

Agenda to the Board Meeting 3 June 2021

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 P Miller	Forbes Shire Council	Cr M Liebich	Weddin Shire Council

Attending

Mr D Sherley	Bathurst Regional Council	Cr D Somerville	CTW
Ms R Ryan	Blayney Shire Council	Mr G Rhodes	CTW
Mr B Byrnes	Cabonne Council	Ms R Fagan	RDACW
Mr P Devery	Cowra Shire Council	Mr S Harma	RDACW
Mr S Loane	Forbes Shire Council	Ms G Collins	DPC
Mr G Tory	Lachlan Shire Council	Ms K Purser	OLG
Mr G Wallace	Oberon Council	Ms J Bennett	CNSWJO
Mr D Waddell	Orange City Council	Ms M Macpherson	CNSWJO
Mr K Boyd	Parkes Shire Council	Ms K Barker	CNSWJO
Mr G Carroll	Weddin Shire Council	Ms C Griffin	CNSWJO

It is advised that the next meeting of the Central NSW Joint Organisation Board will be held Thursday 3 June in **Charles Sturt University CSU ORANGE CAMPUS, 346 Leeds Parade, Orange Building 1001 Room 149**, this room is located off the main foyer. Please see map and directions following.

The meeting will begin at 10.00am.

Following the Board meeting will be an introduction by CSU to the three successful students who were recipients of the Central NSW Joint Organisation Scholarship Fund.

CSU will provide a BBQ Lunch on the deck.

Please contact Jenny Bennett on 0428 690 935 with any questions



Charles Sturt University CSU ORANGE CAMPUS

346 Leeds Parade Orange

Building 1001 Room 149

use car parking bays 03,05,06,07,08

Agenda

Agenda

1. Welcome

Ms Julia Andrews, Director, External Engagement, Bathurst & Orange Office of Industry & Community Engagement, Charles Sturt University

2. Acknowledgment to Country

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

4. Speakers

Regis Resources - McPhillamys Gold Project brief.

Sam Harma – TEN4TEN Training program and toolbox

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9. Late reports


10. Matters raised by Members

11. Speakers to the next meeting

12. Next meetings:

GMAC – 29 July – Orange

Board – 26 August - Recent advice from OLG this week is that the caretaker provisions do not apply to JO's. There is an opportunity to meet in region on the 26th of August, alternatively, the Board could meet in Sydney at Parliament House 12th August or 9th September to line with a sitting day. The Chair would like an opportunity to get together and thank Mayors for their support and collaboration over the past Council term. Members are asked to give consideration on how these dates would fit with council elections and other priorities.



Jenny Bennett

Executive Officer

Central NSW Joint Organisation

Agenda

5. Minutes**a. Confirmation of Minutes of the Special CNSWJO Board Meeting 29 April 2021 via zoom****In Attendance**

Cr I North	Bathurst Regional Council	Cr J Medcalf OAM	Lachlan Shire Council
Cr S Ferguson	Blayney Shire Council	Cr K Sajowitz	Oberon Council
Cr J Jones	Cabonne Council	Cr R Kidd	Orange City Council
Cr B West	Cowra Shire Council	Cr K Keith OAM	Parkes Shire Council
Cr P Miller OAM	Forbes Shire Council		

Ms R Ryan	Blayney Shire Council	Mr G Carroll	Weddin Shire Council
Mr B Byrnes	Cabonne Council	Cr D Somerville	CTW
Mr P Devery	Cowra Shire Council	Mr G Rhodes	CTW
Mr S Loane	Forbes Shire Council	Mr S Harma	RDACW
Mr G Tory	Lachlan Shire Council	Ms J Bennett	CNSWJO
Mr G Wallace	Oberon Council	Ms M Macpherson	CNSWJO
Mr K Boyd	Parkes Shire Council	Ms K Barker	CNSWJO

Meeting opened at 12.36pm

1. Acknowledgement to Country and Welcome from the Chair, Cr John Medcalf OAM.**2. Apologies applications for a leave of absence by Joint Voting representatives**

Cr B Bourke, Cr K Beatty, Cr M Liebich, Mr D Sherley

Resolved	Cr B West/ Cr Scott Ferguson
That the apologies for the Central NSW Joint Organisation Special Board meeting 29 April 2021 listed above be accepted.	

3. Minutes**3a. Confirmation of the Minutes of the Central NSW Joint Organisation meeting 11 March 2021 held in Blayney**

Resolved	Cr S Ferguson/Cr K Sajowitz
That the Central NSW Joint Organisation Board confirm the Minutes of the meeting 11 March 2021 held in Blayney	

4. Disclosures of interests – Nil**5. Chair's Minute – Nil****6. Reports on Statement of Regional Strategic Priority****a. NAMAFA**

Resolved	Cr West/Cr K Sajowitz
That the Board note the report on the Regional Asset Management Maturity Audit and approve that the:	
<ol style="list-style-type: none"> 1. Central NSW Joint Organisation Asset Management Maturity Assessment Consolidated Benchmarking and Regional Report April-May 2020 be adopted; 2. Member Councils commit to ongoing collaboration through the formation of a Working Group on Asset Management to <ol style="list-style-type: none"> a. review and prioritise areas where Councils across the region are below core functions including: <ul style="list-style-type: none"> • Governance and management; • Levels of service – understanding gaps – actual vs expectations; 	

Minutes

- Strategy;
- Skills and processes;
- Data and systems;
- Evaluation;
- b. Share and build capacity– including presentations to the Group by Councils leading practice in specific areas; and
- c. Look at basic training in asset management and Levels of Service including for Councillors for roll-out from Sept-October 2021;
- 3. The Working Group include a minimum of 1 person from each Council to meet three times in 2021; and
- 4. The Working Group co-design their Terms of Reference at their first meeting and potentially engage with the IPWEA Asset Management panel.

b. Confidential: Contract for Asset Revaluation Services for Water and Sewer

Recommendation/s	Cr B West/ Cr K Keith
That the Board:	
<ol style="list-style-type: none"> 1. move into closed session to consider business identified; 2. pursuant to section 10A(1)-(3) of the Local Government Act 1993, the media and public be excluded from the meeting on the basis that the business to be considered is classified confidential under the provisions of section 10A(2) as outlined above; and 3. correspondence and reports relevant to the subject business be withheld from access. 	

Recommendation/s	Cr B West/Cr K Keith
That the Board note the confidential report for the Contract for Asset Revaluation Services for Water and Sewer and	
<ol style="list-style-type: none"> 1. accept the tender by Australis Asset Advisory Group; 2. enter into a contract with Australis Asset Advisory Group for Asset Revaluation Services for Water and Sewer on behalf of participating member councils; and 3. advise all tenderers of the decision in accordance with clause 179 of the Regulation. 	

Recommendation/s	Cr R Kidd/Cr P Miller
That the Board resumes open session.	

7. Notices of motions/Questions with notice – Cr Miller raised concerns regarding engagement
8. Conclusion of the meeting
9. Next meeting
Board - 3 June 2021

Meeting close 12.44pm

Page 2 is the last page of the Central NSW Joint Organisation Special meeting 29 April 2021

6. Matters in Progress

Action	By	Update
290519-8b-Drought Sub-committee - Progressing the recommendations of the Drought Issues Paper 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	This sub-committee has now been replaced by the Resilience and Recovery Sub-committee managed by Resilience NSW. On request from Regional NSW the JO provided feedback on a preliminary draft of the Future Ready Regions Strategy including input informed by the JO's Drought Issues Paper. Recent meetings of the Resilience and Recovery Subcommittee have been postponed due to a focus on response to flooding in northern NSW. The last meeting was 9 February.
281113 - 8b - Water Infrastructure Develop a MoU with NSW Health.	MM	<i>November 2013- ongoing</i> This task has proven difficult to progress and is part of advocacy by the JO network for a collaborative approach to the management of urban water working in partnership with State agencies. The Western Area Public Health Unit working out of Dubbo have now expressed interest in a collaborative exercise with the CNSWJO looking at areas across the health portfolio that could be optimised by working together. To progress matters as at February 2021 the JO is providing an online platform for collaboration.
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	See the Regional Water Report and Briefing Note no. 9 for detailed advice on the latest from the DPIE Water Town Water Risk Reduction Program team on the proposed approach to Integrated Water Cycle Management plan development including the opportunity to submit an EOI to pilot the co-design of a different approach to the development of IWCM Plans.
271119-6-P3a-Regional Transport Advocacy Policy, Prioritisation and Freight Links Mapping. 1. Provide updated mapping to the Board; and 2. Provide a review of the Advocacy Plan that identifies one or two priorities for the Board to focus its advocacy efforts.	JB	1. This work is being finalised by DPIE (Planning) and TfNSW at which point outputs will be adapted by the JO. Currently seeking a publishable format from TfNSW. 2. The Chair provided advice via a minute to the Board in February regarding priority where freight links were identified as one of two overall foci for this year's effort. Work is now underway with TfNSW on how this might look. Also noteworthy is the work being undertaken as part of the Federal Roads of Strategic Importance program. Please note the December 4 2020 meeting had a transport focus. A revised advocacy plan was provided to the March Board meeting. The current effort is in progressing a safe swift link between the two Wests. Please find a report elsewhere in this agenda in this regard.

Matters in Progress

Action	By	Update
<p>271119-P4-b-Regional Water Report.</p> <ol style="list-style-type: none"> 1. 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; 2. 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; 3. Seek to work through the Minister's office on 	MM	<ol style="list-style-type: none"> 1. a.to d. A Strategic Regional Water Committee comprising Mayors and GMs met on 1 April 2020. The ToR were endorsed by the Board at its May meeting and includes these heads of consideration. Work on these is on-going through the State Government's strategic water planning framework currently underway. See Regional Water report for recent submissions developed under Board policy advocating on these issues. 2. Every opportunity is being sought to engage early with WaterNSW on the Wyangala and Lake Rowlands to Carcoar Pipeline Projects. At the time of writing zoom presentations for Board members are being coordinated with WaterNSW for both projects. See Regional Water Report and Briefing Note no. 9. 3. See Regional Water Report. Advocacy on-going. Suggest deletion

Matters in Progress

Action	By	Update
developing a collaborative approach to water security in Central New South Wales within existing policy.		
271119-Supplementary motion on water policy That the Board seek advice on the correlation between surface and bore water and meet with the Minister as required.	MM	This has been added to the Advocacy Plan for Water. suggest deletion
271119-15a-Confidential Reports Regional Bridge Assessment Report 1. receive a report on options for a collaborative approach within three months to the repair and replacement of identified bridges; and 2. members give consideration to their participation in a collaborative approach and advise CNSWJO accordingly.	JB	1. A meeting was held in Bathurst on 13 February 2020 with Public Works Advisory, Transport for NSW and other JOs to discuss options for collaboration. This is moving slowly as TfNSW personnel are going through a restructure. Most recently the report was provided to Mr A Lunn as he seeks to find collaborative opportunities with the JO. The broader JO network has also been progressing conversations around aggregation working collaboratively with TfNSW. A workshop in this regard is anticipated in the near future. 2. Members of the transport technical committee are also looking at options to progress the findings of the report.
270220 – 7-Chairman’s Minute 1. Adopt the overall focus for the years to align with the Federal vision to grow the agricultural sector to \$100bn by 2030; 2. Note that this includes two priority areas of activity – these being: 1. Watering the West a. leveraging raising the wall at Wyangala and b. assuring urban water security in the CNSW region; and 2. Freight links 3. Adopt the priorities for inter-council cooperation as: a. Reporting value to members of the operational support program; and b. Supporting the sustainability of the broader JO network; 4. Adopt the priorities for regional prosperity as: a. Progressing support for the visitor economy; and b. Developing and monitoring the progress	JB	1 and 2 Where this is being implemented the Covid 19 situation is limiting the amount of face to face advocacy and events that can be undertaken. 3 and 4 and 7 The Mayoral Board reports from February included resolve in this regard. Regarding 4b and 7, please note reporting elsewhere in this agenda on the substantial activity being undertaken as part of the Energy Central Program. 5 Follow up has been undertaken. This focus remains and will be reviewed as part of the overall review of the CNSWJO Strategy after the Local Govt election in September.

Matters in Progress

Action	By	Update
<p>of the Regional Prosperity Subcommittee noting the agricultural focus;</p> <p>5. Encourage members to form or activate friendship agreements with Councils in Western Sydney;</p>		
<p>270220-P4a-Regional Water Report</p> <p>a. Seek advice from DPIE Water on project status and what the issues are holding up emergency water projects;</p> <p>b. Develop advocacy material identifying the problems and solutions in assuring urban water supply during the unprecedented drought;</p> <p>c. Advocate to the Premier, Deputy Premier, Minister for Water and respective agencies providing advice on the challenges and solutions for this region in securing water.</p>	MM	<p>Items a to c were discussed at the Regional Water Committee meeting (1 April 2020) and informed a Briefing Note for Minister Pavey and advocacy through the JO Chairs Forum (6 August 2020). These matters are now the subject of the Town Water Risk Reduction Program with ongoing advocacy by JO representatives through various forums.</p> <p>See Regional Water Report and Briefing Note no. 9</p>
<p>040620-14-Tourism Matters</p> <p>Advocate to LGNSW to coordinate a Regional Tourism Awards seeking support from Destination Network Country and Outback.</p>	JB	<p>DNCO have offered to progress this. A first meeting has been held. Follow up is being undertaken.</p>
<p>270820 – 7c-Report from the NSW JO Chairs' Forum</p> <p>1. seek a report from GMAC on the potential for the Joint Organisation to leverage its role to deliver value to members on waste;</p> <p>2. regarding the above ensure consultation is undertaken with key stakeholders including Netwaste;</p> <p>3. advocate to the Deputy Premier, the Hon John Barilaro and others for the Regional Development portfolio to have a formal policy role in the oversight and engagement of Joint Organisations.</p>	JB	<p>1 and 2 A stakeholder meeting is being coordinated and will include the findings of the work being undertaken through the Clean Energy Central Project with DPIE. Interest has been expressed from WRI, Netwaste, DPIE and RDA Central West.</p> <p>3 Correspondence sent to the Deputy Premier. The JO Executive Officer Network has met with Ms Fiona Dewar and a workshop in Sydney is being progressed to enable better integration with Regional NSW. Please request a verbal update.</p>
<p>270820-7h- Scoping Report of a regional promotion campaign</p>	JB	<p>The Board has resolved to progress leveraging the Regional Activators Alliance program through the Regional Australia Institute. Advice on progress of this initiative is provided</p>

Matters in Progress

Action	By	Update
<p>Provide a report to the Board that includes the following option:</p> <ol style="list-style-type: none"> 1. a significant promotion campaign over 5 years similar to that of Evocities; 2. tailored approach working with the Regional Australia Institute or other similar entities; and 3. a rework of the Beyond the Range site with associated marketing. 		<p>elsewhere in MIP. This is the focus of the current effort. Further advice will be provided in due course.</p>
<p>270820-7j-Water</p> <ol style="list-style-type: none"> 1. through the Regional Water Committee, receive scoping advice on the development of a Productive Water Position Paper and that this take into consideration specific feedback from members on water security issues impacting on their towns; and 2. seek feedback from member's Local Water Utilities on the State Water Strategy within existing policy, particularly on the need for ongoing governance and structural arrangements to ensure Local Government is included and remain at the table during implementation. 3. recognise the water security challenges for Oberon and seek to support them as a Board priority. 	MM	<ol style="list-style-type: none"> 1. Underway. Meeting was held with the Executive Officer, RAMJO on 5 February to discuss their approach to work on Productive Water. Scoping is in progress with a further report to be provided to the Board in due course. 2. Input to the submission to the State Water Strategy was sought and a submission made through the Executive and in line with Board endorsed policy on 28 March. Advocacy on this matter is ongoing. See Regional Water Report. Suggest deletion 3. Discussions are on-going with advocacy undertaken through the response to the Macquarie- Castlereagh Regional Water Strategy and other strategic work by the State Government.
<p>41220-9m-Western Link</p> <p>Work with TfNSW on aligned messages on road safety.</p>	JB	<p>Correspondence has been sent and follow-up through the Regional Integrated Transport Plan is anticipated.</p>
<p>41220 – 9n-Water update</p> <p>Endorse the development of a Case Study with Infrastructure Australia;</p>	MM	<p>See Regional Water report and Briefing Note no. 9. Suggest deletion</p>
<p>41220-11-Wastewater Training Contract</p> <ol style="list-style-type: none"> 1. seek to negotiate with TAFE on the proposed agreement; and 2. delegate the acceptance of the negotiated position to the Sponsoring General Managers for Training and 	KB	<p>TAFE has advised that the contract was not required in order to progress the enrolments. No further negotiation has taken place. Suggest deletion</p>

Matters in Progress

Action	By	Update
the Inter-Council Cooperation Priority.		
110321 – Budget and Statement of Revenue Policy 2021-2022 <ol style="list-style-type: none"> 1. adopt Option 3 for the budget and fee structure for the 2021/2022 financial year with amendment of reducing the fees to Central Tablelands Water by \$5K and increasing the deficit to \$35K; 2. publish the Draft Budget and Statement of Revenue Policy for 2021-2022 on the website for 28 days; and 3. seek to adopt the approved version at the next Board meeting. 	JB	<p>A draft was placed on the website in March for 28 days and no feedback was received.</p> <p>It is seeking endorsement at the June meeting.</p>
110321-Energy Program Undertake an audit of lighting as provided by Essential Energy LED upgrade program.	KB	The audit is progressing. Advice will be provided in due course.
110321- Visitor Economy Strategy <ol style="list-style-type: none"> 1. use the advice in the Tourism Strategy to inform the next round of strategic work; 2. make changes to the document in line with feedback from members; 3. receive advice from members on priority tourism infrastructure investment; and 4. implement short term programming within existing resource as suggested in the Plan with a report to be provided to the May Board meeting. 	JB	<p>See report to this meeting</p> <p>Suggest deletion</p>
110321- A 20-Year Economic Vision for Regional NSW – Refresh <ol style="list-style-type: none"> 1. work with RDACW and the Regional Prosperity Committee on ensuring opportunities in the Regional 	JB	<p>1and 2 This matter was raised with the Regional Prosperity Subcommittee Friday 14 May. Feedback from EDOs was included. Further work is anticipated and will be reported to the Board.</p> <p>3. Advice has been sought from members seeking case studies. Some advice has been provided.</p>

Matters in Progress

Action	By	Update
<p>20-Year Economic Vision are realised in Central NSW;</p> <p>2. Seek feedback from members on the REDs to inform this discussion; and</p> <p>3. Seek local case studies on skills shortages to inform a position paper on skills required to inform a codeveloped report with RDACW;</p> <p>4. seek advice from Inland Rail, Wyangala Dam, the Newell Highway taskforce and TfNSW and Regional Growth NSW Development Corporation on the outcomes from their work on traineeships.</p>		<p>4. A meeting was held with representatives of Water NSW and Water Infrastructure NSW. Advice in that regard is provided separately in this agenda.</p>
<p>110321-12-Matters raised by members</p> <p>1. Orange - is seeking support for airports in Central NSW to have the same support as Merimbula for tourism ticketing</p> <p>2. Weddin – suggesting members work with LGNSW on agreed position on ESL</p>	JB	<p>1. Support is been provided to Orange by request. Suggest deletion</p> <p>2. LGNSW attended the April GMAC meeting – this item was raised and further advocacy is being undertaken through the NSW JOs. Meetings are being held with IPART 27 May and clarification is being sought as to the way in which the recent changes to the Local Government Act regarding ESL will be interpreted in terms of charging.</p>
<p>290421- Special meeting -6a - NAMAf</p> <p>1. Central NSW Joint Organisation Asset Management Maturity Assessment Consolidated Benchmarking and Regional Report April-May 2020 be adopted;</p> <p>2. Member Councils commit to ongoing collaboration through the formation of a Working Group on Asset Management to</p> <p>d. review and prioritise areas where Councils across the region are below core functions including:</p>	MM	<p>1. Email circulated to GMs on 13 May seeking nominations for the working party with a meeting to be convened in mid-July. Suggest deletion</p>

Matters in Progress

Action	By	Update
<ul style="list-style-type: none"> • Governance and management; • Levels of service – understanding gaps – actual vs expectations; • Strategy; • Skills and processes; • Data and systems; • Evaluation; <p>e. Share and build capacity—including presentations to the Group by Councils leading practice in specific areas; and</p> <p>f. Look at basic training in asset management and Levels of Service including for Councillors for roll-out from Sept-October 2021;</p> <p>3. The Working Group include a minimum of 1 person from each Council to meet three times in 2021; and</p> <p>4. The Working Group co-design their Terms of Reference at their first meeting and potentially engage with the IPWEA Asset Management panel</p>		
<p>290421-Special meeting - 6b Confidential: Contract for Asset Revaluation Services for Water and Sewer</p> <ol style="list-style-type: none"> 1. accept the tender by Australis Asset Advisory Group; 2. enter into a contract with Australis Asset Advisory Group for Asset Revaluation Services for Water and Sewer on behalf of participating member councils; and 3. advise all tenderers of the decision in accordance with clause 179 of the Regulation. 	KB	<p>Complete.</p> <p>A variation has been executed to include Central Tablelands Water into the regional contract.</p> <p>Suggest deletion.</p>

Matters in Progress

7. Reports on Statement of Regional Strategic Priority

Priority One: Inter-Council Co-operation

a. Financial Report

Regional Strategic Priorities	1.1 Governance arrangements enable inter-council co-operation.
Portfolio Mayor	Cr John Medcalf, OAM
Sponsoring General Manager/s	Mr B Byrnes and Mr G Tory

Report by Ann Thomas and Jenny Bennett, 18 May 2021

Recommendation/s
That the Board note the Financial Report.

This report presents the financial accounts at 18 May 2021. This report anticipates a full year loss of \$229,570 at 30 June 2021 against a budgeted loss of \$234,076. Taking into account prior year surpluses carried over it is anticipated that the surplus at 30 June 2021 will be \$345,517.

This report includes all staff wages and costs for the first three quarters of the financial year to 31 March 2021 with costs tracking close to budget. This report also includes income from management fees for the three quarters to 31 March with these figures also tracking well to budget.

An extensive review of the internal reserve for the CWUA Developer Services Plan Project has been conducted. The reserve of \$47,930 has been carried forward from previous years however this project is no longer active. This project turned out to be a lot more complex and time consuming than anticipated as a result of the original contractor going into liquidation mid way through the project and the work being completed by a second contractor. In addition there was a change to the DSP guidelines issued by DPI through their Best Practice Framework and also changes in personnel within the Councils making data collection difficult. Variations to the original contract were also carried out during the life of the project. During the recent review of the project it was decided that the most prudent way to wrap up the project was to refund surplus funds to Lachlan and Forbes Councils as they did not complete the project and for the remainder of the surplus funds to be reallocated to the Water Utilities Alliance to cover the extra resources that were required to manage this challenging project.

As we are approaching the end of the financial year a review of all income and expenditure budgets has been conducted and adjustments have been made to the anticipated figures.

Attachment/s: Nil

Central NSW Joint Organisation

Financial Position at 18 May 2021

	Budget 2020/2021	Actual 18/05/2021	Anticipated 30/06/2021
Income			
CNSWJO Membership Fees	261,804	261,804	261,804
CWUA Best Practice Program	241,045	241,045	241,045
Regional Tourism Group Membership	137,438	133,396	137,438
CNSWJO Operational Membership	102,600	102,600	102,600
WRAS Contributions	9,267	9,267	9,267
	\$752,154	\$748,112	\$752,154
BPAP contribution from other JOs - Stages 2 to 6	48,750	60,373	60,373
	\$48,750	\$60,373	\$60,373
CWUA - Smart Approved Watermark		38,760	38,760
	\$0	\$38,760	\$38,760
Energy - Mgt Aggregated Electricity Procurement		6,000	6,000
	\$0	\$6,000	\$6,000
HR - Regional Training Service Income	100,000	227,458	230,000
HR - Online Training & Other HR Modules	210,003	200,522	210,003
	\$310,003	\$427,980	\$440,003
Regional Tourism Group - Council Reimbursements		36	36
Regional Tourism Group - ATDW Refund		945	945
	\$0	\$981	\$981
Management Fees from Contracts	103,858	90,170	103,858
Management Fee from LGP	70,000	44,582	44,582
	\$173,858	\$134,752	\$148,440
Copyright Licence	17,700	19,093	19,093
Vehicle Lease Back EO	4,400	3,396	4,500
Vehicle Lease Back CWUA	5,300	4,244	5,500
Vehicle Lease Back Operational Program Mgr	5,000	4,140	5,300
Interest	1,000	422	450
Member Council/Consultant Expenses to be reimbursed		13,350	13,350
	\$33,400	\$44,645	\$48,193
Total Income	\$1,318,165	\$1,461,603	\$1,494,904

Reports

Expenditure

Executive Officer Costs	230,000	163,580	225,000
Executive Officer Vehicle Costs & Depn	13,000	1,236	10,500
Operational Program Manager	120,000	85,133	120,000
Operational Program Manager - Vehicle costs	13,500	9,750	13,000
Finance Manager	65,000	57,536	70,000
Training & Program Support Officer	55,000	42,678	55,000
Executive & Programs Assistant	65,000	53,038	65,000
CWUA Program Manager & Program costs	122,721	76,794	122,721
CWUA Membership & Benchmarking Program	118,324	42,000	118,324
CWUA Smart Approved Watermark		38,760	38,760
Regional Tourism Group	137,438	16,495	137,438
BPAP - Stages 2 to 6	65,000	41,744	85,920
Energy - Southern Lights Project	15,000	4,297	15,000
Energy - EV Infrastructure Mapping	40,000	33,977	40,000
Energy - Mgt Aggregated Electricity Procurement		6,000	6,000
HR - Training Service Costs	100,000	135,011	230,000
HR - Online Training & Other HR Modules	196,191	200,522	200,522
HR - WHS Inductions Online Subscription		980	980
CBD Project	50,000		50,000
Regional Medical Student Scholarship	15,000	15,000	15,000
WRAS	9,267	9,267	9,267
Advocacy	15,000	16,885	17,500
Accounting/Audit	30,000	6,500	25,500
Bank Fees and Sundry costs	2,500	596	1,000
Computer Software/Licences	5,000	2,290	3,000
Copyright Licence	17,800	19,195	19,195
Depreciation (excl vehicles)	2,000		2,297
Internet Cloud	10,000	6,246	7,000
Legal	7,500	2,000	4,000
Member Council/Consultant Expenses to be reimbursed		13,350	13,350
Printing/Stationery/Postage	2,000	83	200
Summit	20,000		0
Supply Management Administration	5,000		0
Zoom Conferences	2,000	786	1,000
Website Hosting and costs	3,000	925	2,000
Total Expenditure	\$1,552,241	\$1,102,653	\$1,724,474

Net Profit/Loss

-\$234,076	\$358,950	-\$229,570
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Reports

Non-Budgeted Other Income

Net Assets Transferred from Centroc (final)

\$14,168.06	\$14,168.06
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Non-Budgeted Expenditure**CNSWJO Reserves from 2019/20 and previous years**

CWUA Best Practice Program
 CWUA - Developer Service Plans
 Central NSW Regional Tourism Group
 Central NSW Regional Tourism Group - DNCO Grant (external)
 Energy - Mgt Aggregated Electricity Procurement
 Energy Project
 Grant - Energy Workshops -Office of Environment & Energy (external)
 Grant - Growing Local Economies (external)
 Grant - Regional NSW - Orange 360 Business Case - (external)
 Inter-Council Cooperation Reserve - Procurement
 Roads and Transport Group

20,502	20,502	20,502
47,930		47,930
105,630	105,630	105,630
5,175	5,175	5,175
6,000	6,000	6,000
43,992	215	45,762
1,770	0	0
40,900	10,300	41,200
23,323	23,023	23,023
46,564	5,757	46,564
27,201	223	27,201
\$368,987	\$176,824	\$368,987

Net Profit/Loss after Non-Budgeted Income and Expenditure

\$196,294	-\$584,389
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CNSWJO/Centroc Accumulated Surplus at 30 June 2020**\$799,389****OLG Capacity Building funding surplus at 30 June 2020****\$130,517****Anticipated Surplus at 30 June 2021****\$345,517**

b. Budget and Statement of Revenue Policy 2021-2022

Regional Strategic Priorities	1.2 Governance arrangements enable inter-council co-operation.
Portfolio Mayor	Cr John Medcalf, OAM
Sponsoring General Manager/s	Mr B Byrnes and Mr G Tory

Report by Jenny Bennett and Ann Thomas dated 18 May 2021

Recommendation/s
That the Board note the Report on the Budget and Statement of Revenue Policy 2021/2022 and endorse the 2021/2022 Budget and Statement of Revenue Policy.

Precis

It is a requirement of the Joint Organisation that it adopt a Statement of Revenue Policy for 2021/2022.

A draft was adopted by the Board at its meeting March 11 2021. This draft was placed on the website for comment on March 13. No feedback has been received. It is now being provided for endorsement.

Reason for this report**2021/2022 Budget considerations**

It is noteworthy that there is a review of Joint Organisations being undertaken by OLG at this time. It is important that advice on the increased costs of running the JOs as well as the reduced income of the model as it currently operates in Central NSW is provided to the State.

Each year CNSWJO has gradually filled this widening gap between income and expenditure. It has been agreed that 2021/2022 continues to run at a deficit and that fees be structured and expenditure curtailed to deliver a \$35k loss.

The Board resolved in March that this be the last year a budgetary loss be entertained as surplus funds available to be carried over each year are being exhausted.

To achieve a result of a \$35K loss for the coming financial year the following has been adopted:

1. Given the ongoing Covid period, the Summit cost of \$20k has been removed and will be funded from reserves if it eventuates.
2. The CWUA fee structure has been revised up to cover costs where these have been absorbed by previous surpluses in this budget but are now exhausted.
3. \$40K from the Tourism budget has been allocated to CNSWJO staff costs to reflect their resourcing of this project.
4. The fee structure also reflects updates in population and water connections which form the basis for some of the fee calculations. This has led to those Councils with growing communities

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paying a greater percentage of costs for the membership and administration fee and the CWUA fee. Operational fees remain flat, however it should be noted that the operational fees now incorporate the per-Council cost of the WHS online induction program fees, as per a report to the Board in June 2020.

Attachment/s: Nil

CNSWJO FEE TOTALS FOR 2021/2022

(WRAS figures provided)

Excludes GST

	CNSWJO	OPERATIONAL	CENTROC	Assoc. Memberships	TOURISM	WRAS	Total Fees	Previous Year
	Membership & Administration	Program	WATER UTILITIES ALLIANCE	& Benchmarking Programming			2021/2022	Fees
COUNCIL								
Orange	59,314	10,465	39,218	12,114	19,645	2,525	143,281	128,773
Bathurst	60,670	10,465	32,741	12,114	19,645	2,595	138,230	128,114
Parkes	27,236	10,465	17,673	12,114	11,787	882	80,157	76,801
Cabonne	30,121	10,465	7,171	12,114	11,787	811	72,469	71,048
Cowra Shire Council	24,803	10,465	15,589	12,114		758	63,729	57,027
Cowra Tourism Corp					11,787		11,787	16,169
Forbes	21,508	10,465	11,959	12,114	5,893	589	62,528	60,249
Lachlan	18,118	10,465	9,990	12,114	5,893	361	56,941	55,824
Oberon	17,479	10,465	7,581	12,114	5,893	321	53,853	52,798
Blayney	18,572	10,465	2,000	5,834	5,893	439	43,203	42,207
Weddin	14,197	10,465	2,000	5,834	1,964	214	34,674	32,356
Central Tablelands Water	10,000		14,078	12,114			36,192	30,788
TOTAL	302,018	104,650	160,000	120,694	100,187	9,495	797,044	752,154

Changes to base calculations

*Minimum 2% IPART increase on previous year total fees

*\$10,000 flat fee + capitation for membership & administration fee

*Update to 2019 population data

*Update to 2020 water connection data

Central NSW Joint Organisation Budget - 2021/2022

	Budget 2021/2022
Income	
CNSWJO Membership Fees	302,018
CWUA Best Practice Program	280,694
CNSWJO Regional Tourism Group	100,187
CNSWJO Operational Membership	104,650
WRAS	9,495
	\$797,044
 CWUA -Smart Approved Watermark	 39,535
	\$39,535
 HR - Regional Training Service Income	 60,000
HR - Online Training & Other HR Modules	280,000
	\$340,000
 Management Fees from Contracts	 120,000
Management Fee from LGP	55,000
	\$175,000
 Copyright Licence	 19,000
Vehicle Lease Back EO	4,500
Vehicle Lease Back CWUA	5,500
Vehicle Lease Back Operational Program Mgr	4,900
Interest	1,000
	\$34,900
 Total Income	 \$1,386,479

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Expenditure

Executive Officer Costs	205,000
Executive Officer Vehicle Costs & Depn	13,500
Operational Program Manager	125,000
Operational Program Manager - Vehicle costs	13,500
Finance Manager	70,000
Training & Program Support Officer	55,000
Executive & Programs Assistant	70,000
CWUA Program Manager & Program costs	160,000
CWUA Membership Program & Benchmarking Program	120,694
CWUA - Smart Approved Watermark	39,535
CNSWJO Regional Tourism Group	100,187
WRAS	9,495
HR - Training Service Costs	58,000
HR - Online Training & Other HR Modules	280,000
Regional Medical Student Scholarship	15,000
Advocacy	10,000
Accounting/Audit/Payroll	30,000
Bank Fees and Sundry costs	2,500
Computer Software/Licences	3,000
Copyright Licence	19,100
Depreciation (excl vehicles)	2,000
Internet Cloud	8,000
Legal	5,000
Printing/Stationery/Postage	1,000
Supply Management Administration	2,500
Zoom Conferences	1,500
Website Hosting and costs	2,200
Total Expenditure	\$1,421,711
Net Profit/Loss	-\$35,232

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Draft Budget and Statement of Revenue Policy 2021- 2022

Under the Local Government Act, the Joint Organisation must adopt a Draft Statement of Revenue and Budget and exhibit it. Once feedback has been taken into consideration, the document must be adopted.

It is noted that the Statement of Revenue and Budget would be adopted at a meeting in May and the Statement of Revenue with the agreed budget from this meeting will be placed on the website, to fit with timeframes.

Budget and Statement of Revenue Policy 2021-2022

The Central NSW Joint Organisation's revenue and accounting policies are kept in accordance with the Australian Accounting Standards Board. CNSWJO abides by the:

- *Local Government Act (1993)*
- *Local Government (General Regulation 2005)*
- *Local Government Code of Accounting Practice & Financial Reporting*

1. Financial Contributions by Member Councils

Financial contributions by member Councils fall into two categories. Firstly, membership fees are levied from all member councils in order to perform the principal functions of delivering on strategic regional priorities, regional leadership and intergovernmental cooperation. The second category is for optional contributions from participating councils for a program of other functions enhancing strategic capacity and direct service delivery. Strategic work by the Joint Organisation will determine the nature of this program.

As outlined in its Charter, the Central NSW Joint Organisation (CNSWJO) member councils must contribute financially based on the following methodology:

- a. The annual financial contribution required to be made by each Member Council is to consist of:
 - i. base fee of the same amount for each Member Council; and
 - ii. a capitation fee [based on the number population drawn from ABS census figures].
- b. The annual financial contribution required to be made by each Associate Member is to be based on a methodology adopted by the Board.

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- c. The amount of the base fee, capitation fee and financial contribution by Associate Members for a financial year is to be determined prior to the start of that year by Resolution of the Board.

For 2021-2022, contributions from member councils of the Joint Organisation of \$797,044 has been determined with the following breakdown:

- Membership & Administration: \$302,018
- Membership of various programs: \$495,026
(Operational, CNSWJO Water Utilities' Alliance, Tourism & Western Region Academy of Sport)

2. Fees & Charges

Under the Local Government Act 1993, the CNSWJO may charge and recover an approved fee for its services.

CNSWJO must consider the following when establishing approved fees:

- The cost of provision of the service
- Recommended prices suggested by outside bodies
- The importance of the service
- Legislation that regulates certain fees
- Goods & Services Tax legislation.

3. 2021-2022 Income Statement

Central NSW Joint Organisation Budget - 2021/2022

	Budget 2021/2022
Income	
CNSWJO Membership Fees	302,018
CWUA Best Practice Program	280,694
CNSWJO Regional Tourism Group	100,187
CNSWJO Operational Membership	104,650
WRAS	9,495
	\$797,044
CWUA -Smart Approved Watermark	39,535

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	\$39,535
HR - Regional Training Service Income	60,000
HR - Online Training & Other HR Modules	280,000
	\$340,000
Management Fees from Contracts	120,000
Management Fee from LGP	55,000
	\$175,000
Copyright Licence	19,000
Vehicle Lease Back EO	4,500
Vehicle Lease Back CWUA	5,500
Vehicle Lease Back Operational Program Mgr	4,900
Interest	1,000
	\$34,900
Total Income	\$1,386,479

Reports

Expenditure	
Executive Officer Costs	205,000
Executive Officer Vehicle Costs & Depn	13,500
Operational Program Manager	125,000
Operational Program Manager - Vehicle costs	13,500
Finance Manager	70,000
Training & Program Support Officer	55,000
Executive & Programs Assistant	70,000
CWUA Program Manager & Program costs	160,000
CWUA Membership Program & Benchmarking Program	120,694
CWUA - Smart Approved Watermark	39,535
CNSWJO Regional Tourism Group	100,187
WRAS	9,495
HR - Training Service Costs	58,000
HR - Online Training & Other HR Modules	280,000
Regional Medical Student Scholarship	15,000
Advocacy	10,000
Accounting/Audit/Payroll	30,000
Bank Fees and Sundry costs	2,500
Computer Software/Licences	3,000
Copyright Licence	19,100
Depreciation (excl vehicles)	2,000
Internet Cloud	8,000
Legal	5,000
Printing/Stationery/Postage	1,000
Supply Management Administration	2,500
Zoom Conferences	1,500
Website Hosting and costs	2,200
Total Expenditure	\$1,421,711
Net Profit/Loss	-\$35,232

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c. Regional Procurement and Contracts

Regional Strategic Priorities	1.2 Deliver cost savings and other value to member councils through aggregated procurement
Portfolio Mayor	Cr John Medcalf, OAM
Sponsoring General Manager/s	Mr B Byrnes and Mr G Tory

Report by Jenny Bennett and Kate Barker, dated 25 May 2021

Recommendation/s
<p>That the Board notes the report on Regional Procurement and Contracts and</p> <ol style="list-style-type: none"> 1. approves the JO to conduct a new procurement process for linemarking services to commence on or after 1 December 2021; 2. note that the income derivation models for JO procurement is being investigated through Stage 3 of the BPAP Project; 3. reiterate the policy position of November 2019 being that income models for procurement would remain as is until the BPAP project is finalised; 4. receive a report on heads of consideration for income from procurement to the next Board meeting noting the project is planned to be completed at this time; 5. approves the extension of the bulk fuel contract for a period of 12 months to 30 June 2022 noting the contracts are with individual councils; 6. approves a 3-month extension of the Best Practice in Aggregated Procurement Program – Stages 2 to 6 contract with Western Research Institute until 30 September 2021; 7. note the extension of the contract with Everengi for the EV Charging Infrastructure Mapping project; and 8. note members' advice that there is insufficient interest for a new regional coldmix contract.

For determination
<p>That the Board determine which one of the following income model options is the most appropriate to apply to the new linemarking services contract:</p> <ol style="list-style-type: none"> a. option 1 - contract management fee of 2% payable by supplier/s (business as usual) b. option 2 - up-front flat fee of \$2,732 per council in the year of procurement c. option 3 - up-front fee per council based on estimated contract spend

Precis
<p>Members currently procure varying goods and services through regional contracts administered by CNSWJO.</p> <p>This report seeks that the Board approve a new procurement process for linemarking services for member councils and determines the most appropriate income model for the contract, along with approving contract extensions for bulk fuel and the Best Practice in Aggregated Procurement Program – Stages 2 to 6.</p>

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 General Managers are notified of the background and asked to approve the process

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prior to a report going to the Board. 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.

The current policy position for income to the JO is a contract management fee which is a percentage incorporated into the contract price, in addition to a one-off fee of \$1,000 for non-member councils to participate in the program. This approach currently provides an annual income stream of approx. \$100k to the JO.

In November 2019, the Board received a report regarding the income structure for the JO procurement program, and subsequently resolved inter alia:

- 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 (Cr K Beatty/Cr B West)**

In line with previous reports containing advice on income streams and subsequent Board resolutions, it is recommended that the Board continue with the business-as-usual approach to income streams for the JO procurement program until such time as the Best Practice in Aggregated Procurement Program is finalised.

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

Discussion

Linemarking Services

The contract for linemarking services is due to expire on 30 November 2021 after an initial 1-year term followed by two 1-year extensions. As this contract is used consistently by member councils, it was resolved at the April GMAC meeting to commend to the Board that it approves CNSWJO to conduct a procurement process for a new contract to commence on 1 December 2021. Members of the Roads Technical Committee were canvassed for their interest in a new contract with 9 councils responding expressing their desire for a new regional contract.

The spend through the regional linemarking services contract for the past three financial years can be seen below:

Linemarking Services	2018/2019	2019/2020	2020/2021 (to 31 March 2021)	Total
Bathurst	\$96,831	\$77,437	\$72,134	\$246,401
Blayney	\$25,998	\$38,112	\$10,273	\$74,383
Cabonne	\$131,108	\$278,249	\$247,018	\$656,375
Central Tablelands Water	\$0	\$0	\$0	\$0

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Cowra*	\$0	\$0	\$0	\$0
Forbes	\$90,520	\$232,911	\$21,996	\$345,427
Lachlan	\$0	\$171,050	\$0	\$171,050
Oberon	\$57,783	\$15,820	\$53,398	\$127,002
Orange	\$166,693	\$218,722	\$131,392	\$516,807
Parkes	\$162,616	\$158,384	\$36,017	\$357,016
Weddin	\$0	\$37,391	\$67,536	\$104,928
Total	\$731,548	\$1,228,075	\$639,764	\$2,599,388
Mid-Western	\$184,257	\$167,173	\$184,816	\$536,246

* Cowra Shire Council did not participate in the previous regional contract for linemarking services as it had its own contract already in place; however, staff have provided advice that they intend to participate in the upcoming process.

Income Models

At the April 2021 GMAC meeting, it was resolved that the JO would provide a report to the Board including financial analysis of an upfront payment for the new linemarking services contract instead of the 2% contract management fee.

Through the BPAP program, alternate income models have been analysed which is the basis for the financial analysis for options 2 and 3 for this proposed contract.

Option 1: contract management fee payable by supplier/s (business as usual)

CNSWJO currently receives a management fee of 2% of total spend of the linemarking services contract, which provides an annual income to the JO of approx. \$16-26k depending on the volume of services procured by participating member councils. Option 1 is to continue with a 2% contract management fee payable by the supplier/s where the 20/21 budget includes \$20k income from the linemarking services contract.

Option 2: flat fee to councils when they agree to participate in a procurement process (BPAP Stage 3 Method 6)

Nine income methods were analysed through the BPAP program, with the 'upfront payment' requested at GMAC being Method 6.

This option as an up-front fee is based on an equitable division of the resource based on the assumption that all councils enjoy the same levels of service from the CNSWJO procurement and contract management service.

CNSWJO currently administers over 20 contracts, with the BPAP Stage 3 report advising that for this volume of contracts a minimum of 1.5 full time equivalent (FTE) staff would be required. The JO currently has 0.9 FTE dedicated to the procurement program with other staff providing support. The income and costs for BPAP Stage 3 Method 6 are outlined in the following table:

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Method 6: Flat fee to councils when they agree to participate in a procurement process – indicative budget

This budget is indicative only and uses the cost basis from Central NSW JO aggregated procurement services. Amounts are based on 20 contracts.

Income – indicative only

Total fees paid by councils across 20 contracts - to achieve break even	\$182,150
Income received from the rebate from Local Government Procurement – estimate	\$50,000
Vehicle lease back fees – private use of car	\$5,000
Internal transfer of JO support costs – based on wages costs of JO staff and hours they spend on procurement	\$89,384
Total income	\$326,534

Expenses – indicative only

Procurement staff - assume 1.5 EFT staff – includes vehicle	\$192,150
Finance officer (part time)	\$35,000
Legal and software costs	\$10,000
Internal transfer - costs for staff support services from JO	\$89,384
Total expenses	\$326,534

Profit/loss	\$0
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Accordingly, if councils were to pay an upfront fee for the linemarking services contract rather than a percentage contract management fee paid by the supplier (and incorporated into the costs paid by councils whether it be absorbed by the provider or passed through to council), the total cost would be as follows:

Annual income required to breakeven	\$182,150
Divided by 20 contracts	\$9,107.50 per contract per year
Divided by 10 councils	\$910.75 per contract per council per year
3-year contract	\$2,732 per council per 3 year-contract

Option 3: upfront fee to councils based on estimated contract spend (BPAP Stage 3 Method 7)

At the request of a General Manager, another alternate method based on value of spend per Council has also been analysed as a late request. This income method is based on BPAP Stage 3 Method 7.

Like Option 2, this method assumes a total of 20 contracts. The difference is that the annual costs for the JO to provide the procurement and contract management services to members is apportioned based on contract spend, not of the value to members of the CNSWJO procurement resources required to deliver the service.

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Method 7: Contract fee based on the spend a council estimates at start of a procurement or start of the financial year based on volume estimates - indicative budget

This budget is indicative only and uses the cost basis from Central NSW JO aggregated procurement services. Amounts are based on 20 contracts.

Income – indicative only

Council paid amounts on a per contract basis over the 20 contracts. – this is the break even point	\$182,150
Income received from the rebate from Local Government Procurement – estimate	\$50,000
Vehicle lease back fees – private use of car	\$5,000
Internal transfer of JO support costs – based on wages costs of JO staff and hours they spend on procurement	\$89,384
Total income	\$326,534

Expenses – indicative only

Procurement staff - assume 1.5 EFT staff – includes vehicle	\$192,150
Finance officer (part time)	\$35,000
Legal and software costs	\$10,000
Internal transfer - costs for staff support services from JO	\$89,384
Total expenses	\$326,534

Profit/loss	\$0
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Using the linemarking services spend over the 3-year contract, the following amounts would be payable by each participating council. For consistency of analysis, spend by non-member councils has not been included.

Annual income to breakeven	\$182,150
Divided by 20 contracts	\$9,107.50 per contract per year
3-year contract	\$27,320 per 3-year contract

Council	Spend over previous 3-year contract [#]	Percentage of total spend	Value of apportioned income
Bathurst	\$246,401	9%	\$2,462
Blayney	\$74,383	3%	\$743
Cabonne	\$656,375	24%	\$6,558
Central Tablelands Water	\$0	0%	\$0
Cowra*	\$135,000	5%	\$1,349
Forbes	\$345,427	13%	\$3,451
Lachlan	\$171,050	6%	\$1,709
Oberon	\$127,002	5%	\$1,269
Orange	\$516,807	19%	\$5,164
Parkes	\$357,016	13%	\$3,567
Weddin	\$104,928	4%	\$1,048
Total	\$2,734,389	100%	\$27,320

* While Cowra Shire Council did not participate in the previous regional contract for linemarking services, staff have provided advice that they intend to participate in the upcoming process. The estimated annual spend over the 3-year contract has been included in the table above to calculate the apportioned income more accurately.

[#] spend is just less than 3 years as the final quarter of the current FY has not yet passed.

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This method assumes the fee is payable by each council to the JO in the year of procurement and expended over the life of the 3-year contract where ongoing contract management costs are incurred by CNSWJO staff resources. It also assumes that the total fee would rely on member councils only, and any participation by non-members would be additional income.

The current contract includes Mid-Western Regional Council who were charged an upfront fee of \$1,000 to participate in the 2018 procurement process as per existing policy, in addition to the percentage contract management fee included in the contract. Based on the estimated spend by Mid-Western Regional Council of \$536k over the 3-year contract, the estimated cost to participate would be approx. \$5,500. At this stage CNSWJO has not tested this approach with non-member councils and assumes that given the jump in cost to participate it would be unlikely to participate, therefore the pricing is based on member councils only.

Other Commentary

The analysis of income models for the JO procurement service assumes that the LGP rebate to the JO will remain constant. This has not been the case in recent years where it has been steadily declining with only \$45k being received in 2020/2021. Should this decline continue, the total annual income required to breakeven will increase beyond what is shown in the table above.

It should also be noted that the 2021/2022 budget has \$20,000 from the linemarking services contract contributing to the total income from contract management fees. Should the Board resolve to move to either option 2 or 3, being up-front models, this will create a deficit in the upcoming budget where \$9,108 (\$27,320 per 3-year contract) would not sufficiently cover the procurement program expenses of the 2021/2022 financial year as the remainder would be expended over the 2 remaining years of the proposed linemarking services contract.

The BPAP Stage 3 report on income models forms an attachment to this report to provide further background on the methods analysed. It should also be noted that the required level of contract management differs from contract to contract, so while the above assumes all contracts require equal effort, this is not always the case.

The Board is requested to determine the most appropriate income method for the upcoming linemarking services contract taking into account the income methods outlined above.

Bulk Fuel Contract

The existing bulk fuel contract expires on 30 June 2021, where there are currently 6 providers on the panel. Interest has been sought from members on the use of the 12-month extension available. All 10 participating member councils confirmed their desire to extend the contract. It is recommended that the Board approves the extension of the bulk fuel contract for a period of 12 months to 30 June 2022. It is noted that the contracts for the supply of bulk fuel are held between individual councils and the service providers, not with the JO.

Currently councils use a combination of the 6 providers on the panel, being Dib Group, GBS Distributions, Liberty Oil, Lowes, Oilsplus and Park. While it is requested that the extension be broadly approved for all 6 providers, each council will be able to choose which of the providers to extend the contract with.

The total spend under the contract from 1 July 2019 (contract commencement) to 31 March 2021 is as follow:

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Bulk Fuel	2019/2020	2020/2021 YTD
Bathurst	\$791,610	\$527,011
Blayney	\$449,677	\$231,291
Cabonne	\$819,800	\$463,424
Central Tablelands Water	\$0	\$0
Cowra	\$691,492	\$352,464
Forbes	\$316,115	\$245,317
Lachlan	\$732,703	\$445,295
Oberon	\$371,361	\$271,014
Orange	\$383,431	\$252,640
Parkes	\$510,947	\$383,828
Weddin	\$167,119	\$147,130
Total	\$5,234,254	\$3,319,414

For clarity, the bulk fuel contract is already in place with a 0.15% contract management fee included. The request for approval of the contract extension of the bulk fuel contract does not form part of the income method discussion above for the linemarking services contract.

Electric Vehicle Infrastructure Mapping

Through the CNSWJO Chair, the contract with Everergi has been extended for a further 2 months to allow sufficient time to complete the report, with the contract now expiring on 31 May 2021. A draft report was provided in early 2021, with meetings held with each Council in March to finalise the mapping routes and key sites for EV chargers. These meetings resulted in several amendments being required for the Council-specific sections.

The final version of the report forms an attachment to the Energy Program report elsewhere in this business paper.

Best Practice in Aggregated Procurement

While the project is progressing well, there have been delays recently due to unexpected health issues with the principal consultant working on Stages 2-6 of BPAP. Other staff members are stepping in to finalise the remainder of the project, however an extension of 3 months has been requested by Western Research Institute to enable them to complete the project. The original contract expiry was 30 June 2021.

The Board is requested to approve an extension of the Best Practice in Aggregated Procurement Program – Stages 2 to 6 contract with Western Research Institute until 30 September 2021.

An extension will also be requested from the Office of Local Government as this project is one of the key projects funded by the JO Capacity Building program.

Coldmix Asphalt

The existing regional contract for coldmix asphalt is due to expire on 31 May 2021. Members of the Transport Technical Committee were asked to provide advice as to whether there was interest in the JO conducting a new regional procurement process, noting there has been very low spend under the contract in its 3 years of operation.

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The Committee agreed that due to low spend by members and availability of the goods on the LGP contract that there was insufficient interest to warrant a new regional process, noting the high level of resources required to conduct such a process.

Financial Implications

Many contracts administered by CNSWJO contain a contract management fee which is a percentage of total spend by members under the contract. The management fee is incorporated into the cost to councils for the goods or services and is paid to CNSWJO directly by the provider, usually on a quarterly basis. The models for income derivation for the JO through procurement activities is being reviewed through the BPAP Program due for completion by the next Board meeting.

Conclusion

The Best Practice in Aggregated Procurement program is underway, with one of the stages being dedicated to analysing alternate income models for JO procurement. While the entire BPAP project is not yet complete, Stage 3 focuses on income models with methods 6 and 7 being used in the financial analysis within this report to identify the costs for an up-front fee model, for both flat fee and based on percentage of total regional spend.

The Board is asked to determine the preferred fee model for the linemarking services contract which is due to commence in December 2021, in addition to approving a new procurement process for linemarking services, and an extension for the bulk fuel contract and the BPAP contract.

Attachment/s:

1. BPAP – Stage 3 income models report.

d. Energy Program

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

Report by Kate Barker, dated 25 April 2021

Recommendation/s
<p>That the Board notes the report on the Energy Program and</p> <ol style="list-style-type: none"> 1. note that the advice within the EV Charging Infrastructure report on the AREMI mapping is being progressed through the DPIE energy program with a research project being sought through RACE for 2030 with a focus on the nexus between renewable energy and grid capacity and stability; 2. note that work is progressing on the streetlight audit; 3. adopt the Regional Electric Vehicle Charging Infrastructure report; and 4. note the Regional EV Charging Infrastructure report will be used in funding opportunities to support the growth of EVs and EV charging infrastructure in the region, including for tourism.

Precis

This report provides an update on all energy-related activities, including:

- DPIE energy project, including scoping work on electricity capacity;
- Southern Lights Project, including follow-up on Board resolve; and
- Electric Vehicles

Through the DPIE-funded energy work, a number of small projects are underway or in the procurement phase. This report provides an update on the progress of the project.

The recommendation draws attention to the scoping advice on a potential research project with RACE for 2030 and DPIE on the nexus between renewable energy and grid capacity and stability.

Legislative Policy and Risk Considerations

Related risks from the Strategic Plan include:

- 28 – ensuring services are relevant to all members, and providing value for money
- 31 – long term viability and financial sustainability
- 36 – managing members' expectations

Discussion**DPIE Energy Project**

A number of RFQs have been released to progress the work identified by member councils. CNSJWO has taken the lead on the procurement of the activities, however DPIE is the contracting party for all activities to date.

Reports

The following table outlines the projects and their progress. It is noted that CNSWJO is in constant discussions with DPIE regarding the funding of these projects, where the region is competing with many other projects.

Council	Project/s*	Progress
Bathurst	1. Emission reduction plan 2. Audit of operational efficiencies at aquatic centre	1. Work yet to commence 2. Work has commenced with Northmore Gordon
Blayney	1. Solar and storage assessment 2. Smart metering	1. Work has commenced with Chargeworks 2. Work yet to commence
Cabonne	1. Audit of operational efficiencies at aquatic centres 2. Smart metering	1. Work has commenced with Northmore Gordon 2. Work yet to commence
CTW	1. Solar and storage assessment 2. Pumped Hydro/Mini-hydro Feasibility	1. Work has commenced with Chargeworks 2. Work yet to commence
Cowra	1. Audit of operational efficiencies at aquatic centre 2. Storage assessments/solar at Japanese Gardens	1. Work has commenced with Northmore Gordon 2. Work underway through the work through Sustainability Advantage as an add-on to existing project. Scoping work to occur for Japanese Gardens project.
Forbes	1. Renewable Energy Action Plan 2. Low Carbon Development Strategy	1. Work has commenced with Chargeworks 2. Work yet to commence
Lachlan	1. Procurement support for solar and storage 2. WWTP energy toolkit	1. Work underway with Chargeworks 2. Work yet to commence
Oberon	1. Renewable Energy Action Plan 2. Smart metering	1. Work has commenced with 100% Renewables 2. Work yet to commence
Orange	1. Renewable Energy Action Plan 2. WWTP energy toolkit	1. Work underway with Chargeworks 2. Work yet to commence
Parkes	1. Renewable Energy Action Plan 2. Pumped Hydro/Mini-hydro Feasibility	1. Work has commenced with Chargeworks 2. Work yet to commence
Weddin	1. Renewable Energy Action Plan 2. Nexus between grid capacity and renewable energy	1. Work has commenced with 100% Renewables 2. Scoping underway.

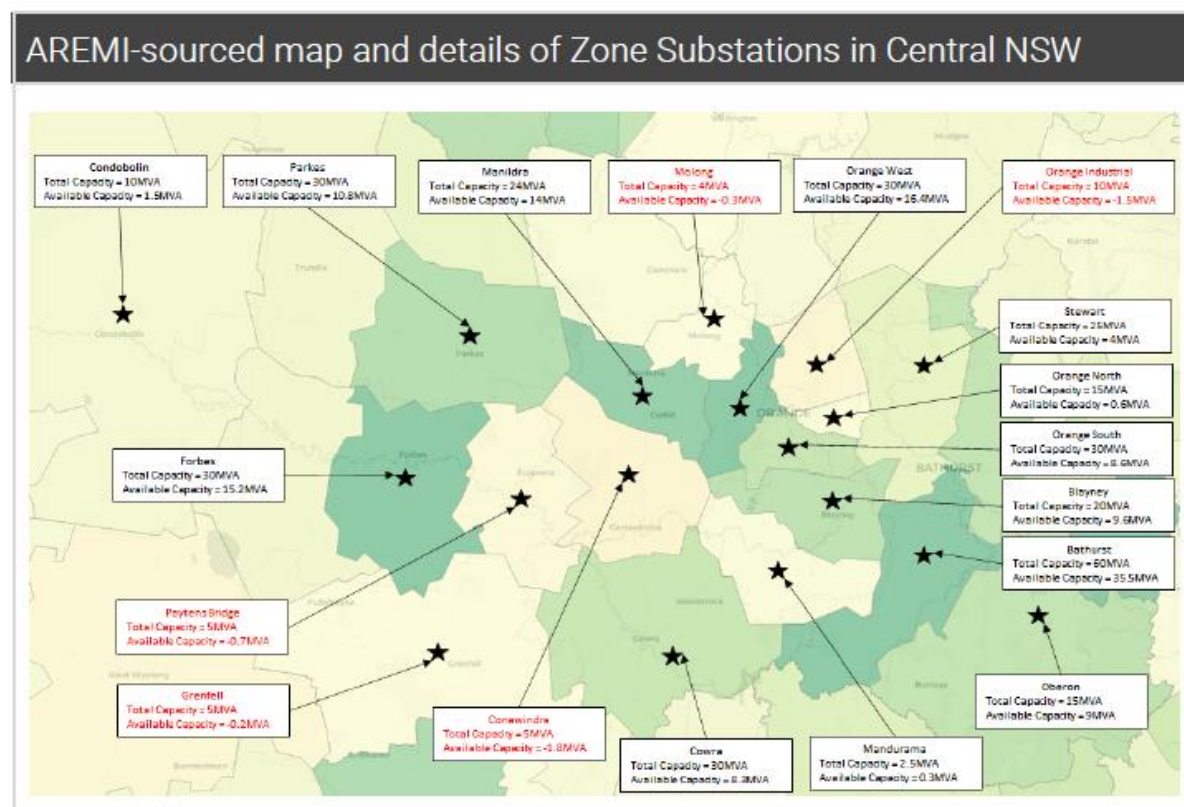
* note all of these projects are on the wish list, however they are funding-dependent.

The consulting support advised in the table above is funded by DPIE's Sustainable Councils and Communities Program with in-kind support provided by JO staff particularly in procurement support. DPIE is also funding the work being undertaken by Simon Wright from Simply Sustainable with additional support until 30 September 2021 recently approved by DPIE. While the previous engagement was between DPIE and Simply Sustainable, the extended engagement will be between CNSWJO and Simply Sustainable. A contract between DPIE and CNSWJO for the funding is being progressed.

Reports

As reported elsewhere in this agenda, DPIE has also allocated up to \$50k through its Sustainable Councils and Communities Program to support CNSWJO councils in electricity procurement where a PPA is included.

Through the work being undertaken by Evernergi for the EV Infrastructure Mapping project, a map showing insights into grid capacity has been included which shows there are varying parts of the region which have very limited available capacity. The map is as follows where data is dated 2020.



Source: Evernergi/AREMI.

Based on feedback from members, there are concerns around grid capacity across the region. An application to 'RACE for 2030' is being progressed through Simon Wright for a research project on the nexus between renewable energy and grid capacity and stability. This work was identified through a discussion with Weddin Shire Council, however, will be a region-wide application. It is not anticipated that this work will require co-funding, however if a contribution is made it is anticipated this may be funded out of CNSWJO reserves.

Southern Lights

Essential Energy has provided the following update of the LED rollouts (as at 25 March 2021):

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LGA	No. LEDs installed	Status of project
Bathurst	5537	Completed - Major Works Complete
Blayney	10	Pre-deployment - Planning
Cabonne	724	Completed - Works Complete
Cowra	1253	Completed - Major Works Complete
Forbes	34	Pre-deployment - Planning
Lachlan	34	Pre-deployment - Planning
Oberon	85	Pre-deployment - Planning
Orange	3817	Completed - Major Works Complete
Parkes	148	Pre-deployment - Planning
Weddin	443	Completed - Works Complete

A total of 100,000 lights across the entire Essential Energy footprint have now been installed.

Other updates to the program are as follows:

- **Smart controls tender** – this is a long process that commenced in mid-2019. EE has advised that it expects the tender to be awarded by the end of April. More information will be provided to members in due course.
- **Zhaga-enabled lights** – a trial of the lights is expected to commence shortly in Bathurst and Orange.
- **Sensors** – RERO is coordinating an EOI process which closed in January. Assessment of responses is underway. The Southern Lights group will be seeking interest from councils for a group procure.
- **NSW Public Lighting Code Update** – the Code has been updated which is effective from 1 July 2021. The new Code can be found on the Energy NSW website:
<https://energy.nsw.gov.au/government-and-regulation/legislative-and-regulatory-requirements/public-lighting-code>

At the March Board meeting, it was resolved to undertake an audit of the LED upgrade. Proposals for this work have been sought and work will commence in the coming weeks. CNSWJO will fund the audit using surplus Southern Lights funds from the OLG Capacity Building funding. It is anticipated that the audit will produce a document that can be used by other councils in future to conduct their own audit.

Electric Vehicles

Everengi was engaged by CNSWJO on behalf of members to complete a regional Electric Vehicle Charging Infrastructure project. This project was fully funded through the OLG's JO Capacity Building fund. The regional report forms an attachment to this report.

Each Council features in the report with its own section detailing the proposed and ideal sites at which to install EV chargers from a tourism perspective. CNSWJO and the consultant have worked with council staff to identify the sites which were then analysed in terms of the available grid capacity.

The purpose of the report is to identify the base level of network coverage required to ensure that the region has established the optimum strategy in terms of advocacy and the level of council participation in ensuring that this coverage is available as the electric vehicle market grows.

There were a number of key findings in the report, including:

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1. *2020 represents a turning point in the EV market in Australia and particularly in NSW*
2. *While there is planned infrastructure coming into the region, there will be “blackspots”*
3. *Although consumers will accept paying for fast charging, most blackspot sites will not have a commercial return*
4. *There is a once in a generation opportunity to ensure that the Central NSW region has stronger coverage than other regional areas*
5. *It is critical that councils become clear on how they want to participate in the charging infrastructure value chain and become grant ready*
6. *Selecting sites has become a well understood process, but securing sites is harder*
7. *Installation and operations of charging infrastructure is also well understood and low technical risk*
8. *The key risk is ensuring there is sufficient power on a site and dealing with the local electricity distribution business is a critical part of the electric vehicle charging ecosystem*
9. *Charging sites are best located in townships that serve as regional nodes for tourism, commerce and regional populations.*
10. *CNSWJO should advocate for prioritisation of regional infrastructure and linkages to tourism co-benefits*
11. *Councils will be most effective in stimulating private investment if they provide high quality and transparent information, streamline planning processes, and offer site leases at nominal or no cost where appropriate.*

These findings are detailed in the report which forms an attachment.

There are 7 recommendations in the report, including:

1. *CNSWJO support private sector operators for sites that can be monetised, but consider becoming the lead proponents for providing “blackspot” charging infrastructure in the region*
2. *Focus efforts on being grant ready*
3. *Focus on ARENA and NSW Government funding rounds. Continue to advocate with NSW Government and ARENA to position for this funding*
4. *Present findings from this document to internal stakeholders to get buy-in*
5. *Explore synergistic opportunities around council fleet electrification and freight electrification*
6. *Collaboration on infrastructure projects in the region is more efficient than going it alone*
7. *Communications and marketing opportunities*

In addition to the regional report, each Council will receive a summary report that they may choose to include in a report to Council, or alternatively to MANEX. A proforma report to Council will be provided in due course should councils wish to use it.

The regional Electric Vehicle Charging Infrastructure report is attached to this report and the Board is asked to adopt the report to be used for funding opportunities to support the growth of EVs and EV charging infrastructure in the region.

Attachment/s:

2. Southern Lights Update – 15 April 2021
3. CNSWJO Regional Electric Vehicle Charging Infrastructure report

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e. Electricity Procurement

Regional Strategic Priorities	1.3 Deliver cost savings and other value to member councils through aggregated procurement 1.4 Members are provided with value for money from collaboration on energy related projects
Portfolio Mayor	Cr John Medcalf, OAM
Sponsoring General Manager/s	Mr B Byrnes and Mr G Tory

Report by Kate Barker, 25 May 2021

Recommendation/s
<p>That the Board note the report on electricity procurement and</p> <ol style="list-style-type: none"> 1. note that an up-front fee structure for the aggregated electricity procurement support will be used, with councils paying a minimum of 50%; 2. note the funding of \$50k allocated from DPIE including the funding conditions where the procurement process for electricity supply must include a renewable energy PPA and the balance be paid by participating member councils; 3. write to the Minister for Local Government seeking amendments to legislation to allow councils to have more options for the uptake of renewable energy; 4. note the minimum percentage of participating councils' total load to allocate to be sourced from renewable energy in the contract commencing 1 January 2023 be a minimum of 50%, subject to pricing; 5. not invite non-member councils to participate in the procurement process; and 6. note that Councils are receiving reports to give consideration to the electricity procurement process.

Precis

This report provides advice on

- the upcoming process for the procurement of electricity, including a renewable energy component
- the inclusion of a minimum of 50% of councils' total load from renewable energy sources,
- the mechanisms for accepting offers, and
- seeking amendments to legislation to allow councils greater flexibility when procuring renewable energy.

This report seeks a number of recommendations.

Background

In September 2019, CNSWJO member councils were involved in a procurement process for the supply of electricity where it was anticipated that the supply would include a portion of renewable energy. Due to factors outside of the control of the JO and its members, the recommended offer was not inclusive of renewable energy where the prices were not lower than regular grid power, which was a condition of acceptance of the offers.

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The contracts resulting from the 2019 procurement process are with EnergyAustralia for large market sites including streetlighting, and with Origin Energy for small market sites. Both contracts expire on 31 December 2022.

Due to the value and complexity of electricity procurement, members will continue to receive detailed reports on progress.

At its April 2021 meeting, GMAC received a detailed report on electricity procurement and subsequently resolved the following:

e. Electric Procurement

Resolved	Mr D Waddell/Mr K Boyd
<p>That GMAC note the report on electricity procurement and</p> <ol style="list-style-type: none"> 1. nominate the following General Managers to provide oversight and direction to the evaluation panel for electricity procurement: David Sherley, Bradley Byrnes and Greg Tory; 2. approve the RFQ resulting from the EOI for aggregated electricity procurement support to be a selective RFQ if sufficient responses are received to the EOI; 3. approve an up-front fee structure for the aggregated electricity procurement support, with councils paying a minimum of 50%; 4. note the funding of \$50k allocated from DPIE including the funding conditions where the contract for electricity supply must include a renewable energy PPA and the balance be paid by participating member councils; 5. commend to the Board that it writes to DPIE to thank them for the support and funding to support the transition to renewable energy; 6. receive proforma reports to Councils for the May Council meetings regarding commitment to the inclusion of renewable energy; 7. each Council nominate the contact person for electricity procurement who will be responsible for providing data in a timely manner; 8. commend to the Board that it writes to the Minister for Local Government seeking amendments to legislation to allow councils to have more options for the uptake of renewable energy; 9. the minimum percentage of council's total load to allocate to be sourced from renewable energy in the contract commencing 1 January 2023 be a minimum of 50%, subject to pricing; 10. engage an independent probity advisor to oversee the procurement process; 11. refresh the legal advice on the procurement process and acceptance of offers regarding extenuating circumstances for the upcoming process; and 12. recommend to the Board that it does not invite non-member councils to participate in the procurement process. 	

All relevant actions from resolutions are included in this report for Board approval, besides the letter to DPIE thanking them for the support and funding, where this has already occurred via correspondence from the Chair to Jim Betts and Kate Wilson from DPIE on 21 April 2021. Response was received from Kate Wilson and a meeting is being coordinated.

Legislative Policy and Risk Considerations

Related risks from the Strategic Plan include:

- 28 – ensuring services are relevant to all members, and providing value for money
- 31 – long term viability and financial sustainability
- 36 – managing members' expectations

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Procurement Process

Evaluation Panel and Steering Committee

An evaluation panel has been formed, consisting of the following staff from participating member councils:

- Bathurst – Neil Southorn and Deborah Taylor
- Blayney – Charlie Harris
- Orange – David Waddell
- Parkes – Andrew Francis

The panel will be involved in the following, at a minimum:

- EOI for aggregated electricity procurement support
- RFQ for aggregated electricity procurement support
- RFx for the supply of electricity including renewable energy

Mr David Sherley GM Bathurst as the Chair of GMAC, Mr Bradley Byrnes GM Cabonne and Mr Greg Tory GM Lachlan as the Sponsoring General Managers of the Inter-Council Cooperation Priority will provide oversight and guidance to the evaluation panel.

A steering committee has also been formed which includes a broader group including representatives from DPIE and potentially other key stakeholders where necessary. The steering committee has broad oversight of optimisation, communication and potential funding. The steering committee has a different role to the evaluation panel where it has no decision-making abilities around the procurement of electricity, but rather optimising the collaboration of energy projects.

Engagement of Aggregated Electricity Procurement Support

As reported to the Board at its March 2021 meeting, it is anticipated that an EOI will be released to the market in the coming weeks to identify opportunities to refine and improve the scope of the RFQ for the aggregated electricity procurement support that was used for the last engagement in 2019.

In previous contracts for aggregated electricity procurement support, the fee structure has typically been through an ongoing trailing commission over the life of the contract. There have been discussions that there may be appetite for members to pay up-front for the consulting support rather than through a trailing commission. At its April 2021 meeting, GMAC approved an up-front fee approach for the upcoming contract which is expected to be less expensive than the trailing commission approach where the scope would likely only include the procurement process, and not ongoing contract management. Noting this, the ongoing contract management would therefore fall to either CNSWJO and/or Council staff.

Through the Best Practice in Aggregated Procurement (BPAP) Project, CNSWJO is working to identify ways to obtain income from service providers where it is not passed through to councils, and instead absorbed by the provider where they see value in the aggregation and support received from the JO. It is proposed that a price inclusive of a small contract management fee as well as exclusive of the fee will be sought to determine what, if any, fee would be absorbed by the retailer. If the costs are not absorbed, the contract management fee will not be included, meaning CNSWJO will not receive any income for electricity procurement.

A recent call with Northern Beaches Council identified the methodology of their procurement process, which included the engagement of procurement support. It was advised that the cost of the total process which included the consulting support and probity advice was around \$45k. Where the cost for the project for a group of councils will be better known after the EOI is conducted, it is

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assumed that the cost would be closer to \$100k possibly including legal fees, which Northern Beaches advised was not overly costly for their process.

It is noted that a selective RFQ will be conducted by the JO subsequent to an open EOI for aggregated electricity procurement support, should there be sufficient responses received in response to the EOI.

Inclusion of Renewable Energy

During 2019, each member council resolved to include a minimum of 20% renewable energy where the price was financially advantageous, with the exception of Bathurst who nominated 35%.

With each council currently participating in varying energy projects with the consulting support being funded by DPIE, there appears to be a much stronger focus on energy efficiency and renewable energy now than there was 2 years ago.

Some CNSWJO member councils have renewable energy targets in place. As at time of writing this report, the following councils had provided information on what these targets are:

- Bathurst – 50% renewable energy by 2025
- Lachlan - 25% renewable energy by 2025
- Oberon - inclusion of renewable energy, however no specific target
- Orange – 20% renewable energy. Aspirational target is higher; however, it is not official.
- Parkes – in the process of resolving a formal target, where 100% by 2030 is anticipated
- Weddin - inclusion of renewable energy, however no specific target

There are many recent cases of councils successfully including renewable energy in their electricity supply:

- [Northern Beaches](#) – 100% renewable energy PPA, saving an estimated \$1.9m over 7 years (in comparison to previous contract of regular grid power).
- [Eurobodalla](#) – 10-year PPA through an energy retailer for 80% of large sites load sourced from renewable energy sources, including from the Parkes solar farm.
- [City of Sydney](#) – 100% renewable energy sourced through an energy retailer, saving up to \$500k per year over the next 10 years
- [City of Newcastle](#) – 10-year PPA via an energy retailer for 100% of load sourced from renewable energy sources. Savings of \$1.8m over 10 years.

GMAC received a report to its April meeting and subsequently resolved to increase the minimum percentage of total load allocated to renewable energy sources to 50% for each participating council. It is proposed that the request for offers would be 50% renewable energy and 50% regular grid power, and that a 100% regular grid power price not be requested. This advice may vary dependent on the aggregated procurement support.

Members will recall the wording of the previous council resolution allowed for the acceptance of renewable energy, if it was less expensive than regular grid power. GMAC recently resolved to alter this requirement to state that the renewable energy price should be lower than the existing contracted electricity price.

Members have received a proforma report to Council in this regard.

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Term of Contract

Typically, regular grid power contracts with energy retailers range from 12-36 months, however contracts that include a renewable energy component are typically much longer, where anything less than 5-7 years is uncommon.

It is understood that councils would be hesitant to lock in a price for a long-term contract, however members should be aware that to include renewable energy it is likely that the duration of the contract would be significantly longer than they have signed up to in the past.

Mechanism to Accept Offers

The previous two procurement processes for the supply of electricity have required a resolution from each council deeming there to be exceptional circumstances to the acceptance of offers for the supply of electricity. In 2019, this legal advice was refreshed by Marsdens, and reports were subsequently received by councils where the relevant resolution was made.

While the acceptance of renewable energy offers is typically longer than the acceptance of a regular grid power offer, which can be as little as 48 hours, the balance of the energy purchased would be regular grid power, so the timeframe for at least a portion of the offer may be subject to the 48-hour timeframe.

At the April 2021 meeting, GMAC resolved to refresh the legal advice for the acceptance of offers for this procurement process. This is being progressed.

Prior to conducting the procurement process for the supply of electricity and subsequent to the refresh of legal advice, councils will receive a proforma report to Council detailing the process for the acceptance of offers and seeking the relevant resolution.

Other Considerations

All member councils are currently participating in the regional energy project where the consulting support is being fully funded by DPIE. Each council is participating in different projects according to what their priorities are. See the Energy Program report for more details.

When considering the upcoming electricity contract, councils will need to consider the impact of these and other current and future projects on their load. For instance, Lachlan Shire Council is in the process of installing solar panels at various council-owned sites which will significantly reduce their annual load, as well as the installation of a battery. The Blayney, Cabonne, Orange Alliance is currently investigating options for a mid-scale solar farm to power a large portion of their load. These councils will need to give consideration to the timing of these projects and how to best incorporate them into the procurement process.

Funding from DPIE

In light of the discussions with Northern Beaches Council and the potential appetite from members to pay an upfront fee, CNSWJO staff approached DPIE to seek funding to support members in the procurement process as it is known that DPIE is highly interested in seeing more PPAs in local government.

In early April, DPIE provided advice that approval had been granted to allocate up to \$50k to CNSWJO member councils for the aggregated electricity procurement support through its

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Sustainable Councils and Communities Program. There are a number of conditions that come with this funding, including:

- the funding is up to \$50k, with the other 50% (and above should the costs be over \$100k) payable by the member councils;
- the result must include a renewable energy PPA - DPIE would like as high a percentage of renewable energy as possible however it will be up to councils to determine the minimum percentage to include;
- the consultant will be engaged to gather necessary energy data from the councils, provide technical advice and run a procurement process to secure quotes from energy providers to allow the councils to source the power in a PPA with as high a proportion of renewable energy as possible; and
- that GMAC commits to proceeding with the process with the inclusion of a renewable energy PPA at its 29 April meeting.

Invitations to Other Joint Organisations and Councils

During the 2019 procurement process, a number of other councils were included in the aggregated procure, being five councils from REROC, Tamworth Regional Council and Hilltops Council. In the early stages of the process there were also discussions held with SSROC and their PEERS2 program, however the process of participating in the program was costly, complicated and relinquished control for CNSWJO member councils.

GMAC received a report at the April 2021 meeting detailing the pros and cons of the inclusion of non-member councils, and it was subsequently resolved to recommend to the Board that it does not invite non-member councils to participate in the procurement process.

Enabling Options for Councils to Engage in PPAs

Councils currently have limited options to procure renewable energy, where the most common option available is through a sleeved PPA with an electricity retailer. There have been other options discussed however they closely resemble a Contract for Difference (CfD) model which is currently not allowed for under existing local government legislation. The inability for councils to utilise such options is a significant inhibitor to increasing their use of renewables, while also limiting opportunities to engage with local providers and local community projects.

As it is known through advice from DPIE that the OLG has confirmed that other arrangements to sleeved PPAs are not available to councils, it is recommended that the Board writes to the Minister for Local Government seeking amendments to legislation to allow councils more flexibility to incorporate renewable energy into their electricity contracts in the interest of the State's aim for Net Zero Emissions.

Conclusion

The process of procuring electricity for a number of councils concurrently is complex and time-consuming. Expert advice and input are required from a consultant who specialises in the energy market, along with key stakeholders from member councils.

In the past few years there has been growing interest from members in incorporating renewable energy into the contract where until now it has only been regular grid power. While the 2019

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process sought a minimum of 20% of the total load from renewable sources, GMAC resolved at its April 2021 meeting that this upcoming procurement process increase the request to a minimum of 50% renewable energy on the basis that there is a strong focus on renewable energy opportunities from member councils.

As there are many elements to this process, GMAC and the Board will be updated throughout the next 12 to 18 months on this project, where interim direction will be sought from the Sponsoring General Managers and Chair of GMAC in between meetings.

Attachment/s:

4. Correspondence to Jim Betts and Kate Wilson from DPIE re Sustainable Councils and Communities Program dated 21 April 2021

Priority Two: Regional Prosperity**f. Visitor Economy Strategy**

Regional Strategic Priorities	2.1 Initiatives to grow population and increase the visitor economy
Portfolio Mayor	Cr Bill West
Sponsoring General Manager/s	Ms R Ryan, Mr D Waddell, Mr P Devery, Mr G Carroll

Report by Jenny Bennett, 25 May 2021

Recommendation/s
<p>That the Board note the Report on the Visitor Economy Strategy; and</p> <ol style="list-style-type: none"> 1. note that existing resource can support only some of the recommendations in the Strategy; 2. provide advice to the regional Prosperity Subcommittee on the action list seeking feedback on potential funding or other support for their delivery; 3. include those actions able to be delivered within resource in the CNSWJO strategy with quarterly review on progress; and 4. develop policy that allows for the JO to apply for competitive funding where there is an established regional marketing priority.

Precis

CNSWJO has refreshed its Visitor Economy Strategy (the Strategy). The recommendations for action in the Strategy are substantive and in March the Board resolved to receive a report on those actions that could be progressed within existing resource.

All members have received the Strategy and comments have been received. With oversight by the Portfolio Mayor all member Councils have been engaged on their feedback on priority. Regional Development Central West and Destination Network Country and Outback have also been consulted and DNCO

Where all the actions will be considered when the JO reviews its strategic plan the suggested priority programming within existing resource is in line with the heads of consideration of:

- Optimising the value to members through aggregation, the PR and social media campaigns
- Retain the value of the regional tourism networks at both the strategic and operational levels
- Leveraging the role of the Joint Organisation in intergovernmental collaboration including between members, prioritisation and advocacy, and
- Existing resourcing

To enable the leveraging of member and the Central NSW JO marketing budgets it is anticipated that the JO have an application ready approach to funding with members contribution enabled by the policy resolve as recommended.

Reason for the Report

This report provides advice on actions to be progressed from the Central NSW Joint Organisation Visitor Economy Strategy 2021-2026.

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It also seeks to leverage the CNSWJO's role in intergovernmental collaboration to identify potential partners to deliver particularly the priority actions but also the balance of those identified.

Legislative Policy and Risk Considerations

Over the decades the NSW Government framework for providing support to the visitor economy and local tourism organisations has been evolving. For Central NSW Tourism this has seen a gradual reduction of services in a broader metrocentric funding and services support framework under Destination NSW.

To retain the value realised through decades of Councils working collaboratively in Central NSW, this region resolved to take on as best it could the resourcing of regional tourism. Adapting the Central NSW Tourism model into Centroc has shown continued value for money for members in tourism. One salient number is the \$1.5m ROI on \$50K of spend in public relations last financial year. For more advice on the value proposition of the CNSWJO involvement in the visitor economy please see the Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020.

The Central NSW JO Strategic Plan for this year called for a review of the tourism function. This has been undertaken and found value in continued regional programming to be progressed from a refreshed regional strategy. Please request all past reports in this regard.

Please find below the suggested actions from the Strategy with advice on potential resourcing. Where some progress can be made within existing resource this is recommended. A meeting is being held between the Portfolio Mayor, Cr Bill West and the Chair of Destination Network Country and Outback, Mr Clyde Thompson 27 May 2020 in Sydney.

Given the challenging funding framework, one of the recommendations below is that members pull together programming like the "We Want You Back" campaign on an annual or biannual basis and where possible leverage the funding framework to stretch this spend even further. Where CNSWJO does not typically apply for funding in competition with members it is recommended that policy be developed and considered by the Board to enable a significant regional campaign.

Proposed priority actions for the region

Objective	Priority actions	Recommendation	Resourcing implications
Objective 1 Lead intergovernmental collaboration and advocacy within and outside the region – policy and funding	1. Develop a <u>concise value proposition</u> for the visitor economy which includes targets for new jobs and economic growth. Use this for intergovernmental collaboration and advocacy within the region (councils, businesses and communities) as well as external to the region (Destination NSW and Australian and NSW governments). The value proposition should demonstrate the planned economic, social and environmental impacts of the visitor economy to the region and how investment can create additional, long term jobs and drive regional prosperity.	This is recommended as an activity to be included in the first year of the next CNSWJO Plan	Scoping with potential partners is within resource.
	2. Map collaborators to <u>develop a five-year intergovernmental collaboration and advocacy plan</u> with levels of funding sought to: <ul style="list-style-type: none"> Ensure the Australian and NSW governments deliver reliable NBN and 	Update all existing advocacy plans in line with this advice.	This can be delivered to the extent of advocacy policy changes within existing resource as part of the annual advocacy plan updated.

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	<p>mobile phone coverage (broadband at a minimum) across the whole region</p> <ul style="list-style-type: none"> • Ensure Australian and NSW governments improve road connectivity into Western Sydney to avoid the traffic issues which are an inhibitor to weekend/long weekend visits. Also drive continued improvements to the Newell Highway and connection from Canberra and the South Coast • Work with the Australian Government's <i>Tourism 2030</i> to gain from its expected focus on regions, funding regional initiatives and promoting the regions for liveability • Ensure the NSW Government improves funding levels for DNCO to support the delivery of the CNSWJO strategy and/or combine funding levels to provide more 'bang for buck' across the whole region. Aim to address the funding inequity for DNCO with the NSW Government using the value proposition • Collaborate across councils (and also mayors) to consider infrastructure and planning initiatives to support the visitor economy, for example, public amenities, unused building or infrastructure assets and trading hours • Collaborate with government departments such as Planning and Infrastructure or NSW Parks and Wildlife to support the visitor economy via product investment. This includes static infrastructure such as heritage structures, silos and sculptures as well as dynamic investment, for example, into the development of rail trails for walking/cycling and mountain biking/cycle track on- and off-road, use of dams and associated caravan parks/infrastructure • Understand the pipeline of funding opportunities which councils and the region as whole can access. 		The more resource intensive collaboration would require more resource.
	<p>3. Develop a method to assist councils to <u>assess visitor economy infrastructure and service needs</u> and identify gaps to be filled at a local level to achieve consistently high grade visitor experience across the region.</p>	The Matrix already exists. Test this with TMs. Include service needs in review of CNSWJO priority.	High level support on infrastructure needs is part of the existing resource of the JO. Service gaps have not been. This could be workshopped with tourism managers as a consideration in the plan going forward.
Objective 2 Build capacity for regional visitor economy growth and business attraction	<p>4. Design a <u>regional knowledge development plan</u> to:</p> <ul style="list-style-type: none"> • Provide mayors and councillors with the consistent tools and messaging to support them to advocate for local and regional tourism, as part of regional economic development, to support community building and resilience. Include quarterly dashboard measures on economic value creation and a small set of other measures for councils as well as the CNSWJO Board 	This is already being undertaken in an adhoc way. It is recommended that this activity be included for review in the broader JO review next year. Inclusion of the workshop with Mayors is worthwhile. A	<p>Advice is being sought from TMs on their support for this action as to some extent each of these could be quite resource hungry.</p> <p>Would it require outsourcing or is it something we could do collaboratively?</p>

Reports

	<ul style="list-style-type: none"> Upskill staff involved in tourism/economic development, potentially including mentoring between councils, including business case development for new initiatives Build the capability of tourism operators (food, accommodation and experiences) to understand the delivery standards needed to attract new and returning visitors and increase their business resilience. This is critical and could be undertaken in partnership with Chambers of Commerce who could also promote liveability of the region and its towns Understand how best to work with local Chambers of Commerce and other business groups to support product development. 	strategic approach to capacity building across a few providers is probably worthwhile.	JO can sort training for staff at any time depending on what they are looking for. Social media is regularly offered. Currently progressing Aboriginal tourism training with DNCO.
	5. Develop a <u>centralised data and insights hub</u> for region-specific data on trends, forecasts, using TRA data and spend/travel pattern data from third party sources. Focus on deriving predictive data. Use case studies/success stories from within and outside the region to build on the story-telling about the region which has shown to be effective in the “ <i>We want you back</i> ” campaign. Stories and learnings should be shared regularly across the region via a regional forum (in person or digital).	Recommended. An affordable regional approach to data is worthwhile.	This is part of the existing BaU approach and is within existing resource.
	6. Create <u>standardised templates</u> to drive consistency for: <ul style="list-style-type: none"> An annual calendar of events and festivals to avoid or reduce competition, build content and bundle other visitor experiences and accommodation Evaluation frameworks for events, attractions and other tourism related initiatives Council DMPs to allow for ease of completion and better view across all the DMPs to align shared priorities and support potential economies of scale. Develop an annual summary document to facilitate effective and efficient delivery of regional scale experiences and investment. Ensure a focus on increased visitation, longer trips and higher spend. 	There are a number of standardised approaches and templates that members might find useful. Add visitor information survey.	Advice is being sought from TMs on their support for this action as to some extent each of these could be quite resource hungry. There is existing resource to tackle just one standard template per year which would be undertaken in a workshop with TMs.
Objective 3 Design and deliver whole of region initiatives – products, systems, marketing and PR	7. Design a <u>new regional brand strategy</u> which sits as an umbrella and ties existing individual council brands to the regional brand. Gradually retire the Uneath and Central NSW brands	Not recommended. A regional brand is a waste of time. Tactical campaign slogans like We Want You Back or Uneath are worthwhile. Branding is not.	This is viewed as a waste of public money, but if the Board wishes to proceed quotes can be sourced.
	8. Develop a <u>five-year regional marketing and PR strategy</u> which: <ul style="list-style-type: none"> Identifies the region’s comparative advantages and matches these to segmented markets underpinned by data on drivers of destination choice 	This is recommended as an inhouse activity developed from a workshop of TMs	Advice is being sought from TMs on their support for this action as to some extent each of these could be quite resource hungry

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	<ul style="list-style-type: none"> Coordinates all council tourism offerings to avoid duplication, identify gaps and leverage strengths Drives consistent best practice approaches to marketing/using social media for all councils, for example, maintaining the connection with visitors who have previously travelled to the region and build on the successful <i>We want you back</i> campaign Promotes 'anchor attractions' across the region and provides avenues for each council to leverage this effort by scaffolding with a broader list of things to see and do before or after the anchor attraction experience Leverages the strong role of word of mouth and VFR in the decision journey i.e. where to go, what to do, what not to miss Ensures sufficient resources are allocated from within and external to the CNSWJO to deliver it. 	<p>using our existing PR firm.</p> <p>If the TMs want more this would have to be outsourced and funded.</p> <p>Realistically there should be packages put together and calls to action.</p>	
	<p>8. Invest in a <u>technology platform</u> or collaborate with existing providers to develop new website and mobile interfaces and social media to be focused on experiences/itineraries rather than destinations and individual activities. This also requires maintaining to produce accurate information for prospective visitors to help them plan their trip before they travel and during their trip which:</p> <ul style="list-style-type: none"> Packages multi-day itineraries by travel time but includes a breadth of experiences Packages regional itineraries of interest to particular cohorts, for example, arts, heritage, indigenous experiences, nature-based, food, wine Readily provides information about the distance from their home base to the region (this is to address the misconception that the region is too far away for most people to visit within a short time frame) Ensures that tourism related and other businesses are readily discoverable online. 	<p>Itineraries are worthwhile but not the platform, see above.</p>	<p>If the Board wish to proceed with this approach it can be costed.</p>
	<p>9. Develop a <u>regional 'new products' plan</u> for experiences such as biking, ecotourism, agritourism, indigenous tourism and CBD/main streets revitalisation.</p>	<p>This is not seen as regional. It may be worthwhile having commentary around priority "new product" that aligns with existing strategies? A lot of this is in the DNCO DMP.</p>	<p>Advice is being sought from TMs on their support for this action as to some extent each of these could be quite resource hungry. We can put in words around priority and opportunity within existing resource but not a plan.</p>

Attachment/s:

5. CNSWJO Visitor Economy Strategy 2021-2026
6. Member Feedback on Tourism Strategy

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g. Skills, Workforce and Housing Report

Regional Strategic Priorities	2.1 Initiatives to grow population and increase the visitor economy
Portfolio Mayor	Cr Bill West
Sponsoring General Manager/s	Ms R Ryan, Mr D Waddell, Mr P Devery, Mr G Carroll

Report by Jenny Bennett, 25 May 2021

Recommendation/s
<p>That the Board note the Skills, Workforce and Housing Report and</p> <ol style="list-style-type: none"> 1. provide advocacy support to Business NSW in its efforts on skilled migration; 2. commend to members they proactively take up opportunities as identified in the report 3. further investigate the opportunity for spare capacity projects like that in Lachlan; and 4. note that the position paper on skills is under development.

Precis

All members are reporting challenges with skills shortages and housing. This matter was raised at the recent Board meeting. There is a great deal of activity going on in addressing both the skills/workforce and housing shortages and this report seeks to provide advice on various initiatives in what is a fragmented response.

While Skills is not the business of Local Government it is the role of State and Federal Government, this report is provided in the context of what the Board could do in the context of its role.

Reason for the Report

The Board at its last meeting resolved to receive a position paper informed by case studies on the skills shortages issue. In exploring this problem the challenge of housing has emerged and some advice in this regard is also provided. While awaiting the balance of case studies from members, the report makes some recommendations on opportunities that can be capitalised on by members and other actions to support the growing problem.

Legislative Policy and Risk Considerations

At its last meeting the Board resolved inter alia to:

1. Seek local case studies on skills shortages planning impediment to inform a position paper on skills required to inform a codeveloped report with RDACW;
2. Seek advice from Inland Rail, Wyangala Dam, the Newell Highway taskforce and TfNSW and Regional Growth NSW Development Corporation on the outcomes from their work on traineeships.

Since that time CNSWJO and RDACW have reached out through their networks and undertaken consultation with:

- Water infrastructure NSW on the Wyangala Project
- The Department of Employment Skills and Education (DESE)

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- The Regional Leadership Executive (RLE)
- The NSW Business Chamber
- The Joint Organisation Network
- A roundtable of people with roles in skills held 25 May 2020

This report is informed by advice from these groups.

Local case studies and other advice regarding the current issue of skills shortages

The skills shortage is a multi-faceted issue. There are shortages in skills, labour and housing across the region. The most affected industries seem to be healthcare, construction, trades, hospitality, manufacturing, accommodation and food services.

In the past 12 months, this region has experienced population growth, housing price increases and the lowest rental vacancy rates for some time. On a national level the population increase is being driven primarily by people not leaving the region with the same and in some cases more people than normal moving into the region.

Advice from Business NSW is that businesses are linking the housing issues to their difficulties in retaining and attracting staff and the workers that they need to stay viable (and fully recover from COVID) and grow.

- Businesses have secured staff, only to have them renege as they couldn't secure housing;
- Businesses are competing to secure staff or poaching them from other local businesses (offers of housing, cars and higher wages);
- Businesses are unable to attract skilled migrants due to Covid;
- Low entry jobs are competing poorly in the overall skills shortage and potentially due to Job Seeker and Job Keeper;
- Many businesses who have been active in the take up of apprentices are at their limit due to inability to secure fully qualified staff to supervise apprentices/trainees;
- Training organisations such as TAFE and Community Colleges are under pressure to attract appropriately qualified trainers to adequately support the roll out of 2021 courses and support business needs. They are competing with industry in this recruitment;
- One employer was offering overtime hours and was not getting take up as this could impact employee reliance on Family Benefit and their family financial sustainability over the longer term.
- A number of clubs have reported not being able to run events due to a lack of hospitality workers.

Arguably, there is a need to attract those skills and labour required by businesses and a need to grow awareness of the skills available locally. Some areas have already started this type of work and there are a variety of uncoordinated online initiatives in existing businesses popping up to address the issue.

Regarding housing, feedback is that Airbnbs have taken many long term rentals off the market in the burgeoning tourism economy. There is some land banking in region however the biggest impediment to development seems to be a growing shortage of materials such as steel and timber.

In order to inform the position paper under development all members have been asked to provide advice on the specific workforce issues.

Where some Councils have provided some information the following advice from Lachlan is the most comprehensive.

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Occupation	#	Occupation	#	Occupation	#	Occupation	#	Occupation	#	Comments
CNC Plasma machine operator	2									
Electrician	1	Administration Assistant	1							
Boilermaker/welder/fabricator	10	Forklift driver	1	Draftsperson	2	Accountant	1			
Warehouse Manager	2	Production Assistant	1	Marketing	1	Reception	1			We have been advertising for a number of months with no success, it is the single biggest growth limiter in our business, if we are unable to find suitable employees we would have to look at moving our production facilities to a metro location. We also already have 1 production facility based in Melbourne (which employs 6 people) if we could get reliable employees we would consider bringing this back to Condobolin.
Admin, freight, logistics	1	Sales people, customer service	4	Warehouse/production	1					
Boiler Maker	4									
tele sales	3	book keeper / admin	1							once we get these we have in mind to start up another manufacturing site next door to start making some products for another industry under another name
Welder / fabricator	1	Warehouse / Factory Overseer	1							This depends on business growth however getting staff multiskilled and self motivated as needed in small business has been challenging.
Printing Machinist	2	Guillotine operator	1	Book binder	1	warehouse	1			
Welder Fabricator	2	Spray painter blaster	1	Cabinet maker	1	Process worker/Assembly	2	Upholster	2	- We have two welder fabricators that we have sponsored, but are unable to get travel exemption for them. - we are also looking for 1 to 2 Upholsterers - we have advertised on Seek, Indeed, Jora, LinkedIn, Facebook, twitter, etc.. without any success
Sewing Machinist	2	Factory Worker	1							
Industrial textile machinist	3	CAD pattern cutter technician	1							
In house sales support	1	Technical Consultant/Engineer	1							Not sure if this applies to office workers as well, but these are the 2 we're looking for in LC and had no luck finding,
Boilermaker	2	Industrial Painter	1	Storeman	1	Estimator	1			
CNC Metal Machinist	6	Quality Manager	1	Quality Inspector	1	Purchasing Officer	1	Warehouse/Production Assistant	3	struggling to recruit most occupations in Condobolin, this is severely impacting operations and slowing growth, to keep the doors open we are starting an operation in Sydney. We have extensively used all job advertisement platforms including seek, Indeed job Active, LinkedIn and worked with a number of recruitment agencies with little or no response.
Cost Accountant	1	Mechanical Engineer	2	Spray Painter	1	Draftsman	1	Supply & Distribution Manager'	1	
Asset Accountant	1	Governance Officer	1	Revenue Officer	1	Plant Operator	2	Purchasing Officer	1	

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Follow-up is being undertaken with members regarding case study material.

What is happening in region and more widely to address this problem

Please find below the efforts by various peak bodies and agencies that the CNSWJO is aware of at this time. Advice is also provided on recommended action by the Board and members.

RDA Central West

RDA Central West is working with DHA on a potential Designated Area Migration Agreement (DAMA) for our region. This means local businesses will be provided with special concessions around age, salary and language competency of skilled migrants. This is negotiated between the DAMA agent (RDA CW) and DHA.

DHA Skilled Migration Information Sessions were held May 27th and 28th which took place in Orange, Cowra, Forbes and Condobolin. These sessions will provide valuable feedback to both DHA and RDA CW on the needs and challenges faced by local business. There was a DAMA survey released by RDA CW later in May to coincide with these sessions and build the needs case for our region.

RDA CW is also the Regional Certifying Body for the Employer Sponsored Skilled Regional Visa (494). We also have a role in partnership with NSW Treasury conducting the initial assessments of applications associated with the Skilled Work Regional (Provisional) Visa (491). As part of this process we provide a CW Occupation list to NSW Treasury which then gets fed into the Skilled Work Regional (Provisional) Visa 491

This regional list is currently limited to the Priority Skilled Migration Occupation List (PMSOL) set by DHA. This cannot be changed at this time.

RDACW will also have to survey and engage with local business as part of our review processes into our regional needs and therefore the regional occupation list for the next allocation of 491 referral places which will not occur until the new financial year. The local case studies provided by members are vital and are appreciated to support this process.

RDACW have advocated through RDAs to the Minister for Immigration and other Ministers conveying the concerns of our region that the current PMSOL doesn't reflect the needs of regional NSW and especially the Central West.

Business NSW

- Have circulated a Business NSW 2021 Workforce Skills survey – Closes 6 June. – The survey is to gather data and understand from businesses challenges facing finding the right staff. Central NSW JO is providing promotional support.
- Skilled Migration – Business NSW are advocating for a strategy for reopening the international borders, facilitate the travel of skilled migrants with separate and increased flight caps and retain all the skilled migrants that are currently on shore. They also want to see more travel bubbles to help with labour and seasonal shortages.
- CNSWJO and RDACW have provided support for this approach already.

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The DESE

- The federal budget is funding two employment facilitators to join the team at DESE in September. This is to support the DESE case management approach.
- Having had a meeting with the DESE 22 April, linkages were made between the DESE Weddin, Forbes and Cowra to progress their case management approach. Follow up was undertaken. Members may be able to provide advice on any progress.

The RLE and various State agency responses

- Ms Gerry Collins, Director Central West and Far West replacing Mr Ashley Albury during his secondment has advised she will be at the meeting to provide an update. The RLE has the following advice regarding its work in this skills area.

The RLE Statement of Intent for this year includes:

Stimulate investment and economic development to maintain employment and create more jobs (Skilling for recovery)

*Reskill, retrain and redeploy the region's workforce through implementing **Skilling for Recovery**.*

- *Maximise benefits and realise regional development opportunities arising from the **delivery of regionally significant projects** that will unlock new employment opportunities, retain existing jobs and facilitate the growth of local and regional economies in the Central West Orana region including but not limited to:*
 - *Central West and Orana Regional Transport Plan*
 - *Central West Renewable Energy Zone*
 - *Dubbo Rail Maintenance Facility*
 - *Inland Rail*
 - *Lithgow Transition from Coal Strategy*
 - *Orange Health & Innovation Precinct*
 - *Parkes SAP*
 - *Wallerawang Eco Business Park*

At present the key areas that are focussing on skills are Momentum Trains, Parkes SAP and inland rail. The renewable energy zone is another area that needs exploring in the skills area.

Far West RLE project is working with Training Services NSW, LLS, DRNSW and Lands to use the Wild Dog Extension as a skilling and employment project.

The NSW government is aware of the increasing shortage of housing in regional areas – announcements are anticipated.

- Through the RLE, Regional Skills & Workforce Development Committee has been recently formed and is leading coordination. They meet quarterly having recently held their first meeting. Their Terms of Reference are currently being developed.
- Private Businesses should take advantage of the grant to attract skills to the region.
<https://invest.nsw.gov.au/assistance/regional-investment-attraction-package/regional-skills-relocation-grant>

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- NSW Dept of Education Training Department- is already active in the promotion into roles. Currently working in Lachlan Shire Council on a spare capacity project. For more information please see the attached brochure.

WaterNSW

- WaterNSW is providing stakeholder support within region including support to councils and communities with skills. They are also reaching out to Inland rail.
- In support of their work a media release has been issued through councils for the procurement process.

Council and JO responses

- Orange 360 has completed one round of a spare capacity project in accommodation. Advice will be sought from members on any work being progressed in region. Members might like to provide feedback to the meeting in this regard.
- Ash Albury will be working NSW wide on a LG planning service for underdeveloped land /crown/council owned – housing stock. He is visiting in area from Monday 31 May and CNSWJO is meeting with them to seek further advice.
- The Riverina region is near completion of an outcomes and action focussed report to key stakeholders on resolving the problem. Once this has been provided it will be circulated.

Attachment/s:

7. Template to Mayors for Media release for procurement Wyangala Dam project.
8. Skills Brokers – NSW Department of Education

Reports

Priority Three: Regional Transport and Infrastructure**h. Progressing a Western Link Event**

Regional Strategic Priorities	1.1 Transport connectivity planning 1.2 Infrastructure planning
Portfolio Mayor	Cr Ken Keith
Sponsoring General Manager/s	Mr K Boyd, Mr S Loane and Mr G Wallace

Report by Jenny Bennett, 25 May 2021

Recommendation/s
<p>That the Board note the report on progressing the resolve of the Board regarding connecting the two Wests and</p> <ol style="list-style-type: none"> 1. encourage Mayors to attend the event in Penrith 8 June 2021 'Connecting the two Wests' and; 2. endorse the \$12.5k expenditure for the Partnership Proposal with the Western Sydney Dialogue.

Precis

Members will recall the resolve in December 2020 to progress a campaign including engagement with Western Sydney Councils to progress a safe swift link between Sydney and Central NSW.

An event has been coordinated for 8 June at Penrith City Council with Western Sydney Councils invited.

The Western Sydney Leadership Dialogue has been engaged for 6 months to assist with engagement in Western Sydney and progress advocacy leading into the next Federal election. Advice in the report lists various opportunities that members might like to engage in.

Happily the recent Funding from the Federal and State Governments is focussing interest in this matter.

Members are encouraged to attend the meeting in Penrith 8 June.

Reason for the Report

Members will recall the Western Link Group, an initiative of the Vital Infrastructure and Transport Links group (VITL) gave a presentation to the Board in December 2020.

Subsequently the Board resolved inter alia

That the Board note the report on the Western Link; and

- 1. Notes that the policy position of this initiative aligns with the CNSWJO policy position of a safe swift link between Sydney and Central NSW;*
- 2. That the CNSWJO is engaging with this initiative;*
- 3. Encourages members to engage and support this group;*

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4. *Central JO Board support in principle engaging an experienced and results driven PR firm to get a campaign underway;*
5. *Through engagement with Western Sydney councils, form an 'alliance' to elevate the project as one for the two 'wests' and to co-fund the PR campaign;*
6. *Seek feedback from members and Lithgow City Council on their interest in supporting this approach;*

Please see the advice following on progressing this initiative where a date has been set for 8 June for key stakeholders to meet in Penrith, and the Western Sydney Leadership Dialogue has been engaged to help with this event. Members are encouraged to attend.

Legislative Policy and Risk Considerations

Subsequent to the resolve of the Board in its meeting December 4, 2020 consultation has been undertaken with various Portfolio Mayors, Central West RDA, the sponsoring General Manager for Transport, the Chair, the VITL group and Taylor Street Advisory.

This consultation informs the following advice:

- Given that the Federal election is likely to be called for the first half of next year and that the funding for a safe swift link between Central NSW and Western Sydney is likely to primarily use Federal funds; any campaign should be short and sharp, target the Federal election and be procured as swiftly as possible.
- Taylor Street Advisory, as part of their role in the Western Sydney Dialogue <https://westernsydney.org.au/> has offered to provide support to a meeting at Penrith City Council with key stakeholders including Councils (Western Sydney and Central NSW).

A meeting date has been confirmed for 8 June between 11am and 1.30 pm in Penrith on site at Council. Mayors and General Managers should have received invitations.

On behalf of Clr John Medcalf OAM, Chair, **Central NSW Joint Organisation**, and in collaboration with **Penrith City Council** and the **Western Sydney Leadership Dialogue**, you are invited to a private, in-person roundtable discussing the potential for a safe and swift link between the LGAs of Greater Western Sydney and Central NSW – and producing better economic and social outcomes for both regions.

'Connecting the two Wests' will kick off a dialogue, in advance of the looming Federal election, about a collective approach to access issues impacting the regions on either side of the Divide, as well as fostering a broader engagement and collaboration between businesses and communities. With an agribusiness strategy and related logistics infrastructure as part of the development plans for the Airport and Aerotropolis, it is vital that the two regions collaborate to maximise employment, investment and amenity and that we consider jointly our approach to State and Federal Government to ensure a positive legacy.

The discussion leaders at this interactive working lunch will include:

Clr John Medcalf OAM | Mayor, Lachlan Shire & Chair, Central NSW Joint Organisation

Clr Karen McKeown OAM | Mayor, Penrith City Council

Jenny Bennett | Executive Officer, Central NSW Joint Organisation

Christopher Brown AM | Chairman, Western Sydney Leadership Dialogue

***Dr Andy Marks** | Director, Centre for Western Sydney

Tim Poole | Chief Operating Officer and Chief Coordinator, Western Parkland City Authority

**to be invited*

Financial implications

Through the Chair and Sponsoring Portfolio Chair the JO has approved a \$12.5k Partnership Proposal for Central NSW Joint Organisation with the Western Sydney Dialogue, Building Better Links between Western Sydney & Western NSW.

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The investment of \$12,500 (+gst), will offer the following suite of opportunities between the periods of May 2021 to November 2021 on top of the support they are doing for the 8 June event.

Should members be interested in any of the below, please contact the Executive Officer. Some events are open registrations others have limited tickets.

FUTURE FORUM: Water resilience – 2 June 2021 – Deloitte Parramatta

Central NSW Joint Organisation forum – Connecting the two wests: A safe and swift link – 8 June 2021 – Penrith Council

IGNITE SUMMIT – 21 July 2021 – BankWest Stadium

FUTURE FORUM: Social Procurement practices – 3rd qtr 2021 – Deloitte Parramatta

BOARDROOM LUNCHEONS

Ben English, Editor, *The Daily Telegraph* - Thursday, 10 June 2021

Hon. Rob Stokes MP, Minister for Planning and Public Spaces - Wednesday, 30 June 2021

Alex O'Mara, Deputy Secretary, Place, Design and Public Spaces, Department of Planning, Industry and Environment - **Thursday, 22 July 2021**

Hon. Andrew Constance MP, Minister for Transport and Roads, Monday, 6 September 2021

Emma Herd, Chief Executive Officer, Greater Sydney Commission - Wednesday, 22 September 2021

Hon. Gladys Berejiklian MP, Premier of NSW - Thursday, 7 October 2021

Joe Barr, Chief Executive Officer John Holland Group - Thursday, 14 October 2021

Jim Betts, Secretary, Department of Planning, Industry and Environment - Wednesday, 20 October 2021

WESTERN PARKLAND CITY AUTHORITY FORUM: Economic Development Strategy – Agribusiness in the Aerotropolis (Date TBC – post-July)
world?

FEDERAL ELECTION SERIES - (Sept 2021 – March 2022)

BOOMTOWN SUMMIT – Nov/Dec 2021 – TBA

Attachment/s:

9. Western Sydney Leadership Proposal to CNSWJO – April 2021

Priority Four: Regional Water Security**i. Water Update**

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, 24 May 2021

Recommendation/s
<p>That the Board note the Regional Water report; and</p> <ol style="list-style-type: none"> 1. Endorse the CNSWJO submission to the Draft State Water Strategy; 2. Endorse the Case Study for inclusion in the Infrastructure Australia Water Chapter for the Australian Infrastructure Plan; 3. Endorse the submission to the Productivity Commission's Draft Report on National Water Reform; and 4. Encourage members to send representation to Wyangala Dam wall project sessions where possible.

Precis

This report is for information on engagement with the State and Commonwealth Government on strategic work with implications for Local Water Utilities.

It seeks Board endorsement of submissions made to the Draft State Water Strategy and Productivity Commission's Draft Report on National Water Reform and for a Case Study for the Water Chapter for the Australian Infrastructure Plan.

Reason for the Report

This report is for information on engagement with the State and Commonwealth Government on strategic work with implications for Local Water Utilities including:

- the State Government's Town Water Risk Reduction Program (TWRRP)
- the Draft State Water Strategy
- the Productivity Commission's National Water Reform
- the Australian Infrastructure Plan.

It seeks Board endorsement of submissions made to the Draft State Water Strategy and Productivity Commission's Draft Report on National Water Reform and for a Case Study for the Water Chapter for the Australian Infrastructure Plan.

Legislative Policy and Risk Considerations**NSW Government Engagement****Town Water Risk Reduction Program**

DPIE Water has established the two-year Town Water Risk Reduction Program (TWRRP) to work with the town water sector to identify long-term solutions to improve outcomes and service delivery and

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reduce risks for Local Water Utilities. Currently LWUs service around 1.85 million people in regional NSW.

The Program follows a NSW Auditor-General's report (September 2020) that highlights systemic failures by DPIE Water in supporting and overseeing town water infrastructure planning since at least 2014. Most of the issues raised have been the subject of on-going advocacy by the JO (and formerly Centroc) and were particularly evident through the recent drought.

Members should have received two Town Water Risk Reduction Program Newsletters issued on 1 April and 20 May, outlining the partnership approach DPIE Water proposes to take to identify barriers facing Local Water Utilities (LWUs) and develop and implement a new way of working that enables LWUs to manage risks and priorities in town water systems more strategically and effectively.

Following initial feedback from the sector, the proposed high-level areas of focus for the Program are:

1. Improve the regulatory and support framework.
2. Encourage greater collaboration.
3. Facilitate greater State Government support.
4. Review of skills shortages.
5. Investigate alternative funding models.

Further information about the scope of the program is set out in the Program [factsheet on the website](#).

A dedicated program team has been established and is scoping the program and setting up stakeholder engagement mechanisms. Key personnel are:

- Erin Cini – Director
- Sascha Moege – Manager
- Nanda Altavilla – Principal Policy Officer
- Glen Colley – Principal Policy Officer
- Josh Tickell – Principal Policy Officer (seconded part time from NSW Health Water Unit)
- Paddy Gidney – Senior Policy Officer

A Stakeholder Advisory Panel (SAP) has been established to 'sense-check' the Program's scope, engagement approach and progress, and to be a sounding board on strategic issues and risks.

The Panel has met five times since 24 February 2021 and will continue to meet monthly over the course of the program. Panel members include:

- Cr Bill West, Mayor Cowra Shire Council, Local Government NSW representative
- Mr Brendan Guiney, Executive Officer, NSW Water Directorate
- Ms Rebel Thompson, Executive Officer, Namoi Joint Organisation of Councils (JO member)
- Dr Annalisa Contos, Principal, Atom Consulting (Consultant member)
- Mr David Kirby, Utilities Manager, Brewarrina Shire Council (LWU manager member)
- Mr Aaron Drenovski, General Manager, Goldenfields Water (County Council member)
- Mr Graham Kennett, General Manager, Kyogle Council (LWU General Manager member)
- Dr Katrina Wall, A/Manager, NSW Health, Water Unit (Co-regulator)
- Mr Peter Marczan, Manager Technical Assessments and Advice Environment Protection Authority (Co-regulator)
- Mr Luke Walton, Executive Director, DPIE – Planning and Assessment/Office of Local Government (Co-regulator)
- Mr Michael Blackmore, Director DPIE – Water, Water Utility Advisory, Operations & Regulation (Co-regulator)

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- Ms Erin Cini, Director, DPIE – Water, Town Water Risk Reduction Program (Chair).

Next Steps

Following consultation with the Stakeholder Advisory Panel it is expected that the Program team will establish issue-specific stakeholder working groups and focussed teams to undertake high priority work across the program's focus areas.

A Senior Officer's Group has been established which includes the four agencies that co-regulate Local Water Utilities (DPIE, NSW Health, Office of Local Government, and NSW Environment Protection Authority) as well as a wide range of other NSW Government agencies and entities whose work could potentially impact or be impacted by the Program. This group meets on a quarterly basis to ensure interested NSW Government agencies are kept informed and to align any potential opportunities with other Government activities. It is understood that the NSW Water Directorate attends this meeting representing the interests of LG LWUs.

Over the past month, Eltons Consulting have been contracted by DPIE Water to conduct one-on-one interviews with nominated regional representatives to help shape the engagement program.

Also, DPIE Water recently announced their workshop series - ***Improving the regulatory framework to co-develop a 'Roadmap to an Improved regulatory framework'*** and set out how the TWRRP team and stakeholders can work together to make improvements.

The workshop series will start with Virtual workshops 1 and 2 discussing the program's broader objectives:

- Virtual workshop 1 Wednesday 2 June: EITHER:
 - o Workshop 1A, 12.30-2pm, OR:
 - o Workshop 1B: 2.30-4pm (1A and 1B are identical, only one should be attended)
- Virtual workshop 2 Tuesday 15 June: EITHER:
 - o Workshop 2A, 12.30-2pm, OR:
 - o Workshop 2B: 2.30-4pm (2A and 2B are identical, only one should be attended)

The format for each workshop will be the same. The outcomes from the virtual workshops will inform a series of regional face-to-face workshops:

- Griffith - Monday, 21 June - 11am-3pm
- Dubbo - Wednesday, 23 Jun - 11am-3pm
- Queanbeyan - Friday, 25 June - 11am-3pm
- Tamworth - Tuesday, 29 June - 11am-3pm
- Coffs Harbour - Wednesday, 30 June - 11am-3pm

You can register your interest for the virtual workshops [here](#)

Advocacy by the JO

JOs are represented on the SAP by Namoi JO with the CNSWJO EO acting as a proxy member when required. The Namoi JO EO and CNSWJO EO meet before and after each SAP meeting to discuss progress and strategy. Mayor Bill West, Chair of the Regional Prosperity Committee is the LGNSW representative on the SAP and welcomes any feedback or input from members on the program's roll-out.

The TWRRP team are in steady contact with the JO Executive Officer and Alliance Program Manager and are meeting regularly with the Water Utilities Alliance Executive. There is a lot of interest in the

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work of the Alliance, specifically the Water Operator training project and ideas around Integrated Water Cycle Management planning. See advice below.

In addition, LGNSW is coordinating separate Water Advisory meetings with JO network representatives, the NSW Water Directorate, the LWU SAP GM member, LWU manager member, County Council member and Mayor Bill West to ensure the interests of LWUs are being met by the SAP.

Given the two-year timeframe, work by the TWRRP is moving quickly the challenge being to ensure that the pace doesn't compromise the level of engagement and commitment to a true partnership approach and, most importantly, to new ways of working. There is also a concern that the urban water management team involved in redesigning processes are very embedded in the existing regulatory culture.

To date SAP members representing LWUs have had some success in addressing concerns around the language being used. While subtle, this has tended to perpetuate the paternalistic approach to regulation and a lack of acknowledgement of the wealth of expertise within councils in managing town water supplies. The message has been 'we're all in this together' as equal partners working towards the same outcomes being improved service delivery and reduced risks for Local Water Utilities for the people of regional NSW.

Notable changes include in the program's Vision, highlighted below:

- *stakeholders, **including the department**, work together in partnership, sharing data and knowledge, consulting and collaborating with one another, and supporting each other where applicable*
- *the regulation of local water utilities is focused on outcomes, **based on risk and the maturity of local water utilities**, and is fair and transparent. Regulators are accountable and well - coordinated.*

Further, LWU representatives have sought acknowledgement by DPIE of the NSW Auditor-General's findings in the TWRRP commentary. This can be seen in changes to the language used to describe barriers associated with the regulatory framework, resulting in part from ***the department's lack of clarity in its regulatory approach to overseeing and supporting local water utilities, as well as shortcomings in the transparency and accountability of its activities and the absence of an effective mechanism for coordinating regulatory objectives and activities among co-regulators and other agencies.***

Of course, how this translates to the actual work on the ground will be the test.

Other areas of concern currently relate to definitions around the workstreams, for example:

WORKSTREAM 2: Encourage collaboration between LWUs (TWRRP lead: Glen Colley)

- ***There are no priority actions proposed for this workstream at this time. However, the TWRRP team is developing options and will bring further information to the April 2021 Panel meeting for discussion.***

It is suggested that the perspective needs to be broadened beyond "between LWUs" to include regulators and other state agencies as collaborators too.

WORKSTREAM 4: Connecting LWUs with State Government (TWRRP leads: Nanda Altavilla and Josh Tickell)

The following priority actions are proposed for this workstream:

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- **Work with sector to test ideas to strengthen non-commercial and commercial arrangements for support**
- **Identify what water utilities might want from SOCs if barriers were removed**
- **Identify what SOCs might want to provide to LWUs if barriers were removed**
- **Identify how to build trust**

The focus for this workstream currently seems to be around the concept of State Owned Corporations helping LWUs out when the focus area should be more about better governance and partnership structures to enable more inter-governmental collaboration on town water risks. Maybe this will be addressed in the State Water Strategy (see advice below) but needs to be reflected in work by the TWRRP.

Promising is the following:

Develop and implement mechanisms to ensure regional water strategies and utility strategic service planning inform each other and effectively align their modelling, risk and options analyses where these relate to town water supplies.

Hopefully this will open the door for the CNSWJO's on-going advocacy for the need for DPIE Water to have people within the region with appropriate delegation to be able to affect the implementation of actions from the 'place-based' Regional Water Strategies.

This matter is dealt with in detail in our response to the call for submissions on both the Lachlan and Macquarie Regional Water Strategies and the State Water Strategy.

An invite has been circulated for a virtual meeting on the status of the Regional Water Strategies to be held on 1 July. Members of the DPIE TWRRP team will be in attendance.

Despite on-going advocacy regional representation is not well reflected in the consultation draft of the State Water Strategy and disappointing is the following advice in the latest DPIE Water E-News Bulletin (26 March 2021) where Jim Bentley has said:

we don't support having regional managers to whom the local teams report. However, Jim has agreed to work towards improving access to senior managers at a local level. He has committed to consulting with stakeholders on potential changes to how the department works in this regard.

In response to a request by DPIE Water for expressions of interest on this matter, the CNSWJO sent an email on 30 March advising our policy position that:

The CNSWJO continues to advocate for the need for DPIE Water to have people within the region with appropriate delegation to be able to affect the implementation of actions from the 'place-based' Regional Water Strategies. This matter is dealt with in detail in our response to the call for submissions on both the Lachlan & Macquarie Regional Water Strategies and the State Water Strategy.

The CNSWJO Board continue to have a strong interest in this matter, where the success of the Regional Water Strategies (and the State Water Strategy) will be in how they are implemented on the ground in regional NSW. As always, we seek early engagement and the opportunity to co-design potential changes to how the department works in this regard to ensure appropriate and effective fit-for-purpose arrangements.

Advocacy on the TWRRP is on-going and any feedback on the above is welcomed.

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The TWRRP Program team is continuing to receive and respond to feedback from the sector in relation to the proposed Program scope and approach. For more details go to:

Visit the [Town Water Risk Reduction Program](#) website for more detailed information including a fact sheet that sets out the Program scope and proposed focus areas.

Integrated Water Cycle Management Planning – Expressions of Interest to Pilot the co-design of components of the framework

Advocacy continues by the JO to be involved in piloting a better approach to Integrated Water Cycle Management Plans.

To recap- Councils and the JO lodged EOIs with DPIE separately and received approvals to progress to the next stage of IWCM development. The JO was advised that it could procure IWCMs for its members through a joint procurement process. This was superseded by an offer from DPIE Water for JOs to develop Regional Town Water Strategies with 75% funding support. These are contingent on completion of the Regional Water Strategies and their fit in the strategic framework is still uncertain.

In response to on-going advocacy by the sector, DPIE have included the need to develop mechanisms to better integrate Regional Water Strategies and Integrated Water Cycle Management Strategies focused on town water security and quality risks in their Town Water Risk Reduction Program. The JO Chair's network has also been advocating to work collaboratively with DPIE on a better approach to IWCM leveraging JOs. Meanwhile, a number of member Councils are attempting to progress the development of IWCMs separately with multiple challenges.

DPIE Water have now provided advice for local water utilities who are currently preparing an IWCM Strategy on options for continuing the development of an IWCM Strategy under the existing arrangements as well as options to delay or defer a component of the IWCM Strategy. There is also the opportunity to co-design components of the new framework for IWCM strategies in partnership with the Town Water Risk Reduction Program team. Expressions of interest to volunteer to co-design are requested by 30 June 2021. You can access advice [here](#)

Notably they have committed to work in partnership with the sector to improve the transparency, accountability and efficiency which govern the departments assessment of IWCM strategies.

A late report on an EOI to co-design components of the new framework will be circulated.

Draft State Water Strategy

As reported to the February GMAC meeting, DPIE Water released the draft NSW Water Strategy for public consultation in February 2021. This overarching, state-wide strategy aims to improve the resilience of the state's water resources by addressing key challenges and opportunities for water management and service delivery across the state and set the long-term strategic direction for the NSW water sector.

The NSW Water Strategy is part of a suite of long-term water strategies and will work in tandem with 12 regional water strategies and two metropolitan water strategies. For more detail go to the DPIE website here: [our website](#).

As resolved at the March Board Meeting, the CNSWJO made a submission on the consultation draft of the Strategy through the Executive and in line with Board endorsed policy.

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In summary the submission provided to following feedback:

- In its current format, the Strategy is very high level and missing the implementation details. As is the case with the Regional Water Strategies, the success of the State Strategy in addressing the proposed actions lies in how its implemented on the ground.
- While the proposed vision that puts water on the same footing as other essential state resources and services such as transport, is welcomed, access to safe, secure and affordable drinking water is a basic human right and ***requires even greater effort and enablers*** in planning and management than that required for transport and other state resources.
- There is a need for better policy and protocols to underpin the Water Management Act 2000 in a new climate future to ensure water for critical human needs are met as the highest priority.
- Changes are needed to the existing NSW extreme events policy and regional incident response guides where failure of water supply for critical human needs due to a drought is not specifically defined as an 'emergency'. These changes need to mobilise a whole-of-state-government response.
- Key questions that need to be addressed through the Strategy are:
 - What's the definition of critical human needs?
 - When there isn't any water how is a high security allocation for a town supply implemented on the ground?
 - What are the triggers and policy settings to ensure the basic human right for drinking water are met?
 - What are the implications of secure yield modelling for Water Sharing Plans and environmental flows on town water supplies?
- There needs to be significant changes to the way water is managed for inland regional towns not only in times of emergency.
- The Strategy must address the higher order issues around water planning and management informed by the Regional Water Strategies including:
 - Improved collaboration
 - Better long-term strategic planning
 - Improvements to, and alignment with, Council's Integrated Water Cycle Management planning
 - Better understanding of future climate conditions and how these may affect river flows, groundwater resources and the supply of water for communities, towns and cities, industry and the environment
 - Better understanding of system connectivity
 - Measures to ensure high security water for critical human needs are met
 - Review of water allocations and water sharing in response to new climate modelling
 - Water efficiencies
 - Greater certainty for regional business to secure access to water
 - Enabling of alternative water sources to supply towns and industry while protecting communities and natural environments
 - Sharing of data and modelling to enable better informed decision making and community acceptance.

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- Engagement with LWUs through the Town Water Risk Reduction Program (TWRRP) on a more outcomes-focussed and less prescriptive regulatory framework is essential.
- There is insufficient linkage with inter-related strategies including Commonwealth initiatives, particularly the National Water Initiative (NWI), and commentary on current reports and position papers by the Productivity Commission and Infrastructure Australia.
- Where Council owned local water utilities in regional NSW operate in a complex strategic and regulatory environment with multiple regulating agencies the Strategy would benefit from reference to the legislation affecting water utilities.
- There is a need for recognition of the roles played in water management by regional collaborative arrangements between Councils through regional Joint Organisations of councils, water utility alliances and county councils. Likewise, there are opportunities to optimise these arrangements to achieve better outcomes in water management and planning.
- Where town water supplies service businesses as well as residents, any objectives relating to town water supplies in regional NSW must recognise the true productive value of quality, secure and reliable town water supplies. Thinking around these objectives must also be grounded in real-world scenarios.
- There needs to be effective whole-of-government collaboration and 'systems thinking' to enable broader strategic place-based conversations and decisions around, cultural, productive and environmental water at a regional level.
- In general, the principles identified in the Strategy (listed below) are supported:
 - Healthy environments sustain social and economic outcomes
 - Water is a limited (although recyclable) resource
 - Systems thinking to optimise outcomes
 - Data-enabled planning and decision-making
 - Transparency and accountability to engender community trust
 - Forward thinking to build preparedness and resilience
 - Giving effect to Aboriginal rights and access to water
- We broadly agree with the priorities included in the Strategy including;
 - Build community confidence and capacity through engagement, transparency and accountability
 - Improve river, floodplain and aquifer ecosystem health, and system connectivity
 - Increase resilience to changes in water availability (variability and climate change)
 - Support economic growth and resilient industries within a capped system
 - Support resilient, prosperous and liveable cities and towns
 - Enable a future focused, capable and innovative water sector.

In line with advocacy around the Regional Water Strategies, the submission continues to advocate that to address the identified priorities there needs to be:

- fit-for-purpose mechanisms including co-designed governance and implementation plans to enable delivery of these within regions and to ensure alignment with the Regional Strategies
- appropriate Local Government representation at the decision making table
- transparent, shared modelling and data to inform decision making at all levels

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- recognition and embedment of lessons learnt, and knowledge gained by inland regional communities
 - the ground-truthing of policies, methodologies, regulations and legislation through the lived experience of inland regional communities.
- The CNSWJO strongly support the principles of collaboration and co-design and seeks early engagement with Local Government in regional NSW in the finalisation of the NSW Water Strategy and co-design of a Governance and Implementation Plan to enable the delivery of many of these actions in place in regional NSW.
 - JOs can offer shared value to both their members and other levels of government in developing and implementing a clear policy and regulatory approach to support LWUs with town water planning, investments and sector engagement for DPIE for regional NSW.

For more detail regarding feedback on specific actions please refer to the submission provided as an attachment.

Board endorsement of the submission made through the Executive and in line with Board policy in response to the Draft State Water Strategy is sought.

Wyangala Dam Wall Project

The NSW Legislative Council's Portfolio Committee No. 7 – Planning and Environment, have released the report entitled *Rationale for, and impacts of, new dams and other water infrastructure in NSW – Part 1*. The report was tabled in the Legislative Council on 18 March 2021. Details are provided in the Briefing Note no. 9 circulated by email and provided as an attachment.

The JO EO, Jenny Bennett met with the WaterNSW Community Engagement Officer, Alice Jarrett and the Project Manager from the newly established Water Infrastructure NSW, on 18 May.

Where WaterNSW are running community engagement sessions throughout April and May across the region (emails regarding these have been circulated to members), feedback is that those attending are mostly opposed to the project. They are seeking assistance to ensure more balanced representation from project supporters.

CNSWJO members are encouraged to send representation to Wyangala Dam wall project sessions where possible.

For the latest on the project - <https://www.waternsw.com.au/projects/new-dams-for-nsw/wyangala-dam>

Priority Water Infrastructure Projects

The Water Utilities Alliance continues to maintain the Priority Water Infrastructure table with regular updates requested from members. A current copy of this is provided as an attachment for information. Please advise of any updates.

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Commonwealth Government Engagement**Infrastructure Australia Case Study for the Water Chapter for the Australian Infrastructure Plan**

As reported previously, Infrastructure Australia (IA) has sought to engage with the CNSWJO in the development of the Water Chapter for the Australian Infrastructure Plan, due to be published in April 2021.

Virtual meetings have been held with members of the Regional Water Committee on 3 November and on 20 January. The WUA Program Manager attended a webinar providing an update on the content of the Water Chapter by IA on 22 April. The meetings have included discussion and feedback on draft themes covered in the Water Chapter and a presentation on the Infrastructure Priority List 2020. More detail is providing in Briefing Note no. 9 circulated by email and provided as an attachment.

IA have requested a Case Study on how the Water Utilities Alliance works collaboratively to support members with a particular emphasis on asset management. This is provided below.

The Central NSW Joint Organisation Water Utilities Alliance is a voluntary collaboration between 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 157,000 people covering an area of more than 47,000sq kms with 62,950 water connections across the region.

Since its inception in 2009 the Alliance has achieved cost savings, efficiencies and built capability in its members through joint procurement of regional contracts for asset management, auditing, benchmarking and performance improvement, operator training and strategic business, integrated water cycle, drought and demand management planning. Through the drought the Joint Organisation and its Alliance has supported its members in emergency water management including network planning, water sharing arrangements, infrastructure prioritisation and advocacy.

While supporting the need for investment in water infrastructure, Alliance programming aims to optimise the operation of existing infrastructure through auditing and identification of low-cost, high impact operational improvements supported by operator training.

Recognised by the Productivity Commission, the aim of the Alliance 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.

It is commended to the Board that it endorses the Case Study on the CNSWJO Water Utilities Alliance for inclusion in the Infrastructure Australia Water Chapter for the Australian Infrastructure Plan.

Productivity Commission Draft Report on National Water Reform

The Productivity Commission released its Draft Report on National Water Reform on 11 February.

To recap the Report calls for the current National Water Initiative to be updated and modernised and the section on urban water to be expanded.

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It seeks agreement from Governments to the following principles and seeks to apply them across all areas of water resource management and water service provision:

1. Capacity to contend with droughts, floods and shocks, and to adapt to a changing climate, is strong.
2. Management effort and regulation are fit for purpose.
3. Decisions are based on the best available information.
4. Innovation and continuous improvement are encouraged and adaptive management is required.
5. Communities are engaged effectively in all aspects of water resource management and water service provision.
6. Communities have sufficient water literacy to engage effectively.

As resolved at the March Board Meeting, the CNSWJO made a submission on the consultation draft report through the Executive and in line with Board endorsed policy.

Where the CNSWJO provided support to the development of the submission by LGNSW, rather than duplicating, our submission supported the LGNSW submission with a cover letter providing local context.

Key points from the submission are as follows:

- We thanked the Commission for supporting the major issues from our submission made in August 2020 that includes the need for:
 - effective collaboration on water management at the regional level
 - integration of urban water into the strategic framework
 - greater transparency and the sharing of modelling with Local Government LWUs
 - a funding framework that recognises that access to quality secure water is a basic human right
 - scope for a renewed NWI to provide high level guidance, independent evidence-based resources and promotion of rigorous cost -benefit analysis of regulatory changes.
 - consideration at the Federal level to enable broader strategic conversations and decisions around productive water, inclusive of environmental water
 - better fit-for-purpose consultative processes in place permanently, not just to respond to the current drought emergency
 - strategies that better integrate policy, planning, regulatory and infrastructure solutions
 - Inter-governmental collaboration with Local Government LWUs 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 would enable a conversation about how
 - Support by a reformed NWI for best practice monitoring and compliance in the urban water space in regional NSW.

- Further, we supported the following recommendations included in the LGNSW submission:

Recommendation 1: That the Commission adopts the proposed expanded and enhanced elements of a renewed NWI as outlined in its finalised report.

Recommendation 2: That a renewed NWI captures the existing related water planning documentation at the State and Territory level.

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Recommendation 3: That a renewed NWI provide a recommendation that all related water planning documentation sitting beneath it reference its elements where relevant to help ensure tighter governance.

Recommendation 4: That the Commission's advice regarding a fit-for-purpose framework for water resource management is adopted in the final report.

Recommendation 5: That the Commission's advice with regard to water entitlements and planning is adopted in the final report.

Recommendation 6: That the Commission's final report acknowledges the cost implications in developing plans, particularly at the local level and especially where sophisticated modelling and data is required.

Recommendation 7: That the Commission's final report includes advice that State and Federal government agencies share their data and expertise to assist with local level water planning.

Recommendation 8: That the Commission's final report recommend clearly identified and adopted triggers are put in place where extreme weather events should result in the prioritisation of water for human consumption in any environmental water management plans.

Recommendation 9: Where the CNSWJO Board does not have an endorsed policy position in relation to securing Aboriginal and Torres Strait Islander people's interests in water; in principle support is provided to the LGNSW support for the Commission's findings and advice in relation to securing Aboriginal and Torres Strait Islander people's interests in water and that it should be accompanied by advice on how this can be best supported through the delivery of infrastructure and allocation of the skilled workforce.

Recommendation 10: That the Commission's advice regarding the integrity of water resource management is supported as it is necessary to eliminate ongoing community concerns and scepticism regarding the water resources management despite improvements in transparency made since the introduction of the NWI.

Recommendation 11: That the Commission's advice regarding Urban Water also includes commentary on the importance of close collaboration between all levels of government, including the sharing of resources, expertise and data that is needed to optimise urban water outcomes.

Recommendation 12: That the Commission's advice on Urban Water also includes advice regarding better integration and coordination between the multiple Federal and State government agencies and authorities with responsibilities related to the management of water.

Recommendation 13: That the Commission's advice regarding water reform in rural Australia is supported and that it reinforces recent efforts to improve monitoring and compliance of water usage across commercial consumptive usage.

Recommendation 14: That the Commission's advice regarding investment in water infrastructure be tempered so as not actively discourage government investment in major water infrastructure that will deliver increased water security to vulnerable communities.

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Recommendation 15: That the Commission's advice on knowledge, capacity and capability building include additional advice recommending greater attention be placed by Federal and State governments on the training systems to ensure that they are meeting the needs of skilled employment in regional and rural areas.

Recommendation 16: That the Commission's advice also includes greater efforts by Federal and State governments to actively encourage skilled training and employment incentives including funded internships and scholarships to help attract skilled workers to regional and rural areas.

For more detail the full submission is provided as an attachment.

Board endorsement of the submission made through the Executive and in line with Board policy in response to the Productivity Commission's Draft Report on National Water Reform is sought.

Financial implications

Nil

Attachment/s:

10. Submission to the Draft NSW State Water Strategy
11. Submission to the Productivity Commission Draft Report on National Water Initiative
12. Priority Water Infrastructure table
13. Briefing Note No. 9

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

Regional Strategic Priorities	1.1 Governance arrangements enable inter-council co-operation
Portfolio Mayor	Cr John Medcalf, OAM
Sponsoring General Manager/s	Mr B Byrnes and Mr G Tory

Report by Jenny Bennett, 25 May 2021

Recommendation/s
<p>That the Board note the Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority and</p> <ol style="list-style-type: none"> 1. note the progression of the Joint Organisation review; 2. endorse the submission to DPIE on enabling agritourism; and 3. note the advice from the OLG regarding the caretaker period.

Precis

This report provides advice on the activities against the NSW JO Strategic Plan and Statement of Regional Strategic Priority 2019/2020.

This report also provides separate advice on:

- the progress of the JOs more broadly including advice on the review of JOs being undertaken by the OLG;
- submissions requested by members; and
- OLG feedback on the caretaker period and the need for an end of term report.

Reason for this report

The Central NSW JO approved its Strategic Plan (the Plan) and Statement of Regional Strategic Priority on 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.

This report provides separate advice on:

- the progress of the JOs more broadly including advice on the review of JOs being undertaken by the OLG;
- submissions requested by members; and
- OLG feedback on the caretaker period and the need for an end of term report.

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 37 risks overall. These six Very High Risks follow where it is suggested that the risk to the JO from network sustainability as outlined in Risks 17 and 18 is now happening and will have greater impact despite the mitigations in place. Arguably there is not much more this JO can do to mitigate the risk and it is noteworthy that the Chairs of JOs Forum

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is tackling the issue.

Verbal advice can be provided from the recent meetings of JO EOs and Chairs where it is clear that a number of JOs are experiencing significant financial hardship and this is only exacerbated by COVID-19. Please find attached associated minutes and agendas from recent meetings.

On the positive side, Joint Organisations are increasingly recognised as a useful tool particularly to support State and Federal consultations. A recent example is the work being progressed in Central NSW with the DPIE on the Net Zero program. Please see a report elsewhere in this agenda in this regard.

However, the growing regulatory burden, patchiness of JO capacity and lack of State funding for core business is likely to significantly impact the sustainability of the broader network. Central NSW continues to put up business cases for funding, provide advice on the value proposition of JOs to State entities and work with other JOs to provide support for their sustainability.

Notably the review of JOs to be undertaken by Local Government NSW has begun. NSW JO's were notified of consultants ARTD <https://www.artd.com.au> / conducting the review. Apparently, the review is due for completion at the end of June this year.

A survey was shared to key stakeholders and some JO representatives and key stakeholders have been interviewed. Feedback from the Executive Officer has been in line with policy including the need to include General Managers with voting rights on the Board.

Given the extended timeframe and slippage on behalf of the OLG it is disappointing that there is not more extensive consultation.

Regarding 34, 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 35 relating to member management, 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.

Regional Submissions

Members have forwarded requests for the JO to lodge submissions as follows where all advice provided is within existing policy. Please see the JO website for all submissions lodged to date.

In this quarter there was a response made to the Agritourism and small-scale agriculture development- Proposed amendments to support farm businesses and regional economies, Explanation of Intended Effect.

Advice on caretaker provisions and their applicability to JOs

JOs across NSW have been making requests of the OLG regarding caretaker and End of Term provisions. Given the next Board meeting is anticipated for August this is material for CNSWJO.

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Do JO's have to do an End of Term report?

- No – the end of term report refers to council's progress against their CSP. JOs do not prepare a CSP.

How does caretaker mode apply to JOs?

- The caretaker period does not apply to Joint Organisations.

What is the definition of 'electoral matter' in regards to JOs

- "Electoral matter" for the purposes of the Local Government (General) Regulation 2005 broadly includes any matter that is intended or likely to affect voting in an election. The name, photograph and likeness of a candidate also fall within the definition of electoral matter. Given that Joint Organisations do not hold elections and the electoral provisions of the Local Government Act and Regulation do not apply to Joint Organisations, it is difficult to see any circumstances where material published by a joint organisation would fall within the definition of "electoral matter".

Can JOs meet and conduct business during council caretaker period.

- The caretaker period does not apply to JOs.

Will there be a circular clarifying election matters for JOs

- This email serves as information clarifying election matters for JOs. It is not considered that a Circular is necessary.

Do JOs need to pass a motion to extend the term of our board up until the elections?

- No. The Local Government Amendment Act 2021 (Amendment Act) was passed by the NSW Parliament on 13 May 2021 and will come into effect on the Governor's assent, although some reforms will commence by proclamation. The term of office of chairpersons of county councils has been extended to two years, aligning it with the terms of office of mayors elected by councillors and chairpersons of joint organisations. **Technical amendments have also been made to clarify that the terms of chairpersons of county councils and joint organisations expires on the election day of their member councils**

Risk #	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	Likely	Severe	Very High	Early engagement with NSW Government about funding needs. Business case approach to determining funding level.	Likely	Severe	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.	Likely	Severe	Very High
31	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
33	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 business case that shows costs and value for money considerations before agreeing to take on extra duties/responsibilities	Possible	Severe	Very High
34	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
35	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

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 2020 and 31 March 2021. 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.

Spend

The following table reflects the spend by each member council under the various JO contracts for the 20/21 financial year up to 31 March 2021.

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	\$69,227	\$1,986	\$0	\$760,102	\$0	\$1,988,937	\$17,684	\$0	\$26,640	\$2,864,575
Blayney	\$0	\$5,054	\$0	\$0	\$356,662	\$0	\$170,952	\$4,208	\$0	\$10,530	\$547,406
Cabonne	\$0	\$23,252	\$20,013	\$0	\$926,977	\$0	\$348,173	\$611	\$0	\$33,170	\$1,352,197
Central Tablelands Water	\$0	\$583	\$0	\$0	\$0	\$0	\$245,130	\$72	\$0	\$0	\$245,786
Cowra	\$578,724	\$25,751	\$18,500	\$0	\$545,938	\$0	\$674,271	\$637	\$0	\$31,198	\$1,875,019
Forbes	\$448,564	\$22,739	\$7,400	\$0	\$490,846	\$0	\$500,107	\$5,149	\$0	\$25,350	\$1,500,156
Lachlan	\$273,551	\$19,320	\$0	\$0	\$595,212	\$0	\$594,353	\$439	\$0	\$29,020	\$1,511,895
Oberon	\$0	\$15,152	\$0	\$0	\$408,885	\$0	\$170,906	\$9,687	\$0	\$6,320	\$610,951
Orange	\$617,572	\$97,701	\$8,043	\$0	\$520,017	\$0	\$2,508,256	\$11,108	\$0	\$22,920	\$3,785,617
Parkes	\$10,564	\$9,805	\$27,900	\$0	\$597,402	\$0	\$1,050,644	\$694	\$0	\$19,250	\$1,716,259
Weddin	\$22,661	\$583	\$1,020	\$0	\$282,781	\$0	\$83,829	\$203	\$0	\$0	\$391,076
Total	\$1,951,635	\$289,167	\$84,862	\$0	\$5,484,822	\$0	\$8,335,559	\$50,492	\$0	\$204,398	\$16,400,936

Savings

The following table shows the savings achieved by member councils through aggregated procurement and programming. An explanation of the meaning of each column has been reported previously and is available on request. The table reflects savings in the 20/21 financial year up to 31 March 2021.

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 is updated quarterly in line with the cost savings.

Reports

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	\$39,975	\$350	\$0	\$22,774	\$0	\$180,085	\$523	\$0	\$9,606	\$200	\$27,000	\$280,512	
Blayney	\$0	\$7,087	\$0	\$0	\$25,242	\$0	\$16,938	\$0	\$0	\$0	\$200	\$22,000	\$71,467	
Cabonne	\$0	\$12,333	\$20	\$0	\$38,889	\$0	\$20,496	\$322	\$0	\$6,726	\$200	\$31,000	\$109,986	
Central Tablelands Water	\$0	\$103	\$0	\$0	\$0	\$0	\$10,793	\$486	\$0	\$0	\$0	\$10,000	\$21,382	
Cowra	\$0	\$17,748	\$656	\$0	\$38,982	\$0	\$48,552	\$297	\$0	\$12,577	\$200	\$26,000	\$145,012	
Forbes	\$0	\$15,505	\$0	\$0	\$26,452	\$0	\$45,530	\$404	\$0	\$1,821	\$200	\$19,000	\$108,912	
Lachlan	\$0	\$26,590	\$0	\$0	\$42,267	\$0	\$43,580	\$494	\$0	\$3,977	\$200	\$26,000	\$143,109	
Oberon	\$0	\$17,104	\$0	\$0	\$13,909	\$0	\$14,001	\$673	\$0	\$0	\$200	\$30,000	\$75,886	
Orange	\$0	\$67,435	\$1,419	\$0	\$30,693	\$0	\$228,702	\$506	\$0	\$23	\$200	\$15,000	\$343,978	
Parkes	\$0	\$970	\$0	\$0	\$34,028	\$0	\$100,848	\$239	\$0	\$4,059	\$200	\$18,000	\$158,343	
Weddin	\$0	\$103	\$0	\$0	\$15,685	\$0	\$9,625	\$545	\$0	\$0	\$200	\$16,000	\$42,158	
Sub Total	\$0	\$204,953	\$2,446	\$0	\$288,918	\$0	\$719,150	\$4,490	\$0	\$38,788	\$2,000	\$240,000	\$1,500,744	
													Cost to members	\$184,200
													Total	\$1,316,544

Funding

The funding table shown below shows the grant or other funding received by councils where a regional approach has been taken to the application or program for the 20/21 FY to 31 March 2021. The breakdown of categories has been reported previously and is available upon request.

Included in this table is the grant funding achieved through the wastewater training and the DPIE Energy Project.

GRANT FUNDING - 20/21 FY	Water Utilities Alliance	Training	IT	Supply	Roads/ Transport	Energy	RDOCS	Tourism	Other	Total
Bathurst	\$0	\$19,900	\$0	\$0	\$0	\$30,666	\$0	\$0	\$0	\$50,566
Blayney	\$0	\$11,550	\$0	\$0	\$0	\$21,500	\$0	\$0	\$0	\$33,050
Cabonne	\$0	\$49,846	\$0	\$0	\$0	\$33,800	\$0	\$0	\$0	\$83,646
Central Tablelands Water	\$0	\$0	\$0	\$0	\$0	\$12,000	\$0	\$0	\$0	\$12,000
Cowra	\$0	\$33,236	\$0	\$0	\$0	\$25,444	\$0	\$0	\$0	\$58,680
Forbes	\$0	\$36,686	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0	\$66,686
Lachlan	\$0	\$44,540	\$0	\$0	\$0	\$38,000	\$0	\$0	\$0	\$82,540
Oberon	\$0	\$7,700	\$0	\$0	\$0	\$26,080	\$0	\$0	\$0	\$33,780
Orange	\$0	\$23,800	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0	\$53,800
Parkes	\$0	\$21,678	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0	\$51,678
Weddin	\$0	\$0	\$0	\$0	\$0	\$25,080	\$0	\$0	\$0	\$25,080
Total	\$0	\$248,936	\$0	\$0	\$0	\$302,570	\$0	\$0	\$0	\$551,506

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Value for members

Please see below the Value to members for this financial year. Starting in April Member Councils will be receiving a briefing in person from Executive Officer Jenny Bennett.

VALUE FOR MEMBERS 2020/2021	FY 2019/2020	FYTD	ACTIVITY THIS QUARTER
SUBMISSIONS	20	23	<ol style="list-style-type: none"> 1. Draft NSW Water Strategy Public exhibition – Mar 2. Productivity Commission National Water Reform Draft Report - Mar 3. Agritourism and small-scale agriculture development- Proposed amendments to support farm businesses and regional economies, Explanation of Intended Effect – Apr
PLANS, STRATEGIES AND COLLATERAL	26	12	<ol style="list-style-type: none"> 1. As at 18 May 2021, 912 contractors have successfully completed the online WHS induction (this number does not include the historical data that has also been uploaded). 2. Training, Learning & Development (TLD) Group met on 21 April 2021 and will continue to hold regular meetings, the next one scheduled for 7 July 2021. 3. Consultation Policy and Procedure co-designed by CNSWJO and NSW Regional Leadership Executive – Official release with logos 17 Feb. 4. Padmap Refresh 2021
GRANTS	3	3	Co-ordination of two grants with RDACW <ol style="list-style-type: none"> 1. BBRF grant on CBDs 2. Successful application for the Productivity Enhancement Program (PEP) (EOI) to the Inland Rail Interface Improvement Program (II Program) 3. Coordination of the DPIE 100% funded Sustainable Councils and Communities' Net Zero program.
GRANT FUNDING	\$215k	\$550k	Grant funding includes: <ul style="list-style-type: none"> • Wastewater Training Program – Smart and Skilled funding - \$210k • Fluoride Training – Smart and Skilled funding - \$16k • Compliance Training – via TAFE NSW - \$23k • Energy Programs – DPIE funding - \$300k
COMPLIANCE	13	9	Nil for this quarter
DATA	6	3	<ul style="list-style-type: none"> • Discussions have commenced with Peter Valerio and will be discussed at the Tourism Group meeting in October 2021. • Completion of the WRI tourism data project TMs have reviewed their data.
MEDIA INCLUDING SOCIAL MEDIA	13	18	Social Media Followers Facebook – 556 Twitter – 943 Instagram (CNSWT) – 5,554 CNSWT Facebook – 14,874 <ul style="list-style-type: none"> • The FB post on 19 April by Australian Geographic received 61,000 reactions and 3,877 engagements and the boost on 20 April was 49,000 reactions (ie an emoji) and 4,400 engagements (ie likes, comments, shares). 170521 - Joint statement with RDACW on 2021-2022 Federal Budget 040521 - Media release – CNSWJO welcomes Tunnel news
COST SAVINGS	\$1.9m	\$1.3m	Net quarterly figures to 31 March 2021.
REPRESENTATION	147	187	<ol style="list-style-type: none"> 1. 210421 – TLD Working Group Meeting 2. 220421 – Department of Education, Skills and Employment and EO 3. 290421 – Special CNSW JO Board Meeting – Via zoom 4. 030521 -ARTD Consultant for JO review with EO 5. 050521 - CNSWJO, RDACW and Inland Rail re Stem program 6. 070521 - NSW Parliamentary - Inland Rail Inquiry 7. 100521- JO EOs catch up

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VALUE FOR MEMBERS 2020/2021	FY 2019/2020	FYTD	ACTIVITY THIS QUARTER
			<ol style="list-style-type: none"> 8. 110521 – HR Manager’s Group Meeting 9. 110521- Discuss on the regional IWCM piece 10. 120521 – Consultant WRI on Review of the CWROP 11. 120521 - DPIE – Water 12. 120521- meeting with WSD re 8 June event planning 13. 130521 – Water Directorate Executive Meeting 14. 140521- - Regional Prosperity Sub Committee 15. 170521- Meeting re WSD engagement/Opportunities 16. 180521- Water NSW – Wyangala update 17. 180521 - II Program - Inception Meeting 18. 190521 - Infrastructure Australia Regional Strengths and Infrastructure Gaps Workshop 19. 240521 – JO EOs catch up 20. 240521-DPIE -Water 21. 250521 - Skills and Workforce discussion 22. 260521 – DPIE Executive Director, Kate Wilson, on the Sustainable Councils and Communities Program 23. 270521 – NSWJO Workshop with IPART's review of the rate peg to include population growth 24. 270521 – NSW JO Chairs Meeting 25. 270521 - Meeting with Chair DNOC, Cr West & EO 26. 280521 – Meeting Blackheath Alliance and JO re GWH duplication 27. 280521 – Country Mayors Association 28. 310521 – Transport Technical Committee Meeting 29. 010621 - Water & Sewer Asset Val - Contract Inception Meeting 30. 010621 - Waste opportunities in the CNSW region Meeting #2 31. 010621 – through the NSW JO Chairs brief to Steph Cooke on JOs 32. 010621 - Tourism Managers Meeting 33. 020621 - Sustainable Councils and Communities 34. 020621 - TWRRP Virtual Workshop
OPPORTUNITIES COUNCILS HAVE BEEN AFFORDED INCLUDING PR	35	95	<ol style="list-style-type: none"> 1. Advertising opportunity from Australian Traveller as Tourism Australia are co-producing <i>The Parents’ Guide to Great Aussie Cities</i> 2. Information provided on how to have region/businesses featured on <i>Getaway</i> with advice provided by Gabrielle Brewer, PR after discussions between Gabrielle & the Getaway team 3. Australian Traveller eDM’s editorial on the best star-attractions of Central NSW reaching an audience of 74,190 and an open rate of 18,321 (24.7% NB average industry open rate is 20.8.%) and total clicks: 4,256. 4. Prime 7 TV Campaign throughout February 21021 delivered \$43,402 in value with a total of 822 spots of a mix of 3 x “We Want You Back” brand ads featuring all 10 LGAs and fabulous tourism personalities being ROI from \$5k spend. The ads were aired across the whole of the Prime 7 network with boosts down in Wagga and Wollongong. 5. Australian Geographic Adventure – picture story on Forbes’ Gum Swamp is part of a feature on the ‘Bucket list of Adventures’ – link - https://www.australiangeographic.com.au/australian-geographic-adventure/2021/04/bucket-list-adventures/ 6. Australian Traveller – a Weekend Breaks feature includes Oberon including the Field to Forest Festival and Mayfield Garden. 7. Australian Traveller – a Short Stays feature includes Orange’s Byng Street Hotel 8. Urban List – ‘Escape the city to these four easy getaways’ features Orange’s Byng Street Hotel, Charred and Nashdale Lane - Escape The City To These 4 Easy Getaways Urban List (theurbanlist.com)

Reports

VALUE FOR MEMBERS 2020/2021	FY 2019/2020	FYTD	ACTIVITY THIS QUARTER
			<ol style="list-style-type: none"> 9. Out and About with Kids – the Autumn issue features a huge family 6-page travel feature on ‘Awesome family adventures in Central NSW’ https://issuu.com/oawkids/docs/oawk65-autumn21pdf 10. Explore Travel – a travel guide to Central NSW features attractions, where to stay and dine - https://www.exploretravel.com.au/destination-article/central-west-guide/ 11. An opportunity to share costs with tourism &/or accommodation partners across the region to feature on Channel 7’s Sydney Weekender show in 2021. 12. Letters of support provided for Councils applying for Destination NSW Tourism Industry Marketing Support Grants Program. 13. Two-page editorial feature in the latest issue of Australian Geographic’s May/June issue featuring a story on Central NSWs incredible Night Skies from March-October with a beautiful image of Oberon’s historic Yerranderie by astrophotographer Ryan Heldoor. 14. Australian Geographic has a huge readership of 677,000 and the brand has a huge social audience (462,000 on FB) and digital platform which will support this. This story is negotiated added-value to our media spend with them and would have cost \$24,000 in advertising to buy these 2 pages. 15. Media kit & opportunity with <i>Explore</i>, a weekly lift-out in 14 regional publications across Australian Community Media network every Saturday including local papers across Central NSW. 16. Interest from Australian Country to seek event details and images for August, September, October or November 2021 Events 17. Australian Country - ‘Vintage Vignettes’ – a lovely 5-page picture story on Finn’s Store in Canowindra and the family behind this passionate business 18. Australian Traveller - Sofala in Bathurst features as one of ‘The most unique tiny towns around Australia’ (clip attached) https://www.australiantraveller.com/australia/the-most-unique-tiny-towns-around-australia/ 19. Traveller (Sydney Morning Herald and Sun-Herald) - ‘Oberon, NSW is a feature on Oberon’s Field to Forest Festival and other foodie experiences. Link: https://www.traveller.com.au/oberon-nsw-in-autumn-this-part-of-the-central-west-is-foraging-fungi-and-foodie-heaven-h1lko (Caroline Gladstone was a guest of our media visits program and attended F2F in Oberon 2 years ago – its great to see this story get up after it was cancelled last year) 20. The Weekend Australian ‘Travel & Luxury’ – ‘Wild About the West, from high crimes to high times in the Bathurst region’ this story features Blind Freddy’s Bushranger Tours in Canowindra, Balloon Joy Flights, Cowra Japanese Garden, The Quarry Restaurant, Detour Adventures in Bathurst. John Borthwick was a guest of our media visits program. 21. Country Style Magazine April issue – Oberon’s Field to Forest Festival featured in the events section a month in the country (clip attached) 22. Australian Financial Review ‘Life & Leisure’ – ‘Backyard Banquet’ when the pandemic clipped her wings this boutique tour company owner turned her passion for food and culture into a home grown hit’ writes Catherine Marshall. www.afr.com.au - digital story - ‘A feast for the senses as Australia’s food capital reopens’ Ready to throw off the shadow of the pandemic, Orange celebrates 30 years of F.O.O.D Week and not a moment too soon. Orange FOOD Week 2021: A feast for the senses as Australia’s food capital reopens, complete with Country Food Trails (afr.com). Catherine Marshall was assisted by our media visits program 23. Australian Financial Review ‘Life & Leisure’ – ‘European Splendour, Central NSW offers a distinctly continental sensibility’ by Catherine Marshall –

Reports

VALUE FOR MEMBERS 2020/2021	FY 2019/2020	FYTD	ACTIVITY THIS QUARTER
			<p>features Mayfield Garden near Oberon, Bathurst's Bishops Court Estate, Vine and Tap, the Bathurst Regional Art Gallery etc. Clip attached.</p> <p>24. Australian Financial Review 'Life & Leisure' online – <i>"Missing the vibe of Europe? Give Central NSW a try if you want to travel during Covid-19. The gardens, architecture and culture of Bathurst and its surrounds have a distinctly European sensibility..."</i> features Mayfield Garden near Oberon, Bathurst's Bishops Court Estate, Vine and Tap, the Bathurst Regional Art Gallery. Coronavirus Australia: Missing the vibe of Europe? Give central NSW a try if you want to travel during COVID-19 (afr.com). Catherine was a guest of our media visits program.</p> <p>25. Eativitynews.com – 'Top foodie experiences in Central NSW' https://eativitynews.com/top-foodie-experiences-in-central-nsw/</p> <p>26. Australian Traveller – 'The great road trips of NSW: Greater Blue Mountains itinerary' Leigh-Ann's story features Oberon and Mayfield Garden. Greater Blue Mountain Road Trip Itinerary Australian Traveller - Australian Traveller</p> <p>27. Advertising opportunity to feature in Blue Mountains/Hawkesbury market and the lifestyle magazine <i>Blue Mountains Life</i>.</p> <p>28. Opportunity to partner with <i>Out and About with Kids</i> and feature on Central NSW family attractions, night skies, farm stays, art, culture &or history)</p> <p>29. Australian Traveller - Star attractions of Central NSW - Australian Traveller</p> <p>30. Over the weekend in 'Escape' in the Sunday Telegraph - and all the major News mastheads across Australia – Orange was included in its 52 Best Short Breaks feature mentions Country Food Trails, FOOD Week and Byng Street Hotel. See attached PDFs of this.</p> <p>31. 2 June 2021 - Western Sydney After The Flood: Protection, Mitigation and Evacuation – Invite through WSD</p> <p>32. 8 June 2021 – 'Connecting the two Wests' Roundtable</p> <p>33. Media Template on further GWH funding – Via Mayors May 2021</p> <p>34. Media template for Businesses to register interest in the Wyangala Dam project. – May 2021</p> <p>35. DPI and Syd Uni - Impacts of land ownership change on rural, social and economic change in Central West – Councils each consulted and the EO of JO.</p> <p>36. ARTD -Consultant, for NSW JO review</p> <p>37. JO Presentation to Parkes Shire Council – May</p> <p>38. JO Presentation to Cowra Shire Council – May</p> <p>39. JO Presentation to Orange City Council – May</p>

Reporting to the Strategic Business Plan

Please refer to the attachments for a full update on progress on the Strategic Business Plan adopted 22 May.

Attachment/s:

14. 5 Year Procurement Plan
15. Strategic Business Plan – Priority updates
16. JO Chair's Agenda to the meeting 27 May 2021

Reports