSW Government to develop a detailed business case for the proposed construction of a pipeline from the Central Tablelands Water -operated Lake Rowlands Dam to the WaterNSW operated Carcoar Dam.

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Central NSW JO Board Meeting 27 November 2019

At a stakeholder meeting held on 7 November with WaterNSW attended by Cr Kidd, Cr West, GM's David Waddell and Gavin Rhodes and staff from Orange, Bathurst, Central Tablelands Water and the CNSWJO it was evident that town water security has not been identified as a primary purpose of the pipeline but rather a beneficial outcome.

The key messages previously endorsed by the Board for this project are:

- *There is a need for increased storage high in the catchment for the Lachlan Valley in concert with a proper assessment of the Lake Rowlands and Carcoar Dam elements for urban water security in the Centroc region is of the highest priority for the Centroc Board.*
- *Any potential benefits for town water security from additional storage hinge on what happens to Carcoar Dam which if linked to Lake Rowlands and the current Central Tablelands network would extend the network providing back-up drought supplies and secure water to a number of towns beyond the current network.*
- *The linkage between Carcoar Dam and Lake Rowlands is not an alternative to the new dam proposal. It is ancillary or supplemental to it.*

Existing Board policy with respect to the development of business cases for both the Wyangala Dam wall raising and the Lake Rowlands to Carcoar Dam Pipeline is that:

- *Further investigation of preferred options from the Lachlan Valley Water Security Investigation to improve water security for the Lachlan Valley are welcomed with the expectation that the outcome will ensure evidence-based decision making on options including the Lake Rowlands to Carcoar pipeline and the raising of the Wyangala Dam wall and, subject to greater certainty, clarity about the management of water.*
- *As a matter of priority, the development of Business Cases for the Lake Rowlands to Carcoar Pipeline and the raising of the Wyangala Dam wall, or any other options, be informed by in depth consultation with key stakeholders including CNSWJO member Councils and Lachlan Valley Water that is respectful, transparent and fully accountable.*
- *Investment in additional storage must be augmented with improvements in distribution networks for town water supplies.*

Refer to the Advocacy Plan report to this meeting.

Both the Wyangala Dam wall raising and Lake Rowlands to Carcoar Dam projects will require significant on-going oversight and vigilance by the Board to ensure town water security needs are not over looked and that these projects are optimised in the longer-term planning processes.

It is recommended to the Board that advocacy be undertaken seeking early engagement in the Wyangala Dam wall raising and Lake Rowlands to Carcoar Dam projects with a view to being able to influence outcomes.

Regional Water Strategy

With reference to the Briefing Note No. 3 and advice on the status of the development of Regional Water Strategies for the Lachlan and Macquarie Catchments, a copy of the response provided under the hand of the Executive to the Lachlan Regional Water Strategy is provided as an attachment.

It is recommended that the Board adopt the response provided.

Regional Town Water Strategy

Reports

Central NSW JO Board Meeting 27 November 2019

As previously reported DPIE Water have offered the CNSWJO the opportunity for a minimum of 75% funding under the Safe and Secure program to pilot a Regional Town Water Strategy. This offer has now been extended to all JOs with letters sent to all Council GMs across NSW.

As regional town water supplies hit critically low levels and the role of Joint Organisations in the strategic framework is becoming more broadly recognised there is a need (and opportunity) for greater strategic input to water management planning and policy development at the regional level as well as recognition of the fit of JOs in the funding framework that extends beyond a basic aggregated procure.

Where the intention is that the Regional Water Strategies will do as much of the heavy lifting as possible on regional catchment wide projects, this is a positive step and presents the opportunity to negotiate a regional approach and cheaper price for our members on secure yield modelling needed for individual Council's IWCMS.

A report to inform discussion about the opportunity presented by the DPIE Water for funding for JOs to develop Regional Town Water Strategies (RTWS) prepared by the CNSWJO was discussed at a meeting of the JO Executive Officer network in Sydney on 31 October. Notes from this meeting are yet to be provided. It is understood that a number of JOs are interested in progressing a cross JO project with a teleconference being convened to discuss next steps. A copy of the report to the EOJO network is attached. Further advice will be provided. Any feedback is welcomed.

It is recommended that the Board note the report to the JO EO's on a collaborative approach to the development of Regional Town Water Strategies.

State Water Strategy

Members will have received correspondence from Jim Bentley, Chief Executive Officer – Water (Deputy Secretary) on 25 October requesting input to the development of a State Water Strategy being co-ordinated by DPIE Water. On request from members the CNSWJO has provided input based on previous Board endorsed submissions and reports under the hand of the Executive. A copy is provided as an attachment. It is recommended that the Board adopt the response to the State Water Strategy provided under the hand of the Executive.

Independent Panel to assess social and economic conditions in the Murray Darling Basin

An Independent Panel has been formed by the Federal Government to assess social and economic conditions in the Murray Darling Basin. The CNSWJO has provided a copy of its high-level input to the Lachlan Regional Water Strategy to the Independent Panel. See copy attached.

It is recommended that the Board note that a copy of the CNSWJO's input to the Lachlan Regional Water Strategy has been provided to the Independent Panel assessing the social and economic conditions in the Murray Darling Basin.

Murray Darling Association

The Murray Darling Association aims to provides effective representation of local government and communities at state and federal level in the management of Basin resources by providing:

- information
- facilitating debate
- seeking to influence government policy.

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The objectives of the Association are to:

- advocate on behalf of Basin communities
- use local knowledge and expertise to fully understand regional issues
- act as a two-way conduit for information and discussion between our communities and governments
- encourage and facilitate debate about the things that matter for the Basin's future
- explore options to achieve sound solutions to regional issues
- test information to ensure a sound base for those options
- be an educational resource for the Basin.

For more : <https://www.mda.asn.au/>

Up until recently region 10 which includes the CNSWJO LGAs of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange and Parkes, amongst others, has been the only region in the MDA that does not have an active leadership group and representation on the national Board of the Murray Darling Association.

Cr Phyllis Miller, Mayor of Forbes has now taken on the role of Chair of region 10.

Financial members from the CNSWJO region currently include Forbes and Lachlan Councils.

Arguably while this region may have ideas and policy regarding changes to water management, these may not be easily effected without change at the Basin level. Therefore it is recommended that CNSWJO members become members of the MDA.

Drought Response

Central West Orana and Central Tablelands Drought Task Group

A communiqué was issued following the Drought Task Group meeting held on 24 September. A copy is provided as an attachment.

NSW Legislative Assembly Committee on Investment, Industry and Regional Development inquiry into support for drought affected communities in NSW

LGNSW have notified councils of the inquiry and encouraged them to participate, either through contributing to the LGNSW submission or by making a submission directly to the Committee.

Joint Organisations have been invited to provide the following input to the LGNSW submission:

- relevant case studies;
- supporting data or research (e.g. regional survey); and
- issues of significance to local government not already captured in the resolutions.

Submissions to the Committee are due 29 November. The terms of reference can be found at:

<https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2554#tab-termsreference>

CNSWJO has provided a response to LGNSW based on Board endorsed policy relating to the drought. It is recommended that the Board endorse the submission to LGNSW response to the Inquiry and note that a separate CNSWJO submission will be made based on this.

Reports

Value for members

The delivery of quality secure town water supplies and on-going ownership and management of town water supply infrastructure by member Councils.

Financial Implications

Nil at this time.

Attachment/s:

8. 15 November 2019, Confidential Briefing Note No. 3 – Advice on water security for urban water utilities
9. 3 October 2019, Correspondence from WaterNSW re the Proposed Meeting on the Lake Rowlands to Carcoar Pipeline project
10. 21 October 2019, Submission to the Lachlan Regional Water Strategy
11. 25 October 2019, Report to the Executive Officer Joint Organisation Network Meeting
12. 22 November 2019, CNSWJO Response to the State Water Strategy
13. 24 September 2019, Central West Orana and Central Tablelands Drought Task Group- Communique
14. 30 October 2019, CNSWJO Media Release, less blame and more whole of Government work on solutions
15. 25 October 2019, Water NSW Media Release, Wyangala storage volume offers drought options in Lachlan

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6. Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Jennifer Bennett, Meredith Macpherson, Kate Barker, 8 November 2019

Recommendation/s
That the Board note the report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority.

Reason for this report

The Central NSW JO approved its Strategic Plan (the Plan) and Statement of Regional Strategic Priority 2 May 2019. Four priorities were identified for action. This report provides advice on progress on the Plan. Reports requiring more detailed advice to inform decision making are provided separately. These reports would include those reporting on challenges and opportunities identified as the Plan is delivered. Advice on progress of past resolve can be found in Matters in Progress.

Legislative, Policy and Risk Considerations

Regarding risk, where risks are reviewed each quarter please request the risk register, where following there are six Very High Risks identified of 38 risks overall. These six Very High Risks are:

Central NSW JO Board Meeting 27 November 2019

Risk Number	Risk category	Risk	Risk Owner	Consequence	Inherent risks			Controls	Residual risks		
					Likelihood	Consequence	Rating		Likelihood	Consequence	Rating
17	Political	NSW Government underfunding JOs, heavy requirements for JO to deliver	Board	Unable to continue to operate JO	Possible	Severe	Very High	Early engagement with NSW Government about funding needs. Business case approach to determining funding level.	Possible	Major	Very High
18	Political	Miss opportunity to see how collaborations could work effectively	Board	Opportunity to engage differently with the NSW and Federal Government on how they want to engage may compromise the effectiveness of the JO. Use the process as a means to refresh engagement and understand stakeholder business better.	Likely	Major	Very High	Communications Plan in place. Specific program to determine how stakeholder WANT to be engaged and to learn about their strategies in order to see how they align with the JO's objectives.	Possible	Major	Very High
32	Performance	Long term viability and financial sustainability	Board	JO can't get sufficient funding to be able to meet liabilities.	Possible	Severe	Very High	Work with other JOs and relevant State agencies on a sustainable funding framework for the JO network and advocate as necessary.	Possible	Major	Very High
34	Performance	Allowing more cost shifting	Board	JO becomes a vehicle for the NSW Government to dictate via legislation more duties	Possible	Severe	Very High	Board considers all requests to undertake additional tasks and assesses against a	Possible	Severe	Very High

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Central NSW JO Board Meeting 27 November 2019

								business case that shows costs and value for money considerations before agreeing to take on extra duties/responsibilities			
35	Performance	Privatisation of Water utilities – is it just another step on that process?	Board	Water Utilities Alliance is used by NSW Government to take over or to privatised water services compromising skills in member councils and revenue streams.	Possible	Severe	Very High	Board ensures relationships with NSW Government is developed to enable frank conversations on the transfer of any assets.	Possible	Severe	Very High
36	Member management	Managing members expectations, remember is a "child" of the members	Board	Members become dissatisfied with services or the role being taken by the JO.	Possible	Major	Very High	Board ensures it is aware of the members' satisfaction levels. Member involvement in development of the Strategic Plan and the services and projects approval processes for JO to deliver.	Possible	Major	Very High

Reports

Risks 17, 18, 32 and 34 relate to the relationship with the State in the first instance. Every effort is being undertaken to engage with the State with a view to codesigning a sustainable funding framework. Please request more advice where this includes:

- Providing reports in line with Board Policy on the funding framework to meetings of Joint Organisations and State agencies;
- Consistent representation regarding Board Policy with key stakeholders;
- Attending meetings of the Chairs of JOs, Executive Officers and with State agencies and providing representation; and
- Seeking opportunities to leverage funding with State agencies for example the CBD project described in the report regarding the \$150K funds provided to the JO by the Minister for Local Government.

Happily, the Minister for Local Government attending the JO Forum 1 August 2019 announced \$150,000 per Joint Organisation. Please find a separate report in this regard.


Regarding 35, the risk perceived by members of an asset strip of water utilities is exacerbated by the drought as the State steps in to try and support Councils. Every effort is being undertaken to work with the State in a positive manner reflecting the capacity and capability of members working collaboratively in the Water Utilities' Alliance. Please find advice on water provided separately.

Regarding risk 36, the policy of the Joint Organisation is that it is a creature of its members. Where the Communication Plan identifies a series of tactics including holding a Summit in the near future, members are welcome to seek presentations or other engagement with the JO Executive Officer.

Value to members

Value for members	Activity FYTD	Activity this Quarter
Submissions	6	050919 - Inquiry into Jobs for the Future in Regional Areas 100919 – Joint Submission with RDACW/CNSWJO to Regional Connectivity Program 120919 - Inquiry into sustainability of energy supply & resources in NSW 081119- Inquiry into Regional Australia
Plans, strategies and collateral	6	NAMAF – reports provided to all tranche 1 and 2 Councils including Blayney, Cowra, Forbes and in this quarter, Parkes, Cabonne, Bathurst and Oberon. Independent Audits of DPIE Water Performance Monitoring Data completed for Orange and Bathurst and reports provided. Dam surveillance inspections completed for Bathurst (Chifley Dam) and CTW (Lake Rowlands) and draft reports issued. Bridge Assessments – all councils have now received their reports for Tranche 1a and Tranche 2. A draft regional report is being developed. The Regional Food and Fibre Strategy completed. Transport Issues Paper developed with TfNSW and circulated for members feedback. Advice will inform TfNSW Integrated Transport Plan.
Grants	\$14,594	\$14,594 for training delivered under funding by TAFE NSW to Cowra Council & Lachlan Shire Council for the July to September 2019 quarter. Application to OEH for funding for the Southern Lights Project.

Reports

		\$150K being negotiated for the JO with OLG.
Compliance	5	<p>Compliance training courses delivered across the region:</p> <ul style="list-style-type: none"> • Enter & Work in Confined Spaces – Full course + Refresher – 19 participants • Traffic Control Training (TC + ITCP) - 11 participants <p>Mandatory Independent Audits of DPIE Water Performance Monitoring Data completed for Orange and Bathurst and reports provided.</p>
Data	3	<p>Tourism data project through WRI</p> <p>Transit data through the Inland Rail project has been negotiated for the whole region.</p> <p>DPIE Water Performance Monitoring Data currently being collated for benchmarking the region's LWUs.</p>
Media including social media	3 plus please request the Excel Spreadsheet on tourism publications	<p>1. 17919 Media Release calling for sensible work on water security.</p> <p>2. 151019 Media Release – Funding Announcement for Wyangala Dam</p> <p>3. 151119 Media Release – Host Survey</p> <p>Tourism PR update</p> <p>The advertising value for the PR media generated in January-June 2019 is \$449,350. Highlights include a Media Trip titled "Travelling with a Friend" by Country Style with accommodation for the trip scheduled for Forbes and attending "Grazing Down the Lachlan". The Sydney Morning Herald "Traveller" ran a double page feature on the opening weekend of the new Byng St Boutique Hotel (see photos below).</p> <p>Gabrielle Brewer has provided advice that the generated exposure for Central NSW Tourism regions & experiences in major media outlets to the advertising value of approx. \$1m+ for 2019.</p> <p>This includes 16 media touring the region; 8 media releases that were distributed to 400+ media & industry contacts; over 150 articles appeared in digital news & travel media, newspapers, magazines, radio, tv & blogs. Couples & the family market in Sydney & NSW were targeted and articles were all driving people to the www.visitcentralnsw.com.au website. Please find examples following.</p> <p>This article featured in the Sydney Morning Herald "Traveller" magazine in early October 2019:</p> 

6 SEPTEMBER 28, 2019, THE SYDNEY MORNING HERALD

CHECK-IN.



ZEST OF BOTH WORLDS

Chicago, in the central sense of *North*, has been the crucible for the forging country that grew well. A combination of vision, industry and sheer produce and preserved history underpins an artistic culture that makes the gold rush towns that have been built in a week's time.

Adding to the attraction, the new *Wings* Museum of Art offers a more intimate story in a striking historic property in the heart of Chicago's heritage zone. *Progenies and Currents* (Thames and Hudson) book have transformed the 1896 building into a 21st-century gallery, suggesting that the city's rich history is not just a relic, but a living, breathing, and growing entity.

Ungar's local and interior references (see *Figures 1* and *2*) are also significant. In the early 1940s, Ungar completed studies of various pictures and literary compositions on the whimsy and death of English design and he began to incorporate them in a playful interior narrative while his burning anger became self-mocking, the mood of gnosticism, and the theme of his work.

Connections to Ungar's art and character, however, are not limited to his personal, with a physical emphasis, but extend throughout his local and national. The work of Ungar's artist László Moholy and Lőrincz Heltai first and foremost produced in the context of the various movements of the Bauhaus. But the broad social works on the experimental level as well, connecting them to see how they might help themselves to

GUESTS CAN CHOOSE BETWEEN HERITAGE DIGS OR A CONTEMPORARY STAY.

GUESTS CAN CHOOSE BETWEEN HERITAGE DIGS OR A CONTEMPORARY STAY.



today.sagepub.com/online/PriorPages.aspx?doc=SMH1/2019/09/28&from=300&to=400

50

This article was published in the NRMA "Open Road" Magazine - September/October 2019 issue:



MOUNT PATERNA - In a court decision that could have far-reaching implications for the future of the U.S. Postal Service, the U.S. Supreme Court has ruled that the Postal Service is not a government agency and therefore is not subject to the Freedom of Information Act (FOIA). The ruling, which was handed down in a 5-4 decision, was a major victory for the Postal Service and its supporters. The Postal Service had argued that it was a government agency and therefore subject to FOIA. The Supreme Court, however, ruled that the Postal Service was an independent agency and therefore not subject to FOIA. The ruling was a major blow to the Postal Service's efforts to reform itself and to improve its financial situation. The Postal Service had been struggling for years with a massive deficit and had been forced to raise rates and to cut services. The ruling was a major setback for the Postal Service and its supporters. The ruling was a major victory for the Postal Service's opponents, who had been arguing that the Postal Service was not a government agency and therefore not subject to FOIA. The ruling was a major blow to the Postal Service's efforts to reform itself and to improve its financial situation. The Postal Service had been struggling for years with a massive deficit and had been forced to raise rates and to cut services. The ruling was a major setback for the Postal Service and its supporters. The ruling was a major victory for the Postal Service's opponents, who had been arguing that the Postal Service was not a government agency and therefore not subject to FOIA.

I'm excited to show my kids this touchstone of Aussie culture

STEWART, J.



There are three main methods of creating a new business: (1) start-up, (2) acquisition, and (3) franchising. Each method has its own set of advantages and disadvantages. The most common method is start-up, which involves creating a new business from scratch. This method is often chosen by entrepreneurs who want to have complete control over their business. However, it can be a risky and expensive process. Acquisition involves buying an existing business. This method can be a good way to enter a new market or to acquire a business with a proven track record. However, it can also be a complex and costly process. Franchising involves joining a company that has a proven business model and marketing strategy. This method can be a good way to reduce risk and to benefit from the company's established brand and support system. However, it can also be a restrictive and costly process.

We're visiting Parkes Observatory less than a week before the 50th anniversary of the moon landing.

[illegible]

A few points that changed the focus of and helped the delivery of the program were:

Enquiries about this or any other product should be sent to the publisher, John Wiley & Sons, 100 River Street, New York, NY 10038, USA. Tel: +1 212 850 6000. Fax: +1 212 850 6048. E-mail: subscribers@wiley.com. Website: <http://www.interscience.wiley.com>.

And, regarding the *Journal of Health Politics, Policy and Law*, we are pleased to have the following letter from the *Journal's* managing editor, Jennifer

On Sept. 10, 1998, a 1997 Dodge Stratus was involved in a collision with a 1997 Ford Taurus. The driver of the Dodge Stratus was killed. The driver of the Ford Taurus was injured. The vehicle was damaged.

models of change and a variety of methods for measuring the
path of change in response to treatment. Models are all under
development that are aimed at mapping the way in which
the path of change in response to treatment is influenced by
the path of change in response to treatment. The path of
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influenced by the path of change in response to treatment.

Chavez is a former member of the Communist Party, USA, and has been a member of the party since 1964. He is a member of the party in the state of California, and has been a member of the party in the state of California since 1964. He is a member of the party in the state of California, and has been a member of the party in the state of California since 1964.

Endogenous female demand may explain a higher rate of sexual violence on campus. This hypothesis was supported by

of a 20% increase in sales, which would cost the company \$114.3 million. And based on the price of the stock, the company's cost of capital is 10.5%, which means that the company's cost of capital is 10.5%.

STRENGTH OF



The Aug/September issue of Blue Mountains Life Magazine featured the Bathurst Spring Spectacular:



Social Media

- Central NSW Joint Organisation Facebook Page – 301 likes 396 Followers
- Central NSW Tourism Facebook Page – 12,551 likes 12,955 Followers
- Screen Central Facebook Page – 300 likes 345 Followers
- Central NSW Tourism Instagram Page – 4,478 Followers

Reports

Central NSW JO Board Meeting 27 November 2019

		<ul style="list-style-type: none"> Central NSW JO Twitter – 937 Followers
Cost Savings	\$345k since 1 July 2019	<p>See cost savings table below for details.</p> <p>New contracts for the July to September quarter include:</p> <ol style="list-style-type: none"> 1. Auditing of Performance Monitoring Data for Water and Sewer 2. Stage 1 of BPAP – Legal Advice 3. Internal Audit of Cyber Security 4. Electric Vehicle Toolkit 5. Supply and Delivery of Bulk Fuel 6. Employee Assistance Program 7. Dam Surveillance 8. Restocking of First Aid Kits
Representation	56	<p>120819 - Strategic Transport Group meeting</p> <p>140819 - Workshop Regional transport enabling future economic growth</p> <p>220819 –CNSWJO Board meeting – Parkes. In attendance was Federal Minister for Regional Services, Decentralisation and Local Government, the Hon Mark Coulton.</p> <p>270819- CNSWJO HR Group meeting</p> <p>270819 - Health Precinct 10 year strategy workshop - Dubbo</p> <p>280819 – Orana WUA & CNSWJO –meeting re water and wastewater training</p> <p>280819 –Destination and Outback Country –Fossil Experience Workshop</p> <p>020919-040919 –LGNSW Water Conference - Albury</p> <p>090919 – Southern Lights/Essential Energy meeting</p> <p>090919 – BPAP Meeting 1 with LTL for Legal Advice</p> <p>100919 – EV Toolkit Project Inception Meeting</p> <p>110919- CNSWJO-meeting with DPIE Water, Regional Water Strategies team on engagement with Central NSW Councils</p> <p>160919- DPIE Water Critical Water Advisory Panel- Northern Rivers teleconference</p> <p>160919 - Transport Technical Meeting</p> <p>170919- Orange 360 Bicycle Tourism Project – meeting</p> <p>180919 - Sustaining the Regions – Working group meeting lead by LGNSW</p> <p>240919- RLE Orana, Central Tablelands Drought Task Group meeting – Dubbo</p> <p>250919- CNSWJO – Lachlan Valley Water meeting re Regional Water Strategy</p> <p>260919-WRI Big Ideas event – Bathurst</p> <p>270919 – Presentation to Mens Probus Forbes</p> <p>300919-011019- LGNSW JO forum conference – Sydney</p> <p>021019 - Southern Lights/Essential Energy meeting</p> <p>081019 - Regional Integrated Transport Group (RITG)</p> <p>101019 – Inland Rail Information Session</p> <p>111019 – Regional Prosperity Sub-committee</p> <p>161019-BPAP Meeting 2 with LTL</p> <p>171019- WaterNSW/DPIE Water- Lachlan Local Water Utilities Drought meeting</p> <p>171019 –CWUA meeting</p> <p>211019 – Regional Strategic Transport meeting</p> <p>231019 – Regional Planners Meeting</p> <p>241019 – GMAC</p> <p>241019- Lachlan Regional Water Strategy</p> <p>301019 – Joint Organisation – Executive Officers Meeting</p> <p>301019 – Joint Organisation Chair Meeting</p> <p>061119- Tourism Managers Group Meeting</p> <p>071119 - WaterNSW- Lake Rowlands to Carcoar Dam Briefing</p> <p>081119-Critical Water Advisory Panel Southern - Lachlan</p> <p>121119-Southern Lights/Essential Energy meeting</p> <p>221109-Central NSW JO Matrix Review</p>

Reports

Opportunities councils have been afforded	14	<ul style="list-style-type: none"> • Essential Energy issues raised regional on service levels • Round 2, Restart NSW Bridge assessments • WRI big ideas event – Region focused • LGNSW – Commitment to Joint Organisations Event • Consultations with individual Councils and region for Regional Water Strategy • Round table discussions with Federal Ministers
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Spend, Cost Savings and Funding

The following tables have been updated to reflect the spend, cost savings and grant funding through the Joint Organisation between 1 July 2019 and 30 September 2019. The statistics are updated on a quarterly basis and are reported for the current financial year. Cumulative spend and cost savings are available on request.

There are non-member councils who purchase through the contracts, or have received funding through a regional program, however their statistics are not included in this reporting.

Spend

The following table reflects the spend by each member council under the various JO contracts.

Central NSW JO Board Meeting 27 November 2019

SPEND	Water Utilities Alliance Contracts	HR Contracts	WHS contracts	IT contracts	Supply contracts	Roads/ Transport contracts	Energy contracts	RDOCS contracts	Other contracts	Training	Total
Bathurst	\$0	\$9,481	\$0	\$0	\$305,324	\$0	\$815,380	\$7,590	\$0	\$0	\$1,137,775
Blayney	\$0	\$695	\$0	\$0	\$133,415	\$6,748	\$58,677	\$1,761	\$0	\$0	\$201,297
Cabonne	\$0	\$2,530	\$38,665	\$0	\$333,603	\$20,085	\$141,757	\$0	\$0	\$0	\$536,641
Central Tablelands Water	\$0	\$536	\$0	\$0	\$0	\$0	\$90,714	\$0	\$0	\$0	\$91,249
Cowra	\$0	\$6,700	\$11,073	\$0	\$264,802	\$0	\$261,926	\$0	\$0	\$0	\$544,501
Forbes	\$0	\$2,725	\$0	\$0	\$183,046	\$0	\$178,459	\$2,625	\$0	\$0	\$366,855
Lachlan	\$0	\$3,902	\$0	\$0	\$308,367	\$6,695	\$221,777	\$0	\$0	\$390	\$541,132
Oberon	\$0	\$989	\$0	\$0	\$159,330	\$0	\$49,490	\$2,181	\$0	\$1,560	\$213,550
Orange	\$0	\$21,357	\$4,716	\$0	\$138,863	\$13,497	\$955,092	\$5,421	\$0	\$11,300	\$1,150,246
Parkes	\$0	\$1,875	\$0	\$0	\$182,685	\$0	\$552,800	\$0	\$0	\$1,950	\$739,310
Weddin	\$0	\$364	\$0	\$0	\$44,667	\$46,865	\$36,971	\$0	\$0	\$0	\$128,867
Total	\$0	\$51,156	\$54,454	\$0	\$2,054,101	\$93,890	\$3,363,041	\$19,580	\$0	\$15,200	\$5,651,423

Savings

The following table shows the savings achieved by member councils through aggregated procurement and programming. A explanation of the meaning of each column has been reported previously, and is available on request.

SAVINGS	Water Utilities Alliance Contracts	HR Contracts	WHS contracts	IT contracts	Supply contracts	Roads/ Transport contracts	Energy contracts	RDOCS contracts	Other contracts	Training	Legal advice re Procurement	Participation in regional procurement	Total
Bathurst	\$0	\$977	\$0	\$0	\$6,902	\$0	\$63,949	\$0	\$0	\$0	\$0	\$1,000	\$72,828
Blayney	\$0	\$123	\$0	\$0	\$7,237	\$0	\$8,793	\$0	\$0	\$0	\$0	\$1,000	\$17,153
Cabonne	\$0	\$277	\$6,823	\$0	\$22,282	\$0	\$11,183	\$0	\$0	\$0	\$0	\$5,000	\$45,565
Central Tablelands Water	\$0	\$95	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,095
Cowra	\$0	\$908	\$1,954	\$0	\$7,667	\$0	\$17,851	\$0	\$0	\$0	\$0	\$5,000	\$33,380
Forbes	\$0	\$384	\$0	\$0	\$14,494	\$0	\$14,439	\$0	\$0	\$0	\$0	\$5,000	\$34,316
Lachlan	\$0	\$592	\$0	\$0	\$19,717	\$0	\$14,146	\$0	\$0	\$1,675	\$0	\$5,000	\$41,129
Oberon	\$0	\$126	\$0	\$0	\$5,606	\$0	\$6,177	\$0	\$0	\$3,120	\$0	\$5,000	\$20,029
Orange	\$0	\$2,699	\$832	\$0	\$4,155	\$0	\$70,954	\$0	\$0	\$45	\$0	\$5,000	\$83,685
Parkes	\$0	\$185	\$0	\$0	\$7,598	\$0	\$20,423	\$0	\$0	\$4,738	\$0	\$1,000	\$33,944
Weddin	\$0	\$64	\$0	\$0	\$2,669	\$0	\$7,620	\$0	\$0	\$0	\$0	\$5,000	\$15,354
Sub Total	\$0	\$6,430	\$9,610	\$0	\$98,327	\$0	\$235,534	\$0	\$0	\$9,578	\$0	\$43,000	\$402,478
												Cost to members	\$54,808
												Total	\$347,670

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The cost to members is calculated on a percentage of each CNSWJO staff member and their corresponding workload on procurement and contract management. This figure will be updated quarterly in line with the cost savings.

Financial implications

Nil

Reporting to the Strategic Business Plan

Please find as an attachment the update on progress on the Strategic Business Plan adopted 2 May.

Attachment/s:

16. 2019 Central NSW JO 5 year Procurement Plan, as at September 2019
17. 23 August 2019, Correspondence from Minister Stuart Ayres re 2019/2020 tourism budget
18. 3 October 2019, Correspondence from Southern Lights to CNSWJO members re Southern Lights Update
19. Southern Lights – Agreed Deployment Approach
20. 18 November 2019, Update on progress of the CNSWJO Strategic Business Plan

7. Compliance, policy review and dates for 2020

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Jennifer Bennett, 13 November 2019

Recommendation/s				
That the Board note the Compliance report and; <ol style="list-style-type: none"> 1. Adopt the 2019 Annual Performance Statement and place it the website; 2. Note the Pecuniary Interest Returns under s450a of the Local Government Act 1993; 3. Adopt the Joint Organisation Policy and Procedure Manual; and 4. Determine the dates for GMAC and Board meetings for 2020 be: 				
Board	27 February	28 May	27 August	26 November
GMAC	30 January	7 May	27 July	22 October

Reason for report

This report seeks resolve to support the JOs compliance and administrative roles.

Legislative Risk and Policy considerations

The OLG Council circular dated 14 March 2019 refers to key deadlines and statutory reporting. Please see following. The region is tracking well.

2019 Annual Performance Statement

As the CNSWJO is in its second year of operations it is required to submit an Annual Performance Statement (the Statement) by 30 November. The Statement should report progress in implementing the Strategies Plans for delivering Strategic Regional Priorities.

The information required under the Local Government Act 1993 (the Act), the Local Government (General) Regulation 2005 and other relevant legislation and guidance has been included in the Statement. Please find attached.

A copy of the Statement will be published on the Website, and a copy will be provided to the Minister for Local Government.

Tabling of pecuniary Interest Returns (s450a Local Government Act 1993)

The Joint Organisation is required to lodge completed pecuniary interest returns for voting representatives and designated persons under section 449 of the Local Government Act 1993 and Regulation. The JO is not required to send the returns to the OLG, but they do need to be kept on file. The Executive Officer is required to table all returns at a Board meeting according to Part 4 of the Code.

Reports

Central NSW JO Board Meeting 27 November 2019

The pecuniary interests and other matters to be disclosed in the return are prescribed by Schedule 1 of the Model Code of Conduct (the Code). All voting members and designated persons must make and lodge with the Executive Officer (EO) a return in the form set out in Schedule 2 to the Code, disclosing the voting member's or designated person's interests as specified in Schedule 1.

Please note that information contained in returns made and lodged under clause 4.21 of the Code is to be made publicly available in accordance with the requirements of the Government Information (Public Access) Act 2009, the Government Information (Public Access) Regulation 2009 and any guidelines issued by the Information Commissioner. Please refer to Circular no 19-21 of 26 September 2019 for further details on the disclosure of information contained in the returns disclosing the interests of councillors and designated persons. Any forms placed on the JO website will have any personal information such as addresses redacted.

Policy and Procedure Document review

Centroc had developed a suite of policies over the years regarding its operations. On 24 May 2018 ten policies from the Centroc existing policies were adopted by the CNSWJO.

A policy review of the full suite was undertaken as part of the AGM under the Centroc structure. It is recommended the Joint Organisation undertakes an annual review process.

The policies included have either already been approved by members or are modelled on members existing policies and have been deemed necessary in the transition to the JO.

To that end, please find the draft policy manual attached for member ratification.

New policies for this year that have not been previously approved by the Board and are highlighted in yellow.

Dates for Meetings of the 2020 Calendar Year

The suggested dates follow the existing approach of circulating Board meetings alphabetically.

Where changes are anticipated subsequent to the strategic process, dates based on the current approach are as below.

Please note the following:

- To fit with the calendar of sittings, a meeting of the Board has been convened for May at Parliament House in Sydney; and for August at Parliament House Canberra, building on the meeting of the previous years
- Given the strategic and advocacy process, dates and locations may change. As meetings are held in various other locations, the venue does change to ensure all members are visited in alphabetical order.

Board

Date	Meeting Of	Time	Host
Thursday 27 February	Board	9.30 for 10.00am	Weddin
Thursday 28 May	Board	9.30 for 10.00am	State Parliament
Thursday 27 August	Board	9.30 for 10.00am	Federal Parliament
Thursday 26 November	Board	9.30 for 10.00am	Bathurst

Reports

GMAC

Date	Meeting of	Time	Host
Thursday 30 January	GMAC	9.30 for 10.00am	Orange
Thursday 7 May	GMAC	9.30 for 10.00am	Bathurst
Thursday 27 July	GMAC	9.30 for 10.00am	Orange
Thursday 22 October	GMAC	9.30 for 10.00am	Blayney

Attachment/s:

21. CNSWJO Designated Person Returns 2019
22. The CNSWJO Policy and Procedure manual 2019
23. Annual Performance Statement 2019 – Due to OLG 30 November

Central NSW JO Board Meeting 27 November 2019

JOINT ORGANISATION CALENDAR OF COMPLIANCE AND REPORTING REQUIREMENTS 2019-20



South Coast Local Government													
	JULY 2019	AUGUST 2019	SEPTEMBER 2019	OCTOBER 2019	NOVEMBER 2019	DECEMBER 2019	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	
FINANCE	1 Annual Performance Statement to be prepared within 5 months (LGGR cls.397J(1)).					5 Last day for meeting to be held to present audited financial statements(s.418(2)). Excludes 2 Far West JOs.							
	1 Financial Statements for period 11 May 2018 to 30 June 2019 to be audited within 4 months (s.416(1)). Excludes 2 Far West JOs.												
	6 Proposed loan borrowings return to be submitted			17 Request for extension to lodge financial statements to be submitted in writing to OLG.									
	31 GST Certificate to be submitted to OLG.				28 Last day for notice of meeting date to present audited Financial Reports (s.418(2)). Excludes 2 Far West JOs.	28 Last day for annual performance statement to be published (LGGR cls. 397J(2)).							
		31 Submit six monthly progress and expenditure report to OLG on the Establishment Funds.		31 Audited Financial Statements for period 11 May 2018 to 30 June 2019 to be lodged with OLG (s.417(5) and LGGR cls. 397N(2)). Excludes 2 Far West JOs.	30 Annual Performance Statement due (LGGR cls.397J(1)).	31 Last day for preparation of, and publishing on JO website, the Statement of Strategic Regional priorities (LGGR cl.397H(3) &(5)).							
Note: The requirements above are for all Joint Organisations unless there is a note in red.													
## Joint Organisations to notify OLG throughout the year when loans are drawn down and/or new loans are established.													
GOVERNANCE	1 Reminder: lodgement of Pecuniary Interest returns due 30 September for voting representatives and designated persons who held office at 30 June (s.449(3)).												
				30 Annual Report of obligations under the Public Interest Disclosures 1994 to the Minister and the Ombudsman (s.31).			30 Public interest disclosures report due to the NSW Ombudsman, (s.6CA of the Public Interest Disclosures Act 1994).						
	31 Public interest disclosures report due to the NSW Ombudsman, (s.6CA of the Public Interest Disclosures Act 1994).		30 Lodge completed Pecuniary Interest returns for voting representative and designated persons. (s.449 (3)). Executive Officer table returns at next JO Board meeting. (s.450A).	30 Annual Report of obligations under the Government Information (Public Access) Act 2009 to the Minister and the Information Commissioner (s.125).									
GENERAL	Local Government Directory - Joint Organisations should notify the OLG (olg@olg.nsw.gov.au) of any senior staff or address changes via email to enable updating of the directory.												
	Joint Organisations must review its publication guide in relation to the Government Information (Public Access) Act 2009 and adopt a new publication guide at intervals of not more than 12 months; An agency may update and amend its publication guide at any time.												
	Joint Organisation Circulars are emailed to Joint Organisations. Please advise OLG (olg@olg.nsw.gov.au) of any change of JO email address. Joint Organisation Circulars can be downloaded from OLG webpage at www.olg.nsw.gov.au												
All clauses refer to the Local Government (General) Regulation 2005 (LGGR) unless stated otherwise. References to Sections of the Local Government Act 1993 are abbreviated (s.) followed by number.													

Reports

8. Adoption of Audited General Purpose Statements for period 11 May 2018 to 30 June 2019

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Sponsoring Chair	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Jenny Bennett, 14 November 2019

Recommendation/s
That the Board adopt the CNSWJO Joint Organisation General Purpose Financial Statements for the period 11 May 2018 to 30 June 2019.

Reason for the report

This report seeks adoption of the CNSWJO Joint Organisation General Purpose Financial Statements for the period 11 May 2018 to 30 June 2019. This is a requirement to comply with the Local Government Act.

Legislative Policy and Risk Consideration

Under the Local Government Act the JO Board must adopt its Audited Financial Statements (the Statements) having placed them on exhibition for public feedback.

The Statements were placed on exhibition on the CNSWJO website 20 November for 7 days.

At the time of writing no feedback has been received. Should any be received a late report will be provided to the Board.

Under the new arrangements the accounts were audited by the Auditor-General and an Independent Auditors Report and Report on the Conduct of the Audit for the period 11 May 2018 to 30 June 2019 were received on 25 October 2019.

Please see the Opinion from the Independent Auditors Report below:

Opinion

I have audited the accompanying financial statements of Central NSW Joint Organisation (the Joint Organisation), which comprise the Income Statement and Other Comprehensive Income for the period 11 May 2018 to 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and Statement of Cash Flows for the period 11 May 2018 to 30 June 2019, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Members of the Board and Management.

In my opinion:

- *the Joint Organisation'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 presented, in all material respects, in accordance with the requirements of this Division*

Reports

- *are consistent with the Joint Organisation's accounting records*
- *present fairly, in all material respects, the financial position of the Joint Organisation as at 30 June 2019, and of its financial performance and its cash flows for the period*
- *11 May 2018 to 30 June 2019 in accordance with Australian Accounting Standards –Reduced Disclosure Requirements*
 - *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.*

Please see an excerpt from the Report on the Conduct of the Audit below:

Net operating result - *The Joint Organisation's net operating result for the period 11 May 2018 to 30 June 2019 was \$72,631.*

The Joint Organisation's primary income source during the period was from an operating grant of \$300,000 which contributed to 86 per cent of the Joint Organisations income from continuing operations of \$347,309. The grant was provided by the Office of Local Government to assist the joint organisation in setting up its operations and commence undertaking its functions. The Joint Organisation also generated \$42,230 of fee income.

The Joint Organisation's total operating expenses from continuing operations for the period were \$274,678 which primarily consisted of employee benefits and on-costs of \$186,262, materials and contracts of \$47,544 and administration expenses of \$40,628.

Financial position - *at 30 June 2019 for the Joint Organisation had total assets of \$149,339 and net assets of \$72,631.*

Legislative Compliance

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

Attachment/s: Nil

Central NSW Joint Organisation

General Purpose Financial Statements for the period from 11 May 2018 to 30 June 2019.



Reports

Central NSW Joint Organisation General purpose financial statements for the period from 11 May 2018 to 30 June 2019

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Central NSW Joint Organisation is constituted under the *Local Government Act 1993* (NSW) and has its principal place of business at:

Central NSW Joint Organisation
2 Court Street
Forbes NSW 2871

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.centraljo.nsw.gov.au

Central NSW Joint Organisation
Statement by Members of the Board
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

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

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

- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder
- the Australian Accounting Standards – Reduced Disclosure Requirements and other pronouncements of the Australian Accounting Standards Board
- the Joint Organisations Supplement to the Local Government Code of Accounting Practice and Financial Reporting.

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

- present fairly Central NSW Joint Organisation's operating result and financial position for the period
- accord with Central NSW Joint Organisation's accounting and other records.

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

Signed in accordance with a resolution of the Board of Central NSW Joint Organisation made on 22 August 2019.



Councillor John Medcalf
Chairperson
21/10/19



Councillor Phyllis Miller
Voting Representative Board Member
18/10/19



Ms Jennifer Bennett
Executive Officer
18/10/19

Central NSW Joint Organisation
Income Statement and Other Comprehensive Income
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

Income Statement and Other Comprehensive Income for the period 11 May 2018 to 30 June 2019

	Actual Period 11 May 2018 to 30 June 2019
Notes	\$
Income from continuing operations	
Member council contributions	-
User charges and fees	-
Interest and investment revenue	2a 794
Grants provided for operating purposes	2b 300,000
Grants provided for capital purposes	2b -
Other income	2c 46,515
Total income from continuing operations	347,309
Expenses from continuing operations	
Employee benefits and on-costs	186,262
Borrowing costs	-
Materials and contracts	47,544
Depreciation	7 244
Administrative expenses	3 40,628
Total expenses from continuing operations	274,678
Net operating result for the period	72,631
Gain on transfer of assets from former entities	-
Net result for the period	72,631
Other comprehensive income	-
Total comprehensive income	72,631

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

Central NSW Joint Organisation
Statement of Financial Position
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

Statement of Financial Position as at 30 June 2019

	Notes	2019 \$
ASSETS		
Current assets		
Cash and cash equivalents	4	75,113
Investments		-
Receivables	6	72,721
Prepayments		-
Other - accruals		494
Total current assets		148,328
Non-current assets		
Investments		-
Property, plant and equipment	7	1,011
Other		-
Total non-current assets		1,011
Total assets		149,339
LIABILITIES		
Current liabilities		
Payables	8	26,983
Income received in advance		-
Borrowings		-
Provisions	9	49,725
Total current liabilities		76,708
Non-Current liabilities		
Provisions		-
Total non-current liabilities		-
Total liabilities		76,708
Net assets		72,631
EQUITY		
Accumulated surplus		72,631
Other reserves		-
Total equity		72,631

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

Central NSW Joint Organisation
Statement of Changes in Equity
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

Statement of Changes in Equity

For the period from 11 May 2018 to 30 June 2019

		2019 \$	
	Accumulated surplus	Other reserves	Total equity
Opening balance	-	-	-
Net operating result for the period	72,631	-	72,631
Other comprehensive income	-	-	-
Total comprehensive income	<u>72,631</u>		<u>72,631</u>
Closing balance	<u>72,631</u>	-	<u>72,631</u>

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

Central NSW Joint Organisation
Statement of Cash Flows
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

Statement of Cash Flows for the period from 11 May 2018 to 30 June 2019

	Notes	Period 11 May 2018 to 30 June 2019 \$
Cash flows from operating activities		
<i>Receipts:</i>		
Contributions from member councils		-
User charges and fees		-
Investment revenue and interest		794
Grants		300,000
Other		39,090
<i>Payments:</i>		
Employees and suppliers		(263,516)
Borrowing costs		-
Other		-
Net cash provided from (or used) in operating activities		76,368
Cash flows from investing activities		
<i>Receipts:</i>		
Sale of property, plant and equipment		-
Other		-
<i>Payments:</i>		
Purchase of investments (term deposits)		-
Purchase of property, plant and equipment		(1,255)
Other		-
Net cash provided from (or used in) investing activities		(1,255)
Cash flows from financing activities		
<i>Receipts:</i>		
Proceeds from investments		-
Other		-
<i>Payments:</i>		
Repayment of investments		-
Other		-
Net cash provided from (or used in) financing activities		-
Net increase in cash and cash equivalents		75,113
Cash transferred from former entities		-
Cash and cash equivalents at beginning of reporting period		-
Cash and cash equivalents at end of reporting period	4	75,113

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

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Central NSW Joint Organisation

Notes to the Financial Statements for the period from 11 May 2018 to 30 June 2019

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Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 1 Basis of preparation

Central NSW Joint Organisation was established on 11 May 2018 and the financial statements include the results of the JO from establishment until 30 June 2019 and the financial position at 30 June 2019.

Future reporting periods will be from 1 July to 30 June of the relevant year.

These financial statements were authorised for issue by the Board of the Joint Organisation on 22 August 2019. The Board has the power to amend and reissue these financial statements.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Local Government Act 1993 (NSW) and Regulations, and the Joint Organisation Code of Accounting Practice and Financial Reporting. Central NSW Joint Organisation is a not-for-profit entity. The financial statements are presented in Australian dollars and are rounded to the nearest dollar.

(a) New and amended standards adopted by JO

The following new standards are effective for the first time in 30 June 2019. There is not expected to be a material impact on reported financial position, performance or cash flows of the entity although some additional disclosures and presentation changes have arisen:

- AASB 9 Financial Instruments and associated amending standards
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments
- AASB 2014-1 Amendments to Australian Accounting Standards
- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9
- AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9
- AASB 2016-6 Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts
- AASB 2017 – 3 Amendments to Australian Accounting Standards – Clarifications to AASB 4
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions

(b) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(c) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the JO'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 JO and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Central NSW Joint Organisation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) employee benefit provisions – refer Note 9.

Significant judgements in applying the JO accounting policies

- (i) There were no significant judgements made by the JO

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.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 2 Income from continuing operations

	Period	
	11 May 2018 to	
	30 June 2019	
	\$	
(a) Interest and investment revenue		
Interest on financial assets measured at amortised cost		794
Other		-
Total interest and investment revenue		794
(b) Grants		
	Operating	Capital
	Period	Period
	11 May 2018 to	11 May 2018 to
	30 June 2019	30 June 2019
	\$	\$
Office of Local Government (OLG) joint organisation establishment funding	300,000	-
Capital works	-	-
Total grants	300,000	-
Comprising:		
- Commonwealth funding	-	-
- State funding	300,000	-
- Other funding	-	-
	300,000	-
(c) Other income		
		Period
		11 May 2018 to
		30 June 2019
		\$
Management of aggregated electricity procurement fees		26,250
Copyright licence fees		15,980
Vehicle leaseback		4,285
Total other revenue		46,515

Accounting policy for income

JO recognises revenue when: the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the JO, and specific criteria have been met for each of the JO's income streams as described below. The JO bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Contributions by member councils are accounted for when the amount to be paid for the period has been determined and communicated to councils. The contribution may be in the form of a cash payment or non-monetary contribution (which is recorded at its fair value).

The methodology for determining the contribution is:

- equal contributions by all member councils in order to perform the principal functions of delivering on strategic regional priorities, regional leadership and intergovernmental cooperation
- contributions by participating member councils for other functions of enhancing strategic capacity and direct service delivery.

User charges and fees are recognised as revenue when the service has been provided.

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

Grant revenue – Control over grants is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted asset at the date of transfer.

A liability is recognised in respect of grant income that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

Gain on transfer of assets relates to the value of net assets received free of charge on establishment of the JO.

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

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 3 Expenses

	Period 11 May 2018 to 30 June 2019
	\$
Administrative expenses	
Contractor and consultancy costs	3,485
Remuneration of auditors	4,800
IT expenses	820
Travel	855
Recruitment of Executive Officer	26,640
Other	4,028
Total administrative expenses	40,628
Auditors' remuneration	
Auditors of the JO – NSW Auditor-General:	
(i) Audit and other assurance services	
Audit of financial statements	4,800
Other assurance services	-
Total fees paid or payable to the Auditor-General	4,800

Accounting policy for expenses

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

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.

Borrowing costs are expensed as incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of residual values, over the asset's estimated useful lives.

Impairment – Property, plant and equipment 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.

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

Operating lease expense – Leases in which a significant portion of the risks and rewards of ownership are not transferred to JO as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the period of the lease.

Other expenses are recorded on an accruals basis as the JO receives the goods or services.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 4 Cash and cash equivalents

	2019 \$
Operating account	21,319
Cash Reserve account	53,794
	<u>75,113</u>
Restricted cash and cash equivalents	
External restrictions	-
Internal restrictions	-
Unrestricted	75,113
	<u>75,113</u>

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Note 5 Receivables

	2019 Current \$
Receivables from member councils	7,425
GST receivables	7,724
Executive Officer leave transfer	57,572
Total	<u>72,721</u>
Less: provision for impairment	-
Net receivables	<u>72,721</u>

Accounting policy for receivables

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

The JO applies the simplified approach for receivables in providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 6 Property, plant and equipment

By asset class	At 11 May 2018			Movements during the period			At 30 June 2019		
	Gross carrying amount \$	Acc. dep. and impairment \$	Net carrying amount \$	Additions \$	Disposals \$	Depn. and impairment \$	Gross carrying amount \$	Acc. dep. and impairment \$	Net carrying amount \$
Office equipment	-	-	-	1,255	-	(244)	1,255	(244)	1,011
Furniture and fittings	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Totals	-	-	-	1,255	-	(244)	1,255	(244)	1,011

Accounting policy for property, plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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 the JO and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement and Other Comprehensive Income during the financial period in which they are incurred.

When property, plant and equipment are acquired by the JO for nil or nominal consideration, the assets are initially recognised at their fair value at acquisition date.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

- (i) Office equipment 2-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 7 Payables

	2019 Current \$
Payables	
Trade payables	22,183
Accrued expenses	4,800
Total payables	<u>26,983</u>

Financing arrangements 2019
\$

Total facilities

The amount of total financing facilities available to the JO at the reporting date is:

- Bank overdraft facility	-
- Corporate credit cards	-
	<u>-</u>

Drawn facilities

The amount of financing facilities drawn down at the reporting date is:

- Bank overdraft facility	-
- Corporate credit cards	-
	<u>-</u>

Undrawn facilities

The amount of undrawn financing facilities available to the JO at the reporting date is:

- Bank overdraft facility	-
- Corporate credit cards	-
	<u>-</u>

Accounting policy for payables and borrowings

The JO measures all financial liabilities initially at fair value less transaction costs; subsequent financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the JO comprise trade and other payables and bank overdraft.

Trade payables represent liabilities for goods and services provided to the JO prior to the end of financial period that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 8 Provisions

	2019	
	Current \$	Non-current \$
Employee benefit provisions		
Annual leave	5,301	-
Long-service leave	44,424	-
Total provisions	49,725	-
Current provisions not expected to be settled within the next 12 months	38,031	n/a

Accounting policy for provisions

Provisions are recognised when: the JO 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee benefits

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits and annual 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 that will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the JO 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.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 9 Commitments

The JO had no capital commitments or non-cancellable operating lease commitments at 30 June 2019.

Note 10 Contingencies

There were no contingent assets or liabilities which the JO is party to at 30 June 2019.

Note 11 Financial risk management

Risk management

The JO's activities expose it to a variety of financial risks, including credit risk, liquidity risk, and interest rate risk.

Financial risk management is carried out by the finance team under policies approved by the JO Board.

The fair value of receivables approximates the carrying amount.

Central NSW Joint Organisation
Notes to the Financial Statements
For the period from 11 May 2018 to 30 June 2019

Note 12 Related party disclosures

Key management personnel

Key management personnel (KMP) of the JO are those persons having the authority and responsibility for planning, directing and controlling the activities of the JO, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement and Other Comprehensive Income is \$186,262.

Other transactions with KMP and their related parties

Nature of the transaction	Amount of the transactions during the period (\$)	Outstanding balances, including commitments at period end (\$)	Terms and conditions	Provisions for doubtful debts (impairment of receivables) related to the amount of outstanding balances (\$)	Expense recognised during the period relating to bad or doubtful debts (impairment expense) due from related parties (\$)
2019					
	-	-		-	-

Other related parties

Type of related party: (please describe)	Nature of the transactions	Amount of the transactions during the period	Outstanding balances, including commitments at period end	Terms and conditions	Provisions for doubtful debts related to the amount of outstanding balances	The expense recognised during the period relating to bad or doubtful debts due from related parties
2019						
		-	-		-	-

Note 13 Events occurring after reporting date

There were no events occurring between 30 June 2019 and the date of signing the financial statements.



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Central NSW Joint Organisation

To the Board of the Central NSW Joint Organisation

Opinion

I have audited the accompanying financial statements of Central NSW Joint Organisation (the Joint Organisation), which comprise the Income Statement and Other Comprehensive Income for the period 11 May 2018 to 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and Statement of Cash Flows for the period 11 May 2018 to 30 June 2019, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Members of the Board and Management.

In my opinion:

- the Joint Organisation'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 presented, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Joint Organisation's accounting records
 - present fairly, in all material respects, the financial position of the Joint Organisation as at 30 June 2019, and of its financial performance and its cash flows for the period 11 May 2018 to 30 June 2019 in accordance with Australian Accounting Standards – Reduced Disclosure Requirements
- 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 Joint Organisation in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110)

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of joint organisations
- precluding the Auditor-General from providing non-audit services

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

The Board's Responsibilities for the Financial Statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Local Government Act 1993*, and for such internal control as the Board 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 Board is responsible for assessing the Joint Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting except where the Joint Organisation will be dissolved or amalgamated by an Act of Parliament, or otherwise cease operations.

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/4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Joint Organisation 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.



Karen Taylor
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

25 October 2019
SYDNEY



Cr John Medcalf
Chairperson
Central NSW Joint Organisation
PO Box 333
FORBES NSW 2871

Contact: Karen Taylor
Phone no: 02 9275 7311
Our ref: D1925601/1858

25 October 2019

Dear Chairperson

**Report on the Conduct of the Audit
for the period 11 May 2018 to 30 June 2019
Central NSW Joint Organisation**

The Central NSW Joint Organisation (the Joint Organisation) was formed on 11 May 2018 by the following councils (member councils):

- Bathurst Regional, Blayney Shire, Cabonne, Central Tablelands Water, Cowra, Forbes Shire, Lachlan Shire, Oberon, Orange City, Parkes Shire and Weddin Shire.

I have audited the general purpose financial statements (GPFS) of the Joint Organisation for the period 11 May 2018 to 30 June 2019 as required by section 415 of the Local Government Act 1993 (the Act).

I expressed an unmodified opinion on the Joint Organisation's GPFS.

This Report on the Conduct of the Audit (the Report) for the Joint Organisation for the period 11 May 2018 to 30 June 2019 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.

PERFORMANCE

Net operating result

The Joint Organisation's net operating result for the period 11 May 2018 to 30 June 2019 was \$72,631.

The Joint Organisation's primary income source during the period was from an operating grant of \$300,000 which contributed to 86 per cent of the Joint Organisation's income from continuing operations of \$347,309. The grant was provided by the Office of Local Government to assist the joint organisation in setting up its operations and commence undertaking its functions. The Joint Organisation also generated \$42,230 of fee income.

The Joint Organisation's total operating expenses from continuing operations for the period were \$274,678 which primarily consisted of employee benefits and on-costs of \$186,262, materials and contracts of \$47,544 and administration expenses of \$40,628.

Financial position

At 30 June 2019 the Joint Organisation had total assets of \$149,339 and net assets of \$72,631.

OTHER MATTERS

New accounting standards implemented

AASB 9 'Financial Instruments' and revised AASB 7 'Financial Instruments: Disclosures'

Effective for annual reporting periods beginning on or after 1 January 2018

AASB 9 replaced AASB 139 'Financial Instruments: Recognition and Measurement' and changes the way financial instruments are treated for financial reporting.

Key changes include:

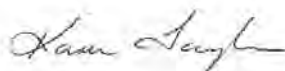
- a simplified model for classifying and measuring financial assets
- a new method for calculating impairment
- a new type of hedge accounting that more closely aligns with risk management.

The revised AASB 7 includes new disclosures due to AASB 9.

Legislative compliance

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



Karen Taylor
Director, Financial Services

Delegate of the Auditor-General for New South Wales

9. Financial Report

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Sponsoring Chair	Cr John Medcalf
Sponsoring General Manager/s	Mr Brad Byrnes and Mr Greg Tory

Report by Ann Thomas, 13 November 2019

Recommendation/s	
That the Board note the Financial and compliance report and accept the transfer of the reserves from Centroc in the following form:	
CNSW Regional Tourism Group + Regional Marketing	138,366
CWUA Best Practice Program	31,569
CWUA - Asset Management Maturity Audit (NAMAF)	80,775
CWUA - Developer Services Plans	47,930
Energy Project + Energy Workshops matching contribution	66,842
Energy Workshops - Office of Environment & Energy Grant	1,770
Growing Local Economies Grant Funding	73,400
Inter-Council Co-operation Reserve (IT Unified communications + Best Practice in Aggregated Procurement)	54,221
Roads Transport Technical Committee + BLEG	32,514
	\$527,387

This report presents the financial accounts at 13 November. This report anticipates a full year loss of \$60,508 at 30 June 2020 against a budgeted loss of \$52,128.

The increase in the anticipated loss against the budget is due to the reduction in expected interest income and the lesser LGP rebate income.

Since the commencement of the new financial year all financial transactions have been conducted in the CNSWJO except for the Restart NSW Bridges project which has remained in Centroc as the project is winding up shortly. Once Centroc is finalised cash balances will be transferred to the Joint Organisation.

Local Government Procurement (LGP) has recently remitted the rebate payment of \$69,623 for 2018/2019 which was calculated under the rebate scheme. The MOU for 2019/2020 is currently being developed.

The Centroc reserves at 30 June 2019 were \$527,424. An internal review of these reserves has been conducted and it is proposed that like reserves be combined with the view to streamlining the accounts and that total reserves of \$527,387 be transferred to the Joint Organisation. A report has been provided to the Centroc Board to effect this.

An amount of \$37.00 was left over in the Centroc Beyond the Range reserve at 30 June 2019. This amount will not be transferred to the JO as it is not material but will be added to the unrestricted reserve balance.

Reports

Central NSW JO Board Meeting 27 November 2019

Included in the total reserves to be transferred is an external reserve of \$1,770 from the Office of Environment & Heritage however permission will be sought to use this unused grant funding for the Southern Lights Project in the future.

The Centroc reserves at 30 June 2019 were:

Bells Line Expressway Group	17,537
Best Practice in Aggregated Procurement	40,768
Centroc Regional Tourism Group	129,759
CWUA Best Practice Program	31,569
CWUA - Asset Management Maturity Audit (NAMAF)	80,775
CWUA - Developer Services Plans	47,930
Energy Project	65,306
Energy Workshops - Office of Environment & Energy Grant	1,770
Energy Workshops - Centroc matching contribution	1,536
Growing Local Economies Grant Funding	73,400
Health Study - Beyond the Range	37
IT - Unified Communications	13,453
Regional Marketing	8,607
Roads Transport Technical Committee	14,977
	\$527,424

It is now proposed that several like reserves be combined as follows and transferred to the JO accounts:

CNSW Regional Tourism Group + Regional Marketing	138,366
CWUA Best Practice Program	31,569
CWUA - Asset Management Maturity Audit (NAMAF)	80,775
CWUA - Developer Services Plans	47,930
Energy Project + Energy Workshops matching contribution	66,842
Energy Workshops - Office of Environment & Energy Grant	1,770
Growing Local Economies Grant Funding	73,400
Inter-Council Co-operation Reserve (IT Unified communications + Best Practice in Aggregated Procurement)	54,221
Roads Transport Technical Committee + BLEG	32,514
	\$527,387

Attachment/s: Nil

Reports

Central NSW Joint Organisation

Financial Position at 13 November 2019

	Budget 2019/2020	Actual 13/11/2019	Acticipated 30/06/2020
Income			
CNSWJO Membership Fees	255,172	255,172	255,172
CWUA Best Practice Program	234,937	234,937	234,937
Regional Tourism Group Membership	133,956	122,137	133,956
CNSWJO Operational Membership	100,000	100,000	100,000
WRAS Contributions	8,966	7,056	7,056
	\$733,031	\$719,302	\$731,121
Grant - Orange 360		34,300	34,300
	\$0	\$34,300	\$34,300
CWUA -NAMAF Program	60,000		60,000
	\$60,000	\$0	\$60,000
Energy - Mgt Aggregated Electricity Procurement	0	26,250	26,250
Energy - Energy Saving Certificates	0	2,270	2,270
	\$0	\$28,520	\$28,520
HR - Regional Training Service Income	100,000	25,250	100,000
HR - Online Training & Other HR Modules	245,173	1,474	245,173
	\$345,173	\$26,724	\$345,173
Management Fees from Contracts	110,000	16,010	110,000
Management Fee from LGP	75,000	69,623	69,623
	\$185,000	\$85,633	\$179,623
Vehicle Lease Back EO	4,200	1,019	4,200
Vehicle Lease Back CWUA	5,000	1,273	5,000
Vehicle Lease Back Operational Program Mgr	4,200	1,346	4,200
Interest	4,000	322	1,000
Member Council/Consultant Expenses to be Reimbursed			5,360
Regional Tourism Group Council Reimbursements		10,585	13,363
	\$17,400	\$14,545	\$33,123
Total Income	\$1,340,604	\$909,024	\$1,411,860

Reports

Expenditure			
Executive Officer Costs	225,000	55,090	225,000
Executive Officer Vehicle Costs & Depn	13,000	593	13,000
Summit	20,000		20,000
Operational Program Manager	95,000	32,719	95,000
Operational Program Manager - Vehicle costs	13,200	3,250	13,200
Finance Officer	63,000	17,738	63,000
Training & Program Support Officer	47,000	16,807	47,000
Executive & Programs Assistant	63,000	16,816	63,000
Orange 360			34,300
CWUA Program Manager & Program costs	119,612	2,579	119,612
CWUA Membership Program	39,325	30,100	39,325
CWUA Benchmarking Program	76,000	13,280	76,000
CWUA - NAMAFA Program	60,000		60,000
Regional Tourism Group	133,956		133,956
Regional Tourism Group Councils to Reimburse		13,363	13,363
Energy - Mgt Aggregated Electricity Procurement	0	26,250	26,250
HR - Training Service Costs	95,000	25,867	95,000
HR - Online Training & Other HR Modules	245,173	128,726	245,173
WRAS	8,966	2,293	7,056
Advocacy	10,000	2,106	10,000
Accounting/Audit/Payroll	21,000		21,000
Bank Fees and Sundry costs	2,500	421	2,500
Computer Software/Licences	5,000		5,000
Depreciation (excl vehicles)	2,000		2,000
Internet Cloud	10,000	2,682	10,000
Legal	7,500		7,500
Member Council/Consultant Expenses to be Reimbursed		5,360	5,360
Printing/Stationery/Postage	2,000	58	2,000
Sponsorship	0	2,273	2,273
Supply Management Administration	10,000	366	10,000
Zoom Conferences	1,500	255	1,500
Website Hosting and costs	4,000	55	4,000
Total Expenditure	\$1,392,732	\$399,048	\$1,472,368
Net Profit/Loss	-\$52,128	\$509,977	-\$60,508

Reports

Non-Budgeted Expenditure**Centroc Reserves from 2018/2019 and previous years transferred to the JO**

CNSW Regional Tourism Group + Regional Marketing	138,366	33,100	138,366
CWUA Best Practice Program	31,569	31,569	31,569
CWUA - Asset Management Maturity Audit (NAMAF)	80,775	46,165	80,775
CWUA - Developer Services Plans	47,930		47,930
Energy Project + Energy Workshops matching contribution	66,842	4,327	66,842
Energy Workshops - Office of Environment & Energy Grant	1,770		1,770
Growing Local Economies Grant Funding	73,400		73,400
Inter-Council Co-operation Reserve	54,221	5,540	54,221
Roads Transport Technical Committee + BLEG	32,514	392	32,514
	\$527,387	\$121,093	\$527,387

Net Profit/Loss after Non-Budgeted Expenditure

\$388,884	-\$587,895
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CNSWJO Accumulated Surplus at 30 June 2019**\$72,631****CENTROC Accumulated Surplus at 30 June 2019****\$904,047****Anticipated Surplus at 30 June 2020****\$388,783**

Reports

10. Other Reports**a. Prioritisation of \$150K Joint Organisation Capacity Building Fund**

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Greg Tory, Brad Byrnes

Report by Jennifer Bennett, 14 November 2019

Recommendation/s
<p>That the Board note the report regarding the prioritisation of the 150K Joint Organisation Capacity Building Fund and</p> <ol style="list-style-type: none"> 1. approve the funding application for the following under the Joint Organisation Capacity Building Fund: <ol style="list-style-type: none"> a. Best Practice in Aggregated Procurement budgeted at \$35K; and b. Understanding and supporting the new role of our CBDs – a project of the Regional Prosperity Subcommittee budgeted at \$50K; c. Regional Capacity Building in Energy Innovation budgeted at \$65K; and 2. Commend to members they give consideration to co-investment in the CBD project.

Reason for report

On the afternoon of 22 August the Minister for Local Government announced funding of \$150K per JO for the Joint Organisation Capacity Building Fund. The Board meeting of the same day resolved that this funding be negotiated through the Chair. The funding guidance requires projects to be approved by the Board.

Legislative, policy and risk considerations

A recognised risk in the CNSWJO Strategic Plan, members will recall advice from recent Board and other meetings raising concerns for the sustainability of the JO network and the actions of the Chairs of JOs in this regard. Please request all previous advice and associated correspondence.

Advice from the Minister was as follows:

- *I am committed to the ongoing success of JOs and will continue to ensure that they deliver for our regions;*
- *At the recent Joint Organisations meeting at Parliament House, I was pleased to announce that the NSW Government has established the Joint Organisation Capacity Building Fund. This fund will ...assist each JO to build additional capacity and deliver their strategic plans;*
- *... acknowledges that while JOs are now established with many looking to deliver projects and programs on behalf of their member councils and communities, JOs are at varying levels of capacity in terms of their ongoing sustainability;*
- *\$150,000 will be made available to Central NSW Joint Organisation to go towards a project or program designed to improve your ongoing sustainability. This can be an existing or an entirely new project, and must address one or more of the strategic priorities identified by the JO while delivering measurable outcomes towards its sustainability;*

Reports

- *Funding guidelines have been developed by the Office of Local Government (OLG) and I invite you to submit a proposal for a project that meets the guidelines and has the support of member councils, and work closely with your OLG Council Engagement Manager to ensure your proposal satisfies the funding guidelines. The guidelines can be downloaded by clicking [here](#).*
- *Upon your suggestion at the last JO meeting in Parliament House, I will be establishing a Joint Organisation Steering Committee which will have the ongoing sustainability of Joint Organisations as its first order of business, and serve as an additional conduit to me and my office on a variety of matters.*
- *I am looking forward to seeing the range of projects put forward in response to this funding, and following their progress through the Joint Organisations Steering Committee.*
- *If you have any questions about the funding or the steering committee please don't hesitate to contact your OLG Council Engagement Manager.*

From the funding guidelines:

The Joint Organisation Capacity Building Fund has been established by the NSW Government to support JOs in developing their ongoing sustainability. The Joint Organisation Capacity Building Funds must be spent on activities and projects specifically designed to improve the sustainability of a JO.

Joint Organisation Capacity Building Funds must be spent on activities and projects specifically designed to improve the sustainability of a JO in one or more areas.

Activities may include but are not limited to:

- *Program design*
- *Program promotion*
- *Program prioritisation (EoI process and business case development)*
- *Funding application assessments*
- *Contract management*
- *Project management*
- *Project and program delivery*
- *Funding/project acquittal*
- *Program evaluation.*

Any funding shortfall or funding for ongoing operational activity will be funded by the JO.

Criteria for selecting projects

JOs must use the funding to deliver specific outcomes in relation to one or more of the capacity areas noted above, and address one or more of the JOs strategic priorities.

JOs will submit a proposal for a project which addresses these guidelines. The project and agreed outcomes will be agreed between the JO, Office of Local Government and Regional Directors of Regional NSW (former DPC Regional Directors) following an approved assessment process.

Projects must meet the following criteria:

- *Address one or more of a JOs strategic regional priorities*
- *Deliver measurable outcomes*

Reports

- *Demonstrate commitment from member councils to provide in kind support in the development and or implementation of the project/s*
- *Contribute to a JO Business plan demonstrating ongoing financial sustainability.*

Ineligible activities The Joint Organisation Capacity Building Fund is not to be used for capital expenditure or operational costs, or activities which could be considered as “business as usual”.

- *Accountability and acquittal of funds JOs will be responsible for the effective governance of the Joint Organisation Capacity Building Funding and will be required to use a project management framework that supports the delivery of projects.*
- *The Joint Organisation Capacity Building Fund is to be spent or committed by 30 December 2020 and all funding must be acquitted before 30 June 2021.*
- *JOs will be accountable for the expenditure of the Joint Organisation Capacity Building Fund in accordance with these guidelines, which require the following:*
- *The Office of Local Government (OLG) will prepare a funding agreement to provide funding under the Joint Organisation Capacity Building Fund to JOs, including agreement to participate in the assessment process and undertake the projects jointly identified during that process.*
- *On signing of the funding agreement and submission of an invoice, the OLG will provide the funds to JOs.*
- *By September 2019, JOs are to notify the OLG of their plan for delivering the projects under the Joint Organisation Capacity Building Fund. Notification is to include information on governance arrangements, including costings, timeframes (including major delivery milestones) and expected benefits. JOs are to advise OLG of any changes to the delivery plan.*

CNSWJO engagement in the process

As directed by the Guidelines, CNSWJO has undertaken a significant amount of engagement in developing the project ideas for this funding. A report was provided to GMAC who subsequently resolved:

That GMAC commend the following projects be negotiated under the auspices of the Chair with the Office of Local Government to expend the \$150K as offered by the Minister:

1. *Best Practice in Aggregated Procurement at an estimate of \$35K; and*
2. *Collaborating for our CBDs – a project of the Regional Prosperity Subcommittee at an estimate of \$50K; and*
3. *Develop up further advice for the balance of the funding in the areas of water, training and energy.*

Project options

Having reviewed the guidelines and the CNSWJO strategic priorities, risk management and communication plans the following advice is provided on suggested projects as they seem to have the best fit with the guidelines and the various emails and conversations with OLG representatives and ultimately direction from GMAC.

Please find the funding applications for each of these projects attached. The more detailed project plans can be provided on request.

Reports

1. Regional Capacity Building in Energy Innovation

Budgeted at \$65K the Regional Capacity Building in Energy Innovation project consists of two parts:

- a. Southern Lights Project
- b. Regional Electric Vehicle (EV) Infrastructure Mapping

Through this project stronger, relationships will be built between CNSWJO and its members by continuing the innovative work in the energy space.

The completion of this project will also demonstrate the capacity and capability of the JO and staff at its member councils in delivering complex and innovative programming.

2. Best Practice in Aggregated Procurement

CNSWJO contribution is budgeted at \$35K for an overall budget, not including inkind, of \$155K. Five Joint Organisations are co-contributing to a Best Practice in Aggregated Procurement project. Where legal advice on leveraging the legislative framework has been sought (see more detail in the Procurement Report) this project seeks to deliver:

A piece of work on procurement models (fee for service etc) - this may require the legal advice mentioned above as a prerequisite. This would inform advice on best level of aggregation for specific goods or services – local, regional, State and wider, and tailored.

- Advice on the value proposition for members including reporting and methodologies on cost savings. Arguably this, with a few potential projects from the above at Stage 2 will help JOs with sustainability going forward.
- A background report on best practice and current innovation, including advice on panels and supporting regional economies.
- A workshop pulling together feedback from JOs and key Council staff on potential projects and their implementation.
- A “pulling it all together” toolkit piece pulling together the above and taking into account serendipitous advice and shared learnings.

3. Understanding and supporting the new role of our CBDs– a project of the Regional Prosperity Subcommittee.

Budgeted at \$50K this project seeks to leverage up to \$400K in direct funding. Raised by the Economic Development Officers at their recent meeting (11 September) in Parkes and gaining in principle support from Ms Anna Shaw of DPIE – administering the Regional Prosperity this project would seek four way funding – from Councils, DPIE, through the JO and then leveraging this for federal funding. This would deliver strategic work that addresses the changing use of CBDs away from retail.

Consultation

There has been significant discussion between JOs, OLG and DPIE Regional regarding this program. The Chair has been updated on progress. Please request all emails. This report has been provided to Ms K Purser, Mr Evans, Cr J Medcalf and Mr A Albury for comment and advice provided is feedback has been positive. GMAC gave consideration to a substantive report regarding potential options and this is available on request where the direction from GMAC has informed this report.

Value for members

The \$150K will enable projects to occur that have been identified in the JO strategic Plan and associated documents or identified in region.

Financial Implications

Nil at this time.

Attachment/s:

- 24. 3 x JO Capacity Building Fund Application Forms
 - i. Best Practice in Aggregated Procurement Program
 - ii. Central NSW Joint Organisation (CNSWJO) Regional Capacity Building in Energy Innovation
 - iii. Understanding and supporting the new role of our CBDs

b. Logo Report

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Greg Tory and Brad Byrnes

Report by Jennifer Bennett, 8 November 2019

Recommendation/s
That the Board note the Logo report and adopt Option 2.

Members may be aware that under the timeline for the implementation of the JO a logo was to be developed. Where the Communication Plan suggests that a full blown branding strategy is not required, advice has been sought on a logo that takes recognises the proud history of Centroc and reflects our new relationship with the State.

The Seal design is currently being used as a temporary solution and it is included as an option.

Please find three options below where option 3 is recommended. Members may have a different view than that recommended or might suggest a return to the drawing board.



Option 1



Option 2



Option 3

Attachment/s: Nil

Reports

c. Executive Officer Performance Review

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf
Sponsoring General Manager/s	Greg Tory, Brad Byrnes

Recommendation/s
<p>That the Board note the report regarding the performance management of the Executive Officer and</p> <ol style="list-style-type: none"> 1. Delegate the entirety of the performance review function to a Performance Review Panel that is: <ol style="list-style-type: none"> a. Developing a Performance Agreement in consultation with the Executive Officer b. Undertaking a performance assessment of the Executive Officer in c. December/January each year d. Determining the following in relation to the Performance Agreement: <ol style="list-style-type: none"> i. A final list of projects to be included in the Performance Agreement; and ii. Any managerial or behavioural actions that they would like the Executive Officer to address during the review year. e. Reviewing and determining salary and any bonus arrangements f. Providing a report to the Board facilitated by the Chair of GMAC 2. Determine that the Performance Review Panel be the Chair, Deputy Chair a Mayor nominated by the Executive Officer to be facilitated by the Chair of GMAC.

Purpose of the report

The Office of Local Government Guidance directs that the Joint Organisation Board is to establish a performance review panel and delegate the task of performance reviews of the Executive Officer to this panel. The extent of the delegation should be clear.

This report seeks adoption of the suggested panel members and provides on their delegation.

Legislative Policy and Risk Considerations

The Office of Local Government recommends that the whole process of performance management be delegated to the performance review panel (the panel), including discussions about performance, any actions that should be taken and the determination of the new performance agreement.

Streamlining the approach suggested by the Office of Local Government it is recommended that the panel be the Chair, Deputy Chair and a Mayor nominated by the Executive Officer. To administer the process it is recommended that the Chair of GMAC provide a facilitating role rather than bringing in third parties with their corollary expense.

A proforma Performance Review is provided for information for the Board where the negotiation in its regard is included in the delegation.

Given that training in performance management is undertaken at the Council level it is not seen as necessary to duplicate for the Joint Organisation.

The term of the panel is to be until the next elections, September 2020.

Reports

Please find also attached the Office of Local Government Guidance in this regard.

Financial considerations

In kind commitment by the Performance Review Panel.

Attachment/s:

- 25. Performance Review – Jenny Bennett
- 26. Guidelines for the appointment & oversight of General Managers – July 2011